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May 13, 2025

Company name: MITSUI MINING & SMELTING CO., LTD.

Name of representative: NOU Takeshi, President and Representative Director
(Securities code: 5706; Tokyo Stock Exchange Prime Market)

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Notice Concerning Changes in Consolidated Subsidiaries (Transfer of Shares) and Recording of Extraordinary Losses

MITSUI MINING & SMELTING CO., LTD. (the “Company”) resolved to enter into a share transfer agreement to transfer all its shares in Mitsui Kinzoku ACT Corporation (“Mitsui Kinzoku ACT”), its consolidated subsidiary, to HI-LEX CORPORATION at a meeting of its Board of Directors and concluded a share transfer agreement today. In addition, the Company hereby announces that it expects to record extraordinary losses in connection with the Share Transfer.

1. Reason for transfer of shares

Mitsui Kinzoku ACT is a manufacturer specializing in door-related automotive equipment, including everything from automotive door component products to electric door systems, and it carries out all processes from planning, development, and manufacturing in-house. It boasts a top-class market share globally.

Since 2022, when the 2022-2024 Medium-Term Business Plan started, the Company has been conducting the dynamic management of its business portfolio. It has concentrated its management resources on businesses that expand value, mainly engineered materials, and on businesses that foster value, such as the business creation sector, which is responsible for creating next-generation businesses, while continuing to search for best owners inside and outside the Company, mainly for businesses that rebuild value.

In the automotive industry, CASE and other technological innovations are progressing, and the industrial structure and business environment are changing dramatically. To achieve sustainable growth for Mitsui Kinzoku ACT, the Company recognizes that it needs to respond to changes and enhance the added value it provides as a system supplier.

Similar to Mitsui Kinzoku ACT, HI-LEX CORPORATION is a company that aims to become the world top supplier of system products dealing with automobile door-related parts. It has management resources that will help Mitsui Kinzoku ACT respond to environmental changes and achieve further growth. In terms of sales and marketing, Mitsui Kinzoku ACT and HI-LEX CORPORATION can also be expected to mutually complement their sales channels and supply capabilities. From these standpoints, the Company has concluded that it is optimal to transfer all of the shares in Mitsui Kinzoku ACT it holds to HI-LEX CORPORATION.

The Company will continue to promote the dynamic management of its business portfolio and strive to increase its corporate value.

2. Overview of company subject to change

(1) Name	Mitsui Kinzoku ACT Corporation		
(2) Location	1-1-2 Takashima-cho, Nishi-ku, Yokohama-shi, Kanagawa, Japan		
(3) Job title and name of representative	President and Representative Director IGATA Hiroshi		
(4) Description of business	Development, manufacturing, and sales of functional parts for automobiles		
(5) Share capital	¥3,000 million		
(6) Date of establishment	August 3, 1943		
(7) Major shareholders and ownership percentages	MITSUI MINING & SMELTING CO., LTD. 100%		
(8) Relationship between the Company and said company	Capital relationship	The Company has a 100% stake in said company.	
	Personnel relationship	The Company has dispatched officers to said company.	
	Business relationship	The Company has loaned money to said company.	
(9) Consolidated financial positions and consolidated operating results of said company for the last three years			
(Millions of yen, unless otherwise noted)			
As of / Fiscal year ended	March 31, 2023	March 31, 2024	March 31, 2025
Consolidated net assets	38,847	41,713	43,801
Consolidated total assets	74,416	78,159	78,212
Consolidated net assets per share (Yen)	2,624.83	2,818.45	2,959.56
Consolidated net sales	86,015	97,641	95,829
Consolidated operating income	-1,389	700	1,011
Consolidated ordinary income	-607	1,053	708
Profit attributable to owners of parent	-2,465	193	-370
Consolidated earnings per share (Yen)	-166.57	13.06	-25.06
Dividend per share (Yen)	-	13.92	-

(Note) The above consolidated financial positions and consolidated operating results have not been audited by an auditing firm.

3. Overview of the company receiving the transfer of shares

(1) Name	HI-LEX CORPORATION		
(2) Location	1-12-28 Sakaemachi, Takarazuka-shi, Hyogo, Japan		
(3) Job title and name of representative	President and Representative Director TERAURA Taro		
(4) Description of business	Manufacturing and sales of control systems, etc.		
(5) Share capital	¥5,657 million		
(6) Date of establishment	November 6, 1946		
(7) Net assets	¥184,587 million		
(8) Total assets	¥270,260 million		
(9) Major shareholders and ownership percentages	TERAURA KOSAN INC	26.76%	
	Teraura Scholarship Foundation	4.13%	
	Nippon Life Insurance Company	3.35%	
	The Master Trust Bank of Japan, Ltd. (trust account)	2.82%	
	NISHIKAWA RUBBER CO., LTD.	2.75%	
	BNYM AS AGT/CLTS NON TREATY JASDEC (Standing proxy: MUFG Bank, Ltd.)	2.45%	
	Honda Motor Co., Ltd.	2.26%	

