



NEWS RELEASE

Mitsui Mining & Smelting Co., Ltd.

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**Expand Production Capacity of Manganese Cathode Material for LIB  
-A New Plant Commence Operations 12,000 Tons at the Start of 2012-**

Mitsui Mining & Smelting Co., Ltd. (hereafter, “Mitsui Kinzoku”; President: Sadao Senda) hereby announces its decision to install at its Takehara Refinery (in Hiroshima Prefecture, Takehara City) production equipment for manganese cathode material for lithium-ion batteries (hereafter, “manganese cathode material”) in cars.

Mitsui Kinzoku’s Takehara Refinery has been manufacturing manganese cathode material for electric tools and mobile phones at a rate of 80 tons per month. This addition of production capacity is in response to demand for cathode material for lithium-ion batteries for cars and represents a dramatic increase of nearly 10-fold in production capacity. This new production and supply capacity is to begin operating from fiscal 2012 in an entirely new building separate from the existing manganese cathode material plant. An amount of ¥7 billion will be invested into the new refinery, which will have an annual production capacity of 12,000 tons.

Manganese cathode material is the compound of lithium and metal oxide including manganese and is used as cathode material for lithium-ion batteries. Significant growth in demand is expected due to the accelerating ramp-up of the electric

car market. Mitsui Kinzoku will install new production facility as an opportunity to solidify its position in the market for lithium-ion battery material for cars. This is not expected to have a material impact on the Company's earnings for the reporting period.

1. Location:       Takehara Refinery  
                              (Hiroshima Prefecture, Takehara City) of Mitsui Kinzoku
2. Investment:    ¥7 billion (approx.)
3. Investment period:   Fiscal 2010 through fiscal 2011
4. Start of production increase:   Fiscal 2012
5. Production capacity: 12,000 tons annually

(For more details, please contact the following office)

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Attachment (For reference)

1. Photo of our manganese positive electrode material



2. Photo of Takehara Refinery

