



October 7, 2026

Company Name Mitsubishi Materials Corporation
Representative Executive Officer and President Tetsuya Tanaka
(TSE Prime Market Securities Code 5711)
Contact Investor Relations Dept., General Manager Kota Nagashima
(Telephone +81-3-5252-5290)

Notice Concerning Establishment of Subsidiary and Company Splits
(Simplified Absorption-Type Company Splits)

Mitsubishi Materials Corporation (the “Company”) hereby announces that its Board of Directors resolved today to establish a subsidiary 100% of whose shares will be held by the Company (the “Newly Established Company”) to have it succeed the domestic cutting tools sales businesses operated by the Company and its wholly owned subsidiary MOLDINO Tool Engineering, Ltd. (“MOLDINO”), respectively, through absorption-type company splits (the “Integration”). Details are as described below. Since the absorption-type company split in which the Company is the splitting company (the “Absorption-Type Company Split”) is a simplified absorption-type company split in which a wholly owned subsidiary of the Company is the succeeding company, some disclosure items and details are omitted.

1. Purpose of the Integration

The Metalworking Solutions Business of the Company’s group is mainly engaged in the manufacture and sale of cutting tools such as cemented carbide and high-speed steel products, with operations centered on the Company and MOLDINO. Since MOLDINO was made its wholly owned subsidiary in 2020, the Company and MOLDINO have been engaging in domestic sales businesses through their respective sales organizations.

The Company has decided to implement the Integration in order to build a system for prompt decision-making to flexibly respond to changes in the domestic market environment, as well as to strengthen sales competitiveness and enhance customer proposal capabilities. Through the Integration, we aim to enhance our competitiveness and profitability in the domestic market by improving the efficiency of our sales offices and back-office functions, expanding customer contact points, and enhancing our ability to make proposals by leveraging the product lines and sales know-how of the two companies.

2. Outline of the Absorption-Type Company Split

(1) Schedule of the Absorption-Type Company Split

Date of Board of Directors resolution	October 7, 2026
Date of establishment of the Newly Established Company	Late October 2026 (planned)
Date of execution of the absorption-type company split agreement	Late October 2026 (planned)
Effective date of the Absorption-Type Company Split	April 1, 2027 (planned)
Date of business commencement of the Newly Established Company	April 1, 2027 (planned)

(Note) As the Absorption-Type Company Split constitutes a simplified absorption-type company split pursuant to Article 784, paragraph 2 of the Companies Act, the Company will not hold a general meeting of shareholders concerning the approval of the Absorption-Type Company Split agreement.

(2) Method of the Absorption-Type Company Split

The Absorption-Type Company Split will be implemented by: (i) the Company establishing the Newly Established Company 100% of whose shares will be held by the Company; (ii) conducting an absorption-type company split, with the Company as the splitting company and the Newly Established Company as the succeeding company in the absorption-type company split, to have the latter succeed to the assets, liabilities, contractual positions, and other rights and obligations held by the Company in relation to its cutting tools sales business in Japan.

The Newly Established Company is planned to change its trade name to Mitsubishi Materials Tools Corporation on April 1, 2027.

(3) Details of Allotment in the Absorption-Type Company Split Agreement

The Absorption-Type Company Split is an absorption-type company split to be conducted with a wholly owned subsidiary of the Company without consideration, involving no shares or other monies, etc. to be delivered to the Company.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights in Connection with the Absorption-Type Company Split

Not applicable.

(5) Change in Stated Capital Due to the Absorption-Type Company Split

There will be no change in the amount of the Company's stated capital as a result of the Absorption-Type Company Split. In addition, the amounts of stated capital and reserves of the Newly Established Company will not increase as a result of the Absorption-Type Company Split.

(6) Rights and Obligations to Be Succeeded to by the Succeeding Company in the Company Split

The succeeding company will succeed to the assets, liabilities, contractual positions, and other rights and obligations held by the Company in relation to its cutting tools sales business in Japan as stipulated in the absorption-type company split agreement. The succession to the obligations will be conducted by way of assumption of obligations with release of the Company from such obligations.

(7) Prospects for Performance of Obligations

The Company has determined that there are no issues with the prospects for the performance of obligations by the Company and the Newly Established Company after the effective date of the Absorption-Type Company Split.

3. Overview of the Companies Involved in the Absorption-Type Company Split

	Splitting Company (As of March 31, 2026)	Succeeding Company (Post-Establishment Immediate Plans)
(1) Name	Mitsubishi Materials Corporation	Tools Preparation Co., Ltd.
(2) Location	3-2-3, Marunouchi, Chiyoda-ku, Tokyo, Japan	1-600, Kitabukuro-cho, Omiya-ku, Saitama City, Saitama, Japan
(3) Representative	Tetsuya Tanaka, Executive Officer and President	TBD
(4) Main business	Smelting and sales of copper, gold, silver, lead, tin, palladium, and other metals; recycling of home appliances; manufacture and sales of copper and copper alloy products and electronic materials and components; manufacture and sales of cemented carbide products; renewable energy-related businesses	Sales of cemented carbide and high-speed steel tool products, support for the use of cemented carbide and high-speed steel tool products, and any businesses incidental or related thereto
(5) Capital	¥119,457 million	¥1 million*
(6) Date of establishment	April 1, 1950	October 2026 (planned)
(7) Number of shares issued	131,489,535 shares	10 shares (planned)
(8) Fiscal year end	March 31	March 31
9) Major shareholders and shareholding ratio	The Master Trust Bank of Japan, Ltd. (Trust account) 15.6%	The Company 100%
	Custody Bank of Japan, Ltd. (Trust account) 5.8%	
	BNYM AS AGT/CLTS NON TREATY JASDEC 4.3%	
	NORTHERN TRUST CO. (AVFC)RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST 3.2%	
	STATE STREET BANK AND TRUST COMPANY 505223 2.7%	
	STATE STREET BANK AND TRUST COMPANY 505001 2.6%	

	Meiji Yasuda Life Insurance Company	2.4%	
	NORTHERN TRUST CO. (AVFC)RE U.S. TAX EXEMPTED PENSION FUNDS	1.9%	
	JP MORGAN CHAS EBANK 385781	1.5%	
	DFA INTL SMALL CAP VALUE PORTFOLIO	1.3%	

(10) Financial position and operating results for the most recent fiscal year

Fiscal year	Fiscal year ended March 31, 2026 (consolidated)	-
Net assets	¥752,978 million	-
Total assets	¥2,999,744 million	-
Net assets per share	¥5,633.05	-
Net sales	¥1,844,053 million	-
Operating profit	¥6,052 million	-
Ordinary profit	¥97,556 million	-
Profit attributable to owners of parent	¥40,581 million	-
Profit per share	¥310.56	-

(Note) The Newly Established Company plans to increase its capital to 100 million yen by April 1, 2027.

4. Overview of the Business Unit Conducting the Absorption-Type Company Split

(1) Overview of the Business Unit to Be Split

Sales business of cutting tools and other cemented carbide and high-speed steel products in Japan

(2) Operating Results of the Business Unit to Be Split

Item	Fiscal year ended March 31, 2026
Net sales	¥147,270 million
Operating profit	¥14,299 million
Ordinary profit	¥15,148 million

(3) Items and Amounts of Assets and Liabilities to Be Split (as of March 31, 2026)

Assets		Liabilities	
Item	Book Value	Item	Book Value
Current assets	¥1,159 million	Current liabilities	-
Non-current assets	¥25 million	Non-current liabilities	¥579 million
Total	¥1,184 million	Total	¥579 million

- (Notes)
1. Amounts less than ¥1 million are rounded.
 2. Actual amounts of assets to be succeeded to will be determined by adjusting the above amounts for any changes that may occur up to the effective date.

5. Status after the Absorption-Type Company Split

There will be no change to any of the Company's trade name, location of head office, title and name of the representative, business line, stated capital and fiscal year end due to the Absorption-Type Company Split.

6. Overview of the Absorption-Type Company Split with MOLDINO as the Splitting Company

The absorption-type company split in which MOLDINO is the splitting company and the Newly Established Company is the succeeding company (the "MOLDINO Absorption-Type Company Split") is outlined below.

(1) Schedule of the MOLDINO Absorption-Type Company Split

Date of MOLDINO Board of Directors resolution	October 7, 2026
Date of establishment of the Newly Established Company	Late October 2026 (planned)
Date of execution of the absorption-type company split agreement	Late October 2026 (planned)
Effective date of the absorption-type company split	April 1, 2027 (planned)
Date of business commencement of the Newly Established Company	April 1, 2027 (planned)

(Note) As the MOLDINO Absorption-Type Company Split constitutes a simplified absorption-type company split pursuant to Article 784, paragraph 2 of the Companies Act, MOLDINO will not hold a general meeting of shareholders concerning the approval of the relevant absorption-type company split agreement.

(2) Method of the MOLDINO Absorption-Type Company Split

The MOLDINO Absorption-Type Company Split is an absorption-type company split in which MOLDINO is the splitting company and the Newly Established Company is the succeeding company in the absorption-type company split. The Newly Established Company will succeed to the assets, liabilities, contractual positions, and other rights and obligations held by MOLDINO in relation to its cutting tools sales business in Japan.

(3) Rights and Obligations to Be Succeeded to by the Succeeding Company in the Company Split

The succeeding company will succeed to the assets, liabilities, contractual positions, and other rights and obligations held by MOLDINO in relation to its cutting tools sales business in Japan as stipulated in the absorption-type company split agreement with MOLDINO. The succession to the obligations will be conducted by way of assumption of obligations with release of MOLDINO from such obligations.

(4) Overview of MOLDINO

(1) Name	MOLDINO Tool Engineering, Ltd.
(2) Location	4-31-11, Ryogoku, Sumida-ku, Tokyo, Japan
(3) Representative	Yoshiaki Kaneko, President
(4) Main business	Manufacturing and sales of various machinery and equipment, including chips using special steel/cemented carbide, cutting tools, abrasion-resistant products, and urban development tools
(5) Capital	¥1,455 million
(6) Date of establishment	September 23, 1933
(7) Number of shares issued	27,457,030 shares
(8) Fiscal year end	March 31
(9) Major shareholders and shareholding ratio	The Company: 100%

7. Future Outlook

Since the Integration constitutes reorganization to which the Company and its wholly owned subsidiary are parties concerned, impacts on the Company's consolidated financial results will be minor. Through the Integration, we will aim to strengthen the competitiveness and profitability of our cutting tools sales business in Japan over the medium to long term.