



# **MITSUI KINZOKU**

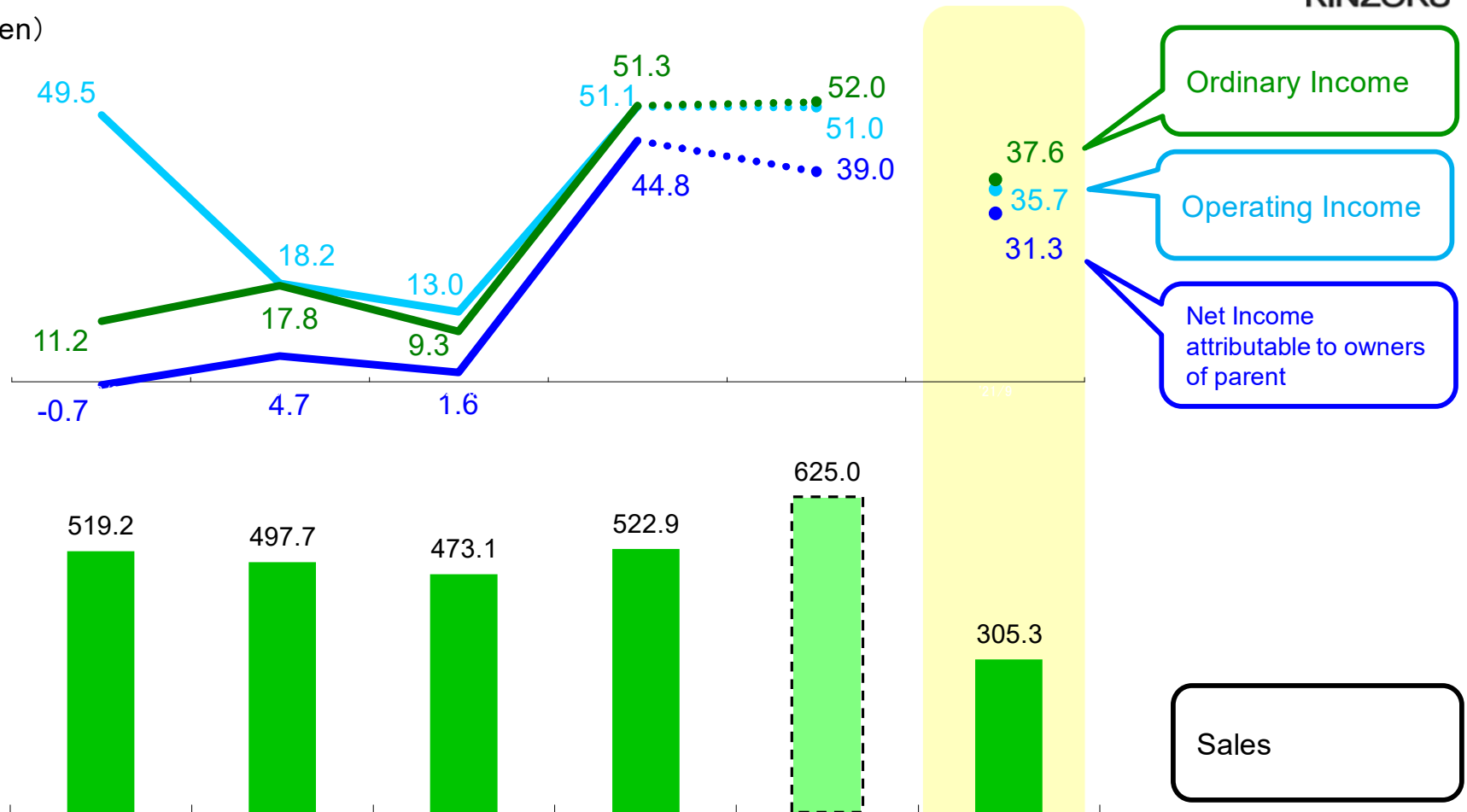
(Mitsui Mining & Smelting Co., Ltd. TSE5706)

*FY2021 Q2 Results & FY 2021 Forecast*

November 9, 2021

# Sales and Earnings

(Unit: Billion yen)



	'18/3	'19/3	'20/3	'21/3	'22/3
Dividend per share	¥70	¥70	¥70	¥85	¥100
Dividend payout ratio	—	85.2%	255.2%	10.8%	14.7%
DOE	2.5%	2.5%	2.5%	2.5%	2.5%

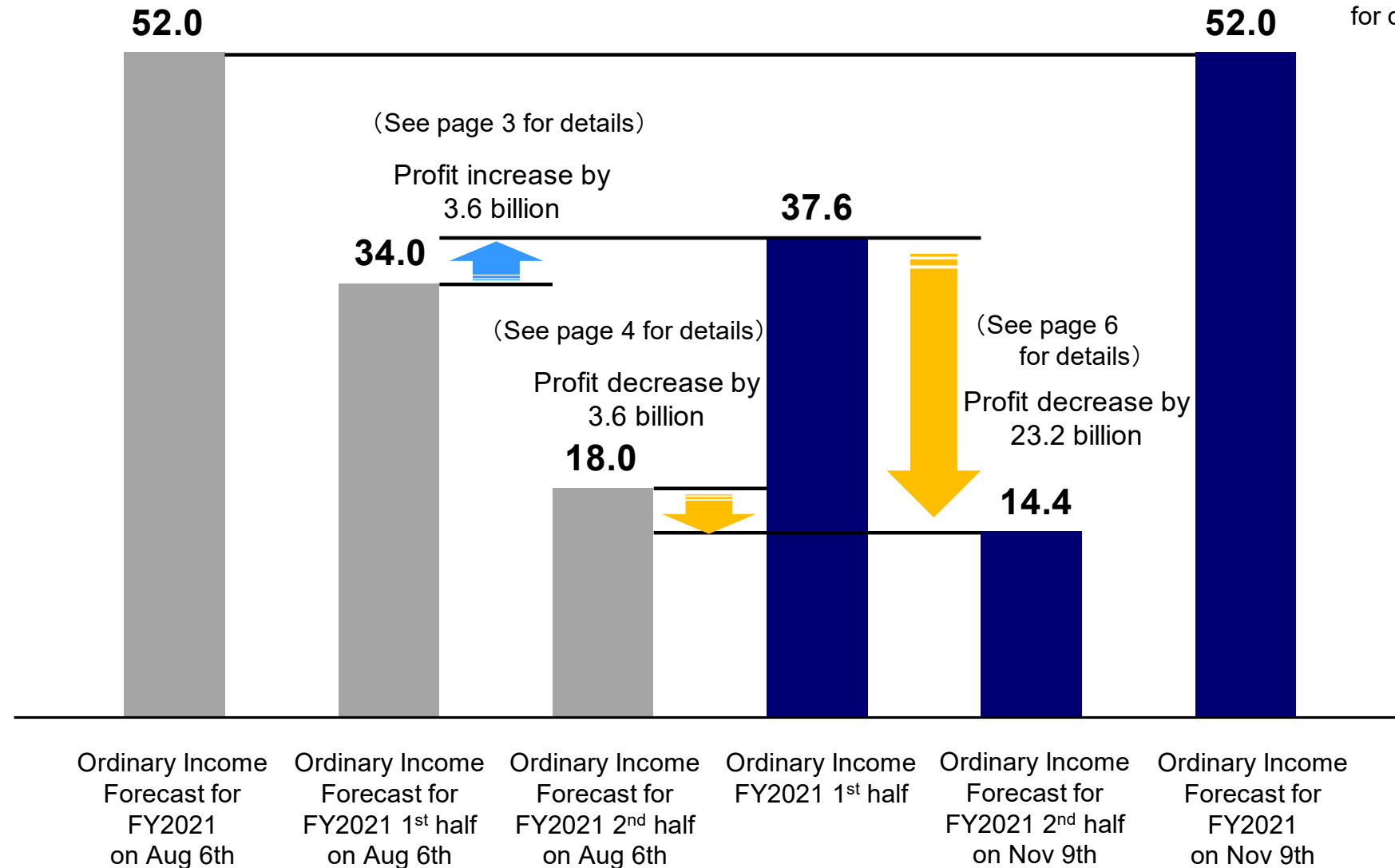
Forecast  
as of Nov 9

# FY2021 Ordinary Income

The ordinary income forecast for FY2021 is same as forecast for FY2021 announced on August 6<sup>th</sup>.

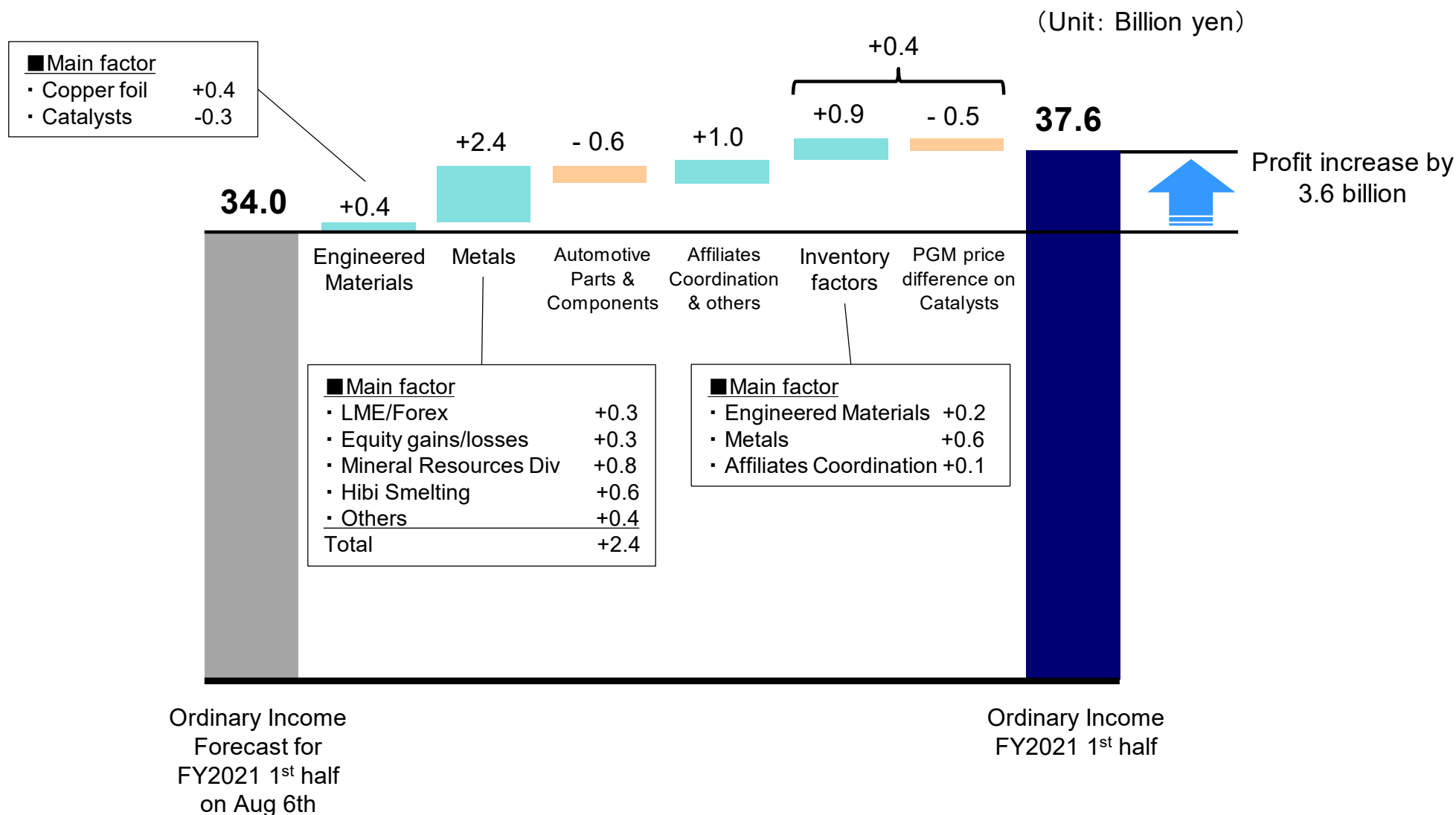
(Unit: Billion yen)

(See page 5  
for details)



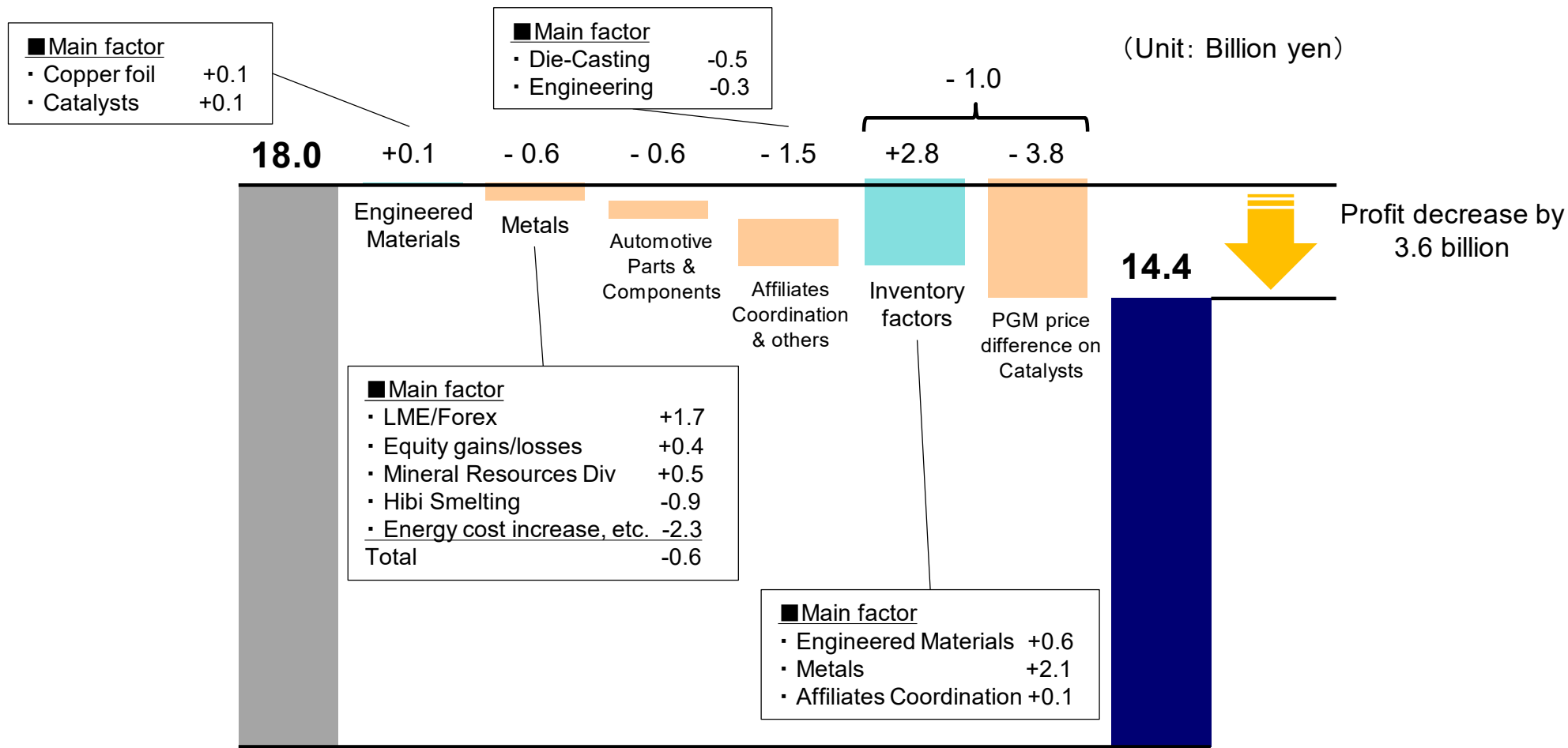
# FY2021 1<sup>st</sup> half Ordinary Income

Ordinary income for FY2021 1<sup>st</sup> half is 37.6 billion, by 3.6 billion better than forecast for FY2021 1<sup>st</sup> half announced on August 6<sup>th</sup>.



# FY2021 2<sup>nd</sup> half Ordinary Income

Ordinary income forecast for FY2021 2<sup>nd</sup> half is 14.4 billion, by 3.6 billion less than forecast for FY2021 2<sup>nd</sup> half announced on August 6<sup>th</sup>.



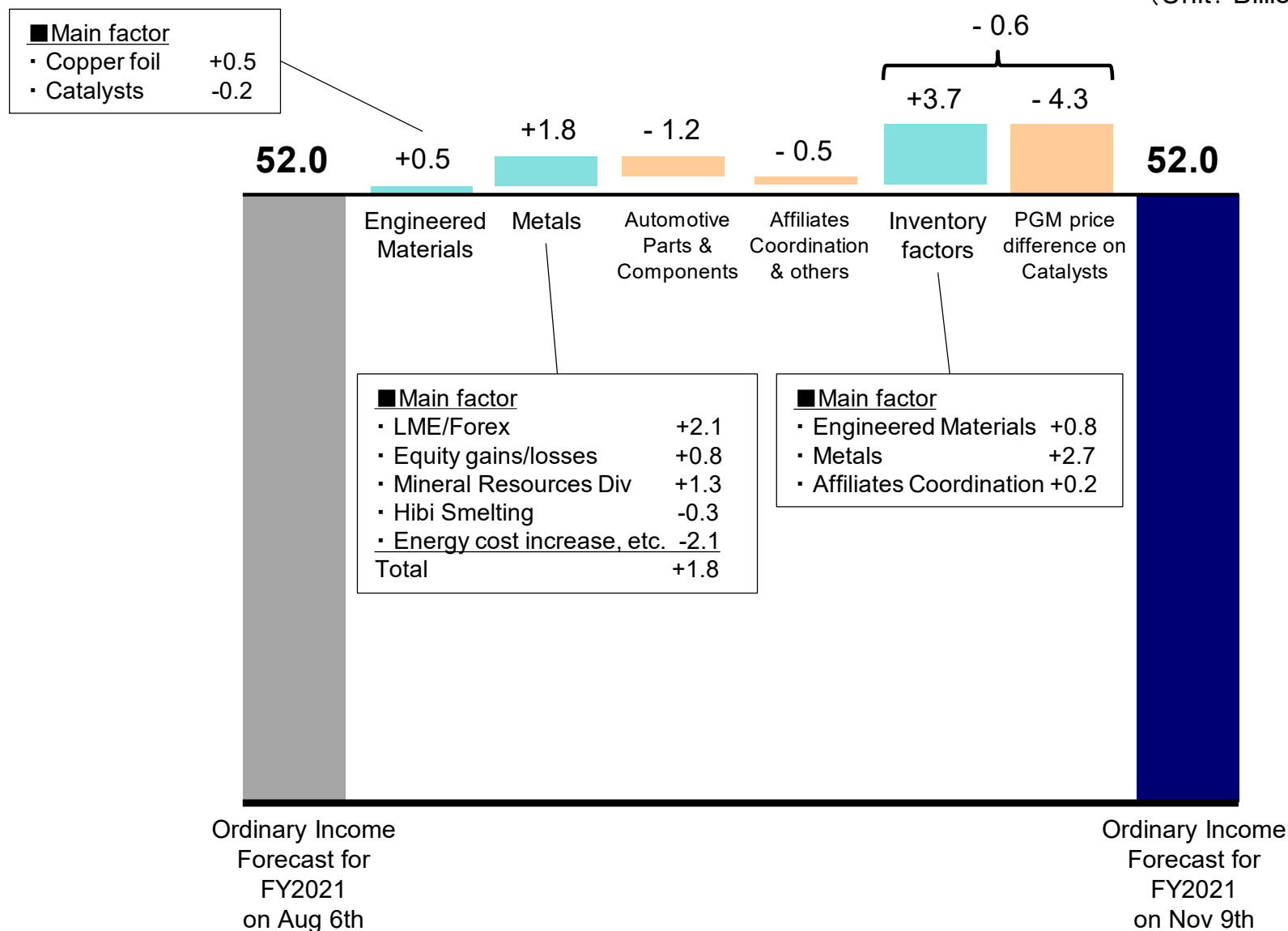
Ordinary Income  
Forecast for  
FY2021 2<sup>nd</sup> half  
on Aug 6th

Ordinary Income  
Forecast for  
FY2021 2<sup>nd</sup> half  
on Nov 9th

# FY2021 Ordinary Income Forecast

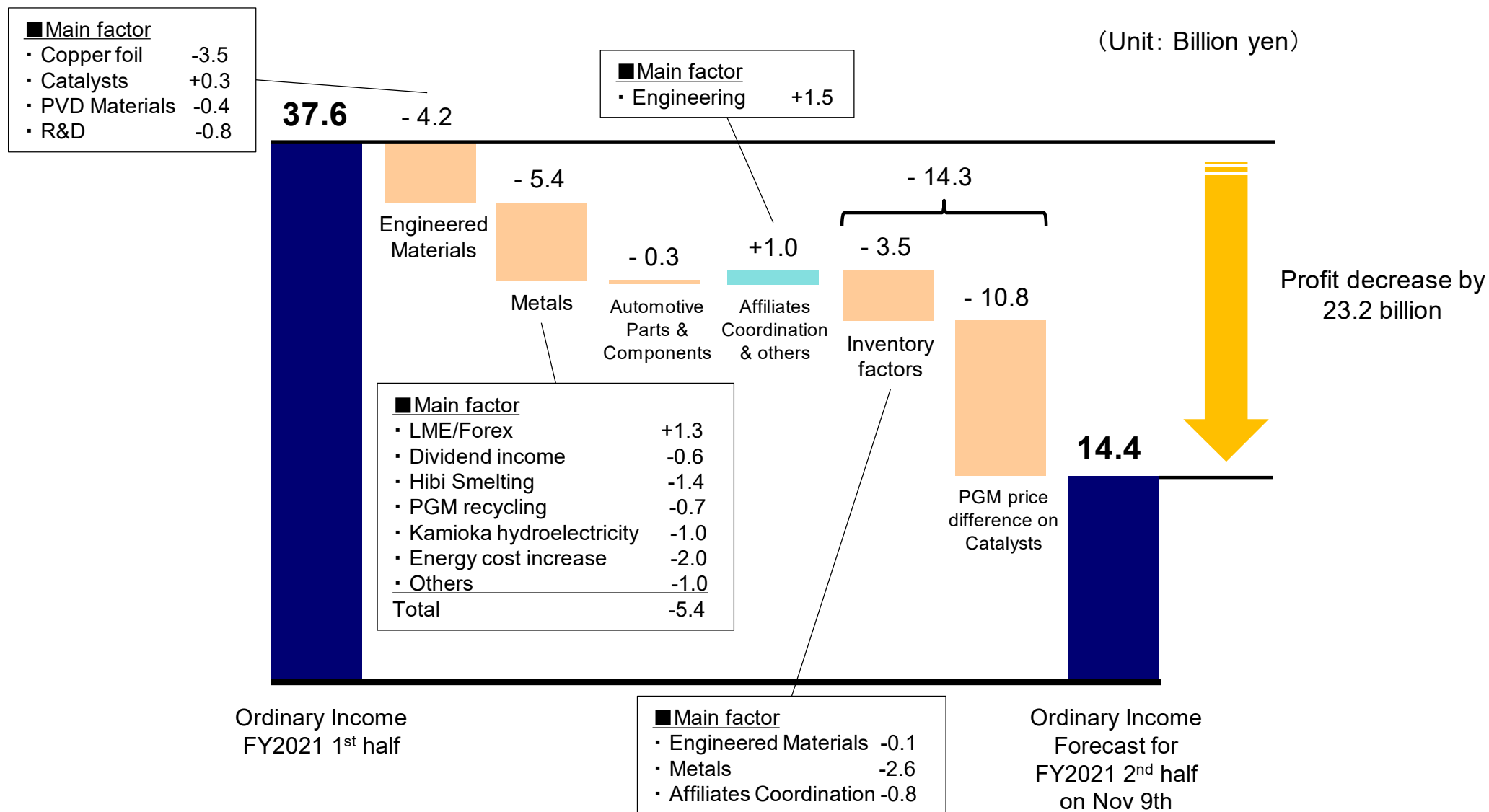
Ordinary income forecast for FY2021 is same as forecast for FY2021 announced on August 6<sup>th</sup>.

(Unit: Billion yen)



# FY2021 2<sup>nd</sup> half Ordinary Income Forecast

Ordinary income forecast for FY2021 2<sup>nd</sup> half is 14.4 billion, by 23.2 billion less than FY2021 1<sup>st</sup> half. Of the 23.2 billion decrease in profits, Inventory factors and PGM price difference on Catalysts are 14.3 billion.



# Statements of income



(Unit : Billion yen)	1st half			2nd half			FY		
	2021	2020	Difference	2021 Forecast	2020	Difference	2021 Forecast	2020	Difference
<b>Net Sales</b>	305.3	224.6	80.6 <i>35.9%</i>	319.7	298.3	21.4 <i>7.2%</i>	625.0	522.9	102.1 <i>19.5%</i>
Cost of sales	239.5	183.6	55.9 <i>30.4%</i>	-	-	-	-	-	-
<b>Gross Profit</b>	65.7	41.0	24.7 <i>60.4%</i>	-	-	-	-	-	-
SG&A expenses	30.0	25.1	4.9 <i>19.4%</i>	-	-	-	-	-	-
<b>Operating Income</b>	35.7	15.9	19.9 <i>125.1%</i>	15.3	35.3	-20.0 <i>-56.7%</i>	51.0	51.1	-0.1 <i>-0.2%</i>
Non-operating income/expenses -net	1.9	-1.8	3.6	-0.9	1.9	-2.8	1.0	0.1	0.9
<b>Ordinary Income</b>	37.6	14.1	23.5 <i>166.8%</i>	14.4	37.2	-22.8 <i>-61.2%</i>	52.0	51.3	0.7 <i>1.4%</i>
Extraordinary profit/losses-net	0.9	13.1	-12.2	-0.7	-9.7	8.9	0.2	3.4	-3.3
<b>Net Income before income taxes</b>	38.5	27.2	11.3 <i>41.7%</i>	13.7	27.5	-13.8 <i>-50.3%</i>	52.2	54.7	-2.5 <i>-4.6%</i>
Income taxes & minority interests	7.2	3.3	3.9	6.0	6.6	-0.6	13.2	9.9	3.2
<b>Net income attributable to owners of parent</b>	31.3	23.9	7.5 <i>31.2%</i>	7.7	20.9	-13.2 <i>-63.3%</i>	39.0	44.8	-5.8 <i>-12.9%</i>



# Segment Information by Business Unit

(Unit: Billion yen)

	1st half			2nd half			FY		
	2021	2020	Difference	2021 Forecast	2020	Difference	2021 Forecast	2020	Difference
<b>■ Sales</b>									
Engineered Materials	131.2	86.0	45.2 52.5%	116.8	121.7	-4.9 -4.1%	248.0	207.8	40.2 19.4%
Metals	109.9	88.0	21.9 24.9%	121.1	105.6	15.5 14.7%	231.0	193.6	37.4 19.3%
Automotive Parts and Components	37.8	34.2	3.6 10.5%	41.2	46.9	-5.7 -12.1%	79.0	81.1	-2.1 -2.6%
Affiliates Coordination	61.8	52.6	9.3 17.6%	74.2	63.4	10.8 17.1%	136.0	115.9	20.1 17.3%
Adjustment	-35.5	-36.2	0.7	-33.5	-39.2	5.7	-69.0	-75.4	6.4
Consolidated	305.3	224.6	80.6 35.9%	319.7	298.3	21.4 7.2%	625.0	522.9	102.1 19.5%
<b>■ Ordinary Income</b>									
Engineered Materials	19.6	8.3	11.2 134.5%	4.4	18.2	-13.7 -75.6%	24.0	26.5	-2.5 -9.5%
Metals	17.5	8.1	9.4 115.1%	9.5	14.7	-5.2 -35.2%	27.0	22.8	4.2 18.3%
Automotive Parts and Components	0.6	-0.8	1.4 -89.1%	0.3	2.7	-2.4 -89.1%	0.9	1.9	-1.0 -52.9%
Affiliates Coordination	0.8	0.3	0.6 208.2%	1.9	2.3	-0.4 -18.3%	2.7	2.6	0.1 5.3%
Adjustment	-0.9	-1.9	1.0	-1.7	-0.7	-1.0	-2.6	-2.6	-0.0
Consolidated	37.6	14.1	23.5 166.8%	14.4	37.2	-22.8 -61.2%	52.0	51.3	0.7 1.4%

# Variance analysis of ordinary income

(Unit Billion yen)

	Ordinary Income			Details					
	21Q1-2	20Q1-2	Diff.	Volume	LME/Forex	Inventory Factor	Margin/Cost	Equity gain or loss	Total
Engineered materials	19.6	8.3	11.2	6.0	3.2	0.9	1.0	0.1	11.2
Metals	17.5	8.1	9.4	0.6	3.7	2.3	-0.6	3.4	9.4
Automotive parts & components	0.6	-0.8	1.4	1.4	0.5	-	-0.6	-	1.4
Affiliate coordination	0.8	0.3	0.6	-0.5	0.0	-	-0.0	1.0	0.6
Adjustment	-0.9	-1.9	1.0	-	-	-	1.0	-	1.0
<b>Total</b>	<b>37.6</b>	<b>14.1</b>	<b>23.5</b>	<b>7.6</b>	<b>7.4</b>	<b>3.2</b>	<b>0.8</b>	<b>4.5</b>	<b>23.5</b>

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

(Unit : Billion yen)

	1st half			2nd half			FY		
	2021	2020	Difference	2021 Forecast	2020	Difference	2021 Forecast	2020	Difference
Interest income - net	-0.9	-0.7	-0.2	-0.9	-0.7	-0.2	-1.8	-1.4	-0.5
Dividend income - net	0.9	2.4	-1.5	0.0	0.4	-0.4	0.9	2.8	-1.9
Equity in gains/losses	1.9	-2.7	4.6	1.4	1.0	0.4	3.3	-1.7	4.9
Forex Exchange gain or loss	0.2	-0.8	1.0	0.0	1.8	-1.8	0.2	1.0	-0.8
Others	-0.2	-0.0	-0.2	-1.4	-0.7	-0.7	-1.6	-0.7	-0.9
<b>Non-operating income/expenses - net</b>	<b>1.9</b>	<b>-1.8</b>	<b>3.6</b>	<b>-0.9</b>	<b>1.9</b>	<b>-2.8</b>	<b>1.0</b>	<b>0.1</b>	<b>0.9</b>
Loss on sale & disposal of Fixed Asset	-0.7	1.1	-1.8	-0.3	5.0	-5.4	-1.0	6.1	-7.1
PL on Sale of Investment Securities	0.9	13.6	-12.7	0.0	9.5	-9.5	0.9	23.1	-22.2
Disaster losses	-0.1	-0.3	0.3	0.0	-0.0	0.0	-0.1	-0.4	0.3
Insurance Proceeds	0.1	0.5	-0.3	0.0	0.0	-0.0	0.1	0.5	-0.4
Loss on Transfer of Interest in the Copper Mine	0.0	0.0	0.0	0.0	-20.5	20.5	0.0	-20.5	20.5
Others	0.6	-1.7	2.4	-0.4	-3.7	3.2	0.2	-5.4	5.6
<b>Extraordinary profit/losses - net</b>	<b>0.9</b>	<b>13.1</b>	<b>-12.2</b>	<b>-0.7</b>	<b>-9.7</b>	<b>8.9</b>	<b>0.2</b>	<b>3.4</b>	<b>-3.3</b>

# Quarterly sales and incomes

(Unit : Billion yen)

	'20/Q1	'20/Q2	'20/Q3	'20/Q4	'21/Q1	'21/Q2	Q1 Diff. YonY	Q1 Diff. QonQ	Q2 Diff. YonY	Q2 Diff. QonQ
<b>■Sales</b>										
Engineered Materials	34.9	51.2	53.5	68.2	62.0	69.2	27.1	-6.3	18.1	7.3
Metals	36.9	51.1	47.9	57.7	52.8	57.1	15.9	-4.9	6.0	4.3
Automotive Parts & Components	12.3	21.9	24.6	22.3	19.8	18.0	7.5	-2.5	-3.9	-1.8
Affiliates Coordination	24.8	27.7	29.6	33.8	28.8	33.1	4.0	-5.0	5.3	4.3
Adjustment	-16.5	-19.7	-18.4	-20.8	-16.3	-19.2	0.2	4.6	0.5	-2.9
Consolidated	92.4	132.2	137.2	161.1	147.0	158.2	54.6	-14.0	26.0	11.2
<b>■Operating income</b>										
Engineered Materials	4.1	5.0	7.5	9.8	11.3	8.7	7.2	1.5	3.7	-2.6
Metals	-1.6	10.5	5.7	9.0	10.6	5.9	12.2	1.6	-4.6	-4.7
Automotive Parts & Components	-2.2	1.0	2.1	0.5	0.3	-0.3	2.5	-0.1	-1.3	-0.6
Affiliates Coordination	-0.2	0.3	0.5	0.6	-0.5	0.0	-0.3	-1.1	-0.3	0.5
Adjustment	-0.5	-0.7	-1.4	0.9	-1.7	1.3	-1.2	-2.6	1.9	2.9
Consolidated	-0.3	16.2	14.5	20.7	20.1	15.7	20.4	-0.7	-0.5	-4.4
<b>■Ordinary income</b>										
Engineered Materials	3.8	4.6	7.0	11.1	10.9	8.7	7.1	-0.3	4.1	-2.2
Metals	-2.5	10.6	5.5	9.2	11.3	6.1	13.8	2.2	-4.5	-5.2
Automotive Parts & Components	-2.0	1.2	2.0	0.7	0.8	-0.1	2.7	0.1	-1.4	-0.9
Affiliates Coordination	-0.4	0.7	1.0	1.3	0.1	0.7	0.5	-1.2	0.0	0.6
Adjustment	-0.7	-1.2	-2.1	1.4	-1.9	1.0	-1.2	-3.3	2.2	2.9
Consolidated	-1.8	15.9	13.5	23.7	21.2	16.3	23.0	-2.5	0.5	-4.9
<b>■Net income attributable to owners of parent</b>										
	11.1	12.8	-9.8	30.7	18.8	12.6	7.7	-11.9	-0.2	-6.2

# Quarterly operating incomes and ordinary incomes excluding inventory factors



(Unit : Billion yen)

	'20/Q1	'20/Q2	'20/Q3	'20/Q4	'21/Q1	'21/Q2	Q1 Diff. YonY	Q1 Diff. QonQ	Q2 Diff. YonY	Q2 Diff. QonQ
<b>■ Operating income</b>										
Engineered Materials	4.1	5.2	7.0	9.3	10.8	8.5	6.7	1.6	3.3	-2.3
Metals	-0.9	7.4	3.4	6.7	7.1	4.7	8.0	0.5	-2.7	-2.4
Automotive Parts & Components	-2.2	1.0	2.1	0.5	0.3	-0.3	2.5	-0.1	-1.3	-0.6
Affiliates Coordination	-0.2	0.3	0.5	0.6	-0.5	0.0	-0.3	-1.1	-0.3	0.5
Adjustment	-0.5	-0.7	-1.4	0.8	-1.7	1.3	-1.2	-2.5	1.9	2.9
Consolidated	0.4	13.3	11.7	17.7	16.1	14.3	15.7	-1.7	1.0	-1.8
<b>■ Ordinary income</b>										
Engineered Materials	3.8	4.8	6.5	10.5	10.4	8.5	6.6	-0.2	3.7	-1.9
Metals	-1.8	7.5	3.2	6.8	7.8	4.9	9.6	1.1	-2.6	-2.9
Automotive Parts & Components	-2.0	1.2	2.0	0.7	0.8	-0.1	2.7	0.1	-1.4	-0.9
Affiliates Coordination	-0.1	0.4	0.8	0.9	-0.5	0.4	-0.4	-1.4	0.0	0.9
Adjustment	-0.7	-1.2	-2.1	1.4	-1.9	1.0	-1.2	-3.3	2.2	2.9
Consolidated	-0.8	12.7	10.5	20.3	16.6	14.6	17.4	-3.7	2.0	-2.0

# Equity gains or losses

(Unit : Billion yen)

	2020							2021 Forecast (Nov 9)					2021 Forecast (Aug 6)		
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2020	Q1	Q2	1st Half	2nd Half Forecast	FY Forecast 2021	1st Half	2nd Half	FY 2021
Engineered Materials	0.0	-0.0	-0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.1	0.2	0.3
Metals	-2.2	-0.5	-2.8	-0.5	0.3	-0.2	-2.9	0.3	0.3	0.6	0.5	1.1	0.3	0.0	0.3
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	0.7	1.9	1.0	0.7	1.7
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-2.4	-0.3	-2.7	-0.2	1.2	1.0	-1.7	0.9	1.0	1.9	1.4	3.3	1.4	0.9	2.3

Copper ( ¢ / lb )	256	242	249	296	325	311	280	385	440	413	423	418	413	420	416
Forex (Yen/\$)	107.6	106.2	106.9	104.5	105.9	105.2	106.1	109.5	110.1	109.8	112.0	110.9	109.2	109.0	109.1

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

# Trends of products



			2019					2020					2021 Forecast (Nov 9)					2021 Forecast (Aug 6)		
			Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	1st Half	2nd Half Forecast	Year Forecast	1st Half	2nd Half	Year
MH alloy	Volume of Sales	Index	100	103	106	110	105	76	102	104	111	98	68	94	81	125	103	88	116	102
Catalysts for motorcycle	Volume of Sales	Index	100	103	104	109	104	49	128	128	121	107	94	110	102	115	108	110	115	113
India	Volume of Sales	Index	(100)	(102)	(94)	(123)	(105)	(40)	(176)	(164)	(143)	(131)	(90)	(130)	(110)	(137)	(124)	(118)	(137)	(128)
Indonesia	Volume of Sales	Index	(100)	(110)	(119)	(116)	(111)	(40)	(71)	(65)	(98)	(68)	(90)	(94)	(92)	(92)	(92)	(99)	(91)	(95)
Others	Volume of Sales	Index	(100)	(102)	(112)	(88)	(101)	(63)	(88)	(105)	(101)	(89)	(100)	(90)	(95)	(95)	(95)	(104)	(95)	(100)
Catalysts for automobile	Volume of Sales	Index	100	104	98	102	101	61	123	130	117	108	112	111	112	142	127	130	146	138
Copper foil	Volume of Sales	t /Month	2,320	2,520	2,530	2,250	2,400	1,860	1,960	1,780	2,460	2,010	2,260	2,180	2,220	2,140	2,180	2,270	2,090	2,180
MicroThin™ Total (a+b)	Volume of Sales	Index	100	139	121	116	119	142	153	149	135	145	188	196	192	163	177	195	169	182
MicroThin™ for HDI (a)	Volume of Sales		24	34	18	16	23	20	49	40	13	31	35	59	47	24	36	42	27	35
MicroThin™ for PKG (b)	Volume of Sales		76	105	103	100	96	122	104	109	122	114	153	137	145	139	141	153	142	147
ITO Target	Volume of Sales	Index	100	111	112	109	108	103	91	107	95	99	99	95	97	90	93	99	88	93
Zinc	Volume of Production	k-t	56	56	56	52	219	43	56	58	58	215	56	51	107	113	220	109	115	224
Side door Latches	Volume of Sales	Index	100	99	97	82	95	59	96	112	102	93	94	83	89	107	98	—	—	—
Japan	Volume of Sales	Index	(100)	(105)	(98)	(118)	(106)	(65)	(108)	(124)	(112)	(102)	(94)	(80)	(87)	(115)	(101)	—	—	—
China	Volume of Sales	Index	(100)	(101)	(109)	(43)	(89)	(102)	(109)	(124)	(102)	(109)	(104)	(101)	(103)	(125)	(114)	—	—	—
Other Asia	Volume of Sales	Index	(100)	(99)	(93)	(86)	(95)	(25)	(70)	(93)	(95)	(70)	(83)	(81)	(82)	(92)	(87)	—	—	—
America & Europe	Volume of Sales	Index	(100)	(92)	(89)	(86)	(92)	(31)	(87)	(100)	(97)	(79)	(90)	(70)	(80)	(92)	(86)	—	—	—

※ Index : The sales volume in 2019 Q1 scaled at 100 ( except Copper Foil and Zinc )

# Inventory Factors

(Unit : Billion yen)

	2020							2021 Forecast (Nov 9)					2021 Forecast (Aug 6)		
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2020	Q1	Q2	1st Half	2nd Half Forecast	FY Forecast 2021	1st Half	2nd Half	FY 2021
Engineered materials	-	-0.2	-0.2	0.5	0.6	1.1	0.9	0.5	0.2	0.7	0.6	1.3	0.5	-	0.5
Metals	-0.7	3.1	2.4	2.3	2.4	4.7	7.1	3.5	1.2	4.7	2.1	6.8	4.1	-	4.1
Automotive Parts & components	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate coordination	-0.3	0.3	-	0.2	0.4	0.6	0.6	0.6	0.3	0.9	0.1	1.0	0.8	-	0.8
Total	-1.0	3.2	2.2	3.0	3.4	6.4	8.6	4.6	1.7	6.3	2.8	9.1	5.4	-	5.4

Indium(High) (\$/Kg)	164	173	168	190	208	199	184	217	239	228	260	244	214	210	212
Zinc (\$ / t)	1,959	2,340	2,150	2,631	2,748	2,689	2,420	2,916	2,991	2,954	3,300	3,127	2,908	2,900	2,904
Lead (\$ / t)	1,670	1,876	1,773	1,903	2,020	1,962	1,867	2,127	2,341	2,234	2,300	2,267	2,130	2,100	2,115
Copper (¢ / lb)	242	296	269	325	385	355	312	440	425	433	420	426	430	420	425








# Performance by Segment – Engineered Materials

(Unit : Billion yen)

	FY2021 1st Half	FY2020 1st Half	Diff.	FY2021 2nd Half Forecast	FY2020 2nd Half	Diff.	FY2021 Forecast	FY2020	Diff.
■ Sales	131.2	86.0	45.2	116.8	121.7	-4.9	248.0	207.8	40.2
■ Operating income	20.0	9.2	10.9	5.0	17.3	-12.4	25.0	26.5	-1.5
■ Ordinary income	19.6	8.3	11.2	4.4	18.2	-13.7	24.0	26.5	-2.5
※Real Income	18.9	8.5	10.3	3.8	17.1	-13.2	22.7	25.6	-2.9

※Real income : Ordinary income excluding inventory factors.

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

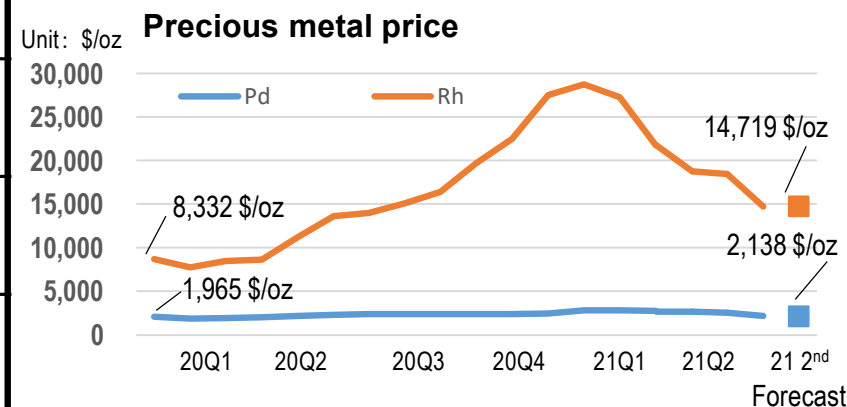
## Difference Analysis of Ordinary income

['FY2020 1st Half→'FY2021 1st Half + 11.2]

Catalysts +4.7  
(Precious metal price difference, others)  
Copper foil +4.0  
(MicroThin™ volume of sales increases, others)  
PVD Materials +1.7  
(Inventory factors, Unit selling price increase, others)

['FY2020→'FY2021 Forecast - 2.5]

Catalysts -8.1  
(Precious metal price difference, others)  
Copper foil +3.5  
(MicroThin™ volume of sales increases, others)  
PVD Materials +1.2  
(Inventory factors, Unit selling price increase, others)



# Performance by Segment – Metals

(Unit: Billion yen)

	FY2021 1st Half	FY2020 1st Half	Diff.	FY2021 2nd Half Forecast	FY2020 2nd Half	Diff.	FY2021 Forecast	FY2020	Diff.
■ Sales	109.9	88.0	21.9	121.1	105.6	15.5	231.0	193.6	37.4
■ Operating income	16.6	9.0	7.6	9.9	14.7	-4.8	26.5	23.7	2.8
■ Ordinary income	17.5	8.1	9.4	9.5	14.7	-5.2	27.0	22.8	4.2
※Real Income	12.8	5.7	7.1	7.4	10.0	-2.6	20.2	15.7	4.5

※Real income : Ordinary income excluding inventory factors.

## Metal Prices and FOREX

		'20/Q1	Q2	Q3	Q4	'21/Q1	Q2	21 2nd Half Forecast
Zinc	\$/t	1,959	2,340	2,631	2,748	2,916	2,991	3,300
Zinc (Actual)	\$/t	2,113	2,404	2,624	2,705	2,845	2,893	3,104
Lead	\$/t	1,670	1,876	1,903	2,020	2,127	2,341	2,300
Copper (Q1:Jan-Mar)	¢ /lb	256	242	296	325	385	440	423
Copper (Q1:Apr-Jun)	¢ /lb	242	296	325	385	440	425	420
Yen/US\$	yen/\$	107.6	106.2	104.5	105.9	109.5	110.1	112.0
Yen/US\$ (Actual)	yen/\$	107.8	106.7	105.0	106.2	109.6	110.2	111.5

Sensitivity to ordinary income (for FY2021)

(Unit : Billion yen)

Full open basis      Including  
forward contract

Zinc	± 100\$/t	1.2	0.8
Lead	± 100\$/t	0.3	0.3
US\$(yen/\$)	± 1yen/\$	0.5	0.4

## Ordinary Income

FY2020 1st Half

FY2020

## Difference Analysis

→'FY2021 1st Half→'FY2021 Forecast

LME/Forex	3.7	7.0
T/C	-1.7	-3.9
Inventory Factors	2.3	-0.3
Equity profit/loss	3.4	4.0
Cokes	0.0	-1.4
Dividends	-1.5	-1.9
Others	3.2	0.7
<b>Total</b>	<b>9.4</b>	<b>4.2</b>

## Details of Others

['FY2020 1st Half→'FY2021 1st Half + 3.2]

- Large scale maintenance for zinc smelting in 20Q1 + 1.4
- Mineral Resources Division + 1.2
- Improving productivity in zinc smelting + 1.1
- Hibi Smelting - 0.6


['FY2020→'FY2021 Forecast + 0.7]

- Large scale maintenance for zinc smelting in 20Q1 + 1.4
- PGM recycling - 1.7
- Mineral Resources Division + 2.2
- Improving productivity in zinc smelting + 1.2
- Energy cost increase - 2.1

# Performance by Segment – Automotive Parts & Components

(Unit : Billion yen)

	FY2021 1st Half	FY2020 1st Half	Diff.	FY2021 2nd Half Forecast	FY2020 2nd Half	Diff.	FY2021 Forecast	FY2020	Diff.
■ Sales	37.8	34.2	3.6	41.2	46.9	-5.7	79.0	81.1	-2.1
■ Operating income	0.0	-1.2	1.2	0.3	2.6	-2.3	0.3	1.4	-1.1
■ Ordinary income	0.6	-0.8	1.4	0.3	2.7	-2.4	0.9	1.9	-1.0

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

## Difference Analysis of Ordinary income

	FY2020 1st Half →FY2021 1st Half	FY2020 →FY2021 Forecast
Sales Volume	1.4	-0.5
Cost down	0.6	1.7
Others※	-0.6	-2.2
<b>Total</b>	<b>1.4</b>	<b>-1.0</b>

### ※Details of Others

['FY2020 1st Half→'FY2021 1st Half - 0.6]

- Rising steel material and resin prices - 0.5
- Forex exchange + 0.5 , Furlough subsidy, etc. - 0.5
- Freight Charge - 0.4

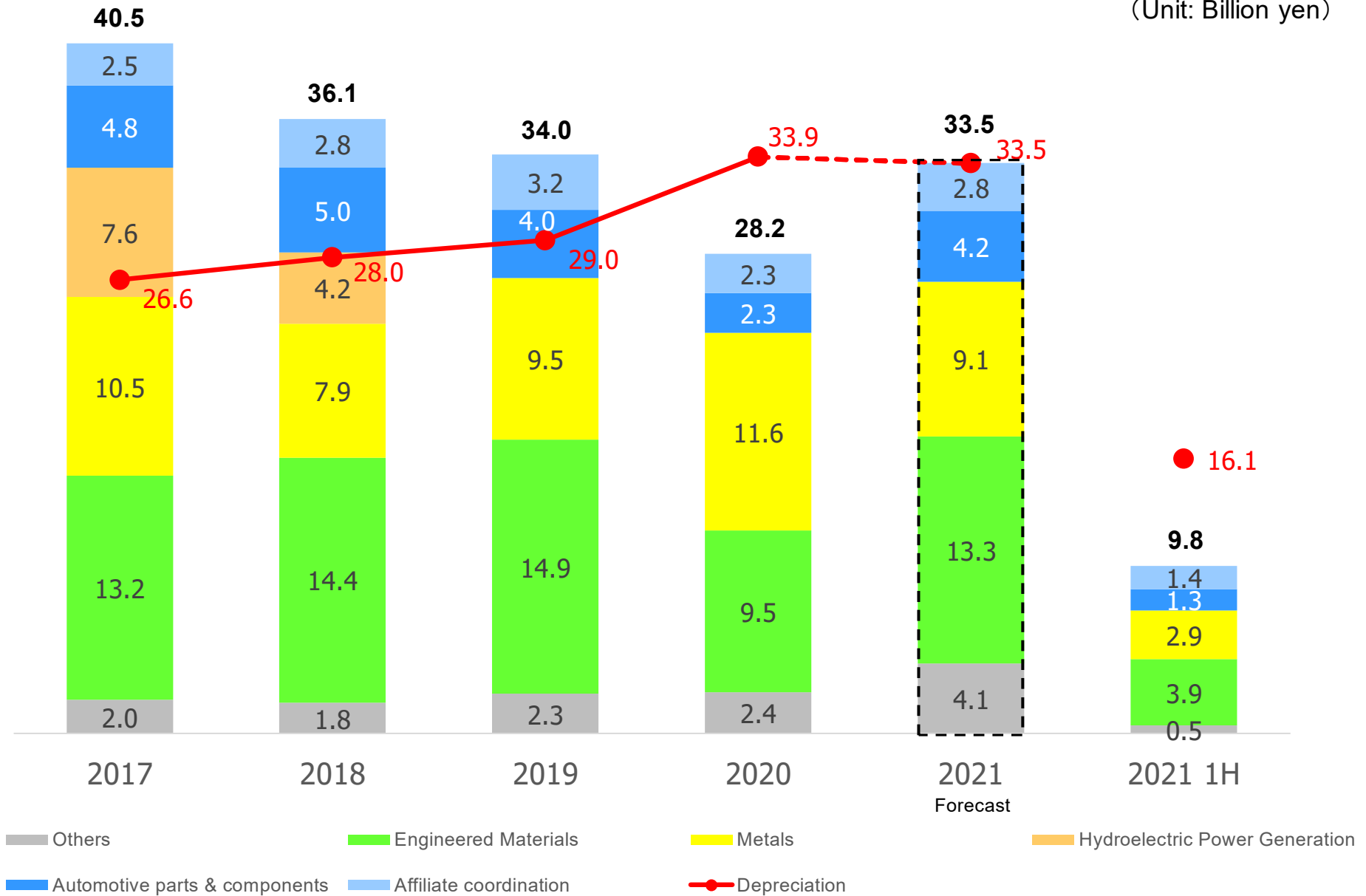
['FY2020→'FY2021 Forecast - 2.2]

- Rising steel material and resin prices - 1.8
- Forex exchange + 0.8 , Furlough subsidy, etc. - 0.7
- Freight Charge - 0.3

# CAPEX and Depreciation

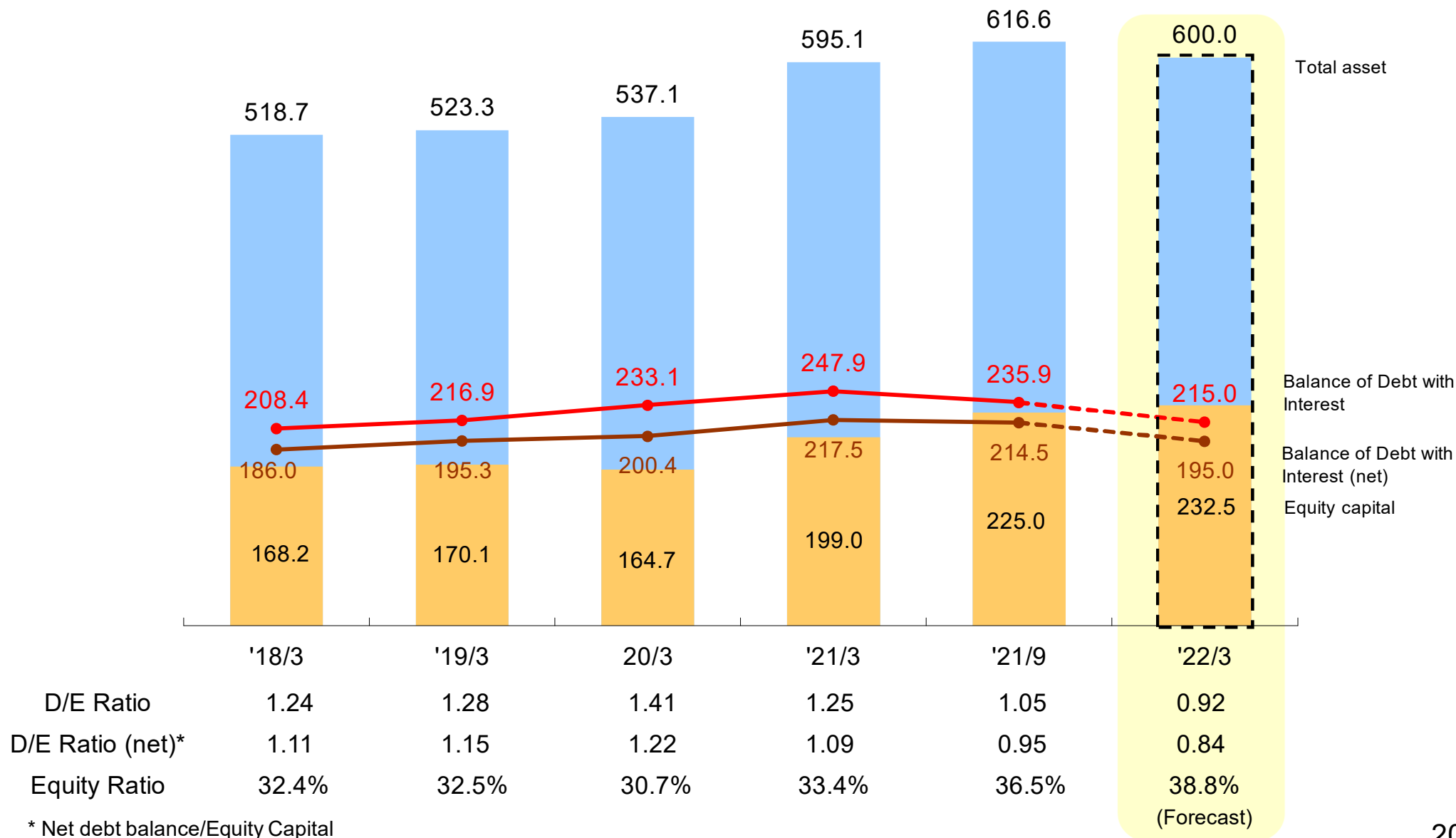


(Unit: Billion yen)



# Financial Position at Term End

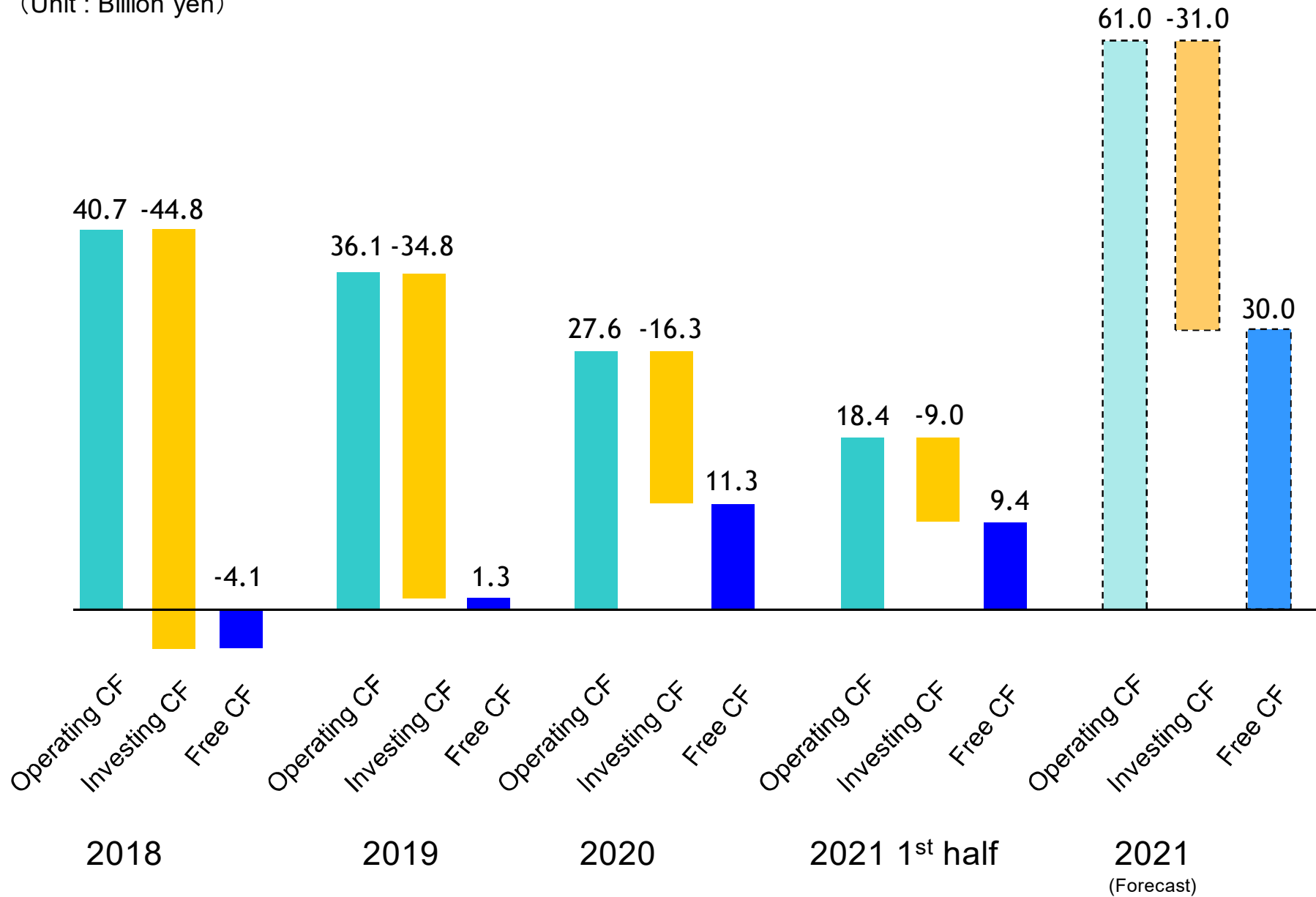
(Unit : Billion yen)



# Cash Flows



(Unit : Billion yen)



# Appendix

# Metal Prices and FOREX



	2020							2021 Forecast (Nov 9)					2021 Forecast (Aug 6)		
	Q1	Q2	1st Half	Q3	Q4	2nd Half	FY 2020	Q1	Q2	1st Half	2nd Half Forecast	FY Forecast 2021	1st Half	2nd Half	FY 2021
Zinc (\$ / t)	1,959	2,340	2,150	2,631	2,748	2,689	2,420	2,916	2,991	2,954	3,300	3,127	2,908	2,900	2,904
Lead (\$ / t)	1,670	1,876	1,773	1,903	2,020	1,962	1,867	2,127	2,341	2,234	2,300	2,267	2,130	2,100	2,115
Copper (¢ / lb)	242	296	269	325	385	355	312	440	425	433	420	426	430	420	425
Indium (\$ / Kg)	164	173	168	190	208	199	184	217	239	228	260	244	214	210	212
Palladium (\$ / oz)	1,965	2,168	2,067	2,348	2,405	2,377	2,222	2,788	2,470	2,629	2,138	2,384	2,778	2,768	2,773
Rhodium (\$ / oz)	8,332	11,097	9,715	15,141	23,486	19,313	14,514	25,781	17,282	21,531	14,719	18,125	22,878	19,975	21,426
Yen/US\$ (yen / \$)	107.6	106.2	106.9	104.5	105.9	105.2	106.1	109.5	110.1	109.8	112.0	110.9	109.2	109.0	109.1



# List of transient factors

(Unit: Billion yen)

## FY2021 Forecast Transient factors

		Q1	Q2	FY2021 1st half	FY2021 2nd half Forecast(Nov9)	FY2021 Forecast(Nov9)	FY2021 1st half Forecast(Aug 6)	FY2021 2nd half Forecast(Aug 6)	FY2021 Forecast(Aug 6)
<b>Engineered</b>	Catalysts: PGM price difference (QP difference)	2.9	1.1	4.0	-6.8	<b>-2.8</b>	4.5	-3.0	<b>1.5</b>
<b>Materials</b>	Copper foil: Inventory impact	0.5		0.5		<b>0.5</b>	0.5		<b>0.5</b>
<b>Subtotal</b>		<b>3.4</b>	<b>1.1</b>	<b>4.5</b>	<b>-6.8</b>	<b>-2.3</b>	<b>5.0</b>	<b>-3.0</b>	<b>2.0</b>
<b>Metals</b>	PGM recycling	0.6	0.1	0.7		<b>0.7</b>	0.9	0.1	<b>1.0</b>
	Copper production	-0.2		-0.2	-1.0	<b>-1.2</b>	-0.7		<b>-0.7</b>
<b>Subtotal</b>		<b>0.4</b>	<b>0.1</b>	<b>0.5</b>	<b>-1.0</b>	<b>-0.5</b>	<b>0.2</b>	<b>0.1</b>	<b>0.3</b>
<b>Automotive Parts &amp; Components</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Others</b>				<b>0.0</b>		<b>0.0</b>			<b>0.0</b>
<b>Total</b>		<b>3.8</b>	<b>1.2</b>	<b>5.0</b>	<b>-7.8</b>	<b>-2.8</b>	<b>5.2</b>	<b>-2.9</b>	<b>2.3</b>

## (Reference) FY2020 Transient factors

		Q1	Q2	Q3	Q4	FY2020
<b>Engineered</b>	Catalysts: PGM price difference (QP difference)	0.5	-0.1	0.9	2.8	4.1
<b>Materials</b>	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>
<b>Metals</b>	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>
<b>Automotive Parts &amp; Components</b>	Furlough subsidy, Exemption of social insurance premium, etc.	0.3	0.2	0.2		0.7
	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>
<b>Others</b>	Valuation differences on retirement benefit assets, etc.				1.3	<b>1.3</b>
<b>Total</b>		<b>-1.8</b>	<b>2.7</b>	<b>1.4</b>	<b>5.9</b>	<b>8.2</b>

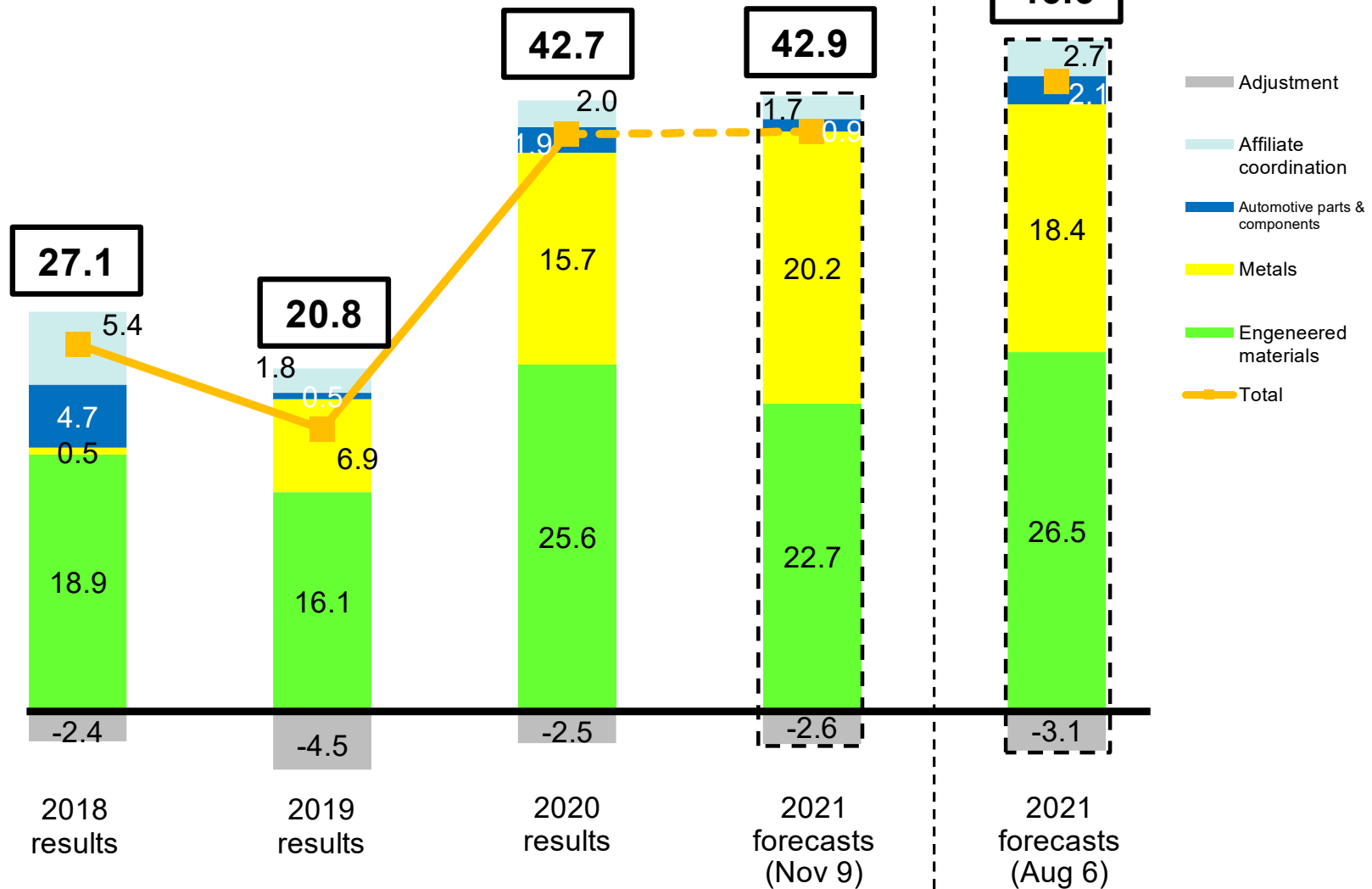
# Financial Performance



## Trends in Financial Performance (excludes inventory factor from Ordinary income)

   : Financial Performance

(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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