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**Sumitomo Corporation and The Japan Steel Works Enter into Joint-Venture with Gerdau to  
Manufacture and Sell Wind Power Products**

**New York, NY – January 28, 2016** – Sumitomo Corporation (“Sumitomo”) together with The Japan Steel Works (“JSW”) announced today their partnership with Gerdau to manufacture and sell wind power generation forged products under the joint-venture. Gerdau is the largest long steel manufacturer in Brazil. Production of these forged parts is expected to begin in 2017.

The joint-venture (tentative name “Gerdau Summit”), in addition to the existing business of Gerdau, plans to expand the business into the production and sale of wind power generation forged products. Currently, the Brazilian government’s policy is to almost double the ratio of wind power generation from a national total power supply of 6% in 2015 to 11% in 2024, in order to meet future electricity demand. To achieve this goal, the government provides support for wind power generation projects and encourages domestic manufacturing of wind power generation-related parts. This project is consistent with the country’s policy and its facility will become the center of wind-forged products within Mercosur\*, and is expected to create 100 new jobs.

“We’re working to transform Gerdau into a more efficient and profitable company, given the current and future challenges of the global steel industry,” said Gerdau CEO Andre B. Gerdau Johannpeter.

“We’re seeking to join forces with partners who have recognized experience in their industries in order to create new business opportunities. With Sumitomo Corporation and JSW, we will develop higher-value products for our clients, which will enable them to generate higher profit margins.”

JSW has long been leading the world’s forging industry with its manufacturing technologies, mainly in the energy field such as power generation. Sumitomo also has significant experience and knowledge within the renewable energy and wind-related business, which has been cultivated through many infrastructure projects and related parts sales respectively. By bringing the strengths of these two companies together with Gerdau’s strong production base, “Gerdau Summit” will focus on the production and sale of forged products for wind power generation in the Latin American market with a

focus on Brazil. JSW has plenty of experiences to transfer its forging and casting techniques to foreign countries. Based on such experiences, JSW launches its overseas joint venture project for the first time in the forging and casting field.

Forgings and castings are formed and fabricated material required for a wide range of industries, not only limited to wind power generation. It is expected that demand for these products will increase in response to Brazil's economic growth. Sumitomo Corporation and JSW will commit themselves to the growth of this joint venture and thereby contribute to the development of the region's industry and economic growth.

\* Mercosur is a sub-regional area. Its full members are Argentina, Brazil, Paraguay, Uruguay and Venezuela.

### **About Sumitomo Corporation**

Sumitomo Corporation is a leading global trading company with 110 locations in 66 countries and 23 locations in Japan. The entire Sumitomo Corporation Group consists of nearly 900 companies and more than 70,000 personnel. The SC business is continuously expanding into a diverse range of products and services. Its core business units are Metal Products, Transportation & Construction Systems, Environment & Infrastructure, Media, Network, Lifestyle Related Goods & Services, Mineral Resources, Energy, and Chemical & Electronics.

### **About Sumitomo Corporation of Americas**

Established in 1952 and headquartered in New York City, Sumitomo Corporation of Americas (SCOA) has 25 offices in major North and South American cities. SCOA is the largest subsidiary of Sumitomo Corporation, one of the world's leading traders of goods and services. As an integrated business enterprise, the firm has emerged as a major organizer of multinational projects, an expeditor of ideas, an important international investor and financier, and a powerful force for distribution of products and global communications through a network of offices worldwide.

SCOA continues to grow its renewable energy business and has extensive experience developing, operating and owning power generating facilities such as wind, geothermal, biomass and solar businesses around the world. Investments include 200MW Mesquite Creek Wind Farm in western Texas; 845MW Shepherds Flat Wind Farm in Oregon ; two Kansas wind farms, the 131MW Cimarron II and 168MW Ironwood projects; Stanton wind project, a 120-MW wind power facility in Texas; and Desert Sunlight, a 550MW solar power project in California. For more information visit [www.sumitomocorp.com](http://www.sumitomocorp.com).

### **About Gerdau**

Gerdau is the leading long steel producer in the Americas and a leading global supplier of special steels. In Brazil, Gerdau also produces flat steel and iron ore, activities that are expanding its product mix and the competitiveness of its operations. Gerdau has industrial operations in 14 countries in the Americas, Europe and Asia with combined installed production capacity of more than 25 million tonnes of steel per

year. It is also the largest recycler in Latin America and around the world it transforms each year millions of tons of scrap into steel, reinforcing its commitment to sustainable development in the regions where it operates. Gerdau's shares are listed on the São Paulo, New York and Madrid stock exchanges.