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JX Nippon Mining & Metals Corporation

**Plans to Increase Production Capacity for Rolled Copper Foil,  
High-Functionality Copper Alloy Strips, and Sputtering Targets for Semiconductors  
– Production Capacity to Enhance by Around 30% to Meet Growing Demand –**

JX Nippon Mining & Metals Corporation (President: Shigeru Oi; hereinafter “the Company”) has decided to meet growing demand for rolled copper foil, high-functionality copper alloy strips, and sputtering targets for semiconductors by boosting production capacity for each of these products by around 30%. These products are essential for state-of-the-art electronic materials and utilize the Company’s original technologies. Details are set out below.

These plant and equipment investments will be made as part of efforts to enhance the profitability of core businesses, which is one of the fundamental policies of the Company’s Medium-Term Management Plan for the fiscal years 2017 to 2019.

## **1. Rolled Copper Foil and High-Functionality Copper Alloy Strips**

As smartphones become lighter and feature more advanced functions, use of the Company’s rolled copper foil and high-functionality copper alloy strips (Corson alloys and titanium copper alloys) is increasing rapidly. The advance of the Internet of Things (IoT) and the artificial intelligence (AI) society will further boost demand in line with data center expansion and the development and widespread applications of “connected cars” equipped with telecommunication capabilities.

To meet this growing demand, the Company will enhance its production facilities (including melting and casting equipment, rolling mills, annealing furnaces, and surface treatment lines) for the relevant product manufacturing lines. Design, construction, and start-up of these facilities will proceed step by step, and when all facilities are operating in the first half of fiscal 2020, production capacity is projected to be approximately 30% higher (based on production area) than in fiscal 2017.

## **2. Sputtering Targets for semiconductors**

The Company's sputtering targets for semiconductors have an industry-leading market share and are used by major semiconductor manufacturers around the world. Semiconductor chips are used in a wide range of electronic devices, including smartphones, PCs, data servers, automobiles, and industrial machinery, and those demands are forecast to grow rapidly with the spread of the IoT and the AI. In response to dramatic improvements in the performance of electronic devices, semiconductor chips need higher levels of integration to achieve greater speed, higher functionality, larger capacity, and lower power consumption.

To meet growing demand and meet customer requirements for next-generation semiconductor devices, the Company will enhance its production facilities (including high-purity metal refining and melting equipment) for sputtering targets for semiconductors in order to assure stable supply from product development to mass production. Facilities will be modernized and expanded in stages, and production capacity in fiscal 2020 is forecast to be approximately 30% higher than in fiscal 2017.