

*For Immediate Release:*

March 30, 2017  
JFE Steel Corporation  
Marubeni-Itochu Steel Inc.

### **JFE Steel Acquires 1.48% Stake in Indonesian Pipe and Steel Maker SPINDO**

Tokyo – JFE Steel Corporation and Marubeni-Itochu Steel Inc. (MISI) announced today that they have acquired a combined 2.21% of the outstanding shares in PT. Steel Pipe Industry Indonesia, Tbk (SPINDO), a major pipe manufacturer and steel processor in Indonesia. Broken down, JFE Steel holds a 1.48% share and MISI owns 0.73%.

All three companies will benefit from the equity partnerships. SPINDO expects to increase sales and market share in Indonesia, as well as to expand its access to stable supplies of steel. JFE Steel and MISI will gain a stable channel in a growing market to develop sales of JFE Steel-branded products. Indonesia, one of the most promising markets for steel in the ASEAN region, is forecast to continue expanding.

Established in 1971, SPINDO is the largest pipe and steel processing manufacturer in Indonesia. JFE Steel's commercial relations with SPINDO go back to one of its predecessor companies, Kawasaki Steel, which supplied hot-rolled steel sheets to the Indonesian company through MISI, which was part of ITOCHU Corporation at the time. SPINDO processes and sells approximately 350,000 tons of pipe and thin steel annually for uses including motorcycle parts and construction materials. The company has been expanding its plants and adding new facilities in an effort to increase sales and market share.

JFE Steel and MISI look forward to strengthening ties with SPINDO to develop their respective markets and satisfy rising steel demands in Indonesia.

#### **PT. Steel Pipe Industry Indonesia, Tbk (SPINDO)**

Head office: Surabaya, Indonesia

Establishment: 1971

President: Ibnu Susanto

Capital: 718,599 million Indonesian Rupiahs (as of Dec 31, 2015)

Sales: 3,259,041 million Indonesian Rupiahs (as of Dec 31, 2016)

Employees: Approximately 1,250

- Business:** Production and sales of pipes and thin processed steel for motorcycles, construction materials, steel furniture and oil & gas transportation facilities
- Production:** 5 plants in East Java (Surabaya and outskirts) and 1 plants in West Java (Jakarta)
- Main facilities:** 28 electric-resistant-welded pipe facilities, 4 spiral pipe facilities, 5 TIG welding lines, 4 Hot Dip galvanizing lines, 1 high-frequency heating facility, 10 slitting lines, and 4 leveling facilities
- Sales offices:** Commercial warehouses in Surabaya, Jakarta, Bandung, Sidoarjo, Samarinda and (planned) Makassar

### **SPINDO's plant in Sidoarjo**



For further information, please contact:

JFE Steel Corporation

<http://www.jfe-steel.co.jp/cgi-bin/contact.cgi>

Marubeni-Itochu Steel Inc.

[https://www.benichu.com/inquiry/index\\_e.html](https://www.benichu.com/inquiry/index_e.html)