

**[Summary]**

Securities identification code: 5706  
June 6, 2011

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 86th Annual General Meeting of Shareholders**

Dear Shareholders:

You are hereby notified that the 86th 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, 2011(Tuesday).

**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 35-36.

Sincerely,

**Meeting Particulars**

1. Date and Time: 10:00 a.m. on Wednesday, June 29, 2011
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 86th fiscal year (from April 1, 2010, to March 31, 2011)
  2. Reports on financial statements for the 86th fiscal year (from April 1, 2010, to March 31, 2011)

Matters to be resolved

First Item	Appropriation of Retained Earnings
Second Item	Election of nine (9) 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. 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. In addition, please bring with you this Notice of Convocation to assist us in reducing the amount of paper used.
2. In connection with those documents that are required to be provided with this Notice of Convocation, the notes to both consolidated and non-consolidated financial statements are posted on the Company's website (<http://www.mitsui-kinzoku.co.jp/>) and are not attached to this Notice, in accordance with relevant laws, ordinances and the Articles of Incorporation. In addition to the items outlined in the attached documents, notes to both consolidated and non-consolidated financial statements are included in the consolidated and non-consolidated financial reports which corporate auditors and the independent auditing firm audited in order to prepare audit reports and independent auditors' reports, respectively.
3. 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/>).
4. 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. In addition, please note that only shareholders are eligible to attend the Annual General Meeting of Shareholders.

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## Business Report

(From April 1, 2010, to March 31, 2011)

### 1. Current State of Group Operations

#### (1) Operating Environment

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

Looking to the future at the close of fiscal 2010, ended March 31, 2011, prospects for the Japanese economy were uncertain. Despite a modest recovery throughout most of the fiscal year, supported by export activity to newly emerging countries and the positive flow-on effects of pump-priming measures implemented by the government, the Great East Japan Earthquake that occurred in March 2011 shrouded future economic conditions in a cloud of uncertainty.

Negative factors that impacted performance included ongoing appreciation in the value of the yen and a decrease in sales prices of liquid-crystal-related components. Positive factors included the increase in sales of electronic materials and functional automotive parts on the back of favorable domestic and overseas economic policies, and the upswing in metal prices such as zinc and lead. As a result, net sales in fiscal 2010 climbed ¥54,123 million compared with the previous fiscal year to ¥446,487 million.

Under these circumstances, Mitsui Mining & Smelting Co., Ltd. and its consolidated subsidiaries (the Mitsui Kinzoku Group) took steps to move steadily toward a streamlined organization with lean management while securing a stable earnings stream and strengthening its management foundation. In specific terms, the Group expanded the facilities of its copper foil and engineered material operations. In addition to raising the raw material recycling rate of its metals, minerals and environmental engineering operations, the Group continued to promote mining development. At the same time, efforts were mainly made to undertake a corporate split of its automotive parts and components as well as copper and copper alloy fabricated operations. Accounting for each of the aforementioned, operating income increased ¥2,327 million compared with the previous fiscal year to ¥30,208 million. Reflecting such factors as improvements in operating income as well as investment gains on equity method, ordinary income was ¥34,010 million, up ¥8,370 million year on year. Turning to extraordinary items, the Group recorded extraordinary profits from changes in equity in affiliated companies of ¥2,213 million relating to the spinoff of its copper and copper alloy fabricated operations. On the other hand, extraordinary losses amounted to ¥3,208 million and ¥1,388 million in connection with estimated reconstruction expenses following damages incurred as a result of the Great East Japan Earthquake and impairment losses, respectively. After accounting for income taxes and minority interests, net income in fiscal 2010 amounted to ¥21,160 million, ¥7,261 million higher than the previous fiscal year.

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

#### Copper Foil Group

Amid a recovery trend from the financial crisis of 2008, overall conditions in the copper foil market continued to improve steadily. This positive operating environment was particularly robust overseas. Consistent with an expanding mobile phone market and the shift toward higher end models, demand for the use of ultra-thin copper foil in sophisticated applications also continued to grow. As a result, sales in the Group's copper foil operations climbed ¥14,363 million compared with the previous fiscal year to ¥60,000 million. Buoyed by such factors as the increase in sales volume, ordinary income amounted to ¥7,299 million, up ¥1,427 million year on year.

#### Engineered Materials Group

In the Engineered Materials Group, which encompasses such fields as battery materials and automotive catalysts, overall demand remained firm despite a decline in the sales volumes and prices of certain products. As a result, the Mitsui Kinzoku Group recorded segment sales of ¥84,173 million, up ¥21,557 million compared with the previous fiscal year. Ordinary income increased ¥3,533 million year on year to ¥10,675 million. This was partly attributable to temporary inventory valuation gains stemming from the upswing in raw material prices.

#### Metals, Minerals & Environmental Engineering Group

In the fiscal year under review, the Metals, Minerals & Environmental Engineering Group experienced a hike in London Metal Exchange (LME) prices such as for zinc and lead. Fueled by the positive effects of economic pump-priming measures, demand was also firm throughout fiscal 2010. Accounting for the aforementioned, sales in this segment climbed ¥18,002 million compared with the previous fiscal year to ¥167,969 million. From a profit perspective, the Group enjoyed an increase in changes in equity in affiliated companies due to changes in its investment ratio in copper mines in Chile. This was partially offset by a drop in earnings owing to the absence of the temporary inventory valuation gains stemming from the upswing in raw material prices recorded in the previous fiscal year. As a result, ordinary income edged up ¥429 million year on year to ¥12,967 million.

#### Automotive Parts & Components Group

In the Automotive Parts & Components Group, global demand entered a period of recovery buoyed by the positive flow-on effects of economic stimulus packages. As a result, the Group enjoyed healthy order throughout fiscal 2010. Driven by this positive environment, sales in the Automotive Parts & Components Group climbed ¥12,958 million compared with the previous fiscal year to ¥91,216 million. As a result of increased sales and cost-cutting due to consolidation of production bases, ordinary income came to ¥5,286 million, a turnaround of ¥5,562 million.

#### Affiliates Coordination Group

In the Affiliates Coordination Group, which includes ceramic and die-cast products, the Group witnessed a drop in the sales prices of certain products. In overall terms, however, demand was generally firm. Reflecting the impact of the spinoff of copper and copper alloy fabricated operations and the resultant establishment of an equity-method affiliate, sales contracted ¥2,008 million compared with the previous fiscal year to ¥82,172 million. Ordinary income also declined ¥359 million year on year to ¥3,908 million.

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

[Net Sales]

Group	2010	2009	Change from the Previous Year	
	Net Sales (Millions of Yen)	Net Sales (Millions of Yen)	Net Sales (Millions of Yen)	(Percentage)
Copper Foil Group	¥60,000	¥45,636	¥14,363	31.5%
Engineered Materials Group	84,173	62,616	21,557	34.4
Metals, Minerals & Environmental Engineering Group	167,969	149,966	18,002	12.0
Automotive Parts & Components Group	91,216	78,257	12,958	16.6
Affiliates Coordination Group	82,172	84,180	(2,008)	(2.4)
Other Group	42,010	39,421	2,589	6.6
Adjustment Amount	(81,054)	(67,716)	(13,338)	
Total	¥446,487	¥392,364	¥54,123	13.8%

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

2. Separate and aside from the engineering business, Other Group data includes tape automated bonding (TAB) tape and chip on film (COF) tape semiconductor mounting and other businesses.

3. Intergroup net sales are deducted by means of Adjustment Amount items.

[Operating Income]

Group	2010	2009	Change from the Previous Year	
	Operating Income (Millions of Yen)	Operating Income (Millions of Yen)	Operating Income (Millions of Yen)	(Percentage)
Copper Foil Group	¥7,299	¥5,871	¥1,427	24.3%
Engineered Materials Group	10,675	7,141	3,533	49.5
Metals, Minerals & Environmental Engineering Group	12,967	12,537	429	3.4
Automotive Parts & Components Group	5,286	(275)	5,562	
Affiliates Coordination Group	3,908	4,267	(359)	(8.4)
Other Group	(658)	1,314	(1,973)	
Adjustment Amount	(5,468)	(5,218)	(250)	
Total	¥34,010	¥25,639	¥8,370	32.6%

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

2. Separate and aside from the engineering business, Other Group data includes tape automated bonding (TAB) tape and chip on film (COF) tape semiconductor mounting and other businesses.

3. Intergroup transactions are deducted by means of Adjustment Amount items.

### 3. Damage resulting from the Great East Japan Earthquake

Losses to Mitsui Kinzoku Group as a result of the Great East Japan Earthquake that occurred on March 11, 2011 totaled ¥3,208 million. The effect on our performance of the period under review was limited as the disaster occurred in March. Pertinent details regarding the status of damage are presented as follows. Fortunately, directors, officers and employees of the Mitsui Kinzoku Group suffered no personal injury.

- (a) Despite limited damage caused by the earthquake, the Ageo Copper Foil Plant of the Group's Specialty Foil Division was affected due to rolling blackouts caused by power shortages.
- (b) Hachinohe Smelting Co., Ltd. incurred damages to its manufacturing facilities from the earthquake and tsunami. Steps are being undertaken to complete recovery work alongside major periodic repairs conducted once every three years, which we were planning to do this year.
- (c) Mitsui Kinzoku ACT Corporation suffered slight damage from the earthquake. However, the company was mainly affected by operating adjustments by its customers.

### 4. Capital Investment

During fiscal 2010, the Mitsui Kinzoku Group invested a total of ¥21,829 million, mainly for the following purposes by each group:

Group	Capital Investment (Millions of Yen)	Contents and Purposes
Copper Foil Group	¥4,911	Expanding copper foil manufacturing facilities, etc.
Engineered Materials Group	3,736	Expanding battery materials manufacturing facilities, expanding thin-film materials (sputtering targets) manufacturing facilities, etc.
Metals, Minerals & Environmental Engineering Group	5,837	Maintaining and renovating facilities, boosting efficiency, conserving energy, etc.
Automotive Parts & Components Group	3,152	Boosting functional automotive parts manufacturing productivity, conserving energy, etc.
Affiliates Coordination Group	2,192	Maintaining and renovating facilities, boosting efficiency, conserving energy, etc.
Other Group	1,999	Maintaining and renovating facilities, boosting efficiency, conserving energy, etc.
Total	¥21,829	

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

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

### 5. Funding

In December 2010, Mitsui Mining & Smelting Co., Ltd. (the Company), issued ¥10.0 billion of bonds, its No.9 issuance of unsecured domestic straight bonds, with the purpose of redeeming commercial paper and repaying borrowings.

## 6. Research & Development and Resource Development

### Research and Development

During the fiscal year under review, the Mitsui Kinzoku Group worked diligently to develop new products while providing technical assistance to its business divisions mainly in the electronic materials as well as environmental engineering and metals recycling segments. In the electronic materials field, development activities were channeled primarily toward copper foil for next-generation fine-pattern circuitry, resin-coated copper foils for next-generation build-up printed wiring boards, inorganic deoxidizers, phosphors for white LEDs, and metal and ITO inks utilizing nanotechnology. In the environmental engineering and metals recycling field, the Group developed recovery technologies for spent lithium-ion batteries and technologies for recovering tantalum from capacitor scrap. Furthermore, as a part of its new product development activities, the Mitsui Kinzoku Group worked on the development of negative electrodes for high-capacity lithium-ion batteries and targets for next-generation FPD electrodes.

### Resource Development

The Mitsui Kinzoku Group began exploring the Atalaya region of the Republic of Peru, which is positioned between the Huanzala and Pallca mines, after acquiring government approval for an environmental impact study necessary for tunnel-building works.

As a part of the Group's new mining development activities, Mitsui Mining & Smelting Co., Ltd. commenced a survey in the Province of British Columbia, Canada in connection with the Ruddock Creek Project together with Imperial Metals Corporation and Itochu Corporation. Plans are in place to ascertain development potential over the next two years.

## 7. Status of Major Business Combination

### Corporate Spinoff of the Automotive Parts & Components Business (Absorption-Type Split)

Effective July 1, 2010, Mitsui Mining & Smelting Co., Ltd. transferred the manufacturing and marketing of automotive parts and components and ancillary operations to its wholly owned subsidiary Ohi Seisakusho Co., Ltd. through an absorption-type split arrangement. The registered name of Ohi Seisakusho Co., Ltd. was changed to Mitsui Kinzoku ACT Corporation on the same day.

### Corporate Spinoff of the Copper and Copper Alloy Fabricated Businesses (Absorption-Type Split)

Effective July 1, 2010, Mitsui Mining & Smelting Co., Ltd. transferred the manufacturing and marketing of copper sheet and strip, brass sheet and strip, as well as processed products of zinc and other alloy, and ancillary operations to Sumitomo Metal Mining Brass & Copper Co., Ltd., a wholly owned subsidiary of Sumitomo Metal Mining Co., Ltd., through an absorption-type split arrangement. The registered name of Sumitomo Metal Mining Brass & Copper Co., Ltd. was changed to Mitsui Sumitomo Metal Mining Brass & Copper Co., Ltd. on the same day. Following the corporate split, the Company's equity interest in Mitsui Sumitomo Metal Mining Brass & Copper Co., Ltd. is 50%.



## (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		83rd (2007)	84th (2008)	85th (2009)	86th (2010)
Net sales	(Millions of yen)	¥595,463	¥427,191	¥392,364	¥446,487
Ordinary income or ordinary loss	(Millions of yen)	41,780	(30,310)	25,639	34,010
Net income or net loss	(Millions of yen)	7,830	(67,256)	13,899	21,160
Earnings or loss per share	(Yen)	13.67	(117.66)	24.32	37.03
Total assets	(Millions of yen)	486,238	410,258	416,541	411,027
Total net assets	(Millions of yen)	199,545	104,631	121,300	134,452
Total net assets per share	(Yen)	323.03	164.73	194.82	220.38

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		83rd (2007)	84th (2008)	85th (2009)	86th (2010)
Net sales	(Millions of yen)	¥391,561	¥284,012	¥268,480	¥240,318
Ordinary income	(Millions of yen)	11,681	3,394	12,897	10,376
Net income or net loss	(Millions of yen)	11,145	(36,644)	10,572	5,117
Earnings or loss per share	(Yen)	19.46	(64.11)	18.49	8.95
Total assets	(Millions of yen)	330,085	308,640	320,314	288,067
Total net assets	(Millions of yen)	109,068	63,046	75,352	77,509
Total net assets per share	(Yen)	190.45	110.31	131.84	135.63

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 2011, while emerging countries are anticipated to remain robust and continue to provide the momentum for worldwide growth, there are concerns that in addition to the direct damage caused by the Great East Japan Earthquake and ensuing tsunamis that occurred in March 2011, shortages of electric power and disruptions to the supply chain in Japan will affect the domestic economy as a matter of course while extending through to the global economy. Mitsui Kinzoku Group is also expected to experience weak sales as a result of the aforementioned supply chain difficulties. This is forecast to negatively impact a variety of fields including electronic materials and automotive parts. Buffeted by an upswing in raw material prices and energy costs, together with ongoing commoditization and the decline in product prices, conditions are expected to remain harsh.

Under these circumstances, the Group will continue to move steadily toward securing a streamlined organization with lean management. Effective June 29, 2011, the Group will also adopt a new organizational structure. In addition to focusing on the three core fields of engineered materials, metals and resources, and electronic materials, individual businesses will adopt a more independent stance. Every effort will be made to boost earnings based on independently determined strategies by each business.

Specific measures are as follows:

In the engineered and electronic materials businesses, the Group will further reinforce earning capacity by expanding facilities in line with demand, boosting productivity and restructuring product lines. For automotive catalysts, the Group will lift production and sales in China and India, where demand is rapidly increasing due to the tightening of environmental regulations. Turning to battery materials for electric vehicles, the Mitsui Kinzoku Group is in the process of expanding lithium manganese oxide production facilities at its Takehara Refinery in Hiroshima. Delivery to customers is scheduled to commence from fiscal 2012. At the same time, the Group is progressively expanding copper foil production facilities at its Malaysian plant. In this manner, every effort is being made to address growing demand in Asian copper foil markets.

In its metals, minerals and environmental engineering operations, the Group will maintain its focus on diversifying its sourcing of raw materials by using more recycled zinc oxide ore, while strengthening measures aimed conserving energy and reducing CO<sub>2</sub> emissions. Moreover, the Group will strengthen efforts aimed at searching for and uncovering new recycling businesses. With the aim of securing base metals, plans are in place to commence operations at a copper mine in Chile through affiliated company Pan Pacific Copper Co., Ltd. in fiscal 2013. Looking ahead, every effort will be made to raise the ratio of raw materials mined at Group-owned mines. This also applies to the Group's zinc mining operations where steps will be taken to further intensify exploration activities and to again lift the ratio of raw materials mined at Group-owned mines.

In materials and applications fields, individual operations and related Group companies will adopt a more independent approach, and will bolster efficiency and cost competitiveness. In this manner, the Mitsui Kinzoku Group will work to maximize earnings.

In automotive parts and components operations, which mainly encompass door locks, the Mitsui Mining & Smelting Co., Ltd. spun off activities to establish Mitsui Kinzoku ACT Corporation. By creating this new entity and accelerating the decision-making process, the Group is better placed to grasp business opportunities in such emerging countries as China and India, which continue to enjoy rapid automobile production growth. At the same time, the Mitsui Kinzoku Group will ramp up the shift of production to Asia and work tirelessly to establish an unrivalled position in the global door lock market.

Under a new structure, the Mitsui Kinzoku Group will in future develop promising businesses as early as possible and work diligently to further streamline and revitalize its organization. The Group's goals are to ensure the continuous creation of growth businesses as the basis for preparing the next Medium-Term Business Plan.

In the interest of striking a better balance between financial health and corporate growth, the Group

will strive to appropriately select and concentrate its business operations and to engage in optimal efforts toward improving corporate value.

(4) Mitsui Kinzoku Group's Principal Business (As of March 31, 2011)

Group	Principal Products/Services
Copper Foil Group	Electrodeposited copper foil
Engineered Materials Group	Battery materials (Hydrogen storage alloy, Lithium manganese oxide, and Battery-use zinc powder), Functional metal powders (Magnetite, Metal powders), Rare metal compounds (Cerium oxide based polishing powders, Tantalum pentoxide, Niobium pentoxide), Rare earths, Thin-film materials (Sputtering targets), Automotive catalysts, Single crystals
Metals, Minerals & Environmental Engineering Group	Zinc, Copper, Lead, Gold, Silver, Sulfuric acid, Zinc alloy, Zinc oxide, Litharge, Industrial waste material processing, Perlite (Construction materials, Wet type filter aids, Heat insulators, Dry type filter aids, Soil improvement materials), Expanded shale light weight aggregate, Soil contamination surveys, Geothermal steam
Automotive Parts & Components Group	Functional automotive parts
Affiliates Coordination Group	Ceramics products (Liquid aluminum filtration materials, Alumina, Silicon-carbon ceramics), Zinc/aluminum/magnesium die-cast products, Powdered metallurgical products, Rolled copper products (Copper sheet and strip, Brass sheet and strip), Rolled zinc products (Zinc sheet for printing, Zinc anodes for protection, Zinc sheet for building materials applications), Grinding wheels, Marketing of nonferrous metals, electronics materials, etc.

(5) Principal Business Offices, Plants, and Laboratories (As of March 31, 2011)

1. Mitsui Kinzoku

Head office	1-11-1, Osaki, Shinagawa-ku, Tokyo
Branch	Osaka
Plants	Ageo Copper Foil Plant (Ageo-shi, Saitama), Miike Rare Metals Plant (Omuta-shi, Fukuoka), Miike Thin-film Materials Plant (Omuta-shi, Fukuoka), Kamioka Catalyst Plant (Hida-shi, Gifu), Takehara Refinery (Takehara-shi, Hiroshima), Hibi Smelter (Tamano-shi, Okayama), Kitakata Perlite Plant (Kitakata-shi, Fukushima), Osaka Perlite Plant (Kaizuka-shi, Osaka), Omuta Ceramics Plant (Omuta-shi, Fukuoka), Nirasaki Die-Casting Plant (Nirasaki-shi, Yamanashi)
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), Mitsui Kinzoku ACT Corporation, Mitsui Kinzoku Trading Co., Ltd. (Koto-ku, Tokyo), MCS, Inc. (Shimonoseki-shi, Yamaguchi), MESCO, Inc. (Sumida-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, 2011)

1. Number of Mitsui Kinzoku Group Employees

Group	Number of Employees	
Copper Foil Group	1,074	(220)
Engineered Materials Group	1,161	(368)
Metals, Minerals & Environmental Engineering Group	1,492	(414)
Automotive Parts & Components Group	3,857	(301)
Affiliates Coordination Group	1,053	(175)
Other Group	1,173	(292)
Total	9,810	(1,770)

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)
1,680 (239)	41.5	17.2

Notes: 1. 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.  
2. The number of employees declined by 718 compared with the previous fiscal year. This was mainly attributable to the corporate spinoff of the automotive parts and components division to Ohi Seisakusho Co., Ltd. (currently Mitsui Kinzoku ACT Corporation) and the corporate spinoff of the copper and copper alloy fabricated businesses to Sumitomo Metal Mining Brass & Copper Co., Ltd. (currently Mitsui Sumitomo Metal Mining Brass & Copper Co., Ltd.) both on July 1, 2010.

(7) Major Lenders (As of March 31, 2011)

	Amount of Borrowings (Millions of Yen)
Sumitomo Mitsui Banking Corporation	¥14,700
The Chuo Mitsui Trust and Banking Company, Limited	10,310
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	7,235
Mizuho Corporate Bank, Ltd.	7,218
Japan Oil, Gas and Metals National Corporation (JOGMEC)	7,005

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
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
Mitsui Electronic Materials Co., Ltd.	NT\$600	100.0	Production and sale of thin-film materials (Sputtering targets)
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
Mitsui Kinzoku ACT Corporation	¥3,000	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	100.0	Production and sale of functional automotive parts and automotive catalysts
Mitsui Kinzoku Trading Co., Ltd.	¥240	100.0	Sale of nonferrous metals and electronic materials, etc.
MCS, Inc.	¥450	100.0	Production of semiconductor mounting materials (TAB & COF tapes)
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

Notes: 1. On July 1, 2010, Ohi Seisakusho Co., Ltd. was renamed Mitsui Kinzoku ACT Corporation, following the spin-off of Mitsui Kinzoku's automotive parts and components business (through an absorption-type split) to Ohi Seisakusho.

2. As of December 27, 2010, Mitsui Kinzoku's equity interest in Mitsui Siam Components Co., Ltd. was 100%.

## 2. Mitsui Kinzoku Group and the Company Outline

### (1) Common Stock (As of March 31, 2011)

1. Authorized: 1,944,000 thousand
2. Issued and outstanding: 572,966,166
3. Number of shareholders: 58,520 (down 4,688 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)	35,467	6.20
Japan Trustee Services Bank, Ltd. (Held in trust account 9)	26,986	4.72
The Master Trust Bank of Japan, Ltd. (Held in trust account)	24,349	4.26
National Mutual Insurance Federation of Agricultural Cooperatives	14,300	2.50
SSBT OD05 OMNIBUS ACCOUNT - TREATY CLIENTS	13,588	2.37
The Employees' Shareholding Association	9,173	1.60
State Street Bank West Client-Treaty	7,836	1.37
IRISOHYAMA INC.	7,287	1.27
CBHK – Citibank London – F117	6,943	1.21
Mitsui Life Insurance Company, Limited	5,986	1.04

Notes: 1. Percentages of shares held are calculated based on the total number of shares issued and outstanding (excluding 1,471,359 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, 2011)

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. Vice Chairman of the Tokyo Chamber of Commerce and Industry
President Representative Director	Sadao Senda	COO (Chief Operating Officer)	
Senior Managing Director	Mitsuhiko Hasuo	Senior Managing Executive Officer, Senior General Manager of Engineered Materials Sector and, Affiliates Coordination Sector	Outside Director of Nakabohtech Co., Ltd. Outside Auditor of Powdertech 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	Mitsuru Uekawa	Senior Executive Officer, Senior General Manager of Metals, Minerals & Environmental Engineering Sector	
Director	Harufumi Sakai	Senior Executive Officer, Senior General Manager of Automotive Parts & Components Sector	President and Representative Director of Mitsui Kinzoku ACT Corporation
Outside Director	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	Junya Sato		Lawyer Outside Director of Nikki Co., Ltd. Outside Auditor of SEIKAGAKU CORPORATION
Outside Corporate Auditor	Ryuhei Wakasugi		Professor, Institute of Economic Research, Kyoto University

- 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 on June 29, 2010  
(1) Directors Tomoharu Jogo, Kazuo Hirano and Yoshihiko Takebayashi resigned.  
(2) Mitsuru Uekawa and Harufumi Sakai were appointed to new director positions.  
(3) Corporate Auditor Yoshiro Kamata resigned.  
(4) Ryuhei Wakasugi was assigned to a new corporate auditor position.

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

Classification	Number	Total Compensation
Directors	11	¥401 million
Corporate Auditors	5	74 million
Total	16	¥475 million

- Notes: 1. The above list includes three directors and one corporate auditor that retired from their positions effective upon the conclusion of the 85th Annual General Meeting of Shareholders held on June 29, 2010.  
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 86th 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 ¥41 million was paid to the director who retired from his position effective upon the conclusion of the 85th Annual General Meeting of Shareholders held on June 29, 2010, 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 14-15. The Company has no special relationship with any of the entities.

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

Position	Name	Principal Activities
Director	Hiromichi Shibata	Attended all 15 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	Junya Sato	Attended all 15 meetings of the Board of Directors and all 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
Corporate Auditor	Ryuhei Wakasugi	Attended all 11 meetings of the Board of Directors and all 10 meetings of the Board of Auditors during the fiscal year after assuming his position and, from his perspective as a person with experience in government administration and as an outstanding academic expert in the field of economics, made 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	4	¥33 million

Note: 1. The above list includes one outside auditor that retired from his position effective upon the conclusion of the 85th Annual General Meeting of Shareholders held on June 29, 2010.

2. 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 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 LLC

Note: KPMG AZSA & Co. changed its name to KPMG AZSA LLC when it converted to a limited liability audit corporation on July 1, 2010.

#### 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	¥168 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, 2011)

Millions of yen

Assets	
<b>Current assets:</b>	
Cash and time deposits	¥24,450
Notes and accounts receivable	81,176
Merchandise and finished goods	23,142
Work in process	22,204
Raw materials and supplies	25,618
Deferred tax assets	674
Others	9,322
Allowance for doubtful accounts	(943)
Total current assets	185,646
<b>Fixed assets:</b>	
Tangible fixed assets:	
Buildings and structures	145,168
Machinery and automotive equipment	288,132
Land	33,941
Lease assets	5,274
Construction in progress	10,629
Others	45,355
Accumulated depreciation	(380,712)
Total tangible fixed assets	147,790
Intangible fixed assets:	3,519
Investments and other assets:	
Investment securities	65,086
Long-term loans	578
Deferred tax assets	3,009
Others	5,723
Allowance for doubtful accounts	(327)
Total investments and other assets	74,071
Total fixed assets	225,381
<b>Total assets</b>	<b>¥411,027</b>

	Millions of yen
<b>Liabilities and Net Assets</b>	
<b>Current liabilities:</b>	
Notes and accounts payable	¥43,532
Short-term debt	53,398
Current portion of straight bonds	10,000
Current portion of lease liability	929
Accrued income taxes	2,872
Consumption taxes payable	258
Deferred tax liabilities	74
Provision for bonus	4,204
Provision for Directors' bonus	90
Provision for product warranties	966
Provision for loss on construction contracts	12
Provision for business structure improvement	32
Provision for loss on disposal of inventories	377
Provision for loss on disaster	2,408
Others	17,344
<b>Total current liabilities</b>	<b>136,503</b>
<b>Long-term liabilities:</b>	
Straight bonds	40,000
Long-term debt	68,061
Lease liability	2,005
Deferred tax liabilities	3,081
Employees' retirement benefits	21,383
Directors' and corporate auditors' retirement benefits	726
Provision for environmental countermeasures	1,771
Provision for preventing environmental pollution in mineral, mining, and other operations	816
Asset retirement obligations	1,384
Others	840
<b>Total long-term liabilities</b>	<b>140,071</b>
<b>Total Liabilities</b>	<b>276,575</b>
<b>Net assets</b>	
Common stock	42,129
Capital surplus	22,557
Retained earnings	76,640
Treasury stock	(510)
<b>Shareholders' equity</b>	<b>140,817</b>
Net unrealized gains on securities, net of tax	1,296
Unrealized gains (losses) on hedging derivatives, net of tax	(827)
Foreign currency translation adjustments	(15,340)
<b>Accumulated other comprehensive income</b>	<b>(14,870)</b>
<b>Minority interests in consolidated subsidiaries</b>	<b>8,505</b>
<b>Total net assets</b>	<b>134,452</b>
<b>Total liabilities and net assets</b>	<b>¥411,027</b>

## Consolidated Statement of Operations

(April 1, 2010 to March 31, 2011)

	Millions of yen
<b>Net sales</b>	¥446,487
<b>Cost of sales</b>	376,155
<b>Gross profit</b>	70,332
Selling, general and administrative expenses	40,123
<b>Operating income</b>	30,208
<b>Non-operating income:</b>	
Interest income	133
Dividend income	1,556
Amortization of goodwill	16
Investment gains from equity method	5,561
Other income	1,200
	8,469
<b>Non-operating expenses:</b>	
Interest expense	2,709
Other expenses	1,957
	4,667
<b>Ordinary income</b>	34,010
<b>Extraordinary profits:</b>	
Gain on change in equity	2,213
Gain on sale of property, plant and equipment	216
Reversal of provision for environmental countermeasures	677
Others	655
	3,762
<b>Extraordinary losses:</b>	
Indemnity	657
Loss on disposal of property, plant and equipment	996
Loss on sale of property, plant and equipment	37
Loss on impairment of fixed assets	1,388
Loss on disaster	3,208
Others	1,712
	8,001
<b>Income before income taxes and minority interests</b>	29,771
<b>Income taxes:</b>	
Current	5,307
Deferred	1,917
Income before minority interests	22,546
<b>Minority interests</b>	1,385
<b>Net income</b>	¥21,160

## Consolidated Statement of Changes in Net Assets

(April 1, 2010 to March 31, 2011)

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	57,195
Changes of items during the period	
Dividends from surplus	(1,714)
Net income	21,160
Total changes of items during the period	19,445
Balance at the end of period	76,640
Treasury stock	
Balance at the end of previous period	(506)
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	(510)
Total shareholders' equity	
Balance at the end of previous period	121,375
Changes of items during the period	
Dividends from surplus	(1,714)
Net income	21,160
Purchase of treasury stock	(3)
Total changes of items during the period	19,442
Balance at the end of period	¥140,817

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

Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	
Balance at the end of previous period	¥2,050
Changes of items during the period	
Net changes of items other than shareholders' equity	(753)
Total changes of items during the period	(753)
Balance at the end of period	1,296
Deferred gains or losses on hedges	
Balance at the end of previous period	16
Changes of items during the period	
Net changes of items other than shareholders' equity	(843)
Total changes of items during the period	(843)
Balance at the end of period	(827)
Foreign currency translation adjustments	
Balance at the end of previous period	(12,100)
Changes of items during the period	
Net changes of items other than shareholders' equity	(3,239)
Total changes of items during the period	(3,239)
Balance at the end of period	(15,340)
Total Accumulated other comprehensive income	
Balance at the end of previous period	(10,033)
Changes of items during the period	
Net changes of items other than shareholders' equity	(4,836)
Total changes of items during the period	(4,836)
Balance at the end of period	(14,870)
Minority interests	
Balance at the end of previous period	9,958
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,453)
Total changes of items during the period	(1,453)
Balance at the end of period	8,505
Total net assets	
Balance at the end of previous period	121,300
Changes of items during the period	
Dividends from surplus	(1,714)
Net income	21,160
Purchase of treasury stock	(3)
Net changes of items other than shareholders' equity	(6,290)
Total changes of items during the period	13,151
Balance at the end of period	¥134,452

## Balance Sheet

(As of March 31, 2011)

Millions of yen

<b>Assets</b>	
<b>Current assets:</b>	
Cash and time deposits	¥16,278
Notes receivable	796
Accounts receivable	35,326
Merchandise and finished goods	10,991
Work in process	9,484
Raw materials and supplies	12,324
Advances payments	327
Prepaid expenses	405
Short-term loans	34,222
Other accounts receivable	2,234
Payment for others	2,990
Derivative assets	227
Others	199
Allowance for doubtful accounts	(16,330)
Total current assets	109,477
<b>Fixed assets:</b>	
Tangible fixed assets:	
Buildings	35,345
Structures	9,855
Machinery and equipment	94,200
Automotive equipment	347
Tools, equipment and furniture	8,668
Land used for mining operations	307
Land	15,767
Lease assets	2,411
Construction in progress	597
Accumulated depreciation	(122,361)
Total tangible fixed assets	45,138
Intangible fixed assets:	
Rights of utilization	1,489
Total intangible fixed assets	1,489
Investments and other assets:	
Investment securities	9,446
Stock of subsidiaries and affiliates	79,706
Investments in capital of subsidiaries and affiliates	1,164
Long-term loans	45,792
Claims provable in bankruptcy, claims provable in rehabilitation and other	24
Others	1,378
Allowance for doubtful accounts	(5,548)
Total investments and other assets	131,963
Total fixed assets	178,590
<b>Total assets</b>	<b>¥288,067</b>



	Millions of yen
<b>Liabilities and Net Assets</b>	
<b>Current liabilities:</b>	
Accounts payable	¥19,477
Short-term debt	24,431
Current portion of long-term loans payable	10,527
Current portion of straight bonds	10,000
Current portion of lease liability	578
Accrued payments	3,784
Accrued expenses	779
Accrued income taxes	147
Deferred tax liabilities	91
Advances received	66
Deposits received	16,525
Provision for bonus	1,709
Provision for Directors' bonus	70
Provision for product warranties	1
Derivative liabilities	562
<b>Total current liabilities</b>	<b>88,753</b>
<b>Long-term liabilities:</b>	
Straight bonds	40,000
Long-term debt	65,879
Lease obligations	900
Deferred tax liabilities	925
Employees' retirement benefits	10,492
Directors' and corporate auditors' retirement benefits	249
Provision for preventing environmental pollution in mineral, mining, and other operations	202
Provision for environmental countermeasures	1,429
Provision for losses of affiliated companies	1,389
Asset Retirement obligations	139
Others	197
<b>Total long-term liabilities</b>	<b>121,805</b>
<b>Total liabilities</b>	<b>210,558</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	9,993
General reserve	2,000
Unappropriated retained earnings at end of period	7,993
<b>Total retained earnings</b>	<b>12,399</b>
<b>Treasury stock</b>	<b>(510)</b>
<b>Total shareholders' equity</b>	<b>76,576</b>
<b>Valuation, translation adjustments and others</b>	
Net unrealized gains on securities, net of tax	1,359
Unrealized gains (losses) on hedging derivatives, net of tax	(427)
<b>Total net assets</b>	<b>77,509</b>
<b>Total liabilities and net assets</b>	<b>¥288,067</b>

## Statement of Operations

(April 1, 2010 to March 31, 2011)

	Millions of yen
<b>Net sales</b>	¥240,318
<b>Cost of sales</b>	211,912
<b>Gross profit</b>	28,406
Selling, general and administrative expenses	21,217
<b>Operating income</b>	7,189
<b>Non-operating income:</b>	
Interest and dividend income	5,903
Other income	889
	6,792
<b>Non-operating expenses:</b>	
Interest expense	2,338
Other expenses	1,267
	3,605
<b>Ordinary income</b>	10,376
<b>Extraordinary profits:</b>	
Gain on sale of property, plant and equipment	101
Reversal of provision for losses of affiliated companies	2
Reversal of provision for environmental countermeasures	674
Insurance income	37
Gain on forgiveness of debt	190
Other profits	122
	1,129
<b>Extraordinary expenses:</b>	
Loss on sales and disposal property, plant and equipment	195
Loss on cancellation of lease contracts	2
Provision for doubtful accounts	2,400
Loss on impairment of fixed assets	637
Indemnity	657
Provision for loss on business of subsidiaries and affiliates	352
Loss on valuation of subsidiaries and affiliates	287
Loss on valuation of golf-club membership	20
Loss on disaster	112
Loss from environmental countermeasures	759
Loss on adjustment for changes of accounting standard for asset retirement obligations	272
Other expenses	0
	5,700
<b>Income before income taxes</b>	5,805
<b>Income taxes:</b>	
Current	684
Deferred	3
<b>Net income</b>	¥5,117

## Statement of Changes in Net Assets

(April 1, 2010 to March 31, 2011)

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	(9000)
Total changes of items during the period	(9000)
Balance at the end of period	2,000
Retained earnings brought forward	
Balance at the end of previous period	(4,408)
Changes of items during the period	
Dividends from surplus	(1,714)
Net income	5,117
Reversal of general reserve	9,000
Total changes of items during the period	12,402
Balance at the end of period	7,993
Total of retained earnings	
Balance at the end of previous period	8,997
Changes of items during the period	
Dividends from surplus	(1,714)
Net income	5,117
Total changes of items during the period	3,402
Balance at the end of period	12,399
Treasury stock	
Balance at the end of previous period	(506)
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	¥(510)

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

Total shareholders' equity	
Balance at the end of previous period	¥73,177
Changes of items during the period	
Dividends from surplus	(1,714)
Net income	5,117
Purchase of treasury stock	(3)
Total changes of items during the period	3,399
Balance at the end of period	76,576
Valuation and translation adjustments	
Valuation difference on available-for-sale securities	
Balance at the end of previous period	2,063
Changes of items during the period	
Net changes of items other than shareholders' equity	(703)
Total changes of items during the period	(703)
Balance at the end of period	1,359
Unrealized losses on hedging derivatives, net of tax	
Balance at the end of previous period	111
Changes of items during the period	
Net changes of items other than shareholders' equity	(539)
Total changes of items during the period	(539)
Balance at the end of period	(427)
Total valuation and translation adjustments	
Balance at the end of previous period	2,174
Changes of items during the period	
Net changes of items other than shareholders' equity	(1,242)
Total changes of items during the period	(1,242)
Balance at the end of period	932
Total net assets	
Balance at the end of previous period	75,352
Changes of items during the period	
Dividends from surplus	(1,714)
Net income	5,117
Purchase of treasury stock	(3)
Net changes of items other than shareholders' equity	(1,242)
Total changes of items during the period	2,156
Balance at the end of period	¥77,509

# 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.

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 on consideration of its financial condition and its performance in the fiscal year under review, we propose, as described below, that the dividend be given at ¥6 per share, ¥3 per share higher than in the previous period. In addition, the Company plans to provide for a general reserve totaling ¥1.0 billion.

### 1. Year-End Dividends

(1) Type of Dividend Asset	Money
(2) Allocation and Total Value of Dividend Assets	¥6 per share of common stock Total value of ¥3,428,968,842
(3) Effective Date of Retained Earnings Distribution	June 30, 2011

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

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

## Second Item

### Election of nine (9) Directors

The term of office of all eight (8) Directors shall expire at the conclusion of this annual general meeting of shareholders. We propose that nine (9) candidates be appointed for the position of Director.

Please note that Hiromichi Shibata is a candidate conforming to the qualification items for outside director.

The candidates for the position 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. Sadao Senda (May 14, 1953)	April 1978 Entered the Company December 2002 General Manager of R&D Department, Copper Foil Sector April 2005 General Manager of Japan (Ageo) Division, Copper Foil Sector June 2007 Executive Officer and Senior General Manager of Specialty Foil Division, Copper Foil Sector June 2009 Director, Senior Executive Officer, and Senior General Manager of Copper Foil Sector January 2010 President, Representative Director, COO, and Senior General Manager of Copper Foil Sector November 2010 President, Representative Director, and COO (current positions)	24,000
2. Mitsuhiro Hasuo (December 28, 1951)	April 1976 Entered the Company April 2001 Senior General Manager of Ceramics Division June 2003 Executive Officer and Senior General Manager of Ceramics Division April 2005 Executive Officer and Senior General Manager of Ceramics Division, Affiliates Coordination Sector June 2007 Executive Officer and Senior General Manager of PVD Materials Division, Engineered Materials Sector April 2008 Senior Executive Officer, Senior General Manager of Affiliates Coordination Sector, and Senior General Manager of PVD Materials Division, Engineered Materials Sector June 2009 Director, Senior Executive Officer, Senior General Manager of Engineered Materials Sector and Affiliates Coordination Sector June 2010 Senior Managing Director, Senior Managing Executive Officer, Senior General Manager of Engineered Materials Sector and Affiliates Coordination Sector (current positions)	45,000

Important Position Held Concurrently at Other Organizations  
Outside Director of Nakabohtech Co., Ltd.

Candidate Number Name (Date of Birth)	Profile, Title, Positions and Important Positions Held Concurrently at Other Organizations		Number of Company's Shares in Possession
3. Osamu Higuchi (April 11, 1951)	April 1975	Entered the Company	38,000
	June 2003	General Manager of Takehara Refinery, Battery Materials Division, Engineered Materials Sector	
	June 2005	Senior General Manager of Legal & Administrative Department	
	June 2006	Executive Officer and Senior General Manager of Personnel Department	
	June 2008	Senior Executive Officer and CRO	
	June 2009	Director, Senior Executive Officer and CRO (current positions)	
4. Mitsuru Uekawa (October 8, 1953)	April 1978	Entered the Company	17,000
	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	
	June 2010	Director, Senior Executive Officer, and Senior General Manager of Metals, Minerals & Environmental Engineering Sector (current positions)	
5. Harufumi Sakai (December 15, 1952)	April 1976	Entered the Company	26,000
	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	
	June 2010	Director, Senior Executive Officer, and Senior General Manager of Automotive Parts & Components Sector (current positions)	

Important Position Held Concurrently at Other Organizations

President and Representative Director of Mitsui Kinzoku ACT Corporation

Candidate Number Name (Date of Birth)	Profile, Title, Positions and Important Positions Held Concurrently at Other Organizations		Number of Company's Shares in Possession
6. Masahisa Morita (January 24, 1952)	April 1977	Entered the Company	19,000
	June 2007	Senior General Manager of Battery Materials Division, Engineered Materials Sector	
	June 2008	Executive Officer and Senior General Manager of Battery Materials Division, Engineered Materials Sector	
	June 2010	Senior Executive Officer and Senior General Manager of Battery Materials Division, Engineered Materials Sector (current positions)	
7. Takashi Sato (January 11, 1951)	April 1975	Entered MESCO, Inc.	14,000
	March 1977	Entered the Company	
	June 2003	General Manager of Peru Branch, Mineral Resources Development Division, Metals, Minerals & Environmental Engineering Sector	
	June 2006	Executive Officer and General Manager of Peru Branch, Mineral Resources Development Division, Metals, Minerals & Environmental Engineering Sector	
	October 2006	Executive Officer and General Manager of Corporate Planning, Corporate Management Department	
	June 2008	Executive Officer of the Company, Director and Senior Executive Officer of Pan Pacific Copper Co., Ltd. (current positions)	
8. Keiji Nishida (July 13, 1957)	April 1980	Entered the Company	17,000
	November 2006	General Manager of Planning & Administration Department, Metals, Minerals & Environmental Engineering Sector	
	October 2008	Senior General Manager of Finance & Accounting Department	
	June 2010	Executive Officer and Senior General Manager of Finance & Accounting Department (current positions)	



Candidate Number Name (Date of Birth)	Profile, Title, Positions and Important Positions Held Concurrently at Other Organizations		Number of Company's Shares in Possession
9. Hiromichi Shibata (September 1, 1954)	April 1978	Entered Suwa Seikosya Co., Ltd. (Presently Seiko Epson Corp.)	10,000
	August 1990	Entered into Master program, School of Industrial and Labor Relations, Cornell Univ.	
	March 1992	Retired from Seiko Epson Corp.	
	January 1993	Graduated from Master program, School of Industrial and Labor Relations, Cornell Univ. Entered into PhD program, Cornell Univ.	
	August 1995	Graduated from PhD program, Cornell Univ.	
	October 1995	Associate Professor, School of Economics and Business Administration, Hokkaido Univ.	
	October 2000	Associate Professor, Faculty of Business Administration, Yokohama National Univ.	
	April 2001	Professor, Faculty of Business Administration, Yokohama National Univ. (current position)	
	June 2004	Corporate Auditor of the Company	
June 2006	Director of the Company (current position)		

Important Position Held Concurrently at Other Organizations

Professor, Faculty of Business Administration, Yokohama National Univ.

Notes: 1. There are no special interests between the candidates and the Company.

2. Masahisa Morita, Taskashi Sato and Keiji Nishida are newly-appointed candidates for the position of Director.

3. The reason for the nomination of Hiromichi Shibata to be outside director is as follows.

He is currently employed as a university professor specializing in business management, and his abundant specialized knowledge is expected to be reflected in the Company's management.

4. The reason for determining that Hiromichi Shibata is capable of appropriately executing his duties as outside director is as follows.

As a specialist in business management, he has abundant knowledge and experience, and he has considerable insight with respect to corporate business management.

5. Hiromichi Shibata is currently serving as outside director, and his term as outside director will reach five years as of the time of this general shareholders' meeting.

6. Based on the Company Law Article 427-1, the Company has with Hiromichi Shibata arranged a contract 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. If Hiromichi Shibata's appointment is approved, the aforementioned contract will be extended.

7. The Company has notified the Tokyo Stock Exchange that its Outside Director Hiromichi Shibata is the Independent Director of the Company.

### Third Item

#### Election of one (1) Corporate Auditor

The term of office of Corporate Auditor Junya Sato shall expire 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.

Please note that the candidate conforms to the qualification items for outside 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	
Junya Sato (May 4, 1953)	April 1982	Professional registration in Japan as lawyer	16,000
	April 1982	With Law Offices of Furness, Sato & Ishizawa (currently Law Offices of Ishizawa, Ko & Sato)	
	October 1990	Admitted to the New York State bar	
	June 2004	Outside Auditor of SEIKAGAKU CORPORATION (Current position)	
	June 2007	Outside Auditor of the Company (Current position)	
	June 2009	Outside Director of Nikki Co., Ltd. (Current position)	
	April 2011	Vice Chairman of Dai-ichi Tokyo Bar Association (Current Position)	

#### Important Position Held Concurrently at Other Organizations

Vice Chairman of Dai-ichi Tokyo Bar Association

Outside Director of Nikki Co., Ltd.

Outside Auditor of SEIKAGAKU CORPORATION

- Notes:
1. There are no special interests between the candidate and the Company.
  2. The reason for the nomination of Junya Sato to be outside corporate auditor is as follows.  
As a lawyer he has acquired knowledge and experience, etc., that he can make good use of as the Company's outside corporate auditor.
  3. The reason for determining that Junya Sato is capable of appropriately executing his duties as outside corporate auditor is as follows.  
As a lawyer, he has specialized knowledge and experience regarding corporate law, and he has considerable insight with respect to corporate auditing work.
  4. Junya Sato is currently serving as outside auditor, and his term as outside auditor will reach four years as of the time of this general shareholders' meeting.
  5. Based on the Company Law Article 427-1, the Company has with Junya Sato arranged a contract 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. If Junya Sato's appointment is approved, the aforementioned contract will be extended.

### Fourth Item

#### Payment of Bonus for Directors

Based on consideration of performance during the fiscal year under review, we propose a bonus payment to nine (9) Directors (Shimpei Miyamura, Sadao Senda, Tomoharu Jogo, Kazuo Hirano, Mitsuhiro Hasuo, Osamu Higuchi, Toru Higuchi, Mitsuru Uekawa and Harufumi Sakai) with a total value of ¥70 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 we do not have a designated website to exercise voting rights using mobile phones.

### (2) Exercise of Voting Rights

1. You may exercise your voting rights until 5 p.m. on June 28, 2011(Tuesday).
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. 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.

### (4) 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 9 a.m. to 9 p.m., except for Saturdays and Sundays)

Notes: System requirements to exercise your voting rights via the Internet are as follows:

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 system 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 or other setting environments)
  - 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.

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

With regard to institutional investors, shareholders who have registered in advance to use the ICJ platform, a voting rights exercise platform operated by ICJ Inc., may use this platform to exercise their voting rights.