

NEWS RELEASE

Mitsui Mining & Smelting Co., Ltd. 1-11-1 Osaki, Shinagawa-ku, Tokyo 141-8584 June 17, 2012

Demerger Concerning Instrumentation Systems Businesses

Mitsui Mining & Smelting Co., Ltd. (President: Sadao Senda) announces that its Board of Directors has resolved at its meeting today to have the business of developing, manufacturing, and selling sensors for the nondestructive measurement of the internal quality of fruits and vegetables and industrial equipment and devices, and businesses pertaining to or related to this business, which are handled by the company's Instrumentation Systems Division, to be succeeded by its consolidated subsidiary, Mitsui Kinzoku Kyushu Engineering Co., Ltd. (hereafter, "Kyushu Engineering"), in the form of a demerger (absorption-type demerger; hereafter, the "Absorption-Type Demerger"), and the two companies concluded an Absorption-Type Demerger Agreement today.

As a result of the integration of these businesses in the Absorption-Type Demerger, Kyushu Engineering will change its name to Mitsui Kinzoku Instrumentations Technology Corporation. The company is determined to make a concerted effort to pursue a synergetic effect from the Absorption-Type Demerger, aiming to become a company that promotes the improvement of food safety and food quality and supports manufacturing in the field of industrial equipment.

Note

1. Purpose

Mitsui Mining & Smelting Co., Ltd. was the first in the world to develop, manufacture, and sell sensors for the nondestructive measurement of the internal quality of fruits and vegetables. Since then, the company has been helping to improve quality in the agricultural field as the top manufacturer of these sensors. At the same time, the company has been meeting various needs in the industrial equipment field by providing valuable products with a consistent system from development to substrate mounting and assembly inspections for instrumentation control equipment, and is also ready to engage in small-quantity, large-variety production.

Kyushu Engineering, on the other hand, with the design and assembly technologies it has accumulated over many years, has established a competitive system for the mass production of industrial precision-machined components. In addition, by making use of its know-how, the company has been providing customers with unique jigs and tools and various manufacturing and inspection devices, helping them improve the quality and productivity of their manufacturing.

Under the new system, the two companies will create new value through mechatronics technologies, combining their instrumentation control technologies and precision-machined

assembly technologies—the strengths of each respective company—thereby aiming to become inspection device manufacturers capable of contributing to the safety, security, and quality of fruits and vegetables. At the same time, the companies will strive to increase their corporate value by engaging in proposal-based businesses related to various manufacturing and inspection devices from a customer-based point of view, to provide further support for customers' manufacturing.

2. Profile of the integrated company

1) Corporate name: Mitsui Kinzoku Instrumentations Technology Corporation

2) Capitalization: 400 million yen

3) Representative: Toshihiko Tanaka, President and Representative Director

4) Capitalization structure: Wholly owned by Mitsui Mining & Smelting Co., Ltd.

5)Business activities: • The design, manufacture, repair, and sales of sensors for the

nondestructive measurement of the internal quality of fruits and

vegetables and related systems

• The design, manufacture, repair, and sales of electronic products,

applied electronic equipment, and electrical measuring instruments

• The manufacture of components, etc. for industrial equipment and

design, the manufacture, repair, and sales of jigs and inspection

devices, etc.

· Construction (the installation of machinery and appliances, heat

insulation work, and tile, brick, and block work)

6) Locations: • Head Office (Omuta Plant): 3-1, Asamuta-machi, Omuta-shi,

Fukuoka(on the premises of the Miike Office of the Legal &

Administrative Dept. of Mitsui Mining & Smelting Co., Ltd.)

• Komaki Plant: 2-88, Kokihigashi, Komaki-shi, Aichi

· Nagano Office:514, Sakuradou, Chikuma-shi, Nagano

· Chugoku and Shikoku Office: 781-10-105, Tsuitachi, Saijo-shi,

Ehime

• Tohoku Office: 76, Hamanayachi, Kawaragi, Hachinohe-shi,

Aomori (on the premises of Hachinohe Smelting Co., Ltd.)

3. Effective day of the Absorption-Type Demerger (date of integration): October 1, 2012

(For more details, please contact the following office)

Investor & Public Relations Office, Legal & Administrative Dept.

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(Accompanying material)

Exhibit 1 • Main Products of the New Company

Exhibit 1

· Main Products of the New Company



Sensor for the nondestructive measurement of the internal quality of fruits and vegetables (Qscope-F)



Image- and signal-processing boards and high-speed communications board



Control panel for assembly robot



Desktop device for measuring sugar content



Instrumentation control unit (HSP)



Device for electrical inspections of semiconductor packaging materials



CPU board and high-speed, multi-channel A/D conversion board