



# **MITSUI KINZOKU**

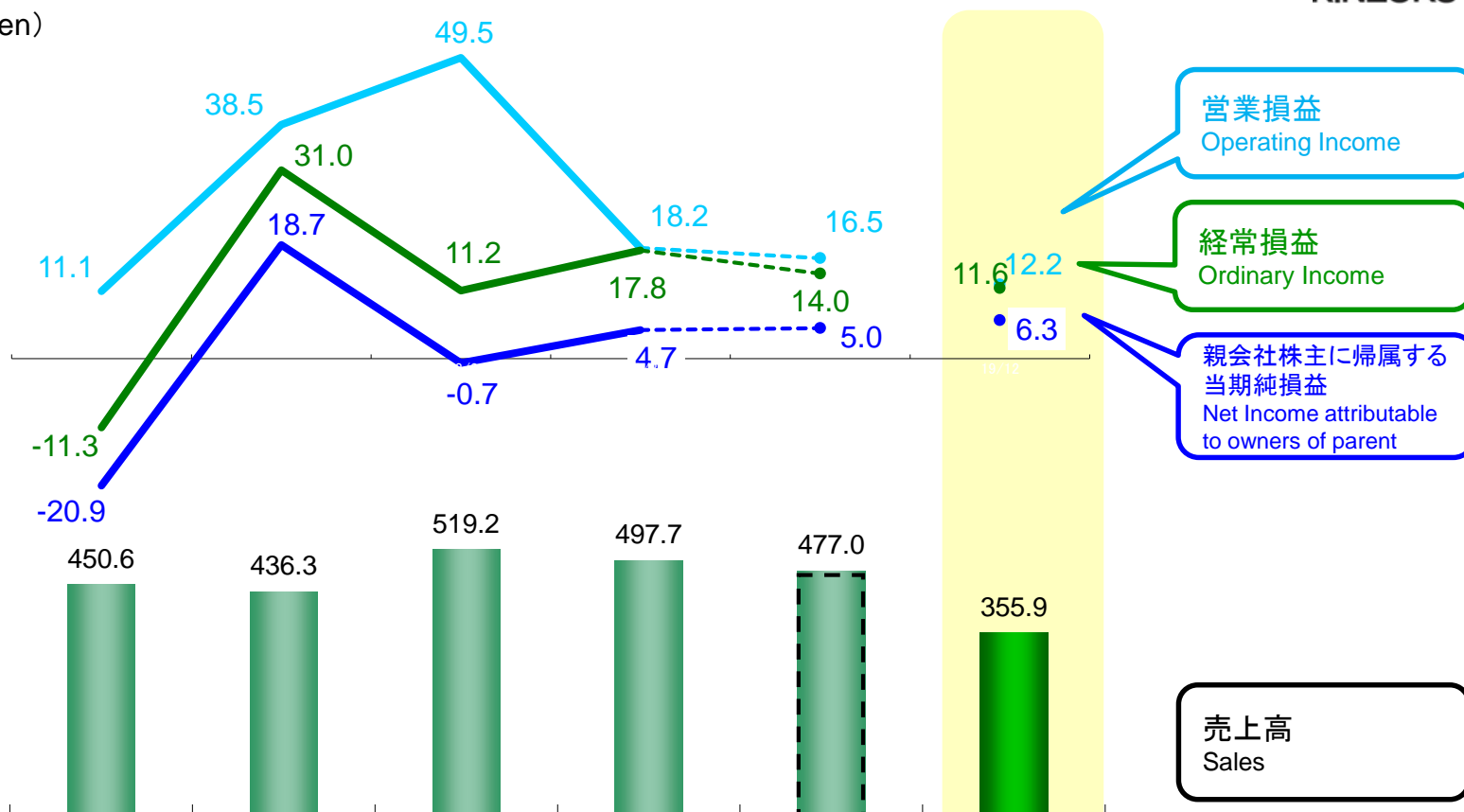
(Mitsui Mining & Smelting Co., Ltd. TSE5706)

*FY2019 Q3 Results & Forecast*

February 12, 2020

# Sales and Earnings

(Unit: Billion yen)



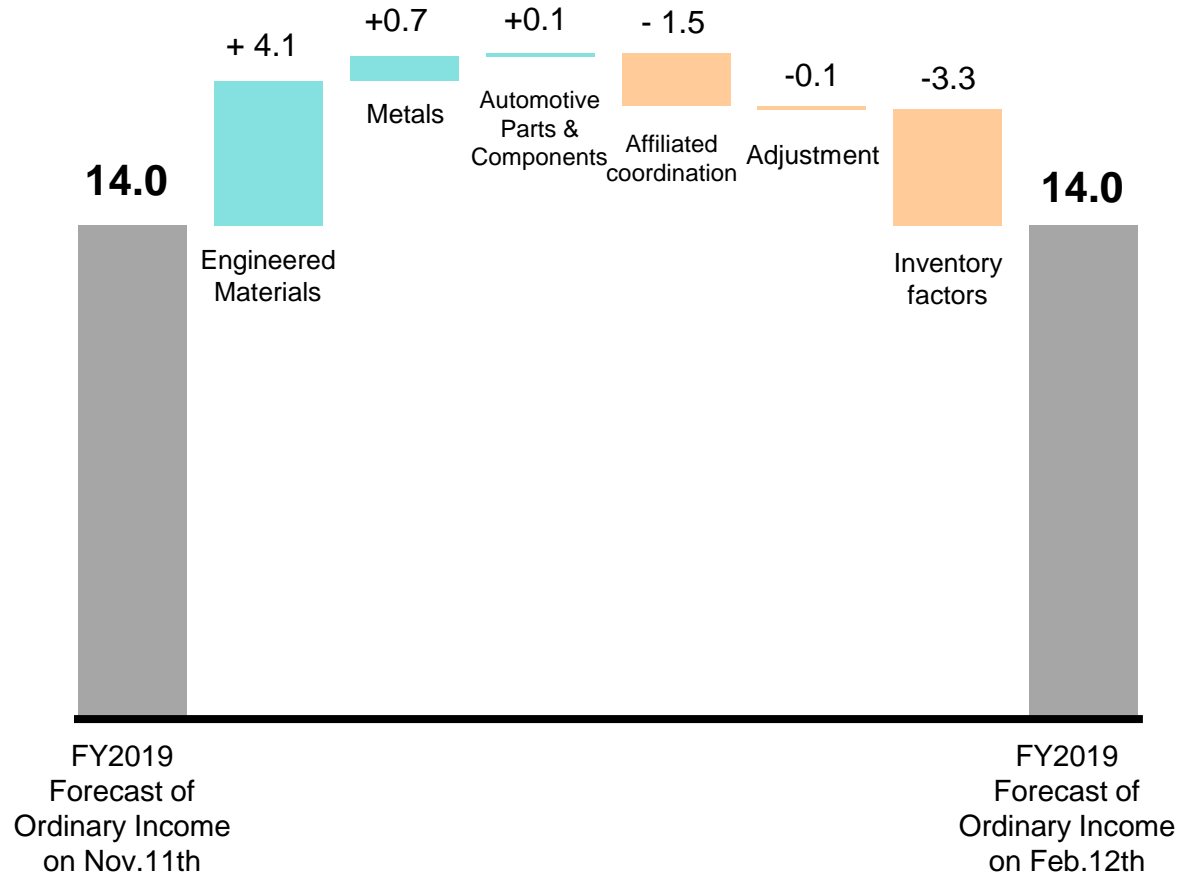
	'16/3	'17/3	'18/3	'19/3	'20/3	19/12 Forecast as of Feb 12
Dividend per share	¥6	¥7	¥70 ※	¥70	¥70	
Dividend payout ratio		21.4%	—	85.2%	79.9%	
DOE	2.3%	2.5%	2.5%	2.5%	2.5%	

※ On October 1<sup>st</sup> 2017, we implemented the consolidation of shares.(10 shares into one).

# FY 2019 Ordinary Income Forecast

Ordinary income of FY2019 is expected to remain unchanged from that of FY2019 announced on Nov.11<sup>th</sup>.

(Unit: Billion yen)

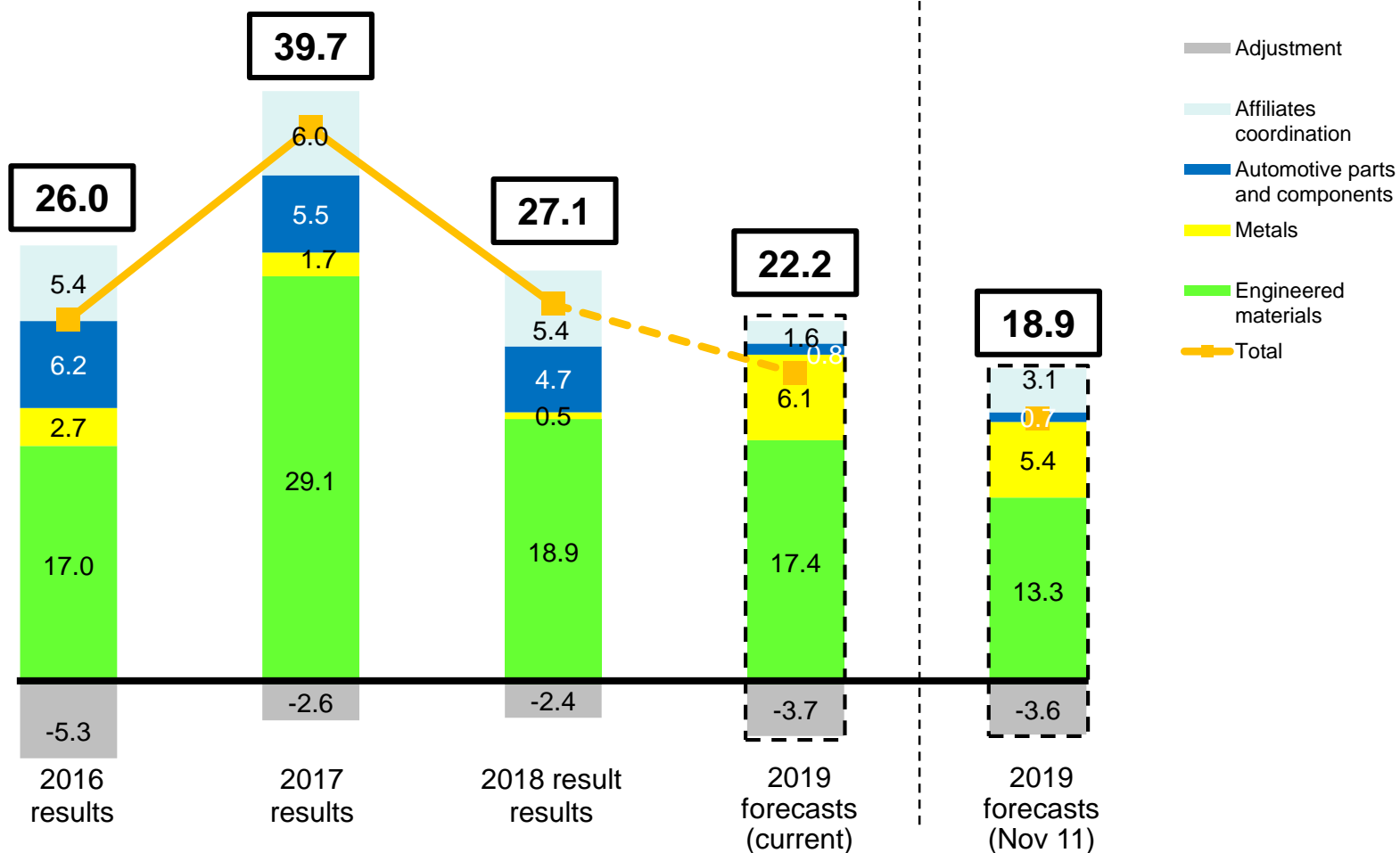


# Financial Performance

## Trends in Financial Performance (excludes inventory factor, Caserones impairment)

□ : Financial Performance

(Unit: Billion yen)



# Statements of income



(Unit : Billion yen)

	第3四半期 Q3 Results			通期見通し Forecast				
	'19/Q1-3	'18/Q1-3	増減 Difference	2019 今回予想 Forecast	2018	増減 Difference	2019 前回予想 Forecast as of Nov.11	増減 Difference
<b>売上高</b> Net Sales	355.9	372.8	-16.9 -4.5%	477.0	497.7	-20.7 -4.2%	477.0	0.0 0.0%
<b>売上原価</b> Cost of sales	302.6	319.3	-16.7 -5.2%	-	-	-	-	-
<b>売上総利益</b> Gross Profit	53.3	53.5	-0.2 -0.3%	-	-	-	-	-
<b>販売費・管理費</b> SG&A expenses	41.1	41.0	0.1 0.3%	-	-	-	-	-
<b>営業利益</b> Operating Income	12.2	12.5	-0.3 -2.3%	16.5	18.2	-1.7 -9.4%	16.5	0.0 0.0%
<b>営業外収支</b> Non-operating income/expenses-net	-0.6	0.1	-0.7	-2.5	-0.5	-2.1	-2.5	-0.0
<b>経常利益</b> Ordinary Income	11.6	12.6	-1.0 -7.9%	14.0	17.8	-3.8 -21.3%	14.0	-0.0 -0.2%
<b>特別損益</b> Extraordinary profit/losses-net	-0.9	-2.0	1.2	-2.9	-2.6	-0.3	-2.7	-0.2
<b>税引前利益</b> Net Income before income taxes	10.8	10.6	0.2 1.6%	11.1	15.2	-4.1 -26.9%	11.3	-0.2 -2.0%
<b>税金費用・非支配株主帰属損益</b> Income taxes & minority interests	4.5	6.2	-1.7	6.1	10.5	-4.4	6.3	-0.2
<b>親会社株主に帰属する 当期純利益</b> Net income attributable to owners of parent	6.3	4.4	1.8 41.6%	5.0	4.7	0.3 6.6%	5.0	0.0 0.0%

# Segment Information by Business

(Unit: Billion yen)

	第3四半期 Q3 Results			通期見通し Forecast				
	19/Q1-3	18/Q1-3	増減 Difference	2019 今回予想 Forecast	2018	増減 Difference	2019 前回予想 Forecast as of Nov.11	増減 Difference
<b>■売上高 Sales</b>								
機能材料 Engineered Materials	125.1	128.0	-2.9 -2.3%	176.0	165.5	10.5 6.4%	164.0	12.0 7.3%
金属 Metals	121.6	122.3	-0.7 -0.6%	159.0	166.6	-7.6 -4.6%	164.0	-5.0 -3.0%
自動車部品 Automotive Parts and Components	70.3	77.2	-6.8 -8.8%	94.0	104.0	-10.0 -9.6%	93.0	1.0 1.1%
関連 Affiliates Coordination	79.7	95.2	-15.5 -16.3%	110.0	126.9	-16.9 -13.3%	118.0	-8.0 -6.8%
調整額 Adjustment	-40.9	-49.9	9.0	-62.0	-65.3	3.3	-62.0	0.0
<b>連結 Consolidated</b>	<b>355.9</b>	<b>372.8</b>	<b>-16.9</b> -4.5%	<b>477.0</b>	<b>497.7</b>	<b>-20.7</b> -4.2%	<b>477.0</b>	<b>0.0</b> 0.0%
<b>■経常利益 Ordinary Income</b>								
機能材料 Engineered Materials	10.9	14.4	-3.4 -23.9%	14.8	16.6	-1.8 -11.0%	11.1	3.7 33.1%
金属 Metals	1.6	-6.1	7.7 -74.2%	0.8	-6.0	6.8	3.1	-2.3
自動車部品 Automotive Parts and Components	0.9	3.2	-2.3 -72.1%	0.8	4.7	-3.9 -82.9%	0.7	0.1 14.3%
関連 Affiliates Coordination	0.9	3.7	-2.8 -76.5%	1.3	4.9	-3.6 -73.4%	2.7	-1.4 -51.8%
調整額 Adjustment	-2.6	-2.5	-0.1	-3.7	-2.4	-1.3	-3.6	-0.1
<b>連結 Consolidated</b>	<b>11.6</b>	<b>12.6</b>	<b>-1.0</b> -7.9%	<b>14.0</b>	<b>17.8</b>	<b>-3.8</b> -21.3%	<b>14.0</b>	<b>-0.0</b> -0.2%

# Variance analysis of ordinary income

(Unit Billion yen)

	Ordinary Income			Details					
	19Q1-Q3	18Q1-Q3	Diff.	Volume	LME/Forex	Inventory Factor	Margin/Cost	Equity gain or loss	Total
Engineered Materials	10.9	14.4	-3.4	-1.1	-1.4	-1.0	-0.0	0.0	-3.4
Metals	1.6	-6.1	7.7	0.1	-1.3	0.4	7.1	1.4	7.7
Automotive parts & components	0.9	3.2	-2.3	-3.0	-0.4	-	1.1	-	-2.3
Affiliate coordination	0.9	3.7	-2.8	-2.3	-0.1	-	0.1	-0.6	-2.8
Adjustment	-2.6	-2.5	-0.1	-	-	-	-0.1	-	-0.1
<b>Total</b>	<b>11.6</b>	<b>12.6</b>	<b>-1.0</b>	<b>-6.2</b>	<b>-3.2</b>	<b>-0.6</b>	<b>8.2</b>	<b>0.8</b>	<b>-1.0</b>

# Non-operating income/expenses and Extraordinary gains/losses

(Unit : Billion yen)

	第3四半期 Q3 Results			通期見通し Forecast				
	19/Q1-3	18/Q1-3	増減 Difference	2019 今回予想 Forecast	2018	増減 Difference	2019 前回予想 Forecast as of Nov.11	増減 Difference
金利収支 Interest income - net	-1.0	-1.0	0.0	-1.3	-1.3	0.0	-1.3	0.0
受取配当金 Dividend income - net	1.2	1.6	-0.4	1.2	1.7	-0.5	1.8	-0.6
持分法投資損益 Equity in gains/losses	-0.7	-1.5	0.8	-1.8	-2.2	0.4	-2.5	0.7
為替差損益 Forex Exchange gain or loss	-0.4	0.9	-1.3	-0.4	0.9	-1.3	-0.7	0.3
その他 Others	0.4	0.2	0.2	-0.2	0.4	-0.6	0.2	-0.4
<b>営業外損益 計</b> Non-operating income/expenses	<b>-0.6</b>	<b>0.1</b>	<b>-0.7</b>	<b>-2.5</b>	<b>-0.5</b>	<b>-2.0</b>	<b>-2.5</b>	<b>0.0</b>
固定資産除売却 Loss on sale & disposal of Fixed	-0.9	-1.3	0.4	-1.5	-1.7	0.2	-1.3	-0.2
受取保険金 Insurance Proceeds	0.5	0.0	0.5	0.5	0.0	0.5	0.5	0.0
その他 Others	-0.5	-0.8	0.3	-1.9	-0.9	-1.0	-1.9	0.0
<b>特別損益 計</b> Extraordinary profit/losses - net	<b>-0.9</b>	<b>-2.0</b>	<b>1.2</b>	<b>-2.9</b>	<b>-2.6</b>	<b>-0.3</b>	<b>-2.7</b>	<b>-0.2</b>



# Quarterly sales and incomes

(Unit : Billion yen)

	'18/Q1	'18/Q2	'18/Q3	'18/Q4	'19/Q1	'19/Q2	'19/Q3	'19/Q4 予想 Forecast	Q3増減 (前年比) YoY	Q3増減 (前Q比) QoQ	Q4増減 (前年比) YoY	Q4増減 (前Q比) QoQ
<b>■売上高 Sales</b>												
機能材料 Engineered Materials	42.4	44.4	41.3	37.4	39.8	42.6	42.8	50.9	1.5	0.2	13.4	8.1
金属 Metals	43.8	40.6	37.9	44.3	39.6	44.1	38.0	37.4	0.0	-6.1	-6.9	-0.6
自動車部品 Automotive Parts & Components	25.3	25.2	26.7	26.9	23.3	22.8	24.3	23.7	-2.4	1.5	-3.2	-0.6
関連 Affiliates Coordination	29.5	31.9	33.7	31.8	25.9	27.4	26.4	30.3	-7.4	-1.0	-1.4	3.9
調整額 Adjustment	-15.1	-17.3	-17.5	-15.4	-12.6	-14.6	-13.6	-21.1	3.9	1.0	-5.7	-7.5
連結 Consolidated	125.9	124.7	122.2	124.9	115.9	122.2	117.8	121.1	-4.3	-4.4	-3.8	3.3
<b>■営業利益 Operating income</b>												
機能材料 Engineered Materials	5.6	5.1	2.8	2.2	2.1	3.3	5.6	4.2	2.8	2.4	2.0	-1.4
金属 Metals	1.3	-4.2	-1.7	1.0	1.8	-0.7	1.0	0.6	2.7	1.7	-0.4	-0.3
自動車部品 Automotive Parts & Components	1.0	0.5	1.3	1.2	-0.1	-0.0	0.8	0.0	-0.6	0.8	-1.2	-0.7
関連 Affiliates Coordination	0.6	1.0	1.4	1.0	0.0	0.3	0.3	0.3	-1.1	-0.0	-0.7	0.0
調整額 Adjustment	-0.6	-1.0	-0.6	0.3	-1.0	-0.3	-0.8	-0.9	-0.2	-0.5	-1.2	-0.1
連結 Consolidated	7.8	1.4	3.3	5.7	2.8	2.5	6.9	4.3	3.6	4.3	-1.4	-2.6
<b>■経常利益 Ordinary income</b>												
機能材料 Engineered Materials	6.2	5.5	2.7	2.2	2.1	3.2	5.7	3.8	3.0	2.5	1.6	-1.8
金属 Metals	0.9	-4.0	-3.0	0.1	2.5	-1.6	0.7	-0.8	3.7	2.4	-0.9	-1.5
自動車部品 Automotive Parts & Components	0.9	1.0	1.3	1.5	0.1	0.0	0.8	-0.1	-0.5	0.7	-1.6	-0.8
関連 Affiliates Coordination	0.9	1.2	1.6	1.2	0.3	0.2	0.4	0.4	-1.2	0.3	-0.7	0.0
調整額 Adjustment	-0.7	-0.8	-0.9	0.1	-1.4	-0.3	-0.9	-1.1	0.0	-0.6	-1.2	-0.2
連結 Consolidated	8.2	2.9	1.6	5.1	3.6	1.4	6.7	2.3	5.1	5.3	-2.8	-4.4
<b>■親会社株主に帰属する 当期純利益</b>	4.5	0.0	-0.1	0.3	2.6	-0.8	4.4	-1.3	4.6	5.2	-1.5	-5.7
Net income attributable to owners of parent												

# Quarterly operating incomes and ordinary incomes excluding inventory factors



(Unit : Billion yen)

	'18/Q1	'18/Q2	'18/Q3	'18/Q4	'19/Q1	'19/Q2	'19/Q3	'19/Q4 予想 Forecast	Q3増減 (前年比) YonY	Q3増減 (前Q比) QonQ	Q4増減 (前年比) YonY	Q4増減 (前Q比) QonQ
<b>■営業利益 Operating income</b>												
機能材料 Engineered Materials	4.8	5.4	4.7	3.1	3.4	4.2	5.8	4.4	1.1	1.7	1.3	-1.4
金属 Metals	1.6	0.3	-1.8	2.8	2.2	2.9	1.3	1.6	3.1	-1.6	-1.2	0.4
自動車部品 Automotive Parts & Components	1.0	0.5	1.3	1.2	-0.1	-0.0	0.8	0.0	-0.6	0.8	-1.2	-0.7
関連 Affiliates Coordination	0.6	1.0	1.4	1.0	0.0	0.3	0.3	0.3	-1.1	-0.0	-0.7	0.0
調整額 Adjustment	-0.6	-1.0	-0.6	0.3	-1.0	-0.3	-0.8	-0.9	-0.2	-0.5	-1.2	-0.1
<b>連結 Consolidated</b>	<b>7.3</b>	<b>6.2</b>	<b>5.1</b>	<b>8.4</b>	<b>4.5</b>	<b>7.0</b>	<b>7.4</b>	<b>5.5</b>	<b>2.3</b>	<b>0.3</b>	<b>-2.9</b>	<b>-1.9</b>
<b>■経常利益 Ordinary income</b>												
機能材料 Engineered Materials	5.4	5.8	4.6	3.1	3.4	4.1	5.9	4.0	1.3	1.8	0.9	-1.8
金属 Metals	1.2	0.5	-3.1	1.9	2.9	2.0	1.0	0.2	4.1	-0.9	-1.7	-0.8
自動車部品 Automotive Parts & Components	0.9	1.0	1.3	1.5	0.1	0.0	0.8	-0.1	-0.5	0.7	-1.6	-0.8
関連 Affiliates Coordination	0.9	1.5	1.7	1.3	0.3	0.4	0.5	0.4	-1.2	0.2	-0.8	-0.1
調整額 Adjustment	-0.7	-0.8	-0.9	0.1	-1.4	-0.3	-0.9	-1.1	0.0	-0.6	-1.2	-0.2
<b>連結 Consolidated</b>	<b>7.7</b>	<b>8.0</b>	<b>3.5</b>	<b>7.9</b>	<b>5.3</b>	<b>6.1</b>	<b>7.3</b>	<b>3.5</b>	<b>3.8</b>	<b>1.2</b>	<b>-4.4</b>	<b>-3.8</b>

# Equity gains or losses

(Unit : Billion yen)

	2018							2019 Forecast								
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2018	Q1	Q2	1st H	Q3	Q4 Fore cast	2nd H Fore cast	FY 2019 Fore cast	FY 2019 Fore cast (Nov11)	Diff.
Engineered Materials	0.1	0.1	0.2	0.1	0.1	0.2	0.4	0.1	0.1	0.2	0.1	0.1	0.2	0.4	0.4	-
Metals	-1.1	-0.0	-1.1	-1.3	-0.9	-2.3	-3.4	0.2	-0.8	-0.6	-0.4	-1.3	-1.7	-2.3	-3.0	0.7
Automotive Parts & Components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate Coordination	0.2	0.2	0.4	0.2	0.2	0.4	0.8	0.0	-0.1	-0.1	0.1	0.1	0.1	0.1	0.1	-0.0
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-0.8	0.3	-0.5	-1.0	-0.7	-1.7	-2.2	0.3	-0.8	-0.5	-0.2	-1.1	-1.3	-1.8	-2.5	0.7

Copper ( ¢ / lb )	316	312	314	277	280	278	296	282	277	280	263	267	265	272	270
Forex (Yen/\$)	109	111	110	113	110	112	111	110	107	109	109	108	108	109	108

※ Copper price is on calendar year basis. Q1: Jan - Mar

# Trends of products

			2017					2018					2019					
			Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4 Forecast	Year Forecast (Feb 12th)	Year Forecast (Nov 11th)
MH alloy	Volume of Sales	Index	100	106	111	109	106	114	111	124	117	117	116	120	123	129	122	123
Catalysts for motorcycle	Volume of Sales	Index	100	106	97	99	100	105	106	95	90	99	97	100	101	118	104	99
Catalysts for automobile	Volume of Sales	Index	100	114	116	120	113	137	151	179	165	158	175	183	171	207	184	186
Copper foil	Volume of Sales	t	2,710	2,680	2,470	2,410	2,570	2,400	2,460	2,020	1,930	2,200	2,320	2,520	2,530	2,520	2,470	2,460
MicroThin™ Total (a+b)	Volume of Sales	Index	100	147	155	124	131	113	131	105	65	103	95	132	115	99	110	107
MicroThin™ for HDI (a)	Volume of Sales	Index	29	75	77	32	53	26	47	32	6	28	23	32	17	12	21	20
MicroThin™ for PKG (b)	Volume of Sales	Index	71	72	78	92	78	87	84	73	59	75	72	100	98	87	89	87
ITO Target	Volume of Sales	Index	100	105	114	98	105	102	94	102	92	97	89	99	100	98	97	94
Zinc	Volume of Production	k-t	47	59	54	56	216	54	49	50	58	211	56	56	56	53	221	220
Side door Latches	Volume of Sales	Index	100	99	98	109	101	100	100	105	104	102	98	96	95	—	—	—

※ Index : The sales volume in 2017 Q1 scaled at 100

# Inventory Factors

(Unit : Billion yen)

	2018							2019								
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2018	Q1	Q2	1st Half	Q3	Q4 Fore cast	2nd Half Fore cast	FY 2019 Fore cast	FY 2019 (Nov 11th)	Diff.
Engineered Materials	0.8	-0.3	0.5	-1.9	-0.9	-2.8	-2.3	-1.3	-0.9	-2.2	-0.2	-0.2	-0.4	-2.6	-2.2	-0.4
Metals	-0.3	-4.5	-4.8	0.1	-1.8	-1.7	-6.5	-0.4	-3.6	-4.0	-0.3	-1.0	-1.3	-5.3	-2.3	-3.0
Automotive Parts & Components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate Coordination	-	-0.3	-0.3	-0.1	-0.1	-0.2	-0.5	-	-0.2	-0.2	-0.1	-	-0.1	-0.3	-0.4	0.1
Total	0.5	-5.1	-4.6	-1.9	-2.8	-4.7	-9.3	-1.7	-4.7	-6.4	-0.6	-1.2	-1.8	-8.2	-4.9	-3.3

Indium(High) (\$/Kg)	335	292	313	262	230	246	280	196	174	185	168	165	167	176	177
Zinc (\$ / t)	3,114	2,534	2,824	2,630	2,705	2,667	2,746	2,763	2,345	2,554	2,384	2,300	2,342	2,448	2,502
Lead (\$ / t)	2,387	2,102	2,245	1,964	2,037	2,000	2,123	1,886	2,029	1,958	2,039	2,000	2,019	1,988	2,030
Copper (¢ / lb)	312	277	294	280	282	281	288	277	263	270	267	260	264	267	265

# Performance by Segment – Engineered Materials

(Unit : Billion yen)

	2019 Q1-3	2018 Q1-3	増減 YonY	FY2019 (今回予想) Forecast	FY2018	増減 YonY	FY2019 (前回予想) Forecast as of Nov.11	増減 Difference (Forecast)
■売上高 Sales	125.1	128.0	-2.9	176.0	165.5	10.5	164.0	12.0
■営業利益 Operating income	11.0	13.4	-2.5	15.2	15.6	-0.4	11.5	3.7
■経常利益 Ordinary income	10.9	14.4	-3.4	14.8	16.6	-1.8	11.1	3.7
※実力損益 Real Income	13.3	15.8	-2.4	17.4	18.9	-1.5	13.3	4.1

※Real income : Ordinary income excluding inventory factors.

## (Engineered Material Products)

## (Main Applications)

### Battery Materials



- Nickel-hydrogen batteries for hybrid cars
- Lithium-ion batteries

### Engineered Powers



- Wide range of electronic components
- Tonner for copier

### Catalysts



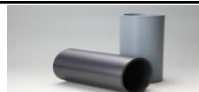
- Motorcycles
- Automobiles

### Copper Foil



- High-Density Packaging
- Printed circuit board

### PVD Materials (Sputtering target)



- Flat panel displays

## Difference Analysis of Ordinary income ['18/Q1-3→'19/Q1-3 - 3.4]

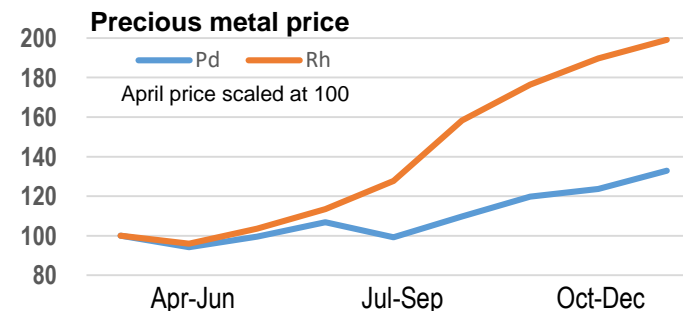
Profitability of ITO sputtering target deteriorated due to price reduction.

Sales volume of products for smartphone decreased.

## ['FY2019 as of Nov11→'FY2019 Forecast+3.7]

Precious metal price for Catalyst increases.

MicroThin™ sales volume increases.



# Performance by Segment – Metals

(Unit: Billion yen)

	2019 Q1-3	2018 Q1-3	増減 YonY	FY2019 (今回予想) Forecast	FY2018	増減 YonY	FY2019 (前回予想) Forecast as of Nov.11	増減 Difference (Forecast)
■売上高 Sales	121.6	122.3	-0.7	159.0	166.6	-7.6	164.0	-5.0
■営業利益 Operating income	2.1	-4.5	6.6	2.7	-3.5	6.2	5.3	-2.6
■経常利益 Ordinary income	1.6	-6.1	7.7	0.8	-6.0	6.8	3.1	-2.3
※実力損益 Real Income	5.9	-1.4	7.3	6.1	0.5	5.6	5.4	0.7

※Real income : Ordinary income excluding inventory factors.

## 金属価格・為替の推移 Metal Prices and FOREX

		予想 Forecast							
		'18/Q1	Q2	Q3	Q4	'19/Q1	Q2	Q3	Q4
亜鉛 Zn	\$/t	3,114	2,534	2,630	2,704	2,763	2,345	2,384	2,300
亜鉛 (実効) Zn (Actual)	\$/t	2,832	2,540	2,595	2,636	2,676	2,427	2,442	2,384
鉛 Pb	\$/t	2,387	2,102	1,964	2,037	1,886	2,029	2,038	2,000
銅 Cu (暦年表示)	¢ /lb	316	312	277	280	282	277	263	267
為替 US\$	yen/\$	109.1	111.5	112.9	110.2	109.9	107.4	108.8	108.0
為替 (実効) US\$ (Actual)	yen/\$	108.6	109.9	111.1	109.1	110.0	107.8	108.1	107.5

Above Cu price is on calendar basis.

Sensitivity to ordinary income (for FY2019 2<sup>nd</sup> half)

※Full open basis (excluding forward contract)

(Unit : Billion yen)

Zn	±100\$/t	0.6
Pb	±100\$/t	0.1
US\$(yen/\$)	±1yen/\$	0.2

Ordinary Income Difference Analysis	'18/Q1-3 →'19/Q1-3	as of Nov 11 →Latest Forecast
LME/Forex	-1.3	-0.2
T/C	1.6	0.0
Inventory Factors	0.4	-3.0
Equity profit/loss	1.5	0.7
Cokes	0.2	0.2
Dividends	-0.5	-0.6
Others	5.8	0.6
<b>Total</b>	<b>7.7</b>	<b>-2.3</b>

### Details of Others


[ '18/Q1-3 → '19/Q1-3 +5.8 ]

- Kamioka hydroelectricity operation started in 2019
- Lead Battery scrap price down

# Performance by Segment – Automotive Parts & Components

(Unit : Billion yen)

	2019 Q1-3	2018 Q1-3	増減 YonY	FY2019 (今回予想) Forecast	FY2018 0	増減 YonY	FY2019 (前回予想) Forecast as of Nov.11	増減 Difference (Forecast)
■売上高 Sales	70.3	77.2	-6.8	94.0	104.0	-10.0	93.0	1.0
■営業利益 Operating income	0.6	2.8	-2.2	0.6	4.0	-3.4	0.3	0.3
■経常利益 Ordinary income	0.9	3.2	-2.3	0.8	4.7	-3.9	0.7	0.1

[Mitsui Kinzoku ACT]	(Main Applications)
Automotive Parts & Components	 <ul style="list-style-type: none"> <li>• Door locks for automobiles</li> </ul>

## Difference Analysis of Ordinary income

['18/Q1-3→'19/Q1-3 - 2.3]

Sales volume decreased especially in China.

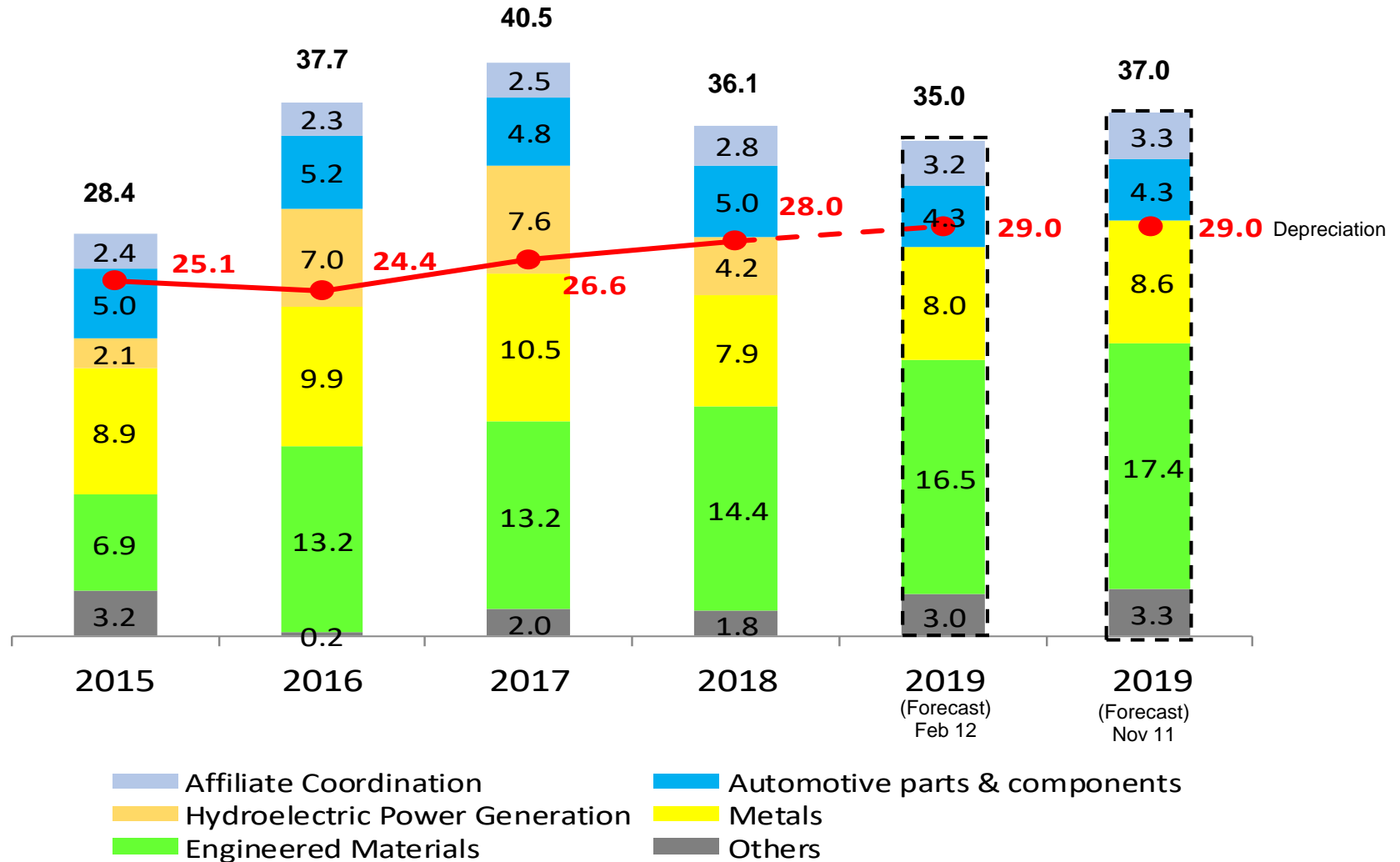
['FY2019 as of Nov11→'FY2019 Forecast +0.1]

Cost reduction.



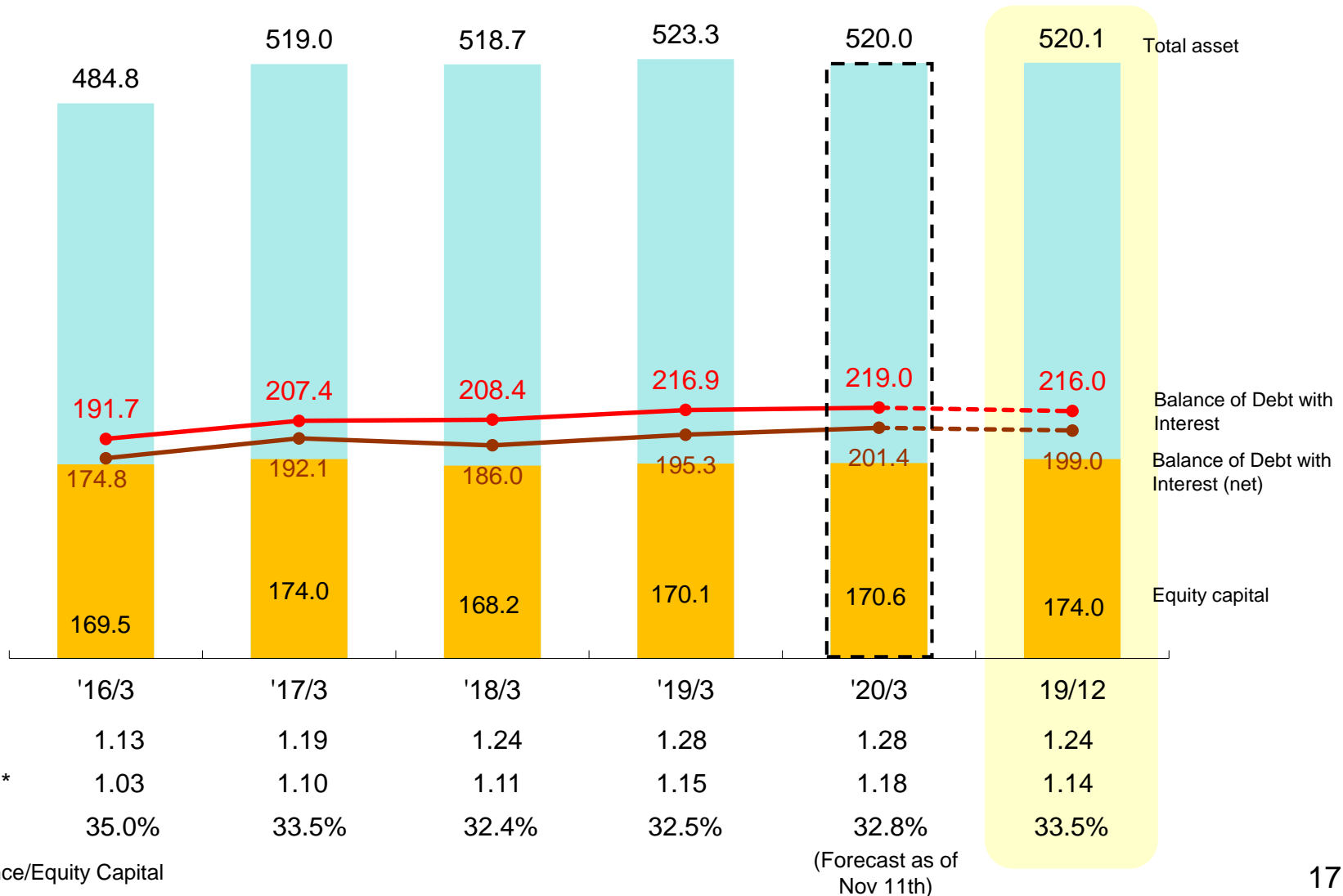
# CAPEX and Depreciation

(Unit : Billion yen)



# Financial Position at the end of Fiscal Year

(Unit : Billion yen)



\* Net debt balance/Equity Capital

# Caution Concerning Forward-looking Statements

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Statements contained in these materials regarding forecasts of future events are qualified by various risks, both existing and unknown, and uncertainties, which may have a material impact on the actual business conditions and operational activities. Consequently, please be aware that actual performance may differ substantially from forecasts and business plans indicated herein because of various unforeseeable factors.

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Regarding latent risks which might impact forecast results and other uncertainties, some items are included in the “Business and Other Risks” section of our financial statements or our website. However, please recognize that these are just a summary rather than a comprehensive list of all possible items relating to latent risks and uncertainties.

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