

FY2009 Metal Production Plans

	Unit	1H	2H	FY total	Remarks
Electrolytic copper	t	200,000	201,000	401,000	Includes toll production
Electrolytic nickel	”	13,700	19,500	33,200	
Ferro-nickel	”	8,900	7,900	16,800	
Zinc	”	35,300	32,800	68,100	Toll production from MS Zinc Co., Ltd.
Electrolytic lead	”	11,500	12,100	23,600	
Gold	kg	17,000	18,000	35,000	
Silver	”	135,000	135,000	270,000	

1. Contributory Factors**A. Regular maintenance and repair work**

* Toyo Smelter & Refinery (electrolytic copper):

30 days scheduled for Sep-Oct

* Nickel Refinery (electrolytic nickel):

4 days in May, 4 days in Nov

* Hyuga Smelting Co., Ltd. (ferro-nickel):

Double kiln: 47 days of maintenance work at first kiln in Sep-Oct; replacement of double furnace scheduled for approximately 6 months starting in Feb 2010

* Harima Smelter (zinc, lead):

85 days scheduled in FY, centering on large-scale maintenance and repair work to be

implemented in Feb-Mar 2010

B. Production Overview

Electrolytic copper: Despite the current harsh sales environment, the company is planning to operate at minimize cost and has set its FY2009 production target almost the same as than the original FY2008 target. It should be noted that regular 30-day maintenance and repair work, carried out every 18 months, will be implemented in Sep-Oct.

Electrolytic nickel: In light of the current sales environment, production cutbacks will be continued in 1H. In 2H, when a gradual upturn in the sales environment is projected, output matching production capacity will resume.

Ferro-nickel: Production is planned to match demand for stainless steel. In view of the sluggish sales environment, replacement of one of the double furnaces will commence in Feb 2010, earlier than originally planned.

2. Reference: FY2008 Production Plans & Results

	Unit	1H target	2H target	FY target	1H result
Electrolytic copper	t	179,000	215,000	394,000	165,884
Electrolytic nickel	”	17,900	18,100	36,000	17,734
Ferro-nickel	”	11,500	10,900	22,400	11,157
Zinc	”	42,700	42,500	85,200	43,526
Electrolytic lead	”	12,700	14,700	27,400	12,742
Gold	kg	18,000	22,000	40,000	18,618
Silver	”	151,000	153,000	304,000	166,282