

September 22, 2010

JX Nippon Mining & Metals Corporation

Transfer of Indium Phosphide Compound Semiconductor Epitaxial Wafer Business and Tie-up in Indium Phosphide Compound Semiconductor Business

JX Nippon Mining & Metals Corporation (head office: Otemachi 2-chome, Chiyoda-ku, Tokyo; president: Masanori Okada; hereinafter “JX Nippon Mining & Metals”) has decided to transfer its indium phosphide (hereinafter “InP”) compound semiconductor epitaxial wafer business to Optrans Corporation (head office: Noborito, Tama-ku, Kawasaki, Kanagawa; president: Katsuya Homma; hereinafter “Optrans”). With this transfer of part of its compound semiconductor business, JX Nippon Mining & Metals will focus on compound semiconductor substrates other than epitaxial wafers from now on.

Moreover, JX Nippon Mining & Metals will form a business tie-up in the InP compound semiconductor business with Optrans and develop high-quality semiconductor substrates by leveraging the synergy with Optrans. JX Nippon Mining & Metals will provide Optrans with its InP compound semiconductor substrates, which feature exceptional processing accuracy, including flatness, and JX Nippon Mining & Metals will benefit from Optrans’s epitaxial technology,¹ which is particularly suitable for mass production.

Today InP compound semiconductor substrates are mainly used in photodiodes and light emitting diodes for optical communications, and JX Nippon Mining & Metals holds about a 50 percent share of the world market in this area.

JX Nippon Mining & Metals anticipates that, through this business tie-up, it will be able to go beyond optical communications uses and promote the development of new applications for semiconductor substrates, including usage in solar cells and sensors—areas where demand is anticipated to grow in the future.

1. Epitaxial technology is a process for depositing on the surface of compound semiconductors multiple layers of very thin single-crystal film (ranging in thickness from a few nanometers to a few microns) to give the semiconductor light-emitting and -receiving functions.

JX Nippon Mining & Metals Corporation

Administration Department

6-3, Otemachi 2-chome, Chiyoda-ku, Tokyo 100-8164, Tokyo, Japan

Tel: +81-3-5299-7052

(Reference)

Optrans Corporation

1. **Company Name:** Optrans Corporation
2. **Head Office:** 241 Noborito, Tama-ku, Kawasaki, Kanagawa 214-0014, Japan
3. **Representative:** Katsuya Homma, President
4. **Established:** April 1, 1987
5. **Capital:** 76 million yen
6. **Employees:** 65
7. **Main Business Lines:** Manufacture and sale of multicolor light-emitting diodes (LEDs) and photodiodes