



March 28, 2018

News Release

Notice of Recognition of Impairment Loss

Mitsui Mining & Smelting Co., Ltd. (hereinafter “Mitsui Kinzoku”) hereby announces the expected recognition of a share of loss of entities accounted for using the equity method due to an impairment loss incurred by an equity method company.

1. Assets subject to impairment loss

The assets related to the Caserones copper mine operated by Pan Pacific Copper Co., Ltd. *¹ (headquartered in Chiyoda-ku, Tokyo; hereinafter “PPC”), an equity method company of Mitsui Kinzoku, through SCM Minera Lumina Copper Chile S.A. *² (headquartered in Santiago, Chile; hereinafter “MLCC”), a subsidiary of PPC

*1. A copper business company jointly funded by Mitsui Kinzoku and JX Nippon Mining & Metals Corporation

*2. A mine operator jointly funded by PPC and Mitsui & Co., Ltd.

2. Amount of impairment loss recognized :approximately 34,500 million yen

3. Cause of the impairment loss

MLCC has recently revised its long-term production plan and conducted impairment tests of assets with business potential based on the International Financial Reporting Standards (IFRS). As a result, the present value of future cash flow expected from these assets was lower than the book value, and Mitsui Kinzoku will therefore write down such assets.

4. Impact on financial results

The impact of the impairment loss on the consolidated financial results is announced in the news release “Notice of Revision of Full-year Financial Forecasts and Reduction of Executive Compensation” dated today.