



# **MITSUI KINZOKU**

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

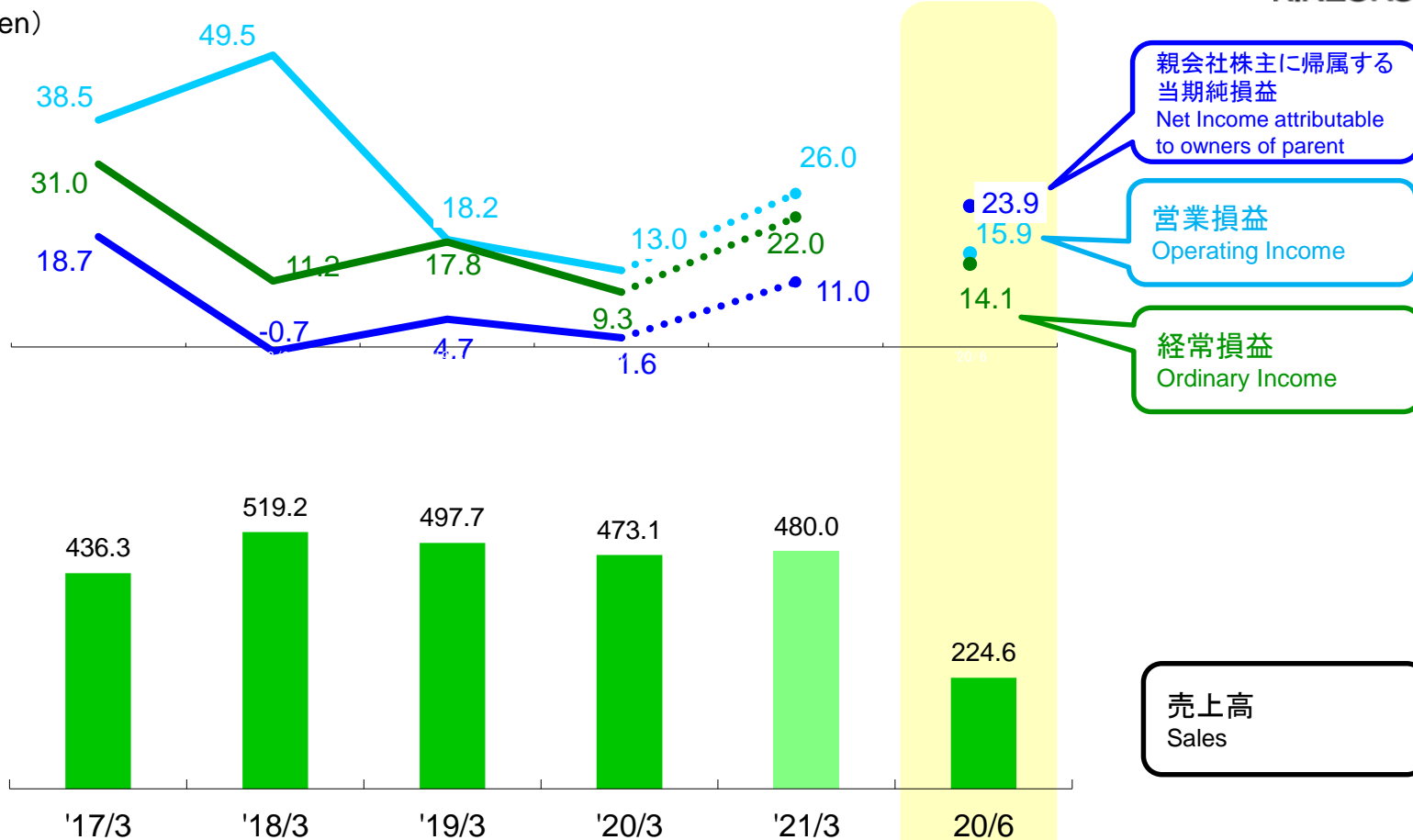
*FY2020 Q2 Results & FY 2020 Forecast*

November 9, 2020

# Sales and Earnings



(Unit: Billion yen)



Dividend per share	¥7	¥70※	¥70	¥70	¥70
Dividend payout ratio	21.4%	—	85.2%	255.2%	36.3%
DOE	2.5%	2.5%	2.5%	2.5%	2.4%

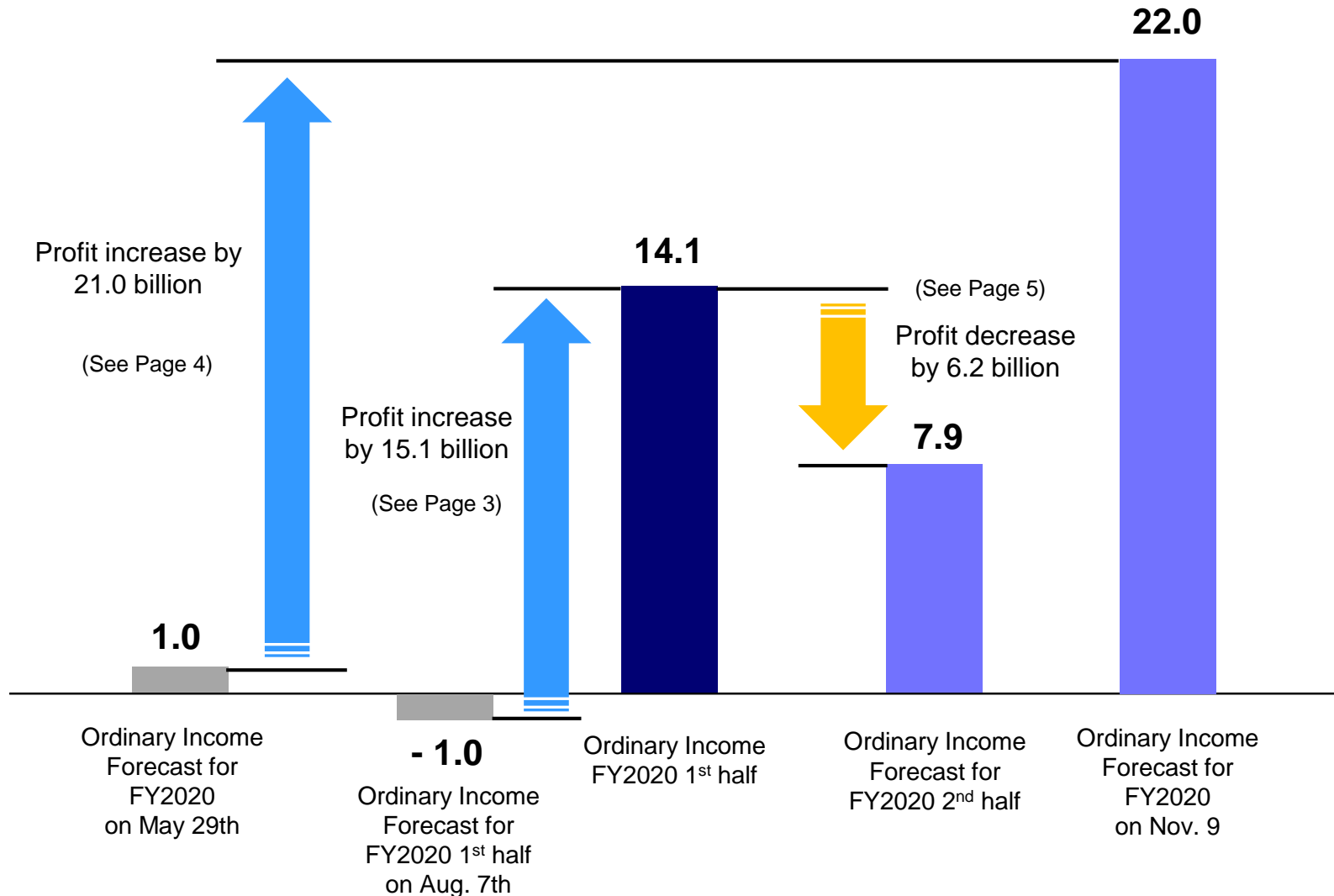
Forecast  
as of Nov 9

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

# Ordinary Income Forecast for FY 2020

The ordinary income forecast for FY2020 is significantly better than forecasts

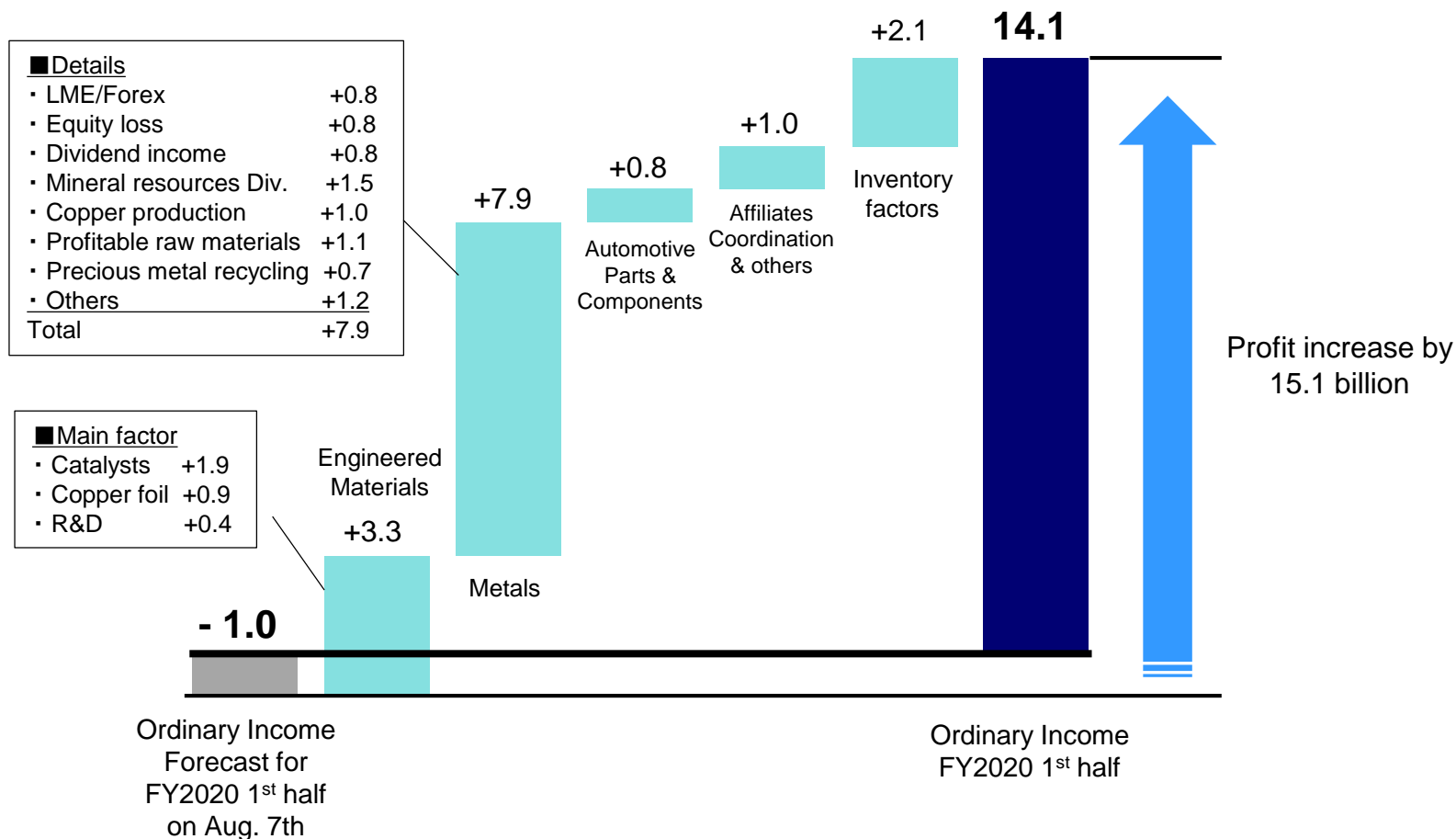
(Unit: Billion yen)



# Ordinary Income of FY 2020 1<sup>st</sup> Half

The ordinary income of FY2020 1<sup>st</sup> half is 14.1 billion, by 15.1 billion higher than that of FY2020 1<sup>st</sup> half forecast announced on Aug 7<sup>th</sup>.

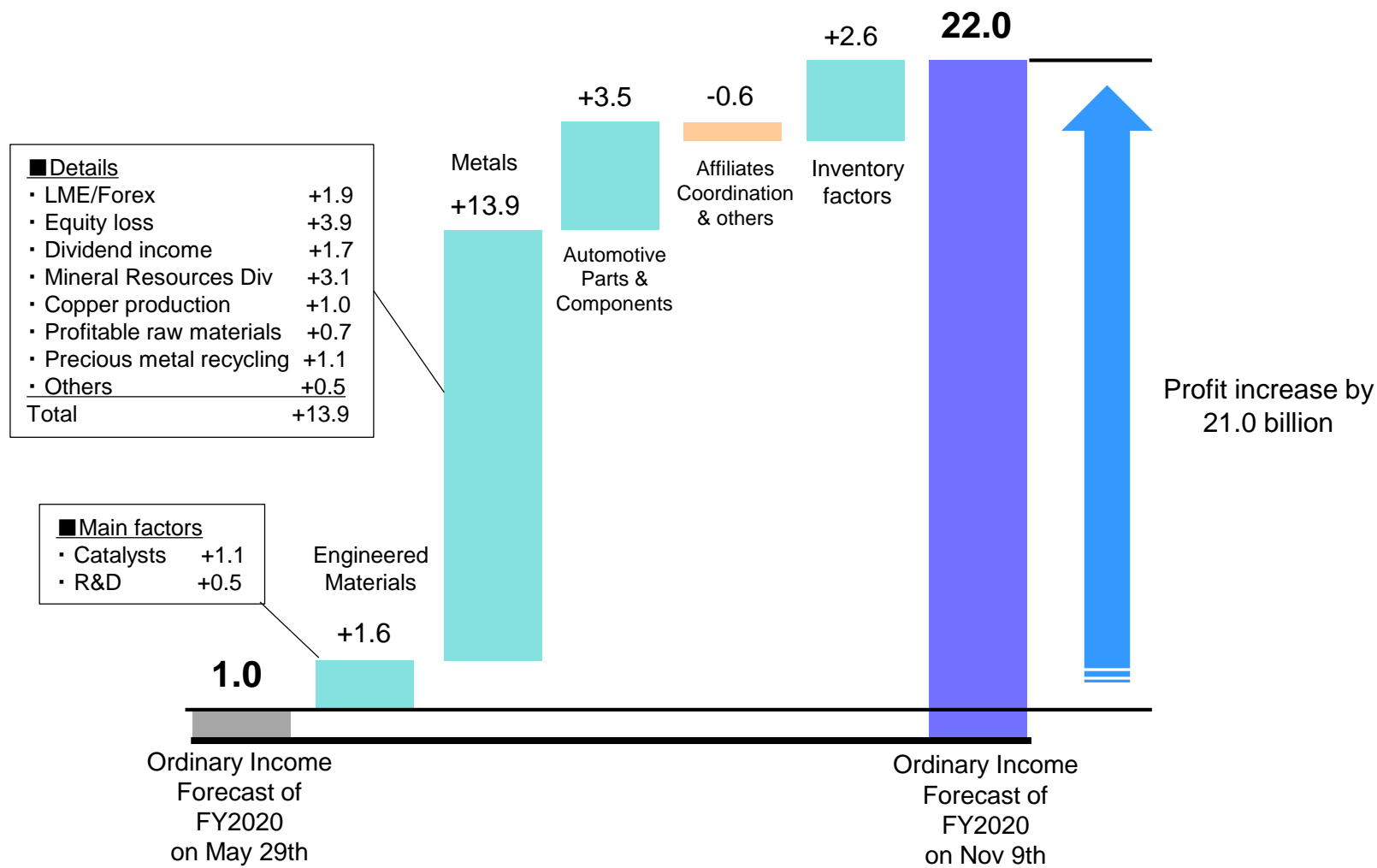
(Unit: Billion yen)



# FY2020 Ordinary Income forecast

Ordinary income forecast for FY2020 is 22.0 billion, by 21.0 billion better than FY2020 announced on May 29<sup>th</sup>.

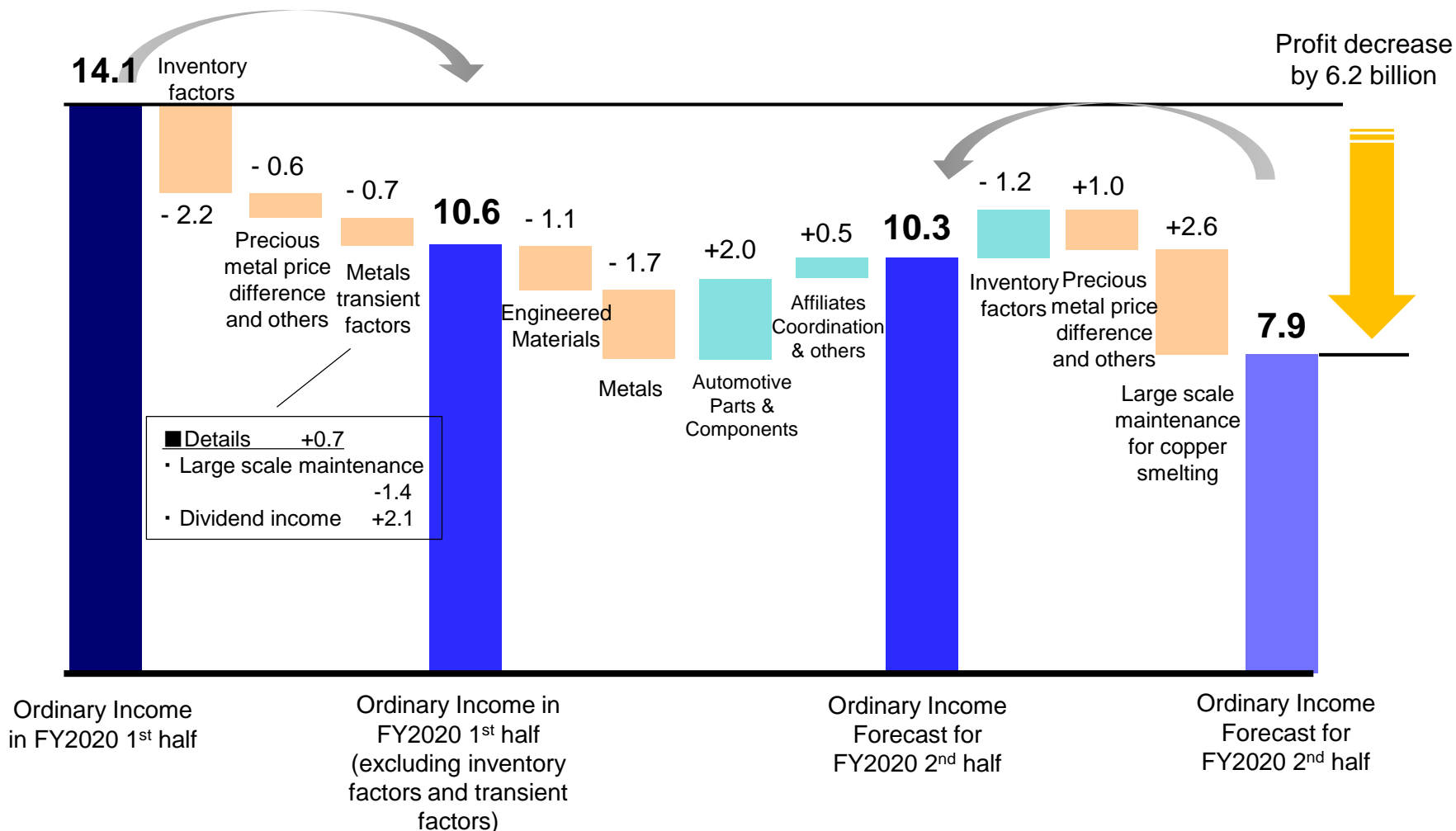
(Unit: Billion yen)



# Ordinary Income Forecast of FY 2020 2<sup>nd</sup> Half

The current forecast for ordinary income FY2020 2<sup>nd</sup> half is 7.9 billion yen.  
But excluding factors such as the difference in the time of occurrence,  
it is expected to be about the same as 1<sup>st</sup> half.

(Unit: Billion yen)



# Transfer of interest in the Caserones copper mine

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Decision to transfer all interests in the Caserones copper mine to JX Nippon Mining & Metals Corporation.

## Background of judgement

- Review of business portfolio
- Reducing of fluctuation risk of business performance due to copper price volatility

## Future policy

- The copper smelting business will collaborate with the zinc and lead business to rebuild and deepen our smelting network.
- Allocating management resources to the areas in which we can use our strengths.
- Reconfirm the necessity for all assets in terms of asset efficiency and strive to improve corporate value.

## Impact on consolidated PL

	FY2020
Extraordinary loss	- 20.0 billion yen

# Statements of income

(Unit : Billion yen)	実績 Results			通期見通し Forecast				
	'20/Q1-2	'19/Q1-2	増減 Difference	2020 今回予想 Forecast	2019	増減 Difference	2020 5/29 予想 Forecast as of May 29	増減 Difference
<b>売上高</b> Net Sales	224.6	238.1	-13.5 <i>-5.7%</i>	480.0	473.1	6.9 <i>3.1%</i>	470.0	10.0 <i>2.1%</i>
売上原価 Cost of sales	183.6	204.9	-21.3 <i>-10.4%</i>	-	-	-	-	-
<b>売上総利益</b> Gross Profit	41.0	33.2	7.8 <i>23.6%</i>	-	-	-	-	-
販売費・管理費 SG&A expenses	25.1	27.8	-2.7 <i>-9.7%</i>	-	-	-	-	-
<b>営業利益</b> Operating Income	15.9	5.3	10.5 <i>196.9%</i>	26.0	13.0	13.0 <i>81.7%</i>	10.0	16.0 <i>160.0%</i>
営業外収支 Non-operating income/expenses-net	-1.8	-0.4	-1.4	-4.0	-3.7	-0.3	-9.0	5.0
<b>経常利益</b> Ordinary Income	14.1	5.0	9.1 <i>184.2%</i>	22.0	9.3	12.7 <i>90.0%</i>	1.0	21.0 <i>2100.0%</i>
特別損益 Extraordinary profit/losses-net	13.1	-0.2	13.3	-3.8	-3.5	-0.2	11.4	-15.2
<b>税引前利益</b> Net Income before income taxes	27.2	4.8	22.4 <i>469.3%</i>	18.2	5.8	12.5 <i>45.8%</i>	12.4	5.8 <i>46.6%</i>
税金費用・非支配株主帰属損益 Income taxes & minority interests	3.3	3.0	0.3	7.2	4.2	3.0	6.4	0.8
<b>親会社株主に帰属する 当期純利益</b> Net income attributable to owners of parent	23.9	1.8	22.1 <i>1208.9%</i>	11.0	1.6	9.4 <i>39.5%</i>	6.0	5.0 <i>83.3%</i>



# Segment Information by Business Unit

(Unit: Billion yen)

	上期 1st half			下期 2nd half			通期 FY		
	2020	2019	増減 Difference	2020 (予想) Forecast	2019	増減 Difference	2020 (予想) Forecast	2019	増減 Difference
<b>■売上高 Sales</b>									
機能材料 Engineered Materials	86.0	82.3	3.7 4.5%	95.0	85.5	9.5 11.1%	181.0	167.8	13.2 7.8%
金属 Metals	88.0	83.7	4.3 5.2%	98.0	77.5	20.5 26.5%	186.0	161.1	24.9 15.4%
自動車部品 Automotive Parts and Components	34.2	46.1	-11.9 -25.8%	42.8	44.5	-1.7 -3.9%	77.0	90.6	-13.6 -15.0%
関連 Affiliates Coordination	52.6	53.3	-0.7 -1.4%	60.4	56.6	3.8 6.7%	113.0	109.9	3.1 2.8%
調整額 Adjustment	-36.2	-27.3	-8.9	-40.8	-29.1	-11.8	-77.0	-56.3	-20.7
<b>連結 Consolidated</b>	<b>224.6</b>	<b>238.1</b>	<b>-13.5</b> -5.7%	<b>255.4</b>	<b>235.0</b>	<b>20.4</b> 8.7%	<b>480.0</b>	<b>473.1</b>	<b>6.9</b> 1.5%
<b>■経常利益 Ordinary Income</b>									
機能材料 Engineered Materials	8.3	5.2	3.1 59.1%	6.0	8.2	-2.2 -26.9%	14.3	13.4	0.9 6.8%
金属 Metals	8.1	0.8	7.3 875.5%	1.7	-2.3	4.0	9.8	-1.5	11.3
自動車部品 Automotive Parts and Components	-0.8	0.1	-0.9	1.3	0.3	0.9 274.6%	0.5	0.5	0.0 6.7%
関連 Affiliates Coordination	0.3	0.4	-0.2 -40.2%	1.0	1.0	0.0 3.4%	1.3	1.4	-0.1 -10.1%
調整額 Adjustment	-1.9	-1.7	-0.2	-2.0	-2.8	0.8	-3.9	-4.5	0.6
<b>連結 Consolidated</b>	<b>14.1</b>	<b>5.0</b>	<b>9.1</b> 184.2%	<b>7.9</b>	<b>4.4</b>	<b>3.6</b> 81.5%	<b>22.0</b>	<b>9.3</b>	<b>12.7</b> 136.1%

# Variance analysis of ordinary income

(Unit Billion yen)

	Ordinary Income			Details					
	20Q1-Q2	19Q1-Q2	Diff.	Volume	LME/Forex	Inventory Factor	Margin/Cost	Equity gain or loss	Total
Engineered materials	8.3	5.2	3.1	-0.1	0.4	2.0	1.0	-0.2	3.1
Metals	8.1	0.8	7.3	-1.4	-1.7	6.4	6.2	-2.2	7.3
Automotive parts & components	-0.8	0.1	-0.9	-5.1	-0.0	-	4.2	-	-0.9
Affiliate coordination	0.3	0.4	-0.2	-0.9	-0.1	-	0.7	0.2	-0.2
Adjustment	-1.9	-1.7	-0.2	-	-	-	-0.2	-	-0.2
<b>Total</b>	<b>14.1</b>	<b>5.0</b>	<b>9.1</b>	<b>-7.6</b>	<b>-1.4</b>	<b>8.4</b>	<b>11.9</b>	<b>-2.2</b>	<b>9.1</b>

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

(Unit : Billion yen)

	上期 1st half			下期 2nd half			通期 FY		
	2020	2019	増減 Difference	2020 今回予想 Forecast	2019	増減 Difference	2020 今回予想 Forecast	2019	増減 Difference
金利収支 Interest income - net	-0.7	-0.7	-0.0	-1.0	-0.7	-0.3	-1.7	-1.3	-0.4
受取配当金 Dividend income - net	2.4	1.1	1.3	0.1	0.1	-0.0	2.5	1.2	1.3
持分法投資損益 Equity in gains/losses	-2.7	-0.5	-2.2	-1.2	-1.0	-0.3	-3.9	-1.4	-2.5
為替差損益 Forex Exchange gain or loss	-0.8	-0.7	-0.1	-0.0	-1.5	1.5	-0.8	-2.2	1.4
その他 Others	-0.0	0.4	-0.4	-0.1	-0.3	0.2	-0.1	0.1	-0.2
<b>営業外損益 計</b> Non-operating income/expenses	<b>-1.8</b>	<b>-0.4</b>	<b>-1.4</b>	<b>-2.2</b>	<b>-3.3</b>	<b>1.1</b>	<b>-4.0</b>	<b>-3.7</b>	<b>-0.3</b>
固定資産除売却 Loss on sale & disposal of Fixed Asset	1.1	-0.4	1.5	-1.0	-1.7	0.7	0.1	-2.1	2.2
有価証券売却損益 PL on Sale of Investment	13.6	0.0	13.6	-0.4	-0.8	0.4	13.2	-0.8	14.0
災害損失 Disaster losses	-0.3	-0.1	-0.2	0.0	-0.0	0.0	-0.3	-0.1	-0.2
受取保険金 Insurance Proceeds	0.5	0.5	-0.0	0.0	0.0	-0.0	0.5	0.5	-0.0
その他 Others	-1.7	-0.2	-1.6	-15.5	-0.8	-14.7	-17.2	-1.0	-16.3
<b>特別損益 計</b> Extraordinary profit/losses - net	<b>13.1</b>	<b>-0.2</b>	<b>13.3</b>	<b>-16.9</b>	<b>-3.3</b>	<b>-13.5</b>	<b>-3.8</b>	<b>-3.5</b>	<b>-0.2</b>

# Quarterly sales and incomes

(Unit : Billion yen)

	'19/Q1	'19/Q2	'19/Q3	'19/Q4	'20/Q1	'20/Q2	Q2増減 (前年比) YonY	Q2増減 (前Q比) QonQ
<b>■売上高 Sales</b>								
機能材料 Engineered Materials	39.8	42.6	42.8	42.7	34.9	51.2	8.6	16.3
金属 Metals	39.6	44.1	38.0	39.5	36.9	51.1	7.0	14.1
自動車部品 Automotive Parts & Components	23.3	22.8	24.3	20.2	12.3	21.9	-0.8	9.7
関連 Affiliates Coordination	25.9	27.4	26.4	30.2	24.8	27.7	0.3	2.9
調整額 Adjustment	-12.6	-14.6	-13.6	-15.4	-16.5	-19.7	-5.1	-3.2
連結 Consolidated	115.9	122.2	117.8	117.2	92.4	132.2	10.0	39.8
<b>■営業利益 Operating income</b>								
機能材料 Engineered Materials	2.1	3.3	5.6	4.1	4.1	5.0	1.8	0.9
金属 Metals	1.8	-0.7	1.0	-2.1	-1.6	10.5	11.2	12.1
自動車部品 Automotive Parts & Components	-0.1	-0.0	0.8	-0.5	-2.2	1.0	1.0	3.2
関連 Affiliates Coordination	0.0	0.3	0.3	0.4	-0.2	0.3	-0.0	0.5
調整額 Adjustment	-1.0	-0.3	-0.8	-1.1	-0.5	-0.7	-0.3	-0.1
連結 Consolidated	2.8	2.5	6.9	0.8	-0.3	16.2	13.6	16.5
<b>■経常利益 Ordinary income</b>								
機能材料 Engineered Materials	2.1	3.2	5.7	2.5	3.8	4.6	1.4	0.8
金属 Metals	2.5	-1.6	0.7	-3.0	-2.5	10.6	12.3	13.1
自動車部品 Automotive Parts & Components	0.1	0.0	0.8	-0.4	-2.0	1.2	1.2	3.2
関連 Affiliates Coordination	0.3	0.2	0.4	0.6	-0.4	0.7	0.5	1.1
調整額 Adjustment	-1.4	-0.3	-0.9	-1.9	-0.7	-1.2	-0.9	-0.5
連結 Consolidated	3.6	1.4	6.7	-2.3	-1.8	15.9	14.5	17.6
<b>■親会社株主に帰属する 当期純利益</b>	2.6	-0.8	4.4	-4.7	11.1	12.8	13.5	1.7
Net income attributable to owners of parent								

# Quarterly operating incomes and ordinary incomes excluding inventory factors

(Unit : Billion yen)

	'19/Q1	'19/Q2	'19/Q3	'19/Q4	'20/Q1	'20/Q2	Q2増減 (前年比) YonY	Q2増減 (前Q比) QonQ
<b>■ 営業利益 Operating income</b>								
機能材料 Engineered Materials	3.4	4.2	5.8	4.4	4.1	5.2	1.1	1.1
金属 Metals	2.2	2.9	1.3	2.0	-0.9	7.4	4.5	8.3
自動車部品 Automotive Parts & Components	-0.1	-0.0	0.8	-0.5	-2.2	1.0	1.0	3.2
関連 Affiliates Coordination	0.0	0.3	0.3	0.4	-0.2	0.3	-0.0	0.5
調整額 Adjustment	-1.0	-0.3	-0.8	-1.1	-0.5	-0.7	-0.3	-0.1
連結 Consolidated	4.5	7.0	7.4	5.2	0.4	13.3	6.2	12.9
<b>■ 経常利益 Ordinary income</b>								
機能材料 Engineered Materials	3.4	4.1	5.9	2.7	3.8	4.8	0.7	1.0
金属 Metals	2.9	2.0	1.0	1.0	-1.8	7.5	5.6	9.3
自動車部品 Automotive Parts & Components	0.1	0.0	0.8	-0.4	-2.0	1.2	1.2	3.2
関連 Affiliates Coordination	0.3	0.5	0.5	0.5	-0.1	0.4	-0.1	0.5
調整額 Adjustment	-1.4	-0.3	-0.9	-1.9	-0.7	-1.2	-0.9	-0.5
連結 Consolidated	5.3	6.2	7.3	2.0	-0.8	12.7	6.5	13.4

# Equity gains or losses

(Unit : Billion yen)

	2019							2020 Forecast							2020
	Q1	Q2	1st H	Q3	Q4	2nd H	FY 2019	Q1	Q2	1st Half	2nd Half Forecast	FY 2020 Forecast	FY 2020 (May 29)	Difference.	1st Half Forecast (7th Aug)
Engineered Materials	0.1	0.1	0.2	0.1	0.1	0.2	0.4	0.0	-0.0	-0.0	0.1	0.1	0.4	-0.4	0.2
Metals	0.2	-0.8	-0.6	-0.4	-0.9	-1.3	-1.9	-2.2	-0.5	-2.8	-1.5	-4.2	-8.1	3.9	-3.5
Automotive Parts & Components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate Coordination	0.0	-0.1	-0.1	0.1	0.1	0.2	0.1	-0.2	0.3	0.1	0.2	0.3	-0.0	0.3	-0.4
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>0.3</b>	<b>-0.8</b>	<b>-0.5</b>	<b>-0.2</b>	<b>-0.7</b>	<b>-1.0</b>	<b>-1.4</b>	<b>-2.4</b>	<b>-0.3</b>	<b>-2.7</b>	<b>-1.2</b>	<b>-3.9</b>	<b>-7.8</b>	<b>3.8</b>	<b>-3.7</b>

Copper ( ¢ / lb )	282	277	280	263	267	265	272	256	242	249	280	265	251	13	249
Forex (Yen/\$)	109.9	107.4	108.6	108.8	109.0	108.9	108.8	107.6	106.2	106.9	105.0	106.0	107.0	-1.0	107.3

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

# Trends of products

			2018					2019					2020 Forecast					2020 Forecast (May 29)			2020
			Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	1st Half	2nd Half Forecast (9th Nov)	Year Forecast (9th Nov)	1st Half	2nd Half	Year	1st Half Forecast (7th Aug)
MH alloy	Volume of Sales	Index	100	98	109	103	102	102	105	108	112	107	78	104	91	111	101	82	123	103	95
Catalysts for motorcycle	Volume of Sales	Index	100	101	90	86	94	93	96	96	101	96	45	119	82	109	96	72	123	97	80
India	Volume of Sales	Index	(100)	(101)	(77)	(71)	(87)	(88)	(90)	(83)	(109)	(93)	(36)	(156)	(96)	(130)	(113)	(72)	(150)	(111)	(93)
Indonesia	Volume of Sales	Index	(100)	(113)	(109)	(121)	(111)	(96)	(105)	(113)	(111)	(106)	(38)	(68)	(53)	(94)	(73)	(72)	(106)	(89)	(47)
Others	Volume of Sales	Index	(100)	(97)	(103)	(93)	(98)	(98)	(100)	(110)	(86)	(98)	(62)	(86)	(74)	(85)	(79)	(71)	(92)	(82)	(74)
Catalysts for automobile	Volume of Sales	Index	100	111	131	121	116	128	134	125	130	129	78	157	117	153	135	112	158	135	112
Copper foil	Volume of Sales	t /Month	2,400	2,460	2,020	1,930	2,200	2,320	2,520	2,530	2,250	2,400	1,860	1,960	1,910	1,950	1,930	2,310	2,410	2,360	2,010
MicroThin™ Total (a+b)	Volume of Sales	Index	100	116	93	57	92	84	117	102	98	100	120	129	124	112	118	108	106	107	124
MicroThin™ for HDI (a)	Volume of Sales		24	42	29	5	25	20	28	15	13	19	17	41	29	22	26	18	19	18	27
MicroThin™ for PKG (b)	Volume of Sales		76	74	64	52	67	64	89	87	85	81	103	88	95	90	92	90	87	89	97
ITO Target	Volume of Sales	Index	100	92	99	89	95	87	97	97	95	94	90	79	85	87	86	92	94	93	87
Zinc	Volume of Production	k-t	54	49	50	58	211	56	56	56	52	219	43	56	100	119	219	103	119	222	100
Side door Latches	Volume of Sales	Index	100	105	102	92	100	90	91	98	39	80	92	98	—	—	—	—	—	—	—
Japan	Volume of Sales	Index	(100)	(105)	(119)	(116)	(111)	(109)	(114)	(107)	(129)	(115)	(71)	(118)	—	—	—	—	—	—	—
China	Volume of Sales	Index	(100)	(105)	(102)	(92)	(100)	(90)	(91)	(98)	(39)	(80)	(92)	(98)	—	—	—	—	—	—	—
Other Asia	Volume of Sales	Index	(100)	(98)	(107)	(111)	(104)	(97)	(96)	(90)	(83)	(92)	(24)	(68)	—	—	—	—	—	—	—
America & Europe	Volume of Sales	Index	(100)	(94)	(98)	(104)	(99)	(100)	(92)	(89)	(86)	(92)	(31)	(87)	—	—	—	—	—	—	—

※ Index : The sales volume in 2018 Q1 scaled at 100 ( except Copper Foil and Zinc )

# Inventory Factors

(Unit : Billion yen)

	2019							2020 Forecast							2020 (Aug 7)
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2019	Q1	Q2	1st Half	2nd Half Forecast	FY Forecast 2020	FY Forecast (May 29)	Diff.	1st Half Forecast
Engineered materials	-1.3	-0.9	-2.2	-0.2	-0.3	-0.5	-2.7	-	-0.2	-0.2	0.2	-	0.3	-0.3	-
Metals	-0.4	-3.6	-4.0	-0.3	-4.1	-4.4	-8.4	-0.7	3.1	2.4	1.0	3.4	0.5	2.9	0.4
Automotive Parts & components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate coordination	-	-0.3	-0.3	-0.1	-	-0.1	-0.4	-0.3	0.3	-	-	-	-	-0.3	-0.3
Total	-1.7	-4.8	-6.5	-0.6	-4.4	-5.0	-11.5	-1.0	3.2	2.2	1.2	3.4	0.8	2.3	0.1

Indium(High) (\$/Kg)	196	174	185	168	163	166	175	164	173	168	180	174	170	4	164
Zinc (\$ / t)	2,763	2,345	2,554	2,384	2,128	2,256	2,405	1,959	2,340	2,150	2,400	2,275	2,000	275	2,030
Lead (\$ / t)	1,886	2,029	1,958	2,039	1,847	1,943	1,950	1,670	1,876	1,773	1,800	1,787	1,600	187	1,735
Copper (¢ / lb)	277	263	270	267	256	261	266	242	296	269	280	275	250	25	266



# Performance by Segment – Engineered Materials

(Unit : Billion yen)

	2020 Q1-2	2019 Q1-2	増減 Difference	2020 Q3-4 (今回予想) Forecast	2019 Q3-4	増減 Difference	FY'2020 (今回予想) Forecast	FY'2019	増減 Difference
■売上高 Sales	86.0	82.3	3.7	95.0	85.5	9.5	181.0	167.8	13.2
■営業利益 Operating income	9.2	5.4	3.8	6.5	9.7	-3.2	15.7	15.1	0.6
■経常利益 Ordinary income	8.3	5.2	3.1	6.0	8.2	-2.2	14.3	13.4	0.9
※実力損益 Real Income	8.5	7.4	1.1	5.8	8.7	-2.9	14.3	16.1	-1.8

※Real income : Ordinary income excluding inventory factors.

## Difference Analysis of Ordinary income

[ '19Q1-2 → '20Q1-2 +3.1 ]  
 Inventory factors +2.0  
 Copper foil +1.3  
 (MicroThin™ volume of sales increases, others)

[ '19Q3-4 → '20Q3-4 -2.2 ]  
 Inventory factors +0.7  
 Catalysts -1.9 (Precious metal price)  
 R&D -0.7

### (Engineered Material Products)

### (Main Applications)

#### Battery Materials



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

#### Engineered Powers



- Wide range of electronic components
- Abrasive for glass

#### Catalysts



- Motorcycles
- Automobiles

#### Copper Foil



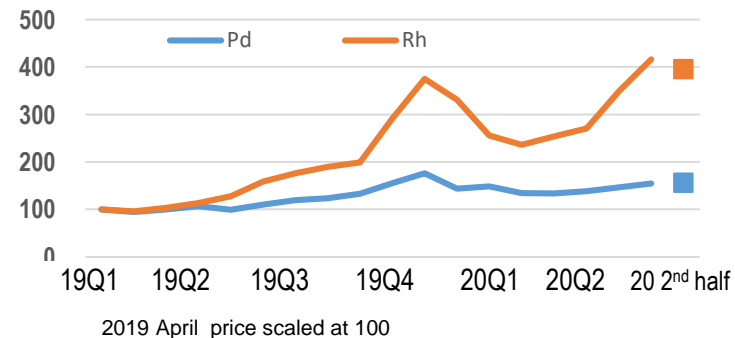
- High-Density Packaging
- Printed circuit board

#### PVD Materials (Sputtering target)



- Flat panel displays

## Precious metal price



# Performance by Segment – Metals

(Unit: Billion yen)

	2020 Q1-2	2019 Q1-2	増減 Difference	2020 Q3-4 (今回予想) Forecast	2019 Q3-4	増減 Difference	FY2020 (今回予想) Forecast	FY'2019	増減 Difference
■売上高 Sales	88.0	83.7	4.3	98.0	77.5	20.5	186.0	161.1	24.9
■営業利益 Operating income	9.0	1.1	7.9	3.7	-1.1	4.8	12.7	0.0	12.7
■経常利益 Ordinary income	8.1	0.8	7.3	1.7	-2.3	4.0	9.8	-1.5	11.3
※実力損益 Real Income	5.7	4.8	0.9	0.7	2.1	-1.4	6.4	6.9	-0.5

※Real income : Ordinary income excluding inventory factors.

## Metal Price and Forex

		'19Q1-2	19Q3-4	'20Q1-2	20Q3-4 Forecast
Zinc	\$/t	2,554	2,256	2,150	2,400
Zinc (Actual)	\$/t	2,551	2,357	2,259	2,456
Lead	\$/t	1,958	1,943	1,773	1,800
Copper (Q1:Jan-Mar)	¢/lb	280	265	249	280
Copper (Q1:Apr-Jun)	¢/lb	270	261	269	280
Yen/US\$	yen/\$	108.6	108.9	106.9	105.0
Yen/US\$ (Actual)	yen/\$	108.9	108.2	107.2	105.4

Sensitivity to ordinary income (for FY2020)

(Unit : Billion yen)

Full open basis      Including  
forward contract

Zinc	±100\$/t	1.2	9.1
Lead	±100\$/t	0.2	0.2
US\$(yen/\$)	±1yen/\$	0.5	0.4

## Ordinary Income

### Difference Analysis

	19Q1-2 →'20Q1-2	19Q3-4 →'20Q3-4
LME/Forex	-1.7	-0.2
T/C	1.0	0.8
Inventory Factors	6.4	5.4
Equity profit/loss	-2.1	-0.2
Cokes	0.7	0.1
Dividends	1.6	0.0
Others	1.4	-1.9
<b>Total</b>	<b>7.3</b>	<b>4.0</b>

### Details of Others

['19Q1-2→'20Q1-2 +1.4]

- Hibi Smelting is added to our subsidiary from 20Q1 +2.7
- Large scale maintenance for zinc smelting in 20Q1 -1.4


['19Q3-4→'20Q3-4 -1.9]

- Hibi Smelting (Including large scale maintenance) -1.8

# Performance by Segment – Automotive Parts & Components

(Unit : Billion yen)

	2020 Q1-2	2019 Q1-2	増減 Difference	2020 Q3-4 (今回予想) Forecast	2019 Q3-4	増減 Difference	FY'2020 (今回予想) Forecast	FY'2019	増減 Difference
■売上高 Sales	34.2	46.1	-11.9	42.8	44.5	-1.7	77.0	90.6	-13.6
■営業利益 Operating income	-1.2	-0.2	-1.0	1.0	0.2	0.8	-0.2	0.1	-0.2
■経常利益 Ordinary income	-0.8	0.1	-0.9	1.3	0.3	0.9	0.5	0.5	0.0

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

## Difference Analysis of Ordinary income

	19Q1-2 →20Q1-2	19Q3-4 →20Q3-4
Sales Volume	-5.1	-0.4
Cost down	4.5	1.1
Others	-0.3	0.2
<b>Total</b>	<b>-0.9</b>	<b>0.9</b>

# COVID-19 impact for 2020 1<sup>st</sup> Half (1)

■ Sales/Operation status by business segments compared to normal demand (excluding COVID-19 impact)

Segments		Assumptions (May 29)	Actual in 1 <sup>st</sup> half	Forecast for 2 <sup>nd</sup> half
Engineered materials	Catalyst for motorcycle	40% decrease in 1st Half	33% decrease in 1st Half	There are regional differences.
	Catalyst for automobile	25% decrease in 1st Half	20% decrease in 1st Half	Almost no impact
	MH alloys	33% decrease in 1st Half	25% decrease in 1st Half	Sales volume not reach to assumption
Metals	Huanzala mine	Operation stopped for 3 months	Same as assumption. Operation resumed in July	Operation not return to normal level
Automotive parts & components		Sales down by 20% per year Q1 : decrease by 50% After Q2 : decrease by 10%	Same as assumption, But there are regional differences.	Sales is higher than assumption, but there are regional differences
Affiliate coordination		Sales down by 10% per year 1st Half : decrease by 15% 2nd Half : decrease by 5%	Same as assumption	Sales for automobiles not return to assumption.

## COVID-19 impact for 2020 1<sup>st</sup> Half (2)

### ■ COVID-19 impact and improvement through measures

(Unit: Billion yen)

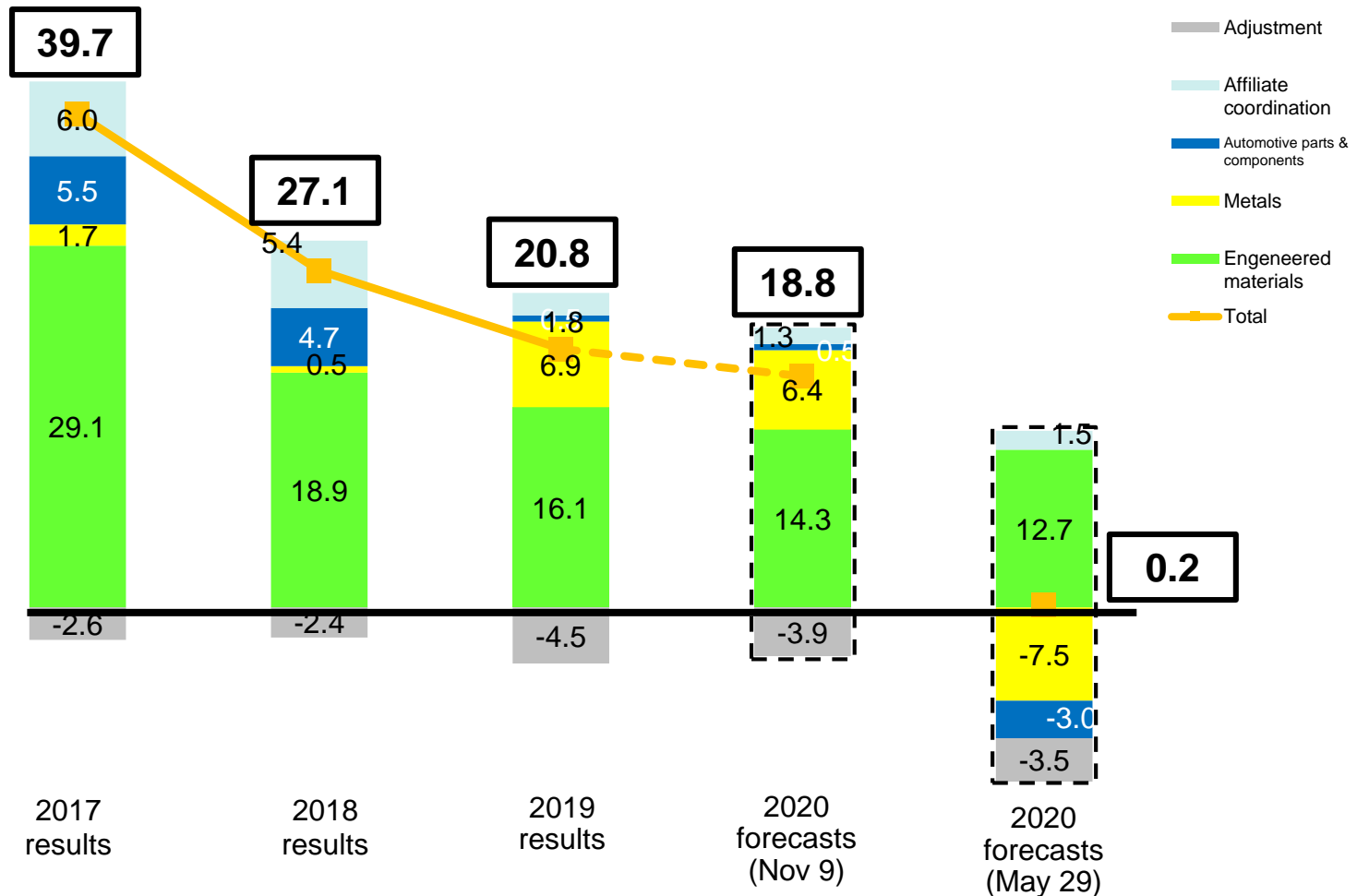
Items	Annual rough impact (May 29)	Actual in 1 <sup>st</sup> half	Percentage
LME/Forex	-10.8	-2.7	25%
Sales/Operation	-16.2	-11.1	69%
Improvement through measures	+7.0	+6.7	96%
Total	-20.0	-7.1	

# Financial Performance

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

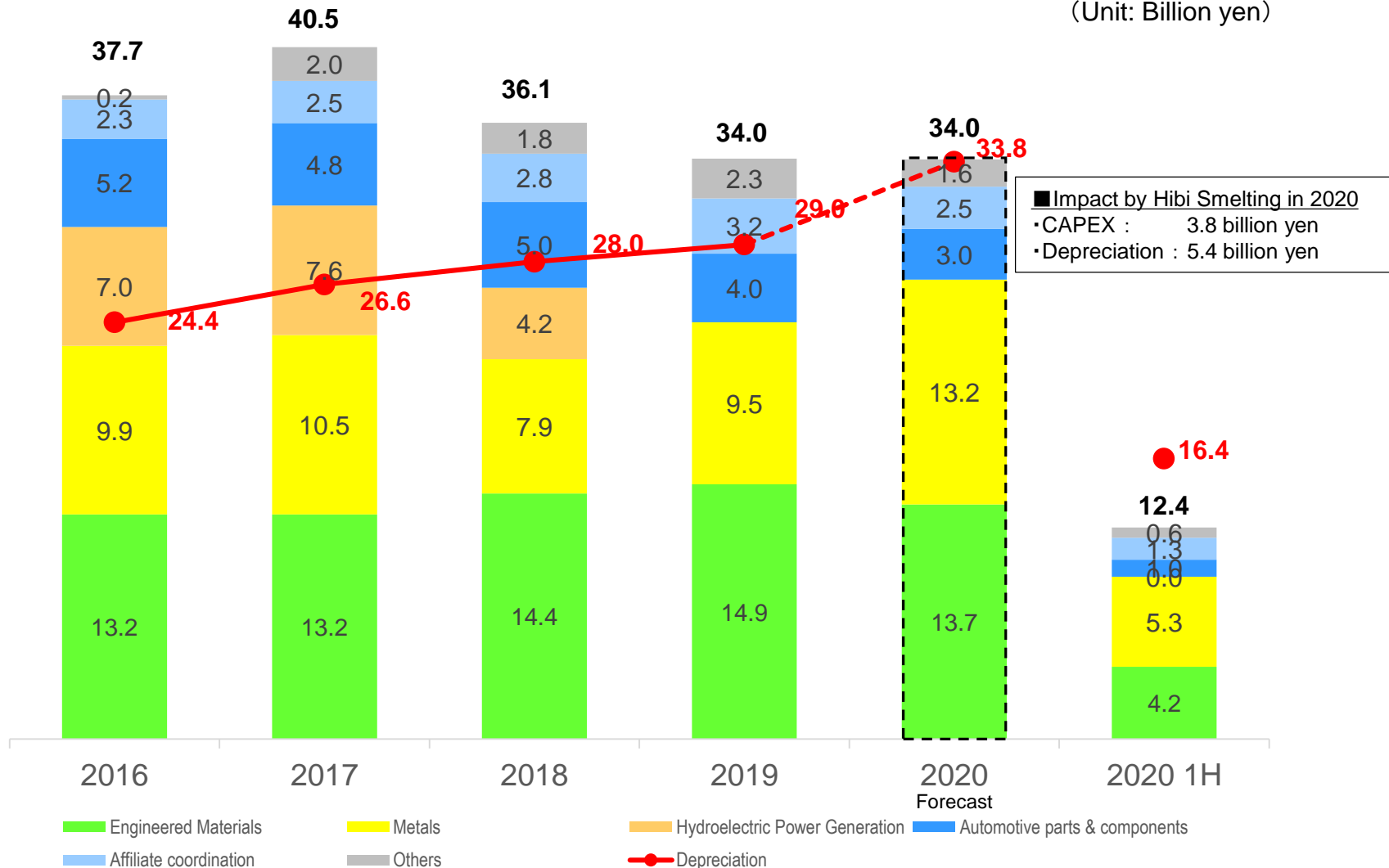
 : Financial Performance

(Unit: Billion yen)



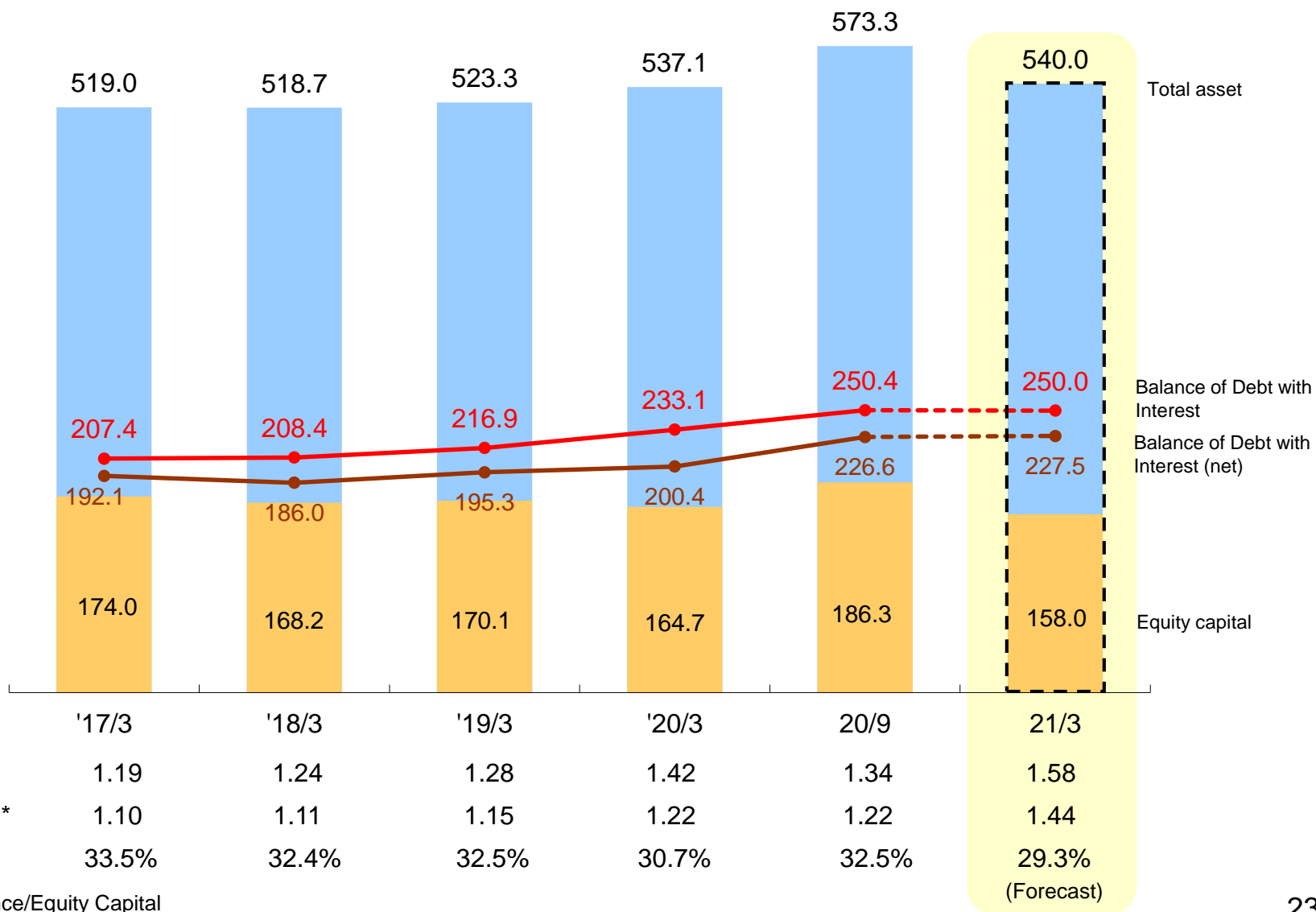
# CAPEX and Depreciation

(Unit: Billion yen)



# Financial Position at Term End

(Unit : Billion yen)

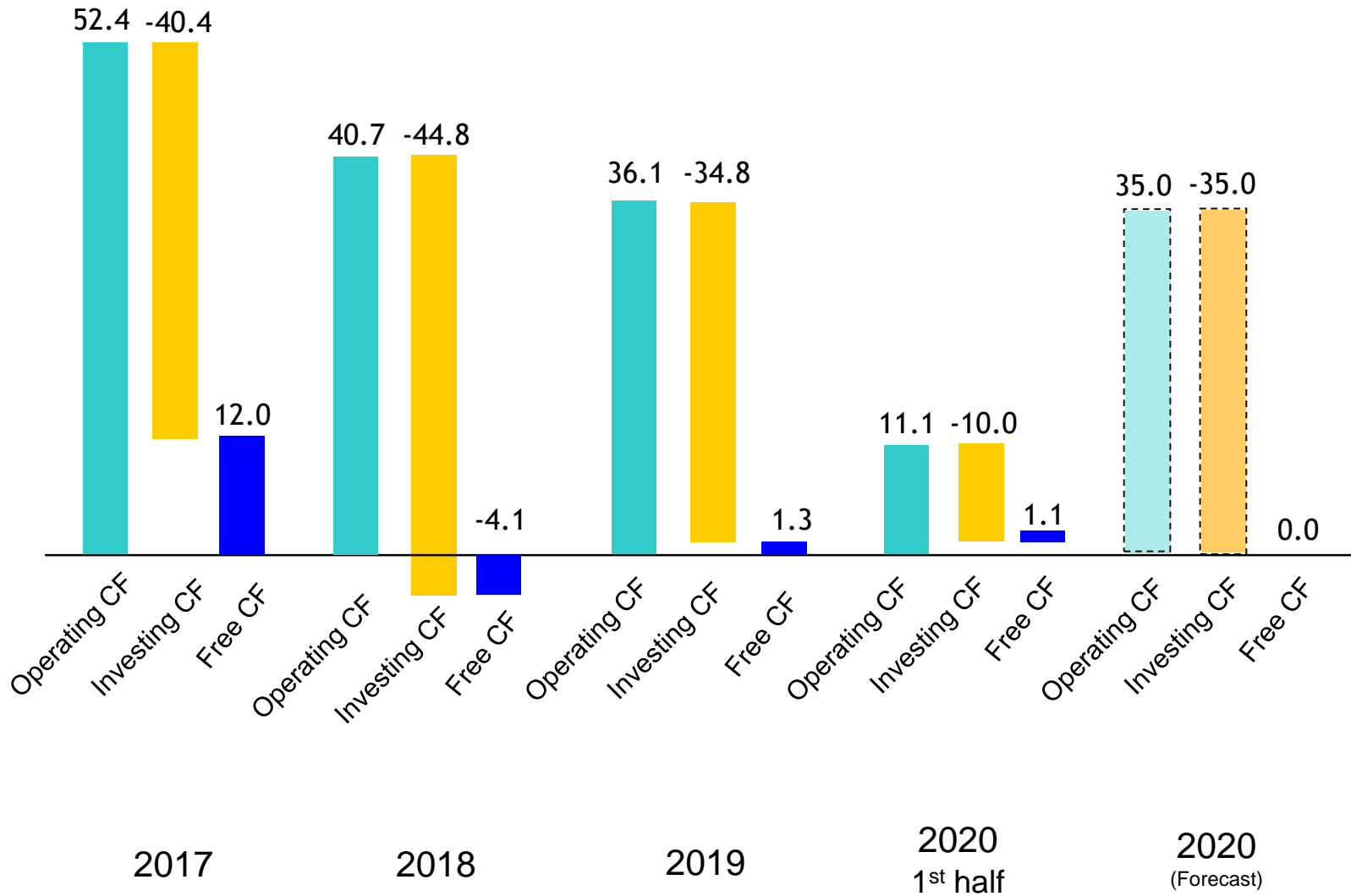


\* Net debt balance/Equity Capital



# Cash Flows

(Unit : 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.

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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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