

Mitsui Mining & Smelting Co., Ltd.  
1-11-1 Osaki, Shinagawa-ku, Tokyo 141-8584  
December 22, 2011

## Withdrawal from TAB/COF Business

Mitsui Mining & Smelting Co., Ltd. (headquartered in Shinagawa-ku, Tokyo; President and Representative Director, CEO & COO: Sadao Senda; hereinafter “Mitsui”) has decided to withdraw from the TAB/COF Business. Details are as follows.

### 1. Reasons for the withdrawal

Growth in the market for TAB/COF has been slowing, and fierce price competition among manufacturers in Korea, Taiwan and Japan has continued within a limited market. In this operating environment, Mitsui has been striving to improve the performance of the TAB/COF business by securing certain shares of domestic and foreign markets based on high levels of technical capability and quality, while undertaking rationalization through such means as the reduction of the scale of the business operation.

Despite these efforts, however, the operating environment surrounding the business has deteriorated rapidly, reflecting the continuation of significant market contraction since the beginning of autumn this year and the historically high value of the yen. This challenging situation is expected to persist for some time, and the recovery of earnings in this business sector is deemed extremely difficult. Consequently, we have reached the conclusion that we have no choice but to withdraw from the business.

### 2. General outline of TAB/COF business

- (1) Marketing: Mitsui Mining & Smelting Co., Ltd. Micro Circuit Division
- (2) Manufacture: MCS Inc.
- (3) Net sales: 13.9 billion yen (fiscal year 2010)

### 3. General outline of MCS Inc. (as of December 1, 2011)

- (1) Trade name: MCS Inc.
- (2) Established: July 1989
- (3) Representative: Takashi Oshima, President
- (4) Location: 1-1-1 Hikoshima Nishiyama-cho, Shimonoseki City, Yamaguchi Prefecture
- (5) Capital: 450 million yen (wholly owned by Mitsui Mining & Smelting Co., Ltd.)
- (6) Number of employees: 468

### 4. Expected time of termination of production

- (1) COF and TAB for PDP: End of June 2012
- (2) Other TAB: End of March 2013

### 5. Employees

With respect to the employees\* involved in manufacturing at MCS Inc., a consolidated subsidiary of Mitsui, we will make the utmost efforts to secure their employment through transfer within the Mitsui Kinzoku Group.

\* do not include temporary employees

## 6. Future prospects

The subject matter is considered to have no material impact on the full-year earnings projections for the current term ending March 2012. Accordingly, we will not change the forecasts announced on November 9, 2011 in the brief announcement of the financial statement for the second quarter of fiscal year ending March 2012.

With respect to the impact of the subject matter on the earnings for the terms following the fiscal year ending March 2013, we will undertake careful examinations throughout the process of withdrawal in the future. At the time of announcing the earnings results for the fiscal year ending March 2012, we plan to announce forecasts for the fiscal year ending March 2013 that will incorporate the impact of the subject matter, if any.

### Explanations of terms

- TAB      Abbreviation of Tape Automated Bonding. It means the implementation process for bonding an IC chip successively onto a lead-traced tape film in blocks.
- COF      Abbreviation of Chip On Film. It means the implementation technique for mounting a chip directly on a polyimide film board used for wiring a PCB liquid crystal panel.
- PDP      Abbreviation of Plasma Display Panel. It is a type of thin display device and emits light when high voltage is applied to the high pressure noble gas encapsulated between glass plates.

(For more details, please contact the following office)

Investor & Public Relations Office, Legal & Administrative Dept.

Mitsui Mining & Smelting Co., Ltd.

E-mail; [PR@mitsui-kinzoku.co.jp](mailto:PR@mitsui-kinzoku.co.jp)

The document is an English translation of a document prepared in Japanese. In the event of any discrepancies between the content of Japanese and English documents, the content of the Japanese document shall take precedence.