

MITSUBISHI MATERIALS CORPORATION

**IR Meeting Handout
September, 2021**

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【Reference】

○ **Medium-Term Management Strategy**

(FY2021 - 2023) Overview of Revision

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Financial Results for the Three Months Ended
June 30, 2021

(Announced on August 6, 2021) p60-71

Corporate Profile / Business Situation

Corporate Profile

Corporate Profile

Company Name : Mitsubishi Materials Corporation
Head Office : 2-3, Marunouchi 3-chome, Chiyoda-ku,
Tokyo 100-8117 Japan
Chief Executive Officer : Naoki Ono
Capital Stock : ¥119,457 million (as of Mar. 31, 2021)
Year of Establishment : 1950
Number of Employees : Consolidated 27,162 (as of Mar. 31, 2021)
Non-consolidated 6,153 (as of Mar. 31, 2021)
Consolidated Subsidiaries : 140 (as of Mar. 31, 2021)
Affiliated company accounted for by the equity-method : 19 (as of Mar. 31, 2021)

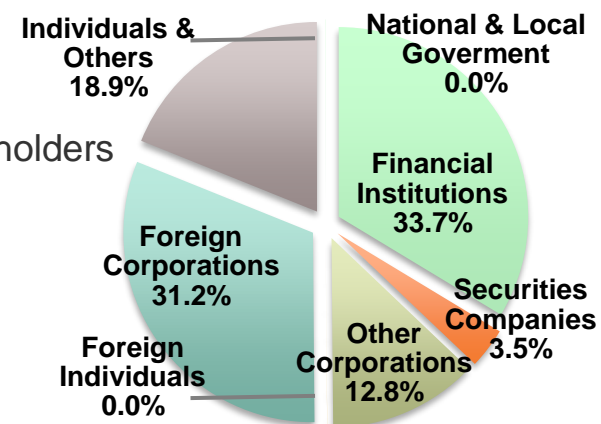


Common Stock (Ticker symbol : 5711)

■ Shares of issued and Outstanding: 131 million
Number of Unit Shareholders: 67,259
Share Unit Number: 100

*as of Mar. 31, 2021

■ Distribution of shareholders
*as of Mar. 31, 2021



Business Structure

Environment & Energy



- Renewable energy
- Environmental recycling

Advanced Products

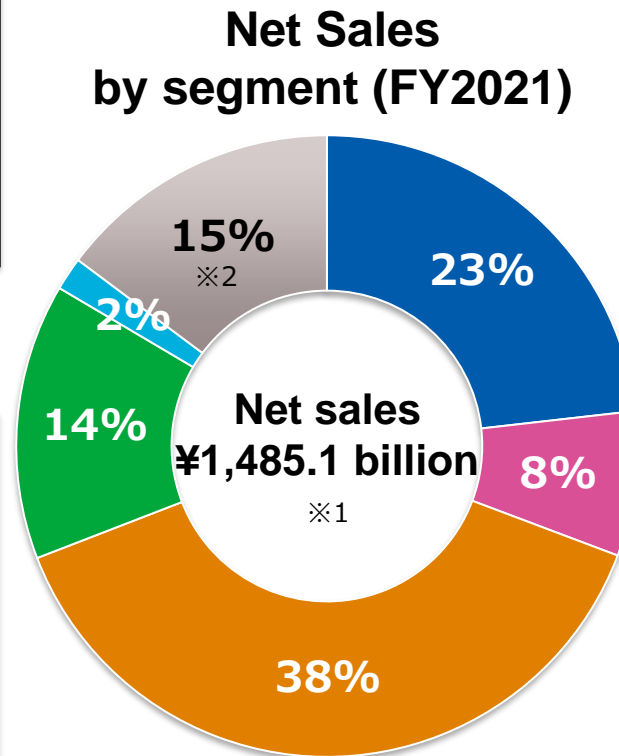


- Copper and copper alloy products
- Electronic materials & components

Cement



- Cement
- Ready-mixed concrete
- Others



Metalworking Solutions



- Cemented carbide products

Metals

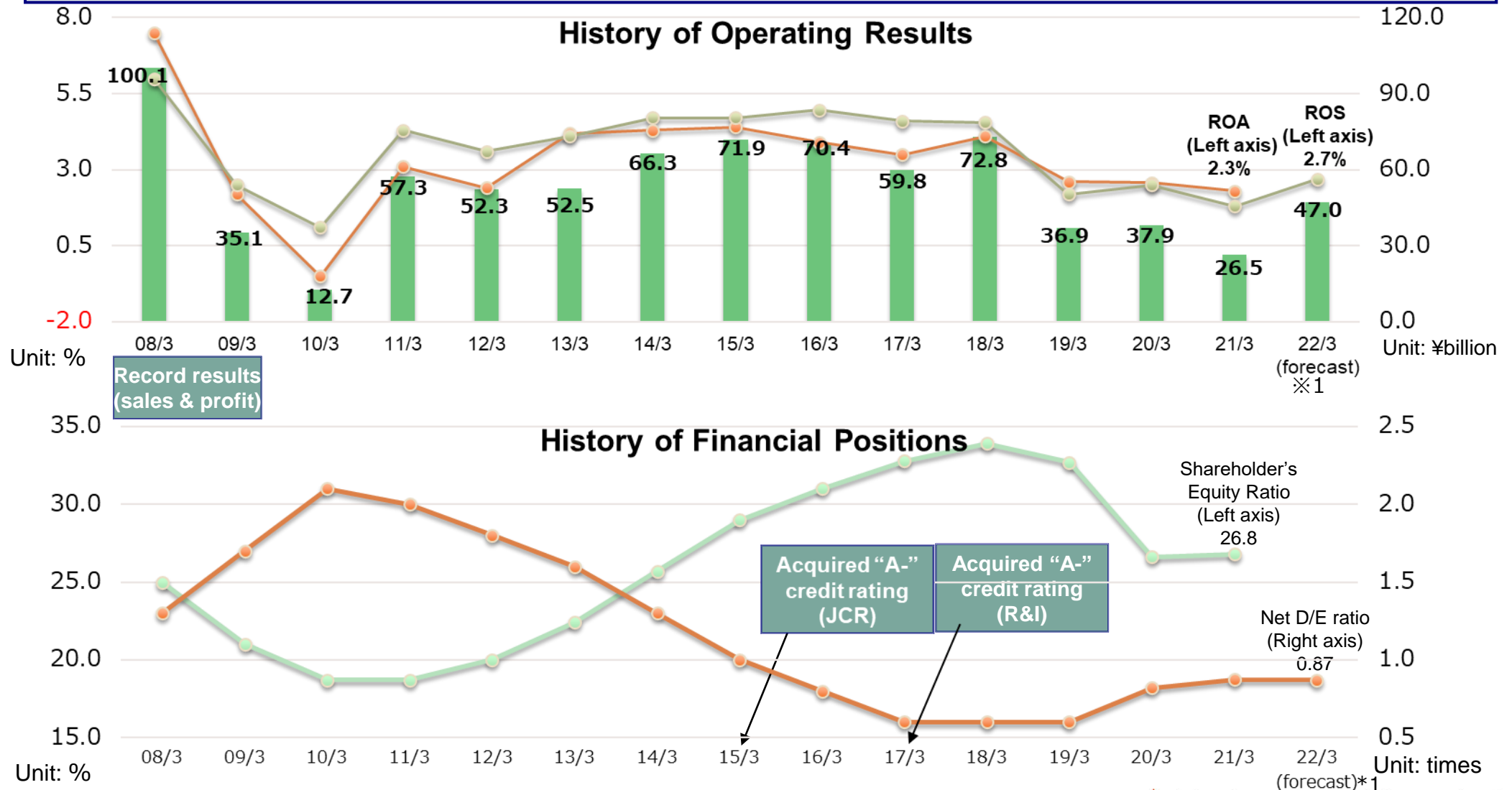


- Copper mining
- Copper smelting and refining

※1 Sales to outside customers
 ※2 Others (Aluminum products, Engineering, etc.)

History of Operating Results

09/3-11/3: Following the Lehman shock, introduced comprehensive management measures to strengthen the corporate constitution
 12/3-14/3: Medium-term Management Plan (Materials Premium 2013 - Aiming for New Creation)
 Twin focus on growth strategy and enhancement of financial position
 15/3-17/3: Medium-term Management Plan (Materials Premium 2016 - Challenge to become the world's leading business group)
 Fortifying the foundation
 18/3-20/3: Medium-term Management Strategy (- Transformation for Growth -)
 20/4- : Medium-term Management Strategy with Value Creation Process



*1 Announced on August 6, 2021

Mission (Corporate Philosophy System)

For People, Society and the Earth

We will become the leading business group committed to creating **a sustainable society** through materials innovation, with use of our unique and distinctive technologies, for People, Society and the Earth

Create both social and economic values

Contribute to build a prosperous society by providing nonferrous metal materials, predominantly copper, and high value-added functional materials and products.

Contribute to build a recycling-oriented society by providing recyclable products and advanced technology-based waste recycling.

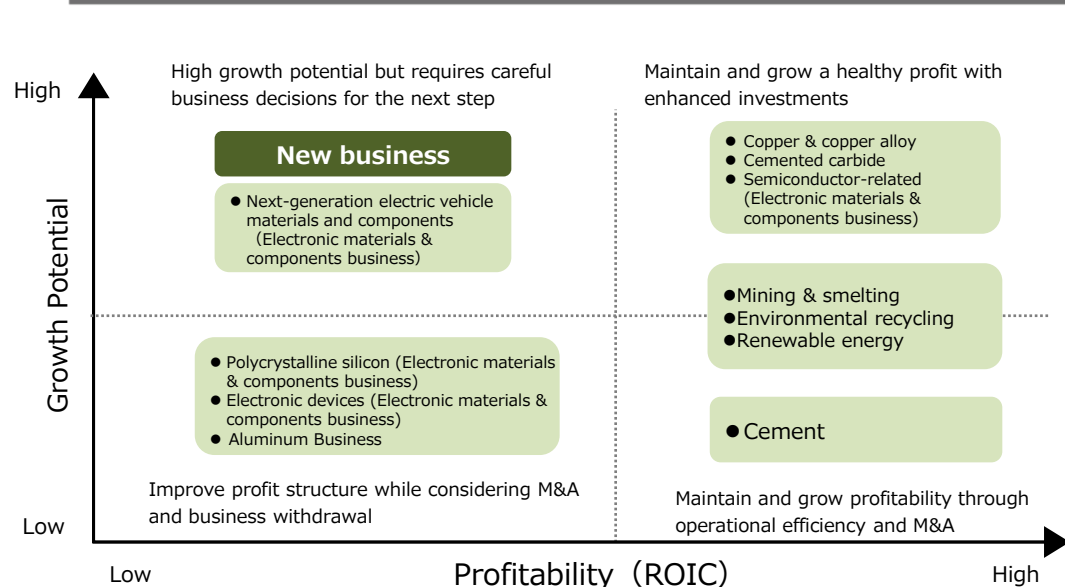
Contribute to build a decarbonized society by developing and promoting the use of renewable energies such as geothermal energy, and ensuring to consider the reduction of environmental impact in manufacturing.

<Group-wide Policy>

- ◆ Optimization of business portfolio
- ◆ Comprehensive efforts to increase business competitiveness
 - > Manufacturing excellence, quality management, and digital transformation strategies
- ◆ Creation of new products and businesses
 - > R&D and marketing strategy



Status of business portfolio optimization



【Characteristics of businesses that the company should take ownership of】

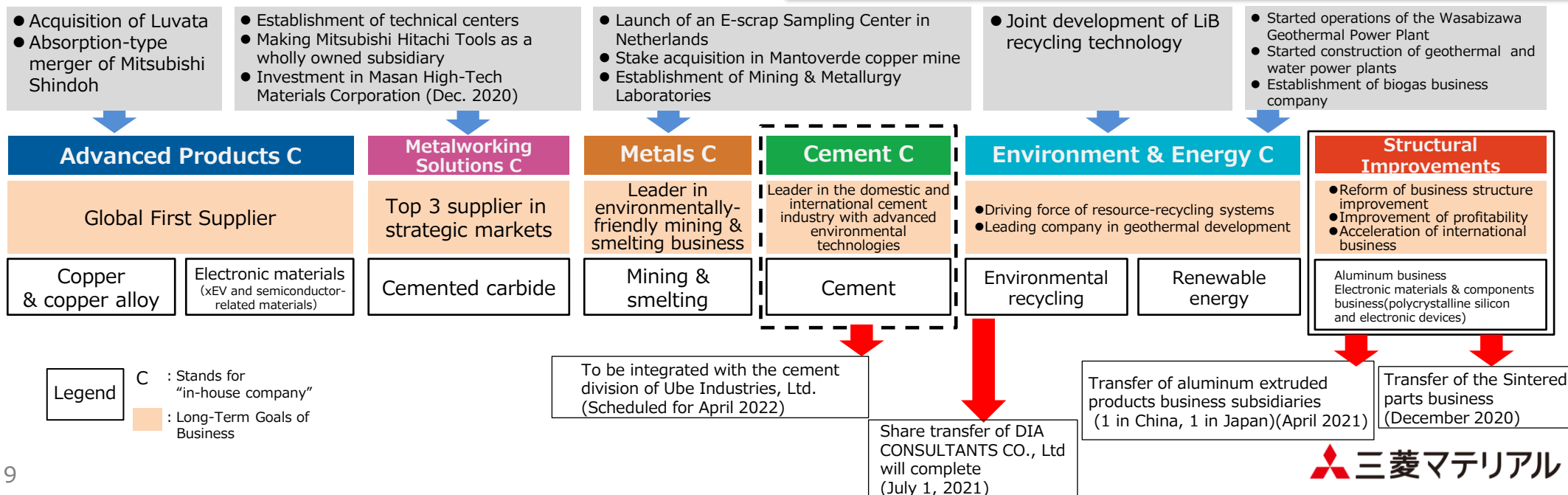
- Businesses that are consistent with the Group's vision and mission
- Businesses that are governable by the Group
- Businesses that are capable of earning a leadership role in a specific region or the world
- Businesses that can deliver stable returns over capital costs on a medium- to long-term basis

【Building business portfolio】

- Profitability and growth potential determine the business direction
- Profitability is measured by ROIC (spread)
- Growth potential is measured by EBITDA growth rate, etc.

The Electronic materials & components business is a complex business entity comprised of multiple businesses. The company positioned its entire business as a single unit in the original FY2023 Strategy. At this time of review, the company subdivided the Electronic materials & components business from the point of ownership, development recourses, relevance to the Company's technology, profitability and growth potential, and clarified its positioning in the business portfolio. Going forward, the Company will manage each business depending on such positioning.

Reformation of business structure



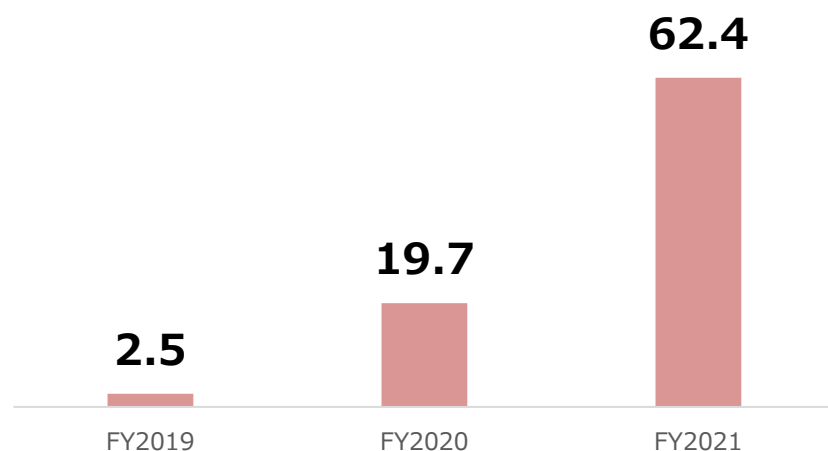
Basic policy and transition on Strategic Holdings

■ Basic policy on Strategic Holdings

- ✓ The Company shall not acquire or hold Strategic Holdings unless doing so is necessary for the purpose of its business strategy.
- ✓ With regard to the Strategic Holdings, appropriateness of such holdings shall be specifically reviewed and examined at a meeting of the Board of Directors on an annual basis. As a result of such reviews and examinations, the Company will reduce any Strategic Holdings if it is not deemed to be necessary to hold such holdings.

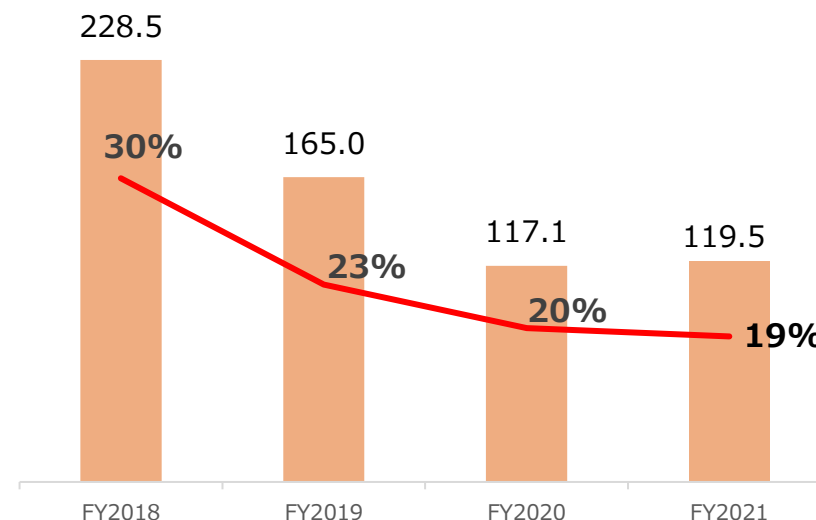
■ Changes in Number of Strategic Holdings

Changes in Number of listed Strategic Holdings



■ Sales amount of listed stock (billion yen)

Percentage of Strategic Holdings in consolidated net assets



■ Amount recorded on the balance sheet (billion yen)

— Against consolidated net assets (%)

21 MMDX* Themes and Key Perspectives

*MMDX: Mitsubishi Material Digital Business Transportation

Summary of MMDX Themes As of April 2021

Business Digital Transformation	Product-based business	Metalworking C DX	1. MI*2 : Digital customer touch points
		Advanced Products C DX	2. MI*2 : Utilization of market information
		Companywide	3. Ability to propose solutions
	Recycling-Based Business		4. Demand and supply management
Advancement of Manufacturing Excellence (Including digital technology utilization for process-oriented businesses)			5. Improvement of customer touch points
			6. Supply chain integration
			7. Advance development and production data utilization
			8. Income platform
Key Operations			9. Companywide standardization
			10. Strengthening E-Scrap processing
			11. Environmental recycling digital transformation
			12. Security and safety
Data Infrastructure			13. Maintenance
			14. Advance procurement
			15. Digital transformation of the Central Research Institute
			16. ERP
Operational Efficiency			17. Upgrading of business administration
			18. Data infrastructure and utilization
			19. Operational efficiency
			20. Talent management
Human Resource Base			21. Digital transformation talent development and literacy improvement

*2 MI : Market intelligence

- Make appropriate addition, integration and elimination of MMDX themes in response to the changes in the business environment and the progress of each theme.

- 11
- Under the MMDX plan, the company plans more than 40 billion yen investment over six years starting from FY2021 to FY2026.
 - Developing 100s of digital human resources, including business and system-related digital transformation leaders and data scientists, through MMDX implementation.

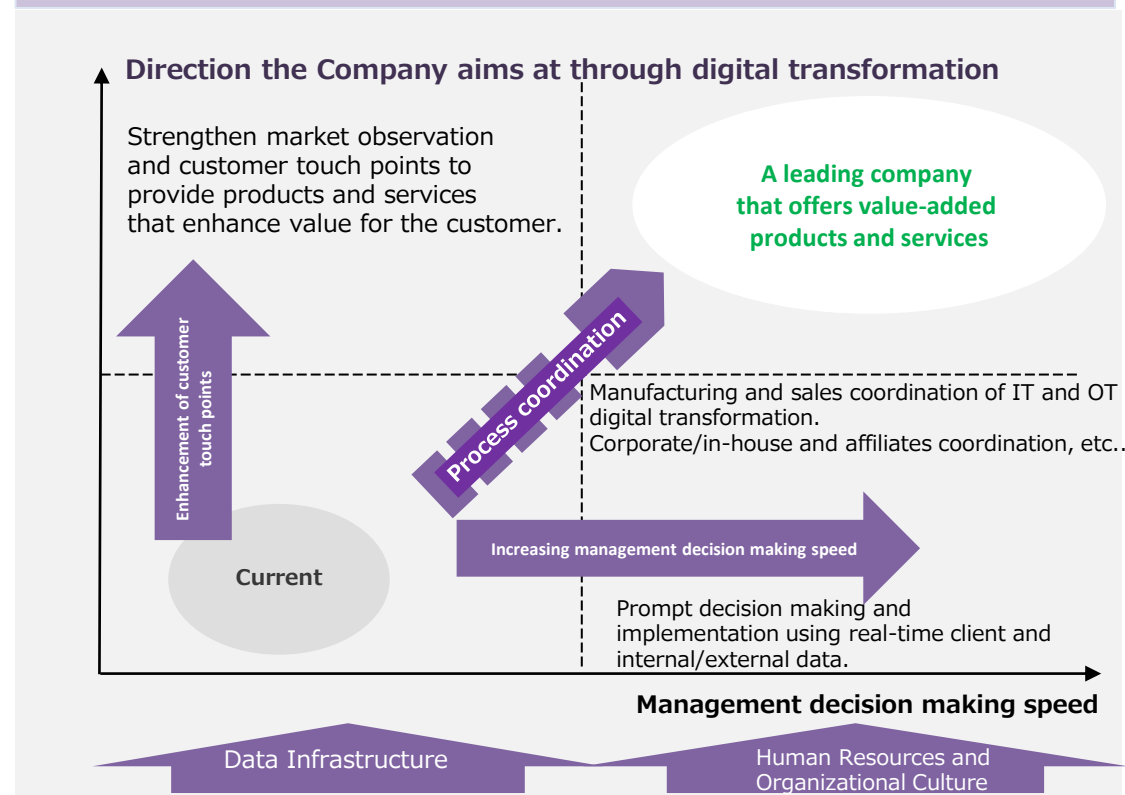
<Group-wide Policy>

- Optimization of Business Portfolio
- Comprehensive efforts to increase business competitiveness
⇒ Manufacturing excellence, quality management and digital transformation strategies
- Creation of new products and businesses
⇒ R&D and marketing strategy

Key Points for Implementing Measures

- Review the entire business processes with a focus on “getting closer to customers”.
- Create a foundation for catching up with competitors and winning on a global scale.
- Strengthen the management foundation through safety and security, enhanced business management, and increased efficiency.

Theme and Key Perspectives for MMDX



Digital Transformation Strategy

: Master Schedule of the Entire MMDX

<Group-wide Policy>

- Optimization of Business Portfolio
- Comprehensive efforts to increase business competitiveness
⇒ Manufacturing excellence, quality management and digital transformation strategies
- Creation of new products and businesses
⇒ R&D and marketing strategy

Stage 1					
FY2021		FY2022		FY2023	
First half	Second half	First half	Second half	First half	Second half

Initial stage of MMDX implementation

- ✓ First, create a strategy to catch-up and a foundation to surpass competitors
- ✓ Solidify the management base, including security and safety, data infrastructure, and business administration

Stage 2		
FY2024	FY2025	FY2026

Full-scale operation phase of MMDX

- ✓ Introduction of key systems (ERP)
- ✓ Acceleration of MMDX in the Group

Business Digital Transformation	Product-based business (Metalworking Solutions and Advanced Products)	<ul style="list-style-type: none"> Implementation of measures to realize the medium-term management strategy of each business Strengthening customer touch points, process coordination and enhancing global cooperation 	<ul style="list-style-type: none"> Enforce measures to catch up and surpass the competitors <ul style="list-style-type: none"> ✓ Metalworking Solutions: Global Top 3 ✓ Advanced Products : "Global First Supplier"
	Recycling-Based Business	<ul style="list-style-type: none"> Building a foundation for the recycling business 	<ul style="list-style-type: none"> Promote utilization of recycling data
Manufacturing Digital transformation		<ul style="list-style-type: none"> Implement digital transformation to achieve the goals of safety and security, maintenance, procurement, and R&D Promote data utilization in the fields and smart factory plans 	<ul style="list-style-type: none"> Accelerate digital transformation to enhance safety and security, maintenance, and procurement Accelerate manufacturing excellence and new business development by utilizing data and digital technologies
ERP		<ul style="list-style-type: none"> Formulation of ERP introduction plan Define requirements/ Design Development / Testing 	<ul style="list-style-type: none"> Implement on a non-group-wide basis first and then gradually roll out to domestic and overseas companies in the Group
Data infrastructure/ Business Administration		<ul style="list-style-type: none"> Build infrastructure for data analysis Training for data scientists and promote data utilization Improving business administration 	<ul style="list-style-type: none"> Build and utilize data infrastructure in the Group Visualization of management information, automation and sophistication of analysis Realize speedy management based on data
Operational Efficiency		<ul style="list-style-type: none"> Standardization of operation, and thorough automation 	<ul style="list-style-type: none"> Standardize and improve efficiency of operations across the Group and shift human resources to high value-added operations
DX talent development		<ul style="list-style-type: none"> Design digital transformation training system and MMDX activity across the entire Group Practice free and frank communication 	<ul style="list-style-type: none"> Digital transformation talent development and strengthening of digital transformation literacy All group members autonomously accelerate digital transformation

Creation of new products and businesses

<Group-wide Policy>
























- Optimization of Business Portfolio
- Comprehensive efforts to increase business competitiveness
⇒ Manufacturing excellence, quality management and digital transformation strategies
- Creation of new products and businesses
⇒ R&D and marketing strategy

Investment results through “MMC Innovation Investment Limited Partnership”

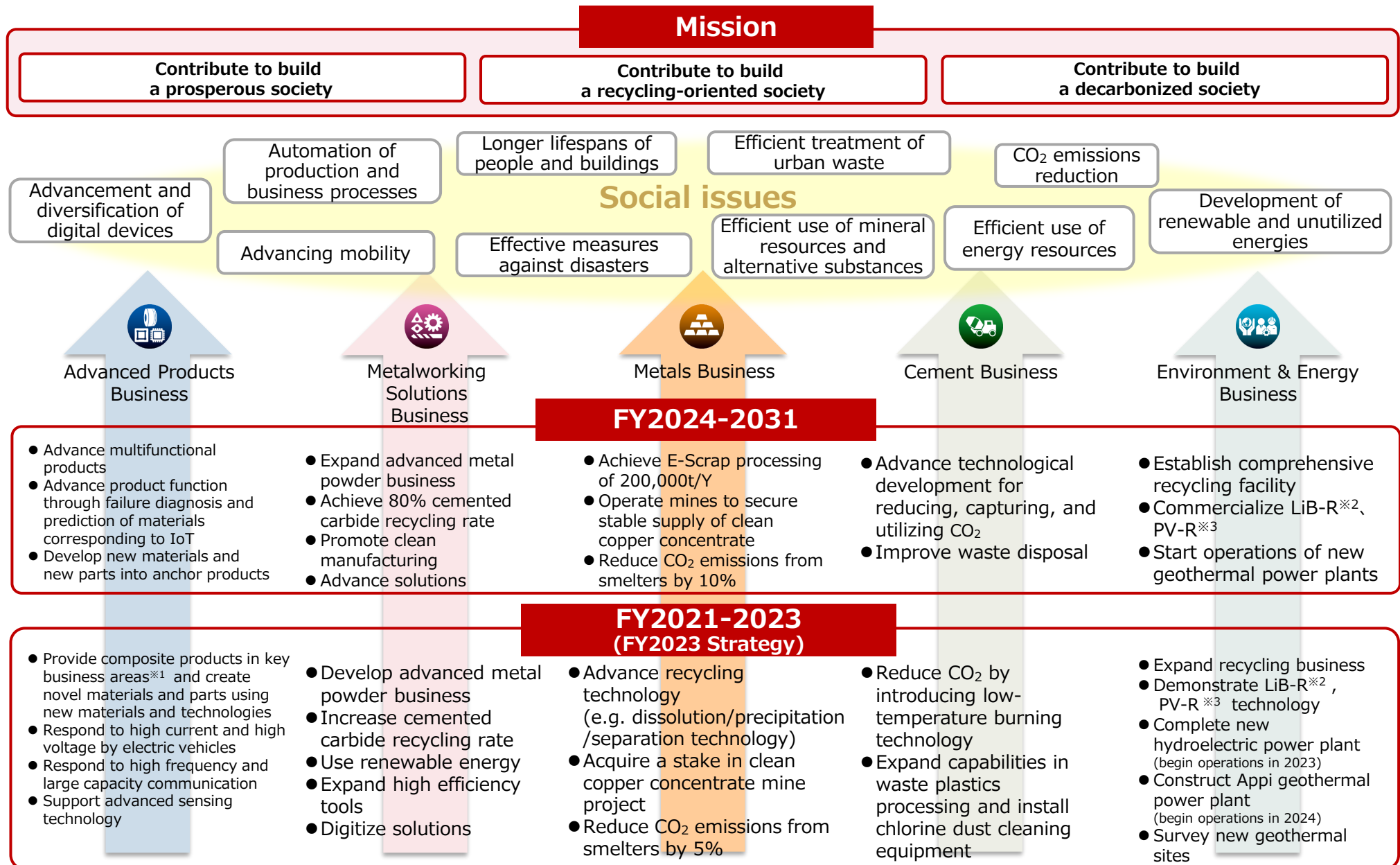
MMC has established the "MMC Innovation Investment Limited Partnership" in order to develop medium- to long-term technologies of the Group, create innovation through collaboration, and create new value. And MMC has invested in the venture companies with material technologies that is new business candidate as follows.

	Company name	Company's technologies/products	MMC's aim
October, 2019	Elephantech Inc.	Elephantech has manufacturing technology for electronic circuit boards by additive manufacturing using inkjet printing of metal nano inks and electroless copper plating.	MMC has started development of “copper nano ink” with Elephantech as an evaluation partner. MMC will aim to develop new copper products for circuit boards and get opportunities of its supply.
May, 2020	EneCoat Technologies Co., Ltd.	EneCoat Technologies is developing Perovskite Solar Cells characterized by high power generation efficiency, light weight, and flexibility compared to conventional silicon-based solar cells.	In collaborate with EneCoat Technologies, MMC will develop technologies that contribute to improving the performance of Perovskite Solar Cells and the peripheral materials etc. necessary for making them lead-free, aiming to get opportunities to supply materials when perovskite solar cells become widespread.
June, 2020	CONNEXX SYSTEMS Corporation	CONNEXX SYSTEMS has development and manufacturing technologies for new storage battery, high-power in-vehicle Lithium-ion battery (LIB), and next-generation battery that combine LIB and lead-acid battery.	MMC is developing technology for reusing and recycling used in-vehicle LIB. In collaboration with CONNEXX SYSTEMS, MMC will promote the reuse business that is the reuse of collected used in-vehicle LIB for stationary storage battery.
September, 2020	Nature Architects inc.	Nature Architects has unique structure design technologies such as giving strength only to the necessary parts and adding the function of absorbing vibration to hard parts.	By combining MMC's knowledge of non-ferrous metals and other material properties with Nature Architects' design technology, MMC will promote development of unique products with new added value by additive manufacturing using our materials.
July, 2021	IMMUNOSENS CO.,LTD.	IMMUNOSENS develops and provides unique immunosensors that achieves both high sensitivity and miniaturization through patented technology. The sensors is used in real-time inspection in a medical setting.	MMC will find synergies with IMMUNOSENS's life-healthcare-related technologies and knowledge, and will work on applying our knowledge of nonferrous metals and other materials to the life healthcare field.

Business Strategy : Long-term Business Goals / Long-term Strategy and ESG/SDGs

	Long-term business goals	Long-term strategy	ESG/SDGs			Mission		
			E (Environment)	ES (Society)	S	Contribute to build a prosperous society	Contribute to build a recycling-oriented society	Contribute to build a decarbonized society
Advanced Products Business	Global First Supplier	<ul style="list-style-type: none"> Create new businesses and products through the sophistication and integration of our core competencies (e.g. production and development of oxygen-free copper, oxygen-free copper base alloys, and functional materials as well as technical capabilities such as bonding different metals, etc.) Accelerate marketing activities to replicate successful practice 	 	 		<ul style="list-style-type: none"> Advance and diversifying mobility and digital devices Automate production and business processes 	<ul style="list-style-type: none"> Develop and use materials with low environmental impact Efficiently use mineral resources and alternative resources 	<ul style="list-style-type: none"> Efficiently use energy resources Reduce CO₂ emissions Develop and supply products that contribute to decarbonization
Metalworking Solutions Business	Top 3 supplier in strategic markets	<ul style="list-style-type: none"> Promote clean manufacturing Provide high-efficiency products with advanced technology Expand advanced metal powder business in electronic devices 	 	 		<ul style="list-style-type: none"> Provide high-efficiency products and digital solutions 	<ul style="list-style-type: none"> Promote the use of recycled cemented carbide materials 	<ul style="list-style-type: none"> Promote manufacturing renewable energy Expand electrification business by advanced metal powder technology
Metals Business	Leader in environmentally-friendly mining & smelting business	Stable supply and recycling of nonferrous metal materials, predominantly copper <ul style="list-style-type: none"> Creation of a sustainable raw material portfolio consisting of clean copper concentrate and E-Scrap Promotion of recycling Response to climate change 	 	 		<ul style="list-style-type: none"> Provide copper-based materials for advanced products 	<ul style="list-style-type: none"> Provide recyclable products Recycle waste 	<ul style="list-style-type: none"> Promote the development and use of CO₂ reduction technologies Achieve manufacturing that considers environmental load
Cement Business	Leader in the domestic and international cement industry with advanced environmental technologies	<ul style="list-style-type: none"> Stable supply of basic building materials for social infrastructure and disaster prevention infrastructure Sophistication of waste disposal Response to climate change by reducing CO₂ Construction of a resilient domestic business foundation through business restructuring and business growth in overseas markets 	 	 		<ul style="list-style-type: none"> Create a safe, secure, and functional city 	<ul style="list-style-type: none"> Recycle waste Promote sustainable resource recycling 	<ul style="list-style-type: none"> Reduce CO₂ emissions by improving manufacturing processes
Environment and energy Business	(Environmental recycling) Driving force of resource-recycling systems (Renewable energy) Leading company in geothermal development	<ul style="list-style-type: none"> Provision of a safe recycling system with thorough traceability, etc. Decarbonization by expanding renewable energy business 	 	 		<ul style="list-style-type: none"> Ensure a stable supply of clean energy and recycled products 	<ul style="list-style-type: none"> Solve urban waste problems Build a sustainable social system 	<ul style="list-style-type: none"> Provide renewable energy

Business Strategy : Business Strategy for Solving Social Issues



※1...Next-generation automobile, semiconductor / electronics, industrial machinery / infrastructure

※2...Li-ion battery recycling ※3... Solar panel recycling

Business Strategy : Contribution Goals for a Sustainable Society



Sales volume of copper materials for new HV/EV

1.2 times or more

FY2020 Result
989t

FY2023 target
1,200t



Sales volume of materials for next-generation vehicles and environmentally friendly products

1.3 times or more

FY2020 Result*1
4.2billion yen

FY2023 target
5.6 billion yen



Ratio of recycled tungsten as raw material in cemented carbide tools

Up 25%

FY2020 Result
28%

FY2023 target
35%



E-Scrap processing capacity

Up 25%

FY2020
160,000t

FY2031 target
200,000t



Waste and by-products processing volume in cement production

Up 15%

FY2020 Result
3.9million tons

FY2031 target
4.5 million tons
(FY2020 production volume basis)



Annual processing volume of home appliance recycling

Up 27%

FY2020 Result
2.8million units

FY2023 target
3.5 million units



Annual total power generated by renewable energy

Up 22%

FY2020 Result
437GWh

FY2031 target
533GWh

Greenhouse Gas (GHG) Reduction Target

- Target setting for becoming a carbon neutral company by FY2051
- Aiming to reduce GHG emissions by 17% or more by FY2031 for the entire Group (compared with FY2014)
- Striving for at least 30% reduction in the Advanced Products and the Metalworking Solutions Businesses, where energy-derived emissions predominate

※1 Reviewed definition of the applicable automotive device products

※2 Revised definition of the generation volume of each business (power generation and geothermal steam supply) multiplied by the Company's ownership share

Sustainable Management

Establishment of Sustainable Management Office (April 1, 2020)

- Based on its corporate philosophy and through its business activities, the Company will realize both the contribution to building sustainable society and the enhancement of corporate value on a medium- to long-term basis.
- The Company will specify management issues concerning sustainability and promote centralized responses.

Special Panels

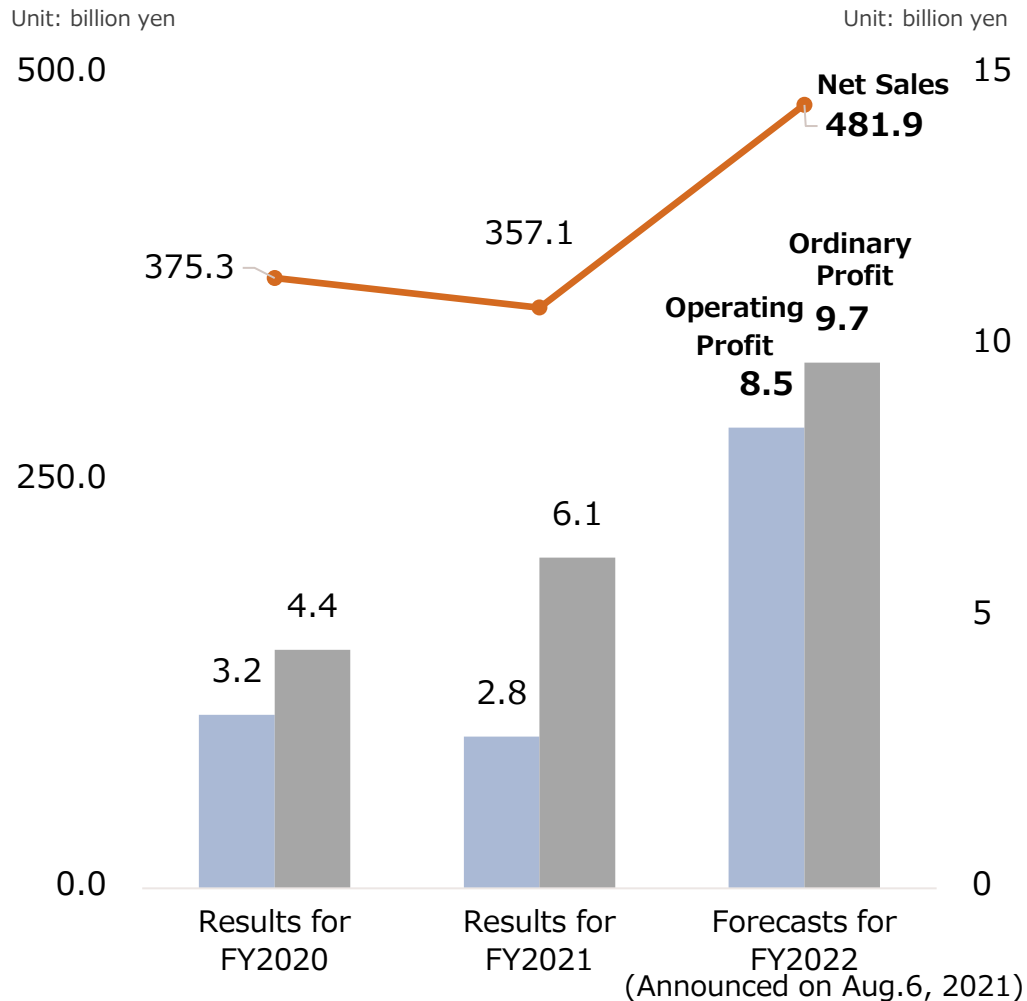
Communications Panel	Exchanges information concerning communications with stakeholders and discusses policies on measures	Environmental Management Panel	With the aim of no violation of environmental laws and regulations and no environmental accident
Corporate Functions Optimization Panel	Seeks to realize efficient and highly productive work styles taking digitalization	Quality Management Panel	Shares information concerning quality management and recurrence prevention measures, and discusses and promotes measures
Governance Panel	Promotes measures to strengthen cross-departmental governance	Information Security Panel	Protects information assets from information security risks and maintains normal corporate activities
Compliance Panel	Discusses policies and shares information on measures concerning compliance and others	Zero Disaster Promotion Panel	With the aim of zero disasters in the Group
Risk & Crisis Management Panel	Discusses concerning responses to serious risks and crises and monitors issues and effectiveness	Health Management Promotion Panel	Promotes measures for “health management” in continuous and effective manners
Climate Change and Energy Panel	Clarifies the issues of the Group concerning global warming and climate change and discusses measures		

Business Strategy & Overview by Segment

Advanced Products

Advanced Products

Consolidated Earnings

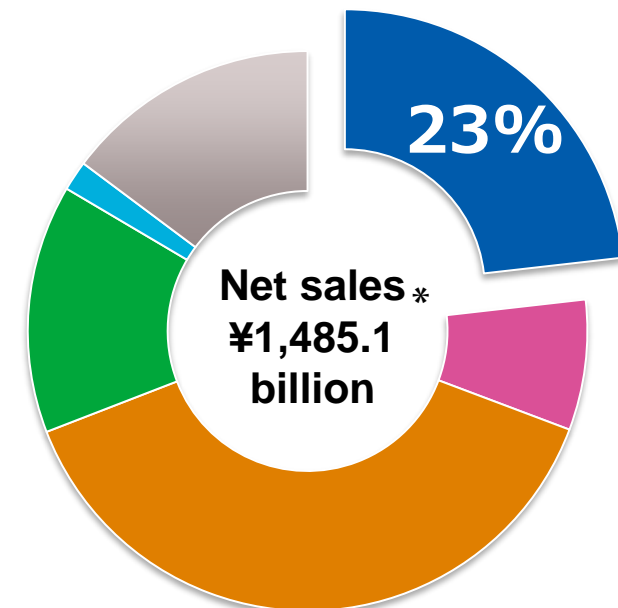


Ratio of Net Sales by Business

Advanced Products



- Copper and copper alloy products
- Electronic materials & components

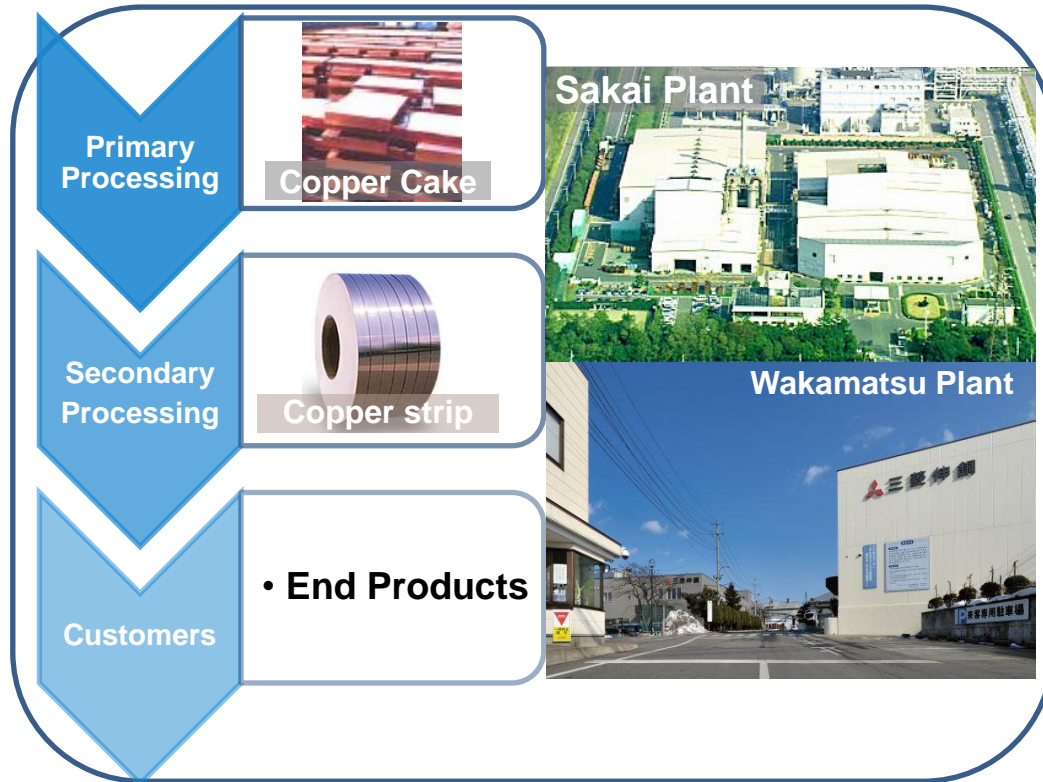


Net sales *
¥1,485.1
billion

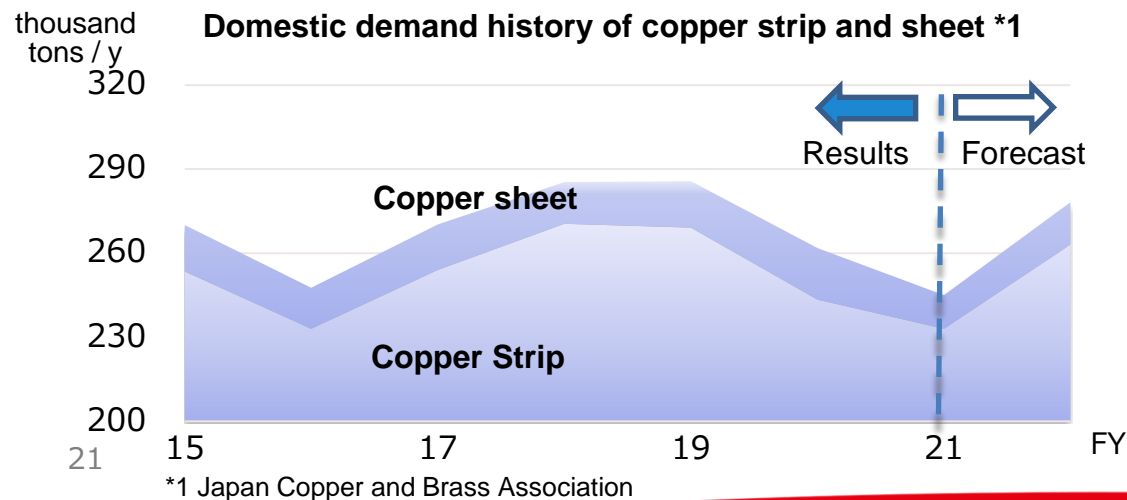
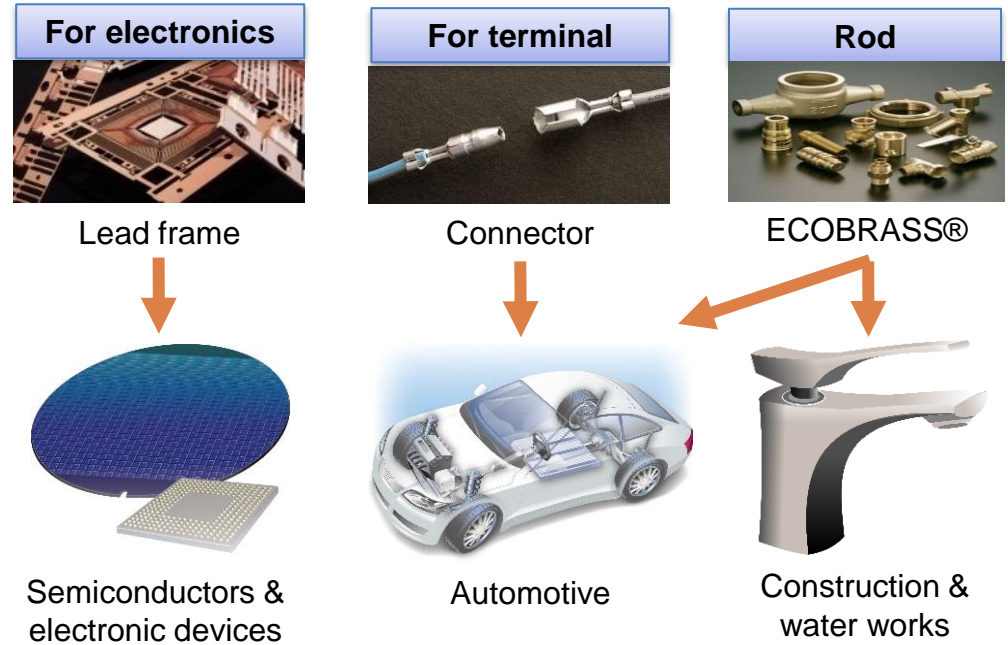
*Sales to outside customers (Year ended March 31, 2021)

Advanced Products - Copper & Copper Alloy (1) -

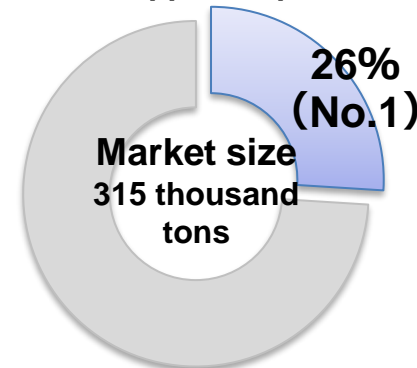
Processing the copper materials from our copper smelter into various shapes



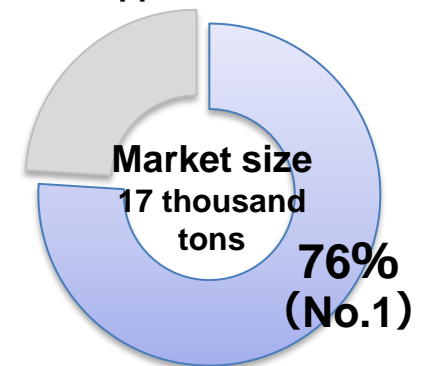
Application for main products



Domestic market share of copper strip *2



Domestic market share of copper sheet *2



*2 Japan Copper and Brass Association (FY2021)

Advanced Products - Copper & Copper Alloy (2) -

LUVATA

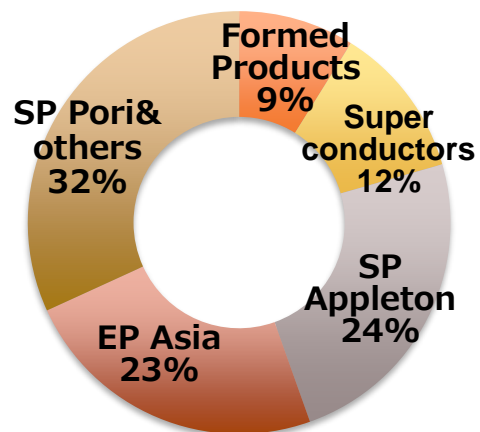
Company profile * FY ended Dec. 31, 2020

- Head Office: Pori, Finland
- Net sales: €512 million
- Operation (Manufactures & Sales):
12 entities, 7 countries
- Employees: 1,315

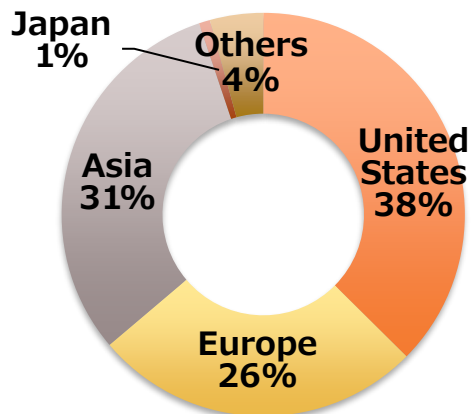


▲ Copper Industrial Park in Pori

Sales ratio by Business Units



Sales ratio by Resions



Various products for targeted markets



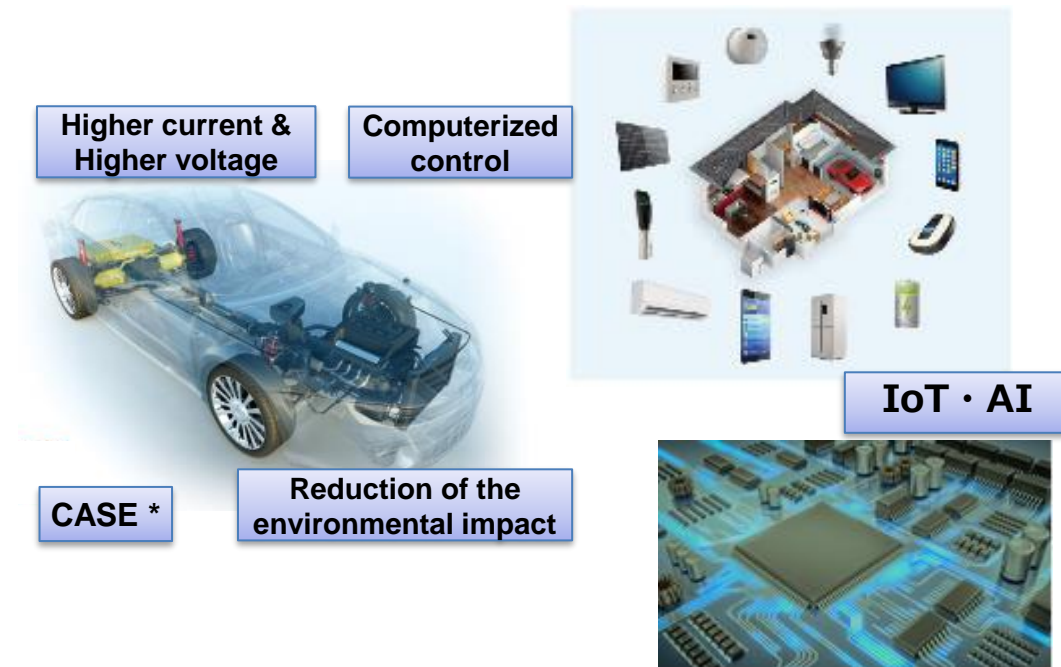
Advanced Products - Copper & Copper Alloy (3) -

Aiming to become a global leader in the Copper & Copper Alloy Business

◆ Market Needs

Oxygen-free copper, which is our strength, is a necessary material for high current and high voltage.

We expect that our Copper & Copper Alloy products' demand is to increase as the automobile industry supports CASE and IoT etc.

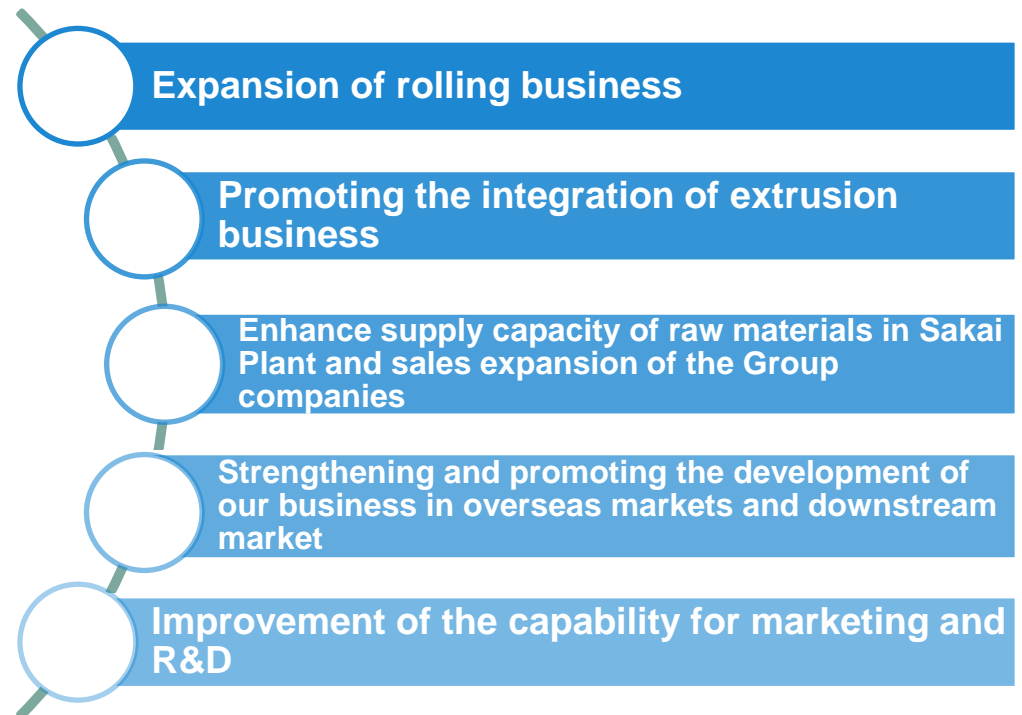


※CASE…Connected, Autonomous, Shared & Services, Electric

◆ Strategic Investment

Planning capex of approx. ¥30.0 billion in total from FY2021 to 2027.

To increase our production capacity by about 30% from the current level, mainly for automobile-related products in which strong demand is expected.



Advanced Products Business

(Copper & Copper Alloy, Electronic Materials & Components)

Long-term goals | Global First Supplier

Long-term strategy

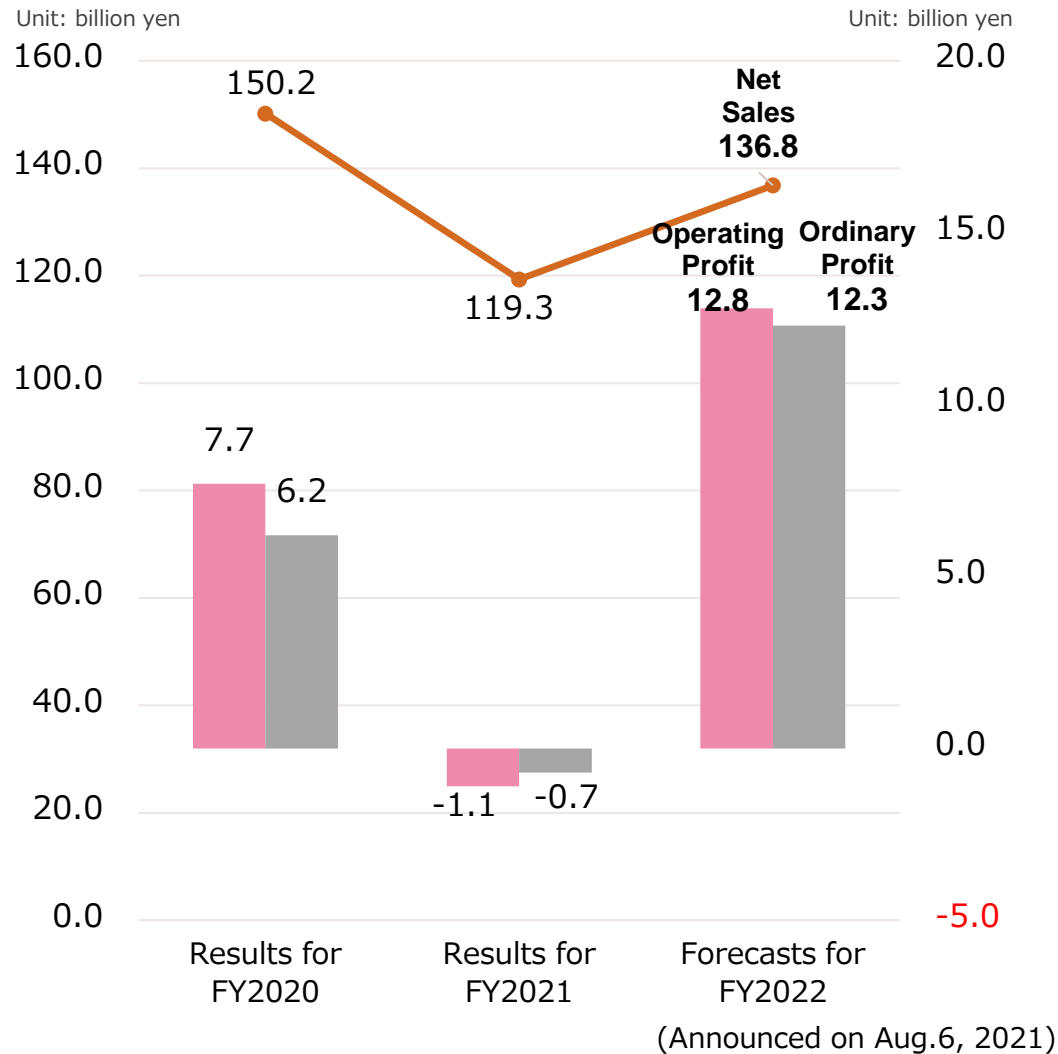
- Refine and combine core competencies (e.g., the development and manufacturing technology of oxygen-free copper base alloys, development of functional materials, welding technology, etc.), to create new products and businesses.
- Pursue winning patterns from a market perspective.

	Medium-term Management Strategy		
	Key strategies	FY2021 results	Plans for FY2022 and beyond
Business-wide	Appoint key account managers who work across business units/utilize AI and IoT for information analysis.	<ul style="list-style-type: none"> • Appointed key account managers • Introduced MA, SFA, CRM*, and promoted effective marketing and sales activities. 	<ul style="list-style-type: none"> • Activate MA, SFA, CRM operations, and visualize the activities by creating a dashboard of KPI performance trends. • Analyze global demand by coordinating with the marketing departments in Europe.
Copper & copper alloy	Restructure business and reinforce production systems of rolled and extruded products business./develop and launch products based on product roadmaps.	<ul style="list-style-type: none"> • Established a system to promote production increases in Wakamatsu and Sanbo plants. • Maintained the framework of the large-scale investment of approx. 30 billion yen. • Started mass-production of MSP® 5, an alloy for vehicle-mounted small connectors and for press fit. 	<ul style="list-style-type: none"> • Expansion of material supply capacity in Sakai plant started its construction in FY2021, and will start operations in FY2023. • Delaying long-term sales plan due to the impact of COVID-19. <p>(Rolled Products) Installation of new rolling machine in Wakamatsu, and slitter and packing facilities in Sanbo.</p> <p>(Extruded Products) Process streamlining by introducing a new extruding machine. Considering to increase the production of lead-free brass sticks.</p>
Electronic materials & components	Develop market and expand sales of products for next-generation vehicles. /build a system to increase the production capacity of silicone-processed goods.	<ul style="list-style-type: none"> • Reconstruction of the insulated heat dissipation components business. • Achieved targets for the number of products developed for automobile products. • Strengthened production system to respond to customer demand. 	<p>Semiconductors-related business remains robust due to strong demand.</p> <ul style="list-style-type: none"> • Maintain and improve profitability by building a system to boost production capacity and improving productivity. <p>xEV materials/components are expected to grow.</p> <ul style="list-style-type: none"> • Build partnerships with important customers by utilizing development roadmaps. • Promote development and reinforce production systems.

Metalworking Solutions Business

Metalworking Solutions Business

Consolidated Earnings



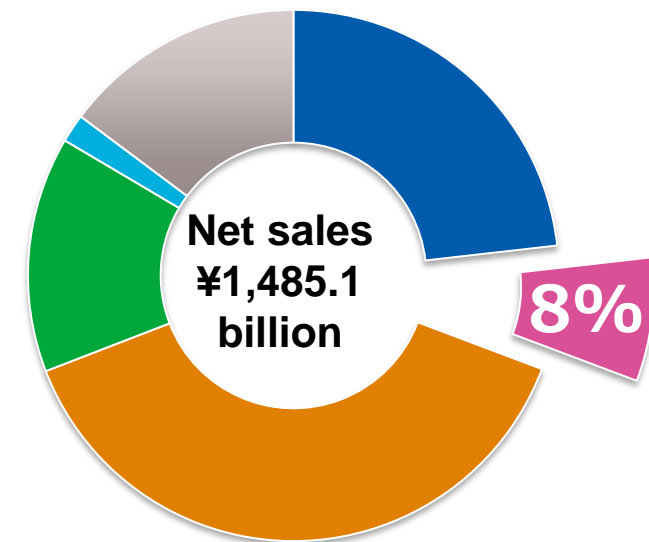
※FY20、FY21(until Dec.) : Including Sintered products
FY21 : Not including Sintered products

Ratio of Net Sales by Business

Metalworking Solutions



- Cemented carbide products



*Sales to outside customers (Year ended March 31, 2021)

Metalworking Solutions - Cemented Carbide Products (1) -

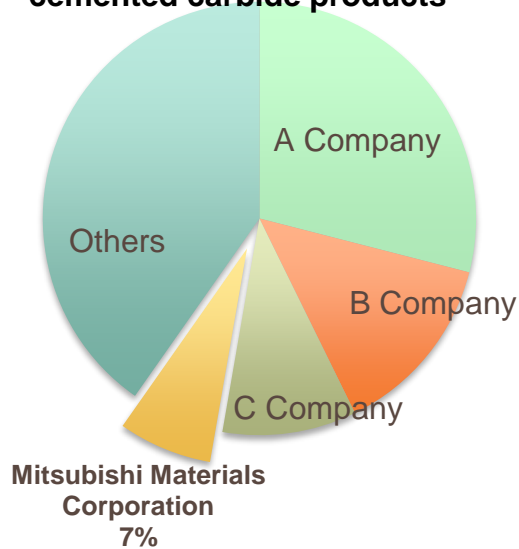
Market Size of Cemented carbide tools approx. : ¥ 2,060 billions (2030) *
¥ 1,900 billions (2025)

* MMC's assumption



Market share: 4th grade in World Wide
Top share in Japan

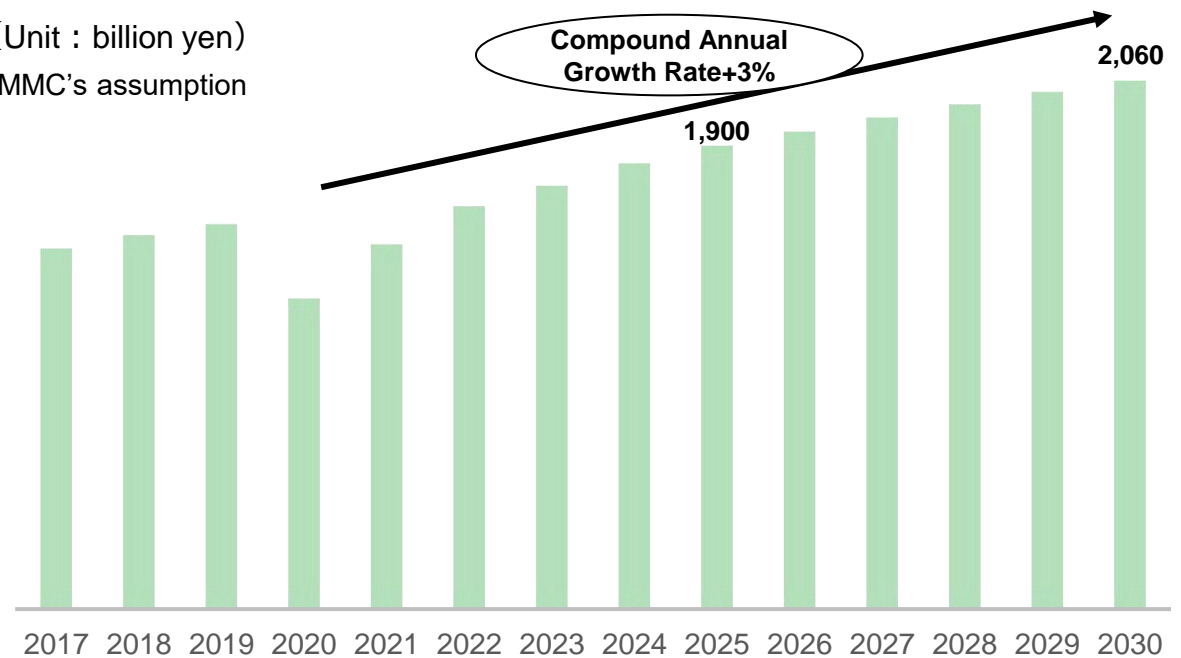
Global market share of cemented carbide products*



* MMC's assumption

Market size outlook of Cemented carbide tools approx.

(Unit : billion yen)
* MMC's assumption

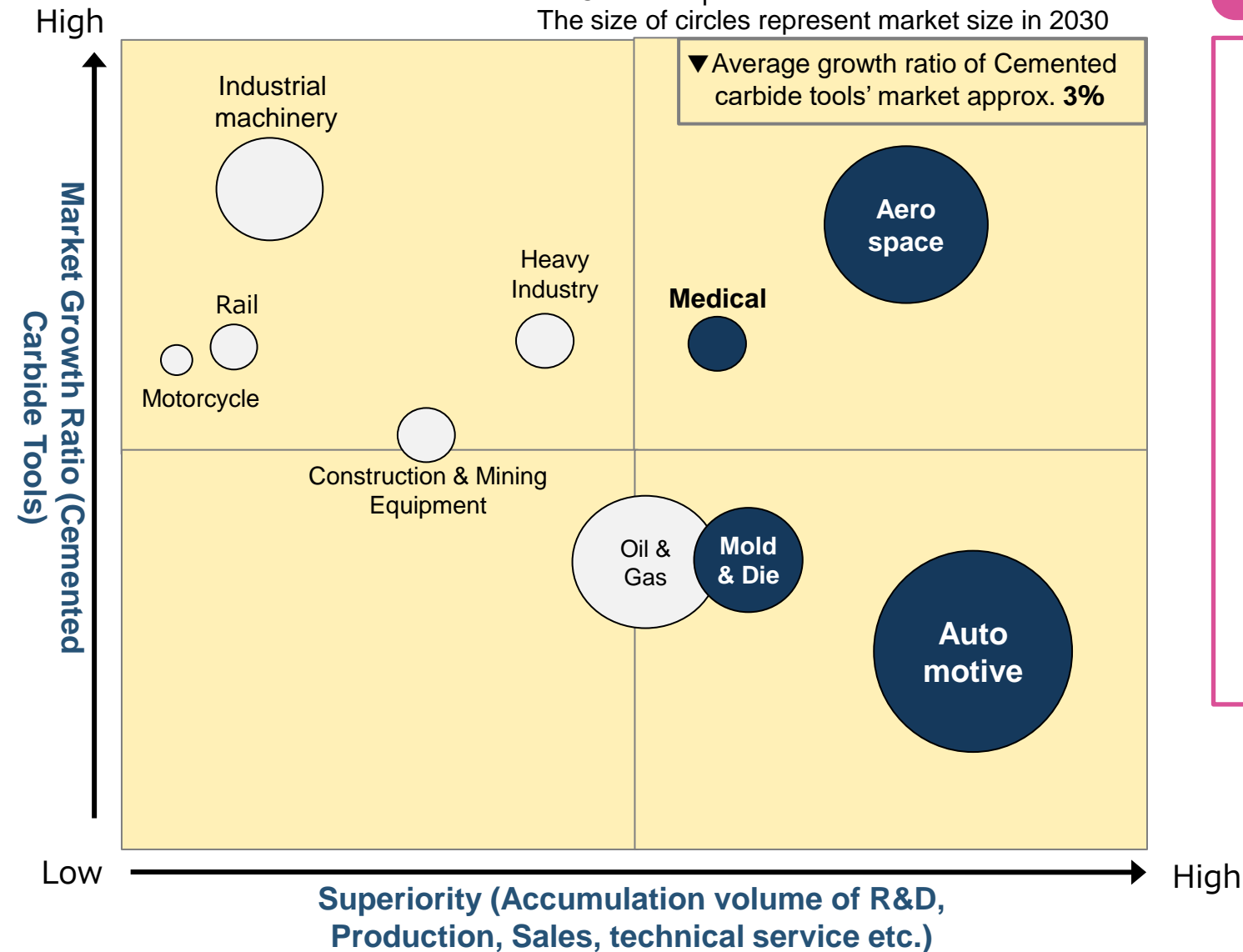


Metalworking Solutions - Cemented Carbide Products (2) -

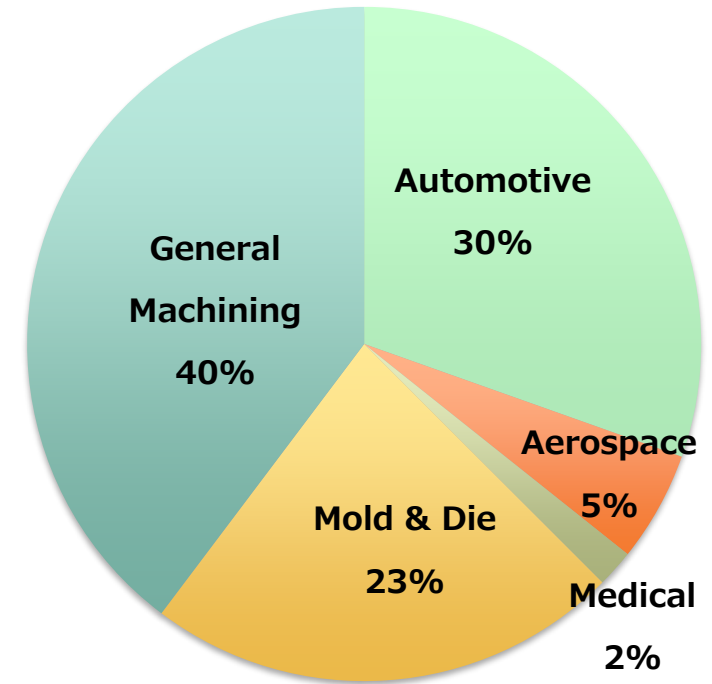
Importance analysis of each industry*

*MMC's assumption
The size of circles represent market size in 2030

▼ Average growth ratio of Cemented carbide tools' market approx. **3%**



MMC's sales ratio of demand by industry (FY2021)

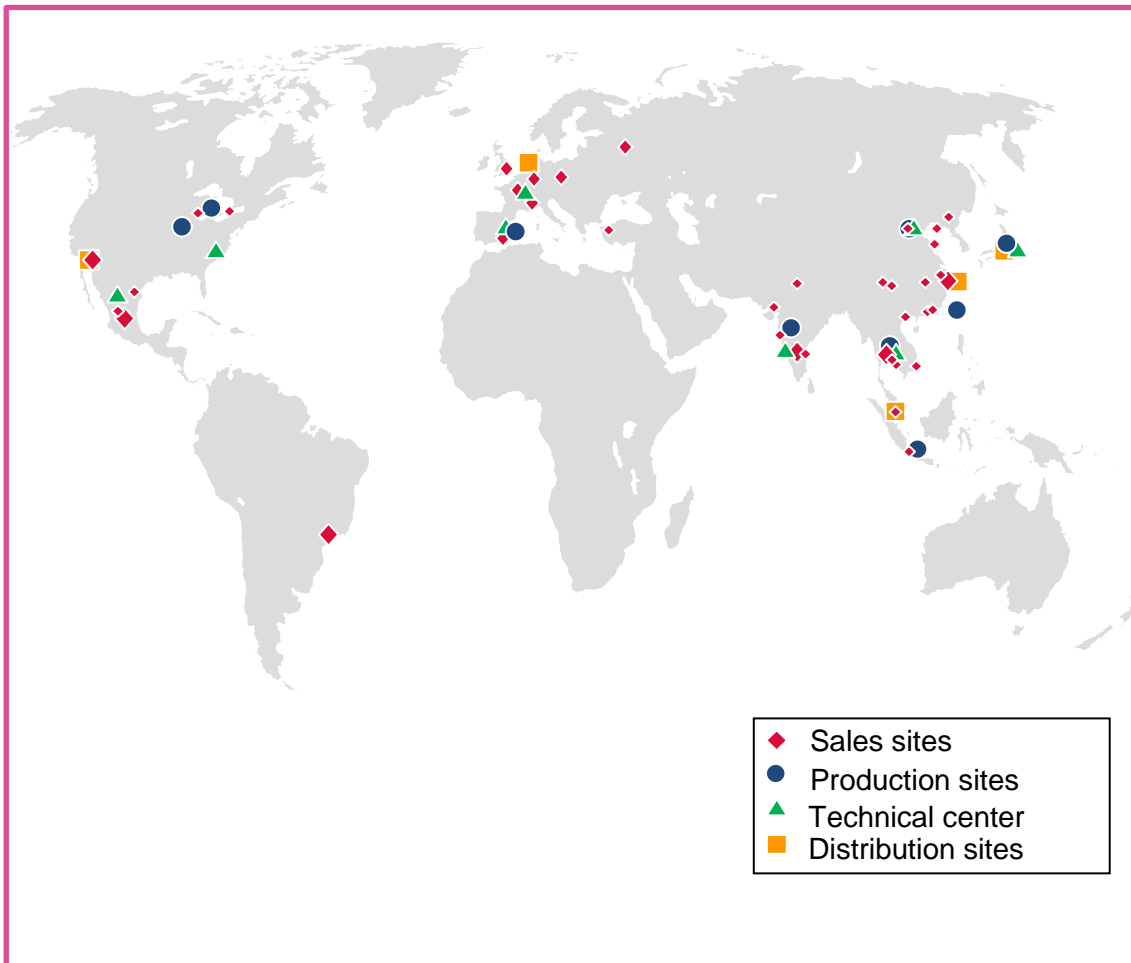


Metalworking Solutions - Cemented Carbide Products (3) -

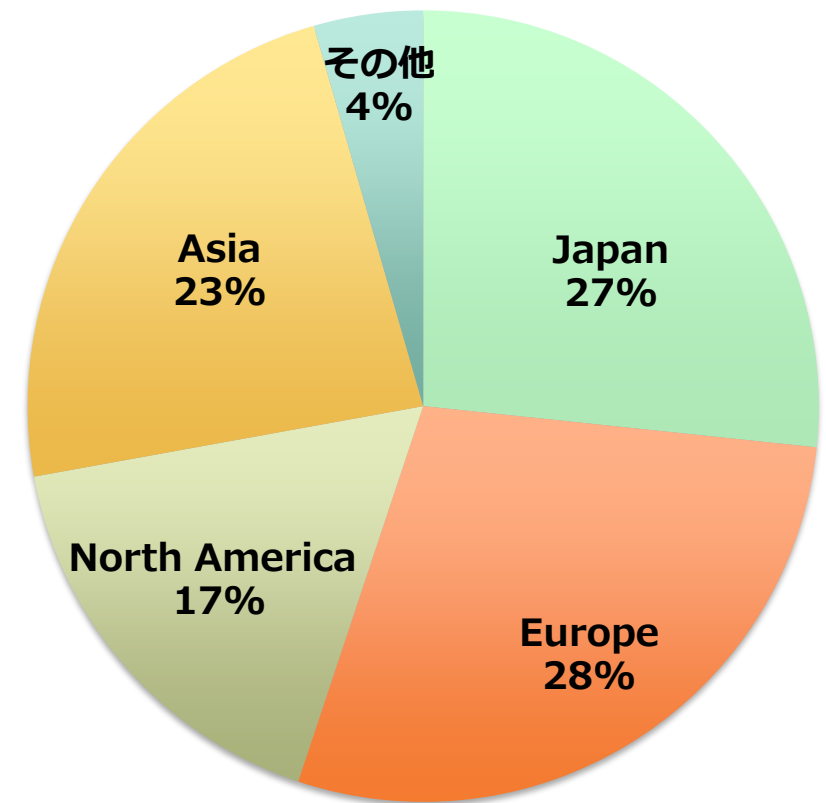
Expansion of sales, production, distribution and technical network

Cemented Carbide Tools network

- Sales sites: 13
- Production sites: 7
- Distribution sites: 5
- Technical center : 9



Sales ratio of Cemented Carbide Tools by area (FY2021)



Metalworking Solutions - Cemented Carbide Products (4) -

◆ Expand technical center networks

MTEC North Carolina

(North Carolina, United States)

Relocated, improved and expanded in 2018



MTEC Valencia

(Valencia, Spain)

Established in 2008



MTEC Stuttgart

(Stuttgart, Germany)

Established in 2019



Central Japan Technical Center

(Gifu, Japan)

Established in 2017



East Japan Technical Center

(Saitama, Japan)

Established in 2010



MTEC Querétaro

(Querétaro, Mexico)

Established in 2019



MTEC Pune

(Pune, India)

Established in 2019



MTEC Bangkok

(Bangkok, Thai)

Established in 2015



Experiment
support

Utilizing mutual
facilities

Sharing
information

MTEC Tianjin

TianJin LingYun tool
Design Co.,LTD
(TianJin, China)

Relocated, improved and
expanded in 2017



Metalworking Solutions Business

Long-term business goals | Becoming the top 3 supplier in strategic markets

Long-term strategy

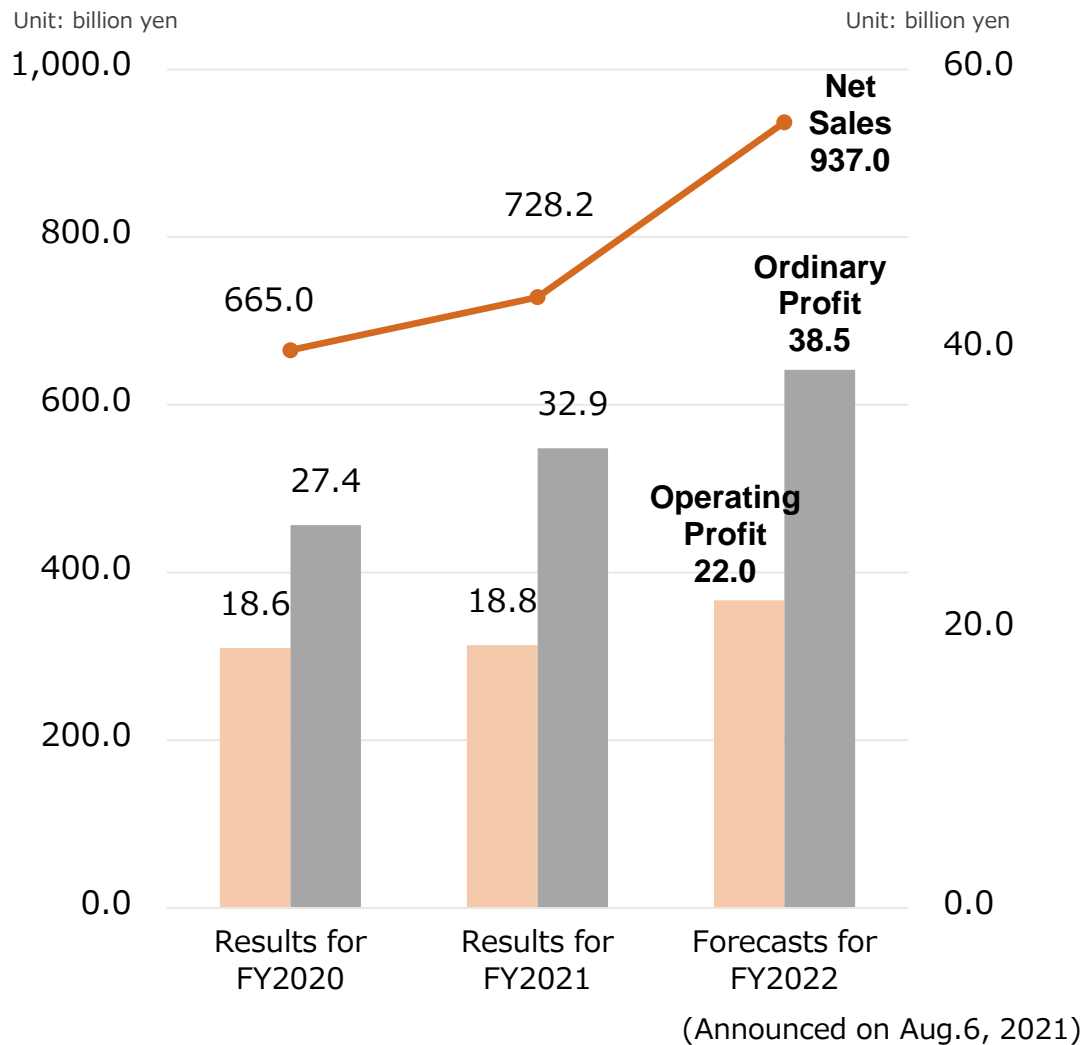
- Promote clean manufacturing
- Provide high-efficiency products by utilizing advanced technology
- Develop advanced metal powder business

	Medium-term Management Strategy		
	Key strategies	FY2021 results	Plans for FY2022 and beyond
Cemented carbide products	Launch new products according to key themes	Launched eight new products (although field tests with customers were delayed due to the impact of COVID-19).	Will launch new products according to eight themes in FY2022.
	Expand advanced metal powder business for the rechargeable battery market	Started considering a technology alliance with Masan High-Tech Materials Corporation (MHT), in which the Company recently acquired a 10% stake, for tungsten powder production.	<ul style="list-style-type: none"> • Expand customer base of advanced metal powder for vehicle-mounted secondary batteries. • Consider technology alliance with MHT Group/resource utilization.
	Expand tungsten recycling	Achieved the recycling target of 35% by expanding scrap recovery area and recycling process resources.	<ul style="list-style-type: none"> • Raised recycling rate by expanding recovery and process volume of cemented carbide scraps. • Discuss joint operation of tungsten recycling business with MHT Group.
	Use of renewable energy	Conducted a survey of procurement methods. Formulated a roadmap to reach a renewable energy usage rate of 50% by 2030.	Formulate specific methods to utilize renewable energy in domestic/overseas locations.

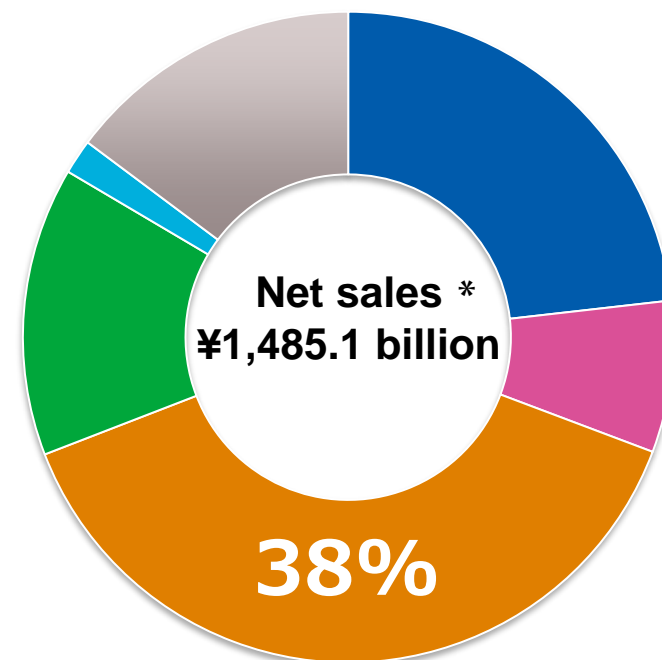
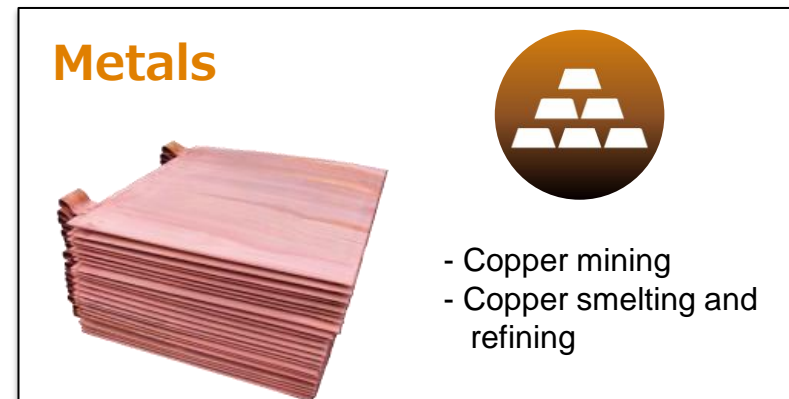
Metals Business

Metals Business

Consolidated Earnings



Ratio of Net Sales by Business



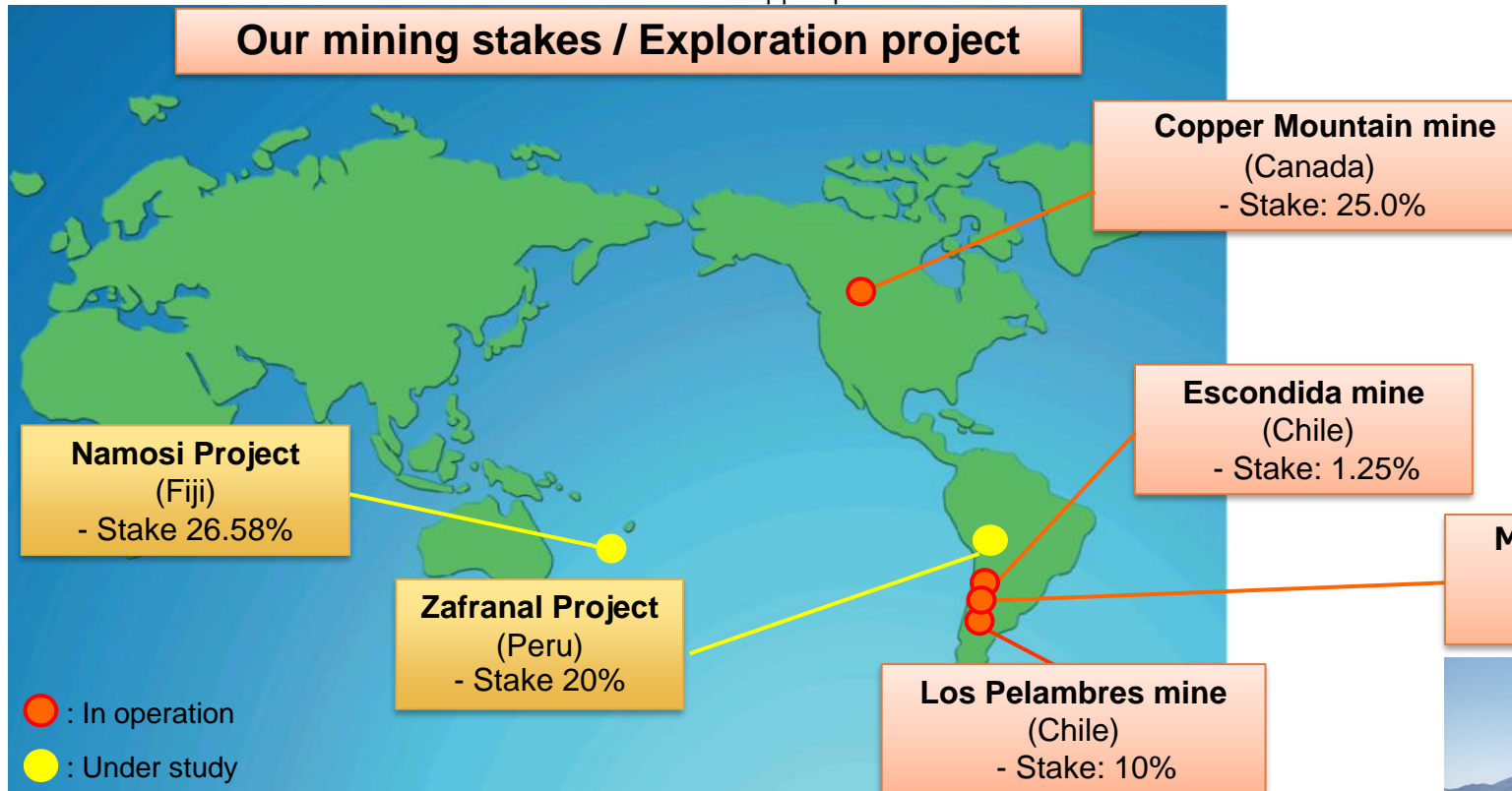
*Sales to outside customers (Year ended March 31, 2021)

Metals Business -Mining (1) -

Key measures : Improve the ratio of stable raw-material procurement *1

1: $\frac{\text{Amount of copper contained with copper concentrate under off-take or long-term contract, and E-Scrap}}{\text{Amount of total copper production}}$

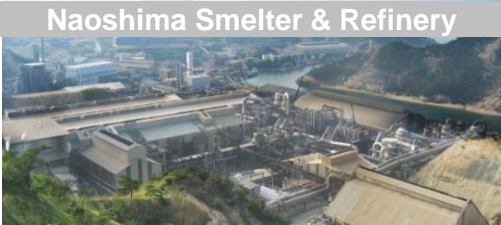
* Off-take: long-term takeover rights linked to mine investment interests



Metals Business - Smelting (1) -

Operation system: Total 3 smelter
(2 in Japan, and 1 in Indonesia)

Naoshima Smelter & Refinery



Copper: 230,000 tons / year
E-Scrap: 120,000 tons / year

Onahama Smelting & Refining

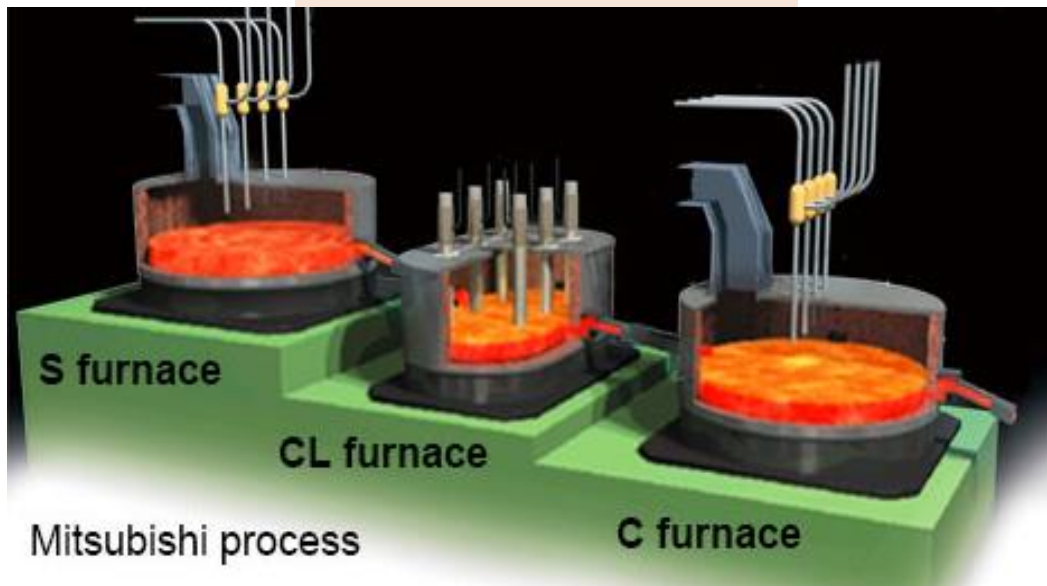


Copper: 300,000 tons / year
E-Scrap: 40,000 tons / year

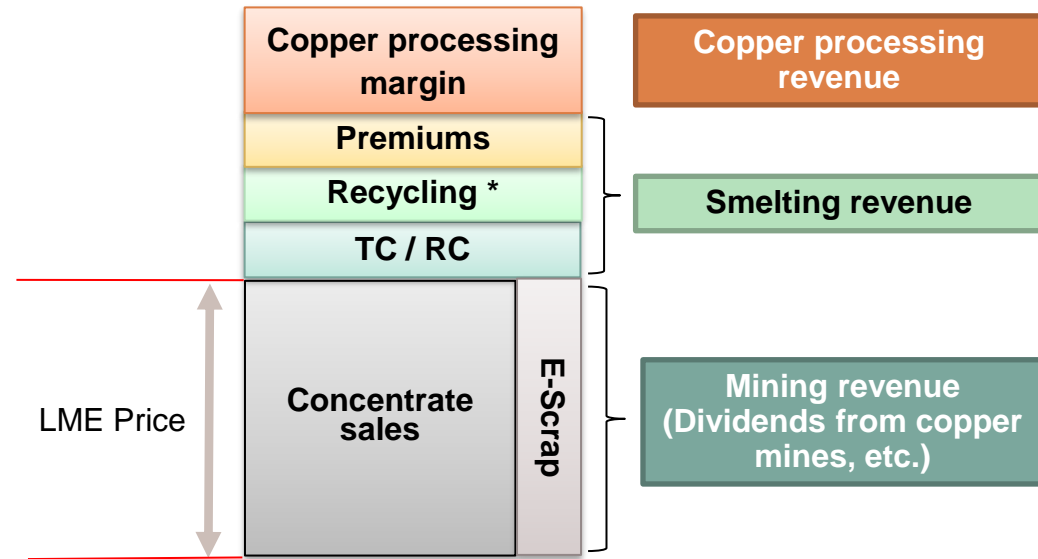
PT Smelting



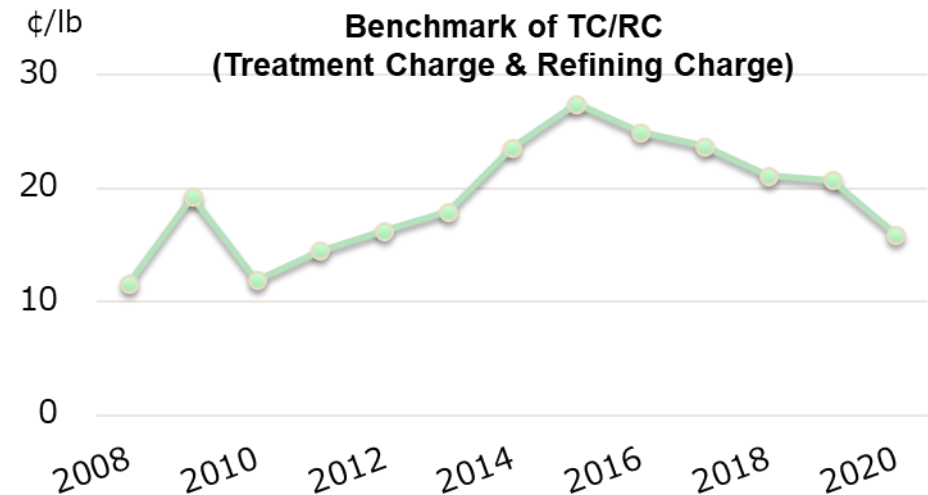
Copper: 300,000 tons / year



Metals Business
(Income breakdown image)



* Consist of the treatment charge and the profit of free metal income difference, etc.



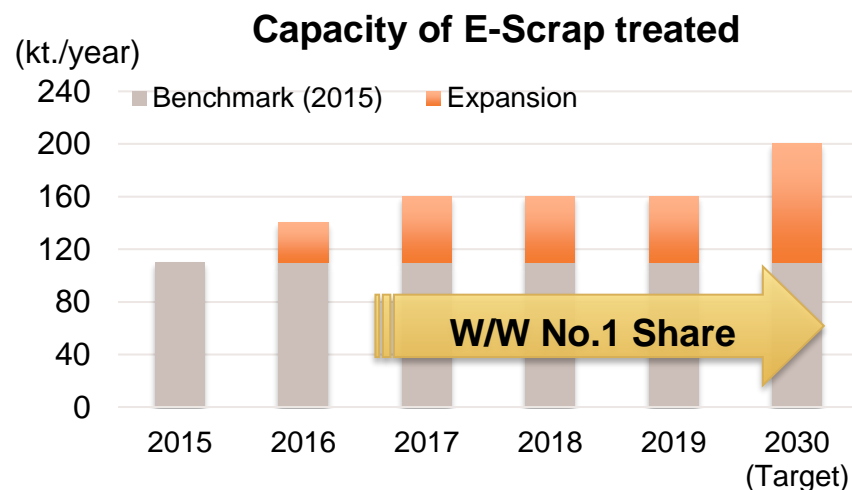
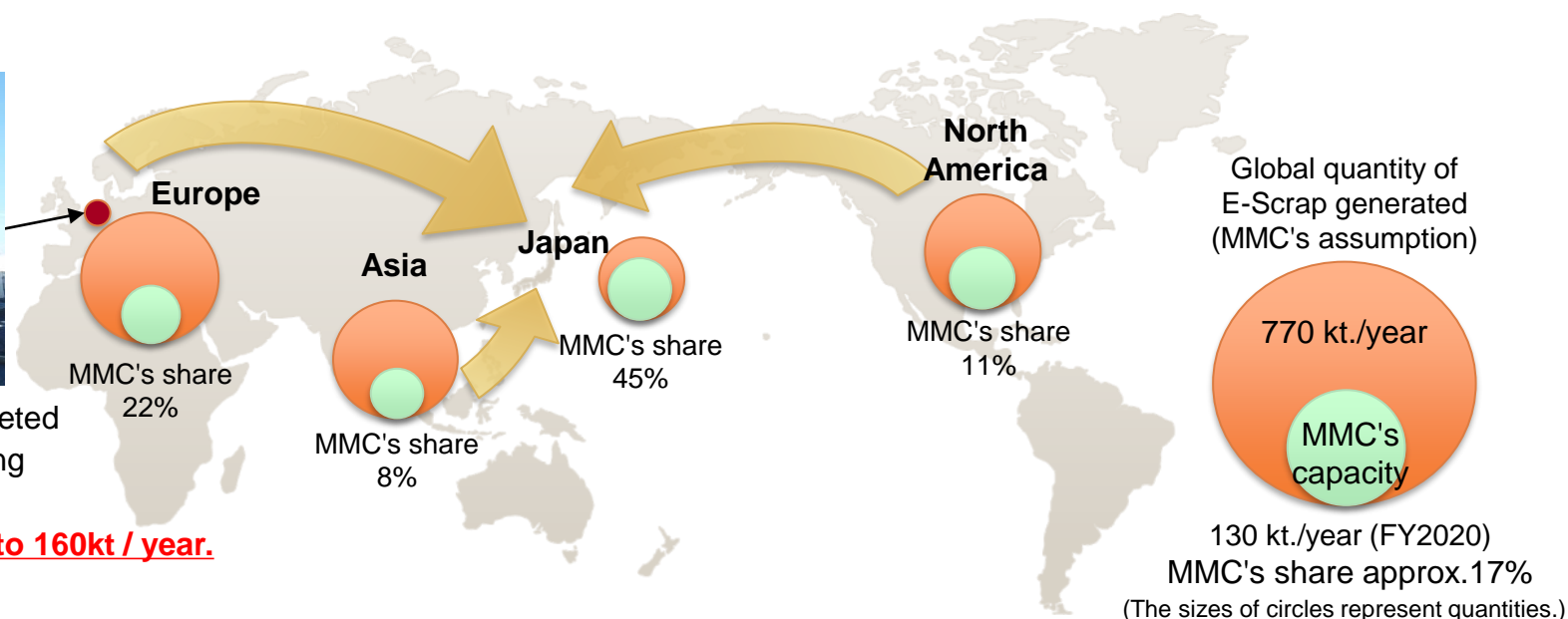
Metals Business - Smelting (2) -

Priority measures: Increasing E-Scrap recycling



MM Metal Recycling B.V. completed to establish the E-Scrap sampling facility in May, 2018.

Capacity has increased 20kt, to 160kt / year.



Naoshima Smelter & Refinery
Increase in receiving, sampling, analysis, and treatment capacities (from 2016)



Onahama Smelting & Refining Co., Ltd.
Increase in capacity +3kt./year (from 2018)

Metals Business

Long-term business goals | Becoming a leader in environmentally-friendly mining & smelting business

Long-term strategy

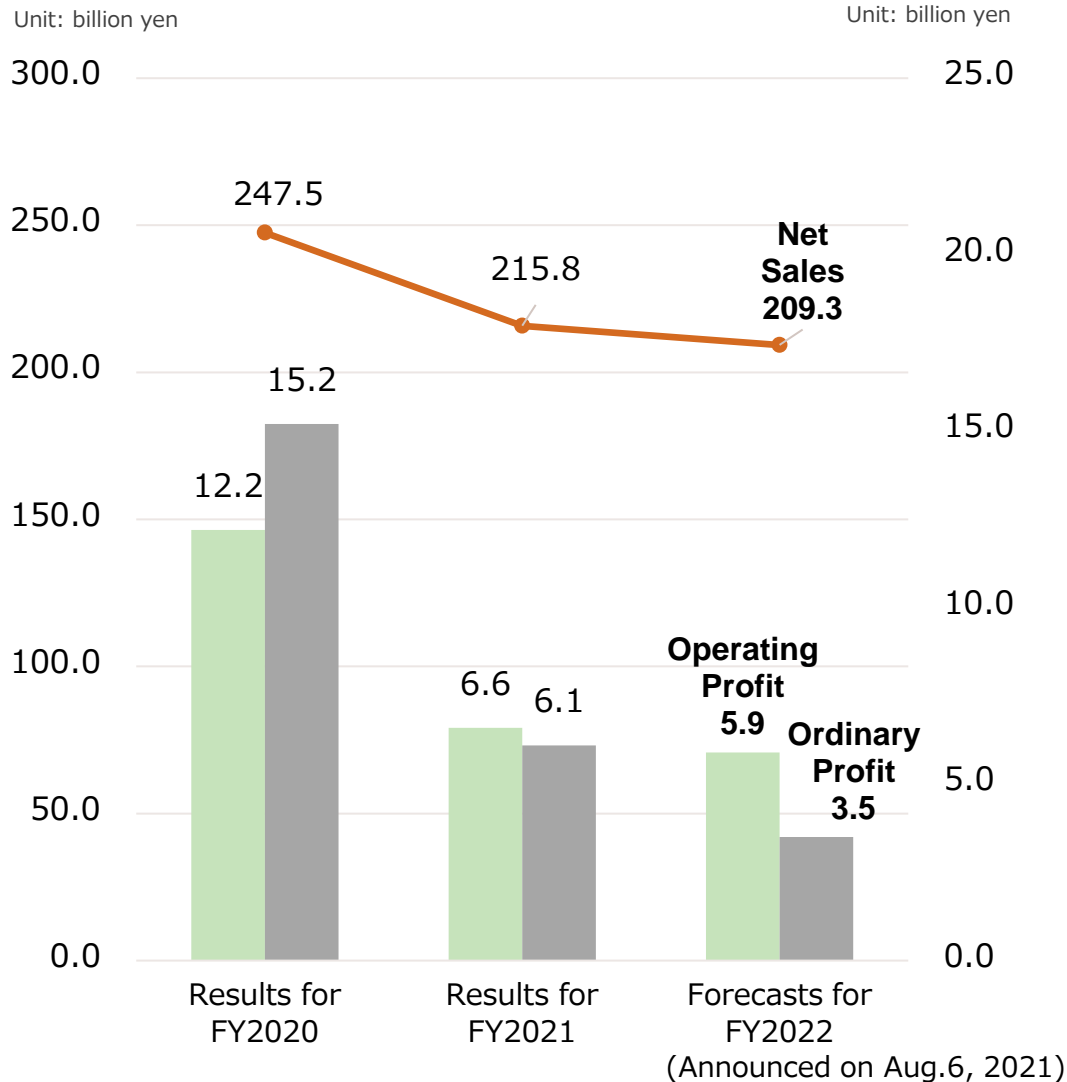
Stable supply and circulation of copper and other non-ferrous metals
 ● Creation of a sustainable raw material portfolio consisting of clean copper concentrate and E-Scrap ● Promotion of recycling ● Combating climate change

	Medium-term Management Strategy		
	Key strategies	FY2021 results	Plans for FY2022 and beyond
Mines	Secure clean copper concentrate by investing in new mines	<ul style="list-style-type: none"> Completed the feasibility study in Zafranal mine, and preparing to apply for its environment impact assessment (EIA). 	<ul style="list-style-type: none"> Obtain EIA for Zafranal project, and finalize investment decision.
		<ul style="list-style-type: none"> Completed the arrangement of project financing scheme for Mantoverde mine. On February 12, 2021, signed the agreement of 30% share acquisition and officially participated in the project. 	<ul style="list-style-type: none"> Steady progress of the construction work for Mantoverde project.
		<ul style="list-style-type: none"> In order to strengthen the foundation of the mine investment business management in South America, established a subsidiary in Chile to manage/operate mine investment business. 	<ul style="list-style-type: none"> Gradually expand operations while gathering information and supporting smooth management of the Company's mine investment business in South America.
Smelting	Optimization of valuable metal material flow	<ul style="list-style-type: none"> Promoted the establishment of recovery flow of valuable metals across production sites as planned by strengthening recovery of valuable metals through slime process. improvements at Naoshima Smelter & Refinery and recovering tin at Hosokura Metal Mining Company, etc. 	<ul style="list-style-type: none"> Increase recovery rate of gold and silver, and increase production of by-products at precious metal plants.
	Reduce fossil fuels	<ul style="list-style-type: none"> Promoted reduction of fossil fuel usage by using recycled materials, e.g. E-Scrap, as fuel substitutes. 	<ul style="list-style-type: none"> Understand the factors that constrain E-Scrap input and aim for optimization.

Cement Business

Cement Business

Consolidated Earnings

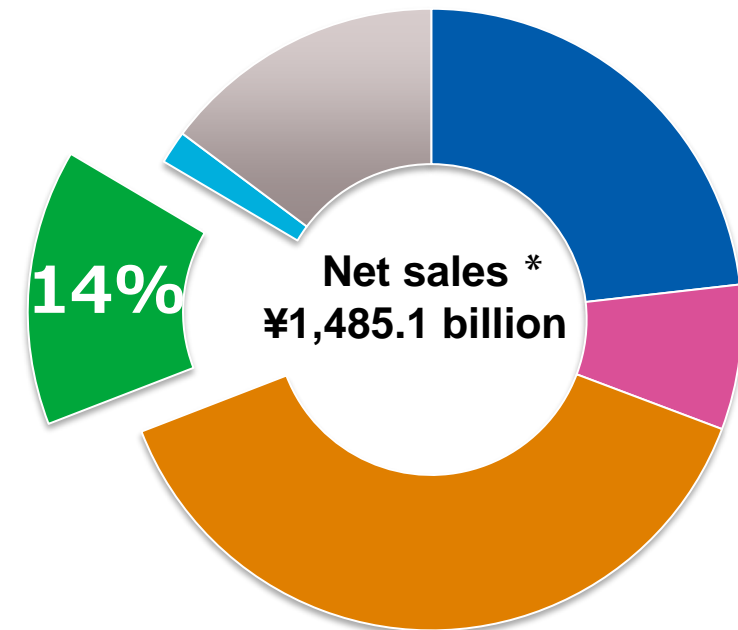


Ratio of Net Sales by Business

Cement



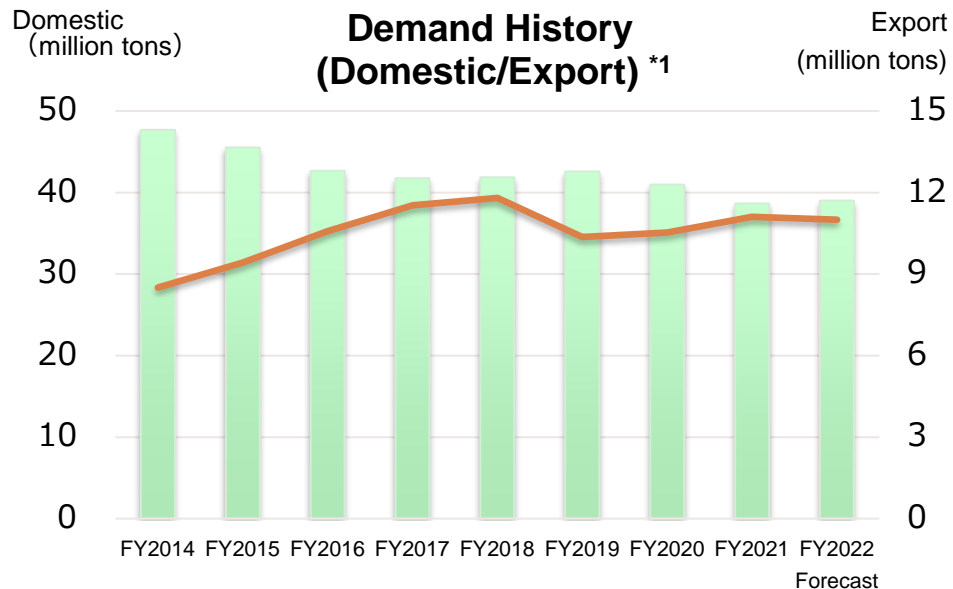
- Cement
- Ready-mixed concrete
- Others



*Sales to outside customers (Year ended March 31, 2021)

Cement Business - Japan -

Fortifying the domestic foundation for competitiveness



Demand in Japan

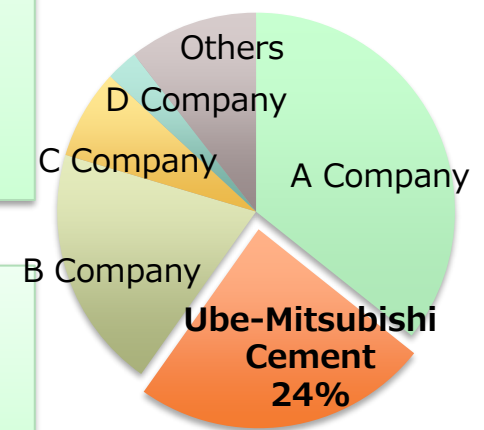
- ◆ FY2021 Result 38.67million tons
- FY2022 Forecast*1 39.00million tons
- ◆ Announced raising the cement prices on December, 2017 - More than ¥1,000/ton (from the shipment of April, 2018)
- To continue the sales price optimizations of cement in FY2022

*1 Japan Cement Association

Export environment

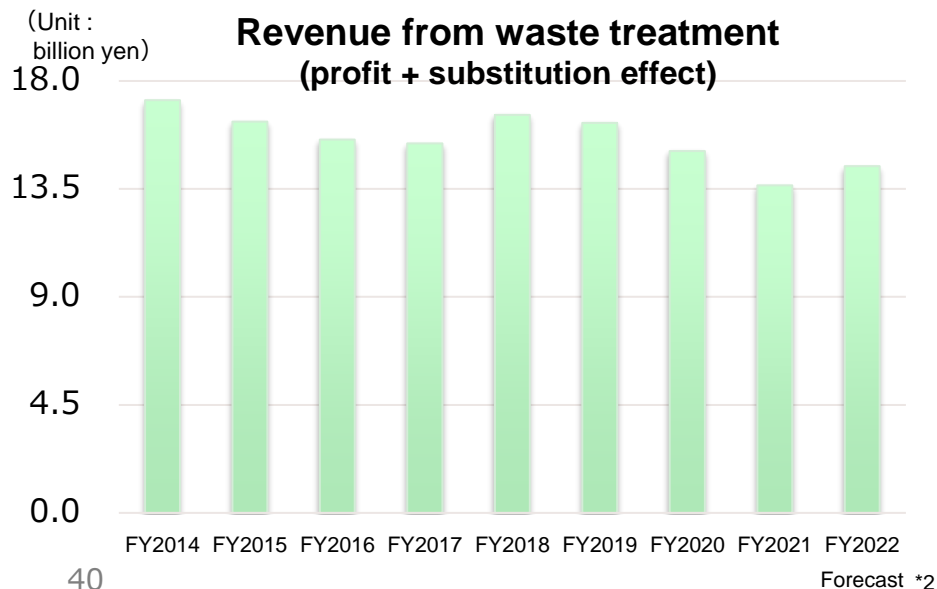
- ◆ Outlook for FY2022* For Asia and Oceania:
- About the same level as in the previous fiscal year.

Domestic Market Share*



*MMC's assumption

Recycling business



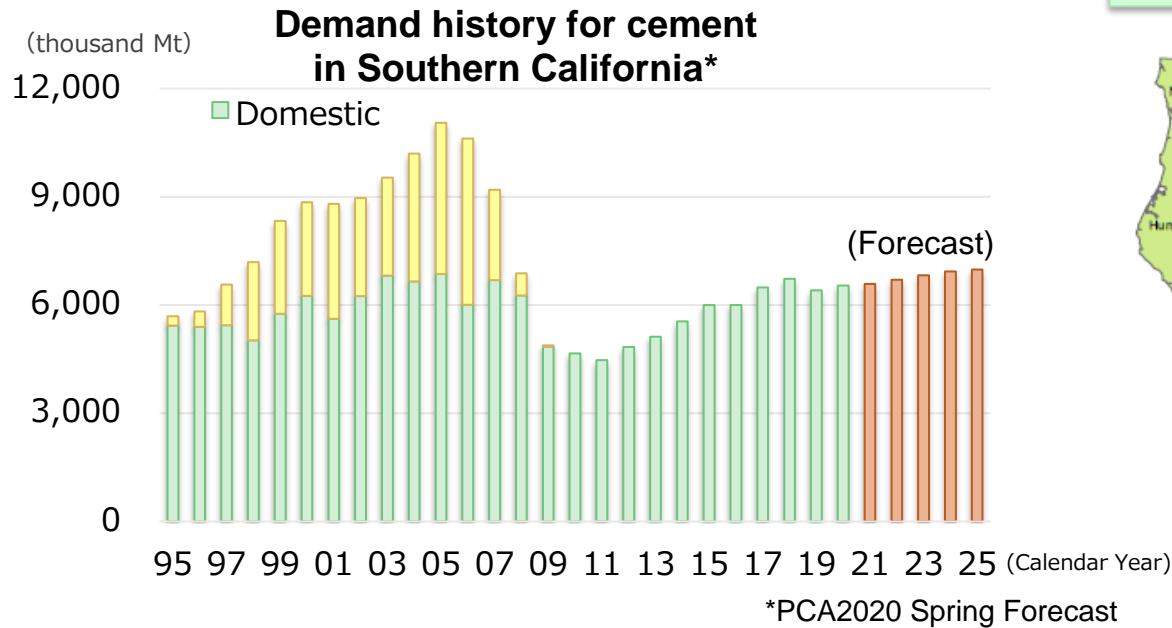
Waste processing:

- ◆ **Coal ash:**
Capacity at Kyushu Plant increased 3.2 times. (Operations began in August, 2018)
- ◆ **Waste plastic:**
Expansion work is being carried out to increase the processing capacity of the Kyushu Plant by 1.3 times. (Operations will begin in August, 2022)
- ◆ **Recycled oil :**
A receiving facility is under construction at the Kyushu Plant and we plan to receive recycled oil of 28,800kl/year. (Operations will begin in December, 2021)
- ◆ **Waste related natural disasters:**
Making maximum efforts to accept waste related natural disasters such as earthquakes and torrential rains.

*2 Announced on August 6, 2021

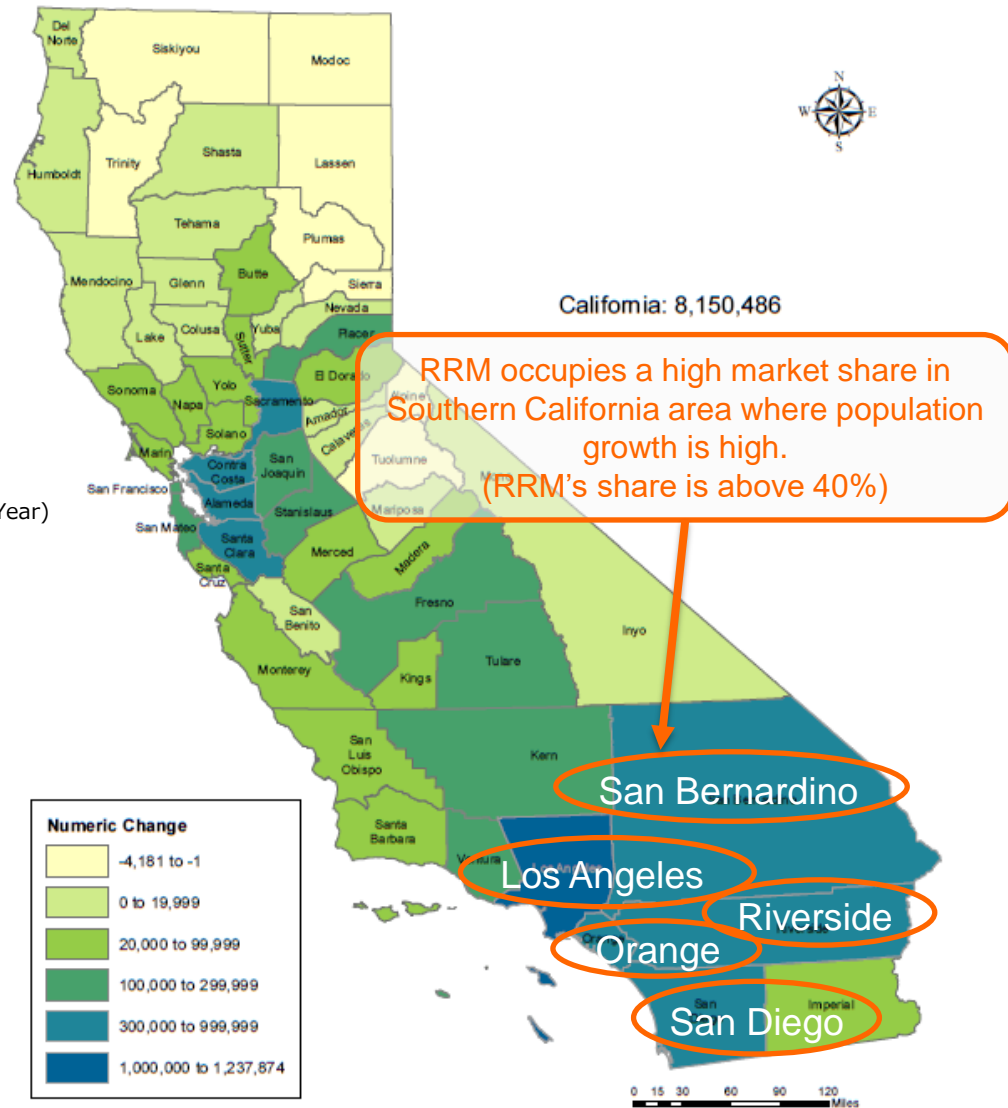
Cement Business - United States (1) -

Demand environment in the U.S.



▲ Ready-mixed concrete plant of Robertson's Ready Mix, Ltd.

California Projected Population Growth (2010 to 2035, Numeric change)



Source: California Department of Finance

Cement Business - United States (2) -

Priority measures: Expansion of the US business and development of new business bases

Expansion of the US business, improvement of vertical value chains

Cement manufacturing and supply (import terminals)



Cushenbury Plant

Long Beach import terminal

Cement supply and sales

Ready-mixed concrete and aggregate business



Ready-mixed concrete plant

Aggregate quarries

Three measures

Cement manufacturing

Increased cost competitiveness

Stable operation through renovation, energy cost reduction, and recycling expansion achieved through renovation

Cement supply

Expansion of supply system

Accommodation to demand for cement-concrete admixture (LBT* expansion and new SDT* facilities)

Ready-mixed concrete business

Expansion of revenue foundation

Strengthening existing businesses, entering new markets aggregate quarries development and enhancement

* LBT: Long Beach Terminal * SDT: San Diego Terminal

Southern California



Development of new bases

(Overseas) Consider the Business acquisition

Area where a vertical integration model can be built

- ◆ Targets advanced and/or equivalent countries e.g. Australia

Develop and secure human resources

Develop and secure manager

- ◆ Increase the number of people who involved in overseas business

Cement Business

Long-term business goals | Becoming a leader in the cement industry in Japan and abroad using advanced environmental technologies

Long-term strategy

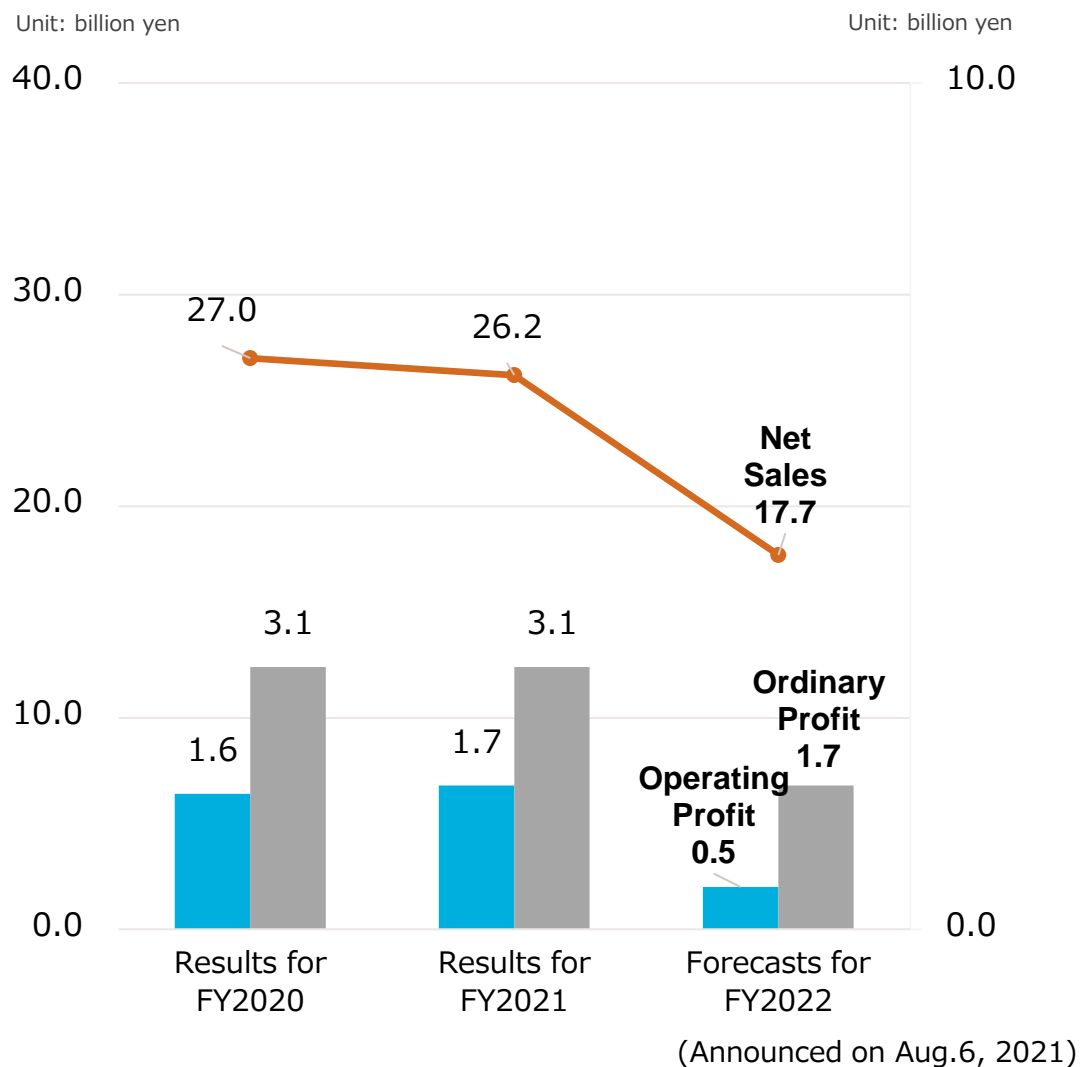
- Stable supply of basic building materials for the construction of social infrastructure, disaster prevention infrastructure, etc.
- Sophistication of waste treatment
- Responding to climate change by reducing CO2 emissions
- Construction of a resilient domestic business foundation through business restructuring and growth in overseas markets

	Medium-term Management Strategy		
	Key strategies	FY2021 results	Plans for FY2022 and beyond
Domestic	Optimization and streamlining of production system through restructuring of domestic business	<ul style="list-style-type: none"> • Signed the final agreement with Ube Industries, Ltd. regarding the integration of cement business, etc. on September 29, 2020 	<ul style="list-style-type: none"> • Continue preparation for business integration in April 2022 • Consider integration synergies
	Increase waste treatment volume, and reduce of CO2 emissions	<ul style="list-style-type: none"> • Expand coal ash processing capacity • Started installation of demonstration test facility for CO2 separation and capture 	<ul style="list-style-type: none"> • Strengthen Kyushu Plant Installation of recycled oil receiving and injection facilities Strengthening of the capability of waste plastic processing facilities Enhancement of 4K burner efficiency
Overseas	Expand U.S. business (Expand ready-mixed concrete business)	<ul style="list-style-type: none"> • Considered the acquisition of aggregate mines in Southern California at Robertson's Ready Mix, Ltd. (RRM) • Developed software for the efficiency and optimization of logistics system 	<ul style="list-style-type: none"> • RRM/Aim to obtain ready-mixed concrete business (plants) • RRM/Aim to obtain aggregate business (mines) • Plan to reduce maintenance costs and increase safety by promoting DX × IT.
	Entering new markets to expand business areas	<ul style="list-style-type: none"> • Discussed market-entry strategy and conducted market research 	<ul style="list-style-type: none"> • Identify the partners(acquisition/alliance), and implement the market-entry

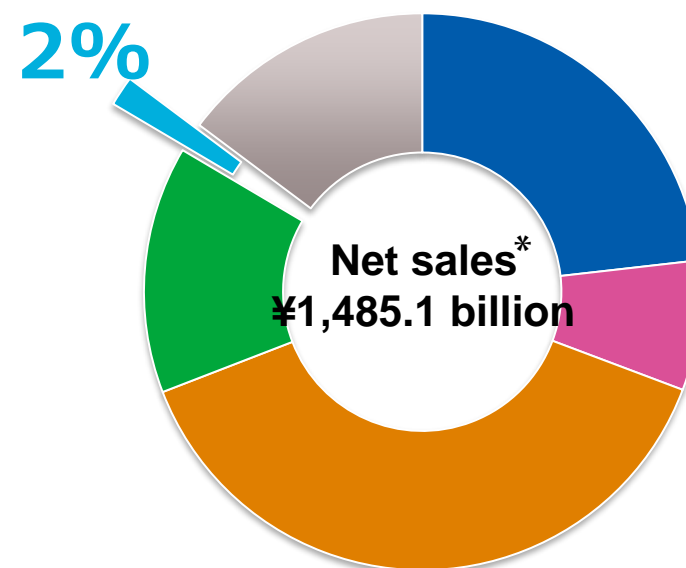
Environment & Energy Business

Environment & Energy Business

Consolidated Earnings



Ratio of Net Sales by Business







*Sales to outside customers (Year ended March 31, 2021)

Environment & Energy Business

Efforts in environment and recycling

Play a part in the development of a recycling-oriented society by creating and expanding a recycling business that uses the characteristics and functions of the material industry without relying on landfill disposal, and that is trusted by stakeholders.

-  "E-waste" (used electronics and electrical products)
-  Automobile recycling
-  Fly ash treatment
-  Biogas



Automobile recycling



"E-waste" (used electronics and electrical products)
Recycling process of refrigerators







Fly ash treatment:
KitaKyushu Ash Recycle Systems Co., Ltd. began operations (in April, 2018)



Biogas:
New Energy Fujimino Co., Ltd." began operations (in Sep, 2020)

Efforts in renewable energy business

Expand the renewable energy business based on the management resources developed by the Company and provide a stable supply of low environmental-load energies to contribute to the development of a sustainable society.

-  Geothermal energy
() In the exploration stage
-  Hydroelectric
-  Mega solar



Hydroelectric: (Akita Pref.)
Komatagawa New Power Plant started construction (in May, 2019)



Geothermal power: (Iwate Pref.)
Appi Geothermal Power Plant started construction (in Aug, 2019)



Mega solar: (Miyagi Pref.)
Irigama Solar Power Plant started operation



Geothermal power: (Akita Pref.)
Wasabizawa Geothermal Power Plant began in operation (in May, 2019)

Environment & Energy Business

Long-term business goals | (Environmental recycling) Becoming a leader in resource-recycling systems
(Renewable energy) Becoming a leading company in geothermal development

Long-term strategy

- Provision of a safe recycling system with thorough traceability, etc.
- Decarbonization through the expansion of the Renewable energy business

	Medium-term Management Strategy		
	Key strategies	FY2021 results	Plans for FY2022 and beyond
Environment recycling	Home appliance recycling Promote automated dismantling, and value-addition of recovered materials	<ul style="list-style-type: none"> Introduced automatic picking robots in the dismantling lines for washing machines and outdoor air-conditioner units. Verified technologies and put into practical use 	<ul style="list-style-type: none"> Develop automatic dismantling technology in home appliance recycling, and aim to apply picking robots to other plants Use the cloud computing system (DX) in operation management systems, to share/utilize data
	Demonstrate LiB recycling technology, demonstrate solar panel recycling	<ul style="list-style-type: none"> Accepted a commissioned business from the Ministry of Environment (July 2020) Started demonstration business of LiB coherent proper processing system Designed improvements for solar panel recycling facilities 	<ul style="list-style-type: none"> Continue LiB recycling system demonstration business in Kita kyushu Introduce devices for deterioration diagnosis, LiB dismantling, thermal decomposition, and crush sorting in FY2022 Conduct construction work to move *EJRS after expansion, and conduct technical verification test
	Secure stable plant operations of the fly ash recycling business and the food waste biogasification business	<ul style="list-style-type: none"> Improve facilities for stable plant operations, and promote process optimization Started operations of New Energy Fujimino Co., Ltd. (NEFC) on September 4, 2020 	<ul style="list-style-type: none"> In the incineration fly ash recycling business, further increase receiving volume, promote process optimization, and secure stable plant operations In the food waste biogasification business, increase the collection volume at NEFC, while promoting early and stable operations, and considering the commercialization of the second plant
Renewable energy	Completion of Komatagawa new hydroelectric power plant Construction of Appi Geothermal Power Plant Survey of new geothermal sites Survey of new small hydropower	<ul style="list-style-type: none"> Continued excavation of tunnels, etc., as planned in Komatagawa new hydroelectric power plant Continued construction work to create entry paths and started excavation work of production well in Appi Geothermal Power Plant as planned 	<ul style="list-style-type: none"> Construction for the tunnel at Komatagawa new hydroelectric power plant will have full line opened in October 2021. Operations are expected to start in December 2022. In the new geothermal energy survey, acquire licenses/permits, and progress is expected through excavation survey

*EJRS: East Japan Recycling Resources Co., Ltd.

Medium-Term Management Strategy (FY2021 - 2023) Overview of Revision

May 14th , 2021

Financial Plan: **Revising (Consolidated) Financial Target**

[Outlook for current and future business environment]

Although business performance has been suffering from the impact of COVID-19, with increasing vaccine availability and acquisition of herd immunity, etc., it is gradually recovering. The Company has formulated a revised financial plan assuming that the Advanced Products Business and the Metalworking Solutions Business will recover to pre-COVID-19 performance levels by FY2023, while the Cement Business may be impacted by accounting changes to the equity method and the Metals Business may be impacted by a decreasing dividend income from mines. However, our forecast of FY2023 results will have significant downward revisions from the original target, and that the timing for reaching the original FY2023 target will be delayed until FY2024 at the earliest.

(Unit: billion yen)

		FY2023 Original Target (※ 1)	FY2023 Revised Target (※ 1)	Increases & decreases
ROIC (%)		6.0	4.0	-2.0
ROA (ordinary income to total assets) (%)		4.0	2.0	-2.0
ROE (%)		7.0	6.0	-1.0
P L	Net sales	1,530	1,410	-120
	Net sales (excluding metal)	650	600	-50
	Operating profit	58	29	-29
	Ordinary income	75	38	-37
B S	Total assets	2,040	1,820	-220
	Net interest-bearing debt	510	360	-150
	Shareholders' equity	630	560	-70
Net D/E ratio (times)		1.0 or less	1.0 or less	—

※1 Assuming transition to equity method in cement business

Financial Plan : **(Consolidated) Financial Goals**

(Unit: billion yen)

		FY2020 Result	FY2021 Result	FY2023 Target (※1)	Change rate from FY2020	Remarks
ROIC (%)		3.8	3.8	4.0	+0.2points	
ROA (ordinary income to total assets) (%)		2.6	2.3	2.0	-0.6points	
ROE (%)		-12.8	4.6	6.0		
PL	Net sales	1,516.1	1,485.1	1,410.0	-7%	【Ordinary income fluctuation factors】 Market conditions 5.5 Metal prices 3.0 Exchange rate 2.0 Dividend from mine -5.5 Impact of the change in accounting treatment of cement business becoming a minority share holding -10.0 Others -6.6 Total -11.6
	Net sales (excluding metal)	857.3	795.1	600.0	-30%	
	Operating profit	37.9	26.5	29.0	-23%	
	Ordinary income	49.6	44.5	38.0	-23%	
BS	Total assets	1,904.0	2,035.5	1,820.0	-4%	
	Net interest-bearing debt	413.1	476.3	360.0	-13%	
	Shareholders' equity	506.7	545.2	560.0	+11%	
Net D/E ratio (times)		0.8	0.9	1.0 or less		
Assumptions	Exchange rate (yen/\$)	109	106	110		【Sensitivity】 ◆ 1 yen increase in USD/JPY exchange rate: +0.8 billion yen ◆ 10¢/lb increase in copper price (LME) : +1.6 billion yen (Ordinary income)
	Exchange rate (yen/€)	121	124	130		
	Copper price (¢/lb)	266	312	330		

※1 Assuming transition to equity method in cement business

Financial Plan : (Consolidated) Financial Indicators

- Focus on medium- to long-term profitability and growth potential
- Profitability is measured by ROIC and growth potential by EBITDA, etc., for each business
- Complementary use of ROA in process-type businesses
- ROIC/ROE/ROA are used together as group-wide financial indicators

		FY2018-2020 Average	FY2023 Target
The whole MMC group	ROIC	4.2%	4.0%
	ROA	3.1%	2.0%
	ROE	-2.0%	6.0%

<Main Businesses>

		FY2018-2020 Average	FY2023 Target	By business division KGI	FY2018-2020 Average	FY2023 Target
Advanced Products Business	Copper & Copper alloy	3.8%	3.0%	EBITDA	14.4 billion yen	14.0 billion yen
	Electronic materials	2.5%	4.2%	EBITDA	4.1 billion yen	11.0 billion yen
Metalworking Solutions Business	Cemented Carbide	8.3%	5.3%	EBITDA	28.1 billion yen	22.0 billion yen
Metals Business		25.0%	12.9%	ROA※1	8.9%	7.2%
Environment & Energy business	Environmental Recycling	1.4%	2.4%	ROA	2.0%	2.8%
	Renewable energy	4.3%	2.6%	ROA	5.6%	3.3%

ROIC = NOPAT / invested capital

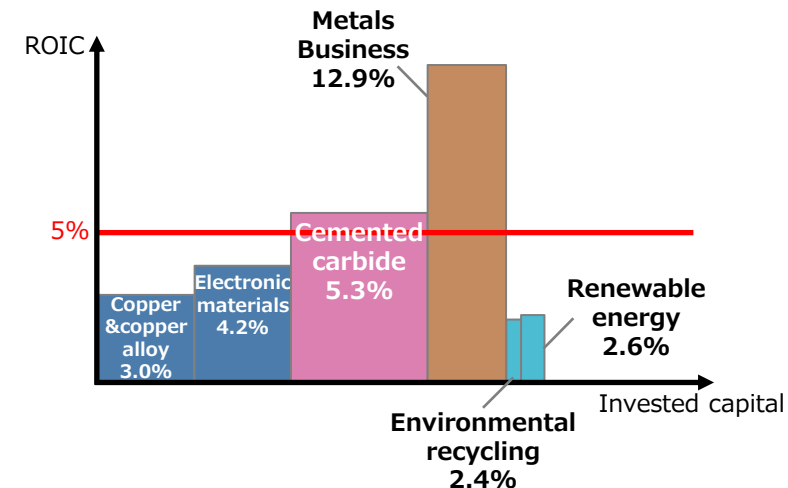
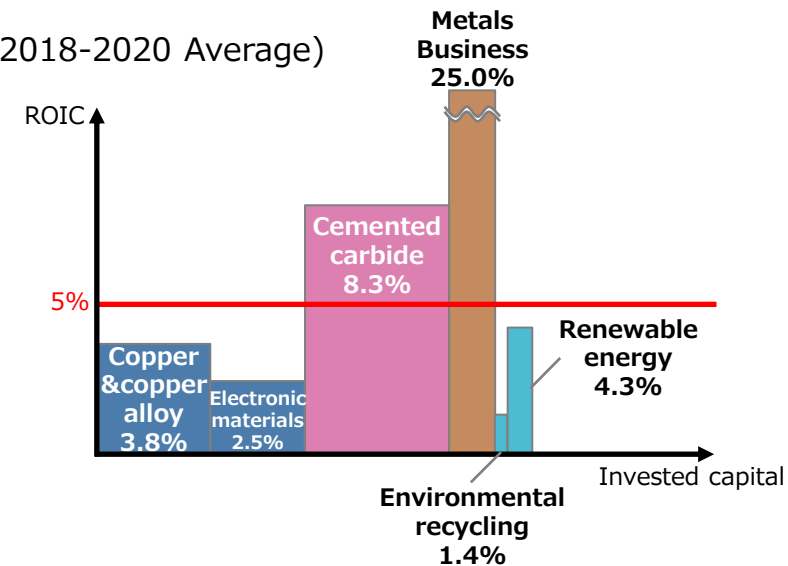
NOPAT : (Ordinary profit + interest on funds) × (1-effective tax rate)
Profit before tax includes share of profit/loss of investments accounted for using equity method and dividend income

Invested capital : Excludes amount equivalent to inventories that are risk-free because of price hedging

※1 Calculated by excluding the price of bullion

Changes in ROIC of main businesses in FY2023 Strategy

(FY2018-2020 Average)



Financial Plan: Numerical Target of (Consolidated) Financial Indicators

- During the period of FY2023 Strategy, the Company will solidify our efficiency and profitability, which will be necessary pre-conditions for maintaining a solid growth trajectory.
- The Company aims to achieve the original FY2023 Strategy target promptly in or after FY2024.

Main Business		ROIC		EBITDA/ROA	
		FY2023 Original Target	FY2023 Revised Target	FY2023 Original Target	FY2023 Revised Target
Advanced Products Business	Copper & Copper alloy	4.0%	3.0%	20.0 billion yen	14.0 billion yen
	Electronic materials	6.0%	4.2%	16.0 billion yen	11.0 billion yen
Metalworking Solutions Business	Cemented Carbide	7.0%	5.3%	39.0 billion yen	22.0 billion yen
Metals Business		10.5%	12.9%	6.5%	7.2%
Environment & Energy Business	Environmental Recycling	4.0%	2.4%	6.0%	2.8%
	Renewable energy	4.0%	2.6%	5.5%	3.3%

Review of resource allocation

Investment Policy

◆ Cumulative cash flows from FY2021 to 2023 (Consolidated)

Cash in

(Unit: billion yen)

	Original Plan	Revised Plan	Increases & decrease
Operating CF	2 8 0	2 4 0	- 4 0
Others	6 0	1 4 5 ※1	8 5
Total	3 4 0	3 8 5	4 5

※1 Business restructuring and sales of strategic holdings

Cash out

(Unit: billion yen)

		Original Plan	Revised Plan	Increases & decreases
Investing CF	Investment for growth	1 9 0	1 9 5	5
	Investment for maintenance and upgrading	1 7 0	1 6 0	-10
	Subtotal	3 6 0	3 5 5	-5
Financing CF	Dividends ※2	4 6	4 2	-4
Total		4 0 6	3 9 7	-9

※2 Dividends paid, share buybacks, and cash dividends paid to non-controlling shareholders

◆ Cumulative investment plan from FY2021 to 2023 (Consolidated)

(Unit: billion yen)

	Advanced Products	Metalworking Solutions	Metals	Cement	Environment & Energy	Others
Original plan	82	107	74	30	15	52
Revised Plan	78	81	93	47	18	38
Increases and decreases	-4	-26	19	17	3	-14
Breakdown of major increases and decreases	Decrease of investment for growth	Decrease of investment for growth Increasing M&A	Increasing investment to mines	Increasing investment in business integration Increasing investment in environmental measures (US)	Increasing growth investment for household appliances and renewable energy	Decreasing capital expenditure in the Aluminum business

While operating CF is expected to decrease due to the impact from COVID-19, the Company will restrain growth investment during the FY2023 Strategy period in businesses where demand expansion will be slower than expected, and aggressively invest in mines and M&A that are expected to generate high profits due to copper price hike. In addition, the Company will ensure it invests in renewals to minimize opportunity cost due to problems with aging facilities and thereby securing a foundation for profitability and leading to future growth.

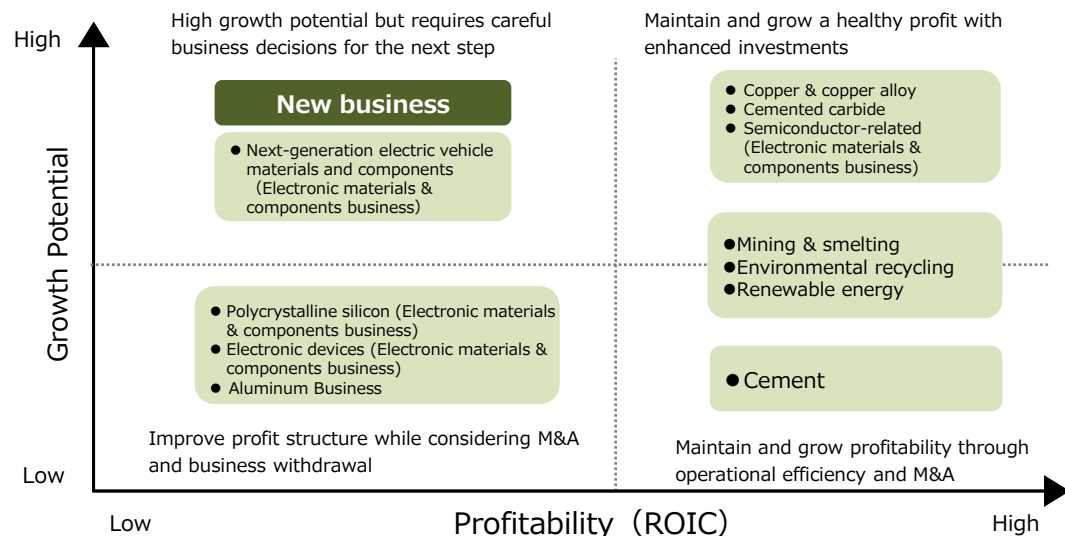
Shareholder return policy

- The Company will set the minimum annual dividend amount for the period of FY2023 Strategy at 50 yen per share
- By accelerating the sale of assets, among others, and making expeditious allocations of funds including share buybacks and additional dividends, the Company aims to return profits to its shareholders at the same level as the total amount of dividends initially planned during the period of FY2023 Strategy.

	Original Plan	Revised Plan
Dividends	80yen/share	50yen/share

HI MATERIALS

Status of business portfolio optimization



[Characteristics of businesses that the company should take ownership of]

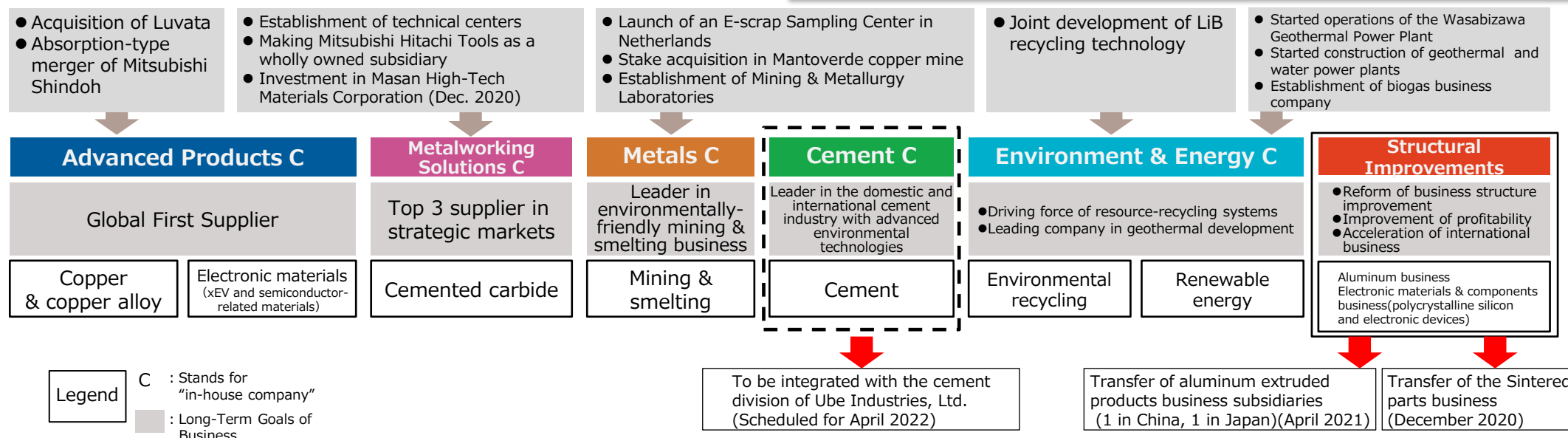
- Businesses that are consistent with the Group's vision and mission
- Businesses that are governable by the Group
- Businesses that are capable of earning a leadership role in a specific region or the world
- Businesses that can deliver stable returns over capital costs on a medium- to long-term basis

[Building business portfolio]

- Profitability and growth potential determine the business direction
- Profitability is measured by ROIC (spread)
- Growth potential is measured by EBITDA growth rate, etc.

The Electronic materials & components business is a complex business entity comprised of multiple businesses. The company positioned its entire business as a single unit in the original FY2023 Strategy. At this time of review, the company subdivided the Electronic materials & components business from the point of ownership, development recourses, relevance to the Company's technology, profitability and growth potential, and clarified its positioning in the business portfolio. Going forward, the Company will manage each business depending on such positioning.

Reformation of business structure



Review of Goals for Contributing to a Sustainable Society

The Company have revised the following three goals based on the outlook of the current and near future business environment

Contribution Goals	Original Goals	Revised Goals	Reasons for revision
Sales volume of copper materials for new hybrid and electric vehicles	FY2023 1,000t	<u>FY2023 1,200t</u>	- Change in the market trends (Reflection on sales status of new products)
Net sales of next-generation vehicles and environmentally friendly products	FY2023 20.3 billion yen	<u>FY2023 5.6 billion yen</u>	- Change in the net sales forecasts (Weak implementation of measures and impact of product changes)
Annual total power generation of renewable energy	FY2026 550GWh	<u>FY2031 533GWh</u>	- Change in the definition of the generation volume of each business (power generation and geothermal steam supply) multiplied by the Company's ownership share - Change in the target fiscal year to FY2031, which is also the target year of GHG reduction.

Business Strategy : Contribution Goals for a Sustainable Society



Sales volume of copper materials for new HV/EV

1.2 times or more

FY2020 Result
989t

FY2023 target
1,200t



Sales volume of materials for next-generation vehicles and environmentally friendly products

1.3 times or more

FY2020 Result*1
4.2billion yen

FY2023 target
5.6 billion yen



Ratio of recycled tungsten as raw material in cemented carbide tools

Up 25%

FY2020 Result
28%

FY2023 target
35%



E-Scrap processing capacity

Up 25%

FY2020
160,000t

FY2031 target
200,000t



Waste and by-products processing volume in cement production

Up 15%

FY2020 Result
3.9million tons

FY2031 target
4.5 million tons
(FY2020 production volume basis)



Annual processing volume of home appliance recycling

Up 27%

FY2020 Result
2.8million units

FY2023 target
3.5 million units



Annual total power generated by renewable energy

Up 22%

FY2020 Result
437GWh

FY2031 target
533GWh

Greenhouse Gas (GHG) Reduction Target

- Target setting for becoming a carbon neutral company by FY2051
- Aiming to reduce GHG emissions by 17% or more by FY2031 for the entire Group (compared with FY2014)
- Striving for at least 30% reduction in the Advanced Products and the Metalworking Solutions Businesses, where energy-derived emissions predominate

※1 Reviewed definition of the applicable automotive device products

※2 Revised definition of the generation volume of each business (power generation and geothermal steam supply) multiplied by the Company's ownership share

ESG Effort (Topics for FY2021)

Environment

➤ **Response to climate change**

- Setting the targets of Greenhouse Gas (GHG) emission reduction
(The Company aims to be carbon-neutral by FY2051 and reduce carbon emissions by at least 17% by FY2031)
- Setting targets for the percentage of renewable energy used and for power generation
(At least 20% increase in usage compared with FY2031 and power generation target of 533GWh)
- Disclosure of the results of scenario analysis
- CCU* Starting Carbon Capture Utilization (synthesis of methanol, etc) technological development verification test
- PPA* Beginning operation of solar power energy generation facilities using power purchase agreement model
(promote electric power procurement from renewable energy)
- Participation in “Challenge Zero” of Japan Business Federation (Keidanren)

➤ **Expansion of renewable energy business**

- Started new small hydropower survey and exploration in addition to survey of new geothermal sites

➤ **Pursuing a recycling-based business model**

- Starting the operation of a food waste biogas power-generation plan
- Investment to Masan High-Tech Materials Corporation
(starting discussion about collaboration on expansion of tungsten recycling)

➤ **Effort to reduce environmental load**

- Developed “GloBrass” which is the next-generation lead-free cutting brass

Social

- Creation of new labor environment resulting from COVID-19 crisis
(Positioning and optimization of the head office as the communication hub)
- Offering “CLEANBRIGHT®”, which is a discoloration-resistant copper alloy with bacteria-resistant and virus-resistant properties (ballpoint pens and mechanical pencils)

Governance

- Strengthening group governance system
- Increase the ratio of external directors from six among 11 during FY2020 to six among ten during FY2021
- Review of executive remuneration system
- Reducing strategic holdings of stocks (the total sales proceeds during FY2021 were approximately 62.4 billion yen, equivalent to approximately 54% of amount recorded on the balance sheet as of the previous fiscal year end)

*CCU : Carbon Capture and Utilization

*PPA : Power Purchase Agreement

Digital Transformation Strategy : 21 MMDX*¹ Themes and Key Perspectives

*1MMDX:Mitsubishi Material Digital Business Transportation

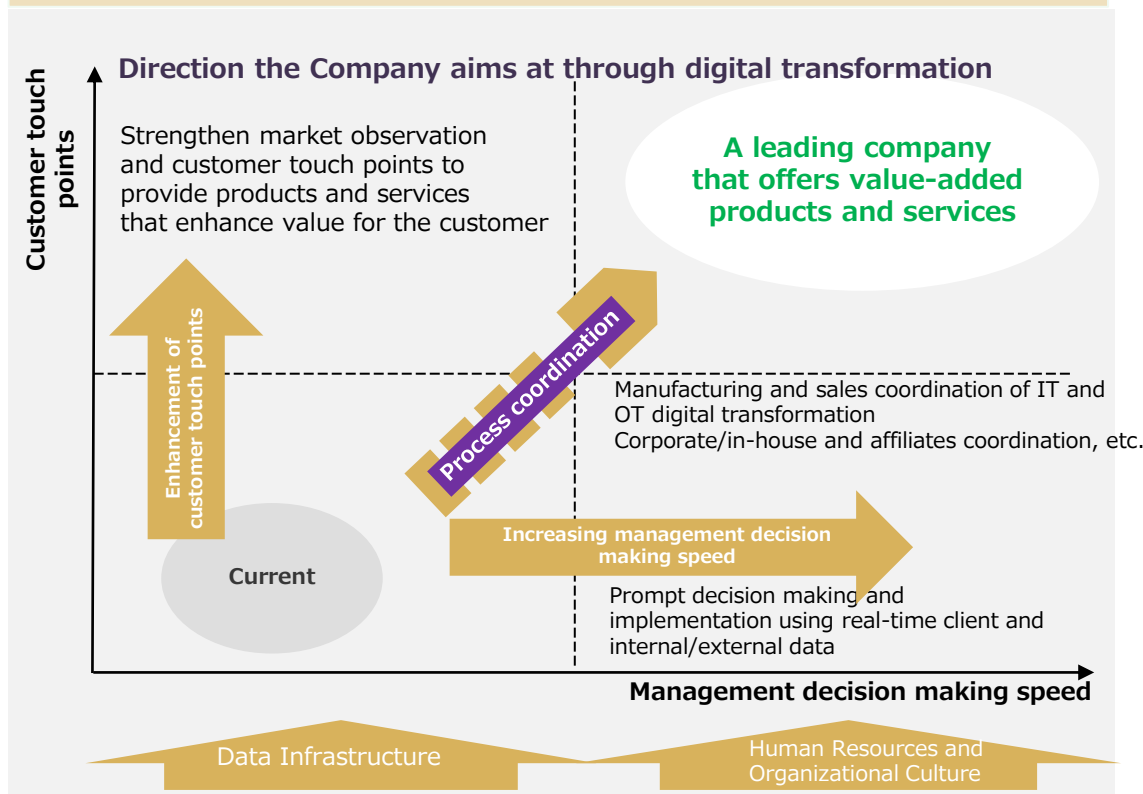
Summary of MMDX Themes As of April 2021

Business Digital Transformation	Product-based business	Metalworking C DX	1. MI*2 : Digital customer touch points
			2. MI*2 : Utilization of market information
			3. Ability to propose solutions
			4. Demand and supply management
		Advanced Products C DX	5. Improvement of customer touch points
			6. Supply chain integration
			7. Advance development and production data utilization
			8. Income platform
		Companywide	9. Companywide standardization
		Recycling-Based Business	10. Strengthening E-Scrap processing
	11. Environmental recycling digital transformation		
Advancement of Manufacturing Excellence (Including digital technology utilization for process-oriented businesses)			12. Security and safety
Key Operations			13. Maintenance
Data Infrastructure			14. Advance procurement
Operational Efficiency			15. Digital transformation of the Central Research Institute
Human Resource Base			16. ERP
			17. Upgrading of business administration
			18. Data infrastructure and utilization
			19. Operational efficiency
			20. Talent management
			21. Digital transformation talent development and literacy improvement

Key Points for Implementing Measures

- Review the entire business processes with a focus on “getting closer to customers”
- Create a foundation for catching up with competitors and winning on a global scale
- Strengthen the management foundation through safety and security, enhanced business management, and increased efficiency

Theme and Key Perspectives for MMDX



*2 MI : Market intelligence

- Make appropriate addition, integration and elimination of MMDX themes in response to the changes in the business environment and the progress of each theme
- Under the MMDX plan, the company plans more than 40 billion yen investment over six years starting from FY2021.
- Developing 100s of digital human resources, including business and system-related digital transformation leaders and data scientists, through MMDX implementation

Digital Transformation Strategy : Master Schedule of the Entire MMDX

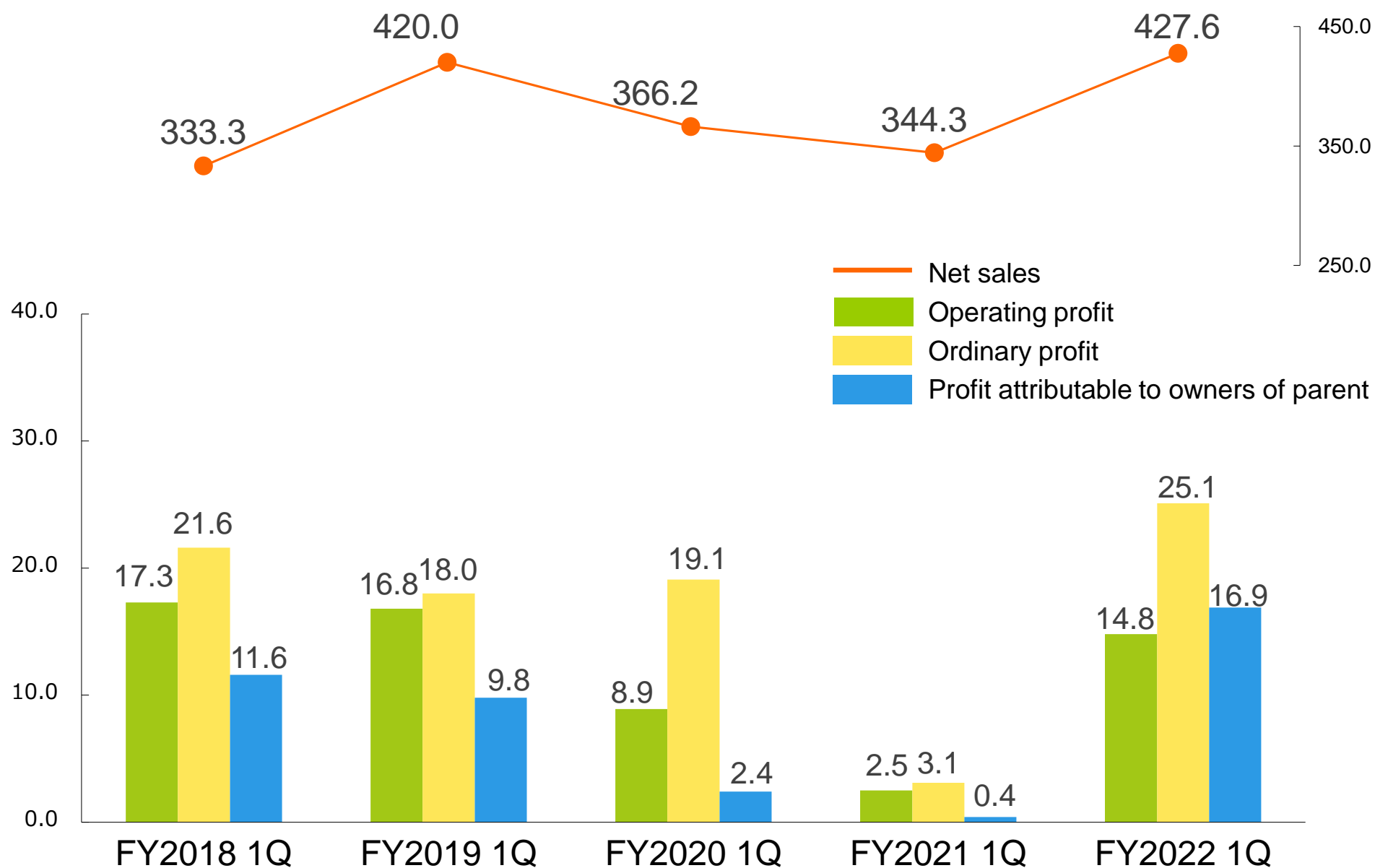
		Stage 1						Stage 2		
		FY2021		FY2022		FY2023		FY2024	FY2025	FY2026
		First half	Second half	First half	Second half	First half	Second half			
		Initial stage of MMDX implementation ✓ First, create a strategy to catch-up and a foundation to surpass competitors ✓ Solidify the management base, including security and safety, data infrastructure, and business administration								
Business Digital Transformation	Product-based business (Metalworking Solutions and Advanced Products)	<ul style="list-style-type: none">• Implementation of measures to realize the medium-term management strategy of each business• Strengthening customer touch points, process coordination and enhancing global cooperation								
	Recycling-Based Business	<ul style="list-style-type: none">• Building a foundation for the recycling business								
	Manufacturing Digital transformation	<ul style="list-style-type: none">• Implement digital transformation to achieve the goals of safety and security, maintenance, procurement, and R&D• Promote data utilization in the fields and smart factory plans								
	ERP	<ul style="list-style-type: none">• Formulation of ERP introduction plan		<ul style="list-style-type: none">• Define requirements/ Design• Development / Testing						
	Data infrastructure/ Business Administration	<ul style="list-style-type: none">• Build infrastructure for data analysis• Training for data scientists and promote data utilization• Improving business administration								
	Operational Efficiency	<ul style="list-style-type: none">• Standardization of operation, and thorough automation								
DX talent development		<ul style="list-style-type: none">• Design digital transformation training system and MMDX activity across the entire Group• Practice free and frank communication								
		Full-scale operation phase of MMDX ✓ Introduction of key systems (ERP) ✓ Acceleration of MMDX in the Group								
		<ul style="list-style-type: none">• Enforce measures to catch up and surpass the competitors<ul style="list-style-type: none">✓ Metalworking Solutions: Global Top 3✓ Advanced Products : “Global First Supplier”• Promote utilization of recycling data• Accelerate digital transformation to enhance safety and security, maintenance, and procurement• Accelerate manufacturing excellence and new business development by utilizing data and digital technologies• Implement on a non-group-wide basis first and then gradually roll out to domestic and overseas companies in the Group• Build and utilize data infrastructure in the Group• Visualization of management information, automation and sophistication of analysis• Realize speedy management based on data• Standardize and improve efficiency of operations across the Group and shift human resources to high value-added operations• Digital transformation talent development and strengthening of digital transformation literacy• All group members autonomously accelerate digital transformation								

**【Reference】
Supplementary Explanation of
Consolidated Financial Results
for the Three Months Ended
June 30, 2021**

(Announced on August 6, 2021)

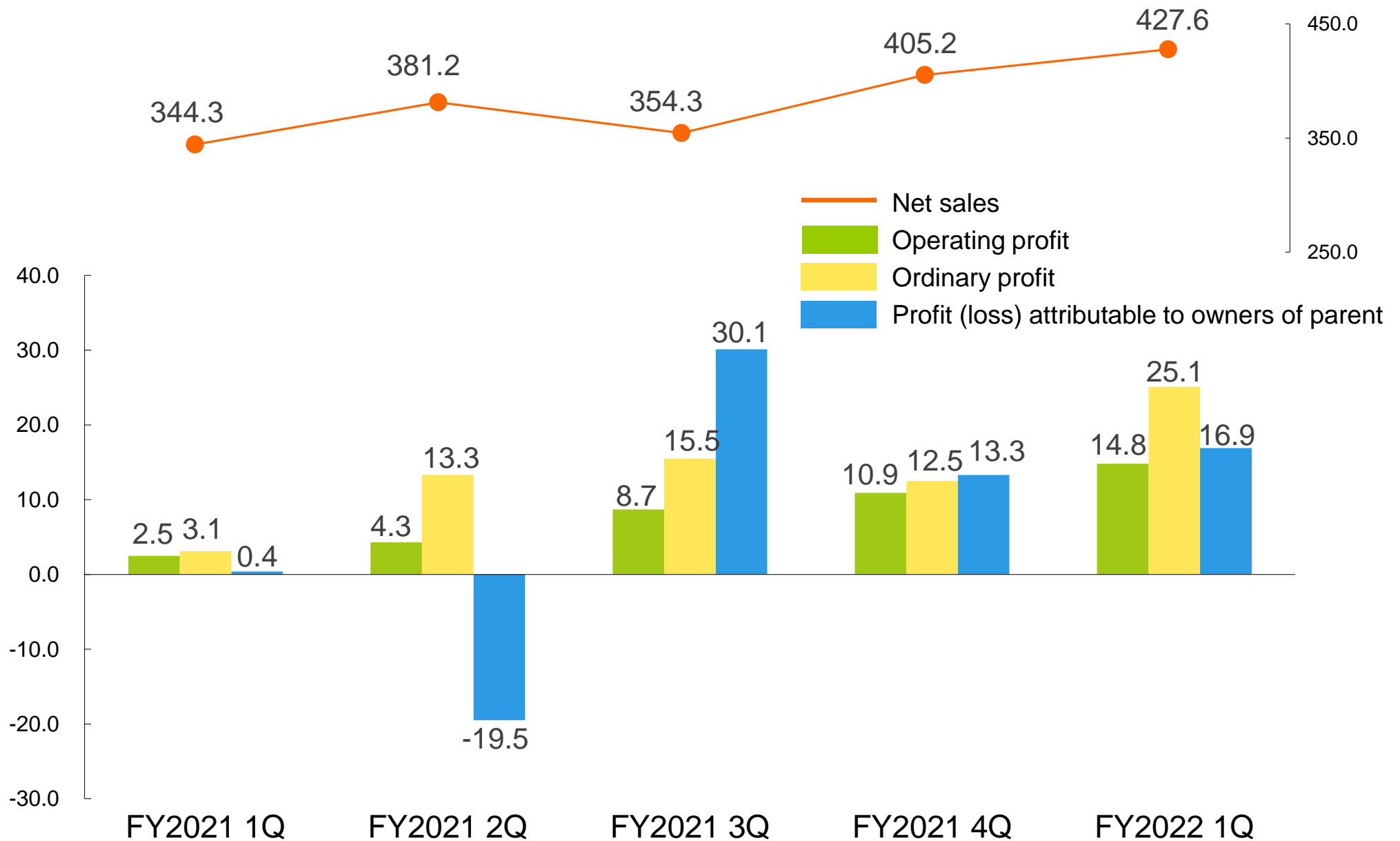
Performance Overview (1st Quarter)

[Unit: billion yen]



Performance Overview (Quarterly)

[Unit: billion yen]



Comparison with the Previous Year Result (Consolidated Statements of Operations)

[Unit: billion yen]

	FY2021 1Q Result (a)	FY2022 1Q Result (b)	Difference (b)-(a)	Reason *
Net sales	344.3	427.6	83.3	AP+35.7、MS+5.4、Metals+79.3、Cement-0.7, etc.
Operating profit	2.5	14.8	12.3	AP+3.4、MS+3.3、Metals+5.5、Cement-0.0, etc.
Net interest and dividend income	1.4	8.8	7.4	Dividend income+7.7, etc.
Share of profit (loss) of entities accounted for using equity method	-0.1	1.6	1.8	Copper mine+1.7, etc.
Other / Non-operating profit / loss	-0.6	-0.2	0.4	
Ordinary profit	3.1	25.1	22.0	
Extraordinary income / loss	1.4	1.0	-0.4	
Income taxes	-3.2	-5.6	-2.3	
Profit attributable to non-controlling interests	-0.8	-3.5	-2.7	
Profit attributable to owners of parent	0.4	16.9	16.4	
Exchange rate (USD)	108	109	2	JPY / \$
Exchange rate (EUR)	118	132	13	JPY / €
Copper price (LME)	242	440	198	¢ / lb

*AP: Advanced Products
MS: Metalworking Solutions

Comparison with the Previous Year Result (Statistics)

■ Statistics

		FY2021 1Q Result (a)	FY2022 1Q Result (b)	Difference (b-a)
	Sales volumes of copper & copper alloy products (thousand tons)	27	34	7
	Sales volumes of copper cathodes (in-house product) (thousand tons)	77	72	-5
	Sales volumes of copper cathodes (PTS) (thousand tons)	69	66	-3
	Dividend from copper mine (billion yen)	0.9	9.4	8.4
	Total demand for cement in Japan (million tons)	9.40	9.22	-0.17
	Cement sales volumes for MMC-Domestic (million tons)	1.47	1.37	-0.11
	Cement sales volumes for MMC-Exports (million tons)	0.41	0.58	0.17
	Cement sales volumes in the U.S. (million tons)	0.41	0.37	-0.04
	Ready-mixed concrete sales volumes in the U.S. (million cy)	2.21	2.02	-0.19
	Sales volumes of aluminum sheet products (thousand tons)	24	27	3
	Sales volumes of aluminum extrusion products (thousand tons)	3	3	1

Comparison with the Previous Year Result (Factor Analysis of Ordinary Profit)

[Unit: billion yen]

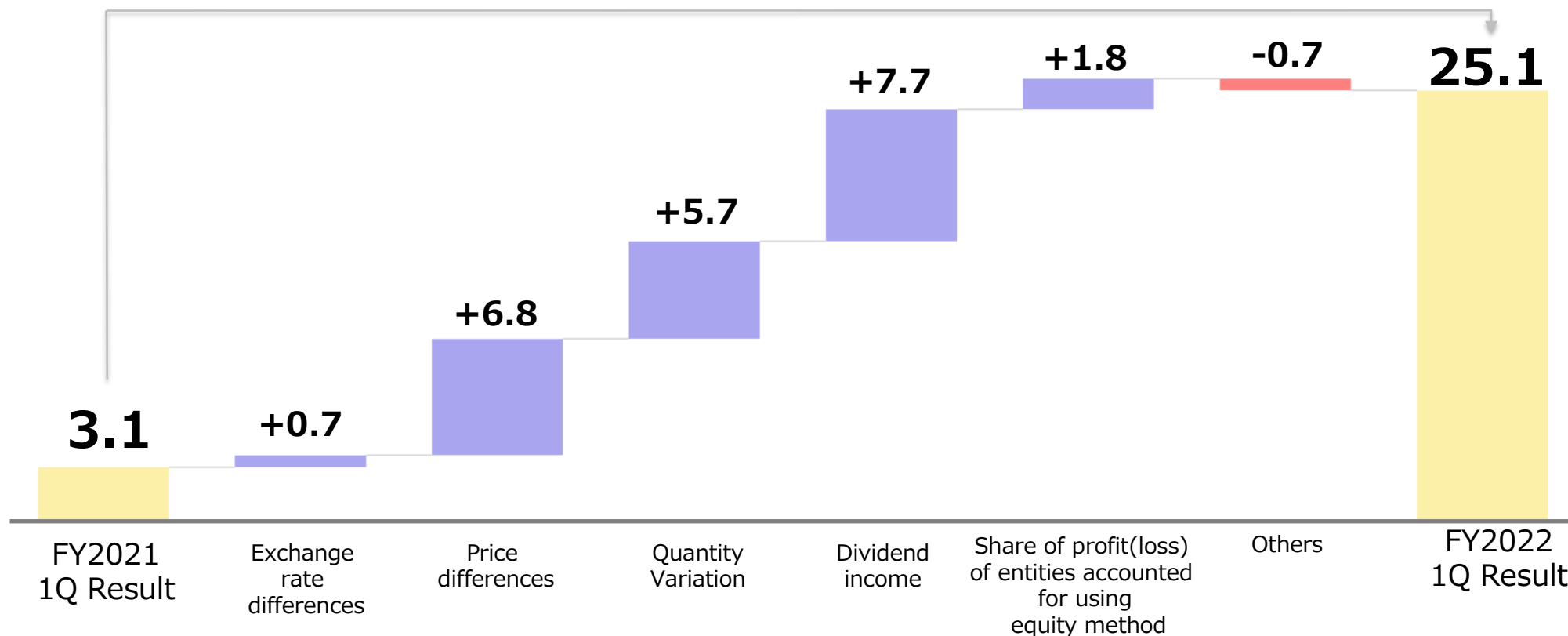
FY2022 1Q Results : +22.0 billion yen (year-on-year)

【Price differences】 Increase in profits due to a hike in metal prices such as palladium and improvements in sulfuric acid market conditions.

【Quantity Variation】 Increase in profits mainly in the Advanced Products and Metalworking Solutions businesses due to steady demand for semiconductors and automobiles related products.

【Dividend income】 Increase in profits because a portion of dividend income from Los Pelambres Mine, which was expected to be recorded in the second half of the fiscal year, has been brought forward to the first quarter.

+22.0



Comparison with the Previous Year Result (Factor Analysis by Segment)

[Unit: billion yen]

		FY2021 1Q Results (a)	FY2022 1Q Results (b)	Difference (b-a)	Exchange rate difference	Price difference	Quantity variation	Revenue recognition*	Dividend income	Share of profit (loss) of entities accounted for using equity method	Other
Advanced Products	Net sales	79.9	115.7	35.7	0.5	23.6	17.3	-5.7	—	—	—
	Operating profit	-0.1	3.2	3.4	-0.0	0.5	3.1	—	—	—	-0.2
	Ordinary profit	-0.7	4.2	4.9					-0.0	0.7	0.6
	Net sales	50.5	86.5	35.9	0.2	23.6	12.1	0.0	—	—	—
	Operating profit	-0.7	0.9	1.7	-0.0	0.2	1.6	—	—	—	-0.1
	Ordinary profit	-1.7	1.7	3.5					-0.0	0.6	1.1
	Net sales	29.6	29.5	-0.0	0.3	0.1	5.3	-5.7	—	—	—
	Operating profit	0.6	2.2	1.6	0.0	0.3	1.4	—	—	—	-0.1
	Ordinary profit	1.1	2.5	1.3					0.0	0.0	-0.4
Metalworking Solutions	Net sales	27.9	33.4	5.4	1.2	0.0	7.4	0.0	—	—	-3.2
	Operating profit	-1.2	2.1	3.3	0.6	0.3	4.2	—	—	—	-1.8
	Ordinary profit	-1.3	2.1	3.5					-0.0	—	-1.6
Metals	Net sales	157.8	237.1	79.3	-0.2	83.6	-4.1	0.0	—	—	—
	Operating profit	1.5	7.1	5.5	0.1	4.7	-1.5	—	—	—	2.2
	Ordinary profit	1.6	16.6	14.9					8.4	1.7	1.5
Cement	Net sales	51.2	50.4	-0.7	0.4	1.7	-0.8	-2.0	—	—	—
	Operating profit	1.9	1.9	-0.0	-0.0	0.8	-0.6	—	—	—	-0.2
	Ordinary profit	2.5	1.9	-0.6					-0.0	-0.4	-0.4
Environment & Energy	Net sales	4.6	5.5	0.9	0.0	-0.0	0.9	0.0	—	—	0.0
	Operating profit	-0.0	0.2	0.3	0.0	-0.0	0.3	—	—	—	0.0
	Ordinary profit	0.2	0.5	0.3					-0.0	0.0	0.0
Others	Net sales	61.9	59.2	-2.7	0.4	0.8	0.6	-3.2	—	—	-1.3
	Operating profit	0.8	1.7	0.9	0.0	0.5	0.3	—	—	—	0.1
	Ordinary profit	0.7	1.5	0.7					-0.0	-0.1	0.0
	Net sales	31.7	30.4	-1.3	0.0	0.9	1.0	-2.0	—	—	-1.2
	Operating profit	0.5	2.1	1.5	-0.0	0.5	0.6	—	—	—	0.4
	Ordinary profit	0.4	1.8	1.3					-0.0	-0.1	0.3
Elimination, etc.	Net sales	-39.2	-73.8	-34.6	0.0	-25.8	-15.6	6.8	—	—	—
	Operating profit	-0.3	-1.6	-1.2	0.0	0.0	-0.2	—	—	—	-1.0
	Ordinary profit	-0.0	-1.9	-1.9					-0.6	-0.0	-1.1
Total	Net sales	344.3	427.6	83.3	2.2	84.1	5.6	-4.1	—	—	-4.5
	Operating profit	2.5	14.8	12.3	0.7	6.8	5.7	—	—	—	-0.9
	Ordinary profit	3.1	25.1	22.0					7.7	1.8	-0.7

*"Revenue recognition" here shows an approximate effect on the Mitsubishi Materials Group due to the change of revenue recognition accounting policy applied from FY2022.

Consolidated Balance Sheet

[Unit: billion yen]

	End of Mar 2021(a)	End of June 2021(b)	Difference (b-a)		End of Mar. 2021(a)	End of June 2021(b)	Difference (b-a)
Assets				Liabilities			
Cash and deposits	153.0	168.4	15.3	Notes and accounts payable – trade	153.6	158.3	4.7
Notes and accounts receivable - trade	220.5	238.7	18.2	Borrowings, bonds payable and commercial papers	629.4 31%	690.4 32%	60.9
Inventories	379.8	414.3	34.4	Other liabilities	638.0	637.9	-0.1
Other	286.4	317.6	31.2	Total liabilities	1,421.1	1,486.7	65.5
Total current assets	1,039.8	1,139.2	99.3	Net assets			
Property, plant and equipment and intangible assets	711.8	709.6	-2.1	Share capital	119.4	119.4	—
Investments and other assets	283.8	277.4	-6.3	Capital surplus and treasury shares	76.5	76.5	0.0
Total non-current assets	995.6	987.0	-8.5	Retained earnings	294.8	306.0	11.2
Total assets	2,035.5	2,126.3	90.8	Accumulated other comprehensive income	54.3	65.0	10.6
				Non-Controlling interests	69.1	72.5	3.3
				Total net assets	614.3 30%	639.6 30%	25.2
				Total liabilities and net assets	2,035.5	2,126.3	90.8
				Shareholders' equity ratio	27 %	27 %	
				Net D/E ratio	0.87 times	0.92 times	

FY2022 Performance Forecast (Statistics / Sensitivity / Assumptions)

■ Statistics

		FY2022 Forecast (Previous*)			FY2022 Forecast (This time)			Difference		
		1st Half	2nd Half	Full Year (a)	1st Half	2nd Half	Full Year (b)	1st Half	2nd Half	Full Year (b-a)
Sales volumes of copper & copper alloy products	(thousand tons)	68	67	135	68	69	137	-1	3	2
Sales volumes of copper cathodes (in-house product)	(thousand tons)	145	163	307	148	163	311	3	1	4
Sales volumes of copper cathodes (PTS)	(thousand tons)	143	139	281	138	139	276	-5	0	-5
Dividend from copper mine	(billion yen)	1.2	7.0	8.3	9.4	3.9	13.4	8.2	-3.1	5.1
Total demand for cement in Japan	(million tons)	—	—	39.00	—	—	38.50	—	—	-0.50
Cement sales volumes for MMC-Domestic	(million tons)	3.18	3.33	6.51	2.96	3.29	6.26	-0.21	-0.04	-0.25
Cement sales volumes for MMC-Exports	(million tons)	0.97	1.20	2.17	1.19	1.21	2.40	0.22	0.01	0.23
Cement sales volumes in the U.S.	(million tons)	0.82	0.73	1.55	0.76	0.73	1.50	-0.06	0.01	-0.05
Ready-mixed concrete sales volumes in the U.S.	(million cy)	4.33	3.93	8.26	4.04	3.84	7.88	-0.29	-0.09	-0.38
Sales volumes of aluminum sheet products	(thousand tons)	50	45	95	51	46	97	1	1	2
Sales volumes of aluminum extrusion products	(thousand tons)	7	7	13	7	7	14	0	0	0

*Announced on May 14, 2021

■ Sensitivity

		FY2022 2Q-4Q Forecast
Exchange rates	Operating profit - 1 yen/\$ (yen depreciation)	0.6 billion yen
	Operating profit - 1 yen/€ (yen depreciation)	0.12 billion yen
Copper price (LME)	Operating profit ± 10 ¢/lb	0.4 billion yen
	Non-operating profit ± 10 ¢/lb	1.1 billion yen

■ Assumptions

	2Q	2nd Half
	110	110 yen/\$
	130	130 yen/€
	420	395 ¢/lb

FY2022 Performance Forecast

[Unit: billion yen]

	FY2022 Forecast(Previous*)			FY2022 Forecast(This time)			Difference		
	1st Half	2nd Half	Full Year (a)	1st Half	2nd Half	Full Year (b)	1st Half	2nd Half	Full Year (b-a)
Net sales	810.0	810.0	1,620.0	880.0	880.0	1,760.0	70.0	70.0	140.0
Operating profit	13.0	22.0	35.0	26.0	21.0	47.0	13.0	-1.0	12.0
Net interest and dividend income	0.0	5.0	5.0	8.0	2.0	10.0	8.0	-3.0	5.0
Share of profit (loss) of entities accounted for using equity method	2.0	4.5	6.5	3.0	4.5	7.5	1.0	0.0	1.0
Other Non-operating profit / loss	-5.0	-4.5	-9.5	-3.0	-5.5	-8.5	2.0	-1.0	1.0
Ordinary profit	10.0	27.0	37.0	34.0	22.0	56.0	24.0	-5.0	19.0
Extraordinary income / loss	1.0	-1.5	-0.5	2.0	-1.5	0.5	1.0	0.0	1.0
Income taxes	-5.0	-7.0	-12.0	-9.0	-5.0	-14.0	-4.0	2.0	-2.0
Profit (loss) attributable to non-controlling interests	-1.0	-3.5	-4.5	-4.0	-1.5	-5.5	-3.0	2.0	-1.0
Profit (loss) attributable to owners of parent	5.0	15.0	20.0	23.0	14.0	37.0	18.0	-1.0	17.0
Exchange rate (JPY/USD)	110	110	110	110	110	110	-0	0	-0
Exchange rate (JPY/EUR)	130	130	130	131	130	131	1	0	1
Copper price (LME)(¢/lb)	345	345	345	430	395	413	85	50	68
Dividends per share (yen)	25	25	50	25	25	50	—	—	—

*Announced on May 14, 2021

FY2022 Performance Forecast (Factor Analysis by Segment)

[Unit: billion yen]

			FY2022 Forecast (Previous*)			FY2022 Forecast (This time)			Difference		
			1st Half	2nd Half	Full year (a)	1st Half	2nd Half	Full year (b)	1st Half	2nd Half	Full year (b-a)
	Advanced Products	Net sales	210.4	211.5	421.9	238.4	243.5	481.9	28.0	32.0	60.0
		Operating profit	3.2	4.4	7.6	4.8	3.7	8.5	1.6	-0.7	0.9
		Ordinary profit	2.9	4.2	7.1	6.1	3.5	9.7	3.2	-0.7	2.6
	Copper & copper alloy	Net sales	155.0	152.9	307.9	181.2	185.9	367.1	26.2	33.0	59.2
		Operating profit	1.3	1.4	2.8	1.3	0.6	2.0	0.0	-0.8	-0.8
		Ordinary profit	0.7	0.9	1.6	1.9	0.2	2.2	1.2	-0.7	0.6
	Electronic materials & components	Net sales	56.0	59.2	115.2	57.8	58.1	116.0	1.8	-1.1	0.8
		Operating profit	1.8	2.9	4.8	3.4	3.0	6.5	1.6	0.1	1.7
		Ordinary profit	2.2	3.2	5.4	4.2	3.2	7.4	2.0	0.0	2.0
	Metalworking Solutions	Net sales	65.1	68.0	133.1	67.1	69.7	136.8	2.0	1.7	3.7
		Operating profit	2.9	5.9	8.8	5.0	7.7	12.8	2.1	1.8	4.0
		Ordinary profit	2.6	5.6	8.3	4.9	7.4	12.3	2.3	1.8	4.0
	Metals	Net sales	413.2	412.7	825.9	475.0	462.0	937.0	61.8	49.3	111.1
		Operating profit	5.9	7.2	13.2	13.9	8.0	22.0	8.0	0.8	8.8
		Ordinary profit	6.6	16.1	22.8	24.3	14.1	38.5	17.7	-2.0	15.7
	Cement	Net sales	104.9	103.5	208.4	104.0	105.3	209.3	-0.9	1.8	0.9
		Operating profit	4.5	5.4	9.9	3.1	2.7	5.9	-1.4	-2.7	-4.0
		Ordinary profit	4.5	4.8	9.4	2.0	1.5	3.5	-2.5	-3.3	-5.9
	Environment & Energy	Net sales	8.1	8.5	16.7	8.3	9.4	17.7	0.2	0.9	1.0
		Operating profit	-0.3	0.4	0.0	-0.1	0.7	0.5	0.2	0.3	0.5
		Ordinary profit	0.0	0.9	0.9	0.4	1.2	1.7	0.4	0.3	0.8
	Others	Net sales	119.6	122.9	242.6	122.1	125.9	248.1	2.5	3.0	5.5
		Operating profit	2.9	3.4	6.4	3.1	2.0	5.1	0.2	-1.4	-1.3
		Ordinary profit	2.3	2.4	4.8	2.5	0.9	3.5	0.2	-1.5	-1.3
	Aluminum	Net sales	60.4	56.4	116.9	61.3	57.6	118.9	0.9	1.2	2.0
		Operating profit	2.9	1.1	4.1	2.8	0.0	2.9	-0.1	-1.1	-1.2
		Ordinary profit	2.3	0.2	2.6	2.2	-0.8	1.3	-0.1	-1.0	-1.3
	Elimination, etc.	Net sales	-111.5	-117.4	-229.0	-135.1	-135.9	-271.1	-23.6	-18.5	-42.1
		Operating profit	-6.2	-4.9	-11.2	-4.1	-4.0	-8.1	2.1	0.9	3.1
		Ordinary profit	-9.1	-7.3	-16.5	-6.4	-6.9	-13.3	2.7	0.4	3.2
	Total	Net sales	810.0	810.0	1,620.0	880.0	880.0	1,760.0	70.0	70.0	140.0
		Operating profit	13.0	22.0	35.0	26.0	21.0	47.0	13.0	-1.0	12.0
		Ordinary profit	10.0	27.0	37.0	34.0	22.0	56.0	24.0	-5.0	19.0

*Announced on May 14, 2021

【Reference】 Performance Overview (Quarterly)

[Unit: billion yen]

■ Performance Overview by Segment			FY2021 Results							FY2022 Results						
			1 Q	2 Q	1st Half	3 Q	4 Q	2nd Half	Full Year	1 Q	2 Q	1st Half	3 Q	4 Q	2nd Half	Full Year
Advanced Products	Net sales		79.9	76.1	156.0	95.3	105.6	201.0	357.1	115.7						
	Operating profit		-0.1	-1.6	-1.7	1.0	3.5	4.6	2.8	3.2						
	Ordinary profit		-0.7	0.7	0.0	1.9	4.2	6.1	6.1	4.2						
	Net sales		50.5	48.4	99.0	61.9	70.6	132.6	231.6	86.5						
	Operating profit		-0.7	-1.4	-2.2	0.4	1.4	1.8	-0.3	0.9						
	Ordinary profit		-1.7	0.0	-1.7	1.0	1.5	2.5	0.8	1.7						
	Net sales		29.6	27.9	57.5	33.6	35.4	69.0	126.6	29.5						
	Operating profit		0.6	-0.0	0.6	0.8	2.0	2.9	3.5	2.2						
	Ordinary profit		1.1	0.8	1.9	1.0	2.6	3.7	5.6	2.5						
Metalworking Solutions	Net sales		27.9	28.7	56.6	31.8	30.8	62.7	119.3	33.4						
	Operating profit		-1.2	-1.8	-3.0	-0.3	2.2	1.9	-1.1	2.1						
	Ordinary profit		-1.3	-1.4	-2.8	-0.3	2.3	2.0	-0.7	2.1						
Metals	Net sales		157.8	200.5	358.3	163.5	206.3	369.9	728.2	237.1						
	Operating profit		1.5	5.8	7.4	3.2	8.1	11.4	18.8	7.1						
	Ordinary profit		1.6	13.7	15.4	7.1	10.3	17.4	32.9	16.6						
Cement	Net sales		51.2	54.5	105.7	52.9	57.1	110.0	215.8	50.4						
	Operating profit		1.9	2.1	4.1	2.4	0.0	2.5	6.6	1.9						
	Ordinary profit		2.5	1.2	3.8	3.6	-1.3	2.3	6.1	1.9						
Environment & Energy	Net sales		4.6	5.0	9.6	6.1	10.4	16.5	26.2	5.5						
	Operating profit		-0.0	0.0	-0.0	0.3	1.5	1.8	1.7	0.2						
	Ordinary profit		0.2	0.2	0.4	0.7	1.9	2.6	3.1	0.5						
Others	Net sales		61.9	65.3	127.3	68.8	70.5	139.3	266.7	59.2						
	Operating profit		0.8	1.6	2.5	2.7	3.5	6.3	8.8	1.7						
	Ordinary profit		0.7	1.4	2.2	2.8	4.3	7.1	9.3	1.5						
Aluminum	Net sales		31.7	32.2	63.9	32.5	31.7	64.2	128.2	30.4						
	Operating profit		0.5	1.1	1.7	1.3	1.2	2.6	4.3	2.1						
	Ordinary profit		0.4	0.9	1.3	1.2	1.9	3.2	4.5	1.8						
Elimination, etc.	Net sales		-39.2	-49.1	-88.3	-64.3	-75.8	-140.1	-228.4	-73.8						
	Operating profit		-0.3	-1.8	-2.2	-0.7	-8.2	-9.0	-11.3	-1.6						
	Ordinary profit		-0.0	-2.7	-2.7	-0.3	-9.3	-9.7	-12.4	-1.9						
Total	Net sales		344.3	381.2	725.5	354.3	405.2	759.5	1,485.1	427.6						
	Operating profit		2.5	4.3	6.8	8.7	10.9	19.6	26.5	14.8						
	Ordinary profit		3.1	13.3	16.4	15.5	12.5	28.0	44.5	25.1						
■ Statistics / Assumptions																
Sales volumes of copper & copper alloy products	(thousand tons)		27	23	50	30	33	64	113	34						
	Sales volumes of copper cathodes (in-house product)	(thousand tons)	77	98	175	73	62	135	309	72						
	Sales volumes of copper cathodes (PTS)	(thousand tons)	69	72	141	52	67	118	260	66						
	Dividend from copper mine	(billion yen)	0.9	8.0	9.0	3.5	1.5	5.1	14.1	9.4						
Total demand for cement in Japan	(million tons)		9.40	9.65	19.05	10.56	9.06	19.62	38.67	9.22						
	Cement sales volumes for MMC-Domestic	(million tons)	1.47	1.55	3.03	1.71	1.48	3.20	6.22	1.37						
	Cement sales volumes for MMC-Exports	(million tons)	0.41	0.66	1.08	0.62	0.64	1.26	2.34	0.58						
	Total demand for Cement in the U.S.	(million tons)	—	—	—	—	—	—	101.72	—						
	Cement sales volumes in the U.S.	(million tons)	0.41	0.43	0.84	0.37	0.34	0.70	1.54	0.37						
	Ready-mixed concrete sales volumes in the U.S.	(million cy)	2.21	2.04	4.25	1.81	1.81	3.61	7.86	2.02						
Sales volumes of aluminum sheet products	(thousand tons)		24	22	46	23	25	48	94	27						
	Sales volumes of aluminum extrusion products	(thousand tons)	3	3	5	3	3	7	12	3						
Exchange rate (USD)			(JPY/ \$)	108	106	107	105	106	105	106	109					
Exchange rate (EUR)			(JPY/€)	118	124	121	125	128	126	124	132					
Copper price (LME)			(¢ /lb)	242	296	269	325	385	355	312	440					

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