

November 26, 2025

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Notice Regarding the Formulation of the Medium-term Management Strategy (FYE March 2027 – 2029)

We hereby announce that we have formulated our Medium-term Management Strategy (FYE March 2027 – 2029) (the “New Strategy”) covering the fiscal year ending March 2027 and following years.

1. Background

The Mitsubishi Materials Group has been implementing various measures based on the Medium-term Management Strategy FY2031 (the FY2031 Strategy, released February 10, 2023) covering the period from the fiscal year ended March 2024 to the fiscal year ending March 2031, as we work to fulfill Our Commitment of “For people, society and the earth, circulating resources for a sustainable future.” However, forces such as shifts in automotive and semiconductor-related markets and substantial worsening of purchasing conditions (TC/RC) for copper concentrates have amounted to an external environment that is significantly different from our initial forecasts. As a result, we now predict that we will not achieve our financial plans, including those for ordinary profit, ROIC, and ROE, in the fiscal year ending March 2026, which is the final year of Phase 1 of the FY2031 Strategy. It is against this backdrop that we are working to ensure profitability despite the unfavorable external environment, implementing our “Fundamental Structural Reforms” and revising our management strategy for the fiscal year ending March 2027 and beyond, and have now formulated the New Strategy.

Through each of the measures in the New Strategy, we will strive to realize Our Commitment and improve corporate value by becoming a company committed to “creating the future through resource circulation.”

2. Overview of the New Strategy (See attached materials for details.)

1) Basic Policy

Creating the future through resource circulation

2) Growth Strategies and Key Measures

- Global expansion of our resource circulation business
- Expanding secondary smelting and doubling E-Scrap processing
- 100% tungsten recycling
- Joint purchasing of copper concentrates

3) Financial Targets, etc.

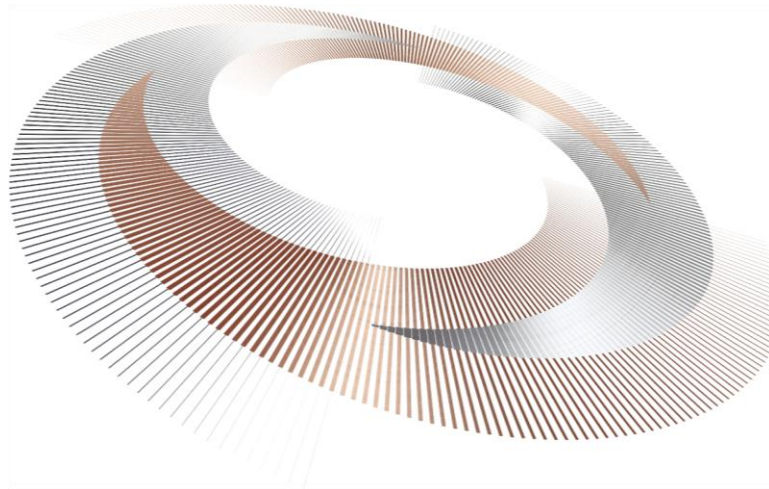
FYE March 2029	ROE at least 8%, ROIC at least 7%, Net D/E ratio under 0.5 times,
	Net interest-bearing debt/EBITDA ratio under 3.5 times

Regarding shareholder returns, our focus is on continuing steady dividends, and we are in the process of considering shifting our policy to a DOE-based model; a separate announcement will be made when we make a final determination.

Medium-term Management Strategy (FYE March 2027-2029)

November 26, 2025

**For people, society and the earth,
circulating resources
for a sustainable future**



Medium-term Management Strategy FY2031 Phase 1 Retrospective

Our Forecasts do not Predict Achievement of Our Financial Plans other than Net D/E Ratio

	FYE March 2026	
	Plan (FY2031 Strategy)	Forecast * ²
Ordinary Profit	¥87.0 B	¥43.0 B
ROIC * ¹	5.5%	3.5%
ROE	10.0%	3.0%
Net D/E Ratio	0.7×	0.6×
Net Interest-bearing Debt/EBITDA Ratio	3.5×	4.5×

Start of Fundamental
Structural Reforms

- Scaling back processing of copper concentrates
- Voluntary retirement program executed

*1 ((ordinary profit + net interest expense – equity-method investment profit (loss)) × (1 – effective tax rate) + equity-method investment profit (loss)) ÷ invested capital

*2 Latest business performance forecast (values reported as of November 11, 2025)

Creating the Future through **Resource Circulation**

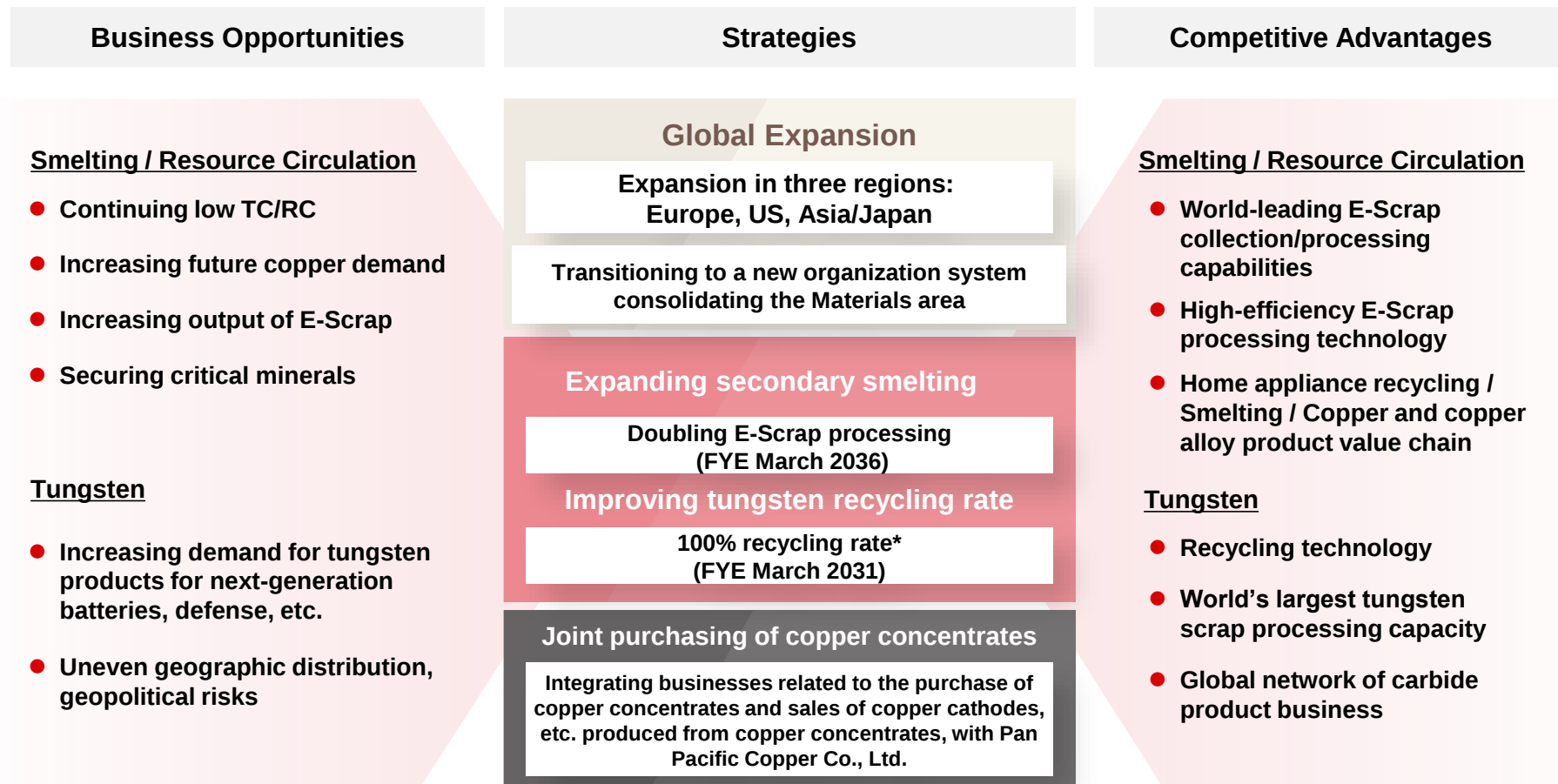
Global Expansion of Our Resource Circulation Business

**Expanding Secondary Smelting* and Doubling E-Scrap Processing
100% Tungsten Recycling**

Joint Purchasing of Copper Concentrates

*Secondary smelting: Smelting of E-Scrap and other used products used as raw materials

Promoting Strategies Based on Business Opportunities and Competitive Advantages



*Ratio of recycled raw materials used at our Group's tungsten product manufacturing sites excluding sites in China

Transitioning to a New Organization System

Reorganizing into the Materials Area and Products Area

Materials Area: Focus on Expanding Secondary Smelting

Products Area: Focus on High Value-added Products and Solutions

Current

Metals

Smelting &
Resource Circulation

Resources

Advanced Products

Copper & Copper
Alloy

Electronic Materials
& Components

Metalworking Solutions

Carbide Products

Tungsten

Renewable Energy

Starting FYE March 2027

Resource Circulation Business

Materials Area

Copper (Smelting / Resource Circulation/
Copper & Copper Alloy Products*)

Tungsten

Products Area

Advanced Products*

Carbide Products

Europe

Asia/Japan

US

Accelerating Global Expansion

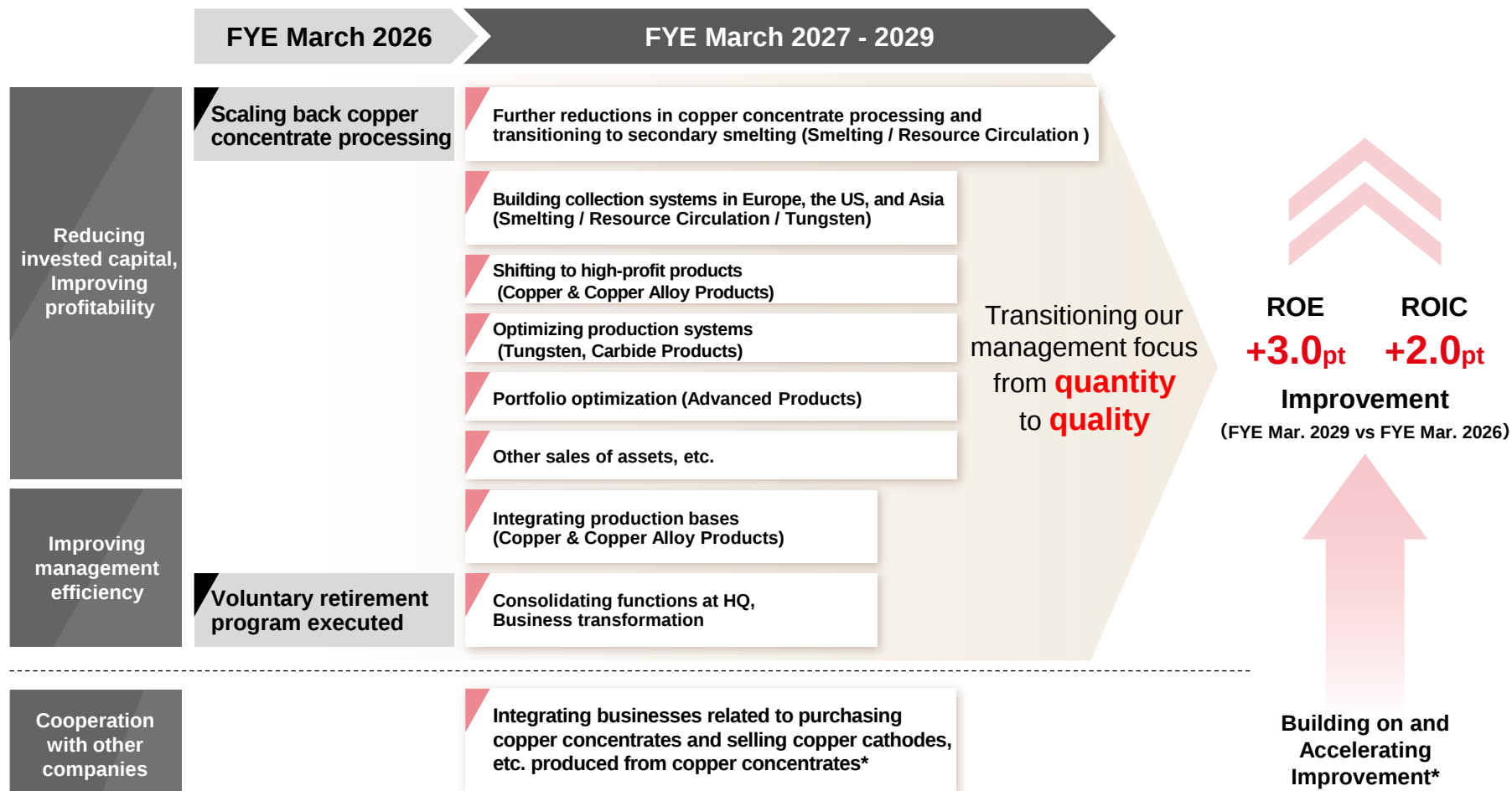
Resources

Renewable Energy

*Starting from FYE March 2027, the Copper & Copper Alloy Products Business excluding Luvata will be classified under the Copper Business in the Materials Area, and Luvata will be classified under the Advanced Products Business in the Products Area.

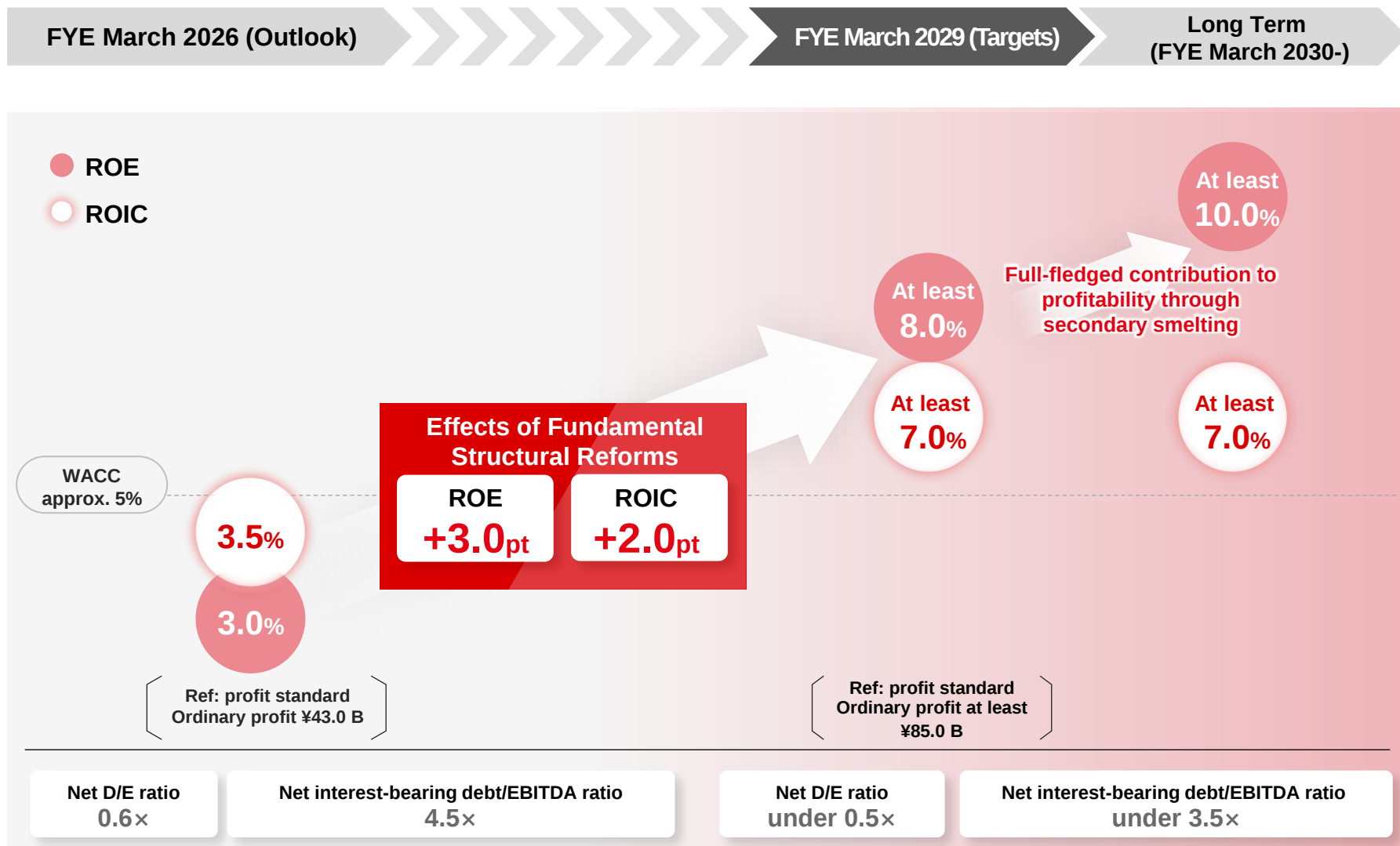
Fundamental Structural Reforms

Swiftly Implementing Fundamental Structural Reforms



*Because we are still at the stage of considering and discussing our collaborations with other companies, the effects on ROE and ROIC are not incorporated here.

Financial Targets (KPIs)

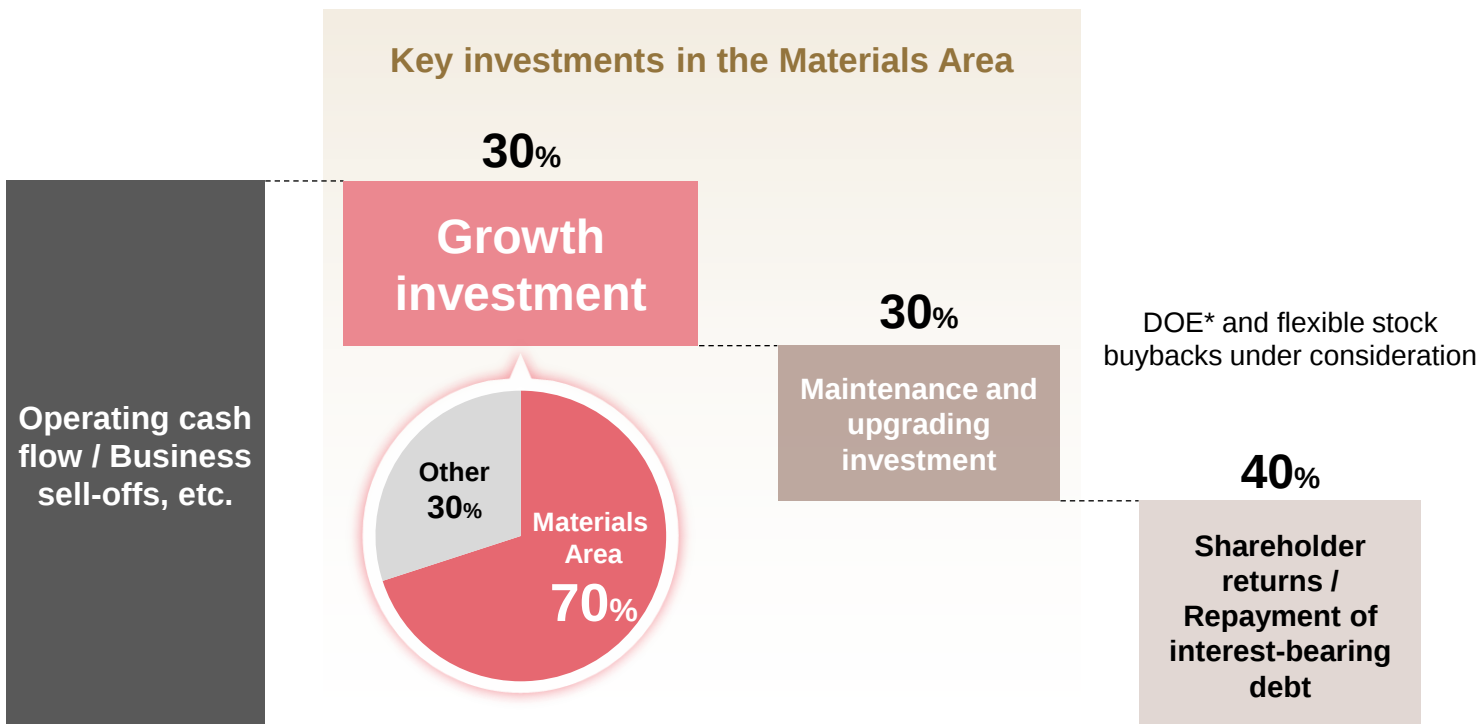


Prioritizing Growth Investment while Maintaining Financial Discipline

〔Cumulative total over FYE March 2027 – 2029〕

Cash In approx. ¥500.0 B

Cash Out approx. ¥500.0 B



*We are in the process of considering shifting to a DOE (Dividend on Equity Ratio)-based model, with a focus on continuing steady dividends.

Materials Area (Smelting / Resource Circulation)

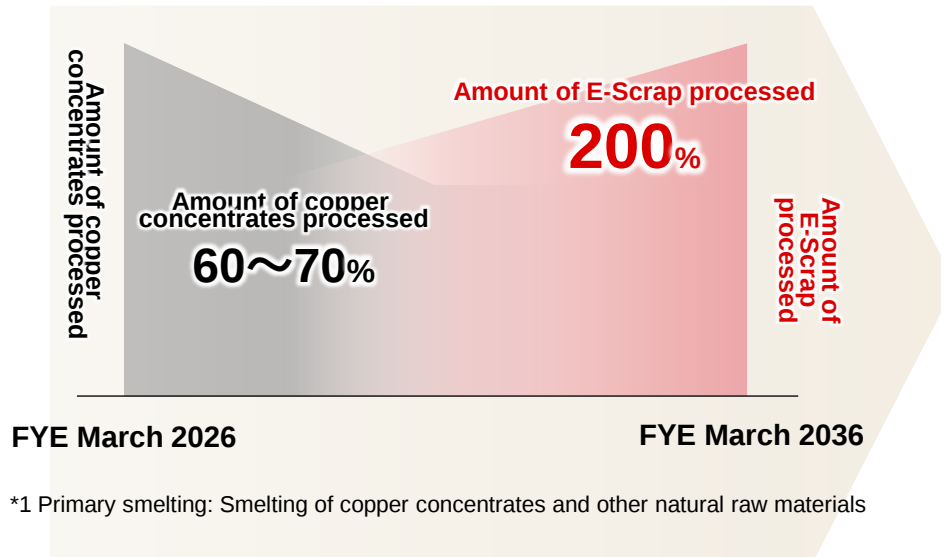
Improving Profitability by Transitioning to Secondary Smelting

Key Measures

- ▶ Expanding collection of secondary raw materials
- ▶ Expanding processing of secondary raw materials
- ▶ Establishing resource circulation loops, overseas expansion of scheme / networks

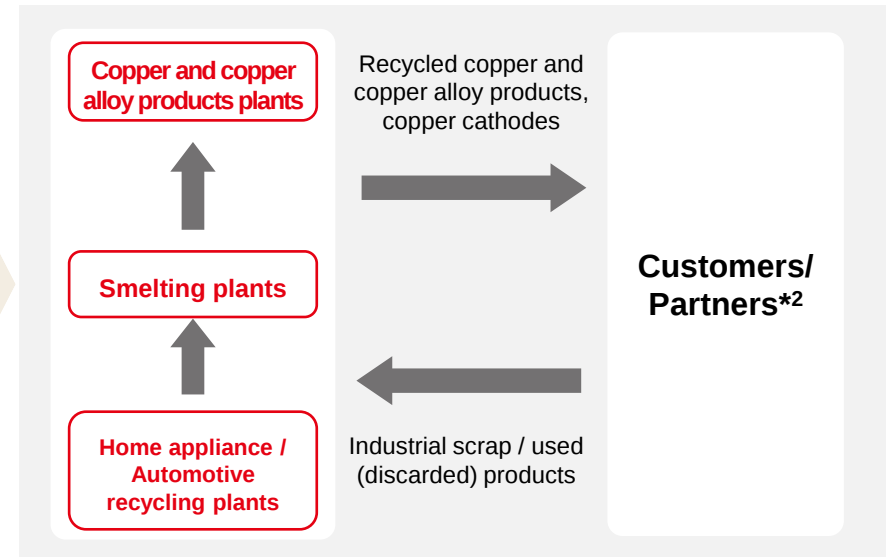
〔Scaling back primary smelting*¹ and expanding secondary smelting〕

(FYE March 2036 outlook vs. FYE March 2026 forecast)



*1 Primary smelting: Smelting of copper concentrates and other natural raw materials

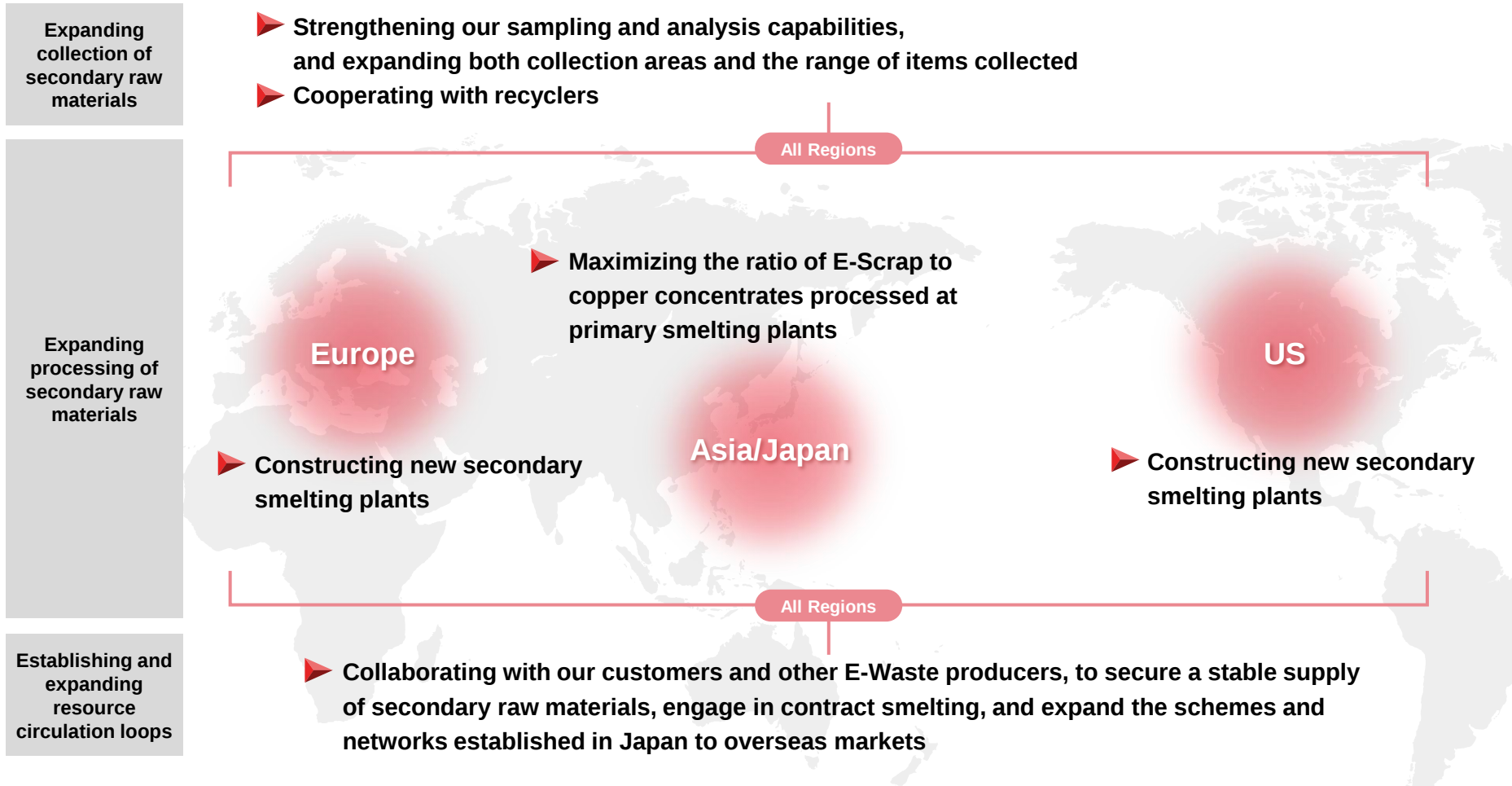
〔Closed resource circulation loop, in partnership with customers and other E-Waste producers〕



*2 Including materials processors, components processors, finished product manufacturers, and waste producers.

Materials Area (Smelting / Resource Circulation)

Global Business Expansion



Materials Area (Copper & Copper Alloy Products)

Building Customer Touch Points within the Resource Circulation Loop and Providing High Added-value Products

Key Measures

Resource circulation

- ▶ Promoting recycling of scrap generated by both the MMC Group and our customers
- ▶ Advancing our alloy recycling technologies

Product portfolio, market and customer strategies, etc.

- ▶ Developing and providing high added-value copper alloys
- ▶ Improving capital efficiency by shifting to high-profit products
- ▶ Developing new fields by strengthening marketing (aimed at data centers, etc.)
- ▶ Enhancing operations by integrating production bases

FYE March 2027 – 2029

Reducing invested capital
Improving profitability

Shifting to high-profit products

Improving management
efficiency

Integrating production bases

Materials Area (Tungsten)

Building Global Recycling Capabilities for Tungsten

Key Measures

Resource circulation

- ▶ Increasing recycling at our European site (H.C. Starck) by 1.5 times
- ▶ Creating a resource cycle within the Americas by establishing new recycling sites in the US
- ▶ Increasing collections of E-Scrap by utilizing our collection routes

Product portfolio, market and customer strategies, etc.

- ▶ Reducing fixed costs by optimizing production systems
- ▶ Growing sales of high added-value tungsten products

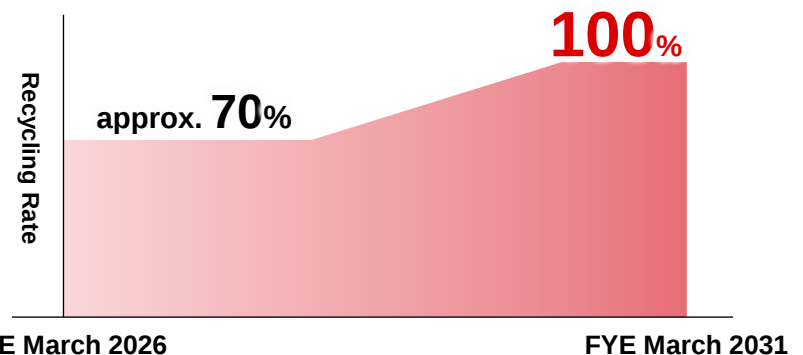
FYE March 2027 – 2029

Reducing
invested capital
Improving
profitability

Building collection systems in Europe, the US, and Asia/Japan

Optimizing production systems

Achieving 100% recycling*
in Europe, the US, and Asia/Japan



*Ratio of recycled raw materials used at our Group's tungsten product manufacturing sites excluding sites in China

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Products Area (Carbide Products / Advanced Products)

Carbide Products

**Enhancing Collection of Used Carbide Products
Strengthening High Profitability and Cash Flow Generation**

Key Measures

- ▶ Enhancing collection of used products at sales companies in each country
- ▶ Reducing fixed costs by optimizing production systems
- ▶ Providing high added-value products and solutions in the fields of aerospace, medical, and semiconductors.
- ▶ Developing India into a sales base for Asia, Oceania, the Middle East, and Africa
- ▶ Expanding investment of resources into rock and wear resistant tools

Advanced Products

Improving Profitability and Capital Efficiency

Key Measures

- ▶ Optimizing capital efficiency by restructuring our portfolio
- ▶ Providing high added-value products and solutions based on market needs (semiconductors, xEVs, and healthcare)
- ▶ Strengthening our solution-based sales
- ▶ Strengthening manufacturing capabilities, advancing cross-business development

FYE March 2027 – 2029

Reducing
invested capital
Improving
profitability

Optimizing production systems (Carbide Products)

Portfolio optimization (Advanced Products)

Resources / Renewable Energy

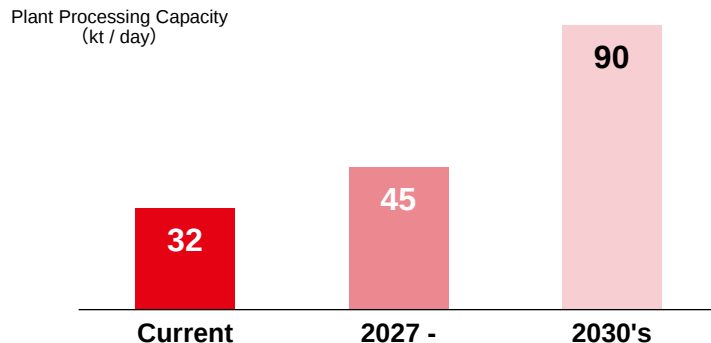
Resources

Stable Procurement of Copper Concentrates Building a Stable Revenue Base

Key Measures

- ▶ Improving the profitability of existing interests
- ▶ Increasing the ratio of our copper share* to our total processing volume
- ▶ Creating technologies to help alleviate the increasing developing and operating costs of copper mines (collecting cobalt, scandium, and other valuable byproduct elements)

[Plans for expansion of plant processing capacity at Mantoverde Mine]



*Copper production at mines in which we are invested × investment ratio

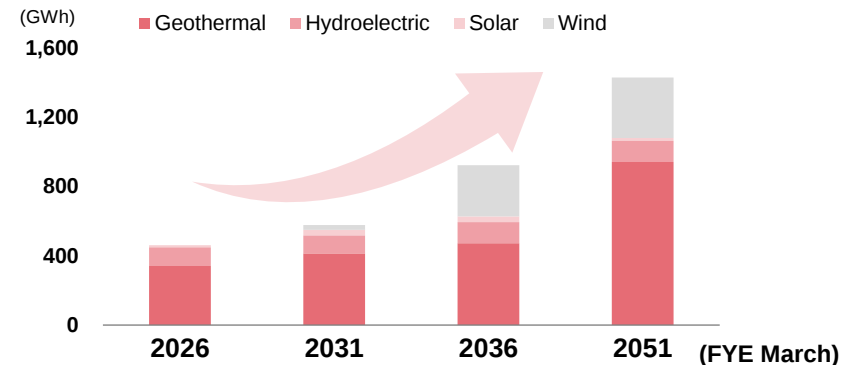
Renewable Energy

Achieving Renewable Energy Production Matching Our Own Energy Usage for a Decarbonized Society

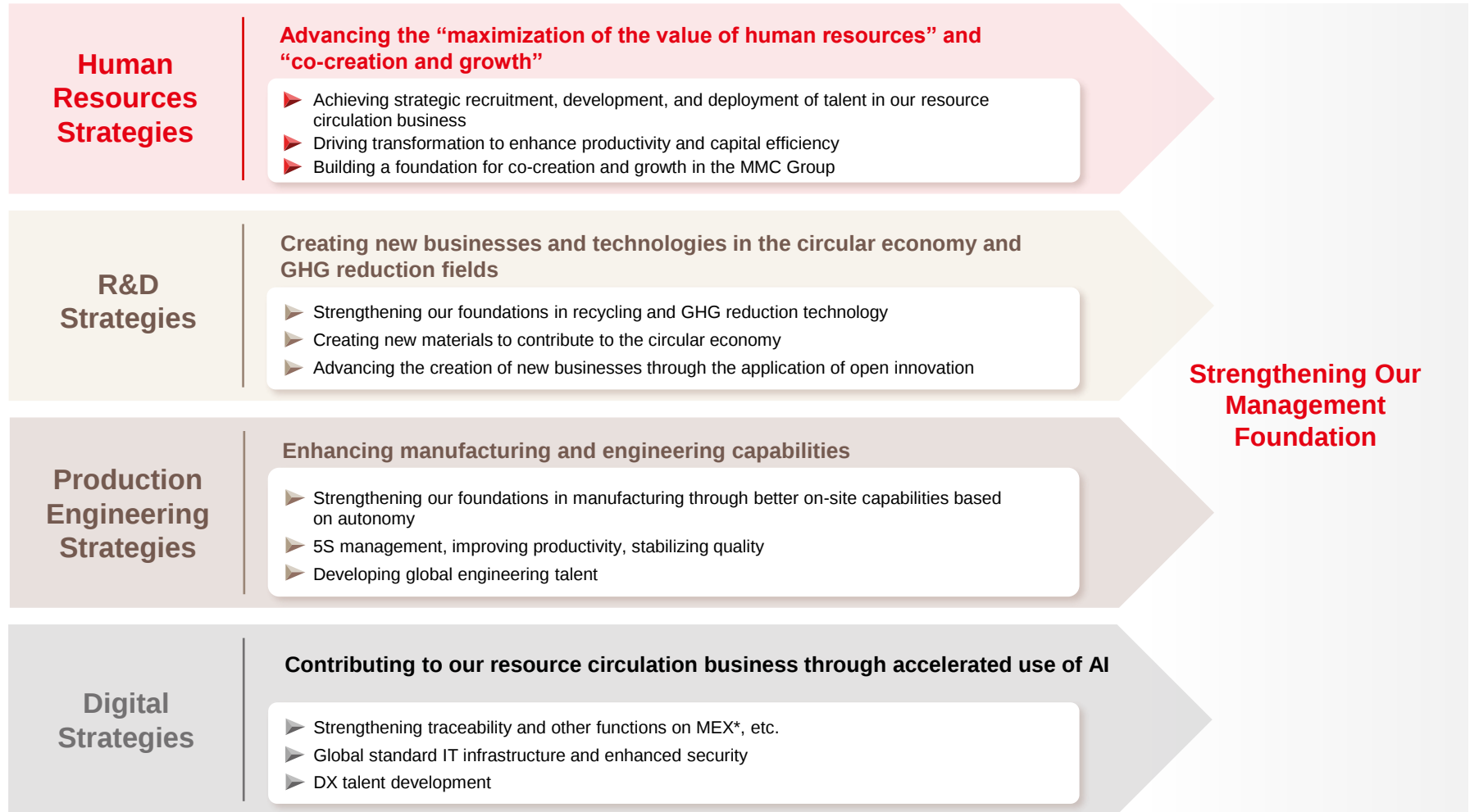
Key Measures

- ▶ Improving the resiliency and efficiency of our existing power plants
- ▶ Pioneering new development sites leveraging our geothermal development capabilities
- ▶ Broadening our operations and diversifying our profit streams by expanding into onshore windfarms and electricity retailing

[Renewable energy production]



Strengthening Our Management Foundation



* Mitsubishi Materials E-Scrap EXchange

Supplemental Materials

Human Resources Strategies

- Further Advancing the “Maximization of the Value of Human Resources” and “Co-creation and Growth,” and Contributing to Enhancing Our Corporate Value



R&D Strategies

► Creating New Businesses and Technologies in the Circular Economy and GHG Reduction Fields

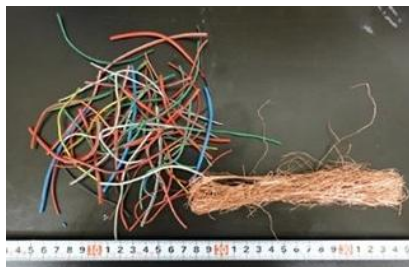
Focus Area | Circular Economy

- Hydrometallurgical recycling technologies for recycling used copper cabling, LIBs, and more
- Recycling technologies for rare earth metals and other key resources
- Creating reuse/repair businesses through high-reliability technologies

Recycling used cables discarded by the railway industry



Separation of coating materials swollen by an organic solvent

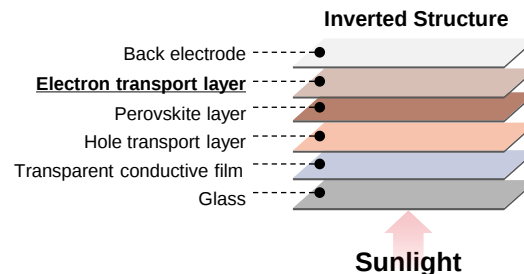


Copper wires and coating materials after separation by the combined plastic swelling and ball milling method

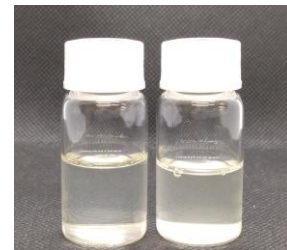
Focus Area | GHG Reduction

- Technologies to create a material that improves the power conversion efficiency of Perovskite solar cells and to decompose CO₂ and recapture the carbon as nanomaterial, etc.
- Promoting open innovation, such as through industry-academia collaboration with the Institute of Science Tokyo and CVC*

Electron transport layer deposition ink for Perovskite solar cells



Structure of a Perovskite solar cell



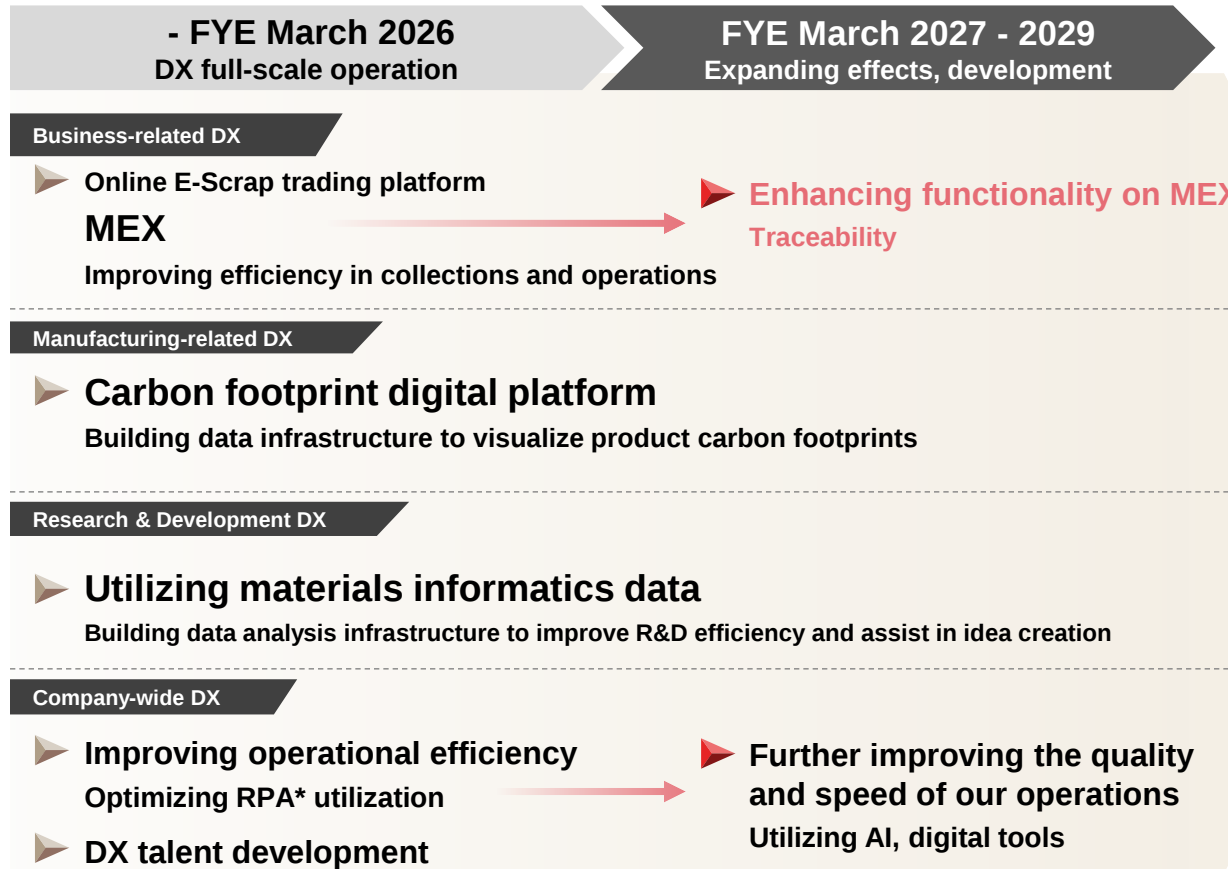
Newly developed tin oxide nano-ink for electron transport layer deposition

*Corporate Venture Capital

Digital Strategies

- ▶ Accelerating the Use of AI and Contributing to the Expansion of Our Resource Circulation Business
- ▶ Promoting Business Transformation through Global Standard IT Infrastructure and Security, and Developing Future-ready Talent

Digital Strategy Phases



Contributing to the expansion of our resource circulation business

Improving operational efficiency and speed

*Robotic Process Automation

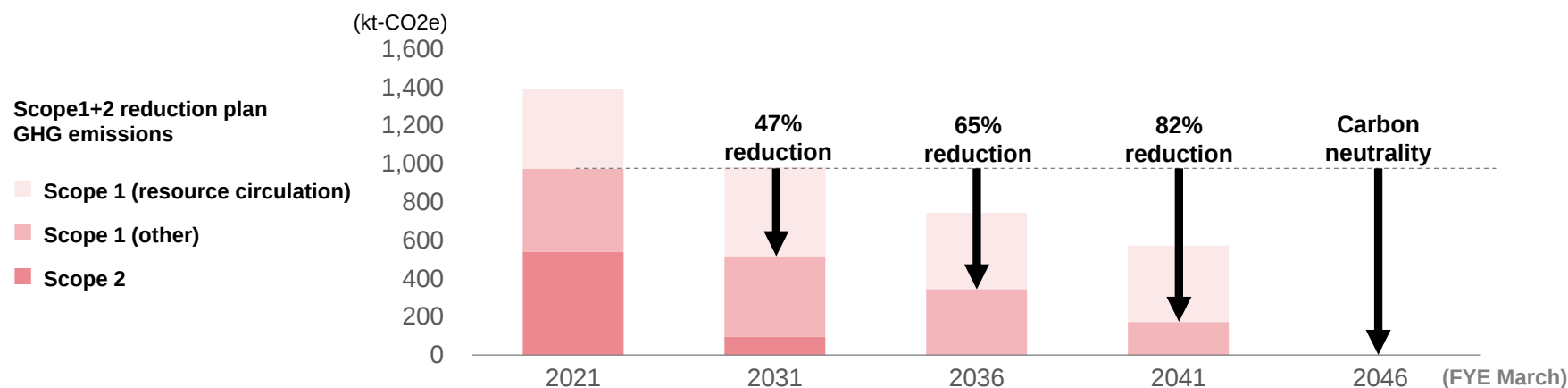
Carbon Neutrality

- **Achieving Carbon Neutrality by FYE March 2046, and Renewable Energy Production Matching Our Own Energy Usage (Effective Renewable Energy Self-sufficiency Ratio of 100%) by FYE March 2051**

	2026	2031	2036	2041	2046	2051	(FYE March)
GHG Reduction Targets (compared to FYE Mar. 2021)							
Scope 1 + 2^{*1} :		47%	65%	82%	Achieve carbon neutrality		
Scope 3:		22%					
Renewable energy utilization rate^{*2} for electricity	30%	80%	100%				
Renewable energy self-sufficiency rate^{*3} for electricity	33%	37%	67%			100%	

〔GHG Reduction Targets〕

Achieving carbon neutrality through energy conservation, the development of new products and technologies, and the utilization of applicable technologies



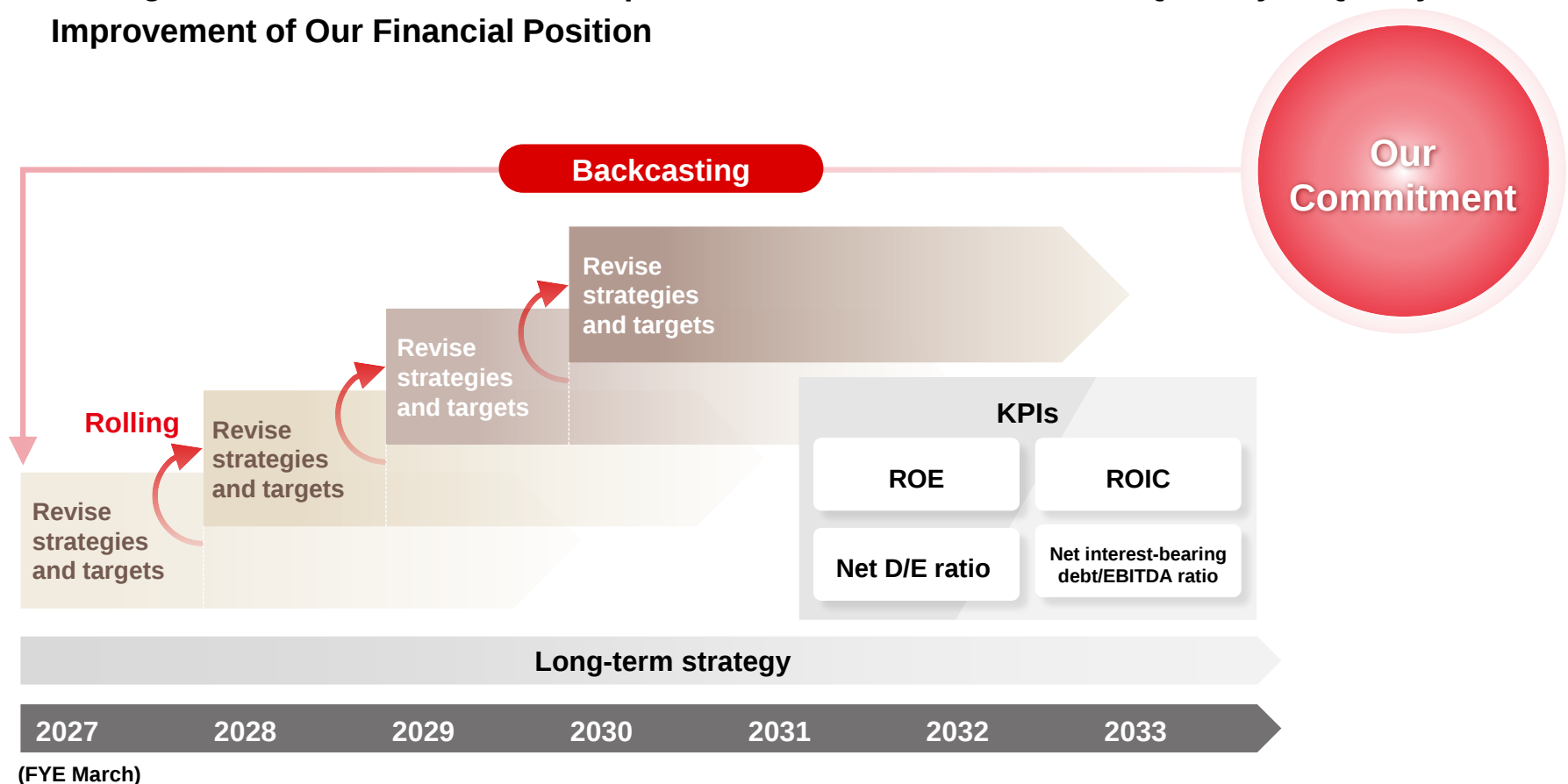
*1 GHG emissions for Scope 1 and 2 are based on the calculation of adjusted emissions under the Act on Promotion of Global Warming Countermeasures (excluding GHG emissions from resource circulation efforts).

*2 Renewable energy utilization rate = amount of renewable energy purchased by the Group (including power purchase agreements and non-fossil certificates) / total amount of electricity purchased by the Group × 100

*3 Renewable energy self-sufficiency rate = amount of electricity generated by the Renewable Energy business / total amount of electricity purchased by the Group × 100

Implementing Rolling Medium-term Management Strategies and KPIs

- ▶ Backcasting from Our Commitment to Formulate Long-term Strategies
- ▶ Rolling Strategies and Targets for the Next Three Years Updated Annually in Response to the Changing Environment
- ▶ Setting KPIs That Monitor the Accomplishment of Our Transition from Quantity to Quality and Improvement of Our Financial Position



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