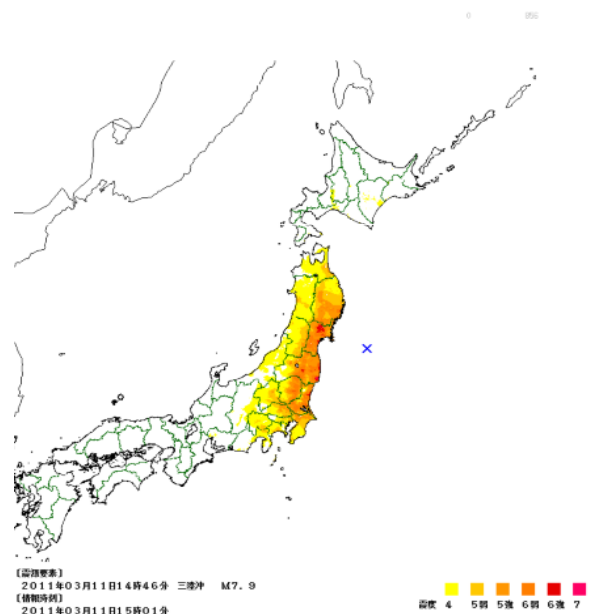


The Current Situation of Japanese Copper Industry - Recovery from the earthquake and tsunami on 11 March, 2011

Masato KOIE
Deputy Director,
Mineral and Natural Resources Division,
METI

Outline of Earthquake & Tsunami on March 11

- On March 11 at 14:46, northeastern Japan was hit by M9.0 earthquake.
- It triggered devastating tsunami.
- Nearly 16,000 people are dead and over 4,000 people are still missing.



Impact on Japan's Economy

Estimated damage by the Earthquake

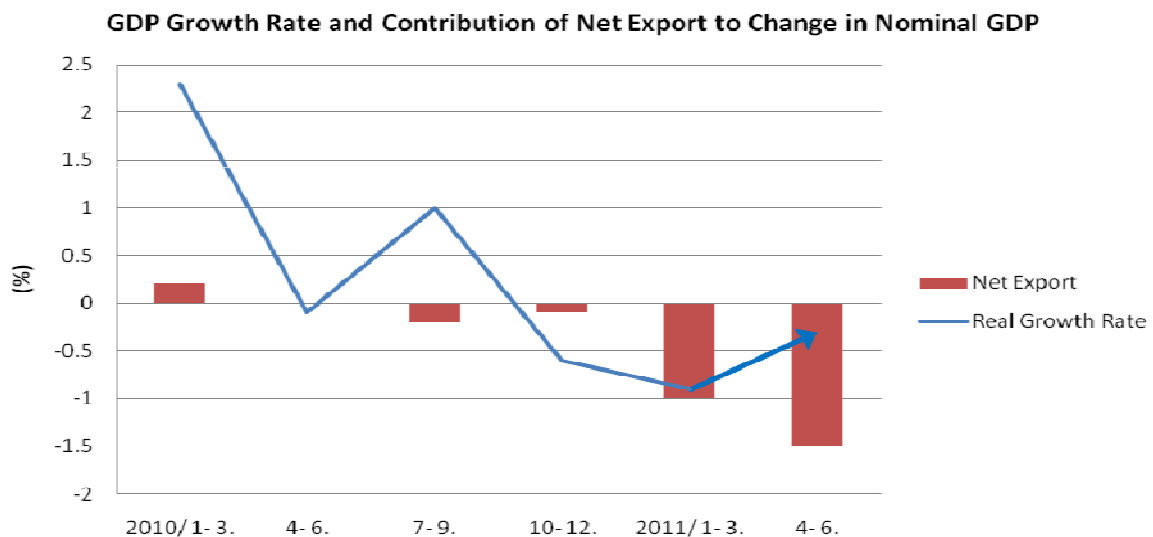
	Damage
Buildings and Plants (including houses and offices)	Approx. 130.0 billion US\$
Lifeline Utilities	Approx. 16.3 billion US\$
Infrastructure	Approx. 27.5 billion US\$
Others	Approx. 37.5 billion US\$
Total	Approx. 211.3 billion US\$

Note: Exchange rate 1US\$=80yen

Source: Cabinet Office

2

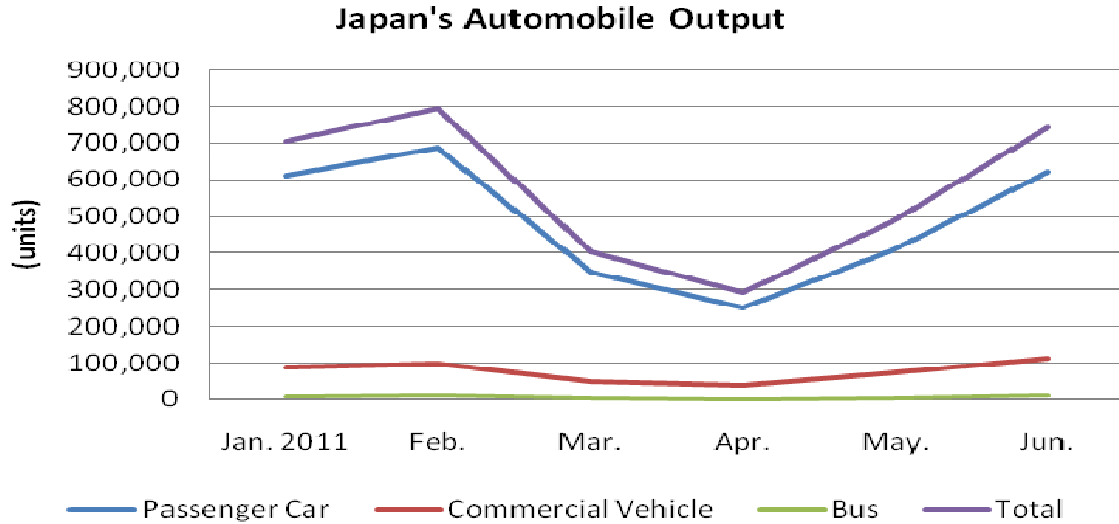
Impact on Japan's Economy



Source: Cabinet Office

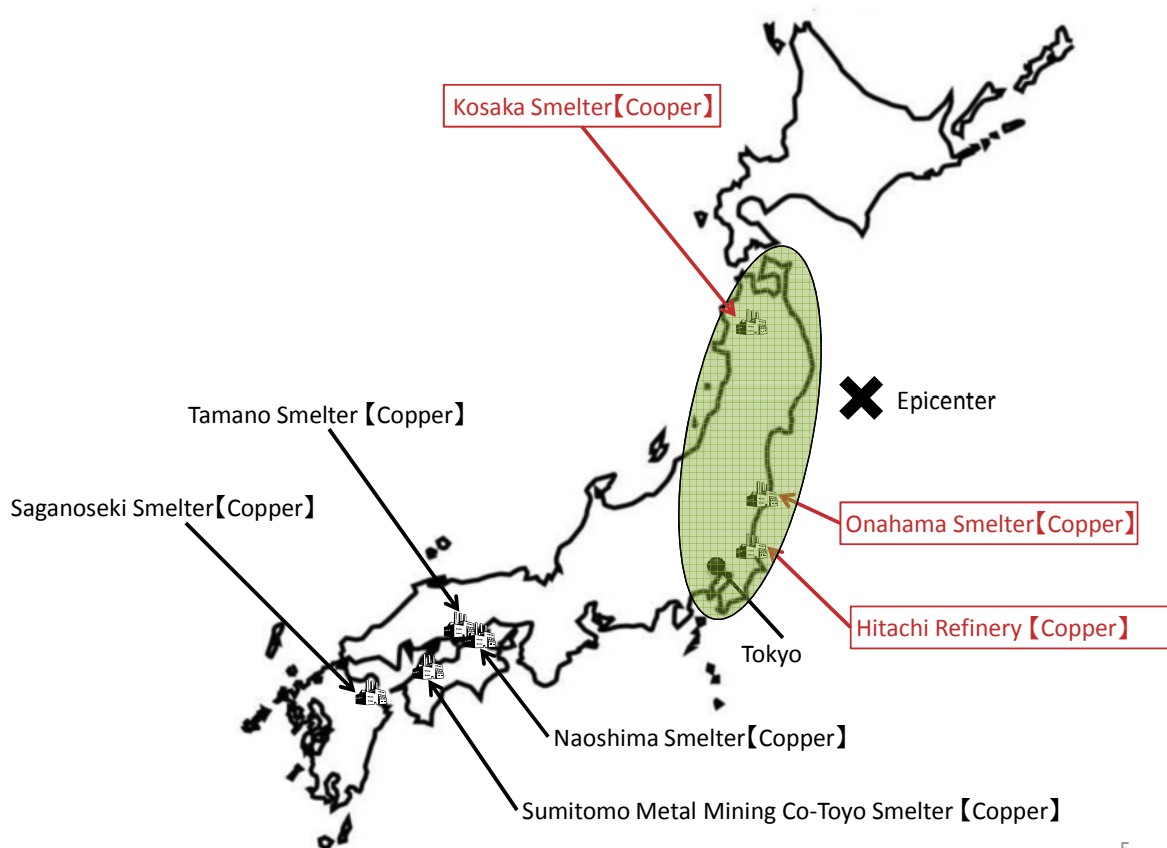
3

Impact on Japan's Economy



Source: Japan Automobile Manufacturers Association

Copper smelters in Japan



The effects of Japan's earthquake (Copper Smelting)

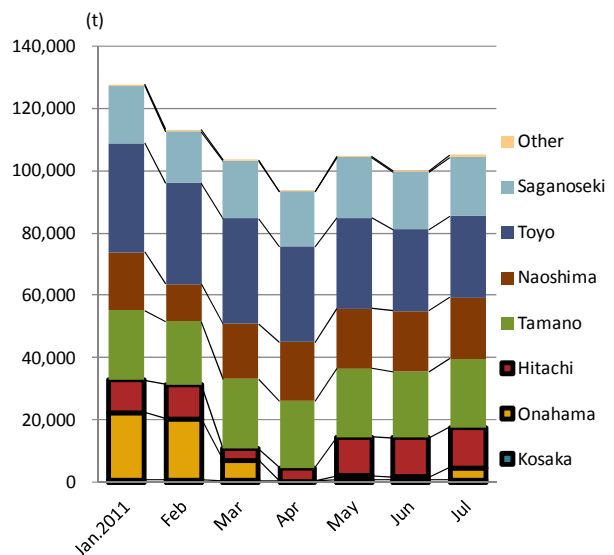
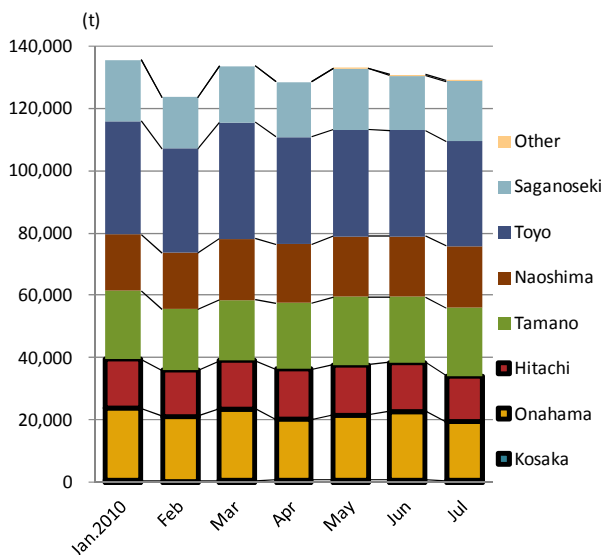
- ◆ 7 major Copper smelters in Japan with the total smelting capacity of approx. 1.7 million tons per year
- ◆ 3 of 7 major smelters were affected by the earthquake. Their total smelting capacity is approx. 550,000 tons per year
- ◆ All the damaged smelters have resumed operation and are currently operating as usual.

Smelter	Company	Capacity	Effects of the earthquake	Resumption
Onahama Smelter	Onahama Smelting and Refining CO.,LTD. (Mitsubishi Materials Co., Dowa Metals & Mining Co., Ltd., Furukawa Metals & Resources Co.,Ltd. and others)	Approx. 300,000 tons/year	The facilities and the harbour were partially damaged. ex. electrical system, facilities for industrial water, solidification of the melted solution inside the furnace	July
Hitachi Refinery	Pan Pacific Copper Co., Ltd. (JX Nippon Mining & Metals Co, Mitsui Mining and Smelting Co.,Ltd)	Approx. 220,000 tons/year	The facilities were partially damaged. ex. electrical system, plumbing, solidification of the melted solution inside the furnace	April
Kosaka Smelter	Kosaka Smelting Co (Dowa Metals & Mining Co., Ltd.)	Approx. 25,000 tons/year	Solidification of the melted solution inside the furnace due to the power failure after the earthquake. The problem has been already solved.	April

6

Impact on Refined Copper Production & Consumption

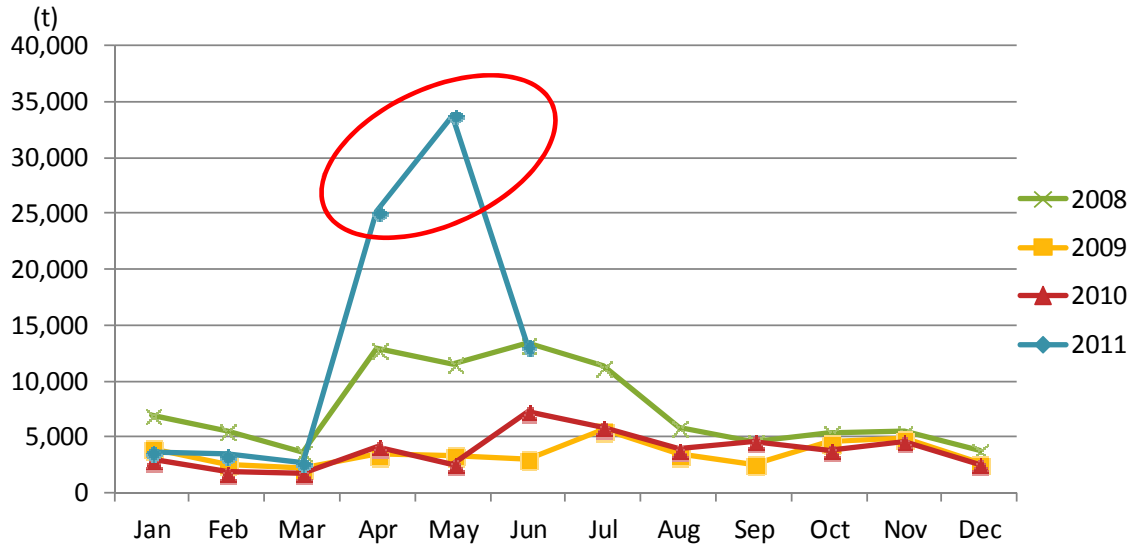
Production of Refined Copper in Japan in 2010 & 2011



7

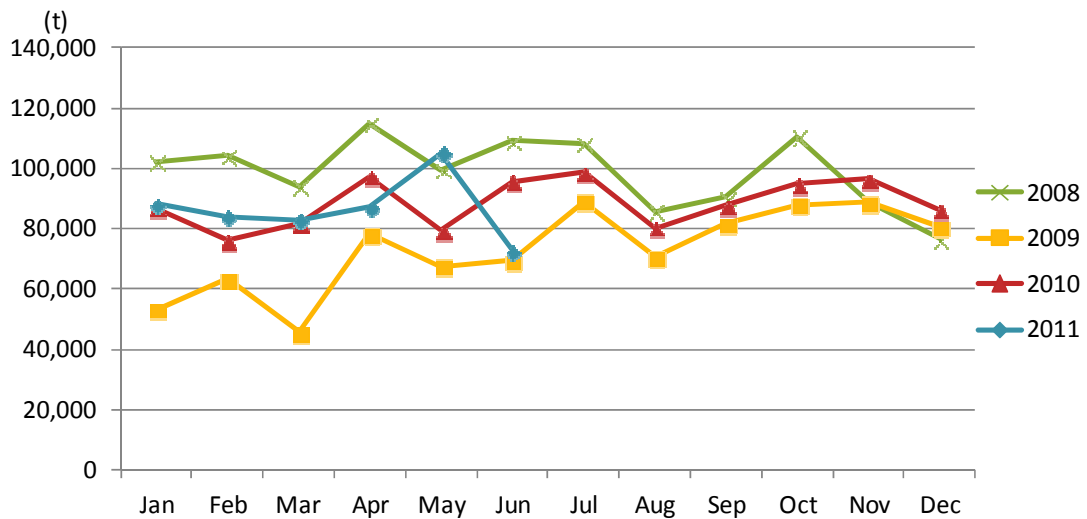
Impact on Refined Copper Production & Consumption

Japan's Refined Copper Import

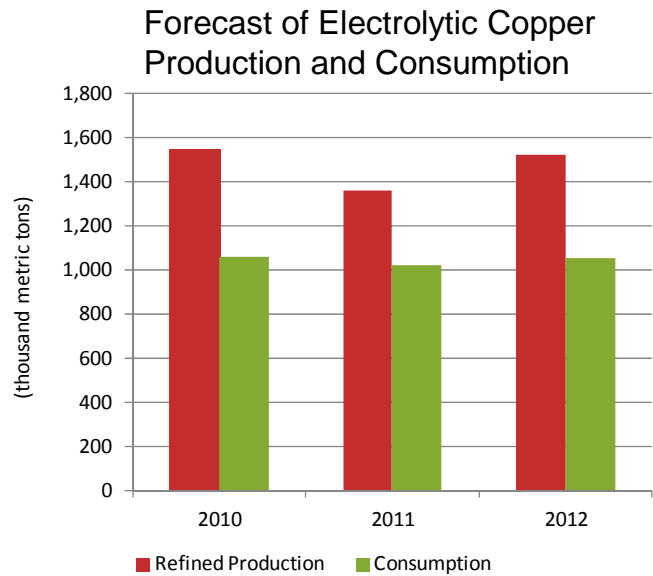
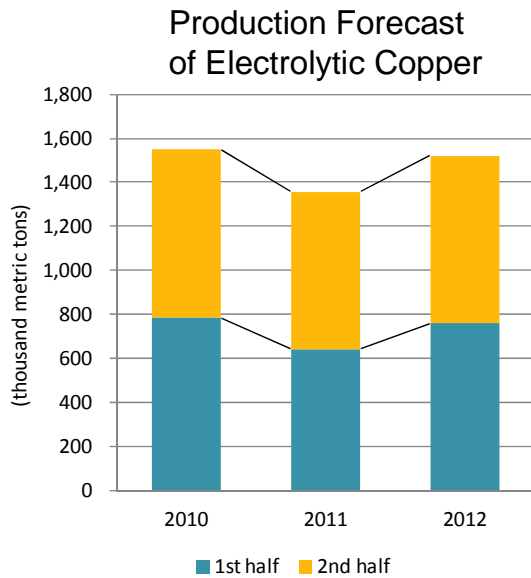


Impact on Refined Copper Production & Consumption

Japan's Domestic Consumption of Refined Copper



Impact on Refined Copper Production & Consumption



- Before the disaster: Production forecast for 2011 was 1,431,000t
- Current forecast: 1,356,000t



- Reduction in production due to the quake is estimated to be 75,000t

10

THANK YOU!

Masato KOIE
Deputy Director,
Mineral and Natural Resources Division,
METI

11