

**[Summary]**

Securities identification code: 5706

June 4, 2010

To the Shareholders:

**Mitsui Mining and Smelting Co., Ltd.**

1-11-1 Osaki, Shinagawa-ku,  
Tokyo 141-8584, Japan

Sadao Senda  
President and  
Representative Director

**Notice of Convocation of  
the 85th Annual General Meeting of Shareholders**

Dear Shareholders:

You are hereby notified that the 85th Annual General Meeting of Shareholders will be held as stated below. Your attendance is respectfully requested.

In the event of your inability to attend, it is possible to exercise your voting rights using one of the two methods described below. You are requested to study the attached General Meeting of Shareholders' Reference Materials and exercise your voting rights before 5 p.m. on June 28, 2010 (Monday).

**Method of Exercising Voting Rights by Paper Form**

Please indicate your approval or disapproval of the agenda items on the enclosed voting rights exercise form and send in the form so that it arrives before the deadline specified above.

**Method of Exercising Voting Rights Electronically (Internet, Etc.)**

Please exercise your voting rights based on the "Guide to Exercising Voting Rights Electronically (Internet, Etc.)" on pages 30-31.

Sincerely,

**Meeting Particulars**

1. Date and Time: 10:00 a.m. on Tuesday, June 29, 2010
2. Place: Gate City Hall, Underground Level 1,  
Gate City Ohsaki-West Tower,  
1-11-1 Osaki, Shinagawa-ku, Tokyo
3. Purpose of the Meeting:  
Matters to be reported
  1. Business Report, Consolidated Financial Statements, and reports from the independent auditor and the Board of Auditors on consolidated financial statements for the 85th fiscal year (from April 1, 2009, to March 31, 2010)
  2. Reports on financial statements for the 85th fiscal year (from April 1, 2009, to March 31, 2010)

Matters to be resolved

First Item	Approval of Retained Earnings
Second Item	Election of two (2) Directors
Third Item	Election of one (1) Corporate Auditor
Fourth Item	Payment of Bonus for Directors

4. Other Items to Be Decided with Regard to the Convocation of the General Meeting of Shareholders:

In the case of exercising voting rights both by paper form and electronically (Internet, etc.), regardless of the timing of the voting rights submissions, the electronic (Internet, etc.) version will be considered effective.

In the case of exercising voting rights electronically (Internet, etc.) multiple times, the final exercise of voting rights will be considered effective.

- End -

This is a summary translated from the Japanese-language Notice of Convocation distributed to shareholders in Japan.

1. If there arises the need to make revisions to the General Meeting of Shareholders' Reference Materials or the appended Business Report, Consolidated Financial Statements, and Nonconsolidated Financial Statements, revised items will be posted on the Company's website (<http://www.mitsui-kinzoku.co.jp>).
  2. When you attend the meeting in person, please submit the voting right exercise form enclosed herewith to the receptionist at the place of the meeting.
  3. In accordance with the stipulations of the Company's Articles of Incorporation, shareholders seeking to exercise voting rights via a proxy will be requested to designate another shareholder with voting rights as the proxy.
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## Business Report

(From April 1, 2009, to March 31, 2010)

### 1. Current State of Group Operations

#### (1) Operating Environment

##### 1. Business Operations and Results (consolidated)

During the year under review, after the recession stemming from the U.S. financial crisis bottomed out, the Japanese economy remained on a gradual recovery track thanks to increased exports and the effects of economic policies in Japan and overseas, despite concerns about sluggish capital investment and consumer spending.

Against this economic backdrop, mining and smelting operations enjoyed an increase in metal prices, including for zinc and lead, and domestic and overseas economic policies positively impacted electronic materials operations and functional automotive parts operations. Yet there were also negative factors, such as yen appreciation, declining sales prices of liquid-crystal-related components and weak performance of functional automotive parts operations in North America's automobile market. As a result, net sales for the year totaled ¥392,364 million, down ¥34,827 million from fiscal 2008.

Under these conditions, Mitsui Mining & Smelting Co., Ltd. and its consolidated subsidiaries (Mitsui Kinzoku Group) commenced measures for reviving business performance. Specifically, it began work on restructuring its operations, such as consolidation of manufacturing centers for automotive parts and components, and radical overhaul of semiconductor mounting materials (TAB and COF tapes) operations. At the same time, the Mitsui Kinzoku Group did its utmost to reduce costs by implementing such emergency countermeasures as reductions in workforce and annual salaries, and a sweeping review of all operating expenditures, as well as steps to reduce inventories and defer new capital investment projects. As a result, operating income amounted to ¥27,881 million, a ¥54,912 million improvement compared with fiscal 2008, and ordinary income, along with improvements in equity in gains/losses of affiliates, increased by ¥55,949 million, to ¥25,639 million. In addition, after recording an extraordinary gain, including the reversal of the provision for loss on disposal of inventories, extraordinary losses from business structure improvement charges such as special extra retirement payments, and income taxes and minority interests, net income/loss figures improved by ¥81,155 million year on year for a net income of ¥13,899 million.

##### 2. Operating Environment and Results by Each Group

###### Mining & Fundamental Materials Group

The Mining & Fundamental Materials Group, which includes zinc operations, enjoyed a rise in both domestic demand and price on the London Metal Exchange (LME), as well as recovery of consumption in Asia, centered on China. The Company's orders have also been recovering and by the second half of the year under review had returned to around 90% of their pre-financial-crisis figure. As a result, the Group registered segment sales of ¥99,061 million, up ¥5,529 million from the previous year. Operating income was ¥7,036 million, up ¥16,655 million from the previous year due to decreased prices of coke and other energy sources, inventory-related factors, and other factors.

###### Intermediate Materials Group

The Intermediate Materials Group, which includes copper foil operations and battery materials operations, registered generally higher sales volume largely thanks to the recovery of demand, which had contracted owing to the financial crisis. Sales prices have, however, declined due to increasingly

fierce price competition. As a result, the Group recorded segment sales of ¥153,937 million, down ¥20,910 million from the previous year. Operating income was ¥14,525 million, up ¥27,431 million from the previous year, due to inventory-related factors, the effect of cost reduction measures that included consolidation of manufacturing centers for semiconductor mounting materials (TAB and COF tapes) operations, and other factors.

#### Parts Manufacturing & Assembly Group

Orders at the Parts Manufacturing & Assembly Group, which includes automotive parts operations and catalyst operations, have improved on recovery of global demand attributed to economic policy effects. As a result, the Group recorded segment sales of ¥104,526 million, down ¥15,009 million from the previous year. Operating income was ¥901 million, up ¥4,920 million from the previous year mainly on the back of cost cutting, including a consolidation of manufacturing centers for automotive parts operations.

#### Environmental Engineering & Metals Recycling Group

The Environmental Engineering & Metals Recycling Group, which includes lead operations, recorded decreased sales partly due to a market contraction and other factors, although domestic demand for battery products has been recovering owing to economic policy effects. As a result, the Group recorded segment sales of ¥50,800 million, down ¥523 million from the previous year. Operating income was ¥3,466 million, up ¥6,376 million from the previous year thanks to inventory and other factors.

Net sales and operating income by each group are the following:

[Net Sales]

Group	2009	2008	Change from the Previous Year	
	Net Sales (Millions of Yen)	Net Sales (Millions of Yen)	Net Sales (Millions of Yen)	(Percentage)
Mining & Fundamental Materials Group	¥99,061	¥93,532	¥5,529	5.9%
Intermediate Materials Group	153,937	174,847	(20,910)	(12.0)
Parts Manufacturing & Assembly Group	104,526	119,535	(15,009)	(12.6)
Environmental Engineering & Metals Recycling Group	50,800	51,323	(523)	(1.0)
Engineering Group	17,486	24,776	(7,290)	(29.4)
Services & Other Group	42,932	45,553	(2,621)	(5.8)
Elimination	(76,379)	(82,377)	5,998	
Total	392,364	427,191	(34,827)	(8.2)

[Operating Income]

Group	2009	2008	Change from the Previous Year	
	Operating Income (Millions of Yen)	Operating Income (Millions of Yen)	Operating Income (Millions of Yen)	(Percentage)
Mining & Fundamental Materials Group	¥7,036	(¥9,619)	¥16,655	
Intermediate Materials Group	14,525	(12,906)	27,431	
Parts Manufacturing & Assembly Group	901	(4,019)	4,920	
Environmental Engineering & Metals Recycling Group	3,466	(2,910)	6,376	
Engineering Group	169	634	(465)	(73.2)
Services & Other Group	1,513	1,570	(57)	(3.6)
Elimination	268	219	49	22.4
Total	27,881	(27,031)	54,912	

Notes: 1. Figures are rounded down to the nearest million yen.

2. Intergroup sales and operating income are deducted by means of the Elimination item.

### 3. Capital Investment

During fiscal 2009, the Mitsui Kinzoku Group invested a total of ¥15,186 million, mainly for the following purposes by each group:

Group	Capital Investment (Millions of Yen)	Contents and Purposes
Mining & Fundamental Materials Group	¥3,704	Expanding high-purity zinc manufacturing facilities, maintaining and renovating facilities, boosting efficiency, conserving energy, etc.
Intermediate Materials Group	6,543	Expanding copper foil manufacturing facilities, etc.
Parts Manufacturing & Assembly Group	3,576	Boosting functional automotive parts manufacturing productivity, conserving energy, etc.
Environmental Engineering & Metals Recycling Group	1,311	Expanding lead and silver recovery capacity, maintaining and renovating facilities, boosting efficiency, conserving energy, etc.
Engineering Group	38	Maintaining and renovating facilities, boosting efficiency, conserving energy, etc.
Services & Other Group	57	Boosting efficiency, conserving energy, etc.
Elimination	(46)	
Total	¥15,186	

Notes: 1. Figures are rounded down to the nearest million yen.

2. Unrealized profit on intergroup transactions is deducted by means of the Elimination item.

### 4. Funding

In December 2009, Mitsui Mining & Smelting Co., Ltd. (the Company), issued ¥10.0 billion of bonds, its No.8 issuance of unsecured domestic straight bonds, with the purpose of repayment of borrowings.

## 5. Research & Development and Resource Development

### Research and Development

During the year under review, the Mitsui Kinzoku Group endeavored to develop new products and provide technical assistance, mainly to its business divisions in the electronic materials and the environmental engineering and metals recycling segments. In the electronic materials field, development work was focused on ITO targets for next-generation transparent electrodes, resin-coated copper foils for next-generation build-up printed wiring boards, inorganic deoxidizers, phosphors for white LED, and Metal and ITO inks utilizing nanotechnology. In the environmental and metals recycling segment, recovery technologies for spent lithium-ion batteries and technologies for recovering tantalum from capacitor scraps were developed. Development in new business areas included work on negative electrodes for high-capacity lithium-ion batteries and targets for next-generation FPD electrodes.

### Resource Development

Copper ore processing that commenced in the latter half of fiscal 2008 is on track at the Huanzala Mine, and tunnel-building works are underway toward development of new ore deposits discovered at the lower levels of existing deposits. At the Pallca Mine, ore mining operations that were temporarily halted have been resumed.

Regarding the survey work for a new mine to join the two existing ones, a joint basic survey for resource development was conducted with the Japan Oil, Gas and Metals National Corporation (JOGMEC) in the Atalaya region, which is positioned between the Huanzala and Pallca Mines. Since positive results were obtained in the survey, the exploration rights have been granted to us by JOGMEC. We will conduct intensive exploration activities at the site.

## (2) Operating Performance and Financial Position of the Mitsui Kinzoku Group and the Company

### 1. Changes in performance and assets for the Mitsui Kinzoku Group are as follows:

Year ended March 31		82nd (2006)	83rd (2007)	84th (2008)	85th (2009)
Net sales	(Millions of yen)	¥591,518	¥595,463	¥427,191	¥392,364
Ordinary income or ordinary loss	(Millions of yen)	56,585	41,780	(30,310)	25,639
Net income or net loss	(Millions of yen)	31,370	7,830	(67,256)	13,899
Earnings or loss per share	(Yen)	54.77	13.67	(117.66)	24.32
Total assets	(Millions of yen)	483,397	486,238	410,258	416,541
Total net assets	(Millions of yen)	197,890	199,545	104,631	121,300
Total net assets per share	(Yen)	323.92	323.03	164.73	194.82

Notes: 1. Figures are rounded down to the nearest million yen, except earnings or loss per share and total net assets per share.

2. Earnings or loss per share is calculated based on the average number of issued and outstanding shares during the term.

2. Changes in performance and assets for the Company are as follows:

Year ended March 31		82nd (2006)	83rd (2007)	84th (2008)	85th (2009)
Net sales	(Millions of yen)	¥370,368	¥391,561	¥284,012	¥268,480
Ordinary income	(Millions of yen)	20,737	11,681	3,394	12,897
Net income or net loss	(Millions of yen)	15,949	11,145	(36,644)	10,572
Earnings or loss per share	(Yen)	27.85	19.46	(64.11)	18.49
Total assets	(Millions of yen)	319,768	330,085	308,640	320,314
Total net assets	(Millions of yen)	105,818	109,068	63,046	75,352
Total net assets per share	(Yen)	184.77	190.45	110.31	131.84

Notes: 1. Figures are rounded down to the nearest millions yen, except earnings or loss per share and total net assets per share.

2. Earnings or loss per share is calculated based on the average number of issued and outstanding shares during the term.

(3) Important Challenges Ahead

In fiscal 2010, while great expectations cannot be held for economic recovery in developed countries, emerging economies are expected to continue riding high. The Mitsui Kinzoku Group, meanwhile, is expected to face a harsh business climate due to increased material prices and energy costs along with progress in the commoditization and price reduction of products.

Under these conditions, the Group will unify its efforts to ensure profitability by continuing measures for converting to a streamlined organization with lean management, while rebuilding growth strategies and strengthening its management foundation.

Specific measures are as follows;

In copper foil products and engineered material operations, steps will be taken to strengthen earning capacity by means of expanding facilities in line with demand, boosting productivity, and restructuring product lines. For copper foil products, the first phase of the plant facility expansion project in our Malaysian factory is scheduled for completion within fiscal 2010. For automotive catalysts, the Group will establish systems for increasing manufacturing volume in China and India, where a rapid increase in demand is anticipated due to tightening of environmental regulations.

In April 2010, development of next-generation battery cells for electric vehicles became a project under the direct control of the president, and the Group began working on the project aiming at early commercialization.

In its Metals, Minerals & Environmental Engineering segments, the Group plans to diversify use of raw materials by increasing the share of zinc oxide (recycled raw materials), and strengthen measures for energy conservation and carbon dioxide reduction.

For base metals, prices have been increasing and each year it becomes progressively more difficult to secure necessary resources due to economic growth by emerging countries. In light of such conditions, the Group formally decided in fiscal 2009 to have Pan Pacific Copper Co., Ltd. (PPC), established by an alliance with Nippon Mining & Metals Co., Ltd., develop copper mines in Chile. In fiscal 2010, PPC plans to make a decision on whether to develop copper mines in Peru. The Group will also intensify its own exploration activities for zinc mines.

Automotive parts operations, which mainly deal with door locks, will be spun off on July 1, 2010, and operations will be undertaken solely by the new Mitsui Kinzoku ACT Corporation. Based on speedy decision-making as a pure-play automotive parts manufacturer, it will further accelerate the shift to Asia so as not to miss business opportunities presented by the rapid increase of automobile production in emerging countries.

In future undertakings, the Group will develop promising businesses as early as possible and pursue organizational streamlining and revitalization to ensure the continuous creation of growth businesses,



and these will serve as the basis for the preparations of the next Medium-Term Business Plan.

In the interest of striking a better balance between financial health and corporate growth, the Group will strive for an appropriate selection and concentration of business operations and put forth optimal effort toward improving corporate value.

(4) Mitsui Kinzoku Group's Principal Business (As of March 31, 2010)

Group	Principal Products/Services
Mining & Fundamental Materials Group	Zinc, Gold, Silver, Zinc alloy, Geothermal steam
Intermediate Materials Group	Electrodeposited copper foil, Semiconductor mounting materials (TAB & COF tapes), Battery materials (Hydrogen storage alloy, Lithium manganese oxide, and Battery-use zinc powder), Thin-film materials (Sputtering targets), Functional metal powders (Magnetite, Metal powders), Rare metal compounds (Cerium oxide based polishing powders, Tantalum pentoxide, Niobium pentoxide), Ceramics products (Liquid aluminum filtration materials, Alumina, Silicon-carbon ceramics), Perlite (Construction materials, Filter aids, Heat insulators), Rolled copper products (Copper and brass sheet, Copper and brass strip), Rolled zinc products (Zinc sheet for printing, Zinc anodes for protection, Zinc sheet for building materials applications), Grinding wheels, Rare earths, Single crystals
Parts Manufacturing & Assembly Group	Functional automotive parts, Zinc/aluminum/magnesium die-cast products, Powdered metallurgical products, Automotive catalysts, Nondestructive inspection systems
Environmental Engineering & Metals Recycling Group	Lead, Zinc oxide, Litharge, Perlite (Filter aids, Soil improvement materials), Soil contamination surveys, Industrial waste material processing, Expanded shale light weight aggregate
Engineering Group	Engineering services for diverse manufacturing plants, environmental protection equipment, and automation equipment; Design and implementation services for construction, civil engineering, and other projects; Polyethylene composite pipes
Services & Other Group	Marketing of nonferrous metals, electronics materials, etc.; Information processing systems

(5) Principal Business Offices, Plants, and Laboratories (As of March 31, 2010)

1. Mitsui Kinzoku

Head office	1-11-1, Osaki, Shinagawa-ku, Tokyo
Branch	Osaka
Plants	Hibi Smelter (Tamano-shi, Okayama), Takehara Refinery (Takehara-shi, Hiroshima), Ageo Rolled Copper & Zinc Plant (Ageo-shi, Saitama), Ageo Copper Foil Plant (Ageo-shi, Saitama), Nirasaki Parts & Components Manufacturing Plant (Nirasaki-shi, Yamanashi), Miike Thin-film Materials Plant (Omuta-shi, Fukuoka), Miike Rare Metals Plant (Omuta-shi, Fukuoka), Omuta Ceramics Plant (Omuta-shi, Fukuoka), Kitakata Perlite Plant (Kitakata-shi, Fukushima), Osaka Perlite Plant (Kaizuka-shi, Osaka), Kamioka Catalyst Plant (Hida-shi, Gifu)
Laboratory	Corporate R&D Center (Ageo-shi, Saitama)

## 2. Consolidated Subsidiaries

Japan	Kamioka Mining & Smelting Co., Ltd. (Hida-shi, Gifu), Hachinohe Smelting Co., Ltd. (Shinagawa-ku, Tokyo), Hikoshima Smelting Co., Ltd. (Shimonoseki-shi, Yamaguchi), Okuaizu Geothermal Co., Ltd. (Yanaizu-cho, Fukushima), MCS, Inc. (Shimonoseki-shi, Yamaguchi), Ohi Seisakusho Co., Ltd. (Yokohama-shi, Kanagawa), MESCO, Inc. (Sumida-ku, Tokyo), Mitsui Kinzoku Trading Co., Ltd. (Koto-ku, Tokyo)
Overseas	Taiwan Copper Foil Co., Ltd. (Taiwan), Mitsui Copper Foil (Malaysia) Sdn. Bhd. (Malaysia), Mitsui Electronic Materials Co., Ltd. (Taiwan), GECOM Corp. (U.S.A.), Mitsui Siam Components Co., Ltd. (Thailand)

### (6) Employees (As of March 31, 2010)

#### 1. Number of Mitsui Kinzoku Group Employees

Group	Number of Employees	
Mining & Fundamental Materials Group	1,075	(329)
Intermediate Materials Group	3,046	(577)
Parts Manufacturing & Assembly Group	4,492	(526)
Environmental Engineering & Metals Recycling Group	428	(125)
Engineering Group	318	(13)
Services & Other Group	191	(7)
Head Office (Common)	301	(10)
Total	9,851	(1,587)

Notes: The numbers of employees represent the numbers of employees actually working, and the numbers of temporary employees are shown separately in parentheses. Temporary employee figures include temporary laborers, part-time employees, and temporary contract employees but exclude temporary employees dispatched by personnel agencies.

#### 2. Number of the Company Employees

Number of Employees	Average Age (Years)	Average Length of Employment (Years)
2,398 (402)	40.8	17.2

Notes: The number of employees represents the number of full-time employees. The number of temporary employees is shown separately in parentheses, and these temporary employees are not considered when calculating figures for average age or average length of employment.

## (7) Major Lenders (As of March 31, 2010)

	Amount of Borrowings (Millions of Yen)
Sumitomo Mitsui Banking Corporation	¥20,200
The Chuo Mitsui Trust and Banking Company, Limited	11,810
Mizuho Corporate Bank, Ltd.	8,309
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	8,254

Notes: Figures are rounded down to the nearest million yen

## (8) Condition of Principal Subsidiaries of Mitsui Kinzoku

	Paid-in Capital (Millions)	Equity Stake of the Company (%)	Principal Operations
Kamioka Mining & Smelting Co., Ltd.	¥4,600	100.0	Smelting of zinc and lead and production of metal powders and others
Hachinohe Smelting Co., Ltd.	¥4,795	85.5	Smelting of zinc and lead
Hikoshima Smelting Co., Ltd.	¥460	100.0	Smelting of zinc and production of metal powders, battery materials, and others
Okuaizu Geothermal Co., Ltd.	¥100	100.0	Sale of geothermal steam for power generation
Taiwan Copper Foil Co., Ltd.	NT\$800	95.0	Production and sale of copper foil for printed circuit boards
Mitsui Copper Foil (Malaysia) Sdn. Bhd.	RM160	100.0	Production and sale of copper foil for printed circuit boards
MCS, Inc.	¥450	100.0	Production of semiconductor mounting materials (TAB & COF tapes)
Mitsui Electronic Materials Co., Ltd.	NT\$600	100.0	Production and sale of thin-film materials (Sputtering targets)
Ohi Seisakusho Co., Ltd.	¥2,766	100.0	Production and sale of functional automotive parts
GECOM Corp.	US\$15.75	100.0	Production and sale of functional automotive parts
Mitsui Siam Components Co., Ltd.	Bh210	75.0	Production and sale of functional automotive parts and automotive catalysts
MESCO, Inc.	¥1,085	63.3	Engineering services for production plants, environmental equipment, automated machinery, and other facilities as well as the production, sale, and construction of polyethylene compound pipes
Mitsui Kinzoku Trading Co., Ltd.	¥240	100.0	Sale of nonferrous metals and electronic materials, etc.

## 2. Mitsui Kinzoku Group and the Company Outline

### (1) Common Stock (As of March 31, 2010)

1. Authorized: 1,944,000 thousand
2. Issued and outstanding: 572,966,166
3. Number of shareholders: 63,208 (down 2,388 from the previous fiscal year)
4. Major shareholders (Top 10):

	Investment in the Company	
	Number of Shares Held (Thousands)	Percentage of Shares Held (%)
Japan Trustee Services Bank, Ltd. (Held in trust account)	30,212	5.28
Japan Trustee Services Bank, Ltd. (Held in trust account 9)	25,805	4.51
The Master Trust Bank of Japan, Ltd. (Held in trust account)	22,517	3.93
The Employees' Shareholding Association	8,683	1.51
Mitsui Life Insurance Company, Limited	7,981	1.39
IRISOHYAMA Inc.	7,287	1.27
SSBT OD05 OMNIBUS ACCOUNT CHINA TREATY CLIENTS	6,613	1.15
State Street Bank West Client-Treaty	6,470	1.13
Citibank Hong Kong S/A Fund 115	6,046	1.05
Japan Trustee Services Bank, Ltd. (Held in trust account 4)	5,126	0.89

Notes: 1. Percentages of shares held are calculated based on the total number of shares issued and outstanding (excluding 1,458,185 shares in treasury).

2. Figures are rounded down to the nearest thousand shares.

### (2) Directors and Corporate Auditors

#### 1. Directors and Corporate Auditors (As of March 31, 2010)

Position	Name	Duties and Major Occupation	Relationship to Other Companies, Etc.
Chairman Representative Director	Shimpei Miyamura	CEO (Chief Executive Officer)	Outside Director of Isetan Mitsukoshi Holdings Ltd. Chairman and Director of Powdertech Co., Ltd.
President Representative Director	Sadao Senda	COO (Chief Operating Officer), Senior General Manager of Copper Foil Sector	
Senior Managing Director Representative Director	Tomoharu Jogo	Senior Managing Executive Officer, Senior General Manager of Metals, Minerals & Environmental Engineering Sector	Representative Director of Pan Pacific Copper Co., Ltd.
Director	Kazuo Hirano	Senior Executive Officer, Senior General Manager of Parts Production Sector	Director of Mitsui Components Europe Ltd.
Director	Mitsuhiko Hasuo	Senior Executive Officer, Senior General Manager of Engineered Materials Sector, Affiliates Coordination Sector	Outside Auditor of Powdertech Co., Ltd. Outside Director of Nakabohtech Co., Ltd.

Position	Name	Duties and Major Occupation	Relationship to Other Companies, Etc.
Director	Osamu Higuchi	Senior Executive Officer, CRO (Chief Risk management Officer)	
Director	Toru Higuchi	Senior Executive Officer, CFO (Chief Financial Officer), Senior General Manager of Corporate Management Department	
Director, Senior Adviser to Executive Management Outside Director	Yoshihiko Takebayashi		
	Hiromichi Shibata		Professor, Faculty of Business Administration, Yokohama National University
Corporate Auditor	Tatsuhiko Takai		
Corporate Auditor	Akira Osano		Outside Auditor of Nakabohtech Co., Ltd.
Outside Corporate Auditor	Yoshiro Kamata		President of Earth Remote Sensing Data Analysis Center (ERSDAC)
Outside Corporate Auditor	Junya Sato		Lawyer Outside Director of Nikki Co., Ltd. Outside Auditor of SEIKAGAKU CORPORATION

Notes: 1. Corporate Auditors Tatsuhiko Takai and Akira Osano have for many years been responsible for the Company's bookkeeping operations and have considerable knowledge regarding finance and accounting.

2. Personnel Changes for Director and Auditor Positions

(1) June 26, 2009

- a. Directors Yoshiaki Kitagawa, Masao Ohmura, Naoaki Ogawa, and Masatoshi Eto retired from their positions at the end of their terms.
- b. Kazuo Hirano, Mitsuhiko Hasuo, Osamu Higuchi, Toru Higuchi, and Sadao Senda were appointed to new director positions.
- c. Corporate Auditor Shoji Onoue resigned.
- d. Akira Osano was assigned to a new corporate auditor position.

(2) December 31, 2009

President and Representative Director Yoshihiko Takebayashi resigned.

(3) January 1, 2010

Director and Advisor Shimpei Miyamura was appointed Chairman and Representative Director, Director Sadao Senda was appointed President and Representative Director, and Director Yoshihiko Takebayashi was appointed Director and Senior Advisor to Executive Management..

## 2. Total Compensation Paid to Directors and Corporate Auditors

Classification	Number	Total Compensation
Directors	13	¥365 million
Corporate Auditors	5	79 million
Total	18	¥444 million

Notes: 1. The above list includes four directors and one corporate auditor that retired from their positions effective upon the conclusion of the 84th Annual General Meeting of Shareholders held on June 26, 2009.

2. At the 80th Annual General Meeting of Shareholders held on June 29, 2005, shareholders approved a limit on compensation paid to Directors of ¥60 million per month (not including compensation for their services as employees).

3. At the 80th Annual General Meeting of Shareholders held on June 29, 2005, shareholders approved a limit on compensation paid to Corporate Auditors of ¥15 million per month.

4. The amount of compensation, etc., to be submitted to the 85th Annual General Meeting of Shareholders includes a Directors' bonus.

5. In addition to the above figures, based on a resolution approved at the 80th Annual General Meeting of Shareholders held on June 29, 2005, a retirement bonus of ¥14 million was paid to the director who retired from his position effective upon the conclusion of the 84th Annual General Meeting of Shareholders held on June 26, 2009, through reversal of the directors' and corporate auditors' retirement benefits.

6. Listed monetary amounts are rounded down to the nearest million yen.

### 3. Matters Related to Outside Directors and Outside Auditors

#### (a) Important Positions Held Concurrently at Other Organizations

Please refer to “1. Directors and Corporate Auditors” on pages 12-13. The Company has no special relationship with any of the companies.

#### (b) Principal Activities during the Fiscal Year under Review

Position	Name	Principal Activities
Director	Hiromichi Shibata	Attended 20 of the 21 meetings of the Board of Directors during the fiscal year and, from his perspective as an outstanding academic expert in the field of management, made appropriate and necessary comments on proposals and discussions
Corporate Auditor	Yoshiro Kamata	Attended 20 of the 21 meetings of the Board of Directors and all 12 meetings of the Board of Auditors during the fiscal year and, from his perspective as a person with long experience in government administration and as a manager in the private sector, made appropriate and necessary comments on proposals and discussions
Corporate Auditor	Junya Sato	Attended 20 of the 21 meetings of the Board of Directors and 11 of the 12 meetings of the Board of Auditors during the fiscal year and, when necessary, made comments, primarily from his perspective as a lawyer, regarding the Company's compliance systems as well as appropriate and necessary comments on proposals and discussions

#### (c) Total Compensation Paid to Outside Directors and Outside Auditors

	Number	Total Compensation, Etc.
Total amount of compensation, etc., paid to Outside Directors and Outside Auditors	3	¥38 million

Note: Listed monetary amounts are rounded down to the nearest million yen.

#### (d) Summary of Contracts for Limitation of Liability

Based on Company Law Article 427-1, the Company has arranged contracts with Outside Directors and Outside Auditors regarding liability as defined by Company Law Article 423-1 to limit total liability to the figure stipulated by Company Law Article 425-1.

#### (e) Notification of Independent Directors and Corporate Auditors

Though none of the Company's Outside Directors and Corporate Auditors have interests with any particular party from the company, including its management, and have conflicts of interest with general shareholders, the Company has notified the Tokyo Stock Exchange and Osaka Securities Exchange that its Outside Director Hiromichi Shibata is the Independent Director of the Company, and has judged him capable of monitoring management through a business execution process.

### (3) Matters Related to the Independent Auditing Firm

1. Name of the firm: KPMG AZSA & Co.

2. Total compensation, etc., paid to the firm

	Amount
Total compensation paid to the firm during the fiscal year under review	¥98 million
Total monetary amount and value of other assets paid to the firm by the Company and its subsidiaries	¥164 million

Notes: 1. Since the contract between the Company and the auditing firm does not distinguish between the audit required under Japan's Company Law and the audit required under the Financial Instruments and Exchange Law, the above figures also include the cost of the audit required under the Financial Instruments and Exchange Law.

2. Among the Company's material subsidiaries, the following were legally audited by a certified public accountant or accounting firm, other than the Company's audit firm, with the corresponding qualifications in a foreign country: Taiwan Copper Foil Co., Ltd.; Mitsui Copper Foil (Malaysia) Sdn. Bhd.; Mitsui Electronic Materials Co., Ltd.; GECOM Corp.; and Mitsui Siam Components Co., Ltd.

3. Figures are rounded down to the nearest million yen.

3. Policy regarding decisions related to dismissal and non-renewal of contract with the independent auditing firm

The Board of Directors, at the Company's convenience and with the approval of the Board of Auditors, may make the purpose of a shareholders' meeting the non-renewal of the contract with the auditing firm, or, in the event that matters occur which are the responsibility of the auditing firm and the decision is made that the Company cannot continue the contract with the auditing firm, with the approval of the Board of Auditors, the Directors may call a shareholders' meeting to dismiss or not re-appoint the auditing firm. In either of these cases, at the said shareholders' meeting, with the approval of the Board of Auditors, the Board of Directors may make a proposal for the selection of a new independent auditing firm.

When the provisions of Article 340-1 of the Company Law are deemed to be applicable to the auditing firm, the Board of Auditors may dismiss the firm by a unanimous vote. When the provisions of Article 344-2 of the Company Law are deemed to be applicable, the Board of Auditors may confer and request that the Board of Directors submit a resolution on the "dismissal or non-renewal of the contract with the auditing firm" to a shareholders' meeting by a majority vote.

### (4) Systems for Ensuring Appropriate Business Operations

The Company has made the following decisions regarding the systems for ensuring that the conduct of duties by the Directors is in accordance with relevant laws, ordinances, and the Company's Articles of Incorporation and the systems for ensuring the proper conduct of the Company's other activities.

1. Systems for ensuring that the conduct of duties by the Directors and employees is in accordance with relevant laws and the Company's Articles of Incorporation

To ensure that the conduct of business activities by the Directors and employees is in compliance with relevant laws, ordinances, and the Company's Articles of Incorporation, the Company has clarified its compliance system by instituting its "Code of Behavior," which Directors and employees are expected to observe. The Company has also established and promotes the observance of other internal regulations, including "Regulations for the Management of Internal Information and Insider Trading (Naibu jouhou kanri oyobi naibusha torihiki ni kansuru kisoku)," "Regulations for Operation of the Hotline (Hot line unei kisoku)," and "Regulations for the Management of Product Exports (Seihin yushutsu tou kanri kisoku)." In addition, the Company has defined clear the authority of the Directors through the issuance of internal regulations, including "Regulations for the Board of Directors (Torishimariyaku-kai kisoku)." Also, by appointing outside directors who have a high degree of independence, the Company has created a framework that provides for

increased transparency to ensure that the Directors are conducting their duties appropriately. In addition, to maintain the soundness of financial processing, the Company conducts periodic internal audits.

2. Systems for storing and safekeeping of information related to the conduct of the duties of the Directors

For information related to the conduct of the duties of the Directors, the Company has prepared, stores, and keeps in custody such information according to legal requirements, the “Regulations for the Board of Directors (Torishimariyaku-kai kisoku),” “Regulations Regarding Documentation (Bunsho kisoku),” and other internal regulations.

3. Regulations and systems concerning the management of losses and hazards

To minimize risks related to the conduct of business activities and respond to risks that have already materialized, the Company has formed a Risk Management Committee, based on its “Regulations for the Risk Management Committee (Risk Management iinkai kisoku),” and has placed specified organizational units in charge of each type of risk with the objectives of monitoring and evaluating the risks that may arise in the Company's business activities, deciding on policies for risk management, and preparing measures to deal with risks when they materialize.

4. Systems to ensure that the Directors conduct their duties efficiently

As the basis for systems that ensure the Directors perform their duties efficiently, the Board of Directors holds a regular meeting once a month, and at other times as necessary. In addition, to clarify decision-making authority, the Company has instituted decision-making authority regulations and works to enhance the efficiency of decision making. Also, through the introduction of the Executive Officer system, the Company is endeavoring to accelerate the execution of business operations.

5. Systems to ensure that the corporate Group, comprising the Company as well as the parent company and subsidiaries, conducts its business activities appropriately

The Company's “Code of Behavior,” “Regulations for the Management of Internal Information and Insider Trading (Naibu jouhou kanri oyobi naibusha torihiki ni kansuru kisoku),” and “Regulations for Operation of the Hotline (Hot line unei kisoku)” are also applied to the members of the Group to ensure proper conduct within Group companies. Moreover, decisions and reports are made as part of management supervision in accordance with the “Regulations for the Management of Affiliate Companies (Kankei-gaisha kanri kisoku).” In addition, to maintain the soundness of the financial management of subsidiaries, the Company conducts periodic internal audits in these companies.

6. Matters related to the appointment of employees to assist the Auditors, when the Auditors request such assistance, and to the independence of such employees from the Directors

Under the Company's “Regulations for Company Work Systems (Kaisha shokusei kisoku),” the Company has formed an Audit Office and assigned employees to assist the Auditors in the conduct of their duties. In addition, the selection of these employees is made with reference to the opinions of the Auditors.

7. Systems for Directors and employees to report to the Auditors, other systems for reporting to the Auditors, and other systems for ensuring that the auditing activities of the Auditors are conducted effectively

When the Directors discover facts that may cause serious losses to the Company, and when other events occur, for which reports must be submitted by the Board of Auditors, this information is reported to the Auditors. In addition, the Representative Directors and Auditors meet periodically to exchange opinions.



## Consolidated Balance Sheet

(As of March 31, 2010)

Millions of yen

<b>Assets</b>	
<b>Current assets:</b>	
Cash and time deposits	¥42,351
Notes and accounts receivable	73,297
Merchandise and finished goods	19,340
Work in process	24,915
Raw materials and supplies	23,626
Deferred tax assets	1,211
Others	10,963
Allowance for doubtful accounts	(872)
<b>Total current assets</b>	<b>194,834</b>
<b>Fixed assets:</b>	
Tangible fixed assets:	
Buildings and structures	148,508
Machinery and automotive equipment	319,202
Land	34,115
Lease assets	4,863
Construction in progress	7,361
Others	46,626
Accumulated depreciation	(403,671)
<b>Total tangible fixed assets</b>	<b>157,007</b>
Intangible fixed assets:	
<b>Total intangible fixed assets</b>	<b>3,727</b>
Investments and other assets:	
Investment securities	48,925
Long-term loans	734
Deferred tax assets	6,064
Others	5,665
Allowance for doubtful accounts	(417)
<b>Total investments and other assets</b>	<b>60,972</b>
<b>Total fixed assets</b>	<b>221,707</b>
<b>Total assets</b>	<b>¥416,541</b>

	Millions of yen
<b>Liabilities and Net Assets</b>	
<b>Current liabilities:</b>	
Notes and accounts payable	¥36,437
Short-term debt	59,185
Commercial paper	10,000
Current portion of straight bonds	10,000
Current portion of lease liability	1,010
Accrued income taxes	4,184
Consumption taxes payable	1,217
Deferred tax liabilities	238
Provision for bonus	4,033
Provision for Directors' bonus	46
Provision for product warranties	917
Provision for loss on construction contracts	1
Provision for business structure improvement	1
Provision for environmental countermeasures	20
Provision for loss on disposal of inventories	217
Others	18,053
<b>Total current liabilities</b>	<b>145,565</b>
<b>Long-term liabilities:</b>	
Straight bonds	40,000
Long-term debt	72,329
Lease liability	1,697
Deferred tax liabilities	5,224
Employees' retirement benefits	23,539
Directors' and corporate auditors' retirement benefits	728
Provision for loss on business of subsidiaries and affiliates	2
Provision for environmental countermeasures	2,329
Provision for preventing environmental pollution in mineral, mining, and other operations	990
Provision for mine closure expenses	1,254
Others	1,578
<b>Total long-term liabilities</b>	<b>149,675</b>
<b>Total Liabilities</b>	<b>295,240</b>
<b>Net assets</b>	
Common stock	42,129
Capital surplus	22,557
Retained earnings	57,195
Treasury stock	(506)
<b>Shareholders' equity</b>	<b>121,375</b>
Net unrealized gains on securities, net of tax	2,050
Unrealized gains (losses) on hedging derivatives, net of tax	16
Foreign currency translation adjustments	(12,100)
<b>Valuation, translation adjustments and others</b>	<b>(10,033)</b>
<b>Minority interests in consolidated subsidiaries</b>	<b>9,958</b>
<b>Total net assets</b>	<b>121,300</b>
<b>Total liabilities and net assets</b>	<b>¥416,541</b>

## Consolidated Statement of Operations

(April 1, 2009 to March 31, 2010)

	Millions of yen
<b>Net sales</b>	¥392,364
<b>Cost of sales</b>	325,492
<b>Gross profit</b>	66,871
Selling, general and administrative expenses	38,990
<b>Operating income</b>	27,881
<b>Non-operating income:</b>	
Interest income	147
Dividend income	260
Amortization of goodwill	96
Investment gains from equity method	1,609
Other income	1,066
	3,180
<b>Non-operating expenses:</b>	
Interest expense	2,810
Other expenses	2,611
	5,422
<b>Ordinary income</b>	25,639
<b>Extraordinary profits:</b>	
Gain on sale of property, plant and equipment	147
Compensation income	392
Reversal of provision for loss on disposal of inventories	1,752
Others	298
	2,590
<b>Extraordinary losses:</b>	
Indemnity	114
Write-down of marketable securities and investments	912
Loss on disposal of property, plant and equipment	720
Loss on sale of property, plant and equipment	37
Loss on impairment of fixed assets	674
Business structure improvement expenses	2,901
Others	1,315
	6,675
<b>Income before income taxes and minority interests</b>	21,555
<b>Income taxes:</b>	
Current	3,332
Prior Periods	2,766
Deferred	1,190
<b>Minority interests</b>	365
<b>Net income</b>	¥13,899

## Consolidated Statement of Changes in Net Assets

(April 1, 2009 to March 31, 2010)

Millions of yen

Shareholders' equity	
Common stock	
Balance at the end of previous period	¥42,129
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of period	42,129
Capital surplus	
Balance at the end of previous period	22,557
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of period	22,557
Retained earnings	
Balance at the end of previous period	43,659
Changes of items during the period	
Net income	13,899
Decrease due to change in consolidated subsidiaries	(363)
Total changes of items during the period	13,536
Balance at the end of period	57,195
Treasury stock	
Balance at the end of previous period	(503)
Changes of items during the period	
Purchase of treasury stock	(3)
Total changes of items during the period	(3)
Balance at the end of period	(506)
Total shareholders' equity	
Balance at the end of previous period	107,843
Changes of items during the period	
Net income	13,899
Purchase of treasury stock	(3)
Decrease due to change in consolidated subsidiaries	(363)
Total changes of items during the period	13,532
Balance at the end of period	¥121,375

*English Translation of Financial Statements Originally Issued in the Japanese Language*

Valuation and translation adjustments	
Valuation difference on available-for-sale securities	
Balance at the end of previous period	¥842
Changes of items during the period	
Net changes of items other than shareholders' equity	1,207
Total changes of items during the period	1,207
Balance at the end of period	2,050
Deferred gains or losses on hedges	
Balance at the end of previous period	(4,370)
Changes of items during the period	
Net changes of items other than shareholders' equity	4,387
Total changes of items during the period	4,387
Balance at the end of period	16
Foreign currency translation adjustments	
Balance at the end of previous period	(10,169)
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,931)
Total changes of items during the period	(1,931)
Balance at the end of period	(12,100)
Total valuation and translation adjustments	
Balance at the end of previous period	(13,697)
Changes of items during the period	
Net changes of items other than shareholders' equity	3,663
Total changes of items during the period	3,663
Balance at the end of period	(10,033)
Minority interests	
Balance at the end of previous period	10,485
Changes of items during the period	
Net changes of items other than shareholders' equity	(526)
Total changes of items during the period	(526)
Balance at the end of period	9,958
Total net assets	
Balance at the end of previous period	104,631
Changes of items during the period	
Net income	13,899
Purchase of treasury stock	(3)
Decrease due to change in consolidated subsidiaries	(363)
Net changes of items other than shareholders' equity	3,136
Total changes of items during the period	16,669
Balance at the end of period	¥121,300

## Balance Sheet

(As of March 31, 2010)

Millions of yen

<b>Assets</b>	
<b>Current assets:</b>	
Cash and time deposits	¥32,249
Notes receivable	1,672
Accounts receivable	45,246
Merchandise and finished goods	11,244
Work in process	13,736
Raw materials and supplies	14,477
Advances payments	645
Prepaid expenses	1,356
Short-term loans	30,429
Other accounts receivable	4,015
Payment for others	2,785
Derivative assets	587
Others	173
Allowance for doubtful accounts	(14,874)
Total current assets	143,744
<b>Fixed assets:</b>	
Tangible fixed assets:	
Buildings	38,509
Structures	10,368
Machinery and equipment	115,811
Automotive equipment	540
Tools, equipment and furniture	12,525
Land used for mining operations	307
Land	15,874
Lease assets	2,797
Construction in progress	439
Accumulated depreciation	(146,401)
Total tangible fixed assets	50,773
Intangible fixed assets:	
Rights of utilization	1,675
Total intangible fixed assets	1,675
Investments and other assets:	
Investment securities	10,678
Stock of subsidiaries and affiliates	69,784
Investments in capital of subsidiaries and affiliates	2,257
Long-term loans	44,152
Claims provable in bankruptcy, claims provable in rehabilitation and other	114
Others	1,837
Allowance for doubtful accounts	(4,703)
Total investments and other assets	124,121
Total fixed assets	176,569
<b>Total assets</b>	<b>¥320,314</b>

	Millions of yen
<b>Liabilities and Net Assets</b>	
<b>Current liabilities:</b>	
Accounts payable	¥26,006
Short-term debt	28,228
Commercial paper	10,000
Current portion of long-term loans payable	12,389
Current portion of straight bonds	10,000
Current portion of lease liability	784
Accrued payments	6,669
Accrued expenses	869
Consumption taxes payable	332
Accrued income taxes	226
Deferred tax liabilities	237
Advances received	99
Deposits received	17,628
Provision for bonus	1,973
Provision for Directors' bonus	30
Provision for product warranties	473
Provision for business structure improvement	1
Derivative liabilities	238
<b>Total current liabilities</b>	<b>116,190</b>
<b>Long-term liabilities:</b>	
Straight bonds	40,000
Long-term debt	68,669
Lease obligations	1,421
Deferred tax liabilities	1,398
Employees' retirement benefits	13,408
Directors' and corporate auditors' retirement benefits	290
Provision for preventing environmental pollution in mineral, mining, and other operations	200
Provision for environmental countermeasures	1,893
Provision for losses of affiliated companies	1,038
Others	450
<b>Total long-term liabilities</b>	<b>128,771</b>
<b>Total liabilities</b>	<b>244,962</b>
<b>Net assets</b>	
<b>Shareholders' equity:</b>	
<b>Common stock</b>	
	42,129
<b>Capital surplus:</b>	
Capital surplus	22,557
<b>Total capital surplus</b>	<b>22,557</b>
<b>Retained earnings:</b>	
Legal reserve	2,406
Other retained earnings	6,592
General reserve	11,000
Unappropriated retained earnings at end of period	(4,408)
<b>Total retained earnings</b>	<b>8,997</b>
<b>Treasury stock</b>	<b>(506)</b>
<b>Total shareholders' equity</b>	<b>73,177</b>
<b>Valuation, translation adjustments and others</b>	
Net unrealized gains on securities, net of tax	2,174
Unrealized gains (losses) on hedging derivatives, net of tax	2,063
	111
<b>Total net assets</b>	<b>75,352</b>
<b>Total liabilities and net assets</b>	<b>¥320,314</b>

## Statement of Operations

(April 1, 2009 to March 31, 2010)

	Millions of yen
<b>Net sales</b>	¥268,480
<b>Cost of sales</b>	235,281
<b>Gross profit</b>	33,198
Selling, general and administrative expenses	22,691
<b>Operating income</b>	10,507
<b>Non-operating income:</b>	
Interest and dividend income	5,599
Other income	873
	6,473
<b>Non-operating expenses:</b>	
Interest expense	2,287
Other expenses	1,796
	4,083
<b>Ordinary income</b>	12,897
<b>Extraordinary profits:</b>	
Gain on sale of property, plant and equipment	60
Reversal of provision for losses of affiliated companies	1,782
Reversal of provision for environmental countermeasures	7
Insurance income	3
Compensation income	392
	2,245
<b>Extraordinary expenses:</b>	
Loss on sales and disposal property, plant and equipment	196
Loss on cancellation of lease contracts	14
Provision for doubtful accounts	680
Loss on impairment of fixed assets	613
Indemnity	114
Write-down of marketable securities and investments	902
Provision for loss on business of subsidiaries and affiliates	2
Loss on valuation of subsidiaries and affiliates	9
Loss on valuation of golf-club membership	9
Loss on disaster	57
Loss from environmental countermeasures	276
Business structure improvement expenses	774
	3,651
<b>Income before income taxes</b>	11,491
<b>Income taxes:</b>	
Current	919
Deferred	-
<b>Net loss</b>	¥10,572



## Statement of Changes in Net Assets

(April 1, 2009 to March 31, 2010)

Millions of yen

Shareholders' equity	
Common stock	
Balance at the end of previous period	¥42,129
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of period	42,129
Capital surplus	
Legal reserve	
Balance at the end of previous period	22,557
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of period	22,557
Total of capital surplus	
Balance at the end of previous period	22,557
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of period	22,557
Retained earnings	
Legal reserve contained in retained earnings	
Balance at the end of previous period	2,406
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of period	2,406
Remaining portion of retained earnings	
General reserve for reduction entry	
Balance at the end of previous period	11,000
Changes of items during the period	
Total changes of items during the period	-
Balance at the end of period	11,000
Retained earnings brought forward	
Balance at the end of previous period	(14,891)
Changes of items during the period	
Net income	10,572
Total changes of items during the period	10,572
Balance at the end of period	(4,408)
Total of retained earnings	
Balance at the end of previous period	(1,574)
Changes of items during the period	
Net income	10,572
Total changes of items during the period	10,572
Balance at the end of period	8,997
Treasury stock	
Balance at the end of previous period	(503)
Changes of items during the period	
Purchase of treasury stock	(3)
Total changes of items during the period	(3)
Balance at the end of period	¥(506)

*English Translation of Financial Statements Originally Issued in the Japanese Language*

Total shareholders' equity	
Balance at the end of previous period	¥62,608
Changes of items during the period	
Net income	10,572
Purchase of treasury stock	(3)
Total changes of items during the period	10,568
Balance at the end of period	73,177
Valuation and translation adjustments	
Valuation difference on available-for-sale securities	
Balance at the end of previous period	924
Changes of items during the period	
Net changes of items other than shareholders' equity	1,138
Total changes of items during the period	1,138
Balance at the end of period	2,063
Unrealized losses on hedging derivatives, net of tax	
Balance at the end of previous period	(487)
Changes of items during the period	
Net changes of items other than shareholders' equity	599
Total changes of items during the period	599
Balance at the end of period	111
Total valuation and translation adjustments	
Balance at the end of previous period	437
Changes of items during the period	
Net changes of items other than shareholders' equity	1,737
Total changes of items during the period	1,737
Balance at the end of period	2,174
Total net assets	
Balance at the end of previous period	63,046
Changes of items during the period	
Net income	10,572
Purchase of treasury stock	(3)
Net changes of items other than shareholders' equity	1,737
Total changes of items during the period	12,306
Balance at the end of period	¥75,352

# General Meeting of Shareholders' Reference Materials

## Matters to Be Resolved and Reference Items:

### First Item

#### Appropriation of Retained Earnings

We propose that appropriation of retained earnings be performed as follows.

#### 1. Matters Related to Appropriation of Retained Earnings

For the fiscal year under review, the Company recorded a loss of ¥4,408 million for unappropriated retained earnings at the end of the period. We hereby propose that a reversal of the general reserve be approved to ensure stable distribution of dividends to our shareholders.

- |  |                |
|--|----------------|
| (1) Item of Retained Earnings to be Reduced and Amount of Reduction  |                |
| General reserve  | ¥9,000,000,000 |
| (2) Item of Retained Earnings to be Increased and Amount of Increase |                |
| Unappropriated retained earnings                                     | ¥9,000,000,000 |

#### 2. Year-End Dividends

While ensuring that it retains sufficient internal reserves to fund measures for strengthening operations and promoting future business expansion, the Company has a fundamental policy of seeking to distribute dividends in line with its performance. Regarding year-end dividends applicable to the fiscal year under review, based on the Company's fundamental dividend policy and in consideration of its financial condition and its performance in the fiscal year under review, we propose, as described below, that the dividend be given distribution of dividends be resumed at ¥3 per share.

- |  |   |
|--|---|
| (1) Type of Dividend Asset                           | Money   |
| (2) Allocation and Total Value of Dividend Assets    | ¥3 per share of common stock<br>Total value of ¥1,714,523,943 |
| (3) Effective Date of Retained Earnings Distribution | June 30, 2010   |

## Second Item

### Election of two (2) Directors

Because Directors Tomoharu Jogo, Kazuo Hirano and Yoshihiko Takebayashi will resign the positions of Director at the conclusion of this annual general meeting of shareholders, we propose that two (2) candidates be appointed to the positions of Director.

The candidates for the positions of Director are as follows:

Candidate Number Name (Date of Birth)	Profile, Title, Positions and Important Positions Held Concurrently at Other Organizations	Number of Company's Shares in Possession
1. Mitsuru Uekawa (October 8, 1953)	April 1978	Entered the Company
	April 2005	Senior General Manager of Copper & Precious Metals Division, Metals, Minerals & Environmental Engineering Sector
	June 2006	Executive Officer, Deputy Senior General Manager of Metals, Minerals & Environmental Engineering Sector, and Senior General Manager of Copper & Precious Metals Division
	June 2007	Executive Officer, Deputy Senior General Manager of Metals, Minerals & Environmental Engineering Sector, and Senior General Manager of Copper & Precious Metals Division and Metal Recycling Division
	April 2009	Executive Officer, Deputy Senior General Manager of Metals, Minerals & Environmental Engineering Sector, and Senior General Manager of Copper & Precious Metals Division and Zinc Division
June 2009	Senior Executive Officer, Deputy Senior General Manager of Metals, Minerals & Environmental Engineering Sector, and Senior General Manager of Copper & Precious Metals Division and Zinc Division (current positions)	
2. Harufumi Sakai (December 15, 1952)	April 1976	Entered the Company
	October 2004	President of GECOM Corp.
	May 2007	Senior General Manager of Automotive Parts & Components Division, Parts Production Sector
	June 2007	Executive Officer and Senior General Manager of Automotive Parts & Components Division, Parts Production Sector (current positions)
Important Position Held Concurrently at Other Organizations President and Representative Director of Ohi Seisakusho Co., Ltd.		

Notes: There are no special interests between the candidates and the Company.

### Third Item

Election of one (1) Corporate Auditor

Because Corporate Auditor Yoshiro Kamata will resign the position of Corporate Auditor at the conclusion of this annual general meeting of shareholders, we propose that one candidate be nominated to serve in the position of Corporate Auditor.

We have obtained the Board of Corporate Auditors' approval of this proposal.

The candidate for the position of Corporate Auditor is as follows:

Name (Date of Birth)	Profile, Title, Positions and Important Positions Held Concurrently at Other Organizations	Number of Company's Shares in Possession	
Ryuhei Wakasugi (July 28, 1947)	July 1971	Entered Ministry of International Trade and Industry (MITI)	--
	July 1986	Associate Professor, Faculty of Economics, Shinshu University	
	June 1989	Director, International Business Affairs Division, Industrial Policy Bureau, MITI	
	July 1990	Director, Environmental Policy Division, Industrial Location and Environmental Protection Bureau, MITI	
	July 1992	Professor, Faculty of Economics, Yokohama National University (retired in March 2004)	
	April 1998	Dean, Faculty of Economics, Yokohama National University	
	April 2000	Executive Vice President, Yokohama National University (retired in March 2003)	
	April 2004	Professor, Faculty of Economics, Keio University	
	April 2007	Professor, Institute of Economic Research, Kyoto University (current position)	

Important Position Held Concurrently at Other Organizations  
Professor, Institute of Economic Research, Kyoto University

- Notes:
1. There are no special interests between the candidate and the Company.
  2. The reason for the nomination of Ryuhei Wakasugi to be outside corporate auditor is as follows.  
To make good use in the Company's auditing activities of his perspective stemming from long experience in government administration as well as of his abundant specialized knowledge in economics, etc.
  3. The reason for determining that Ryuhei Wakasugi is capable of appropriately executing his duties as outside corporate auditor is as follows.  
He possesses experience in government administration and abundant specialized knowledge in economics, and he has considerable insight with respect to corporate auditing work.
  4. If the appointment of Ryuhei Wakasugi is approved, the Company will arrange a contract with him regarding liability as defined by the Company Law Article 423-1 to limit total liability to the figure stipulated by the Company Law Article 425-1, based on the Company Law Article 427-1.

### Fourth Item

Based on consideration of performance during the fiscal year under review, we propose a bonus payment to twelve (12) Directors (excluding the outside director) with a total value of ¥30 million.

# Guide to Exercising Voting Rights Electronically (Internet, Etc.)

## 1. Exercising Voting Rights via the Internet

### (1) Inputting Approval/Disapproval Votes

After using a personal computer to access the proxy voting website at <http://www.web54.net>, follow the instructions shown on the screen, using the “voting rights exercise code” and “password” shown on the enclosed voting rights exercise form. After inputting your password (you may change your password if you wish), you will be able to submit votes of approval or disapproval for the various agenda items.

Please be aware that you cannot vote using a mobile phone even if that phone has Internet access functions.

### (2) Exercise of Voting Rights

1. You may exercise your voting rights via the Internet until 5PM on June 28, 2010 (Monday).
2. In cases in which voting rights are exercised both by paper form and electronically (Internet, etc.), the electronic (Internet, etc.) version will be considered effective.
3. In the cases in which voting rights are exercised electronically (Internet, etc.) multiple times, the final exercise of voting rights will be considered effective.

### (3) Handling of Passwords

1. Passwords are used to confirm that those voting are actually the shareholders with voting rights. Please be sure to keep your password secure, just as you naturally take care to ensure the security of personal identify verification seals and other important passwords. For security reasons, we cannot provide you with password information over the telephone or by other indirect means.
2. If you input your password incorrectly more than a specified number of times, your account will be locked and unusable. If you wish to have another password issued, please follow the instructions on the computer screen.
3. The passwords supplied for exercising voting rights are effective for this year’s regular general shareholders’ meeting only. A new password will be issued for next year’s meeting.

### (4) System Requirements

To exercise your voting rights via the Internet, be sure that your system meets the following minimum requirements.

1. Screen resolution of at least 800 dots x 600 dots (SVGA)
2. The following applications
  - a. Microsoft® Internet Explorer Ver. 5.01 SP 2 or higher  
(Please be aware that even if this browser is used in accordance with the other minimum requirements, shareholders’ personal computers may in some cases be unable to access and/or use the voting right execution website due to the characteristics of the personal computer in question, the software settings environment, and other installed software.)
  - b. Adobe® Acrobat® Reader™ Ver. 4.0 or higher, or Adobe® Reader® Ver. 6.0 or higher (In the case that you wish to read the convocation notice and reference materials online.)
    - \* “Microsoft®” and “Internet Explorer” are registered trademarks and/or trademarks of Microsoft Corporation in the United States and other countries.
    - \* “Adobe® Acrobat® Reader™” and “Adobe® Reader®” are registered trademarks and/or trademarks of Adobe Systems Incorporated in the United States and other countries.
    - \* All of these products may be obtained free of charge from the websites of their manufacturers.

3. Shareholders must bear the burden of such expenses as the subscription payment to Internet providers of services enabling connections to the voting rights execution website and payments to other communications companies associated with the accessing of the voting rights execution website.
4. Internet connections may sometimes be restricted due to firewalls, etc.; so, please confirm this point with your system administrator.
5. Because the voting rights execution website employs "pop-up window" functions, please be sure to temporarily turn off anti-pop-up window software settings if you have made such settings, before using the website.

(5) Questions Regarding Personal Computer Operation, Etc.

If you have questions regarding the use of the voting rights execution website, please contact the following unit.

The Chuo Mitsui Trust and Banking Co., Ltd.  
Securities Proxy Web Support Special Phone Number  
Phone Number: 0120 (65) 2031  
(Available from 9AM to 9PM, except for Saturdays and Sundays)

## **2. Exercising Voting Rights via the Voting Rights Exercise Platform**

With regard to institutional investors, shareholders who have registered in advance to use the voting rights exercise platform operated by ICJ Inc. (a company established by such shareholders as the Tokyo Stock Exchange (TSE)) may use this platform to exercise their voting rights.