



三井金属



# FY2007 Q3 Results & Forecast

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(Notes)

1. This document is created based on the consolidated figures.
2. The document is used to explain the financial results and forecasts that have been announced.
3. Actual business results may differ materially from the forecasts as a result of changes in the situation.

# Business Overview

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## ■ Results for the third quarter (year-on-year comparison) :

Falling prices of TAB and COF tapes had a substantial impact, but revenue increased, thanks to high metal price levels. Net income declined 22% given decreases in equity method income and extraordinary income.

### ▪ Mining and Fundamental Materials :

The effective price of zinc continued to rise, and profit rose on gains on inventory valuations in the interim period.

▪ Intermediate Materials : Sales of TAB and COF tapes declined in the third quarter, and their prices are continuing to fall.

▪ Other segments : Automotive door locks bottomed out, but die-casting products struggled. In the Environmental Engineering and Metals Recycling segment, market conditions for lead metal improved.

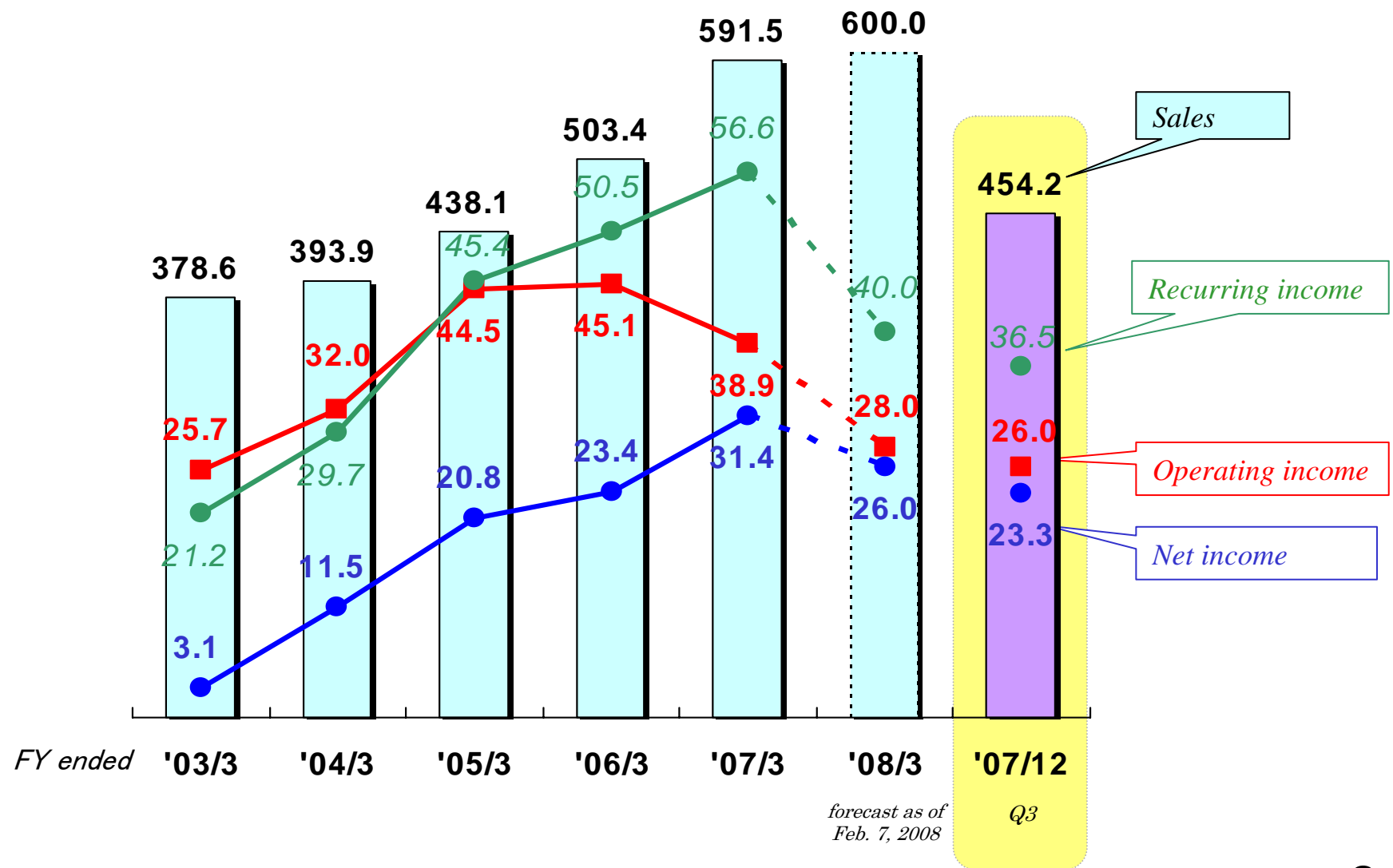
## ■ Full-year forecasts:

Projected profit fell sharply from the previous forecast (on October 31).

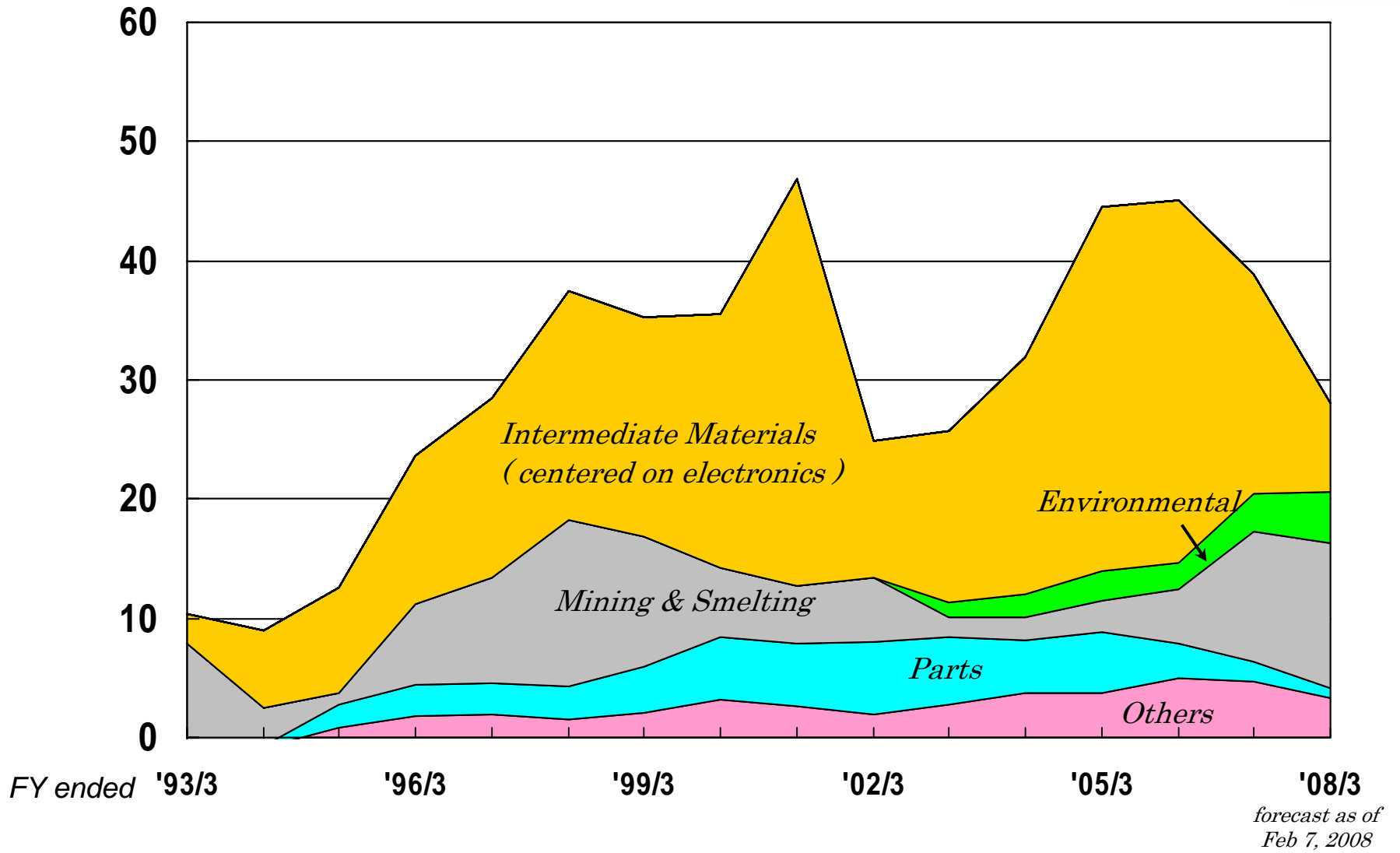
▪ Profit from mining and fundamental metals is expected to decrease, given the softening of metal market rates, delays in shipments from mines in Peru, and other factors.

▪ Substantial declines in TAB and COF tape prices are likely to continue, with a partial recovery in quantities.

# Sales and Profits (billion yen)



# Operating Income Breakdown (billion yen)



## Statements of Income (billion yen)

	Q3 Results			Full-year				
	'07/12 Q3	'06/12 Q3	Change	'08/3 Forecast	'07/3	Change	'08/3 Forecast(Oct. 31)	Change
<b>Net sales</b>	<b>454.2</b>	443.6	10.6 2.4%	<b>600.0</b>	591.5	8.5 1.4%	610.0	-10.0 -1.6%
Cost of sales	<b>388.3</b>	377.7	10.6 2.8%	-	500.7	-	-	-
<b>Gross profit</b>	<b>65.9</b>	65.9	0.0 0.1%	-	90.8	-	-	-
SG&A expenses	<b>39.9</b>	37.2	2.8 7.4%	-	51.9	-	-	-
<b>Operating income</b>	<b>26.0</b>	28.7	-2.7 -9.4%	<b>28.0</b>	38.9	-10.9 -28.0%	34.0	-6.0 -17.6%
Non-operating income/ expenses - net	<b>10.5</b>	13.7	-3.3	* <b>12.0</b>	17.7	-5.7	11.0	1.0
<b>Recurring income</b>	<b>36.5</b>	42.4	-6.0 -14.1%	<b>40.0</b>	56.6	-16.6 -29.3%	45.0	-5.0 -11.1%
Extraordinary profit/losses - net	<b>-3.2</b>	3.5	-6.8	** <b>-1.4</b>	-7.5	6.1	-0.3	-1.0
<b>Net income before income taxes</b>	<b>33.2</b>	46.0	-12.7 -27.7%	<b>38.6</b>	49.1	-10.5 -21.4%	44.7	-6.0 -13.5%
Income taxes and minority interests	<b>9.9</b>	16.0	-6.1	<b>12.6</b>	17.8	-5.1	14.7	-2.0
<b>Net income</b>	<b>23.3</b>	30.0	-6.7 -22.2%	<b>26.0</b>	31.4	-5.4 -17.1%	30.0	-4.0 -13.3%

### \* 08/3 Non-op.income /expenses

Interest	- 3.0
Equity method	+10.5
Dividend income	+ 1.5
Amortization	+ 3.0
<b>Total</b>	<b>+ 12.0</b>

### \*\* 08/3 Extraordinary items

Indemnity	- 0.2
Loss on sale/disposal of P.P.E.	+ 1.4
Impairment on P.P. E.	- 0.3
Allowance for free exchange	- 1.9
Others	- 0.4
<b>Total</b>	<b>- 1.4</b>

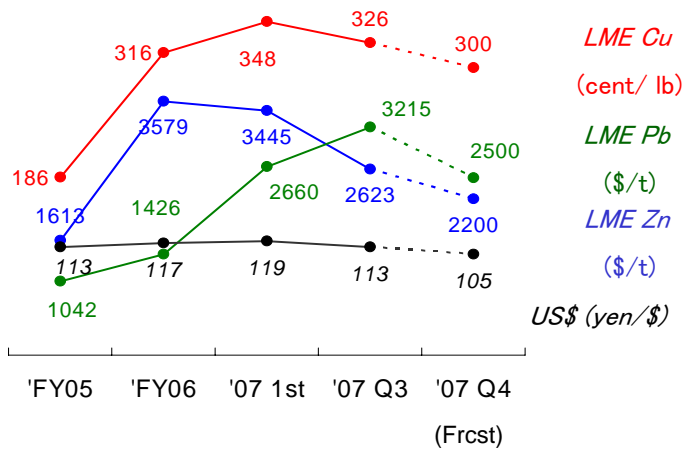
## Segment Information by Business (billion yen)



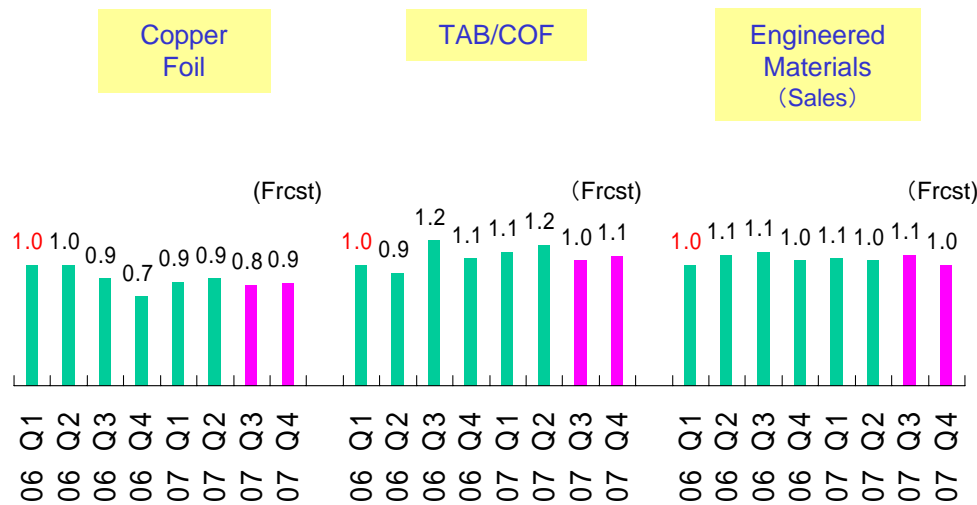
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	Q3 Results			Full-year				
	07/12 Q3	06/12 Q3	Change	08/3 Forecast	07/3	Change	08/3 Forecast(Oct. 31)	Change
<b>Sales</b>								
Mining and Fundamental Materials	108.4	86.5	21.9 25.3%	130.5	113.6	16.9 14.9%	127.0	3.5 2.8%
Intermediate Materials	189.3	191.5	-2.3 -1.2%	243.6	249.3	-5.7 -2.3%	252.3	-8.6 -3.4%
Parts Manufacturing and Assembly	116.2	120.3	-4.1 -3.4%	157.9	161.8	-3.9 -2.4%	157.2	0.7 0.4%
Environmental Engineering and Metals Recycling	53.0	38.7	14.3 36.9%	67.2	53.4	13.9 26.0%	65.2	2.0 3.1%
Engineering	15.0	21.8	-6.7 -30.9%	27.1	46.2	-19.1 -41.4%	27.0	0.1 0.5%
Services	46.8	46.8	-0.0 0.0%	62.3	61.8	0.5 0.8%	60.6	1.7 2.8%
Elimination	-74.5	-62.1	-12.4	-88.6	-94.5	5.9	-79.2	-9.4
<b>Consolidated</b>	<b>454.2</b>	<b>443.6</b>	<b>10.6</b> 2.4%	<b>600.0</b>	<b>591.5</b>	<b>8.5</b> 1.4%	<b>610.0</b>	<b>-10.0</b> -1.6%
<b>Operating Income</b>								
Mining and Fundamental Materials	11.2	6.4	4.8 74.4%	12.1	11.0	1.1 10.4%	13.6	-1.5 -10.8%
Intermediate Materials	9.0	17.1	-8.1 -47.3%	7.4	18.3	-11.0 -59.8%	12.0	-4.6 -38.5%
Parts Manufacturing and Assembly	0.6	0.2	0.4 178.0%	0.8	1.6	-0.8 -48.8%	1.0	-0.2 -21.8%
Environmental Engineering and Metals Recycling	3.6	2.1	1.5 68.0%	4.4	3.2	1.2 37.0%	4.5	-0.2 -3.4%
Engineering	0.2	0.8	-0.6 -77.7%	1.1	2.8	-1.7 -61.4%	1.1	-0.0 -1.0%
Services	1.1	1.2	-0.1 -10.8%	1.8	1.7	0.1 8.7%	1.9	-0.0 -1.2%
Elimination	0.3	0.8	-0.5	0.4	0.2	0.2	-0.1	0.5
<b>Consolidated</b>	<b>26.0</b>	<b>28.7</b>	<b>-2.7</b> -9.4%	<b>28.0</b>	<b>38.9</b>	<b>-10.9</b> -28.0%	<b>34.0</b>	<b>-6.0</b> -17.6%

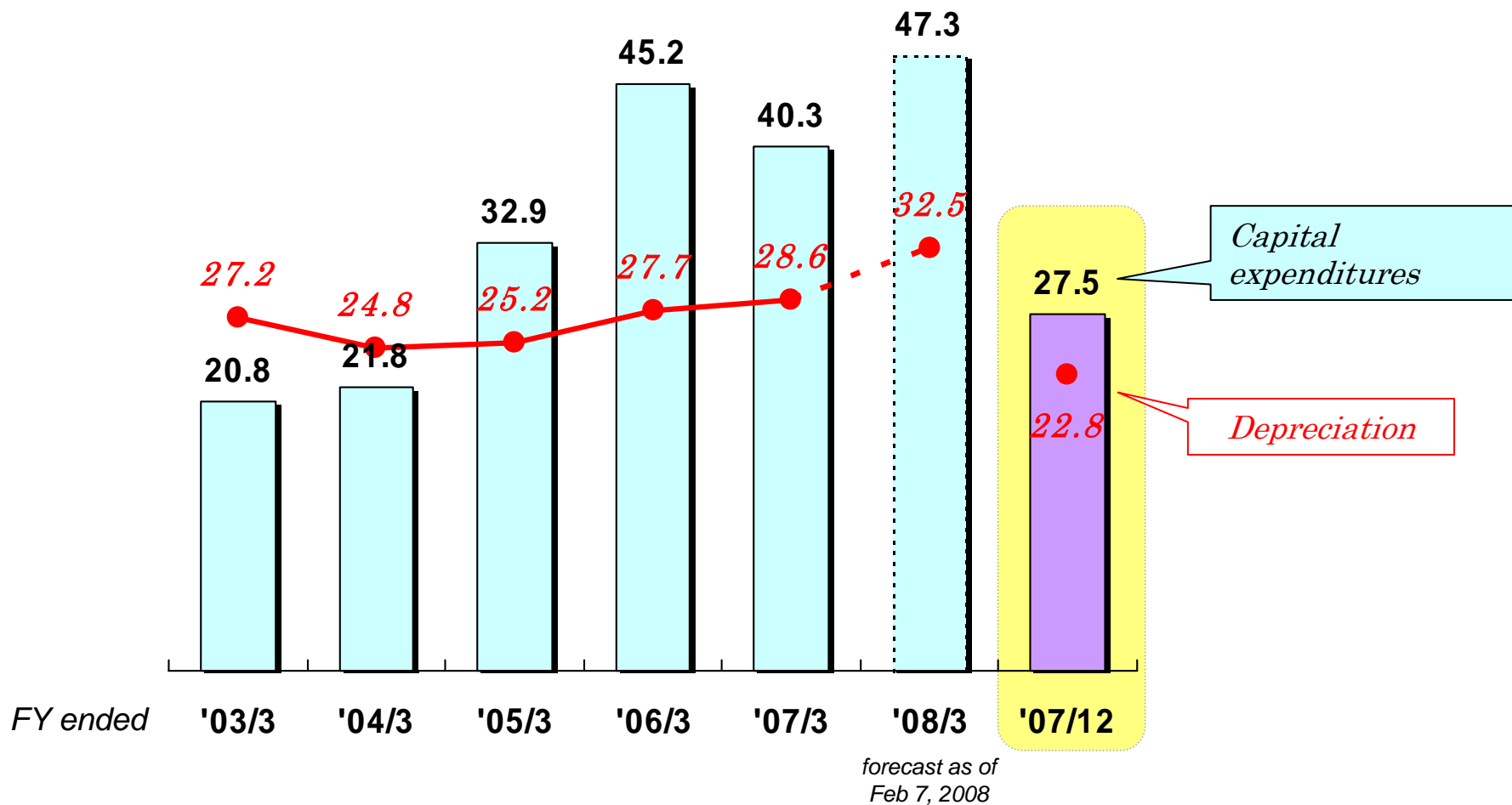
(LME / Exchange rate)



(Products Volume Index:06 1<sup>st</sup> half=1)



## CAPEX and Depreciation (billion yen)



## Financial Position at Term Ends (billion yen)

