

Mitsui Mining & Smelting Co., Ltd. 1-11-1 Osaki, Shinagawa-ku, Tokyo 141-8584 June 7, 2011

Backup system for producing MicroThin[™], ultra-thin electrodeposited copper foil with carrier

Mitsui Mining & Smelting Co., Ltd. (Head office: Shinagawa-ku, Tokyo) has decided to set up a production line for a purpose to backup a supply for its main product, Micro Thin[™], ultra-thin electrodeposited copper foil with carrier, at a plant in Malaysia, wholly owned subsidiary of Mitsui Copper Foil (MALAYSIA) SDN. BHD. (Selangor Darul Ehsan, Malaysia; President: Takeshi Nou; hereinafter "Malaysia factory").

The Rolling Black Outs instituted to prevent a massive blackout in the wake of the 2011 Tohoku earthquake and tsunami in Japan came to a halt in an entire operation at Ageo Factory (Ageo-shi, Saitama) for a period of time, and resulted in a disruption of a supply for the Micro Thin[™]. Eventually, this has significantly impacted on world wide supply chain for a smart phone for which the company has 90% of global market share for the thin grade of copper foil used.

In that context, while a contingency plan to separate the production process into two parts at two different locations, namely the carrier foil production in Malaysia and the ultra-thin foil production in Japan has already been implemented, the company has also seriously studied about BCP (Business Continuity Plan) to further mitigate supply risk for the product. As a result, it has decided to install a backup ultra-thin foil production line at Malaysia Factory. Since the other expansion plan for standard grade of copper foil productions at the Malaysia Factory is now ongoing, the new backup plan for the Micro Thin[™] will newly be included in the expansion plan.

This new backup line in Malaysia will go into operation only when it is absolutely necessary, the occurrence of unexpected contingency for example. Otherwise, the company keeps trying to fully utilize a production capacity for 1M sqm/month that Ageo Factory in Japan currently has. For the overview of the plan, please refer the information below.

Securing a back up capacity in Malaysia Factory, the company strives to establish a solid supply system that accommodates a strong demand and reassures the markets.

Overview of new facilities

Product to be manufactured: Micro Thin[™], the thinnest grade of copper foil. Location: Mitsui Copper Foil (MALAYSIA) SDN. BHD. Purpose: To provide backup function when the production in Japan is compromised Supply capacity: 600,000 sqm/month Setup to be completed: April 2012

Note: Micro Thin[™] is the thinnest grade copper foil used for advanced semiconductor package substrates mainly applied for a smart phone.

(For more details, please contact the following office) Investor & Public Relations Office, Corporate Management Dept. Mitsui Mining & Smelting Co., Ltd. E-mail; <u>PR@mitsui-kinzoku.co.jp</u>