



MITSUI KINZOKU

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

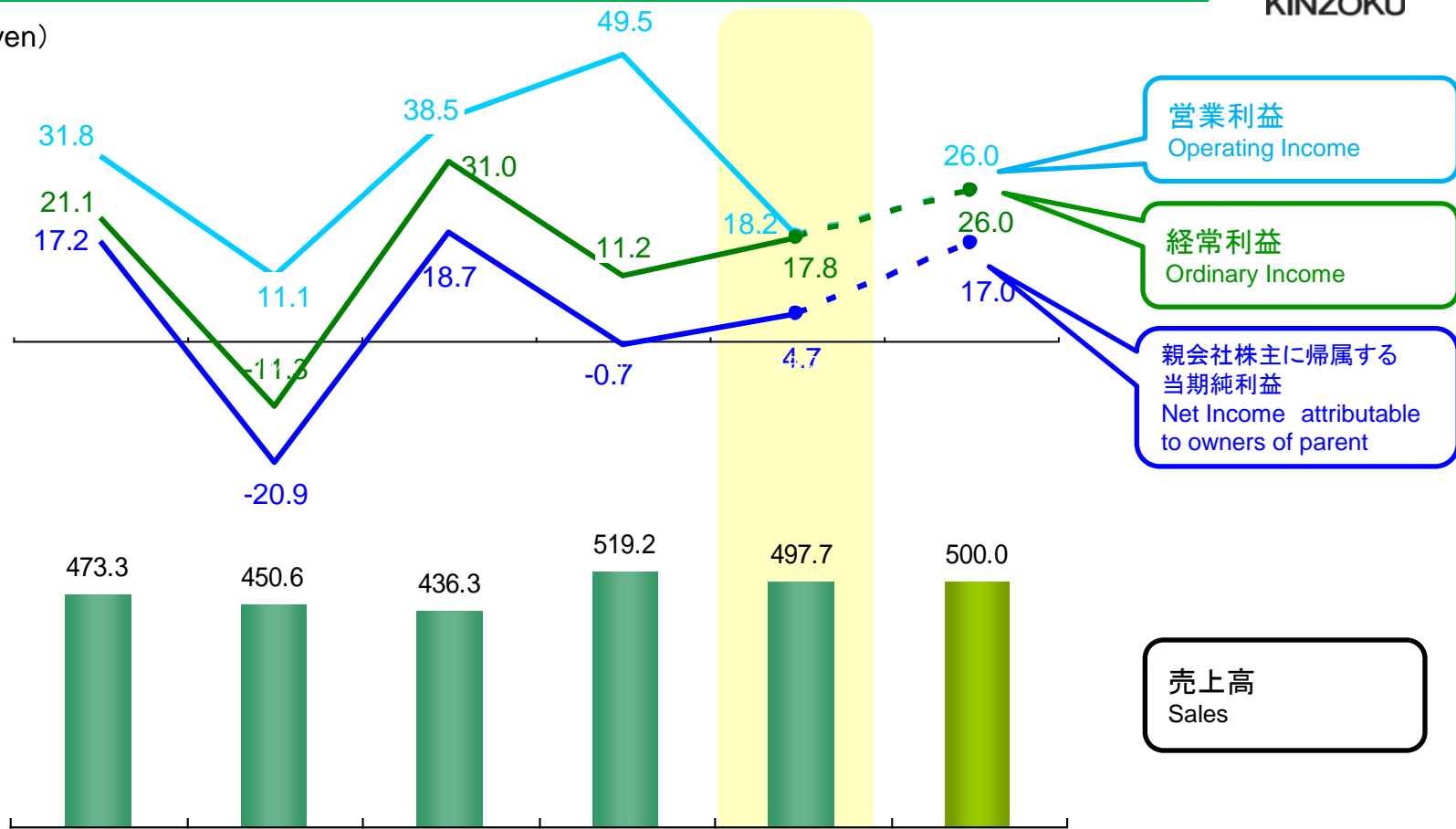
FY2018 Results & FY2019 Forecast

May 9, 2019

Sales and Earnings



(Unit : Billion yen)



1株当り配当
Dividend per share

連結配当性向
Dividend payout ratio

Year	'15/3	'16/3	'17/3	'18/3	'19/3	'20/3
Dividend per share	¥6	¥6	¥7	(※) ¥70	¥70	¥70
Dividend payout ratio	19.9%	—	21.4%	—	85.2%	23.5%

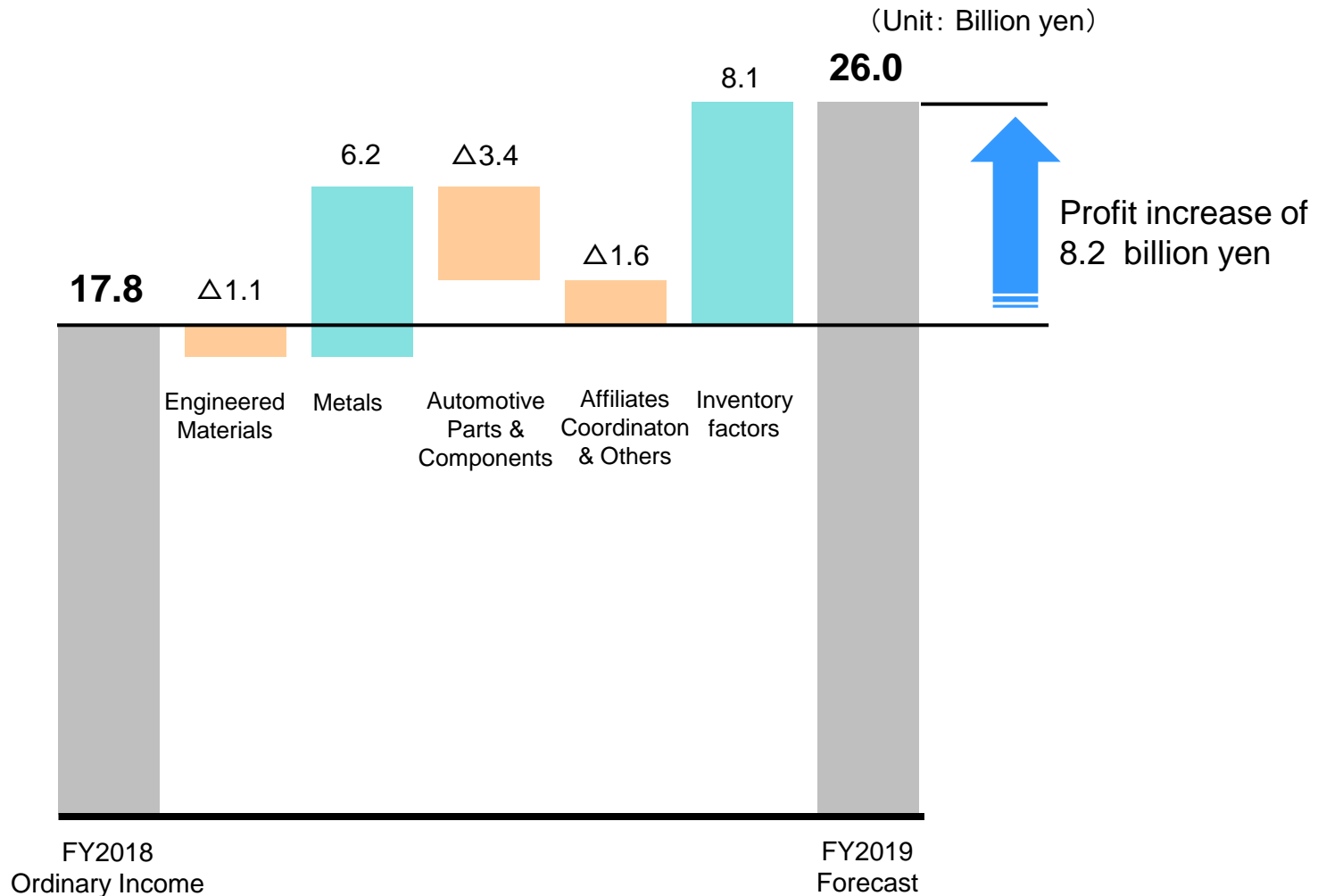
※ On October 1st 2017, we implemented the consolidation of shares. (10 shares into one).

Forecast as of
May.9

FY 2019 Ordinary Income Forecast



Ordinary income of FY2019 is expected to be increased by 8.2 billion higher than that of FY2018 actual.

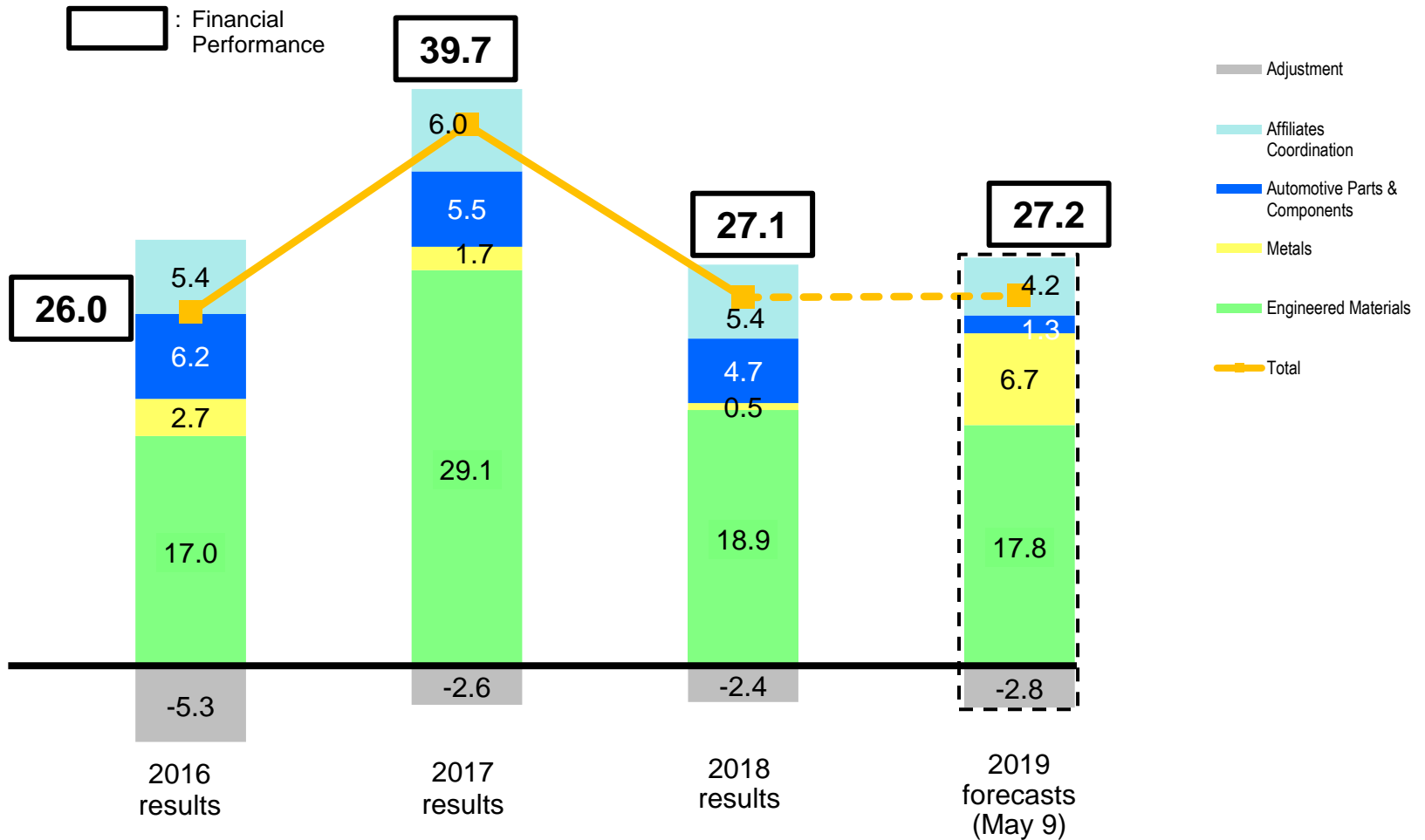


Financial Performance

Trends in Financial Performance

(Excludes Inventory factors, Caserones Impairment loss)

(Unit: Billion yen)



Statements of income

(Unit: Billion yen)	実績 Results			見通し Forecast			
	2018	2017	増減 Difference	2019 今回予想	増減 Difference	上期 1st half	下期 2nd half
売上高 Net Sales	497.7	519.2	-21.5 -4.1%	500.0	2.3 0.5%	245.0	255.0
売上原価 Cost of sales	424.3	417.8	6.5 1.6%	-	-	-	-
売上総利益 Gross Income	73.4	101.4	-28.0 -27.7%	-	-	-	-
販売費・管理費 SG&A expenses	55.2	51.9	3.3 6.3%	-	-	-	-
営業利益 Operating Income	18.2	49.5	-31.3 -63.2%	26.0	7.8 42.7%	12.5	13.5
営業外収支 Non-operating income/expenses-net	-0.5	-38.3	37.8	0.0	0.5	0.5	-0.5
経常利益 Ordinary Income	17.8	11.2	6.5 58.0%	26.0	8.2 46.4%	13.0	13.0
特別損益 Extraordinary gains/losses-net	-2.6	-3.5	0.9	-2.7	-0.1	-0.8	-1.9
税引前利益 Net Income before income taxes	15.2	7.7	7.4 95.9%	23.3	8.1 53.7%	12.2	11.1
税金費用・少数株主利益 Income taxes & minority interests	10.5	8.4	2.0	6.3	-4.2	3.2	3.1
親会社株主に帰属する 当期純利益 Net Income attributable to owners of parent	4.7	-0.7	5.4	17.0	12.3 262.4%	9.0	8.0

Segment Information

(Unit: Billion yen)

	決算 Results			見通し Forecast			
	2018	2017	増減 Difference	2019	増減 Difference	上期 1st half	下期 2nd half
■売上高 Sales							
機能材料 Engineered Materials	165.5	167.2	-1.7 -1.0%	180.0	14.5 8.8%	89.0	91.0
金属 Metals	166.6	186.5	-19.9 -10.7%	162.0	-4.6 -2.8%	81.0	81.0
自動車部品 Automotive Parts and Components	104.0	102.0	2.0 1.9%	99.0	-5.0 -4.8%	48.0	51.0
関連 Affiliates Coordination	126.9	132.7	-5.8 -4.4%	123.0	-3.9 -3.1%	55.0	68.0
調整額 Adjustment	-65.3	-69.3	4.0	-64.0	1.3	-28.0	-36.0
連結 Consolidated	497.7	519.2	-21.5 -4.1%	500.0	2.3 0.5%	245.0	255.0
■経常利益 Ordinary Income							
機能材料 Engineered Materials	16.6	30.6	-14.0 -45.8%	17.8	1.2 7.2%	9.6	8.2
金属 Metals	-6.0	5.5	-11.6	5.5	11.5	3.2	2.3
自動車部品 Automotive Parts and Components	4.7	5.5	-0.8 -15.0%	1.3	-3.4 -72.3%	0.0	1.3
関連 Affiliates Coordination	4.9	6.8	-2.0 -28.5%	4.2	-0.7 -14.0%	1.0	3.2
調整額 Adjustment	-2.4	-37.3	34.9	-2.8	-0.4	-0.8	-2.0
連結 Consolidated	17.8	11.2	6.5 58.0%	26.0	8.2 46.4%	13.0	13.0

・ Caserones impairment loss -34.6 billion yen is included in *Adjustment* in 2017

Variance analysis of ordinary income

(Unit: Billion yen)

	Ordinary Income			Details					
	2018	2017	Diff.	Volume	LME/Forex	Inventory Factor	Margin/Cost	Equity gain or loss	Total
Engineered Materials	16.6	30.6	-14.0	-4.8	1.0	-3.8	-6.3	-0.1	-14.0
Metals	-6.0	5.5	-11.6	0.4	-0.9	-10.3	-2.9	2.1	-11.6
Automotive parts & components	4.7	5.5	-0.8	-	-	-	-0.8	-	-0.8
Affiliate coordination	4.9	6.8	-2.0	0.3	-	-	-1.5	-0.8	-2.0
Adjustment	-2.4	-37.3	34.9	-	-	-	0.3	34.6	34.9
Total	17.8	11.2	6.5	-4.1	0.1	-14.1	-11.2	35.8	6.4

• Caserones impairment loss -34.6 billion yen is included in *Adjustment* in 2017

Non-operating income/expenses and Extraordinary gains/losses

(Unit: Billion yen)

	実績 Results			見通し Forecast			
	2018	2017	増減 Change	2019	増減 Change	上期 1st half	下期 2nd half
金利収支 Interest income - net	-1.3	-1.2	-0.1	-1.5	-0.2	-0.8	-0.8
受取配当金 Dividend income - net	1.7	1.6	0.1	1.3	-0.4	0.6	0.7
持分法投資損益 Equity in gains/losses	-2.2	-38.0	35.8	0.3	2.5	0.6	-0.3
為替差損益 Forex exchange gain or loss	0.9	-0.9	1.7	-	-0.9	0.0	-0.0
その他 Others	0.4	0.2	0.3	-0.1	-0.5	0.0	-0.1
営業外収支 計 Non-operating income/expenses	-0.5	-38.3	37.8	-	0.5	0.5	-0.5
固定資産除売却 Loss on sale & disposal of P.P.E.	-1.7	-1.4	-0.3	-1.5	0.2	-0.7	-0.9
投資有価証券売却益 Gain on sales of investment securities	-	0.1	-0.1	-	-	-	-
減損損失 Impairment loss on P.P.E.	-	-0.3	0.3	-	-	-	-
過年度関税 Custom tax of prior year	-	-1.1	1.1	-	-	-	-
その他 Others	-0.9	-0.8	-0.1	-1.1	-0.3	-0.1	-1.0
特別損益 計 Extraordinary income/expense - net	-2.6	-3.5	0.9	-2.7	-0.1	-0.8	-1.9

Quarterly sales and incomes

(Unit: Billion yen)

	'17/Q1	'17/Q2	'17/Q3	'17/Q4	'18/Q1	'18/Q2	'18/Q3	'18/Q4	FY2017	FY2018	YoY
■売上高 Sales											
機能材料 Engineered Materials	38.7	41.9	43.7	42.9	42.4	44.4	41.3	37.4	167.2	165.5	-1.7
金属 Metals	37.3	45.0	46.9	57.4	43.8	40.6	37.9	44.3	186.5	166.6	-19.9
自動車部品 Automotive Parts & Components	24.8	24.4	25.3	27.6	25.3	25.2	26.7	26.9	102.0	104.0	2.0
関連 Affiliate Coordination	30.5	29.4	35.8	37.0	29.5	31.9	33.7	31.8	132.7	126.9	-5.8
調整額 Adjustment	-15.1	-14.5	-20.5	-19.2	-15.1	-17.3	-17.5	-15.4	-69.3	-65.3	4.0
連結 Consolidated	116.2	126.2	131.3	145.6	125.9	124.7	122.2	124.9	519.2	497.7	-21.5
■営業利益 [a] Operating Income	7.4	12.1	16.3	13.8	7.8	1.4	3.3	5.7	49.5	18.2	-31.3
うち棚卸資産在庫要因 [b] Inventory Factors	-0.1	1.2	2.8	1.4	0.5	-4.8	-2.0	-2.5	5.3	-8.8	-14.1
[a] - [b]	7.5	10.9	13.5	12.4	7.3	6.2	5.3	8.2	44.2	27.0	-17.2
■経常利益 Ordinary Income											
機能材料 Engineered Materials	6.4	7.5	9.6	7.0	6.2	5.5	2.7	2.3	30.6	16.6	-14.0
金属 Metals	-1.1	1.1	2.0	3.5	0.9	-4.0	-3.0	0.1	5.5	-6.0	-11.6
自動車部品 Automotive Parts & Components	1.3	1.0	1.7	1.6	0.9	1.0	1.3	1.5	5.5	4.7	-0.8
関連 Affiliate Coordination	1.3	1.4	2.5	1.5	0.9	1.2	1.6	1.2	6.8	4.9	-2.0
調整額 Adjustment	-0.4	-1.1	-0.3	-35.4	-0.7	-0.8	-0.9	0.1	-37.3	-2.4	34.9
連結 Consolidated	7.6	10.0	15.5	-21.8	8.2	2.9	1.6	5.1	11.2	17.8	6.5
■親会社株主に帰属する 当期純利益	4.8	5.8	11.2	-22.5	4.5	0.0	-0.1	0.3	-0.7	4.7	5.4

Net Income attributable to owners of parent

Operating Income

(Unit: Billion yen)

	'17/Q1	'17/Q2	'17/Q3	'17/Q4	'18/Q1	'18/Q2	'18/Q3	'18/Q4	FY2017	FY2018	YoY	19/1H Forecast	19/2H Forecast	FY2019 Forecast
■ 営業利益 Operating Income														
機能材料 Engineered Materials	6.2	7.4	9.6	7.6	5.6	5.1	2.8	2.2	30.8	15.6	-15.2	10.0	8.4	18.4
金属 Metals	-0.6	3.6	3.5	4.2	1.3	-4.2	-1.7	1.0	10.8	-3.5	-14.3	3.0	3.0	6.0
自動車部品 Automotive Parts & Components	1.1	1.0	1.5	1.6	1.0	0.5	1.3	1.2	5.2	4.0	-1.2	0.0	1.0	1.0
関連 Affiliate Coordination	0.9	1.2	2.1	1.1	0.6	1.0	1.4	1.0	5.2	3.9	-1.3	0.5	2.6	3.1
調整額 Adjustment	-0.3	-1.1	-0.3	-0.8	-0.6	-1.0	-0.6	0.3	-2.5	-1.9	0.6	-1.0	-1.5	-2.5
連結 Consolidated	7.4	12.1	16.3	13.8	7.8	1.4	3.3	5.7	49.5	18.2	-31.3	12.5	13.5	26.0

Equity in gain or losses

(Unit: Billion yen)

	2017							2018							2019 Forecast		
	Q1	Q2	上期 1st H	Q3	Q4	下期 2nd H	FY 2017	Q1	Q2	上期 1st H	Q3	Q4	下期 2nd H	FY 2018	上期 1st H	下期 2nd H	FY 2019
機能材料 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	0.2	0.2	0.4
金属 Metals	-0.8	-2.6	-3.4	-1.4	-0.7	-2.0	-5.4	-1.0	-0.0	-1.1	-1.3	-0.9	-2.3	-3.3	0.1	-1.1	-1.0
自動車部品 Automotive Parts & Components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
関連 Affiliate Coordination	0.3	0.3	0.6	0.5	0.5	1.0	1.6	0.2	0.2	0.4	0.2	0.2	0.4	0.8	0.4	0.6	1.0
その他 Others	-	-	-	-	※1 -34.6	-34.6	-34.6	-	-	-	-	-	-	-	-	-	-
計 Total	-0.4	-2.2	-2.6	-0.7	-34.7	-35.4	-38.0	-0.7	0.3	-0.5	-1.0	-0.7	-1.7	-2.2	0.6	-0.3	0.3

銅 (¢/lb) ※2 Copper	265	257	261	288	309	298	280	316	312	314	277	280	278	296	295	295	295
為替 (Yen/\$) Forex	111	111	111	113	108	111	111	109	111	110	113	110	112	111	110	110	110

※1 Impairment loss in Caserones in 2017 Q4 is included in *Others*.

※2 Copper price is on calendar year basis.

Q1: Jan - Mar

Trends of products



Volume for 2017 Q1 scaled at 100 (except Copper Foil and Zinc)

			2017					2018					2019		
			Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	1H	2H	Year
MH alloy	Volume of Sales	Index	100	106	111	109	106	114	111	124	117	117	114	119	116
Catalysts for motorcycle	Volume of Sales	Index	100	106	97	99	100	105	106	95	90	99	103	106	104
Catalysts for automobile	Volume of Sales	Index	100	114	116	120	113	137	151	179	165	158	166	189	177
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	2,370	2,420	2,400
MicroThin™	Volume of Sales	Index	100	147	155	124	131	113	131	105	65	103	136	126	131
ITO Target	Volume of Sales	Index	100	105	114	98	105	102	94	102	92	97	107	106	106
Zinc	Volume of Production	k-t	47	59	54	56	54	54	49	50	58	53	56	55	55
Side door Latches	Volume of Sales	Index	100	98	97	108	101	100	101	106	107	104	—	—	—

Inventory Factors

(Unit: Billion yen)




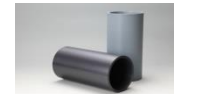

	2017							2018							2019
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2017	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2018	FY 2019 Forecast
Engineered Materials	-0.1	-0.3	-0.4	0.9	1.0	1.9	1.5	0.8	-0.3	0.5	-1.9	-0.9	-2.8	-2.3	-
Metals	-	1.5	1.5	1.9	0.4	2.3	3.8	-0.3	-4.5	-4.8	-0.1	-1.6	-1.7	-6.5	-1.2
Automotive Parts & Components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate Coordination	-	0.3	0.3	0.3	0.2	0.5	0.8	-	-0.3	-0.3	-0.1	-0.1	-0.2	-0.5	-
Total	-0.1	1.5	1.4	3.1	1.6	4.7	6.1	0.5	-5.1	-4.6	-2.1	-2.6	-4.7	-9.3	-1.2

Inidium(High) (\$/Kg)	223	209	216	260	337	298	257	335	292	313	262	230	246	280	220
Zinc (\$ / t)	2,598	2,962	2,780	3,234	3,423	3,328	3,054	3,114	2,534	2,824	2,630	2,705	2,667	2,746	2,600
Lead (\$ / t)	2,165	2,334	2,249	2,493	2,523	2,508	2,379	2,387	2,102	2,245	1,964	2,037	2,000	2,122	2,000
Copper (¢ / lb)	257	288	272	309	316	312	292	312	277	294	280	282	281	288	295

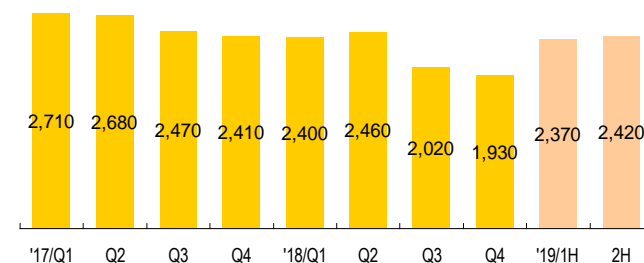
Performance by Segment – Engineered Materials

(Unit: Billion yen)

	2018	2017	増減 YonY 18-17	2019 (予想) Forecast	増減 YonY 19-18	上/19 (予想) Forecast 1st half	下/19 (予想) Forecast 2nd half
■ 売上高 Sales	165.5	167.2	-1.7	180.0	14.5	89.0	91.0
■ 営業利益 Operating Income	15.6	30.8	-15.2	18.4	2.8	10.0	8.4
■ 経常利益 Ordinary Income	16.6	30.6	-14.0	17.8	1.1	9.6	8.2

(Engineered Material Products)		(Main Applications)
Battery Materials		<ul style="list-style-type: none"> • Nickel-hydrogen batteries for hybrid cars • Lithium-ion batteries
Catalysts		<ul style="list-style-type: none"> • Motorcycles • Automobiles
Copper Foil		<ul style="list-style-type: none"> • High-Density Packaging • Printed circuit board
PVD Materials (Sputtering target)		<ul style="list-style-type: none"> • Flat panel displays
Engineered Powers		<ul style="list-style-type: none"> • Wide range of electronic components • Toner for copier

Sales volume for copper foil (tones/month)



Performance by Segment – Metals

(Unit: Billion yen)

	2018	2017	増減 YonY 18-17	2019 (予想) Forecast	増減 YonY 19-18	上/19 (予想) Forecast 1st half	下/19 (予想) Forecast 2nd half
■ 売上高 Sales	166.6	186.5	-19.9	162.0	-4.6	81.0	81.0
■ 営業利益 Operating Income	-3.5	10.8	-14.3	6.0	9.5	3.0	3.0
■ 経常利益 Ordinary income	-6.0	5.5	-11.6	5.5	11.5	3.2	2.3

Metal Prices

		Forecast		
		FY'17	FY'18	FY'19
Zn	\$/t	3,054	2,746	2,600
Zn (Actual)	\$/t	2,646	2,650	2,579
Pb	\$/t	2,379	2,123	2,000
Cu	¢ /lb	280	296	295
US\$	yen/\$	111	111	110
US\$ (Actual)	yen/\$	113	110	110

Ordinary income

(Unit : Billion yen)

Difference Analysis	2017→2018	2018→2019
LME/Forex	-0.9	-0.7
T/C	-0.9	2.1
Cokes	0.1	0.2
Inventory factors	-10.3	5.3
Equity profit/loss	2.1	2.3
Dividends	-0.1	-
Others	-1.6	2.3
Total	-11.6	11.5


Sensitivity to ordinary income (for FY2019) (Unit : Billion yen)

Zn	± 100\$/t	1.2
Pb	± 100\$/t	0.3
Forex	US\$(yen/\$) ± 1yen/\$	0.4

Performance by Segment – Automotive Parts & Components

(Unit: Billion yen)

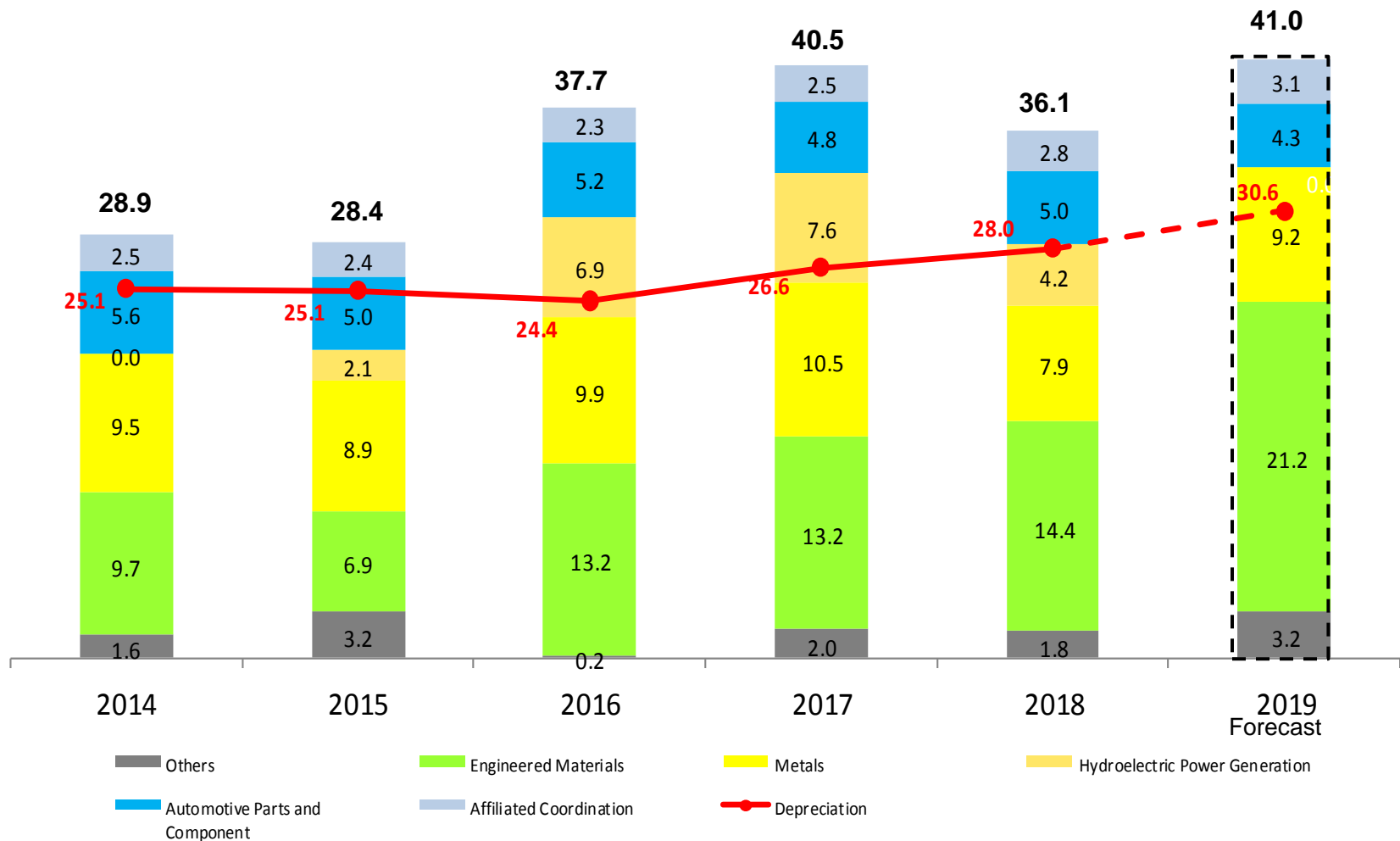
	2018	2017	増減 YonY 18-17	2019 (予想) Forecast	増減 YonY 19-18	上/19 (予想) Forecast 1st half	下/19 (予想) Forecast 2nd half
■ 売上高 Sales	104.0	102.0	2.0	99.0	-5.0	48.0	51.0
■ 営業利益 Operating Income	4.0	5.2	-1.2	1.0	-3.0	0.0	1.0
■ 経常利益 Ordinary income	4.7	5.5	-0.8	1.3	-3.4	0.0	1.3

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

CAPEX and Depreciation



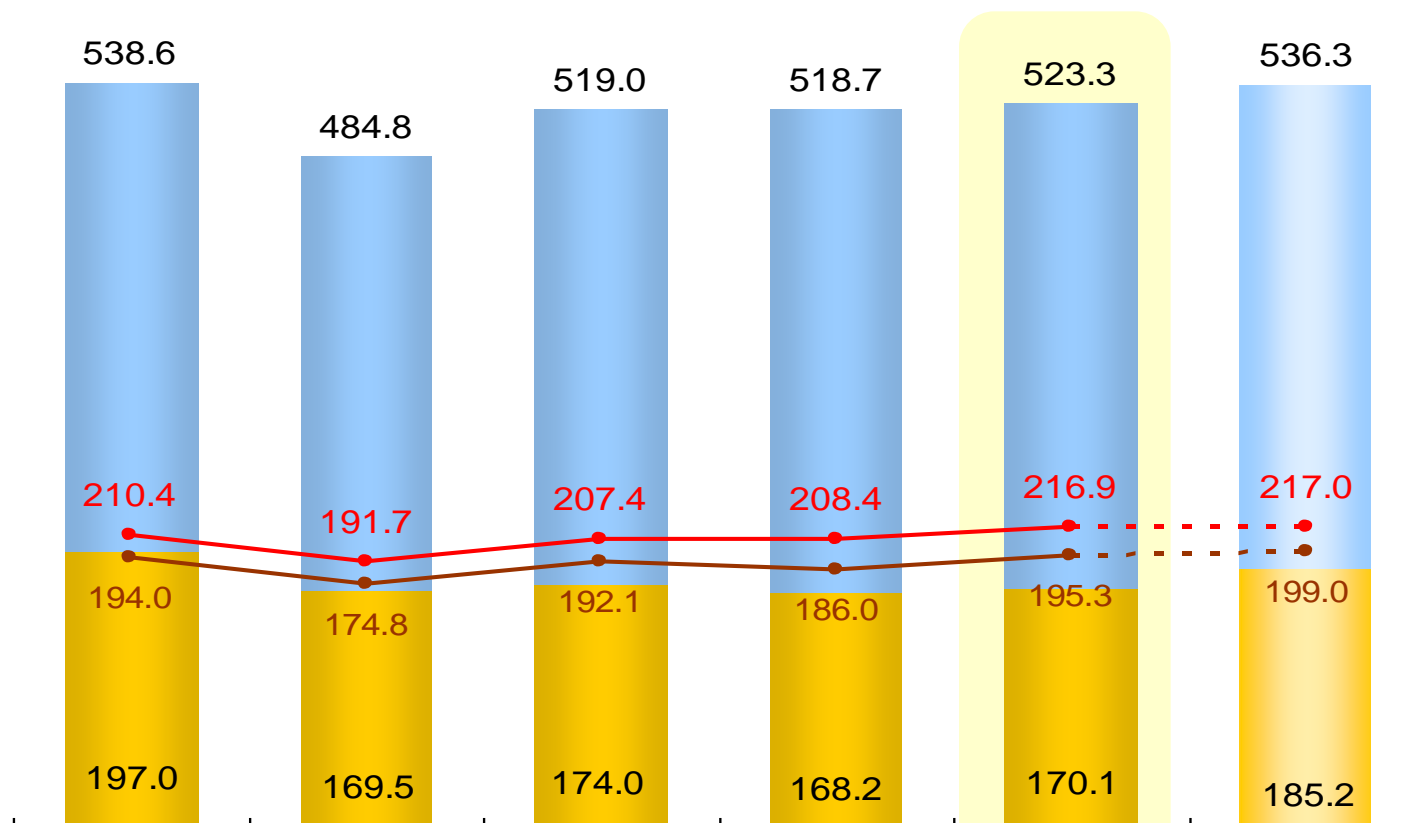
(Unit: Billion yen)



Financial position at the end of fiscal year

(Unit: Billion yen)

■ Total Asset
 ■ Net Asset
 ● Debt Balance
 ● Net Debt Balance



	'15/3	'16/3	'17/3	'18/3	'19/3	'20/3
D/E ratio	1.07	1.13	1.19	1.24	1.28	1.17
D/E ratio (net)※	0.98	1.03	1.10	1.11	1.15	1.07
Equity ratio	36.6%	35.0%	33.5%	32.4%	32.5%	34.5%

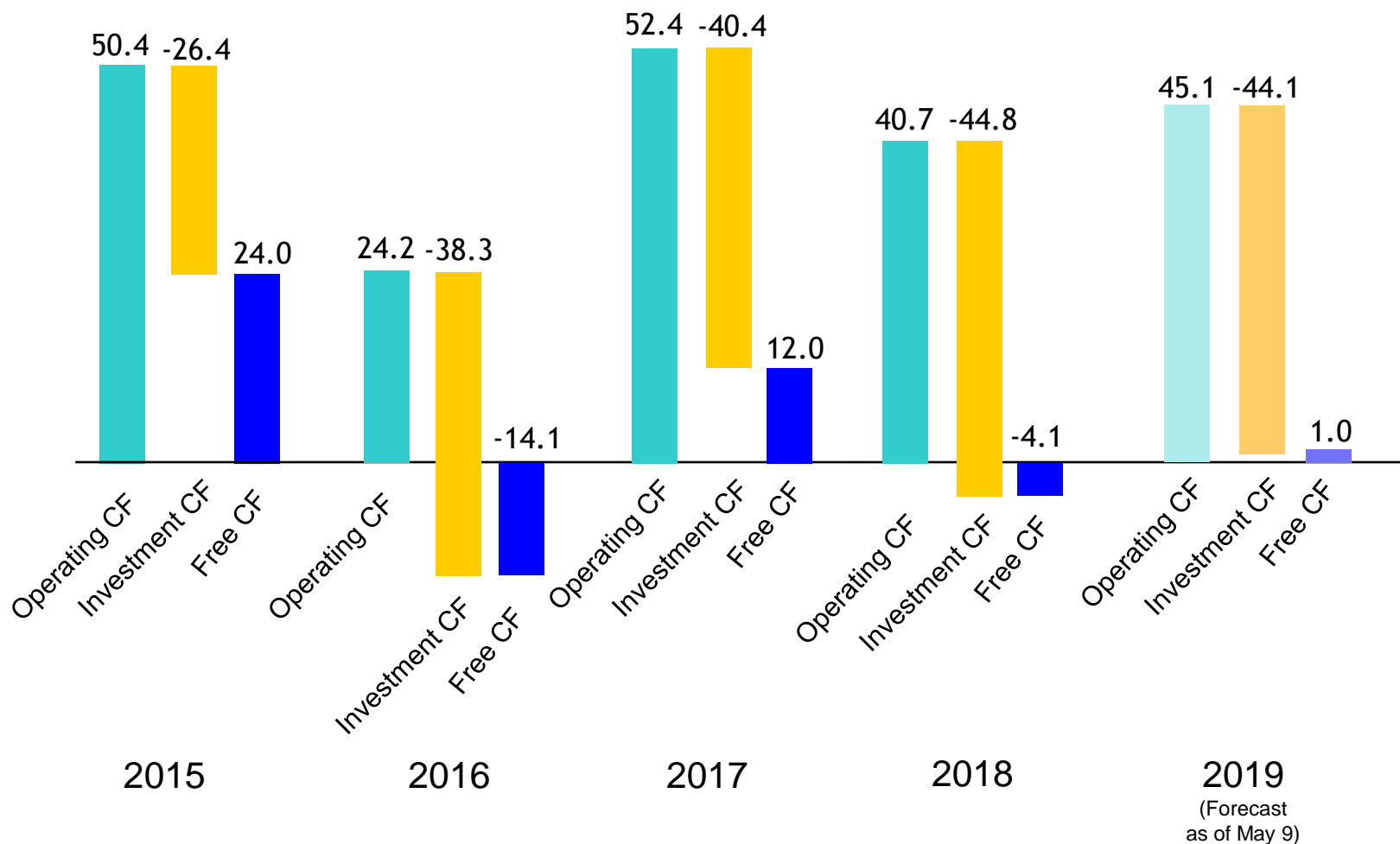
※ Net debt balance /Equity (Net debt balance : debt balance – cash deposit)

(Forecast as of May 9)

Cash Flows



(Unit: Billion yen)



Caution Concerning Forward-looking Statements

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.

Mitsui Mining & Smelting Co., Ltd. cannot guarantee the validity of the targets, assumptions, expectations, predictions, plans, assessments and other information contained in this material, and the Company also cannot guarantee that its actual business performance will be consistent with the forecasts presented within.

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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