



# **MITSUI KINZOKU**

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

*FY2021 Results & FY 2022 Forecast*

May 11, 2022

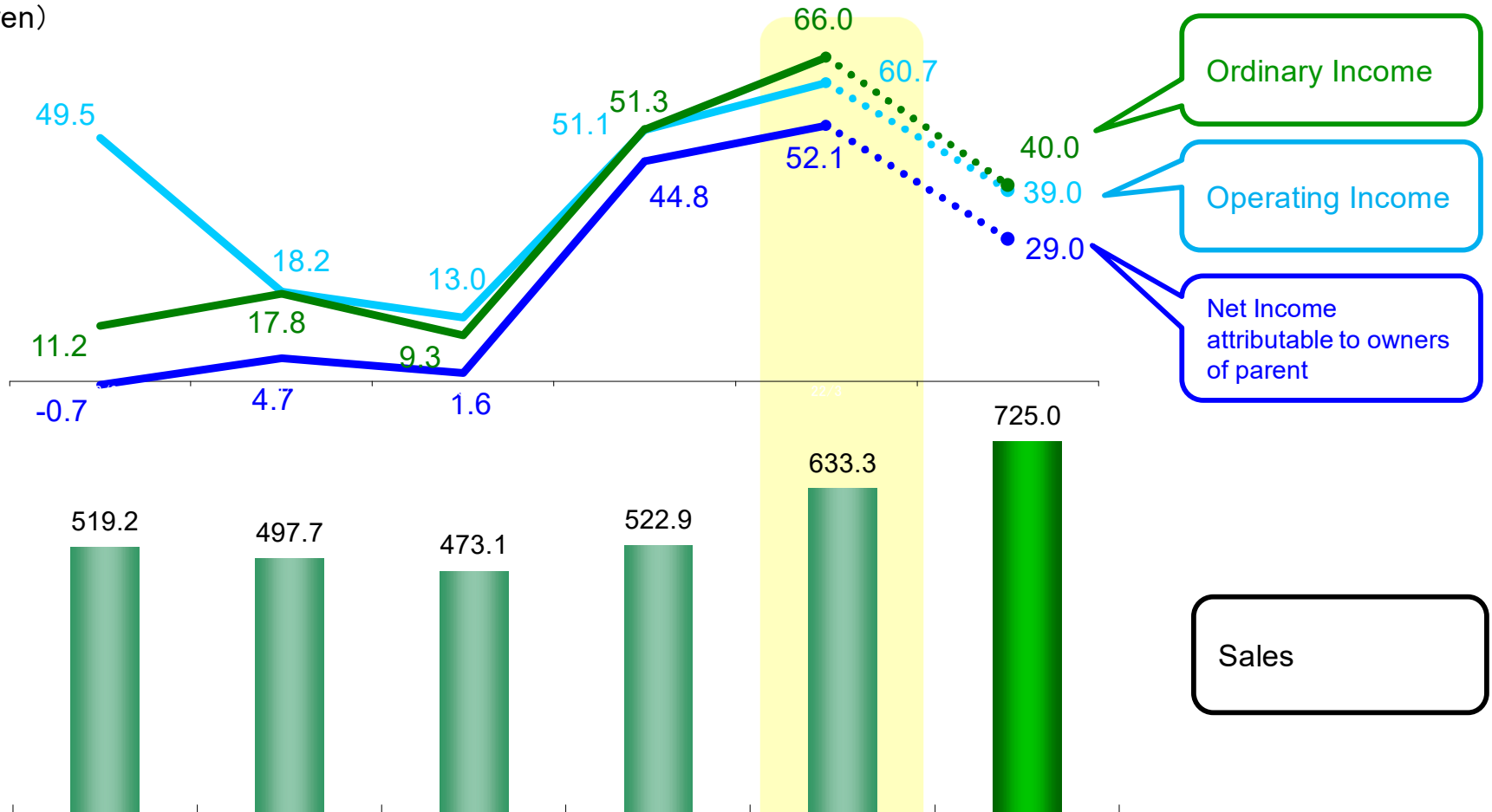
# Results of FY2021

- Sales and profits increased in FY2021 compared to FY2020 due to increased sales of MicroThin™, high metal prices, and the accompanying improvement in inventory factors. Net Sales, Operating Income, Ordinary Income, and Net income all reached record highs
- Sales are expected to increase in FY2022 as sales volume of MicroThin™ are expected to increase and metal prices are expected to remain higher than in FY2021, but in terms of profits, it is expected to decline due to the disappearance of inventory factors, rising energy costs, and development costs

(Unit: Billion yen)	Results			Forecast		
	2021 Results	2020 Results	Difference	2022 Forecast	2021 Results	Difference
<b>Net Sales</b>	633.3	522.9	110.4 <i>21.1%</i>	725.0	633.3	91.7 <i>14.5%</i>
<b>Operating Income</b>	60.7	51.1	9.6 <i>18.8%</i>	39.0	60.7	-21.7 <i>-35.8%</i>
<b>Ordinary Income</b>	66.0	51.3	14.7 <i>28.7%</i>	40.0	66.0	-26.0 <i>-39.4%</i>
Net income attributable to owners of parent	52.1	44.8	7.3 <i>16.3%</i>	29.0	52.1	-23.1 <i>-44.3%</i>

# Sales and Earnings

(Unit: Billion yen)

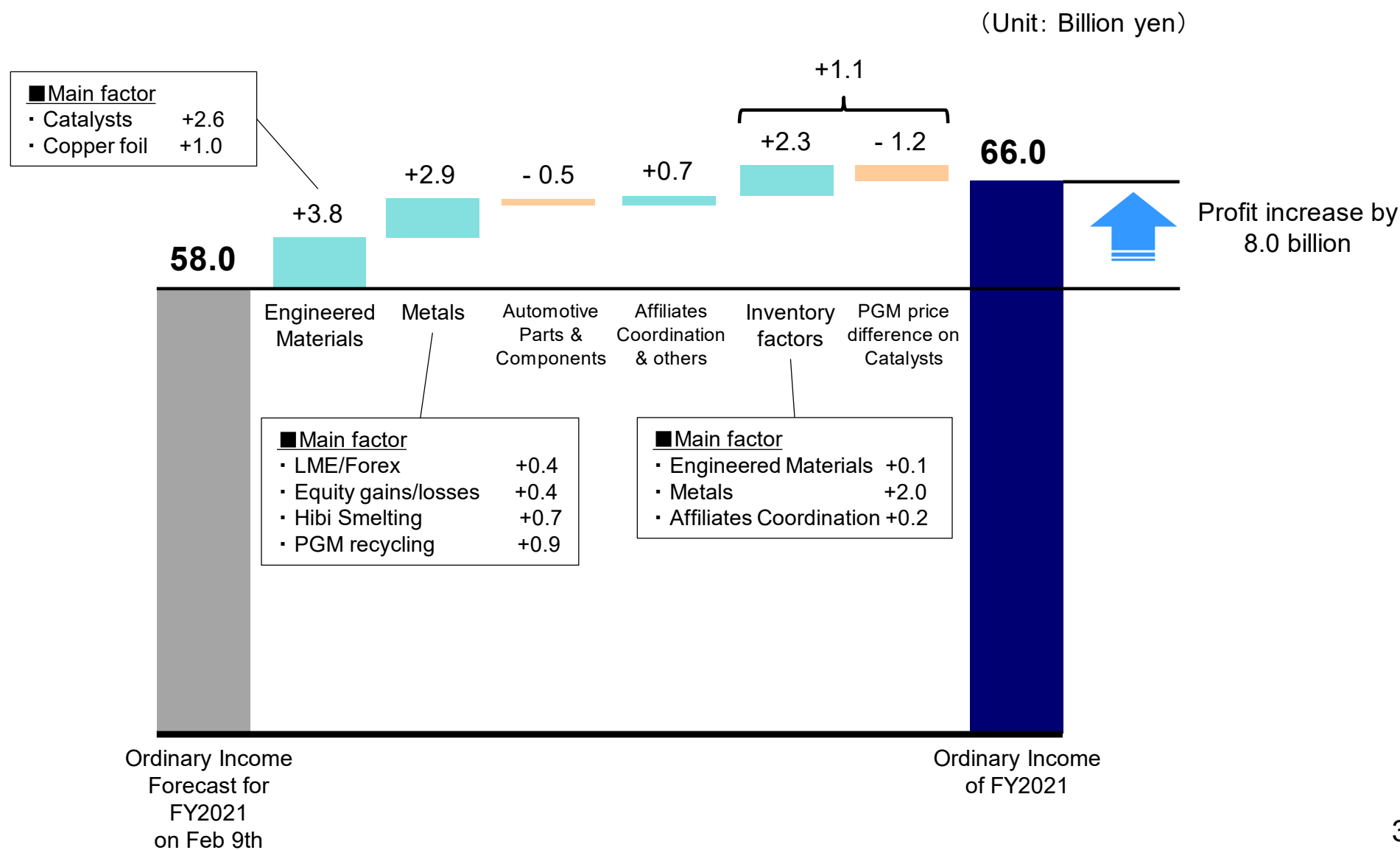


	18/3	19/3	20/3	21/3	22/3	23/3
Dividend per share	¥70	¥70	¥70	¥85	¥110	¥140
Dividend payout ratio	—	85%	255%	11%	12%	28%
DOE	2.5%	2.5%	2.5%	2.5%	2.6%	3.0%

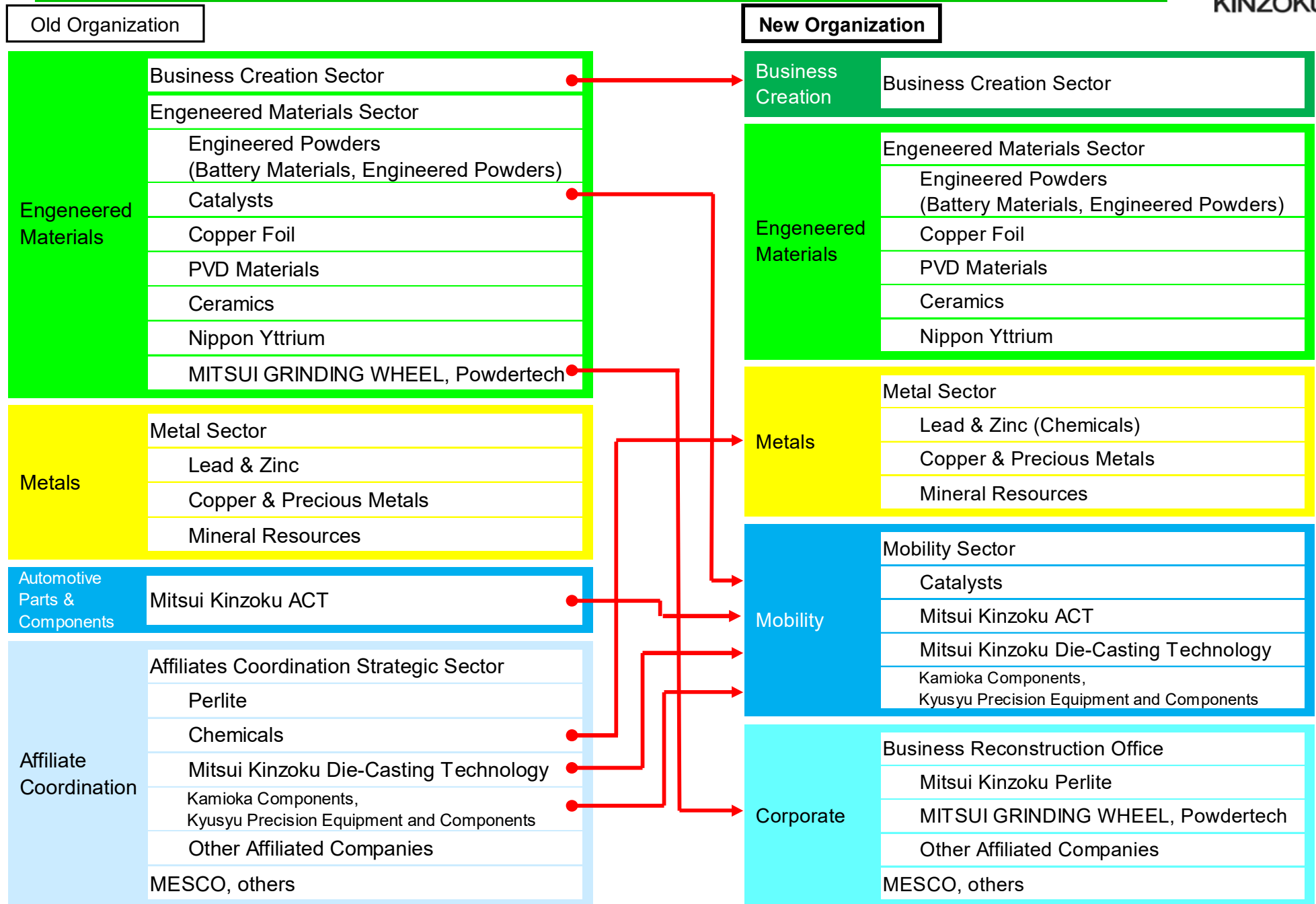
Forecast as of May 11

# FY2021 Ordinary Income

Ordinary income of FY2021 is 66.0 billion, by 8.0 billion better than that of FY2021 announced on February 9<sup>th</sup>.



# Changes of Company Organization



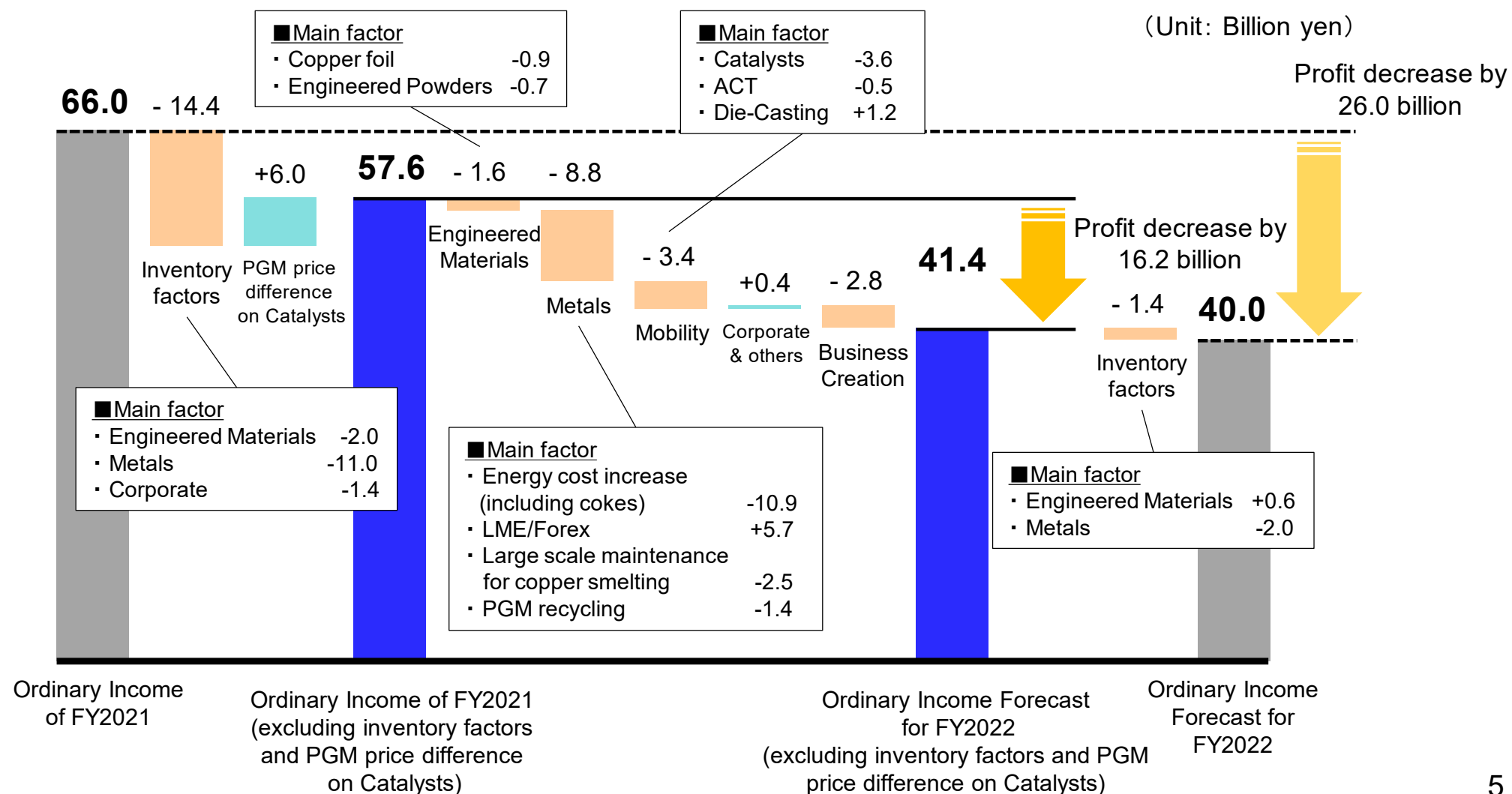
# FY2022 Ordinary Income Forecast

Ordinary income forecast for FY2022 decrease by 26.0 billion from the previous year.

Excluding inventory factors and PGM price difference on Catalysts, it decreased by 16.2 billion.

Among them, decrease due to rising energy costs including cokes is 11.6 billion.

(Metals:10.9 billion、Copper foil:0.7 billion)



# Statements of income

(Unit : Billion yen)	Results			Forecast			
	2021 Results	2020 Results	Difference (21-20)	2022 Forecast	Difference (22-21)	1st Half	2nd Half
<b>Net Sales</b>	633.3	522.9	110.4 <i>21.1%</i>	725.0	91.7 <i>14.5%</i>	360.0	365.0
Cost of sales	510.8	420.7	90.1 <i>21.4%</i>	-	-	-	-
<b>Gross Profit</b>	122.6	102.2	20.3 <i>19.9%</i>	-	-	-	-
SG&A expenses	61.8	51.1	10.7 <i>21.0%</i>	-	-	-	-
<b>Operating Income</b>	60.7	51.1	9.6 <i>18.8%</i>	39.0	-21.7 <i>-35.8%</i>	25.5	13.5
Non-operating income/expenses -net	5.3	0.1	5.1	1.0	-4.3	0.5	0.5
<b>Ordinary Income</b>	66.0	51.3	14.7 <i>28.7%</i>	40.0	-26.0 <i>-39.4%</i>	26.0	14.0
Extraordinary profit/losses-net	-1.5	3.4	-4.9	-3.0	-1.5	-1.2	-1.7
<b>Net Income before income taxes</b>	64.5	54.7	9.8 <i>17.9%</i>	37.0	-27.5 <i>-42.6%</i>	24.8	12.3
Income taxes & minority interests	12.4	9.9	2.5	8.0	-4.4	5.8	2.3
<b>Net income attributable to owners of parent</b>	52.1	44.8	7.3 <i>16.3%</i>	29.0	-23.1 <i>-44.3%</i>	19.0	10.0

# Segment Information by Business Unit

(Unit: Billion yen)

Old Organization	Results		
	2021 Results	2020 Results	Difference (21-20)
■ Sales			
Engineered Materials	253.5	207.8	45.7 22.0%
Metals	233.0	193.6	39.4 20.4%
Automotive Parts and Components	78.8	81.1	-2.2 -2.8%
Affiliates Coordination	140.8	115.9	24.8 21.4%
Adjustment	-72.7	-75.4	2.7
Consolidated	633.3	522.9	110.4 21.1%
■ Ordinary Income			
Engineered Materials	27.7	26.5	1.1 4.3%
Metals	35.4	22.8	12.6 55.2%
Automotive Parts and Components	0.5	1.9	-1.4 -72.8%
Affiliates Coordination	3.1	2.6	0.6 22.6%
Adjustment	-0.7	-2.6	1.8
Consolidated	66.0	51.3	14.7 28.7%

New Organization	Forecast				
	2022 Forecast	2021 Results	Difference (22-21)	1st Half	2nd Half
■ Sales					
Engineered Materials	153.0	136.1	16.9 12.4%	77.0	76.0
Metals	269.0	235.6	33.4 14.2%	138.0	131.0
Mobility	257.0	207.1	49.9 24.1%	129.0	128.0
Corporate	118.0	118.7	-0.7 -0.6%	53.0	65.0
Adjustment	-72.0	-64.2	-7.8	-37.0	-35.0
Consolidated	725.0	633.3	91.7 14.5%	360.0	365.0
■ Ordinary Income					
Engineered Materials	27.0	30.0	-3.0 -9.9%	14.5	12.5
Metals	14.5	36.3	-21.8 -60.0%	13.5	1.0
Mobility	5.0	2.4	2.6 105.3%	2.2	2.8
Corporate	2.5	3.9	-1.4 -35.3%	0.0	2.5
Business Creation	-8.6	-5.8	-2.8	-4.0	-4.6
Adjustment	-0.4	-0.7	0.3	-0.2	-0.2
Consolidated	40.0	66.0	-26.0 -39.4%	26.0	14.0



# Variance analysis of ordinary income

Old Organization



(Unit Billion yen)

	Ordinary Income			Details					
	FY2021	FY2020	Diff.	Volume	LME/Forex	Inventory Factor	Margin/Cost	Equity gain or loss	Total
Engineered materials	27.7	26.5	1.1	7.8	-9.6	1.1	1.6	0.2	1.1
Metals	35.4	22.8	12.6	1.2	8.1	3.9	-5.7	5.1	12.6
Automotive parts & components	0.5	1.9	-1.4	-0.8	0.7	-	-1.4	-	-1.4
Affiliate coordination	3.1	2.6	0.6	-0.4	0.1	-	-0.1	0.9	0.6
Adjustment	-0.7	-2.6	1.8	-	-	-	1.8	-	1.8
<b>Total</b>	<b>66.0</b>	<b>51.3</b>	<b>14.7</b>	<b>7.9</b>	<b>-0.7</b>	<b>5.0</b>	<b>-3.7</b>	<b>6.2</b>	<b>14.7</b>

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

(Unit : Billion yen)

	Results			Forecast			
	2021 Results	2020 Results	Difference (21-20)	2022 Forecast	Difference (22-21)	1st Half	2nd Half
Interest income - net	-1.7	-1.4	-0.4	-1.9	-0.2	-1.0	-1.0
Dividend income - net	1.1	2.8	-1.7	0.3	-0.8	0.2	0.0
Equity in gains/losses	4.5	-1.7	6.2	2.2	-2.3	1.0	1.2
Forex Exchange gain or loss	2.1	1.0	1.0	0.0	-2.1	0.0	0.0
Others	-0.7	-0.7	-0.0	0.5	1.2	0.2	0.2
<b>Non-operating income/expenses - net</b>	<b>5.3</b>	<b>0.1</b>	<b>5.1</b>	<b>1.0</b>	<b>-4.3</b>	<b>0.5</b>	<b>0.5</b>
Loss on sale & disposal of Fixed Asset	-2.3	6.1	-8.4	-1.9	0.5	-0.8	-1.1
PL on Sale of Investment Securities	0.9	23.1	-22.2	0.0	-0.9	0.0	0.0
Disaster losses	-0.1	-0.4	0.3	0.0	0.1	0.0	0.0
Insurance Proceeds	0.1	0.5	-0.4	0.0	-0.1	0.0	0.0
Loss on Transfer of Interest in the Copper Mine	0.0	-20.5	20.5	0.0	0.0	0.0	0.0
Others	-0.0	-5.4	5.4	-1.1	-1.1	-0.5	-0.7
<b>Extraordinary profit/losses - net</b>	<b>-1.5</b>	<b>3.4</b>	<b>-4.9</b>	<b>-3.0</b>	<b>-1.5</b>	<b>-1.2</b>	<b>-1.7</b>

# Equity gains or losses

## Old Organization

(Unit : Billion yen)

	2020							2021							2021 Forecast
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2020	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2021	FY 2021 Fore cast (Feb 9)
Engineered Materials	0.0	-0.0	-0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.3
Metals	-2.2	-0.5	-2.8	-0.5	0.3	-0.2	-2.9	0.3	0.3	0.6	0.6	1.0	1.6	2.2	1.8
Automotive Parts & Components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate Coordination	-0.2	0.3	0.1	0.3	0.8	1.1	1.1	0.5	0.6	1.1	0.5	0.4	0.9	2.0	2.0
<b>Total</b>	<b>-2.4</b>	<b>-0.3</b>	<b>-2.7</b>	<b>-0.2</b>	<b>1.2</b>	<b>1.0</b>	<b>-1.7</b>	<b>0.9</b>	<b>1.0</b>	<b>1.9</b>	<b>1.2</b>	<b>1.5</b>	<b>2.7</b>	<b>4.5</b>	<b>4.1</b>

## New Organization

(Unit : Billion yen)

	2021							2022 Forecast		
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2021	1st Half	2nd Half	FY 2022
Engineered Materials	-	-	-	-	-	-	-	-	-	-
Metals	0.3	0.3	0.6	0.6	1.0	1.6	2.2	0.7	0.5	1.2
Mobility	-	-	-	-	-	-	-	-	-	-
Corporate	0.6	0.7	1.2	0.6	0.5	1.1	2.3	0.3	0.7	1.0
<b>Total</b>	<b>0.9</b>	<b>1.0</b>	<b>1.9</b>	<b>1.2</b>	<b>1.5</b>	<b>2.7</b>	<b>4.5</b>	<b>1.0</b>	<b>1.2</b>	<b>2.2</b>

# Trends of products

			2020					2021						2022 Forecast (May 11)		
			Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Year Forecast (Feb 9)	1st Half	2nd Half	Year
MH alloy	Volume of Sales	Index	100	134	137	146	129	90	123	157	126	124	133	155	167	161
Copper foil	Volume of Sales	t / Month	1,860	1,960	1,780	2,460	2,010	2,260	2,180	2,160	1,760	2,090	2,140	2,210	2,180	2,200
MicroThin™ Total (a+b)	Volume of Sales	Index	100	108	105	95	102	132	138	120	131	130	128	149	146	147
MicroThin™ for HDI (a)	Volume of Sales		14	34	28	9	22	24	41	23	28	29	28	25	30	28
MicroThin™ for PKG (b)	Volume of Sales		86	74	77	86	80	108	97	97	103	101	100	124	116	119
ITO Target	Volume of Sales	Index	100	88	103	92	96	96	92	90	80	89	90	78	71	74
Zinc	Volume of Production	k-t	43	56	58	58	215	56	51	52	59	218	219	113	111	224
Catalysts for motorcycle	Volume of Sales	Index	100	262	262	248	218	192	225	234	226	219	225	244	237	241
India	Volume of Sales	Index	(100)	(436)	(405)	(354)	(324)	(223)	(321)	(289)	(293)	(281)	(288)	(363)	(352)	(358)
Indonesia	Volume of Sales	Index	(100)	(179)	(165)	(247)	(173)	(226)	(237)	(267)	(275)	(252)	(264)	(258)	(258)	(258)
Others	Volume of Sales	Index	(100)	(139)	(167)	(161)	(142)	(159)	(143)	(182)	(160)	(161)	(165)	(142)	(138)	(140)
Catalysts for automobile	Volume of Sales	Index	100	200	212	191	176	183	181	195	196	189	195	211	227	219
Side door Latches	Volume of Sales	Index	100	163	190	173	158	159	141	170	176	162	164	180	188	184
Japan	Volume of Sales	Index	(100)	(166)	(191)	(172)	(157)	(145)	(123)	(152)	(152)	(143)	(152)	(169)	(185)	(177)
China	Volume of Sales	Index	(100)	(107)	(122)	(100)	(107)	(102)	(99)	(122)	(116)	(110)	(112)	(121)	(130)	(125)
Other Asia	Volume of Sales	Index	(100)	(280)	(372)	(380)	(280)	(332)	(324)	(398)	(424)	(369)	(364)	(372)	(384)	(378)
America & Europe	Volume of Sales	Index	(100)	(281)	(323)	(313)	(255)	(290)	(226)	(259)	(300)	(269)	(267)	(306)	(300)	(303)

※ Index : The sales volume in 2020 Q1 scaled at 100 ( except Copper Foil and Zinc )

# Inventory Factors and PGM price difference on Catalysts

## Inventory Factors

Old Organization

(Unit : Billion yen)

	2020							2021							2021 Forecast
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2020	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2021	FY2021 Forecast (Feb 9)
Engineered materials	-	-0.2	-0.2	0.5	0.6	1.1	0.9	0.5	0.2	0.7	1.1	0.2	1.3	2.0	1.9
Metals	-0.7	3.1	2.4	2.3	2.4	4.7	7.1	3.5	1.2	4.7	3.1	3.2	6.3	11.0	9.0
Automotive Parts & components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate coordination	-0.3	0.3	-	0.2	0.4	0.6	0.6	0.6	0.3	0.9	0.3	0.2	0.5	1.4	1.2
Consolidated	-1.0	3.2	2.2	3.0	3.4	6.4	8.6	4.6	1.7	6.3	4.5	3.6	8.1	14.4	12.1

## PGM price difference on Catalysts

Engineered materials	0.5	-0.1	0.4	0.9	2.8	3.7	4.1	2.9	1.1	4.0	-8.8	-1.2	-10.0	-6.0	-4.8
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## Inventory Factors + PGM price difference on Catalysts

Engineered materials	0.5	-0.3	0.2	1.4	3.4	4.8	5.0	3.4	1.3	4.7	-7.7	-1.0	-8.7	-4.0	-2.9
Metals	-0.7	3.1	2.4	2.3	2.4	4.7	7.1	3.5	1.2	4.7	3.1	3.2	6.3	11.0	9.0
Automotive Parts & components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate coordination	-0.3	0.3	-	0.2	0.4	0.6	0.6	0.6	0.3	0.9	0.3	0.2	0.5	1.4	1.2
Consolidated	-0.5	3.1	2.6	3.9	6.2	10.1	12.7	7.5	2.8	10.3	-4.3	2.4	-1.9	8.4	7.3

# Inventory Factors and PGM price difference on Catalysts

## Inventory Factors

### New Organization

(Unit : Billion yen)

	2021							2022 Forecast		
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2021	1st Half	2nd Half	FY 2022
Engineered materials	0.5	0.2	0.7	1.1	0.2	1.3	2.0	0.6	-	0.6
Metals	3.5	1.2	4.7	3.1	3.2	6.3	11.0	2.7	-4.7	-2.0
Mobility	-	-	-	-	-	-	-	-	-	-
Corporate	0.6	0.3	0.9	0.3	0.2	0.5	1.4	-	-	-
Consolidated	4.6	1.7	6.3	4.5	3.6	8.1	14.4	3.3	-4.7	-1.4

## PGM price difference on Catalysts

Mobility	2.9	1.1	4.0	-8.8	-1.2	-10.0	-6.0	-	-	-
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## Inventory Factors + PGM price difference on Catalysts

Engineered materials	0.5	0.2	0.7	1.1	0.2	1.3	2.0	0.6	-	0.6
Metals	3.5	1.2	4.7	3.1	3.2	6.3	11.0	2.7	-4.7	-2.0
Mobility	2.9	1.1	4.0	-8.8	-1.2	-10.0	-6.0	-	-	-
Corporate	0.6	0.3	0.9	0.3	0.2	0.5	1.4	-	-	-
Consolidated	7.5	2.8	10.3	-4.3	2.4	-1.9	8.4	3.3	-4.7	-1.4

# Performance by Segment – Engineered Materials

(Unit : Billion yen)



## New Organization

	FY2022 Forecast	FY2021 Results	Diff. (22-21)	1st Half Forecast	2nd Half Forecast
■ Sales	153.0	136.1	16.9	77.0	76.0
■ Operating income	27.0	29.4	-2.4	14.5	12.5
■ Ordinary income	27.0	30.0	-3.0	14.5	12.5
※ Ordinary income	26.4	28.0	-1.6	13.9	12.5

## Old Organization

	FY2021 Results	FY2020 Results	Diff. (21-20)
■ Sales	253.5	207.8	45.7
■ Operating income	26.9	26.5	0.4
■ Ordinary income	27.7	26.5	1.1
※ Ordinary income	31.7	21.5	10.1

### Difference Analysis of Ordinary income

※ Ordinary income : Ordinary income excluding inventory factors and PGM price difference on Catalysts.

[ 'FY2020 → 'FY2021 + 1.1 ]

Catalysts -8.2  
(Precious metal price difference, others)  
Copper foil +6.3  
(MicroThin™ volume of sales increases, others)  
PVD Materials +2.1  
(Inventory factors, Unit selling price increase, others)

[ 'FY2021 → 'FY2022 Forecast - 3.0 ]

PVD Materials -1.4  
(Inventory factors, others)  
Copper foil -0.9  
(Electricity and other cost increase, others)  
Engineered Powders -0.7  
(Cost increase, others)

● Old Organization → New Organization Breakdown of difference

	FY2021 Old Organization	Difference		FY2021 New Organization
		Business Creation	Difference	
Sales	253.5	0.0	-117.4	136.1
Operating income	26.9	5.7	-3.2	29.4
Ordinary income	27.7	5.8	-3.5	30.0

(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>
Engineered Powders		<ul style="list-style-type: none"> <li>• Wide range of electronic components</li> <li>• Abrasive for glass</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>

# Performance by Segment – Metals

(Unit: Billion yen)

## New Organization

	FY2022 Forecast	FY2021 Results	Diff. (22-21)	1st Half Forecast	2nd Half Forecast
■ Sales	269.0	235.6	33.4	138.0	131.0
■ Operating income	14.0	34.2	-20.2	13.0	1.0
■ Ordinary income	14.5	36.3	-21.8	13.5	1.0
※Ordinary income	16.5	25.3	-8.8	10.8	5.7

## Old Organization

	FY2021 Results	FY2020 Results	Diff. (21-20)
■ Sales	233.0	193.6	39.4
■ Operating income	33.3	23.7	9.6
■ Ordinary income	35.4	22.8	12.6
※Ordinary income	24.4	15.7	8.7

※Ordinary income : Ordinary income excluding inventory factors.

## Ordinary Income Difference Analysis

	FY2020→ FY2021	FY2021→ FY2022 Forecast
LME/Forex	8.1	5.7
T/C	-3.9	1.7
Inventory Factors	3.9	-13.0
Equity profit/loss	5.2	-1.0
Cokes	-1.5	-4.8
Dividends	-1.9	-0.6
Others※	2.7	-9.8
<b>Total</b>	<b>12.6</b>	<b>-21.8</b>

## Sensitivity to ordinary income(for FY2022)

( Unit: Billion yen )

		Full open basis	Including forward contract
Zinc	±100\$/t	1.3	0.9
Lead	±100\$/t	0.4	0.4
US\$(yen/\$)	±1yen/\$	0.6	0.4

## Zinc TC

FY2020	FY2021	FY2022 Forecast
299.75 \$/t	159 \$/t	230 \$/t

## ※Detail of Others

FY2020→ FY2021	Energy cost increase -1.9, Mineral Resources Division +2.8, Large scale maintenance for zinc smelting in 20Q1 +1.4
FY2021→ FY2022 Forecast	Energy cost increase -6.1, PGM recycling -1.4, Large scale maintenance for copper smelting -2.5



# Performance by Segment – Automotive Parts & Components, Mobility

(Unit : Billion yen)

## Mobility

	FY2022 Forecast	FY2021 Results	Diff. (22-21)	1st Half Forecast	2nd Half Forecast
■ Sales	257.0	207.1	49.9	129.0	128.0
(Mitsui Kinzoku ACT)	(90.7)	(78.8)	(11.9)	(45.4)	(45.3)
■ Operating income	5.7	1.5	4.2	2.5	3.2
(Mitsui Kinzoku ACT)	(-0.1)	(-0.3)	(0.2)	(-0.2)	(0.1)
■ Ordinary income	5.0	2.4	2.6	2.2	2.8
(Mitsui Kinzoku ACT)	(0.0)	(0.5)	(-0.5)	(0.0)	(0.0)
※ Ordinary income	5.0	8.4	-3.4	2.2	2.8

※ Ordinary income : Ordinary income excluding PGM price difference on Catalysts.

## Difference Analysis of Ordinary income

[ ' FY2021 → ' FY2022 Forecast + 2.6 ]




Catalysts	+2.4 ( Precious metal price difference, others )
Die-Casting	+1.2 ( Improved yield, others )
ACT	-0.5 ( Rising steel material prices, others )

## ACT: Difference Analysis of Ordinary income

	FY2020→ FY2021	FY2021→ FY2022 Forecast	※Detail of Others	FY2020→ FY2021	FY2021→ FY2022 Forecast
Sales Volume	-0.8	0.2	Rising steel material and resin prices	-2.0	-1.0
Cost down	2.3	0.9	Freight Charge	-0.7	0.0
Others※	-2.9	-1.6	Forex exchange	0.7	-0.3
Total	-1.4	-0.5	Furlough Subsidy, etc.	-0.6	-0.1

## Automotive Parts & Components

	FY2021 Results	FY2020 Results	Diff. (21-20)
■ Sales	78.8	81.1	-2.2
■ Operating income	-0.3	1.4	-1.7
■ Ordinary income	0.5	1.9	-1.4

(Mobility Sector)	(Main Applications)
Catalysts	 <ul style="list-style-type: none"> <li>Motorcycles</li> <li>Automobiles</li> </ul>
Mitsui Kinzoku ACT	 <ul style="list-style-type: none"> <li>Door locks for automobiles</li> </ul>
Mitsui Kinzoku Die-Casting	 <ul style="list-style-type: none"> <li>Die-Casting products</li> </ul>
Other Affiliated companies	<ul style="list-style-type: none"> <li>Die-Casting products</li> <li>Powder metallurgy products</li> </ul>

## ● Automotive Parts & Components → Mobility Breakdown of difference

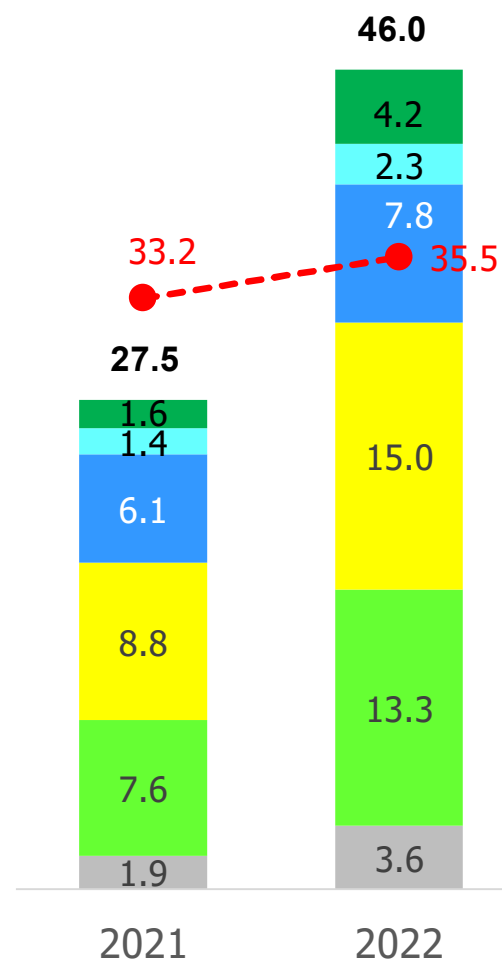
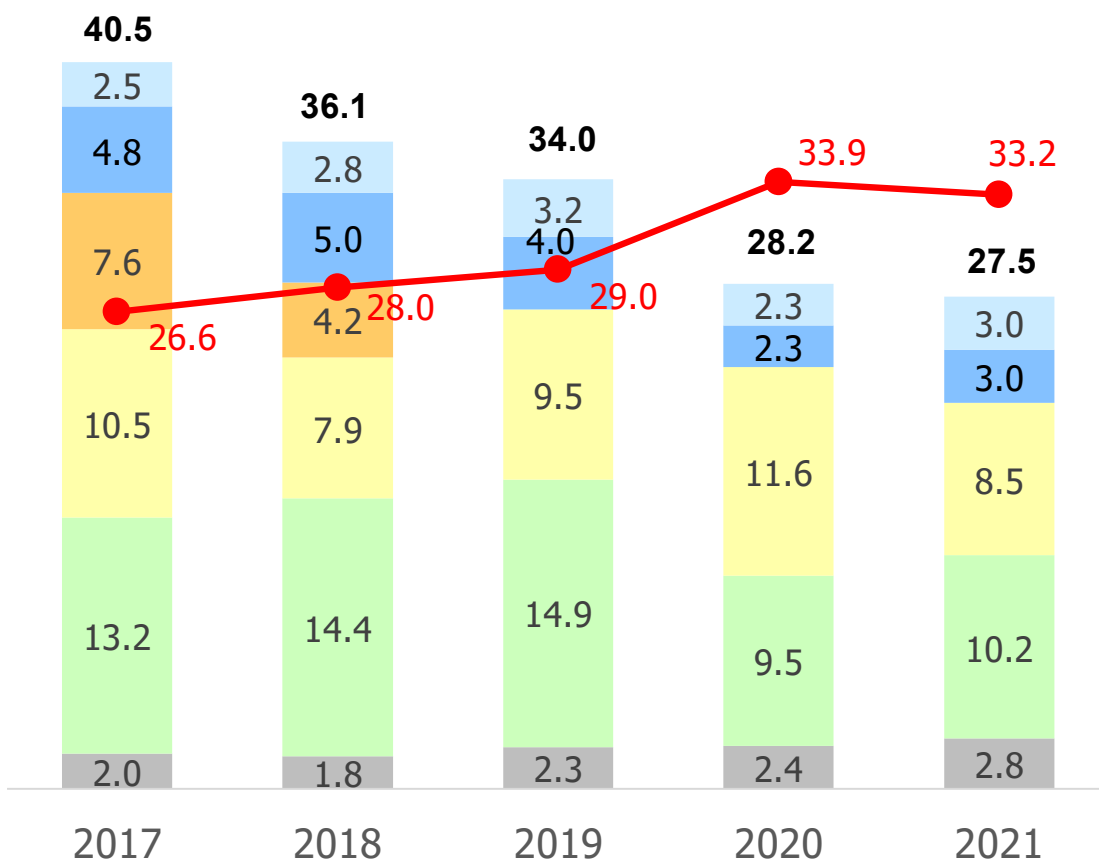
	FY2021 Automotive Parts & Components	Difference Catalysts, Others	FY2021 Mobility
Sales	78.8	128.3	207.1
Operating income	-0.3	1.8	1.5
Ordinary income	0.5	1.9	2.4

# CAPEX and Depreciation

(Unit : Billion yen)

Old Organization

New Organization



Others  
Metals  
Automotive parts & components  
Depreciation

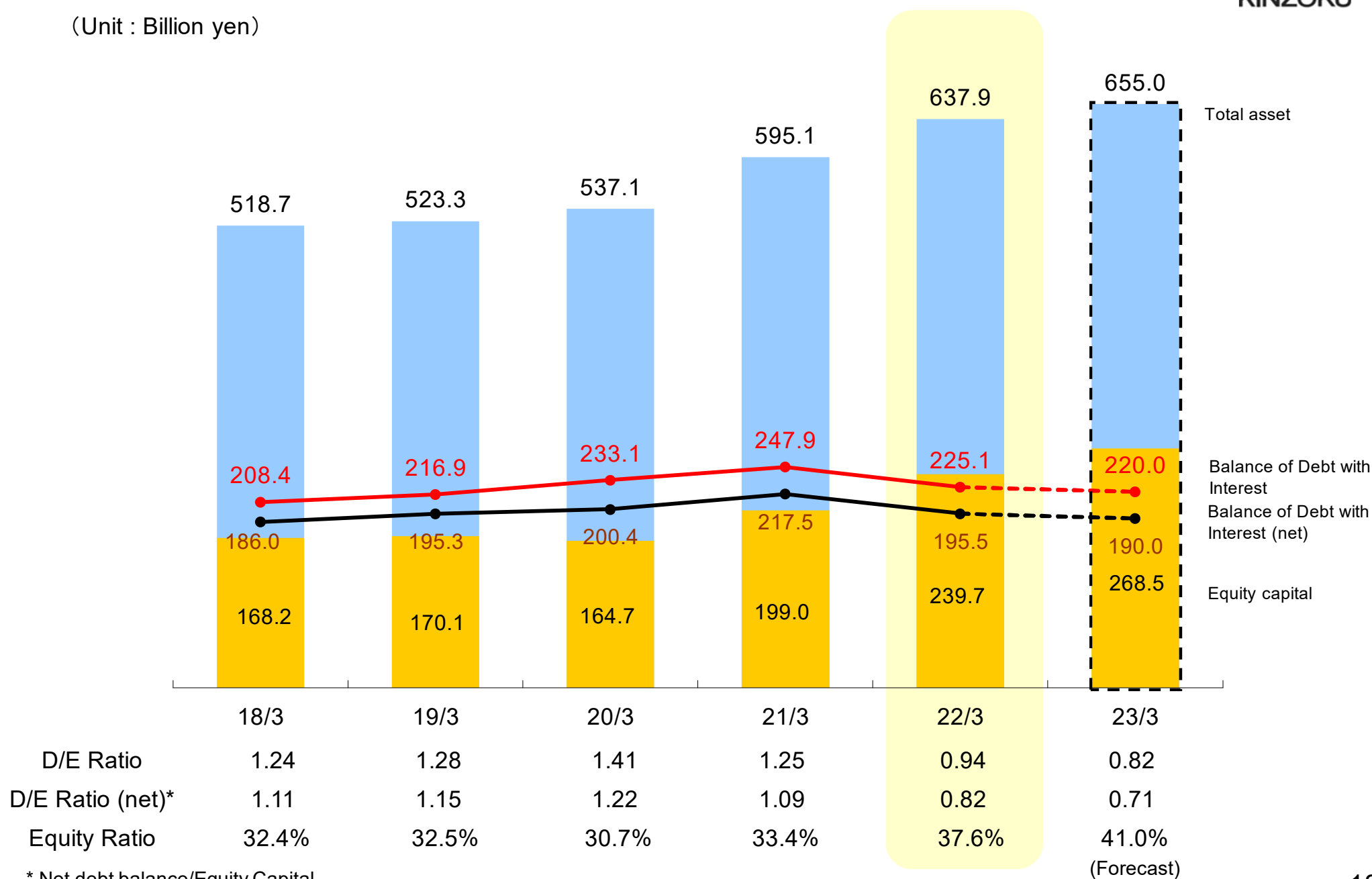
Engineered Materials  
Hydroelectric Power Generation  
Affiliate coordination

Others  
Metals  
Mobility  
Business Creation

Engineered Materials  
Hydroelectric Power Generation  
Corporate  
Depreciation

# Financial Position at the end of Fiscal Year

(Unit : Billion yen)

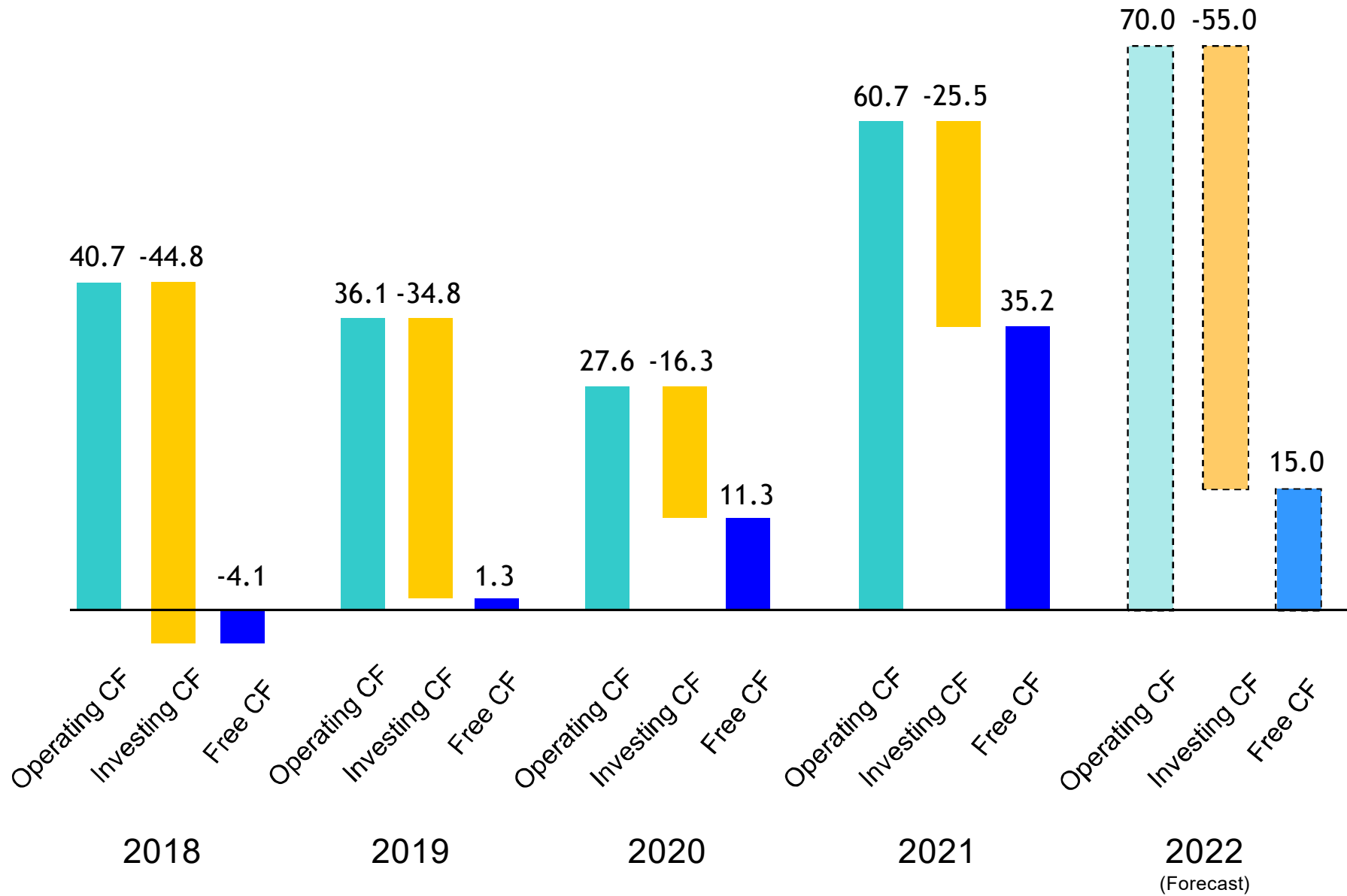


\* Net debt balance/Equity Capital

# Cash Flows



(Unit : Billion yen)



# Metal Prices and FOREX



	2020							2021							2022 Forecast		
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2020	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2021	1st Half	2nd Half	FY 2022
Zinc (\$ / t)	1,959	2,340	2,150	2,631	2,748	2,689	2,420	2,916	2,991	2,954	3,365	3,743	3,554	3,254	3,900	3,500	3,700
Zinc (Actual) (\$ / t)	2,113	2,404	2,259	2,624	2,705	2,664	2,471	2,845	2,893	2,869	3,147	3,394	3,271	3,077	3,568	3,315	3,439
Lead (\$ / t)	1,670	1,876	1,773	1,903	2,020	1,962	1,867	2,127	2,341	2,234	2,331	2,334	2,332	2,283	2,300	2,300	2,300
Copper (¢ / lb)	242	296	269	325	385	355	312	440	425	433	440	453	446	440	426	426	426
Indium (\$ / Kg)	164	173	168	190	208	199	184	217	239	228	288	286	287	258	270	270	270
Palladium (\$ / oz)	1,965	2,168	2,067	2,348	2,405	2,377	2,222	2,788	2,470	2,629	1,941	2,329	2,135	2,382	2,300	2,300	2,300
Rhodium (\$ / oz)	8,332	11,097	9,715	15,141	23,486	19,313	14,514	25,781	17,282	21,531	14,037	18,061	16,049	18,790	17,500	17,500	17,500
Yen/US\$ (yen / \$)	107.6	106.2	106.9	104.5	105.9	105.2	106.1	109.5	110.1	109.8	113.7	116.2	115.0	112.4	120.0	120.0	120.0
Yen/US\$ (Actual) (yen / \$)	107.8	106.7	107.2	105.0	106.2	105.6	106.4	109.6	110.2	109.9	112.8	114.6	113.7	111.8	117.8	117.7	117.7

# Appendix

# List of transient factors

Old Organization



(Unit: Billion yen)

## FY2021 Forecast Transient factors

		Q1	Q2	Q3	Q4	FY2021	FY2021 Forecast(Feb 9)
Engineered	Catalysts: PGM price difference (QP difference)	2.9	1.1	-8.8	-1.2	-6.0	-4.8
Materials	Catalysts: Forex Exchange gain				0.9	0.9	0.0
	Copper foil: Inventory impact	0.5				0.5	0.5
<b>Subtotal</b>		<b>3.4</b>	<b>1.1</b>	<b>-8.8</b>	<b>-0.3</b>	<b>-4.6</b>	<b>-4.3</b>
Metals	PGM recycling	0.6	0.1	-0.1	0.8	1.4	0.5
	Copper production	-0.2		-0.5	-0.4	-1.1	-1.1
<b>Subtotal</b>		<b>0.4</b>	<b>0.1</b>	<b>-0.6</b>	<b>0.4</b>	<b>0.3</b>	<b>-0.6</b>
Automotive Parts & Components		0.0	0.0	0.0	0.0	0.0	0.0
Others						0.0	0.0
<b>Total</b>		<b>3.8</b>	<b>1.2</b>	<b>-9.4</b>	<b>0.1</b>	<b>-4.3</b>	<b>-4.9</b>

## (Reference) FY2020 Transient factors

		Q1	Q2	Q3	Q4	FY2020
Engineered	Catalysts: PGM price difference (QP difference)	0.5	-0.1	0.9	2.8	4.1
Materials	Catalysts: Forex Exchange gain				0.8	0.8
	Copper foil: Inventory impact				0.5	0.5
	Copper foil: Valuation differences on borrowing denominated in foreign currencies	0.1	0.1	0.2	-0.1	0.3
<b>Subtotal</b>		<b>0.6</b>	<b>0.0</b>	<b>1.1</b>	<b>4.0</b>	<b>5.7</b>
Metals	Large scale maintenance for zinc smelting	-1.4				-1.4
	Dividend income from JCR	0.9	0.7	0.4		2.0
	PGM recycling		1.0	1.0	0.4	2.4
	Copper production		1.1	1.0		2.1
	Large scale maintenance for copper smelting			-1.7		-1.7
	Loss on Caserones copper mine	-2.2	-0.3	-0.6		-3.1
<b>Subtotal</b>		<b>-2.7</b>	<b>2.5</b>	<b>0.1</b>	<b>0.4</b>	<b>0.3</b>
Automotive	Furlough subsidy, Exemption of social insurance premium, etc.	0.3	0.2	0.2		0.7
Parts & Components	Valuation differences on retirement benefit assets				0.2	0.2
<b>Subtotal</b>		<b>0.3</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.9</b>
Others					1.3	1.3
<b>Total</b>		<b>-1.8</b>	<b>2.7</b>	<b>1.4</b>	<b>5.9</b>	<b>8.2</b>

# List of transient factors

New Organization



(Unit: Billion yen)

## FY2022 Forecast Transient factors

		FY2022 1st half Forecast	FY2022 2nd half Forecast	FY2022 Forecast
Metals	Large scale maintenance for copper smelting	0.0	-2.5	<b>-2.5</b>
<b>Subtotal</b>		<b>0.0</b>	<b>-2.5</b>	<b>-2.5</b>
<b>Total</b>		<b>0.0</b>	<b>-2.5</b>	<b>-2.5</b>

## (Reference) FY2021 Transient factors

		Q1	Q2	Q3	Q4	FY2021
Engineered Materials	Copper foil: Inventory impact	0.5				<b>0.5</b>
<b>Subtotal</b>		<b>0.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.5</b>
Metals	PGM recycling	0.6	0.1	-0.1	0.8	<b>1.4</b>
	Copper production	-0.2		-0.5	-0.4	<b>-1.1</b>
<b>Subtotal</b>		<b>0.4</b>	<b>0.1</b>	<b>-0.6</b>	<b>0.4</b>	<b>0.3</b>
Mobility	Catalysts: PGM price difference (QP difference)	2.9	1.1	-8.8	-1.2	<b>-6.0</b>
	Catalysts: Forex Exchange gain				0.9	<b>0.9</b>
<b>Subtotal</b>		<b>2.9</b>	<b>1.1</b>	<b>-8.8</b>	<b>-0.3</b>	<b>-5.1</b>
<b>Total</b>		<b>3.8</b>	<b>1.2</b>	<b>-9.4</b>	<b>0.1</b>	<b>-4.3</b>

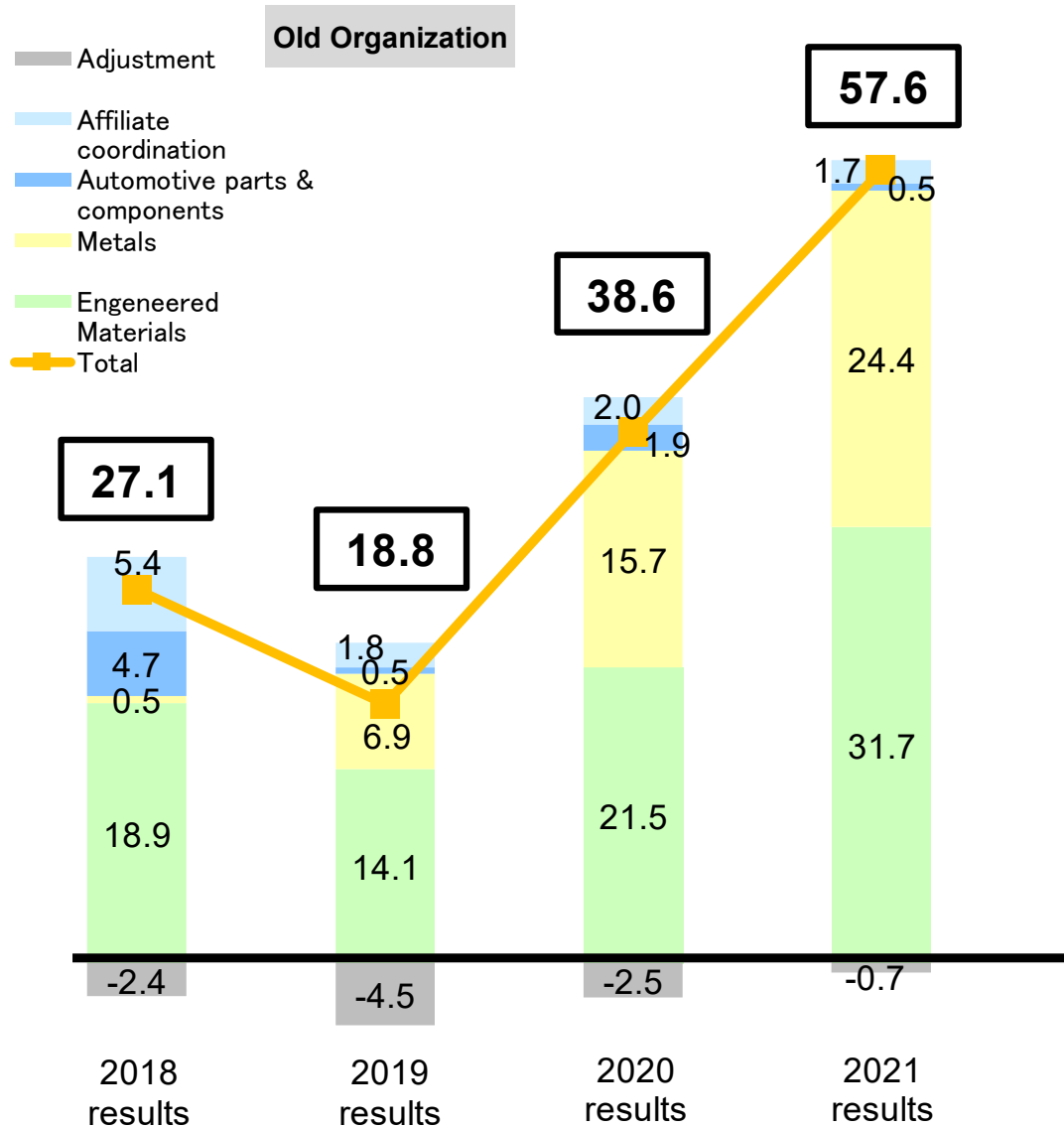


# Financial Performance



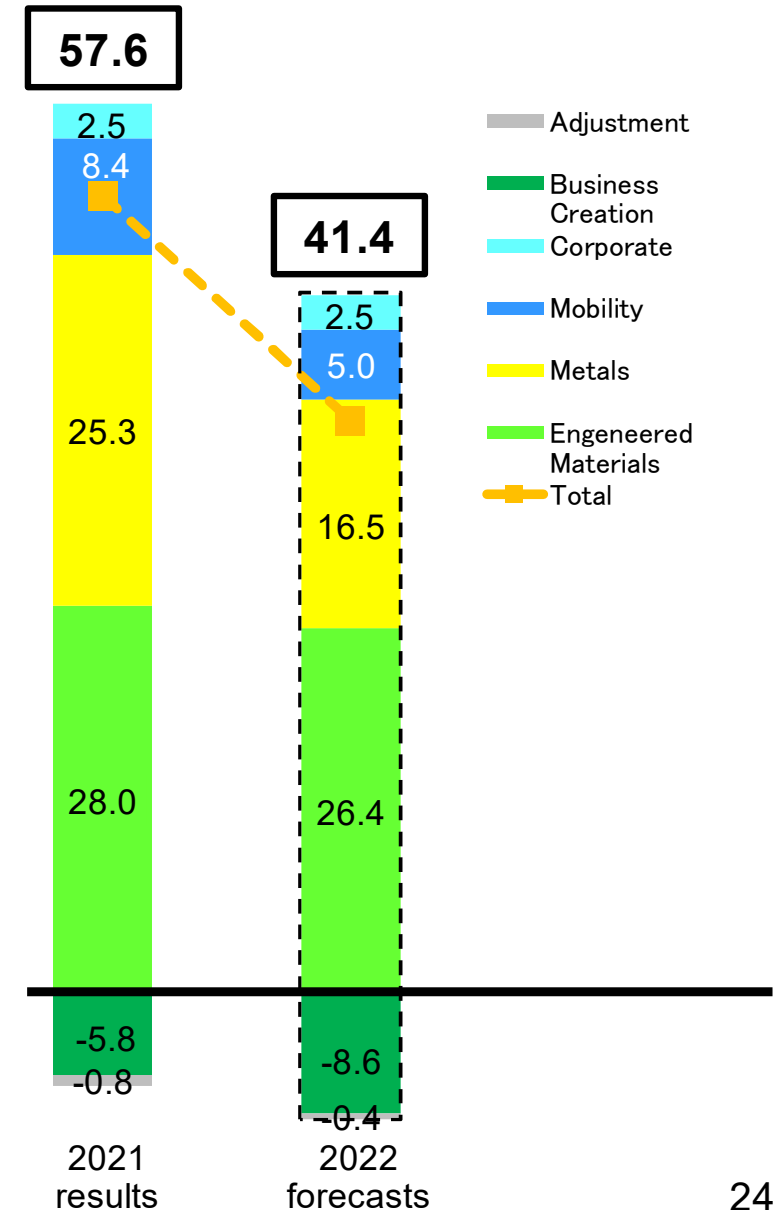
## Trends in Financial Performance

(excludes inventory factor and PGM price difference on Catalysts from Ordinary income)



**New Organization**

(Unit: Billion yen)



# Quarterly sales and incomes

Old Organization



(Unit : Billion yen)

	'20/Q1	'20/Q2	'20/Q3	'20/Q4	'21/Q1	'21/Q2	'21/Q3	'21/Q4	Q4 Diff. YonY	Q4 Diff. QonQ
<b>■ Sales</b>										
Engineered Materials	34.9	51.2	53.5	68.2	62.0	69.2	60.2	62.1	-6.1	1.9
Metals	36.9	51.1	47.9	57.7	52.8	57.1	57.9	65.2	7.5	7.2
Automotive Parts & Components	12.3	21.9	24.6	22.3	19.8	18.0	20.4	20.6	-1.7	0.2
Affiliates Coordination	24.8	27.7	29.6	33.8	28.8	33.1	37.9	41.0	7.2	3.0
Adjustment	-16.5	-19.7	-18.4	-20.8	-16.3	-19.2	-18.1	-19.1	1.7	-1.1
Consolidated	92.4	132.2	137.2	161.1	147.0	158.2	158.4	169.7	8.6	11.2
<b>■ Operating income</b>										
Engineered Materials	4.1	5.0	7.5	9.8	11.3	8.7	-0.6	7.5	-2.3	8.1
Metals	-1.6	10.5	5.7	9.0	10.6	5.9	6.5	10.3	1.3	3.8
Automotive Parts & Components	-2.2	1.0	2.1	0.5	0.3	-0.3	-0.1	-0.2	-0.7	-0.2
Affiliates Coordination	-0.2	0.3	0.5	0.6	-0.5	0.0	0.8	0.4	-0.2	-0.4
Adjustment	-0.5	-0.7	-1.4	0.9	-1.7	1.3	0.4	0.0	-0.9	-0.4
Consolidated	-0.3	16.2	14.5	20.7	20.1	15.7	7.0	17.9	-2.8	10.9
<b>■ Ordinary income</b>										
Engineered Materials	3.8	4.6	7.0	11.1	10.9	8.7	-0.4	8.5	-2.7	8.8
Metals	-2.5	10.6	5.5	9.2	11.3	6.1	6.9	11.1	1.9	4.1
Automotive Parts & Components	-2.0	1.2	2.0	0.7	0.8	-0.1	0.1	-0.3	-0.9	-0.3
Affiliates Coordination	-0.4	0.7	1.0	1.3	0.1	0.7	1.4	0.9	-0.4	-0.5
Adjustment	-0.7	-1.2	-2.1	1.4	-1.9	1.0	0.2	0.0	-1.4	-0.1
Consolidated	-1.8	15.9	13.5	23.7	21.2	16.3	8.2	20.3	-3.5	12.1
<b>■ Net income attributable to owners of parent</b>										
	11.1	12.8	-9.8	30.7	18.8	12.6	5.5	15.2	-15.5	9.7

# Quarterly operating incomes and ordinary incomes excluding inventory factors and PGM price difference on Catalysts



(Unit : Billion yen)

## Old Organization

	'20/Q1	'20/Q2	'20/Q3	'20/Q4	'21/Q1	'21/Q2	'21/Q3	'21/Q4	Q4 Diff. YonY	Q4 Diff. QonQ
<b>■ Operating income</b>										
Engineered Materials	3.6	5.3	6.1	6.5	7.9	7.4	7.1	8.5	2.1	1.4
Metals	-0.9	7.4	3.4	6.7	7.1	4.7	3.4	7.1	0.4	3.6
Automotive Parts & Components	-2.2	1.0	2.1	0.5	0.3	-0.3	-0.1	-0.2	-0.7	-0.2
Affiliates Coordination	-0.2	0.3	0.5	0.6	-0.5	0.0	0.8	0.4	-0.2	-0.4
Adjustment	-0.5	-0.7	-1.4	0.8	-1.7	1.3	0.4	0.0	-0.8	-0.4
Consolidated	-0.1	13.4	10.8	14.9	13.2	13.2	11.6	15.7	0.8	4.1
<b>■ Ordinary income</b>										
Engineered Materials	3.3	4.9	5.6	7.7	7.5	7.4	7.3	9.5	1.7	2.1
Metals	-1.8	7.5	3.2	6.8	7.8	4.9	3.8	7.9	1.1	4.0
Automotive Parts & Components	-2.0	1.2	2.0	0.7	0.8	-0.1	0.1	-0.3	-0.9	-0.3
Affiliates Coordination	-0.1	0.4	0.8	0.9	-0.5	0.4	1.1	0.7	-0.2	-0.4
Adjustment	-0.7	-1.2	-2.1	1.4	-1.9	1.0	0.2	0.0	-1.4	-0.1
Consolidated	-1.3	12.8	9.6	17.5	13.7	13.5	12.5	17.9	0.3	5.4

# Sales



## Old Organization

(Unit: Billion yen)

		'2021				
		'Q1	'Q2	'Q3	'Q4	'FY2021
Engineered Materials	Engineered Powders	7.0	8.1	7.7	6.9	29.6
	Catalysts	27.1	32.3	24.6	28.4	112.4
	Copper Foil	20.2	20.8	19.8	19.1	79.8
	Others	7.7	8.1	8.1	7.8	31.6
		<b>62.0</b>	<b>69.2</b>	<b>60.2</b>	<b>62.1</b>	<b>253.5</b>
Metals	Lead & Zinc	35.7	39.0	39.5	44.9	159.1
	Copper & Precious Metals	14.9	15.3	14.1	16.5	60.8
	Others	2.2	2.8	4.4	3.7	13.1
		<b>52.8</b>	<b>57.1</b>	<b>57.9</b>	<b>65.2</b>	<b>233.0</b>
Automotive Parts & Components	Door Latches for automobiles	19.8	18.0	20.4	20.6	78.8
Affiliates Coordination	Affiliates Coordination products	24.7	28.5	30.6	33.6	117.3
	Engineering business, Others	4.1	4.6	7.4	7.4	23.5
		28.8	33.1	37.9	41.0	140.8
Adjustment		-16.3	-19.2	-18.1	-19.2	-72.7
Consolidated		147.0	158.2	158.4	169.6	633.3

# 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.

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