

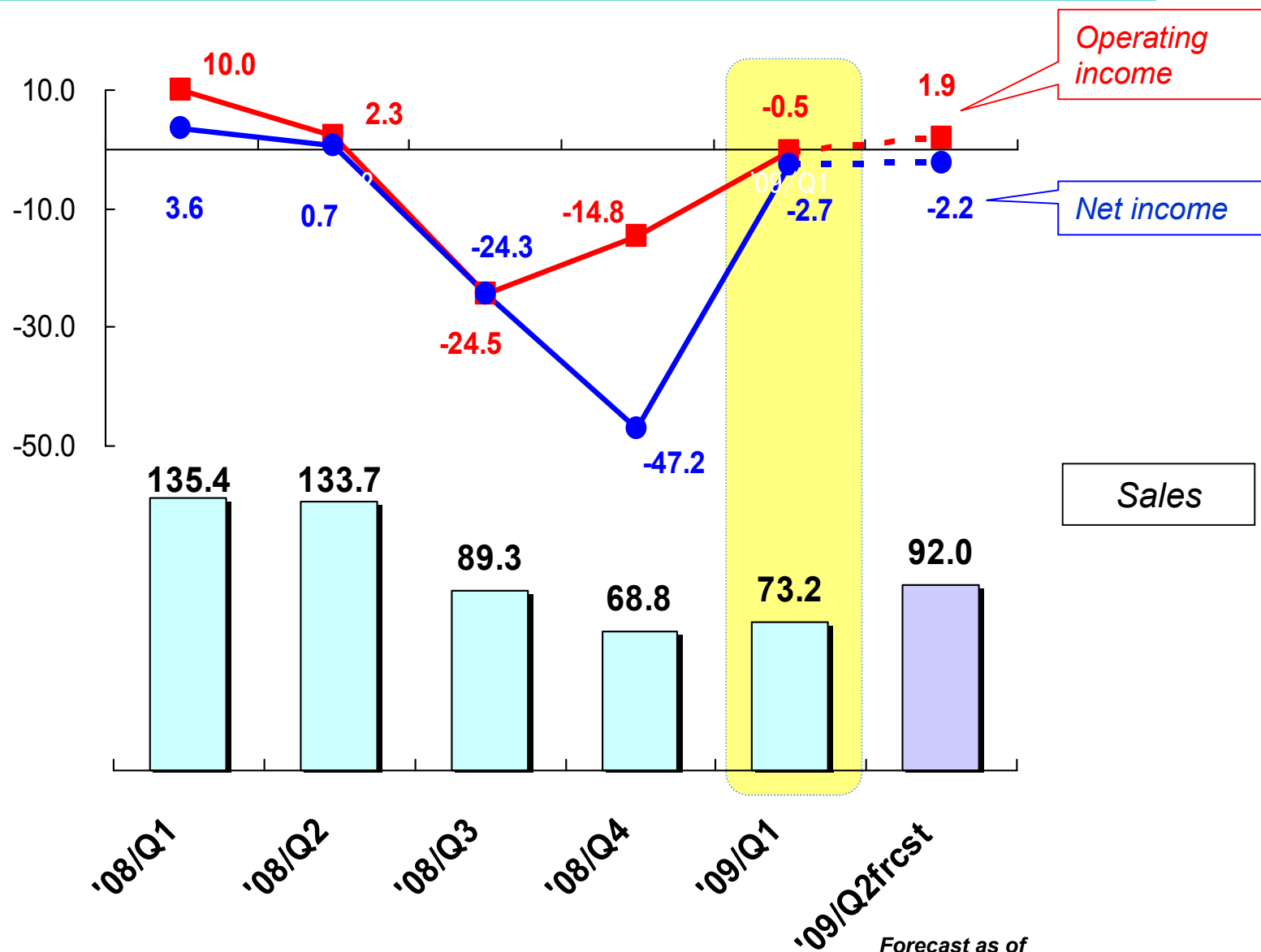


mitsui kinzoku
(Mitsui Mining & Smelting Co., Ltd. TSE5706)

FY2009 Q1 Results & Q2 Forecast

August 6, 2009

Sales and Profit (billion yen)



Forecast as of
Aug. 6, 2009

Business Overview

■ Fiscal 2009 Q1 results (vs. FY 2008 Q1):

- Nearly all our business operations reported a deterioration in revenues and earnings for the first quarter of fiscal 2009, owing to decreased demand worldwide and a fall in metal prices. Although there are some signs that demand may be bottoming out, we are proceeding with structural reforms and strict cost-cutting initiatives in our business operations.

Mining and Fundamental Materials Group and Environmental Engineering & Metals Recycling Group: Revenues and earnings both fell due to the stronger yen and lower metal market prices.

Intermediate Materials: Results not back up to levels for FY2008 Q1 despite a rapid recovery in demand.

Parts Manufacturing and Assembly: Red-ink figures posted once again due to sharp contraction in world markets for vehicle components, particularly in North America.

Non-operating income/expenses: Profitability deteriorated due to decrease in earnings on equity-method investments in the copper and zinc businesses.

Extraordinary profit/losses: Structural improvement expenses of ¥1.9 billion were posted, including additional amount for voluntary employee retirement plan.

■ Fiscal 2009 1st half forecasts (vs. previous forecast):

- A return to the black at the operating level for the first half is predicted thanks to increases in metals prices exceeding the extent originally forecast and a recovery in demand for electronic materials, combined with successful cost-cutting measures as forecast.

Mining and Fundamental Materials Group and Environmental Engineering & Metals Recycling Group: Increased revenues foreseen thanks to increased exports and higher metals prices.

Intermediate Materials: Demand recovery expected, particularly for copper foil and engineered materials. Radical restructuring plan for TAB/COF tapes business is progressing on target.

Parts Manufacturing and Assembly: Recovery in demand for vehicle-use components is proving slower than expected, but measures to reduce fixed costs are underway.

Statements of Income (billion yen)

	Q1 Results			1st half Forecast				
	'09/Q1	'08/Q1	Change	'09/Q1-2	'08/Q1-2	Change	'09/Q1-2	Change as of May 7
Net sales	73.2	135.4	-62.1 <i>-45.9%</i>	165.2	269.1	-103.9 <i>-38.6%</i>	146.0	19.2 <i>13.2%</i>
Cost of sales	64.1	112.2	-48.1 <i>-42.8%</i>	-	230.6	-	-	-
Gross profit	9.1	23.2	-14.1 <i>-60.7%</i>	-	38.5	-	-	-
SG&A expenses	9.6	13.2	-3.6 <i>-27.4%</i>	-	26.3	-	-	-
Operating income	-0.5	10.0	-10.4 <i>-</i>	1.4	12.2	-10.8 <i>-88.6%</i>	-2.0	3.4 <i>-</i>
Non-operating income/ expenses - net	-1.1	1.8	-2.9	-2.8	2.8	-5.6	-1.4	-1.4
Recurring income	-1.6	11.8	-13.3 <i>-</i>	-1.4	15.0	-16.4 <i>-</i>	-3.4	2.0 <i>-</i>
Extraordinary profit/losses - net	-1.2	-5.4	4.1	-2.7	-6.6	3.9	-2.8	0.1
Net income before income taxes	-2.8	6.4	-9.2 <i>-</i>	-4.1	8.4	-12.5 <i>-</i>	-6.2	2.1 <i>-</i>
Income taxes and minority interests	-0.1	2.8	-3.0	0.8	4.1	-3.4	0.4	0.4
Net income	-2.7	3.6	-6.2 <i>-</i>	-4.9	4.3	-9.2 <i>-</i>	-6.6	1.7 <i>-</i>

Segment Information by Business (billion yen)

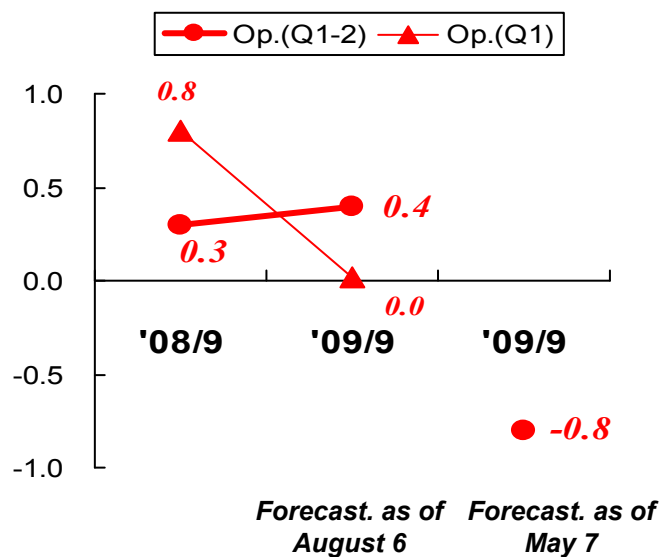
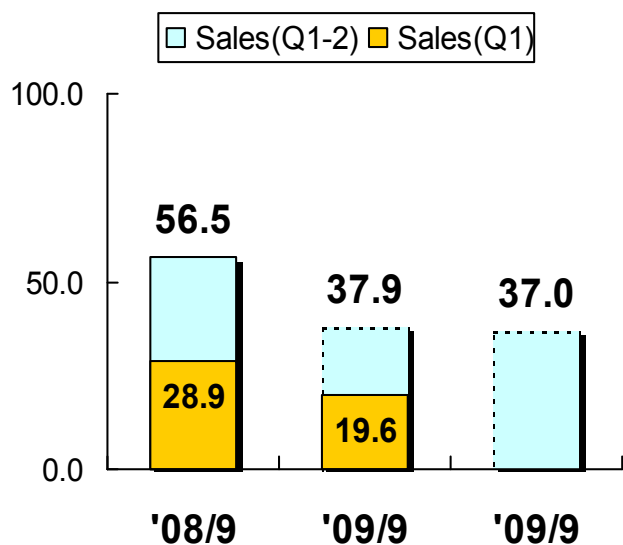


	Q1 Results			1st half Forecast				
	'09/Q1	'08/Q1	Change	'09/Q1-2	'08/Q1-2	Change	'09/Q1-2 as of May 7	Change
■ Sales								
Mining and Fundamental Materials	19.6	28.9	-9.2 -32.0%	37.9	56.5	-18.6 -32.9%	37.0	0.9 2.4%
Intermediate Materials	30.5	60.7	-30.2 -49.8%	65.8	120.0	-54.2 -45.2%	50.0	15.8 31.6%
Parts Manufacturing and Assembly	18.9	36.7	-17.8 -48.5%	42.9	72.3	-29.4 -40.6%	42.0	0.9 2.1%
Environmental Engineering and Metals Recycling	10.0	14.9	-4.9 -32.7%	21.4	30.8	-9.4 -30.6%	20.0	1.4 7.0%
Engineering	2.1	3.7	-1.6 -42.6%	7.0	10.1	-3.1 -30.4%	7.0	0.0 0.0%
Services	7.8	13.8	-6.0 -43.3%	14.0	27.2	-13.2 -48.5%	14.0	0.0 0.0%
Elimination	-15.8	-23.3	7.6	-23.8	-47.7	23.9	-24.0	0.2
Consolidated	73.2	135.4	-62.1 -45.9%	165.2	269.1	-103.9 -38.6%	146.0	19.2 13.2%
■ Operating income								
Mining and Fundamental Materials	0.0	0.8	-0.8 -98.2%	0.4	0.3	0.1 48.7%	-0.8	1.2
Intermediate Materials	1.4	6.5	-5.1 -78.6%	2.9	8.7	-5.8 -66.8%	0.3	2.6 866.7%
Parts Manufacturing and Assembly	-2.0	0.7	-2.7	-3.2	0.7	-3.9	-2.7	-0.5
Environmental Engineering and Metals Recycling	0.2	1.7	-1.4 -85.4%	1.2	1.7	-0.5 -30.7%	1.2	0.0 0.0%
Engineering	-0.4	-0.1	-0.3	-0.5	0.0	-0.5	-0.5	0.0
Services	0.2	0.4	-0.2 -41.6%	0.5	0.8	-0.3 -38.9%	0.5	0.0 0.0%
Elimination	0.0	0.0	0.0	0.1	-0.1	0.1	0.0	0.1
Consolidated	-0.5	10.0	-10.4	1.4	12.2	-10.8 -88.6%	-2.0	3.4

Quarterly sales and incomes (billion yen)

	'08/Q1	'08/Q2	'08/Q3	'08/Q4	'09/Q1	'09/Q2 (Frcst)	Q1 (YoY)	Q1 (QoQ)	Q2 (YoY)	Q2 (QoQ)
■ Sales										
Mining and Fundamental	28.9	27.6	18.6	18.5	19.6	18.3	-9.2	1.2	-9.3	-1.3
Intermediate Materials	60.7	59.3	35.0	19.8	30.5	35.3	-30.2	10.7	-24.0	4.8
Parts Manufacturing	36.7	35.5	27.8	19.5	18.9	24.0	-17.8	-0.6	-11.6	5.1
Environmental & Recycling	14.9	16.0	9.8	10.7	10.0	11.4	-4.9	-0.7	-4.6	1.4
Engineering	3.7	6.3	5.7	9.0	2.1	4.9	-1.6	-6.8	-1.5	2.7
Services	13.8	13.4	9.8	8.6	7.8	6.2	-6.0	-0.8	-7.2	-1.6
Consolidated	135.4	133.7	89.3	68.8	73.2	92.0	-62.1	4.4	-41.8	18.7
■ Operating income										
Mining and Fundamental	0.8	-0.6	-6.7	-3.2	0.0	0.4	-0.8	3.3	0.9	0.4
Intermediate Materials	6.5	2.2	-10.9	-10.8	1.4	1.5	-5.1	12.2	-0.7	0.1
Parts Manufacturing	0.7	0.0	-2.0	-2.7	-2.0	-1.1	-2.7	0.7	-1.2	0.9
Environmental & Recycling	1.7	0.1	-5.6	0.9	0.2	1.0	-1.4	-0.7	0.9	0.7
Engineering	-0.1	0.1	0.2	0.4	-0.4	-0.1	-0.3	-0.8	-0.2	0.3
Services	0.4	0.4	0.3	0.4	0.2	0.3	-0.2	-0.2	-0.2	0.1
Consolidated	10.0	2.3	-24.5	-14.8	-0.5	1.9	-10.4	14.3	-0.4	2.4
■ Recurring income	11.8	3.2	-29.4	-15.9	-1.6	0.2	-13.3	14.4	-3.1	1.8
■ Net income	3.6	0.7	-24.3	-47.2	-2.7	-2.2	-6.2	44.6	-2.9	0.4

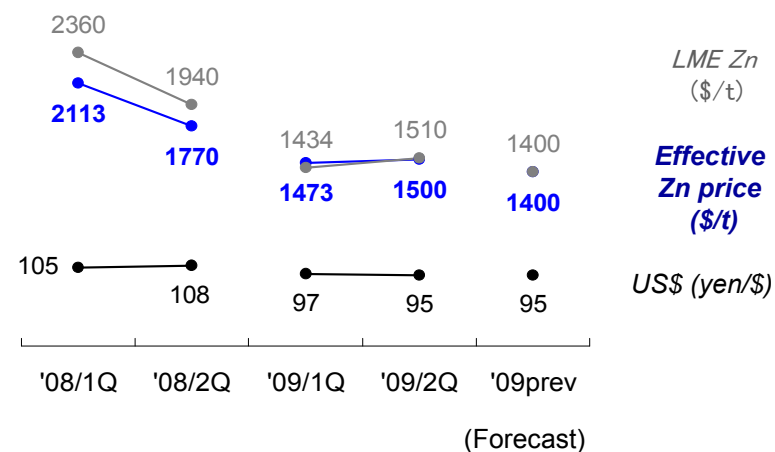
Performance by Segment **(1) Mining and Fundamental Materials (billion yen)**



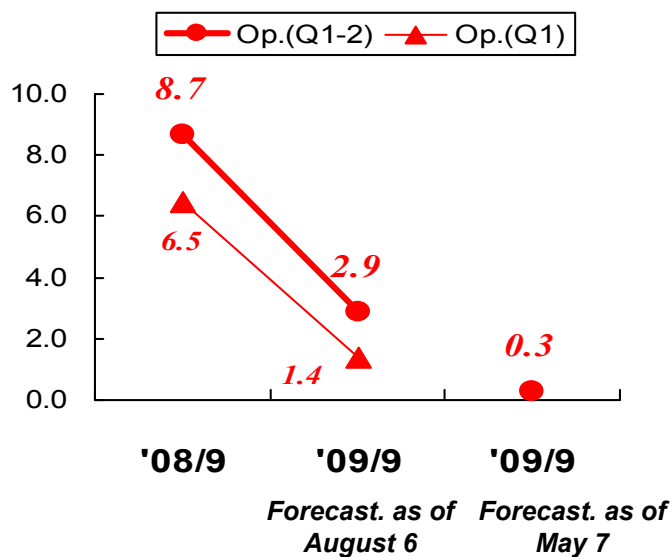
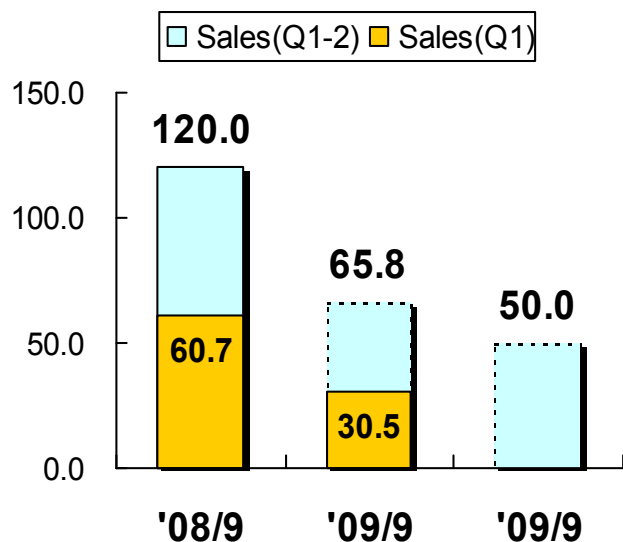
Operating Income variance (billion yen)

	['08/Q1 vs. '09/Q1]	['09/Q1-2 forecast] May.7 vs. Aug.6
Ex. Rate	-0.2	0.0
LME (Zn)	-2.5	0.5
T/C (Zn)	0.1	-0.1
Inventory valuation change	2.3	0.4
Coke price	0.5	-0.2
Other	-1.0	0.6
Total	-0.8	1.2

Zn Prices and Rates



Performance by Segment (2) Intermediate Materials (billion yen)



Operating Income variance (billion yen)

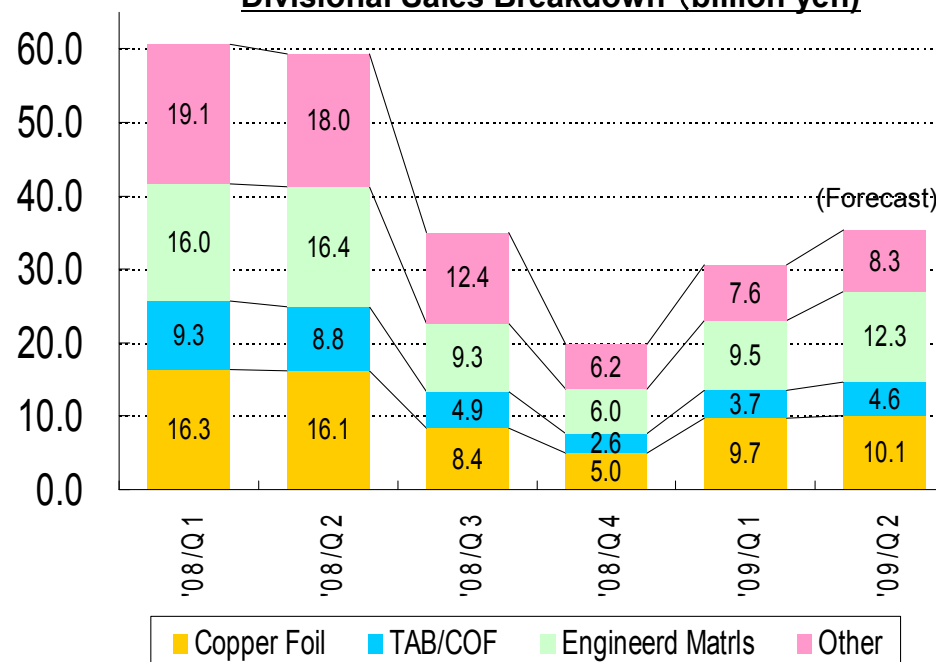
['08/Q1 vs. '09/Q2 - 5.1]

- Sales down due to weaker demand; non-repetition of valuation gains on inventory assets posted for the previous first quarter

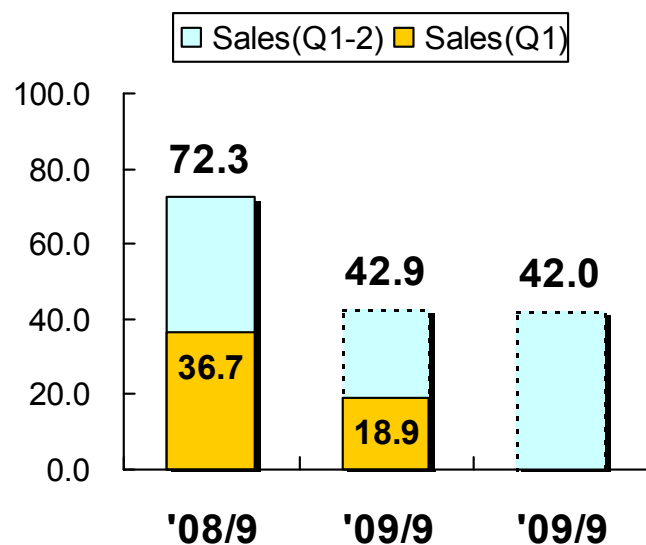
['09/Q1 & Q2 Previous forecast vs. revised. + 2.6]

- Demand for electronic materials to bottom-out and start recovery

Divisional Sales Breakdown (billion yen)



Performance by Segment (3) *Parts Manufacturing and Assembly (billion yen)*



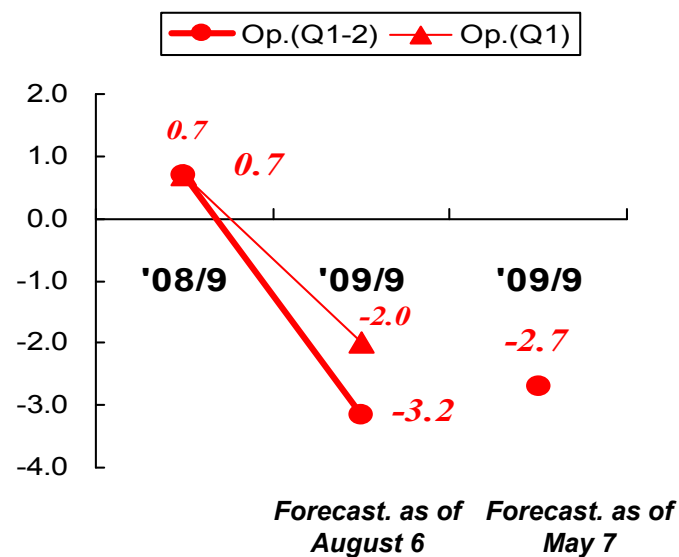
Operating Income variance (billion yen)

['08/Q1 vs. '09/Q2 - 2.7]

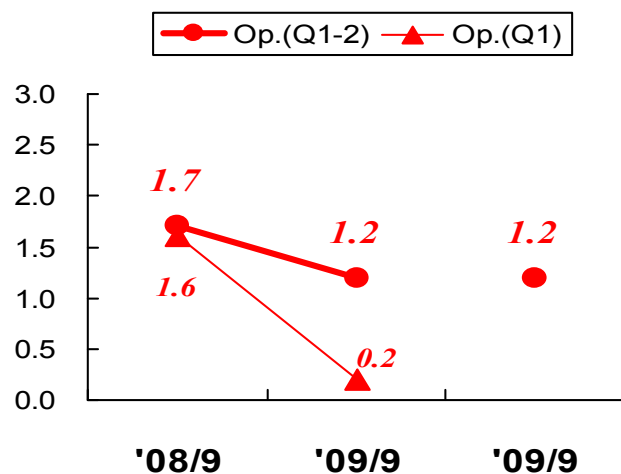
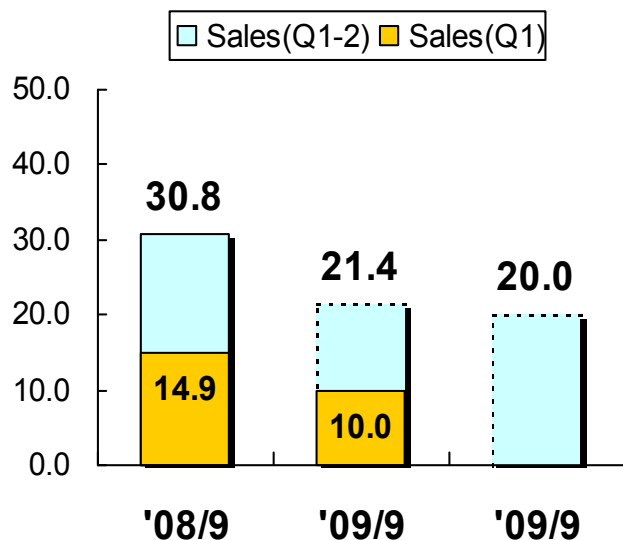
- Sales posted decrease due to significant falloff in demand

['09/Q1 & Q2 Previous forecast vs. revised. - 0.5]

- Reduce losses through rationalization and streamlining of operational bases



Performance by Segment (4) Environmental Engineering and Metals Recycling (billion yen)



Forecast. as of August 6 Forecast. as of May 7

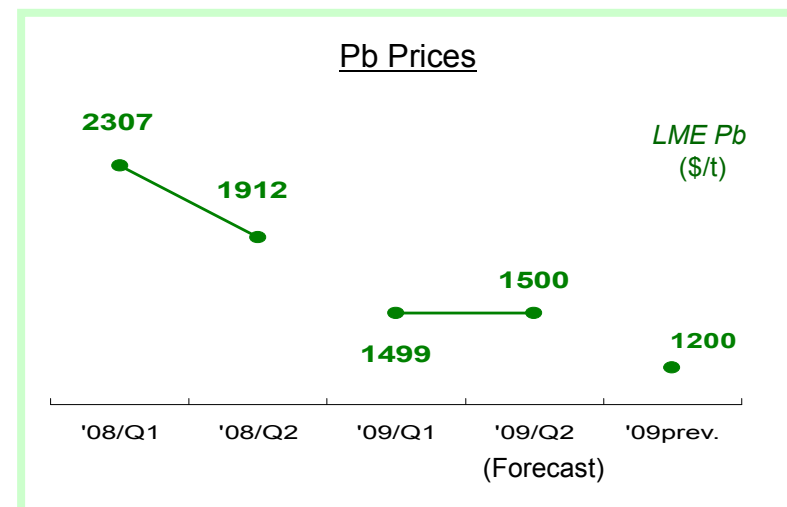
Operating Income variance (billion yen)

['08/Q1 vs. '09/Q2 - 1.4]

- Metal prices declined, non-repetition of valuation gains on inventory assets posted for the previous first quarter

['09/Q1 & Q2 Previous forecast vs. revised. Unchanged]

- Sales seen flat as higher market prices are offset by lower selling volume

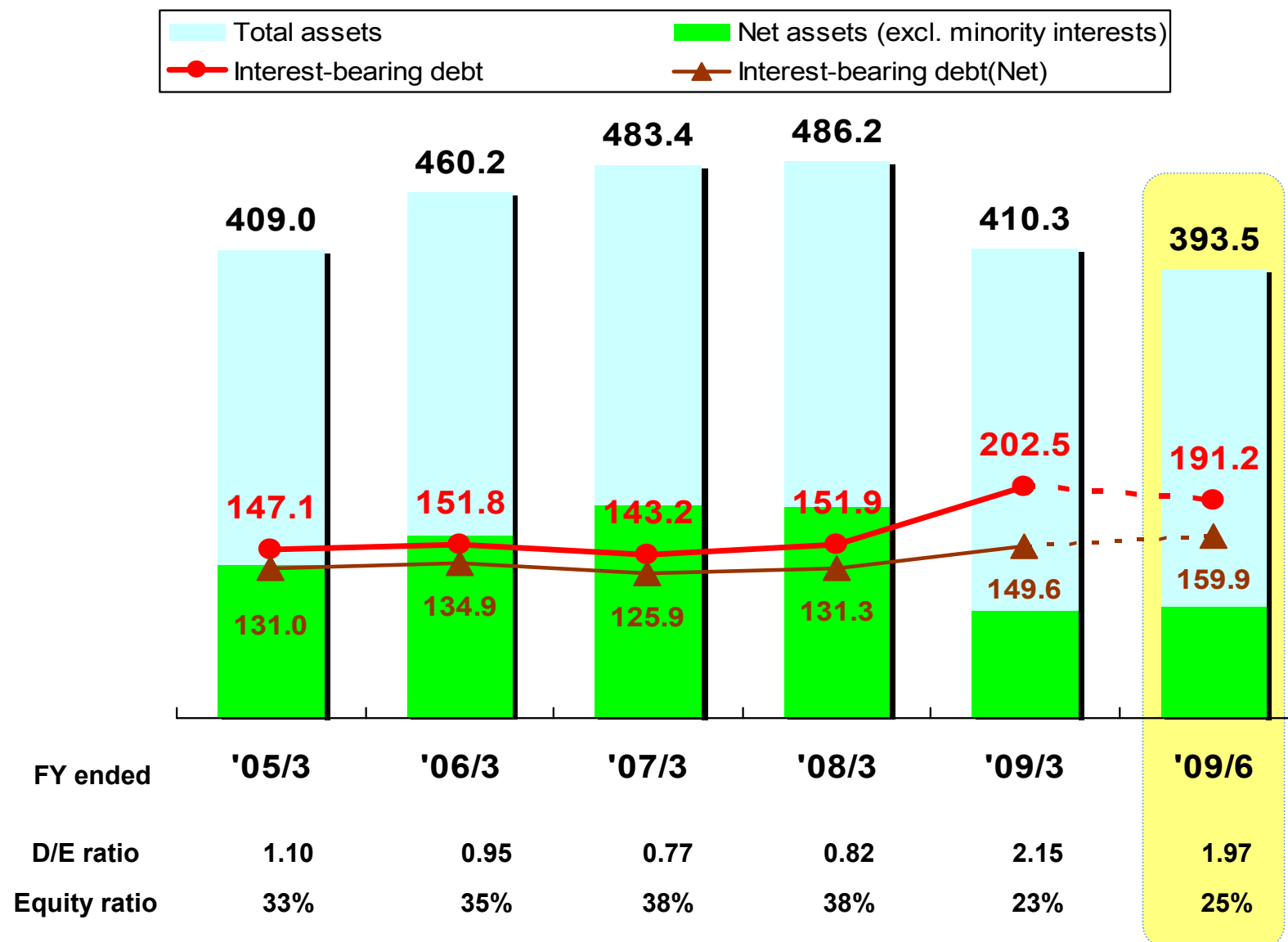


Non-operating income/expenses and Extraordinary profit/losses
(billion yen)



	Results			1st half forecast				
	'09/Q1	'08/Q1	Change	'09/Q1-2	'08/Q1-2	Change	'09/Q1-2 Previous	Change
Interest income - net	-0.7	-0.6	-0.1	-1.7	-1.4	-0.3	-1.7	0.0
Dividend income -net	0.2	0.9	-0.7	0.2	1.3	-1.1	0.1	0.2
Equity in gains/losses	-0.2	1.5	-1.7	-0.8	2.3	-3.2	0.3	-1.1
Cu price(¢ /lb)	(212 ¢)	(383 ¢)	(-171 ¢)	(206 ¢)	(366 ¢)	(-160 ¢)	(150 ¢)	(56 ¢)
Zn price (\$/t)	(\$1,473)	(\$2,360)	(-\$887)	(\$1,487)	(\$1,942)	(-\$455)	(\$1,400)	(\$87)
Other	-0.4	-0.0	-0.4	-0.5	0.6	-1.1	-0.1	-0.4
Non-operating income/expenses - net	-1.1	1.8	-2.9	-2.8	2.8	-5.6	-1.4	-1.4
Write-down of marketable securities & investments	-0.9		-0.9	-0.9	-0.1	-0.8		-0.9
Indemnity	-0.0	-0.0	0.0	-0.1	-0.1	0.0	-0.1	0.0
Loss on sale & disposal of P. P. E.	-0.0	-0.0	-0.0	-0.6	-0.2	-0.4	-0.6	-0.0
Impairment charges on P.P.E.	-0.0		-0.0	-0.0	-0.1	0.0	-0.0	0.0
Write-down of inventories		-4.7	4.7		-4.7	4.7		0.0
Reserve for loss on inventories	1.8		1.8	1.8		1.8	-0.0	1.8
Restructuring charges	-1.9		-1.9	-2.7		-2.7	-1.9	-0.8
Other	-0.1	-0.6	0.5	-0.2	-1.5	1.3	-0.2	-0.0
Extraordinary profit/losses - net	-1.2	-5.4	4.1	-2.7	-6.6	3.9	-2.8	0.1

Financial Position at Term Ends (billion yen)



Caution Concerning Forward-looking Statements

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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