

<Manufacturing Company to Produce Metal Sheets for Negative Electrodes Established at Wuxi, Jiangsu Province, China>

Marubeni-Itochu Steel Inc.
Nihonbashi 1-chome Bldg.
4-1 Nihonbashi 1-chome, Chuo-ku
Tokyo 103-8247

Marubeni-Itochu Steel Inc. (headquartered in Tokyo; President: Tsunekatsu Yonezawa) has recently established a company at Wuxi City, Jiangsu Province, China, to produce metal sheets used in the manufacture of negative electrodes for rechargeable batteries. Marubeni-Itochu Steel Inc. has established the new company, named Wuxi Jinyang Wanyi Electronics Co., Ltd., in conjunction with one Chinese and two Japanese companies.

China is the world's largest producer of rechargeable batteries and production of these batteries has increased in recent years. As such, the demand for high-quality metal sheets for negative electrodes has risen substantially. Consequently, Marubeni-Itochu Steel Inc. has established a new production base with Wuxi City Jinyang New Type Power Supply Co., Ltd. – a leading battery casing manufacturer in China – and two Japanese companies (which supply technology).

The new company's outline is as follows:

<New Company Profile>

- (1) Company Name : Wuxi Jinyang Wanyi Electronics Co., Ltd.
- (2) Address : 2nd Furong road, industrial park, Xishan Economic & Development zone,
Wuxi City, Jiangsu Province, P.R.China
- (3) Capitalization : US\$3 million
- (4) Shareholders : Wuxi City Jinyang New Type Power Supply Co., Ltd. 45%
Teikoku Electric Co., Ltd. 9%
Marusan Seimitsu Co., Ltd 4%
Marubeni-Itochu Steel Inc. 42%
- (5) Investment : US\$ 6 million
- (6) Major Equipments: Precision slitter (thin steel sheet): 1 unit
Press machine : 40units
Nickel Plating line : 4 units
- (7) Processing Capacity: Approx. 600 tonnes/month
- (8) Employees : Approx. 100 persons
- (9) Operations Startup : Early 2006

Please direct inquiries about this news release to Mr. Yaegashi or Ms. Masada,
Corporate Planning & Coordination Department, Marubeni-Itochu Steel Inc.
Tel: 03-5204-3345