



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

FY2010 Results & FY2011 Forecast

May 9, 2011

Business Overview



■ Results for fiscal 2010 (year-on-year comparison)

* Sales increased across all segments due to steady demand for copper foil, engineered materials and automotive parts & components, rising zinc prices, and other factors.

Operating income, ordinary income, and net income all increased.

Copper Foil: The market has attained a full-scale recovery. Sales were driven by copper foil for smart phones, automobiles, and communications infrastructure.

Engineered Materials: Demand for electronic materials and catalysts for motorcycles expanded.

Metals, Minerals & Environmental Engineering: Prices of metals rose. Losses for reasons associated with inventories in the previous fiscal year were offset by gain on change in equity.

Automotive Parts & Components: Demand was solid against the background of the various economic stimulus measures implemented by countries around the world.

Extraordinary gains/losses: Although there was a gain on change in equity of ¥2.2 billion in line with the split off of the rolled copper business, extraordinary losses were at about the same level as the previous fiscal year due to the booking of a natural disaster loss of ¥3.2 billion resulting from the Great East Japan Earthquake, and other factors.

Dividend: The fiscal year-end dividend increased to 6 yen per share, reflecting full fiscal year results.

■ Forecasts for fiscal 2011

* We changed the segments to match the organizational structure implemented under the next Medium-Term Plan. We will work to bring in overseas demand, increase production of battery materials and copper foil, etc. while aiming to increase both sales and income on a fundamental income basis.

■ About the impact of the great earthquake disaster

* At the current time we judge that the medium- to long-term impact on the Company will be limited.

* We will restore normal operations as soon as possible, and establish a global structure for the division of production to enable us to cope with electricity supply shortages in Japan.

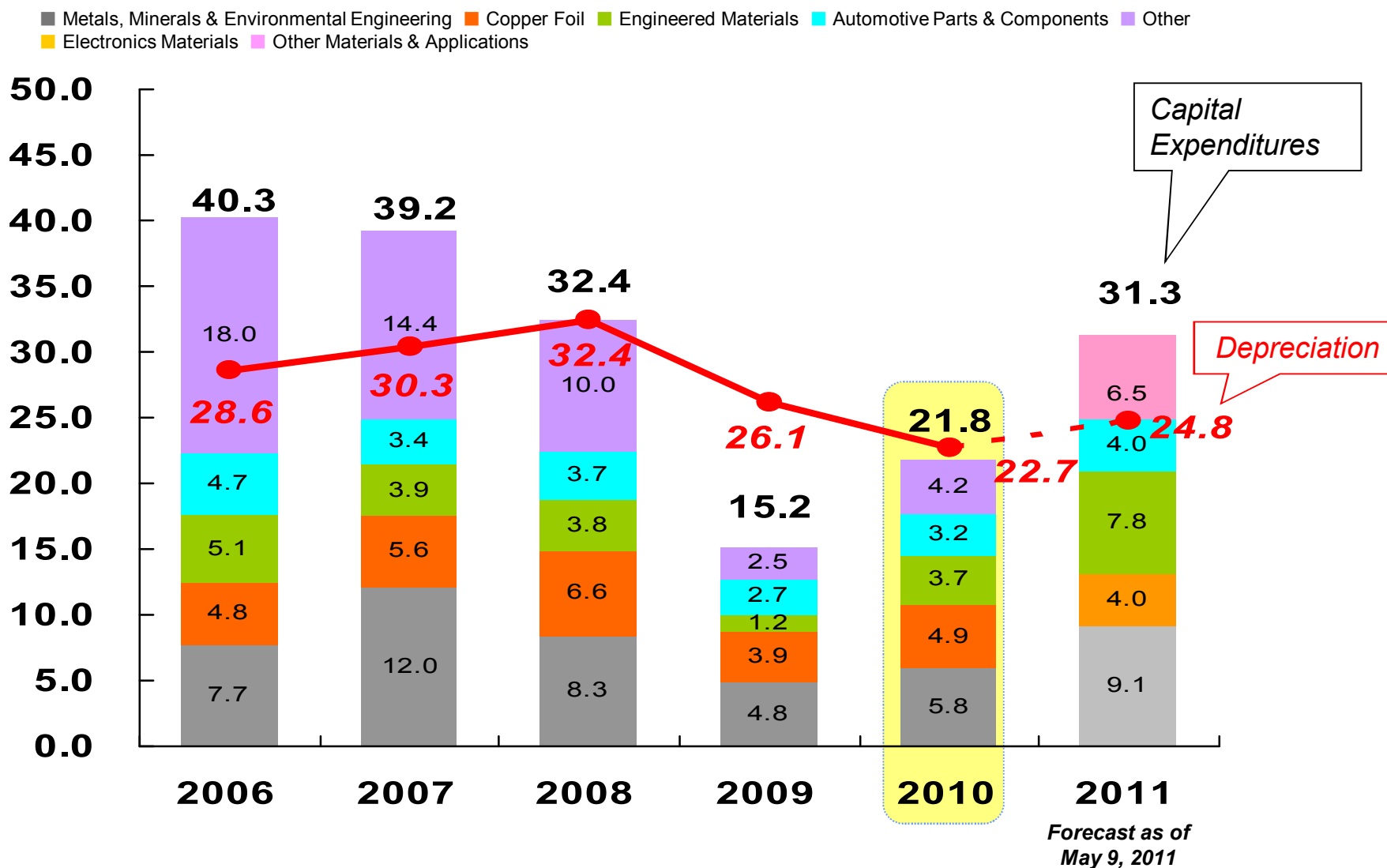
Statements of Income (billion yen)

| | Results | | | Forecast | | | |
|---|---------|--------------|---------------|--------------|----------------|-------|-------|
| | 2009 | 2010 | change | 2011 | change | 1st h | 2nd h |
| Net sales | 392.4 | 446.5 | 54.1 13.8% | 467.0 | 20.5 4.6% | 219.0 | 248.0 |
| Cost of sales | 325.5 | 376.2 | 50.7 15.6% | - | - | - | - |
| Gross profit | 66.9 | 70.3 | 3.5 5.2% | - | - | - | - |
| SG&A expenses | 39.0 | 40.1 | 1.1 2.9% | - | - | - | - |
| Operating income | 27.9 | 30.2 | 2.3 8.3% | 29.0 | -1.2 -4.0% | 12.0 | 17.0 |
| Non-operating income/ expenses - net | -2.2 | 3.8 | 6.0 | -2.0 | -5.8 | -1.0 | -1.0 |
| Ordinary income | 25.6 | 34.0 | 8.4 32.6% | 27.0 | -7.0 -20.6% | 11.0 | 16.0 |
| Extraordinary profit/losses - net | -4.1 | -4.2 | -0.2 | -1.8 | 2.4 | -1.2 | -0.6 |
| Net income before income taxes | 21.6 | 29.8 | 8.2 38.1% | 25.2 | -4.6 -15.4% | 9.8 | 15.4 |
| Income taxes and minority interests | 7.7 | 8.6 | 1.0 | 7.7 | -0.9 | 3.2 | 4.5 |
| Net income | 13.9 | 21.2 | 7.3 52.2% | 17.5 | -3.7 -17.3% | 6.6 | 10.9 |

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

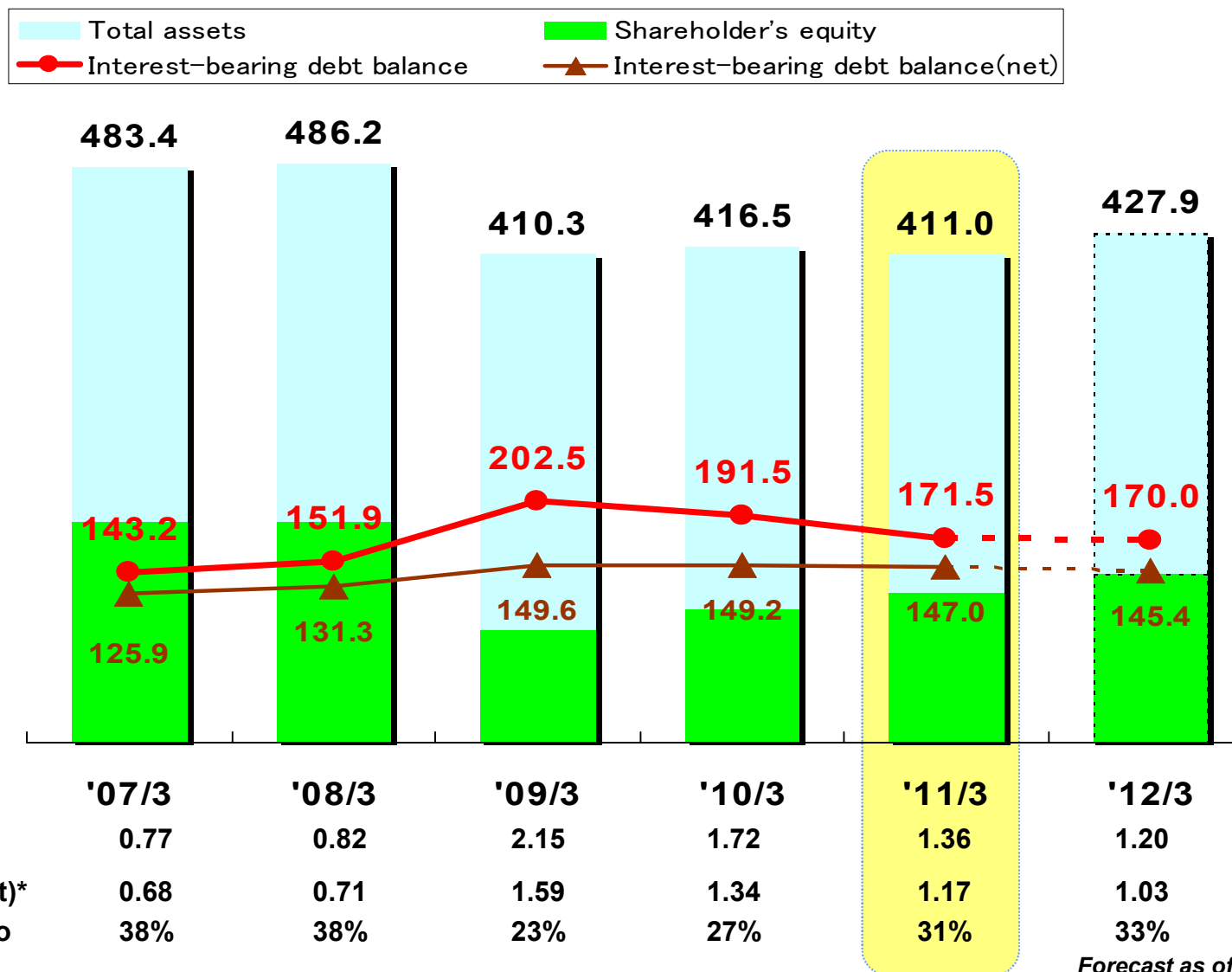
| | Results | | | Forecast | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2009 | 2010 | Change | 2011 | Change | 1st h | 2nd h |
| Interest income - net | -2.7 | -2.6 | 0.1 | -2.8 | -0.2 | -1.4 | -1.4 |
| Dividend income -net | 0.3 | 1.6 | 1.3 | 0.7 | -0.9 | 0.3 | 0.3 |
| Equity in gains/losses | 1.6 | 5.6 | 4.0 | 1.5 | -4.0 | 0.3 | 1.3 |
| Cu price(¢ /lb) | (277 ¢) | (369 ¢) | (92 ¢) | (380 ¢) | (11 ¢) | (380 ¢) | (380 ¢) |
| Zn price (\$/t) | (\$1,934) | (\$2,187) | (\$253) | (\$2,200) | (\$13) | (\$2,200) | (\$2,200) |
| Other | -1.4 | -0.7 | 0.7 | -1.4 | -0.6 | -0.2 | -1.2 |
| Non-operating income/expenses - net | -2.2 | 3.8 | 6.0 | -2.0 | -5.8 | -1.0 | -1.0 |
| Write-down of marketable securities & investments | -0.9 | | 0.9 | | | | |
| Indemnity | -0.1 | -0.7 | -0.5 | -0.1 | 0.5 | -0.1 | -0.1 |
| Loss on sale & disposal of P. P. E. | -0.6 | -0.8 | -0.2 | -0.2 | 0.6 | 0.0 | -0.3 |
| Impairment charges on P.P.E. | -0.7 | -1.4 | -0.7 | -0.2 | 1.1 | -0.2 | -0.1 |
| Casualty loss | | -3.2 | -3.2 | -0.8 | 2.4 | -0.8 | -0.0 |
| Reserve for loss on inventories | 1.8 | | -1.8 | | | | |
| Gain on change in equity | | 2.2 | 2.2 | | -2.2 | | |
| Restructuring charges | -2.9 | -0.4 | 2.5 | -0.3 | 0.1 | -0.2 | -0.1 |
| Other | -0.6 | 0.0 | 0.6 | -0.2 | -0.2 | -0.0 | -0.1 |
| Extraordinary profit/losses - net | -4.1 | -4.2 | -0.2 | -1.8 | 2.4 | -1.2 | -0.6 |

CAPEX and Depreciation (billion yen)



Note: Figures for segments from 2006 to 2008 are for reference only, and have not been audited by an audit corporation.
 Figures for 2011 are indicated by new segments.

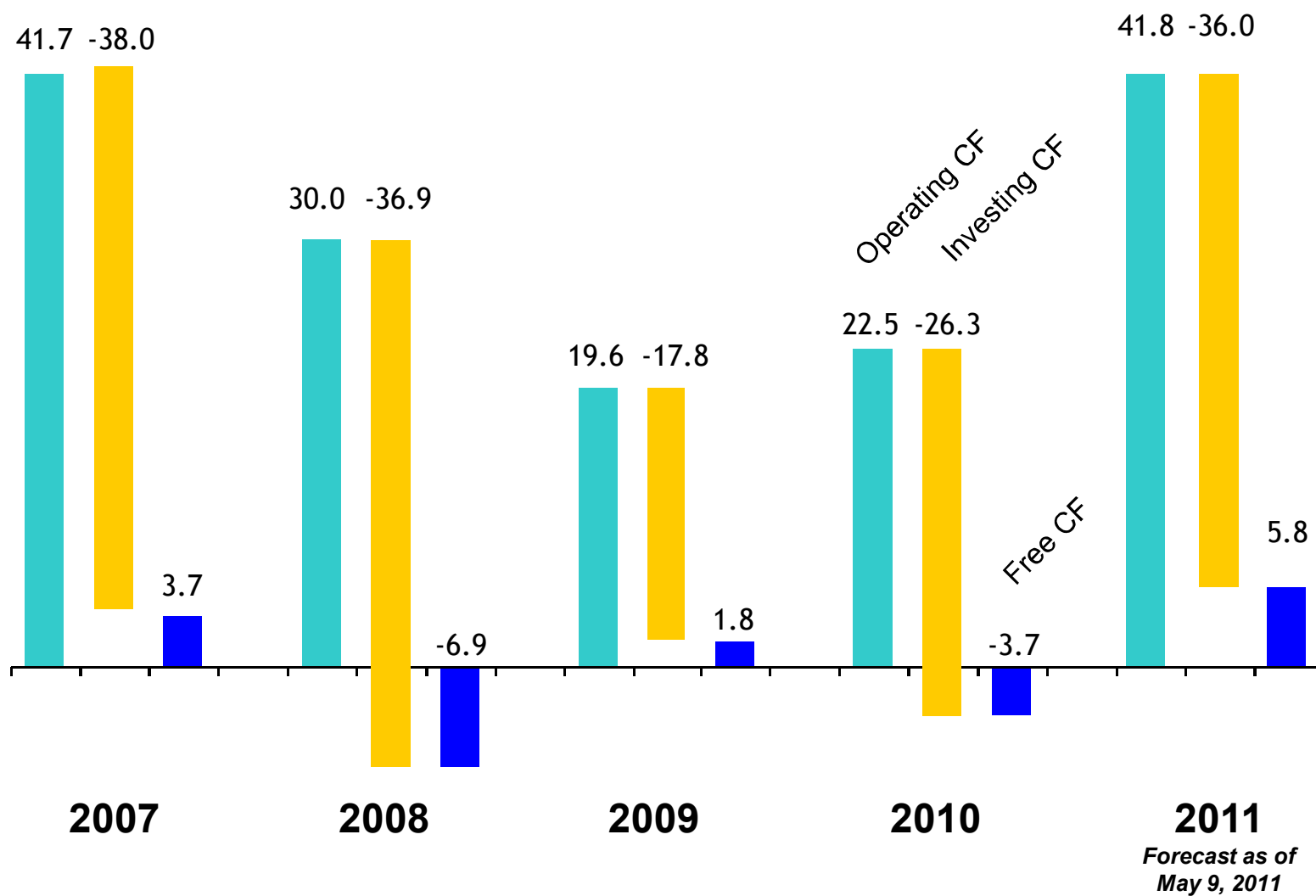
Financial Position at Term End (billion yen)



* Net Interest-bearing debt balance/Shareholder's equity

Forecast as of
May. 9, 2011

Cash Flows (billion yen)



Cash Flows (billion yen)

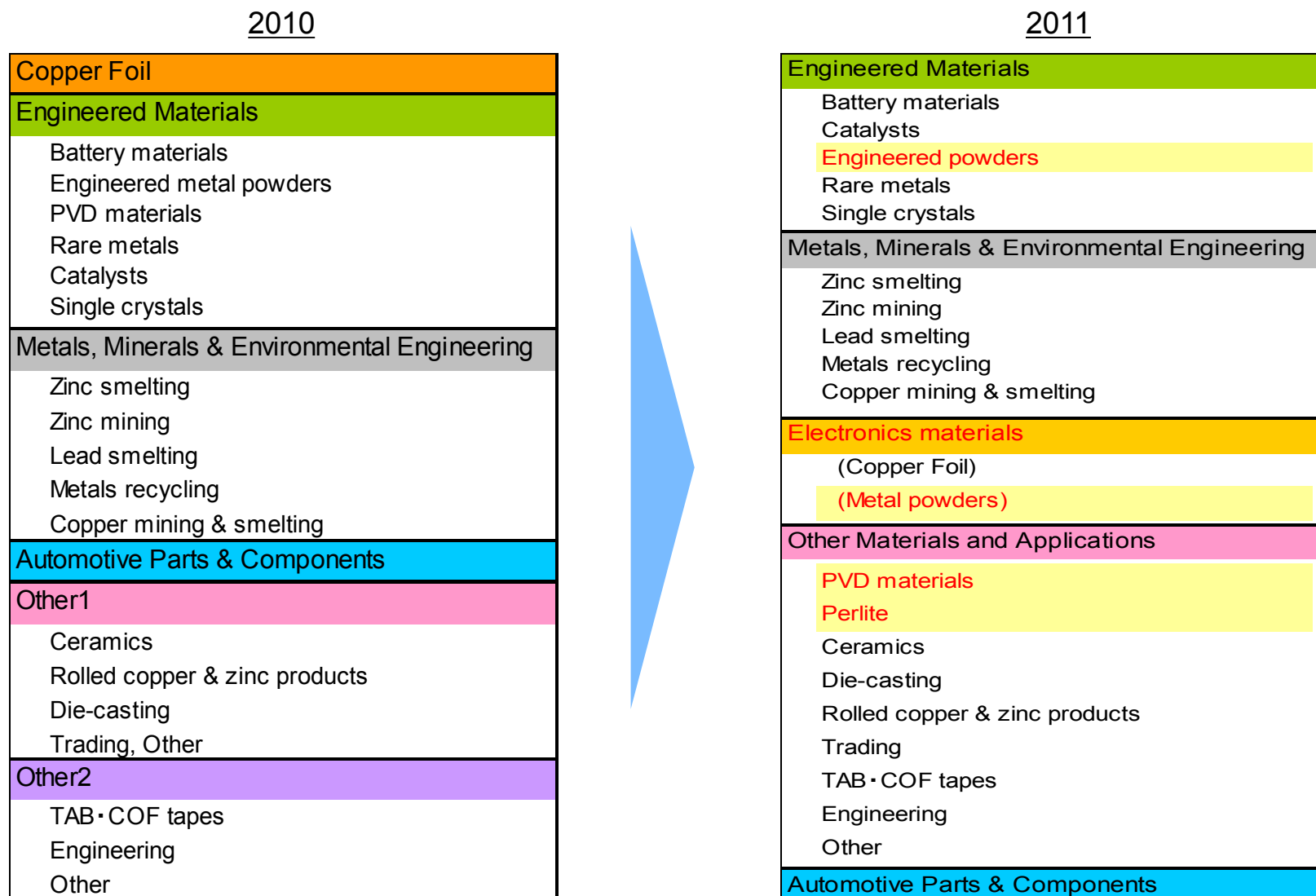
| | '09/Q1 | '09/Q2 | '09/Q3 | '09/Q4 | '10/Q1 | '10/Q2 | '10/Q3 | '10/Q4 | YoY | QoQ | FY09 | FY10 | YoY |
|----------------|--------|--------|--------|--------|--------|--------|--------|--------|-------|------|-------|-------|------|
| ■ Operating CF | -5.6 | 3.8 | 1.4 | 20.0 | 3.3 | 4.6 | 3.2 | 11.5 | -8.5 | 8.3 | 19.6 | 22.5 | 2.9 |
| ■ Investing CF | -4.3 | -3.1 | -3.1 | -7.4 | -4.6 | -4.0 | -7.2 | -10.4 | -3.0 | -3.2 | -17.8 | -26.3 | -8.5 |
| ■ Free CF | -9.9 | 0.8 | -1.7 | 12.6 | -1.4 | 0.5 | -4.0 | 1.1 | -11.5 | 5.2 | 1.8 | -3.7 | -5.5 |

Quarterly sales and incomes (billion yen)

| | '09/Q1 | '09/Q2 | '09/Q3 | '09/Q4 | '10/Q1 | '10/Q2 | '10/Q3 | '10/Q4 | FY09 | FY10 | YoY |
|--|--------|--------|--------|--------|--------|--------|--------|--------------|--------|---------------|---------|
| ■ Sales | | | | | | | | | | | |
| Copper Foil | 9.7 | 12.1 | 11.3 | 12.5 | 15.1 | 15.6 | 14.1 | 15.2 | 45.6 | 60.0 | 14.4 |
| Engineered Materials | 12.6 | 15.5 | 16.3 | 18.2 | 19.4 | 18.9 | 21.4 | 24.5 | 62.6 | 84.2 | 21.6 |
| Metals, Minerals & Environmental | 28.1 | 37.4 | 41.3 | 43.2 | 39.2 | 40.7 | 46.7 | 41.4 | 150.0 | 168.0 | 18.0 |
| Automotive Parts & Components | 14.0 | 18.6 | 22.1 | 23.7 | 21.3 | 23.9 | 24.0 | 22.0 | 78.3 | 91.2 | 13.0 |
| Other | 21.5 | 30.8 | 32.7 | 38.7 | 34.1 | 28.7 | 28.7 | 32.7 | 123.6 | 124.2 | 0.6 |
| Adjustment | -12.6 | -15.7 | -18.1 | -21.3 | -16.9 | -20.2 | -21.0 | -23.0 | -67.7 | -81.1 | -13.3 |
| Consolidated | 73.2 | 98.5 | 105.6 | 115.1 | 112.1 | 107.6 | 113.9 | 112.9 | 392.4 | 446.5 | 54.1 |
| ■ Operating income [a] | | | | | | | | | | | |
| | -0.5 | 7.4 | 9.7 | 11.3 | 7.1 | 6.1 | 9.5 | 7.5 | 27.9 | 30.2 | 2.3 |
| (Of which amounts impacted by inventory valuation gains [b]) | (1.4) | (3.6) | (5.0) | (1.8) | (-1.2) | (0.0) | (2.1) | (0.5) | (11.8) | (1.4) | (-10.4) |
| [a] - [b] | (-1.9) | (3.8) | (4.7) | (9.5) | (8.3) | (6.1) | (7.4) | (7.0) | (16.1) | (28.8) | (12.7) |
| ■ Ordinary income | | | | | | | | | | | |
| Copper Foil | 1.1 | 1.8 | 1.3 | 1.7 | 2.5 | 1.9 | 1.5 | 1.4 | 5.9 | 7.3 | 1.4 |
| Engineered Materials | 0.0 | 1.3 | 3.0 | 2.8 | 2.8 | 1.8 | 2.3 | 3.7 | 7.1 | 10.7 | 3.5 |
| Metals, Minerals & Environmental | 0.9 | 3.3 | 4.5 | 3.9 | 2.1 | 2.4 | 6.0 | 2.5 | 12.5 | 13.0 | 0.4 |
| Automotive Parts & Components | -1.6 | -0.3 | 0.8 | 0.8 | 0.8 | 1.2 | 1.8 | 1.5 | -0.3 | 5.3 | 5.6 |
| Other | -0.1 | 1.2 | 1.9 | 2.6 | 1.2 | 0.5 | 0.2 | 1.4 | 5.6 | 3.3 | -2.3 |
| Adjustment | -1.8 | -0.9 | -1.7 | -0.9 | -0.4 | -1.5 | -1.3 | -2.3 | -5.2 | -5.5 | -0.3 |
| Consolidated | -1.6 | 6.4 | 9.8 | 11.0 | 8.9 | 6.3 | 10.5 | 8.3 | 25.6 | 34.0 | 8.4 |
| ■ Net income | | | | | | | | | | | |
| | -2.7 | 4.2 | 6.1 | 6.2 | 6.6 | 4.7 | 8.6 | 1.2 | 13.9 | 21.2 | 7.3 |

Note: Quarterly figures of FY2009 are for reference only, and have not been audited by an audit corporation.

Changes in segmentation



Segment Information by Business (billion yen)

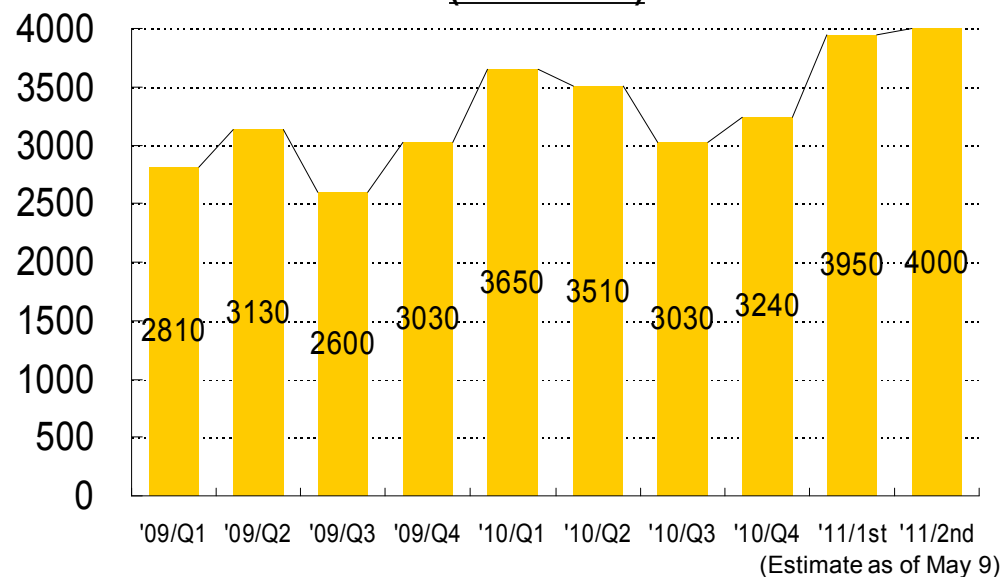
| | Results | | | Forecast | | | |
|--|---------|--------------|----------------|--------------|-----------------|---------------|---------------|
| | 2009 | 2010 | Change | 2011 | Change | 2011 1st h | 2011 2nd h |
| ■ Sales | | | | | | | |
| (2009/2010) Copper Foil | 45.6 | 60.0 | 14.4 31.5% | 93.5 | 33.5 55.8% | 46.0 | 47.5 |
| (2011) Electronics Materials | | | | | | | |
| Engineered Materials | 62.6 | 84.2 | 21.6 34.4% | 66.8 | -17.4 -20.6% | 32.0 | 34.8 |
| Metals, Minerals and Environmental Engineering | 150.0 | 168.0 | 18.0 12.0% | 170.0 | 2.0 1.2% | 79.5 | 90.5 |
| Automotive Parts and Components | 78.3 | 91.2 | 13.0 16.6% | 84.9 | -6.3 -6.9% | 39.5 | 45.4 |
| (2009/2010) Other | 123.6 | 124.2 | 0.6 0.5% | 136.0 | 11.8 9.5% | 64.0 | 72.0 |
| (2011) Other Materials & Applications | | | | | | | |
| Adjustment | -67.7 | -81.1 | -13.3 | -84.2 | -3.1 | -42.0 | -42.2 |
| Consolidated | 392.4 | 446.5 | 54.1 13.8% | 467.0 | 20.5 4.6% | 219.0 | 248.0 |
| ■ Recurring income | | | | | | | |
| (2009/2010) Copper Foil | 5.9 | 7.3 | 1.4 24.3% | 9.1 | 1.8 24.7% | 4.4 | 4.7 |
| (2011) Electronics Materials | | | | | | | |
| Engineered Materials | 7.1 | 10.7 | 3.5 49.5% | 8.2 | -2.5 -23.2% | 4.5 | 3.7 |
| Metals, Minerals and Environmental Engineering | 12.5 | 13.0 | 0.4 3.4% | 3.2 | -9.8 -75.3% | 1.1 | 2.1 |
| Automotive Parts and Components | -0.3 | 5.3 | 5.6 | 5.4 | 0.1 2.2% | 1.5 | 3.9 |
| (2009/2010) Other | 5.6 | 3.3 | -2.3 -41.8% | 5.8 | 2.6 78.5% | 1.9 | 3.9 |
| (2011) Other Materials & Applications | | | | | | | |
| Adjustment | -5.2 | -5.5 | -0.3 | -4.7 | 0.8 | -2.4 | -2.3 |
| Consolidated | 25.6 | 34.0 | 8.4 32.6% | 27.0 | -7.0 -20.6% | 11.0 | 16.0 |



Performance by Segment **(1) Copper Foil / Electronics Materials** (billion yen)

| | FY09 | FY10 | YoY | FY11 (Forecast) | YoY | '11/Q1-2 (Forecast) | '11/Q3-4 (Forecast) |
|---------------------------------|------|-------------|------|--------------------|------|------------------------|------------------------|
| ■ Sales | 45.6 | 60.0 | 14.4 | 93.5 | 33.5 | 46.0 | 47.5 |
| ■ Ordinary income | 5.9 | 7.3 | 1.4 | 9.1 | 1.8 | 4.4 | 4.7 |
| Ordinary income to net sales | 13% | 12% | -1% | 10% | -2% | 10% | 10% |

Note: 2009/2010 Copper foil segment / 2011 Electronics materials segment

**Sales volume for copper foil
(tons/month)**





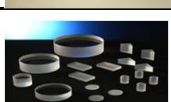


| (Electronics Material Products) | | (Main Applications) |
|---------------------------------|---|---|
| Copper Foil |  | <ul style="list-style-type: none"> • High-Density Packaging • Printed circuit board |
| Metal Powders |  | <ul style="list-style-type: none"> • Wide range of electronic components |

Performance by Segment **(2) Engineered Materials (billion yen)**

| | FY09 | FY10 | YoY | FY11 (Forecast) | YoY | '11/Q1-2 (Forecast) | '11/Q3-4 (Forecast) |
|---------------------------------|------|-------------|------|--------------------|-------|------------------------|------------------------|
| ■ Sales | 62.6 | 84.2 | 21.6 | 66.8 | -17.4 | 32.0 | 34.8 |
| ■ Ordinary income | 7.1 | 10.7 | 3.5 | 8.2 | -2.5 | 4.5 | 3.7 |
| Ordinary income to net sales | 11% | 13% | 1% | 12% | 0% | 14% | 11% |

Note: Figures for FY2011 are indicated by new Engineered materials segment.

| (Engineered Material Products) | | (Main Applications) |
|--------------------------------|---|--|
| Battery Materials |  | <ul style="list-style-type: none"> • Nickel-hydrogen batteries for hybrid cars • Lithium-ion batteries |
| Catalysts |  | <ul style="list-style-type: none"> • For motorcycles |
| Engineered Powers |  | <ul style="list-style-type: none"> • Tonner for copier |
| Rare Metals |  | <ul style="list-style-type: none"> • Flat panels, Hard-disk grinding • Digital camera lenses |
| Single Crystals |  | <ul style="list-style-type: none"> • Semiconductor manufacturing equipment |

Performance by Segment **(3) Metals, Minerals & Environmental Engineering (billion yen)**

| | FY09 | FY10 | YoY | FY11 (Forecast) | YoY | FY11/Q1-2 (Forecast) | FY11/Q3-4 (Forecast) |
|---------------------------------|-------|--------------|------|--------------------|------|-------------------------|-------------------------|
| ■ Sales | 150.0 | 168.0 | 18.0 | 170.0 | 2.0 | 79.5 | 90.5 |
| ■ Ordinary income | 12.5 | 13.0 | 0.4 | 3.2 | -9.8 | 1.1 | 2.1 |
| Ordinary income to net sales | 8% | 8% | -1% | 2% | -6% | 1% | 2% |

Note: Figures for FY2011 are indicated by new Metals, minerals and environmental engineering segment.

Metal prices

| | FY08 | FY09 | FY10 | FY11 |
|------------------------|-------|-------|-------|-------|
| Zn(LME) \$/t | 1,560 | 1,934 | 2,187 | 2,200 |
| Zn(After hedging) \$/t | 1,716 | 1,830 | 2,210 | 2,240 |
| Pb(LME) \$/t | 1,655 | 1,985 | 2,244 | 2,250 |
| Cu(LME) ¢ /lb | 266 | 277 | 369 | 380 |
| US\$(yen/\$) yen/\$ | 101 | 93 | 86 | 80 |

Sensitivity to ordinary income (for FY2011)

| | | |
|--------------|------------|-----------|
| Zn(LME) | ± 100\$/t | ± 0.80bn¥ |
| Pb(LME) | ± 100\$/t | ± 0.10bn¥ |
| Cu(LME) | ± 10 ¢ /lb | ± 0.05bn¥ |
| US\$(yen/\$) | ± 1yen/\$ | ± 0.20bn¥ |

Ordinary Income variance

| | ['10 vs '09] | ['11 vs '10] |
|----------------------------|--------------|--------------|
| LME(Zn), Ex.rate | 3.3 | -1.4 |
| T/C(Zn) | -0.5 | -0.6 |
| Inventory valuation change | -5.9 | -0.7 |
| Coke Price | -1.4 | -0.9 |
| Gain on change in equity | 3.2 | -3.2 |
| Other | 1.7 | -3.0 |
| 合計 | 0.4 | -9.8 |

Performance by Segment **(4) Automotive Parts & Components** (billion yen)

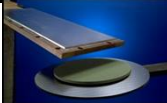



| | FY09 | FY10 | YoY | FY11 (Forecast) | YoY | FY11/Q1-2 (Forecast) | FY11/Q3-4 (Forecast) |
|---------------------------------|------|------|------|--------------------|------|-------------------------|-------------------------|
| ■ Sales | 78.3 | 91.2 | 13.0 | 84.9 | -6.3 | 39.5 | 45.4 |
| ■ Ordinary income | -0.3 | 5.3 | 5.6 | 5.4 | 0.1 | 1.5 | 3.9 |
| Ordinary income to net sales | 0% | 6% | 6% | 6% | 1% | 4% | 9% |

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

Performance by Segment **(5) Other / Other Materials & Applications** (billion yen)

| | FY09 | FY10 | YoY | FY11 (Forecast) | YoY | FY11/Q1-2 (Forecast) | FY11/Q3-4 (Forecast) |
|---------------------------------|-------|-------|------|--------------------|------|-------------------------|-------------------------|
| ■ Sales | 123.6 | 124.2 | 0.6 | 136.0 | 11.8 | 64.0 | 72.0 |
| ■ Ordinary income | 5.6 | 3.3 | -2.3 | 5.8 | 2.6 | 1.9 | 3.9 |
| Ordinary income to net sales | 5% | 3% | -2% | 4% | 2% | 3% | 5% |

Note: 2009/2010 Other / 2011 Other materials & applications segment

| (Products) | (Main Applications) |
|--|--|
| PVD Materials (Sputtering target)  | <ul style="list-style-type: none"> Flat panel displays |
| Perlite  | <ul style="list-style-type: none"> Soil improvement material Fire-resistant and heat-insulating wall material |
| Ceramics  | <ul style="list-style-type: none"> Lining of high temperature furnaces Kiln tools for firing Liquid aluminum filtration equipment |
| Die-casting  | <ul style="list-style-type: none"> Aluminum die-casting for automotive parts Digital single-lens reflex camera housing |

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.

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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