



February 10, 2023

To All Concerned Parties

Company name Mitsubishi Materials Corporation  
 Representative Naoki Ono, Chief Executive Officer  
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**Notice Regarding Recording of Share of Loss of Entities Accounted for Using Equity Method  
 (Non-Operating Expenses) and Revision to Earnings Forecast**

Mitsubishi Materials Corporation (hereinafter referred to as “the Company”) hereby announces recording share of loss of entities accounted for using equity method (non-operating expenses) in the nine months ended December 31, 2022. The Company also announces revision to the consolidated earnings forecast for the fiscal year ending March 31, 2023 announced on November 10, 2022. Details are as described below.

1. Recording of share of loss of entities accounted for using equity method (non-operating expenses)

Mitsubishi UBE Cement Corporation (equity-method affiliate of the Company; hereinafter referred to as “MUCC”) is in harsh business environment mainly due to soaring coal and other energy prices. In the nine months ended December 31, 2022, the Company recorded non-operating expenses of 16.9 billion yen as share of loss of entities accounted for using equity method related to MUCC. In addition, mainly due to delays in the revision of the sales price, MUCC's profit/loss is expected to deteriorate from the previous forecast. Therefore, the Company is expected to record share of loss of entities accounted for using equity method related to MUCC of 26.7 billion yen for the fiscal year ending March 31, 2023.

2. Revision to earnings forecast

1) Consolidated earnings forecast for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Previous forecast (A)	1,690,000	44,000	18,000	3,000
Current forecast (B)	1,680,000	43,000	15,000	6,000
Amount change (B - A)	(10,000)	(1,000)	(3,000)	3,000
Percentage change (%)	(0.6)	(2.3)	(16.7)	100.0
(Reference) Consolidated financial results for previous fiscal year ended March 31, 2022	1,811,759	52,708	76,080	45,015

2) Reasons for the revision

With regard to the consolidated earnings forecast for the fiscal year ending March 31, 2023, net sales and operating profit are expected to be approximately the same as the previous forecast due to increase sales in Metals Business despite the yen's appreciation and lower sales in Advanced Products Business and Metalworking Solutions Business. Ordinary profit is expected to decrease from the previous forecast, due to increase foreign exchange losses and share of loss of entities accounted for using equity method related to MUCC. Profit attributable to owners of parent is expected to increase compared to the previous forecast due to a decrease in tax expenses, etc.

(Note) The above forecast has been prepared on assumed economic conditions, market trends and other factors foreseeable as of the date of this announcement, and the results may differ from the forecast due to various factors arising in the future.