



# **MITSUI KINZOKU**

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

*FY2017 Q2 Results*

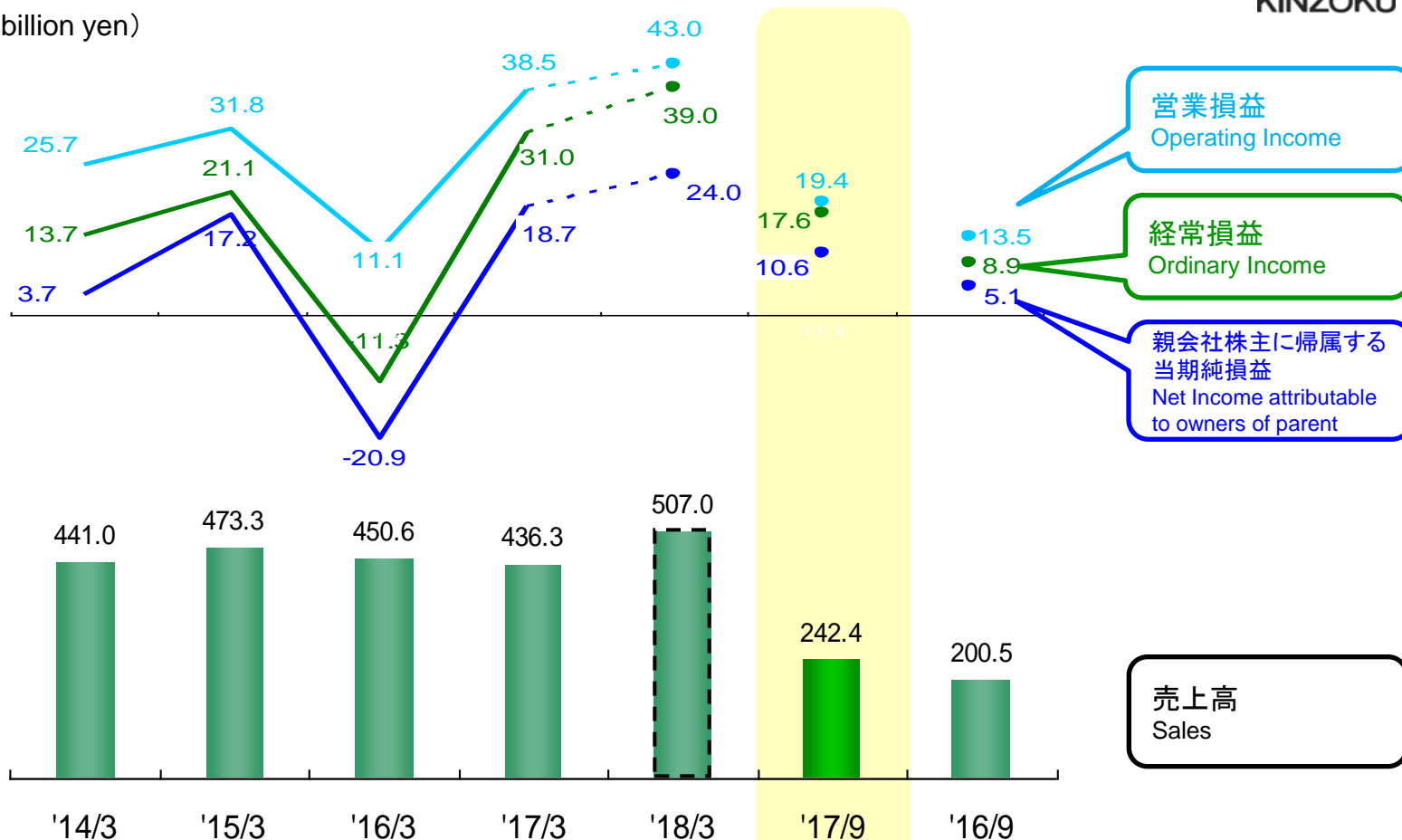
November 10, 2017

# 売上高・損益

Sales and Earnings



(単位:十億円 billion yen)



1株当り配当  
Dividend per share  
連結配当性向  
Dividend payout ratio

¥4	¥6	¥6	¥7	¥70
62.4%	19.9%	—	21.4%	16.7%

( ¥7 ) ※ In the case of not consolidating its share

11/10現在予想  
Forecast as of Nov. 10

# 上17決算

2017 1<sup>st</sup> half year closing



## 2017 1<sup>st</sup> half Sales and Ordinary income

(unit : billion Yen)

	17 1 <sup>st</sup> half		17 1 <sup>st</sup> half forecast (Aug. 9)		Difference	
	Sales	Ordinary income	Sales	Ordinary income	Sales	Ordinary income
Engineered Materials	80.6	14.0	87.0	13.3	- 6.4	0.7
Metals	82.2	0.0	78.0	- 1.8	4.2	1.8
Automotive Parts and Components	49.2	2.3	49.0	2.5	0.2	- 0.2
Affiliates coordination	59.9	2.8	58.0	1.9	1.9	0.9
Adjustment	- 29.5	- 1.5	- 30.0	- 0.9	0.5	- 0.6
<b>Total</b>	<b>242.4</b>	<b>17.6</b>	<b>242.0</b>	<b>15.0</b>	<b>0.4</b>	<b>2.6</b>

# 17年度見込

2017 year end forecast



## 2017 Sales and Ordinary income

(unit : billion Yen)

	2017		2017 forecast (Aug. 9)		Difference	
	Sales	Ordinary income	Sales	Ordinary income	Sales	Ordinary income
Engineered Materials	165.0	27.3	150.0	20.0	15.0	7.3
Metals	171.0	2.8	156.0	0.4	15.0	2.4
Automotive Parts and Components	100.0	5.2	101.0	6.0	- 1.0	- 0.8
Affiliates coordination	128.0	6.0	127.0	5.1	1.0	0.9
Adjustment	- 57.0	- 2.3	- 56.0	- 1.5	- 1.0	- 0.8
<b>Total</b>	<b>507.0</b>	<b>39.0</b>	<b>478.0</b>	<b>30.0</b>	<b>29.0</b>	<b>9.0</b>

# 損益計算書

Statements of income



(単位:十億円 billion yen)	実績 Results			通期見通し Forecast				
	'17/Q1-2	'16/Q1-2	増減 Change	2017 今回予想 Forecast as of Nov. 10	2016	増減 Change	2017 8/9 予想 Forecast as of Aug. 9	増減 Change
<b>売上高</b> Net Sales	242.4	200.5	41.9 20.9%	507.0	436.3	70.7 16.2%	478.0	29.0 6.1%
<b>売上原価</b> Cost of sales	197.7	163.3	34.4	-	-	-	-	-
<b>売上総利益</b> Gross Profit	44.7	37.1	7.5 20.3%	-	-	-	-	-
<b>販売費・管理費</b> SG&A expenses	25.2	23.6	1.6	-	-	-	-	-
<b>営業利益</b> Operating Income	19.4	13.5	5.9 43.6%	43.0	38.5	4.5 11.8%	32.5	10.5 32.3%
<b>営業外収支</b> Non-operating income/expenses-net	-1.9	-4.6	2.7	-4.0	-7.4	3.4	-2.5	-1.5
<b>経常利益</b> Ordinary Income	17.6	8.9	8.6 96.6%	39.0	31.0	8.0 25.6%	30.0	9.0 30.0%
<b>特別損益</b> Extraordinary profit/losses-net	-2.1	-1.3	-0.7	-3.2	-5.1	1.9	-0.9	-2.3
<b>税引前利益</b> Net Income before income taxes	15.5	7.6	7.9 103.9%	35.8	25.9	9.9 38.1%	29.1	6.7 23.2%
<b>税金費用・非支配株主帰属利益</b> Income taxes & Net income attributable to non-controlling interests	4.9	2.5	2.4	11.8	7.3	4.5	9.1	2.7
<b>親会社株主に帰属する 当期純利益</b> Net Income attributable to owners of parent	10.6	5.1	5.5 107.7%	24.0	18.7	5.3 28.5%	20.0	4.0 20.0%

# 事業セグメント別内訳

## Segment Information by Business



(単位:十億円 billion yen)

	上期 1st half			下期 2nd half			通期 FY		
	2017	2016	増減 Change	2017 (予想) forecast	2016	増減 Change	2017 (予想) forecast	2016	増減 Change
<b>■売上高 Sales</b>									
機能材料 Engineered Materials	80.6	70.6	10.0 14.2%	84.4	75.2	9.2 12.2%	165.0	145.8	19.2 13.2%
金属 Metals	82.2	59.2	23.0 38.8%	88.8	80.4	8.4 10.4%	171.0	139.6	31.4 22.5%
自動車部品 Automotive Parts and Components	49.2	54.6	-5.4 -9.9%	50.8	58.6	-7.8 -13.3%	100.0	113.2	-13.2 -11.7%
関連 Affiliates Coordination	59.9	49.2	10.7 21.7%	68.1	64.2	3.8 6.0%	128.0	113.5	14.5 12.8%
調整額 Adjustment	-29.6	-33.2	3.6	-27.4	-42.6	15.2	-57.0	-75.8	18.8
<b>連結 Consolidated</b>	<b>242.4</b>	<b>200.5</b>	<b>41.9</b> 20.9%	<b>264.6</b>	<b>235.9</b>	<b>28.8</b> 12.2%	<b>507.0</b>	<b>436.3</b>	<b>70.7</b> 16.2%
<b>■経常利益 Ordinary Income</b>									
機能材料 Engineered Materials	14.0	6.0	8.0 133.6%	13.3	9.9	3.4 33.9%	27.3	15.9	11.4 71.4%
金属 Metals	0.0	0.7	-0.7 -96.1%	2.8	7.8	-5.0 -64.4%	2.8	8.5	-5.7 -67.0%
自動車部品 Automotive Parts and Components	2.3	2.7	-0.4 -16.3%	2.9	3.5	-0.5 -15.7%	5.2	6.2	-1.0 -16.0%
関連 Affiliates Coordination	2.8	1.4	1.4 96.4%	3.2	4.3	-1.0 -24.3%	6.0	5.7	0.3 5.6%
調整額 Adjustment	-1.5	-1.9	0.4	-0.8	-3.3	2.5	-2.3	-5.2	2.9
<b>連結 Consolidated</b>	<b>17.6</b>	<b>8.9</b>	<b>8.7</b> 97.7%	<b>21.4</b>	<b>22.1</b>	<b>-0.7</b> -3.1%	<b>39.0</b>	<b>31.0</b>	<b>8.0</b> 25.6%

# 經常利益差異分析

Variance analysis of ordinary income



(Unit: : billion yen)

	Ordinary Income			Details					
	17 1H	16 1H	Diff.	Volume	LME/Forex	Inventory Factor	Margin/Cost	Equity gain or loss	Total
Engineered Materials	14.0	6.0	8.0	5.8	0.3	0.5	1.4	-	8.0
Metals	0.0	0.7	-0.7	0.3	2.5	-0.7	-3.9	1.1	-0.7
Automotive parts & components	2.3	2.7	-0.4	-	-	-	-0.4	-	-0.4
Affiliate coordination	2.8	1.4	1.4	0.8	-	-	0.1	0.5	1.4
Adjustment	-1.5	-1.9	0.4	-	-	-	0.4	-	0.4
<b>Total</b>	<b>17.6</b>	<b>8.9</b>	<b>8.7</b>	<b>6.9</b>	<b>2.8</b>	<b>-0.2</b>	<b>-2.4</b>	<b>1.6</b>	<b>8.7</b>

# 営業外・特別損益

Non-operating income/expenses and Extraordinary gains/losses



	上期 1st half			下期 2nd half			通期 FY		
	2017	2016	増減 Change	2017 (予想) Forecast	2016	増減 Change	2017 (予想) Forecast	2016	増減 Change
金利収支 Interest income - net	-0.6	-0.6	0.0	-0.6	-0.6	-0.0	-1.2	-1.2	0.0
受取配当金 Dividend income - net	1.2	1.2	-0.0	0.2	0.6	-0.4	1.3	1.8	-0.4
持分法投資損益 Equity in gains/losses	-2.6	-4.2	1.6	-1.4	-2.1	0.7	-4.0	-6.3	2.3
その他 Other	0.1	-1.0	1.2	-0.3	-0.6	0.3	-0.1	-1.7	1.5
<b>営業外損益 計</b> Non-operating income/expenses	<b>-1.9</b>	<b>-4.6</b>	<b>2.7</b>	<b>-2.1</b>	<b>-2.8</b>	<b>0.7</b>	<b>-4.0</b>	<b>-7.4</b>	<b>3.4</b>
固定資産除売却 Loss on sale & disposal of P.P.E.	-0.7	-1.2	0.4	-0.5	-1.8	1.3	-1.3	-3.0	1.7
減損損失 Impairment charges on P.P.E.	-	-0.0	0.0	-	-2.0	2.0	-	-2.0	2.0
過年度関税 Custom tax of prior years	-1.1	-	-1.1	-	0.0	0.0	-1.1	0.0	-1.1
その他 Other	-0.2	-0.1	-0.1	-0.6	0.1	-0.6	-0.8	-0.1	-0.8
<b>特別損益 計</b> Extraordinary profit/losses - net	<b>-2.1</b>	<b>-1.3</b>	<b>-0.7</b>	<b>-1.1</b>	<b>-3.8</b>	<b>2.6</b>	<b>-3.2</b>	<b>-5.1</b>	<b>1.9</b>



# 四半期売上高および利益推移

Quarterly sales and incomes



(単位: 十億円 billion yen)

	'16/Q1	'16/Q2	'16/Q3	'16/Q4	'17/Q1	'17/Q2	Q2増減 (前年比) YoY	Q2増減 (前Q比) QonQ
<b>■売上高 Sales</b>								
機能材料 Engineered Materials	35.4	35.1	35.2	40.0	38.7	41.9	6.8	3.2
金属 Metals	27.5	31.8	37.0	43.4	37.3	45.0	13.2	7.7
自動車部品 Automotive Parts & Components	27.4	27.2	27.7	30.9	24.8	24.4	-2.8	-0.4
関連 Affiliates Coordination	21.7	27.5	31.2	33.1	30.5	29.4	1.9	-1.1
調整額 Adjustment	-13.4	-19.7	-21.4	-21.2	-15.1	-14.5	5.2	0.7
連結 Consolidated	98.7	101.8	109.7	126.2	116.2	126.2	24.4	10.0
<b>■営業利益 [a]</b> Operating Income	7.0	6.5	10.4	14.5	7.4	12.1	5.6	4.7
うち棚卸資産在庫要因 [b] Of which amounts impacted by inventory valuation	1.1	0.2	2.0	1.4	-0.1	1.2	1.0	1.3
[a] - [b]	5.9	6.3	8.4	13.1	7.5	10.9	4.6	3.4
<b>■経常利益 Ordinary Income</b>								
機能材料 Engineered Materials	3.7	2.3	5.3	4.6	6.4	7.5	5.3	1.1
金属 Metals	1.1	-0.4	1.9	5.9	-1.1	1.1	1.5	2.2
自動車部品 Automotive Parts & Components	1.4	1.3	1.8	1.6	1.3	1.0	-0.3	-0.3
関連 Affiliates Coordination	0.3	1.1	1.9	2.4	1.3	1.4	0.3	0.1
調整額 Adjustment	-0.7	-1.2	-2.2	-1.1	-0.4	-1.1	0.0	-0.8
連結 Consolidated	5.8	3.1	8.7	13.4	7.6	10.0	6.9	2.4
<b>■親会社株主に帰属する 当期純利益</b>	3.7	1.4	5.4	8.1	4.8	5.8	4.4	1.0

Net income attributable to owners of parent

# 営業利益

Operating income



(単位: 十億円 billion yen)

■ 営業利益 Operating income	'16/Q1	'16/Q2	'16/Q3	'16/Q4	'17/Q1	'17/Q2	Q2増減 前Q比		'17/Q3- Q4 Forecast	'16/Q3- Q4	増減 Difference
							17Q2-' 16Q2	17Q2-' 17Q1			
機能材料 Engineered materials	4.2	2.6	4.7	5.0	6.2	7.4	4.9	1.3	13.3	9.7	3.6
金属 Metals	2.1	2.7	4.1	7.1	-0.6	3.6	0.9	4.2	5.5	11.2	-5.8
自動車部品 Automotive Parts & Components	1.4	1.6	2.0	1.6	1.1	1.0	-0.6	-0.1	3.1	3.6	-0.5
関連 Affiliated Coordination	0.2	1.0	1.6	1.9	0.9	1.2	0.2	0.2	2.7	3.5	-0.7
調整額 Adjustment	-0.9	-1.3	-1.9	-1.2	-0.3	-1.1	0.2	-0.8	-1.0	-3.0	2.0
連結 Consolidated	7.0	6.5	10.4	14.5	7.4	12.1	5.6	4.7	23.6	24.9	-1.4

# 持分法損益

Equity in gain or losses



(単位: 十億円 billion yen)

	2016							2017 Forecast						
	Q1	Q2	上期 1st H	Q3	Q4	下期 2nd H	FY 2016	Q1	Q2	上期 1st H	下期 2nd H	FY 2017	FY 2017 前回予想 (8/9)	差異 Diff.
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	0.2	0.4	0.3	0.1
金属 Metals	-1.4	-3.1	-4.5	-2.5	-0.6	-3.1	-7.6	-0.8	-2.6	-3.4	-2.2	-5.6	-3.6	-2.0
自動車部品 Automotive Parts & Components	-	-	-	-	-	-	-	-	-	-	-	-	-	-
関連 Affiliate Coordination	0.1	-	0.1	0.2	0.6	0.8	0.9	0.3	0.3	0.6	0.6	1.2	0.8	0.4
計 Total	-1.2	-3.0	-4.2	-2.2	0.1	-2.1	-6.3	-0.4	-2.2	-2.6	-1.4	-4.0	-2.5	-1.5

亜鉛 (\$/t) Zinc	1,915	2,253	2,084	2,518	2,781	2,650	2,367	2,598	2,962	2,780	3,000	2,890
銅 (¢/lb) Copper	212	215	214	217	240	229	221	265	257	261	290	276
為替 (Yen/\$) Forex	108	102	105	109	114	112	108	111	111	111	110	111

※Above copper price is on the base of calendar year, (Q1: Jan. to Mar.)

# 主要製品の動向

## Trends of products



			2015					2016					2017		
			Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3-4 Forecast
MH alloy	Volume of Sales	Index indicated based on 100 for 2015/Q1	100	105	126	137	117	103	91	99	99	98	89	94	102
Catalysts for motorcycle	Volume of Sales	Index indicated based on 100 for 2015/Q1	100	96	101	100	99	96	100	83	107	97	114	121	113
Catalysts for automobile	Volume of Sales	Index indicated based on 100 for 2015/Q1	100	104	97	100	100	112	119	121	168	130	178	203	213
Copper foil	Volume of Sales	t	2,240	2,620	2,280	2,580	2,430	2,680	2,870	2,700	2,780	2,758	2,710	2,680	2,710
MicroThin™	Volume of Sales	Index indicated based on 100 for 2015/Q1	100	87	85	107	95	105	113	121	108	112	158	232	248
ITO	Volume of Sales	Index indicated based on 100 for 2015/Q1	100	95	99	95	97	102	115	126	116	115	121	127	127
Zinc	Volume of Production	k-t	53	52	48	58	53	56	59	53	53	55	47	59	59
Side door Latches	Volume of Sales	Index indicated based on 100 for 2015/Q1	100	106	103	118	107	113	118	108	124	116	119	119	—

# 在庫要因

Inventory Factors



(十億円／billion Yen)

	2016							2017 Forecast						
	Q1	Q2	上期 1st H	Q3	Q4	下期 2nd H	FY 2016	Q1	Q2	上期 1st H	下期 2nd H	FY 2017	FY 2017 前回予想 (8/9)	差異 Diff.
機能材料 Engineered Materials	-	-0.9	-0.9	-0.1	-0.1	-0.2	-1.1	-0.1	-0.3	-0.4	-0.2	-0.6	-0.4	-0.2
金属 Metals	1.1	1.1	2.2	2.1	1.5	3.6	5.8	-	1.5	1.5	-	1.5	0.3	1.2
自動車部品 Automotive Parts & Components	-	-	-	-	-	-	-	-	-	-	-	-	-	-
関連 Affiliate Coordination	-0.2	-0.2	-0.4	0.3	0.4	0.7	0.3	-	0.3	0.3	-	0.3	-	0.3
計 Total	0.9	-	0.9	2.3	1.8	4.1	5.0	-0.1	1.5	1.4	-0.2	1.2	-0.1	1.3

# セグメントの業績(1) 機能材料

Performance by Segment – Engineered Materials



(単位:十億円 billion yen)

	2017 Q1-2	2016 Q1-2	増減 YoY	2017 Q3-4 (予想) forecast	2016 Q3-4	増減 YoY	2017 通期 (予想) forecast	2016 通期	増減 YoY
■売上高 Sales	80.6	70.6	10.0	84.4	75.2	9.2	165.0	145.8	19.2
■営業利益 Operating income	13.6	6.8	6.8	13.3	9.7	3.6	26.9	16.5	10.4
■経常利益 Ordinary income	14.0	6.0	8.0	13.3	9.9	3.4	27.3	15.9	11.4

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

## Variance of ordinary income

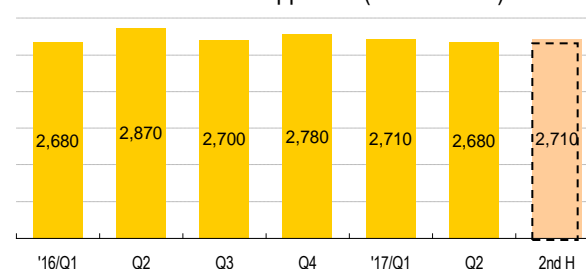
[ '16/Q1-2 → '17/Q1-2 + 8.0 ]

Increasing sales of Copper foil , Catalysts and PVD materials.

[ '16/Q3-4 → '17/Q3-4 + 3.4 ]

Increasing sales of Copper foil and Catalysts.

Sales volume for copper foil (tonnes/month)



11/10 現在予想  
Forecast as of Nov. 10

# セグメントの業績(2) 金属

Performance by Segment – Metals



(単位:十億円 billion yen)

	2017 Q1-2	2016 Q1-2	増減 YoY	2017 Q3-4 (予想) forecast	2016 Q3-4	増減 YoY	2017 通期 (予想) forecast	2016 通期	増減 YoY
■売上高 Sales	82.2	59.2	23.0	88.8	80.4	8.4	171.0	139.6	31.4
■営業利益 Operating income	3.0	4.8	-1.8	5.5	11.2	-5.8	8.5	16.1	-7.6
■経常利益 Ordinary income	0.0	0.7	-0.7	2.8	7.8	-5.0	2.8	8.5	-5.7

金属価格・為替の推移 Metal Prices

予想  
Forecast

		'16/Q1-2	'16/Q3-4	'17/Q1-2	'17/Q3-4
亜鉛 Zn	\$/t	2,084	2,650	2,780	3,000
亜鉛(実効) Zn (Actual)	\$/t	2,016	2,386	2,436	2,636
鉛 Pb	\$/t	1,796	2,214	2,249	2,300
銅 Cu (Calendar year)	¢/lb	213	228	261	290
為替 US\$	yen/\$	105.2	111.5	111.1	110.0
為替(実効) US\$ (Actual)	yen/\$	114.0	115.1	113.3	111.4

	'16/Q1-2 →'17/Q1-2	'16/Q3-4 →'17/Q3-4
LME/Forex	2.5	0.7
T/C	-0.8	-1.0
Coke Price	-0.7	-3.6
Inventory factors	1.1	0.9
Equity gain or loss	-0.8	-0.1
Dividend	-0.1	-0.4
Others	-1.9	-1.5
<b>Total</b>	<b>-0.7</b>	<b>-5.0</b>

2017年下期損益感応度(経常損益) ※ Excluding forward contract  
Sensitivity to ordinary income (for FY2017 2<sup>nd</sup> half) (十億円 billion yen)


亜鉛(LME) Zn	±100\$/t	0.65
鉛(LME) Pb	±100\$/t	0.13
為替 US\$(yen/\$)	±1yen/\$	0.21

# セグメントの業績(3) 自動車部品

Performance by Segment – Automotive Parts & Components

(単位:十億円 billion yen)

	2017 Q1-2	2016 Q1-2	増減 YoY	2017 Q3-4 (予想) forecast	2016 Q3-4	増減 YoY	2017 通期 (予想) forecast	2016 通期	増減 YoY
■売上高 Sales	49.2	54.6	-5.4	50.8	58.6	-7.8	100.0	113.2	-13.2
■営業利益 Operating income	2.1	3.0	-0.9	3.1	3.6	-0.5	5.2	6.6	-1.4
■経常利益 Ordinary income	2.3	2.7	-0.4	2.9	3.5	-0.5	5.2	6.2	-1.0

[Mitsui Kinzoku ACT]	(Main Applications)
Automotive Parts & Components 	・Door locks for automobiles

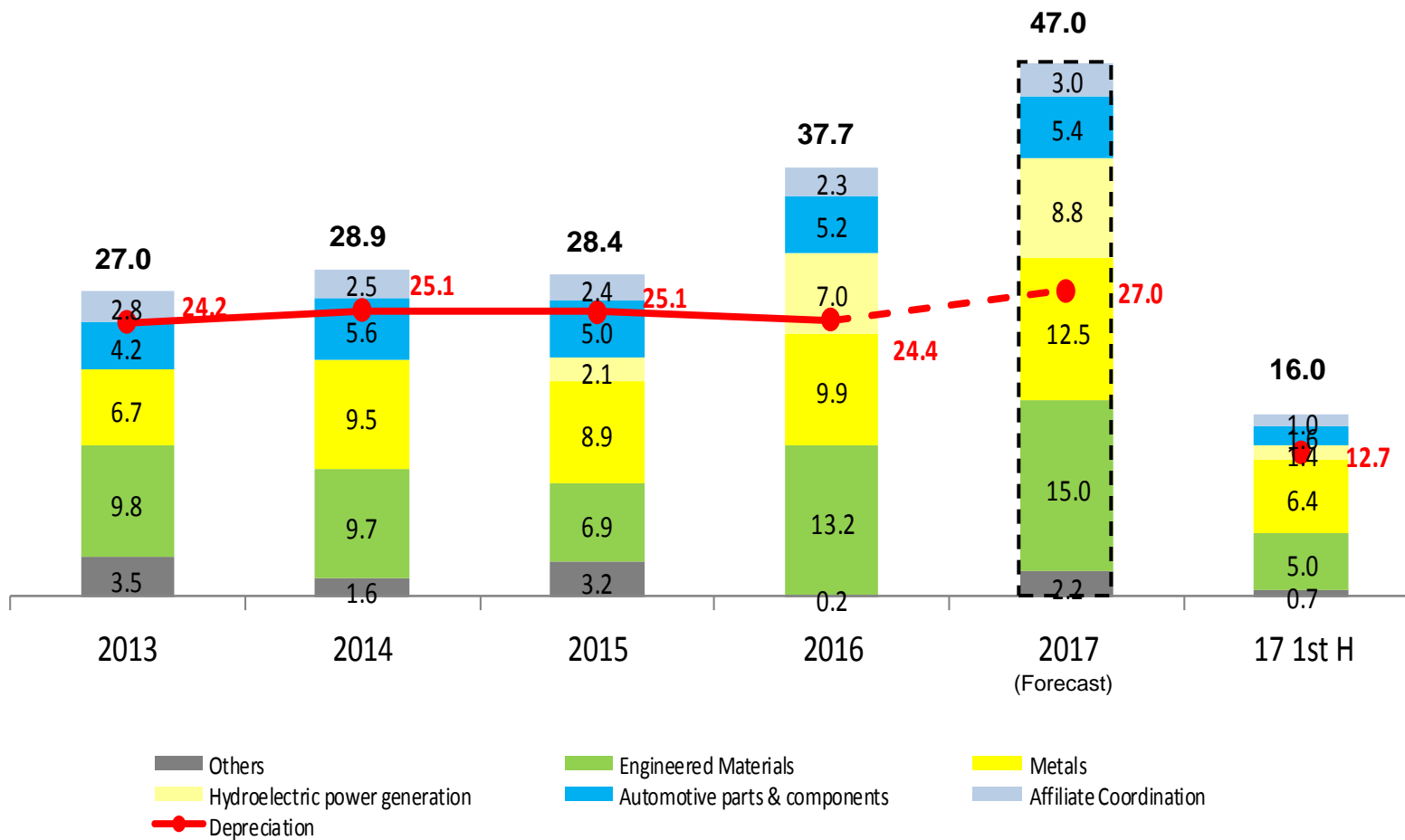


# 設備投資・減価償却

CAPEX and Depreciation



(単位:十億円 billion yen)

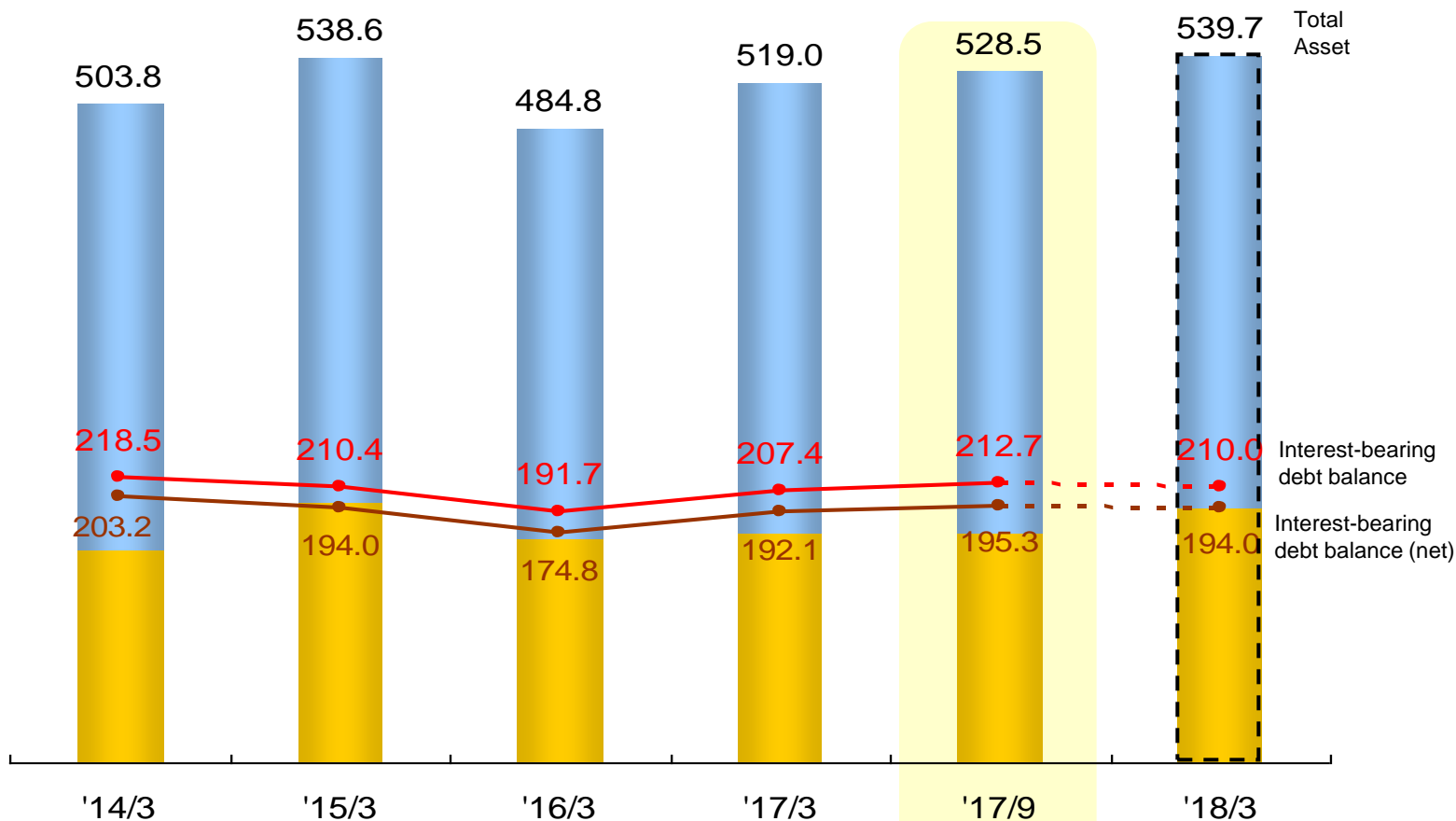


# 財政状態

Financial Position at Term End



(単位:十億円 billion yen)



	'14/3	'15/3	'16/3	'17/3	'17/9	'18/3
D/E Ratio	1.36	1.07	1.13	1.19	1.23	1.09
D/E Ratio (net)*	1.26	0.98	1.03	1.10	1.13	1.01
Equity Ratio	31.9%	36.6%	35.0%	33.5%	32.8%	35.8%

\* Net debt balance / Shareholder's Equity

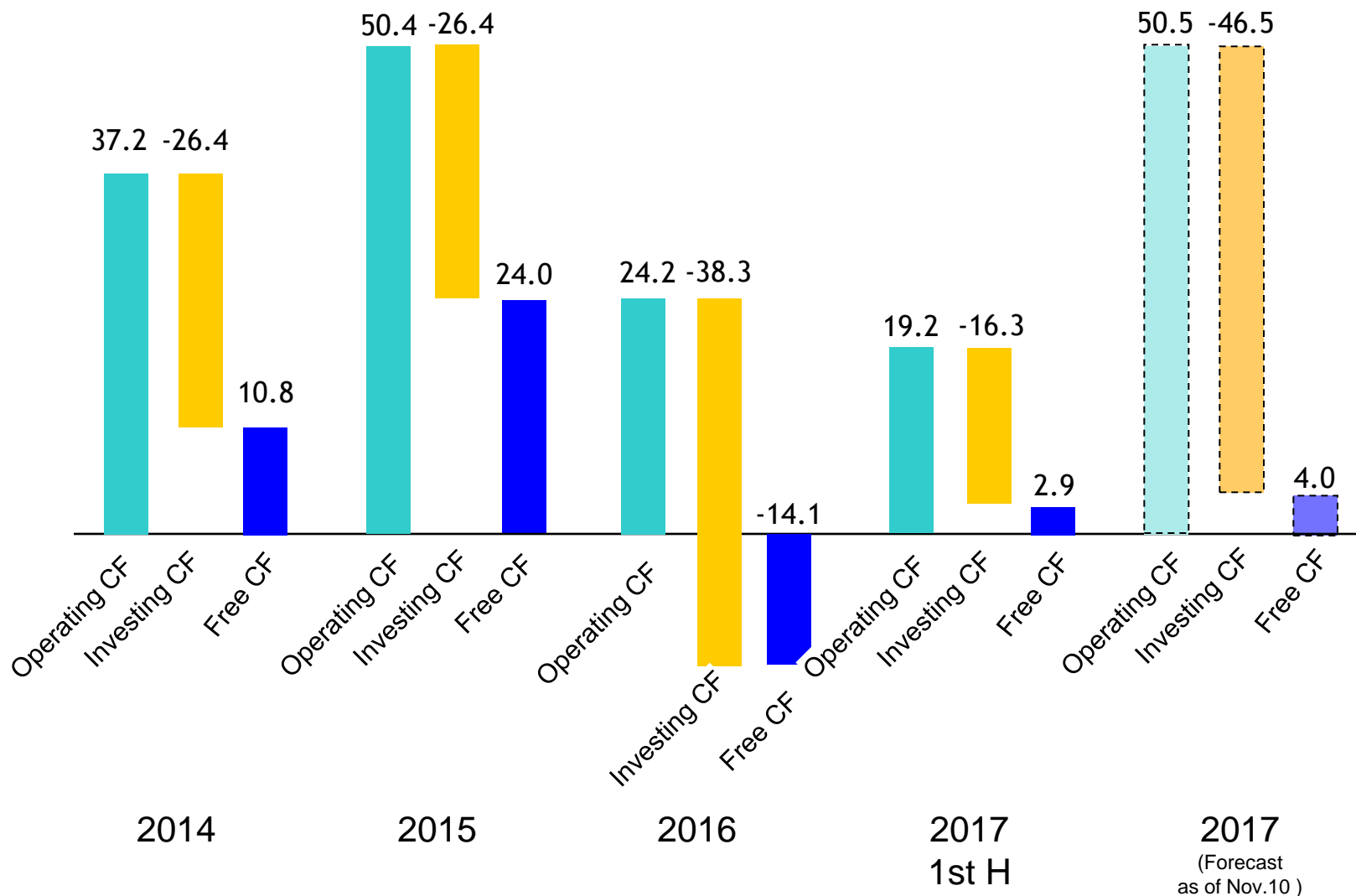
(Forecast as of Nov..10)

# キャッシュフロー

Cash Flows



(単位:十億円 billion yen)



# 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.

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.

This material was compiled with the aim of furthering the understanding of our shareholders and other investors with regard to the Company’s management policy and other details. This material is not for the purpose of soliciting investment through the purchase or sale of stocks. Accordingly, you are advised not to make your investment decision solely on the basis of the material presented herein.