Mitsui Mining and Smelting Co., Ltd. (Mitsui Kinzoku)

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March 14, 2007

To Whom It May Concern,

Announcing the Creation of the Mitsui Kinzoku Advanced Sensor Division

- Manufacturing of urea identification sensors for diesel-powered vehicle exhaust emission control systems to be carried out on full-scale -

Mitsui Kinzoku (President: Hiroshi Makihara) will establish the new Advanced Sensor Division, and will carry out, on a full scale, the business of manufacturing urea identification sensors used for exhaust emission control systems of diesel-powered vehicles. The company will also announce personnel revisions accompanying the establishment of the Division.

<Establishment of the Advanced Sensor Division>

The Advanced Sensor Division will be implemented on April 1, 2007. Its objective is to be engaged in the business of new sensors, including urea identification sensors for exhaust emission control systems of diesel-powered vehicles. The department will be placed under the Corporate Technology Center to which the Corporate R&D Center and Intellectual Property Department belong (Please refer to the organizational chart).

The company has been focusing on the development and cultivation of certain new products, and the urea identification sensors, which this Division handles, are just one example. Business for the product will be carried out on a full scale under the new organization as the promotion division.

<Development of Urea Identification Sensors>

The urea identification sensors, which are to be the leading product of the Advanced Sensor Promotion Division, are used for the highly promising SCR (selective catalytic reduction) system (*1), which is a device to purify exhaust emission of heavy-duty diesel engines containing nitrogen oxide (NOx) by using a urea liquid solution. The sensors are used to determine the appropriateness of the

solution inserted into the SCR system. Mitsui Kinzoku was engaged in a joint development project with Nissan Diesel Motor Co., Ltd., ahead of the global trend of the tightening of environmental regulation, and contributed to the practical application of the SCR system.

Mitsui Kinzoku has a proven record in the field of electronic components, such as TAB tape and embedded capacitor materials. Upon the development of the urea sensors, the company combined its existing technology that it had acquired in the past, including thin-film circuit technology, electronic materials technology and automobile components technology, and exercised its strength in combined technology, to realize high performance and quality. The product is currently manufactured to fill orders totaling 10,000 units annually.

<Business Environment and Foresight>

The trend of tightening exhaust emissions regulation will expand globally by 2010 (*3) including Japan, already at the most strict level in the world, and which will employ further restrictions in 2009 (*2). On the other hand, the market size of heavy-duty bus/truck is estimated as about 40,000 cars/year in Japan and more than 600,000 cars/year in the U.S. and Europe.

Mitsui Kinzoku intends to expand the sales channel of urea identification sensors to domestic truck manufacturers, as well as to carry out business actively in overseas markets.

The company is currently focusing its efforts on the creation of new businesses that will bring about a major breakthrough, under its mid-term management plan. This new sensor business is one such effort. From now on, the company will develop this business as one of its core businesses, and will further seek high potential products, like the urea aqueous identification sensors, to develop as core products for Mitsui Kinzoku.

<Personnel Revisions in Accordance with the Establishment of the New Division>

Personnel revision in accordance with this establishment of a new division is as follows.

New Position	Former Position	Name	Date of Appointment
Executive General Manager of Advanced Sensor Division and General Manager of Strategic Business Planning of Advanced Sensor Division, Corporate Technology Center	Executive General Manager of U Sensor Project Team, CTO Project, Corporate Technology Center	Masashi Sato	April 1, 2007

*1 SCR system: This is a system to let NOx contained in exhaust gas absorb selectively to catalyst, spray urea, and to resolve NOx into

nitrogen and water before exhausting. Because it can reduce the amount of exhaust gas without affecting gas mileage, it is considered as a promising technology for all diesel engine vehicles.

*2 Tightening of domestic regulation in 2009: The limit value of NOx emission for heavy-duty diesel-powered vehicles is scheduled to be tightened further from the current 2.0g/KWh to 0.7g/KWh (challenge target: 0.23g/KWh).

*3 Global expansion of regulation: Regulation of the same level as those to be adopted in Japan in 2009 are scheduled to be adopted in the U.S. in 2010 (regulation value 0.27g/KWh), and in Europe by around 2012 (estimated regulation value 0.20g/KWh). It is considered that this trend will further spread to China and India.

<Attached material> Organizational chart of Mitsui Kinzoku (as of April 1, 2007)

End of description

[For further information on this matter]
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