

July 31, 2014

News Release

JX Nippon Mining & Metals Corporation

## Restructuring of Electro-deposited Copper Foil Business

JX Nippon Mining & Metals Corporation (JXNMM; head office: Otemachi 2-chome, Chiyoda-ku, Tokyo; president: Shigeru Oi) today announced the decision to restructure the company's electro-deposited copper foil business as outlined below.

### 1. Background to the Restructuring

Demand for electro-deposited copper foils, mainly used in printed circuit boards, continues to expand along with the worldwide growth of electronics and automotive markets. At the same time, however, on the supply side the profitability especially of general-purpose products has fallen considerably with price competition from new entries in the market in China and Taiwan.

Already we have been drawing on the superior technology developed over the years to shift our strategy toward high-end products, including the ultra-thin foils used in smartphones and tablets, and low-profile foils for semiconductor packages, geared to fine line patterning. The restructuring announced today is intended to solidify that strategic shift, with the aim of further boosting the profitability and competitiveness of our electro-deposited copper foil business as a whole.

### 2. Details of the Restructuring

Operating site in Germany (Gould Electronics GmbH) :

As the market for electro-deposited copper foils in Europe continues to shrink and shows no signs of recovery, we plan to cease production by around the end of 2014 and to dissolve the company in 2015 or after.

Operating site in the Philippines (JX Nippon Mining & Metals Philippines, Inc.) :

Production of general-purpose products will be halted by around the end of 2014, and the site will be dedicated to production of high-end products. Production of Upinorg, high-purity copper sulfate, will be consolidated in the Hitachi Works. Note that the production capacity of treated rolled copper foils will be maintained as before.

Operating sites in Japan :

Our domestic sites will continue manufacturing mainly high-end products, and will be operated as centers for new product development.

### 3. Impact of the Restructuring

The costs associated with the restructuring are expected to result in an extraordinary loss of approximately 10 billion yen. For fiscal years 2015 and following, economic benefits for ordinary income of around 2.5 billion yen annually are expected from the restructuring.

For reference: Operating Sites in Germany and the Philippines

#### Operating site in Germany

Name	Gould Electronics GmbH
Location	Hauptstrasse 3, 79356 Eichstetten, Germany
Representative	Thomas Zipfel, President & General Manager
Established	1961
Capital	5.1 million euro (as of June 2014)
Equity holders	JX Nippon Mining & Metals Corporation (100%)
Employees	160 (as of June 2014)
Business Operations	Manufacture and sales of electro-deposited copper foils, CAC, etc.

#### Operating site in the Philippines

Name	JX Nippon Mining & Metals Philippines, Inc.
Location	117 East Science Ave., Laguna Technopark, Binan, Laguna, Philippines
Representative	Kazuhiko Iida, President
Established	1996
Capital	4 million dollars U.S. (as of June 2014)
Equity holders	JX Nippon Mining & Metals Corporation (100%)
Employees	342 (as of June 2014)
Business Operations	Manufacture and sales of electro-deposited copper foils, treated rolled copper foils and Upinorg