

Q&A at Investor Meeting (Net Conference)

Revision of Consolidated Earnings Forecast for the Year Ending March 2016

Presentation Date: March 24, 2016 (Thursday) 18:30 to 19:05

Presenters:

Shuma Uchino: Executive Vice President, Chief Financial Officer

Kazuyuki Masu: Senior Vice President, General Manager, Corporate Accounting Dept.

Hiroshi Takehisa: General Manager, Investor Relations Dept.

[Questions and Answers]

Q. While the impairment losses have been recognized following a general revaluation of assets, what is the actual extent of revaluation? With the copper price forecast reduced to \$3.0/lb, what is the forecast concerning other resource prices?

- A. ● Since all assets have been subject to revision, at this moment we do not consider further items to become impairment candidates.
- Taking into account the size of the impairment amount in the Chilean copper business, we have disclosed a mid- to long-term copper price forecast level. However with regard to other resource-related commodities, we have not disclosed a price forecast, because it is regarded as important information in relation to our investment strategy.

Q. Why has there been no copper-related impairment recorded apart from Anglo American Sur?

- A. ● Copper projects apart from AAS are not consolidated. According to IFRS, resource investments not subject to consolidation are not recognized as impairment losses in the statement of profits/losses, but reflected as marked-to-market on the balance sheet (Other Comprehensive Income).

Q. To what extent will the depreciation burden be reduced by the impairments?

- A. ● As a major item, we expect an improvement by approx. JPY 7bil./year due to the impairment of AAS operating mines.

Q. To what extent may the recent large investments in non-resource businesses become subject to impairment risks?

- A. ● At present, we do not assume any impairment risk.

Q. What impact will the impairments have on future share buybacks?

- A. ● We are studying this point within the framework of the forthcoming midterm management plan, and will explain any conclusions in due course.

Q. How do you consider the impact of the impairments on your credit rating?

- A. ● Since impairments are one-time losses not influencing cash flows, and since after the impairments our net DER is expected to remain around 1.0, including other factors we think we maintain our financial soundness, and will continue to discuss with rating agencies.