

# **FY March 2024 Q2 Financial Results**

**November 9, 2023**

**Mitsubishi Materials Corporation**

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# Executive Summary

## Business Environment in the Q2

- In the automotive market, **demand from auto manufacturers and Tier1 companies continued to recover** as the semiconductor shortage moved toward an end, but **demand from materials manufacturers did not recover**.
- The semiconductor market was **stagnant**, as device makers experienced sluggish sales.
- The yen remained weak. Metal prices for copper and palladium continued to decline. Domestic electricity prices and raw material costs remained high since the last fiscal year.

## The H1 Result (YoY change)

In the H1, sales and profits declined. The Company was more affected than expected by sluggish demand in the automotive and semiconductor markets, however the H1 result was **largely in line with our expectation** due to foreign exchange gains and equity-method investment incomes.

- Net sales decreased (¥831.9 bn to ¥716.1 bn, -14% YoY) due to a change in the PTS scheme to contract smelting and a decrease in sales.
- Operating profit **declined (¥29.5 bn to ¥11.9 bn, -60% YoY)** due to a decrease in sales, despite the effects of the yen's depreciation and sales price increases.
- Ordinary profit **fell (¥23.0 bn to ¥18.4 bn, -20% YoY)** due to a delay in the timing of dividends from mines, despite an increase of equity-method investment profit at Mitsubishi UBE Cement Corporation.

## Full Year Performance Forecast

**Full-year forecast have been revised downward slightly**, taking into account the latest business environment.

**Operating profit ¥40.0 bn (-10.0), ordinary profit ¥56.0 bn (-2.0), profit attributable to owners of parent ¥38.0 bn (-3.0)**

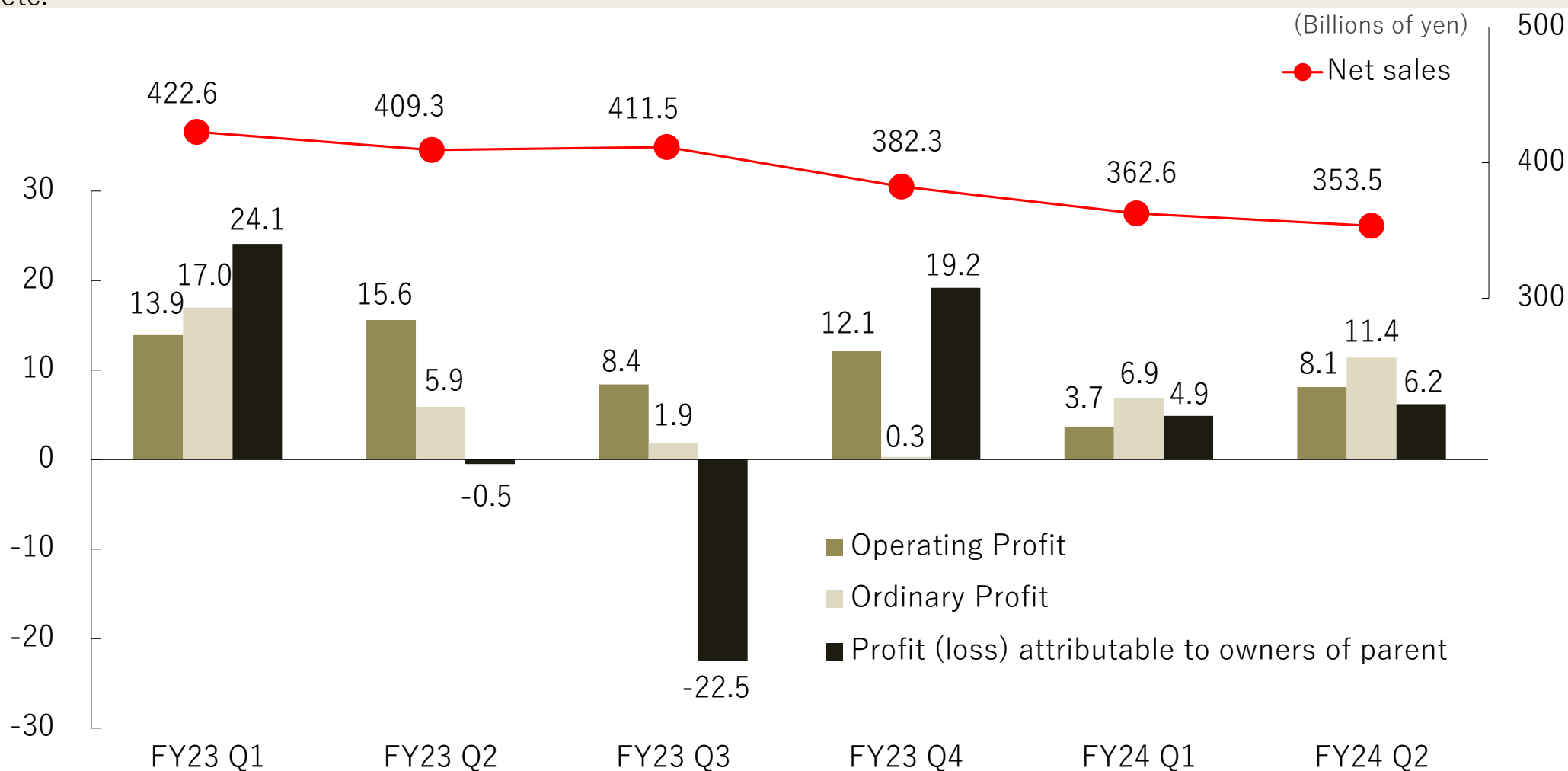
Figures in ( ) are the changes from the previous forecast as of May 12. (billions of yen)

**The dividend forecast remains unchanged from the previously announced figure of ¥94** (Interim: ¥47, year-end: ¥47 ), as profit attributable to owners of parent is not expected to fall far below the previous forecast.

- Regarding foreign exchange, the yen remained weak. While metal prices show no signs of recovery, domestic electricity prices are expected to be lower than anticipated.
- Demand in the semiconductor market remains stagnant and recovery is expected to be delayed from the FY2024 H2 to the FY2025 H1.
- Profits in the Copper & Copper Alloy and the Electronic Materials & Components businesses will decline significantly, but **the Company plans to return to the growth trajectory described in the FY2031 Strategy from FY2025 by strengthening cost competitiveness in addition to the recovery of the automobile market, etc. (Orders for automotive terminal materials in the Copper & Copper Alloy business are currently recovering).**

# Quarterly Performance

- Net sales of the Q2 were **¥353.5 bn, down ¥9.1 bn from the Q1**, mainly due to a decline in sales volume in the Metals business.
- **Compared to the Q1, operating profit increased ¥4.4 bn to ¥8.1 bn, and ordinary profit increased ¥4.5 bn to ¥11.4 bn.** This was because operating profit recorded a profit due to an improvement in metal recoveries at the Metals business, and ordinary profit posted an increase in equity-method investment gain of Mitsubishi UBE Cement Corporation.
- Profit attributable to owners of parent was ¥6.2 bn, **up ¥1.2 bn from the Q1**, mainly due to an increase in ordinary profit, etc.



# Year-on-Year Comparison (Consolidated PL, Foreign Exchange and Copper Price)

(Billions of yen)

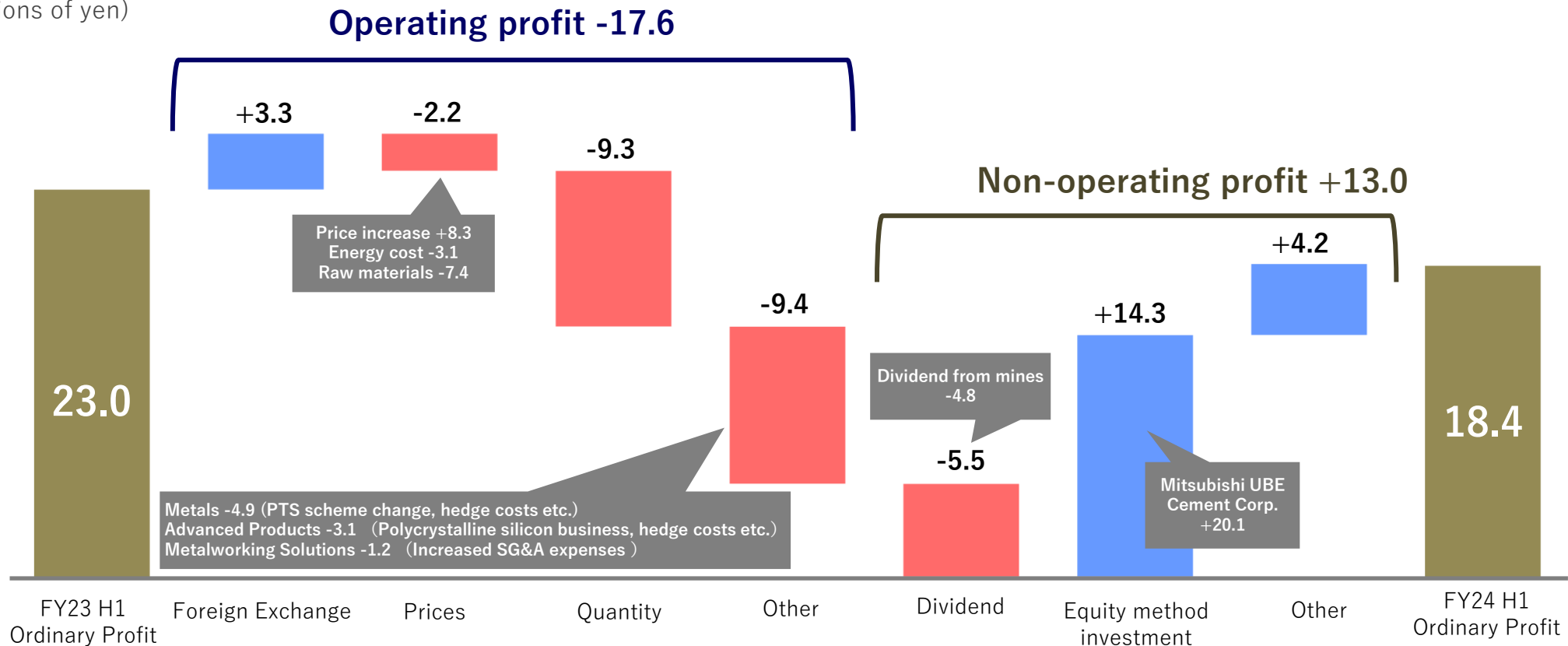
	FY March 2023 H1 Results (a)	FY March 2024 H1 Results (b)	Change (b-a)
Net Sales	831.9	716.1	-115.7
Operating profit	29.5	11.9	-17.6
Dividend income	6.7	1.1	-5.5
Other financial income and expenses	-2.3	-1.6	+0.7
Share of profit (loss) of entities accounted for using equity method	-9.7	4.5	+14.3
Non-operating income (loss)	-1.1	2.4	+3.5
Ordinary profit	23.0	18.4	-4.6
Extraordinary income (loss)	11.6	-0.0	-11.7
Income taxes	-8.0	-6.2	+1.7
Profit (loss) attributable to non-controlling interests	-3.0	-0.9	+2.1
Profit attributable to owners of parent	23.6	11.1	-12.5
Dollar exchange rate (yen/\$)	134	141	+7
Euro exchange rate (yen/€)	139	153	+15
Copper Price (LME) (cents/lb)	392	382	-10

# Year-on-Year Comparison (Breakdown of Ordinary Profit Factors)

## Both operating profit and ordinary profit decreased

- Operating profit was ¥11.9 bn (down ¥17.6 bn YoY). There were negative factors such as increased energy costs, sluggish demand from the automotive market, and reduced sales in the Advanced Products and the Metalworking Solutions businesses due to deteriorating semiconductor market conditions, despite the yen's depreciation and price increases in the Copper & Copper Alloy and the Metalworking Solutions businesses.
- Ordinary profit was ¥18.4 bn (down ¥4.6 bn YoY). There were a decrease of operating profit and no dividend from Los Pelambres Mine, despite an improvement in equity method investment profit at Mitsubishi UBE Cement Corporation.

(Billions of yen)



# Consolidated Balance Sheet

(Billions of yen)

Item	End of March 2023 (a)	End of September 2023 (b)	Change (b-a)
Cash and deposits	142.1	95.2	-46.9
Notes and accounts Receivable – trade	188.4	200.0	+11.5
Inventories	377.6	444.2	+66.6
Other	407.7	400.5	-7.1
<b>Total current assets</b>	<b>1,116.0</b>	<b>1,140.0</b>	<b>+24.0</b>
Property, plant and equipment and intangible assets	454.9	487.3	+32.3
Investments and other assets	320.7	357.5	+36.8
<b>Total non – current assets</b>	<b>775.7</b>	<b>844.9</b>	<b>+69.2</b>
<b>Total assets</b>	<b>1,891.7</b>	<b>1,985.0</b>	<b>+93.2</b>

<b>Shareholders' equity ratio</b>	31 %	32 %
<b>Net D/E ratio</b>	0.7 times	0.8 times

Item	End of March 2023 (a)	End of September 2023 (b)	Change (b-a)
Notes and accounts payable - trade	85.2	85.3	+0.1
Borrowings, bonds payable and commercial papers	533.5	575.9	+42.4
Other liabilities	644.1	664.9	+20.8
<b>Total liabilities</b>	<b>1,262.9</b>	<b>1,326.3</b>	<b>+63.4</b>
Share capital	119.4	119.4	–
Capital surplus and treasury shares	79.0	79.0	+0.0
Retained earnings	338.8	346.7	+7.8
Accumulated other comprehensive income	55.9	80.9	+24.9
Non-Controlling interests	35.5	32.5	-3.0
<b>Total net assets</b>	<b>628.8</b>	<b>658.6</b>	<b>+29.7</b>
<b>Total liabilities and net assets</b>	<b>1,891.7</b>	<b>1,985.0</b>	<b>+93.2</b>

# Full Year Forecasts for FY March 2024

- While the semiconductor market remains weak, orders in the Copper & Copper Alloy business are currently recovering in the automotive market.
- The yen continues to depreciate and metal prices show no signs of recovery, while domestic electricity prices are expected to be lower than anticipated.
- The full-year forecast has been revised downward slightly, taking into account the latest business environment.
- The dividend forecast remains unchanged from the previous announcement at ¥94 (interim ¥47, year-end ¥47).

(Billions of yen)

P/L	Previous Forecast (a)	Current Forecast (b)	Change (b-a)
Net sales	1,670.0	1,660.0	-10.0
Operating profit	50.0	40.0	-10.0
Ordinary profit	58.0	56.0	-2.0
Profit attributable to owners of parent	41.0	38.0	-3.0

(Yen)

Dividend per share	interim	47	47	—
	year-end	47	47	—

Foreign Exchange /Copper Price		Previous Forecast (a)	Current Forecast (b)	Change (b-a)
Dollar-Yen Rate	¥/\$	135	145	+10
Euro-Yen Rate	¥/€	145	154	+9
Copper price (LME)	¢/lb	390	373	-17

(Billions of yen)

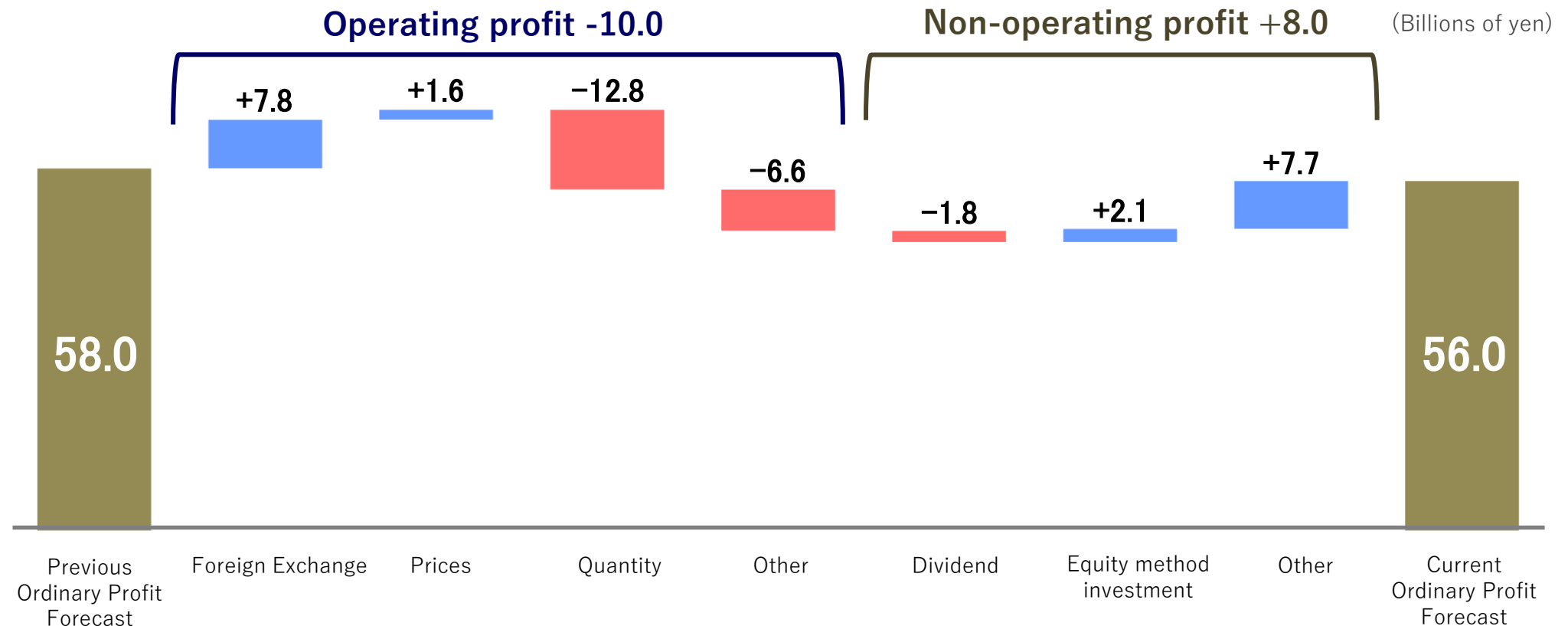
Sensitivity			Impact on H2
Foreign Exchange	Operating profit	¥/\$	+0.45
	Operating profit	¥/€	+0.09
Copper price (LME)	Operating profit (a)	10¢/lb	+0.32
	Non-Operating profit (b)	10¢/lb	+0.10
	Ordinary profit (a+b)	10¢/lb	+0.42



# Full-Year Forecast for FY March 2024 (Difference from Previous Forecast)

**Both operating profit and ordinary profit were revised downward due to a decrease in sales volume, despite the depreciation of the yen and an improvement in equity-method investment gain.**

- Operating profit is expected to be ¥40.0 bn (down ¥10.0 bn from the previous forecast) due to a decline in sales driven by the deterioration of the semiconductor market, despite a decrease of energy costs and the yen's depreciation.
- Ordinary profit is expected to be ¥56.0 bn (down ¥2.0 bn from the previous forecast) due to an increase in foreign exchange gains in addition to an improvement in equity-method investment profit in Mitsubishi UBE Cement Corporation.





- In the H1, ordinary profit was ¥8.4 bn (down ¥12.7 bn YoY), mainly due to a decline in palladium price, an increase in energy costs and foreign exchange hedging costs, and a decrease in dividends from mines and equity-method investment gain.
- In the full-year forecast, ordinary profit is expected to be ¥35.0 bn (up ¥0.4 bn from the previous forecast) due to the yen's depreciation and reduced energy costs, despite a decrease in dividends from mines and equity-method investment gain.

				(Billions of yen)		
Item	FY March 2023 H1 Result (a)	FY March 2024 H1 Result (b)	Change (b-a)	Previous Full-Year Forecast (c)	Current Full-Year Forecast (d)	Change (d-c)
Net sales	567.3	476.8	-90.4	1,071.7	1,110.6	+38.9
Operating profit	16.4	7.1	-9.2	21.9	22.3	+0.4
Ordinary profit	21.2	8.4	-12.7	34.5	35.0	+0.4
Sales volume of electrolytic copper (in-house product)	162 thousand tons	186 thousand tons	+24 thousand tons	399 thousand tons	400 thousand tons	+1 thousand tons
Dividend from copper mine	5.7	0.9	-4.8	15.8	14.8	-0.9

## Details of Ordinary Profit Decrease

FY March 2023 H1 Result (a)	21.2
Foreign Exchange	+1.5
Prices	-5.4
Quantity	-0.4
Dividend	-4.8
Equity method investment	-4.3
Other	+0.7
FY March 2024 H1 Result (b)	8.4

## Details of Ordinary Profit Increase

Previous Full-Year Forecast (c)	34.5
Foreign Exchange	+5.3
Prices	-0.6
Quantity	-0.2
Dividend	-0.8
Equity method investment	-2.8
Other	-0.5
Current Full-Year Forecast (d)	35.0



- In the H1, ordinary profit was ¥-0.2 bn (down ¥1.4 bn YoY) due to a decrease in sales mainly of automotive products and an increase in hedging costs, despite the effects of the price revision and the yen's depreciation.
- In the full-year forecast, sales of wrought copper products are expected to partially recover in the H2 but will not make up for the decline in the H1 and are anticipated to decrease for the full-year, while energy costs are expected to fall. Ordinary profit is expected to be ¥1.8 bn (down ¥5.0 bn from the previous forecast) by implementing measures to expand sales of rolled products, etc. as well as cost reduction initiatives such as improving yield rates at Sakai, Wakamatsu and Sambo Plants.

(Billions of yen)

Item	FY March 2023 H1 Result (a)	FY March 2024 H1 Result (b)	Change (b-a)
Net sales	200.1	204.3	+4.2
Operating profit	2.4	1.0	-1.3
Ordinary profit	1.2	-0.2	-1.4
Sales volume of copper & copper alloy products	66 thousand tons	61 thousand tons	-6 thousand tons

Previous Full-Year Forecast (c)	Current Full-Year Forecast (d)	Change (d-c)
464.0	427.4	-36.6
9.7	4.6	-5.2
6.7	1.8	-5.0
148 thousand tons	126 thousand tons	-22 thousand tons

## Details of Ordinary Profit Decrease

FY March 2023 H1 Result (a)	1.2
Foreign Exchange	+0.1
Prices	+2.0
Quantity	-1.5
Other	-2.0
FY March 2024 H1 Result (b)	-0.2

## Details of Ordinary Profit Decrease

Previous Full-Year Forecast (c)	6.7
Foreign Exchange	+0.2
Prices	+1.4
Quantity	-6.1
Other	-0.5
Current Full-Year Forecast (d)	1.8

- In the H1, ordinary profit was ¥0.6 bn (down ¥4.3 bn YoY) due to a decrease in sales of semiconductor-related products caused by the deterioration of the semiconductor market.
- The Company expects recovery in the semiconductor market to be delayed from the FY2024 H2 to the FY2025 H1, and ordinary profit of ¥2.7 bn (down ¥3.6 bn from the previous forecast), taking into account the sales expansion of chemical products and various cost-cutting measures.

(Billions of yen)

Item	FY March 2023 H1 Result (a)	FY March 2024 H1 Result (b)	Change (b-a)
Net sales	60.4	38.8	-21.5
Operating profit	3.8	0.0	-3.8
Ordinary profit	5.0	0.6	-4.3

Previous Full-Year Forecast (c)	Current Full-Year Forecast (d)	Change (d-c)
84.9	82.6	-2.4
6.1	2.1	-4.1
6.3	2.7	-3.6

Details of Ordinary Profit Decrease

FY March 2023 H1 Result (a)	5.0
Foreign Exchange	+0.0
Prices	+0.0
Quantity	-3.0
Dividend	-0.3
Equity method investment	-0.0
Other	-1.0
FY March 2024 H1 Result (b)	0.6

Details of Ordinary Profit Decrease

Previous Full-Year Forecast (c)	6.3
Foreign Exchange	+0.4
Prices	+0.2
Quantity	-2.4
Dividend	+0.0
Equity method investment	+0.3
Other	-2.1
Current Full-Year Forecast (d)	2.7



- In the H1, ordinary profit was ¥6.3 bn (down ¥2.4 bn YoY) due to a decrease in sales in Japan and China and an increase in SG&A expenses, despite the yen's depreciation and sales price increases.
- The full-year forecast for ordinary profit is ¥15.6 bn (up ¥0.4 bn from the previous forecast). The Company expects a decrease in energy costs and an increase in inventory as well as the weak yen, although a decline in sales volume and a decrease in dividends are expected.

(Billions of yen)

Item	FY March 2023 H1 Result (a)	FY March 2024 H1 Result (b)	Change (b-a)
Net sales	71.8	69.8	-2.0
Operating profit	7.8	5.2	-2.6
Ordinary profit	8.8	6.3	-2.4

Previous Full-Year Forecast (c)	Current Full-Year Forecast (d)	Change (d-c)
153.9	154.8	+0.8
14.3	14.7	+0.3
15.2	15.6	+0.4

## Details of Ordinary Profit Decrease

FY March 2023 H1 Result (a)	8.8
Foreign Exchange	+1.6
Prices	+0.7
Quantity	-3.7
Dividend	-0.0
Equity method investment	-1.0
FY March 2024 H1 Result (b)	6.3

## Details of Ordinary Profit Increase

Previous Full-Year Forecast (c)	15.2
Foreign Exchange	+1.8
Prices	+0.8
Quantity	-4.7
Dividend	-0.8
Equity method investment	+3.3
Current Full-Year Forecast (d)	15.6

# Mitsubishi UBE Cement Corporation (MUCC)

## ■ Consolidated P/L of MUCC

(Billions of yen)

	FY March 2023 H1 Result	FY March 2024 H1 Result	FY March 2024 Forecast
Net sales	281.3	298.9	600.0 (670.0)
Overseas business only	65.9	92.7	185.0 ( - )
Operating profit	-20.0	21.5	33.0 (25.0)
Overseas business only	3.1	18.0	24.0 ( - )
Ordinary profit	-18.6	22.4	33.5 (25.5)
Profit (loss) attributable to owners of parent	-26.3	13.0	19.0 (14.5)

( ) forecast released on May 12, 2023

## ■ Equity method profit (loss) for Mitsubishi Materials

Share of profit (loss) of entities accounted for using equity method	-13.4	6.7	9.4 (5.9)
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- In the domestic cement business, measures such as completion of a ¥5,000 price hike, improvement of the business structure, and expansion of use of cheap thermal energy were promoted. On the other hand, MUCC is still in a difficult situation, such as a decrease in sales volume due to a decline in domestic demand and a rise in costs due to the weak yen. MUCC aims to achieve a surplus this fiscal year through further measures.
- The environment and energy business and domestic group companies performed well.
- In the U.S. business, net sales increased significantly from the previous year, as sales volume of ready-mixed concrete in the H1 increased due to the resumption of construction work that had been delayed due to the unfavorable weather of the previous year, and as a result of the early penetration of price increases. On the other hand, in the H2, net sales are expected to decrease due to a decrease in ready-mixed concrete sales and cost increases, but due to the effect of price increases, full-year net sales are expected to increase significantly from the previous year.

## ■ Details of MUCC

	FY March 2023 H1 Result	FY March 2024 H1 Result	FY March 2024 Forecast
Demand for cement in Japan (million t)	18.60	17.39	36.00 (38.00)
Cement sales in Japan (million t)	4.57	4.15	8.65 (9.28)
Cement sales in the U.S. (million st)	0.92	0.93	1.80 (1.69)
Ready-mixed concrete sales in the U.S. (million cy)	3.68	3.81	7.00 (7.48)
Coal Price (\$/ t )	398	154	177 (370)
Exchange Rate ( ¥ / \$ )	134	141	145 (130)

\*The above coal price is a reference index and differs from the actual procurement price.

(Reference) Consolidated balance sheet as of September 30, 2023 (Billions of yen)

Total assets	784.1	Interest-bearing debt	203.3	Shareholders' equity	345.7
Shareholders' equity ratio	44.1%	Net D/E ratio	0.44 times		

# Strengthening cost competitiveness

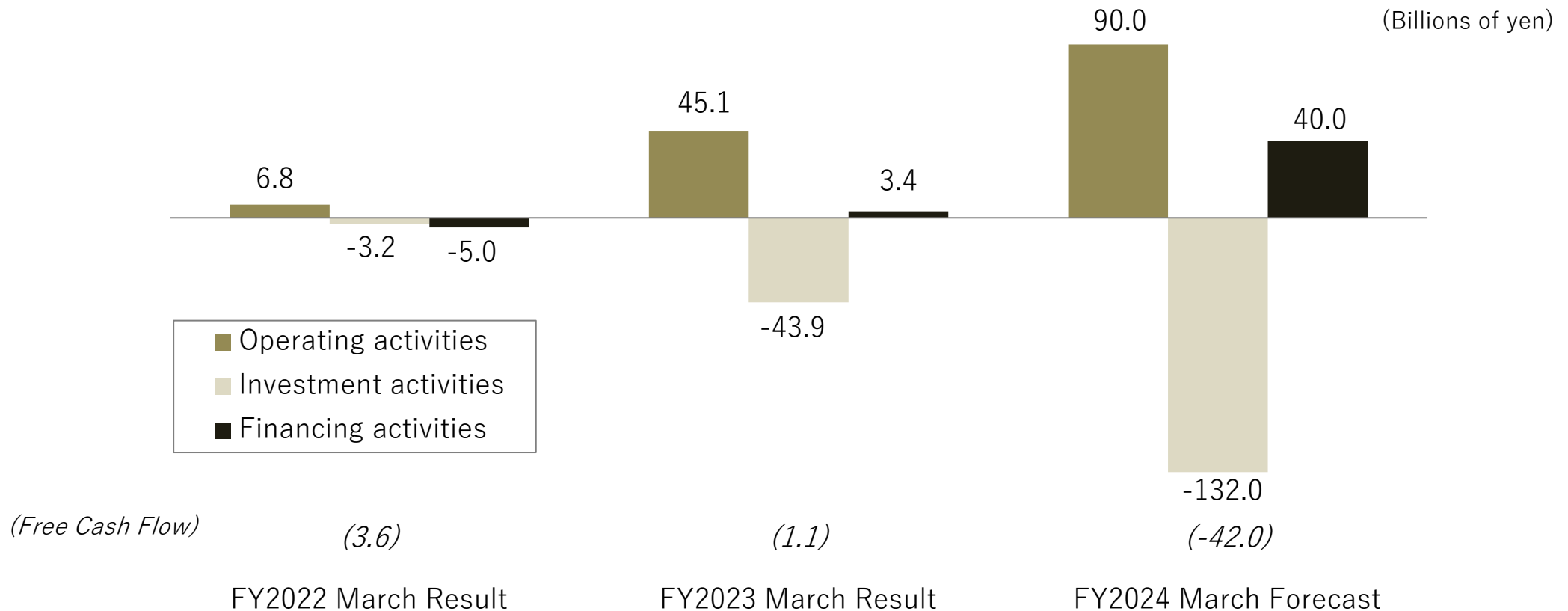
- As part of the measures under the FY2031 Strategy, the Company will implement cost reduction plans totaling approx. ¥9.0 bn by FY2026 and approx. ¥24.0 bn by FY2031.
- In this fiscal year, considering the difficult business environment, we expect to achieve a total cost reduction of ¥7.2 bn, ahead of next year's plan of ¥4.4 bn, by taking additional measures besides the initial plan.
- However, in this fiscal year, the Advanced Products business will not achieve the expected cost reduction plan due to lower sales.

(Billions of yen)

Cost reduction plan, progress, and additional measures for FY2024		Total cost reduction and ratio to operating profit					
		FY2024 Plan	FY2024 Initial Plan	FY2024 Additional Measures	FY2024 Total Cost Reduction	FY2025 Plan	FY2026 Plan
Metals	<Plans and Progress> Plan to reduce costs by increasing the processing capacity of copper concentrate in Naoshima, but the effect is expected to start in FY2026. <Additional> Energy and slag cost reduction, etc.	0.0	0.0	3.6	3.6	0.01	2.6
Advanced Products	<Plan> Improvement of yield rates, marginal profit, etc. <Progress> Expected to fall short due to a decrease in lower sales <Additional> Outsourcing and labor cost reduction	1.7	1.0	0.4	1.4	2.4	3.2
Metalworking Solutions	<Plan>Cost reduction by the development of smart factories <Progress>Generally on par with the plan <Additional>Accumulation of cost reductions for non-consolidated and subsidiaries	0.9	0.9	1.2	2.2	1.9	3.0
Renewable Energy	<Plans and Progress>Preparations are underway to improve operational efficiency through automated operation <Additional>Reduction of power plant operating expenses, etc.	0.0	0.0	0.03	0.03	0.02	0.02
Total		2.6	2.0	5.2	7.2	4.4	8.8

# Cash Flow Forecast

- In the H1, cash inflows declined due to a decrease in operating profit caused by weak demand and an increase in inventories, etc.
- We plan to launch projects to improve cash flow and promote company-wide initiatives.
- Operating CF for the full-year is expected to be in line with the initial plan, and FCF is expected to be ¥ -42.0 bn (improved from the initial plan of ¥ -50.0 bn) driven by measures such as inventory reduction through appropriate inventory control and early collection of accounts receivable.





# Year-on-Year Comparison (Breakdown by Segment)

(Billions of yen)

	FY March 2023 H1 Result (a) *1			FY March 2024 H1 Result (b)			Change (b-a)		
	Net sales	Operating profit	Ordinary profit	Net sales	Operating profit	Ordinary profit	Net sales	Operating profit	Ordinary profit
Metals	567.3	16.4	21.2	476.8	7.1	8.4	-90.4	-9.2	-12.7
Advanced products *2	260.3	6.1	6.1	242.9	0.8	0.1	-17.3	-5.3	-5.9
Copper & Copper Alloy	200.1	2.4	1.2	204.3	1.0	-0.2	+4.2	-1.3	-1.4
Electronic Materials & Components	60.4	3.8	5.0	38.8	0.0	0.6	-21.5	-3.8	-4.3
Metalworking Solutions	71.8	7.8	8.8	69.8	5.2	6.3	-2.0	-2.6	-2.4
Renewable Energy	1.7	0.0	0.3	2.2	0.2	0.3	+0.5	+0.2	-0.0
Other	77.0	3.5	-9.7	72.5	1.5	8.2	-4.5	-1.9	+17.9
Adjustment	-146.3	-4.4	-3.7	-148.2	-3.1	-5.1	-1.9	+1.3	-1.3
<b>Total</b>	<b>831.9</b>	<b>29.5</b>	<b>23.0</b>	<b>716.1</b>	<b>11.9</b>	<b>18.4</b>	<b>-115.7</b>	<b>-17.6</b>	<b>-4.6</b>

\*1: Due to the reorganization as of April 1, 2023, the Company has changed its reporting segments. Accordingly, the results for FY March 2023 has been adjusted to the new segmentation.

\*2: The total amount of Advanced Products includes transactions among the Copper & Copper Alloy business and the Electronic Materials & Components business, etc., as common to Advanced Products.

# 【Reference】 Year-on-Year Comparison by Segment

(Billions of yen)

			FY March 2023 H1 Result (a) *1	FY March 2024 H1 Result (b)	Difference (b-a)	Exchange Difference	Price Difference	Quantity Difference	Dividend	Equity Method Profit/Loss	Other
Metals	Net sales		567.3	476.8	-90.4	+35.2	-19.6	-106.0	-	-	-
	Operating profit		16.4	7.1	-9.2	+1.5	-5.4	-0.4	-	-	-4.9
	Ordinary profit		21.2	8.4	-12.7	+1.5	-5.4	-0.4	-4.8	-4.3	+0.7
Advanced Products *2	Net sales		260.3	242.9	-17.3	+4.0	+4.6	-9.2	-	-	-16.7
	Operating profit		6.1	0.8	-5.3	+0.2	+2.1	-4.5	-	-	-3.1
	Ordinary profit		6.1	0.1	-5.9	+0.2	+2.1	-4.5	-0.3	-0.5	-2.9
Copper & Copper Alloy	Net sales		200.1	204.3	+4.2	+3.7	+4.6	-4.1	-	-	-
	Operating profit		2.4	1.0	-1.3	+0.1	+2.0	-1.5	-	-	-1.9
	Ordinary profit		1.2	-0.2	-1.4	+0.1	+2.0	-1.5	-0.0	-0.5	-1.5
Electronic Materials & Components	Net sales		60.4	38.8	-21.5	+0.3	+0.0	-5.1	-	-	-16.7
	Operating profit		3.8	0.0	-3.8	+0.0	+0.0	-3.0	-	-	-0.8
	Ordinary profit		5.0	0.6	-4.3	+0.0	+0.0	-3.0	-0.3	-0.0	-1.0
Metalworking Solutions	Net sales		71.8	69.8	-2.0	+3.6	+1.9	-7.5	-	-	-
	Operating profit		7.8	5.2	-2.6	+1.6	+0.7	-3.7	-	-	-1.2
	Ordinary profit		8.8	6.3	-2.4	+1.6	+0.7	-3.7	-0.0	-	-1.0
Renewable Energy	Net sales		1.7	2.2	+0.5	-	+0.5	+0.0	-	-	-
	Operating profit		0.0	0.2	+0.2	-	+0.5	+0.0	-	-	-0.3
	Ordinary profit		0.3	0.3	-0.0	-	+0.5	+0.0	-	-0.2	-0.3
Other	Net sales		77.0	72.5	-4.5	+0.1	-	-0.4	-	-	-4.2
	Operating profit		3.5	1.5	-1.9	+0.0	-	-0.6	-	-	-1.3
	Ordinary profit		-9.7	8.2	+17.9	+0.0	-	-0.6	-0.1	+19.4	-0.8
Adjustment	Net sales		-146.3	-148.2	-1.9	-5.2	+2.8	+0.5	-	-	-
	Operating profit		-4.4	-3.1	+1.3	-	-	+0.0	-	-	+1.3
	Ordinary profit		-3.7	-5.1	-1.3	-	-	+0.0	-0.1	-0.0	-1.2
Total	Net sales		831.9	716.1	-115.7	+37.8	-9.7	-122.9	-	-	-20.9
	Operating profit		29.5	11.9	-17.6	+3.3	-2.2	-9.3	-	-	-9.4
	Ordinary profit		23.0	18.4	-4.6	+3.3	-2.2	-9.3	-5.5	+14.3	-5.2

\*1: Due to the reorganization as of April 1, 2023, the Company has changed its reporting segments. Accordingly, the results for FY March 2023 has been adjusted to the new segmentation.

\*2: The total amount of Advanced Products includes transactions among the Copper & Copper Alloy business and the Electronic Materials & Components business, etc., as common to Advanced Products.

# FY March 2024 Full Year Forecast (Breakdown by Segment)

(Billions of yen)

	Previous Forecast (a)			Current Forecast (b)			Change (b-a)		
	Net sales	Operating profit	Ordinary profit	Net sales	Operating profit	Ordinary profit	Net sales	Operating profit	Ordinary profit
Metals	1,071.7	21.9	34.5	1,110.6	22.3	35.0	+38.9	+0.4	+0.4
Advanced Products* <sup>1</sup>	547.4	15.5	12.6	509.0	6.0	3.7	-38.5	-9.6	-8.9
Copper & Copper Alloy	464.0	9.7	6.7	427.4	4.6	1.8	-36.6	-5.2	-5.0
Electronic Materials & Components	84.9	6.1	6.3	82.6	2.1	2.7	-2.4	-4.1	-3.6
Metalworking Solutions	153.9	14.3	15.2	154.8	14.7	15.6	+0.8	+0.3	+0.4
Renewable Energy	4.5	0.5	0.4	4.4	0.5	0.5	-0.1	-0.1	-0.0
Others	160.8	5.9	8.7	157.6	3.8	13.7	-3.0	-1.8	+5.2
Adjustment Amount	-268.3	-8.1	-13.4	-276.4	-7.3	-12.5	-8.1	+0.8	+0.9
<b>Total</b>	<b>1,670.0</b>	<b>50.0</b>	<b>58.0</b>	<b>1,660.0</b>	<b>40.0</b>	<b>56.0</b>	<b>-10.0</b>	<b>-10.0</b>	<b>-2.0</b>

\*1: The total amount of Advanced Products includes transactions among the Copper & Copper Alloy business and the Electronic Materials & Components business, etc., as common to advanced products.

# 【Reference】 Quarterly Results for FY March 2023

(Billions of yen)

			FY March 2023 Results *1						
			Q1	Q2	H1	Q3	Q4	H2	Full Year
	Metals	Net sales	289.7	277.5	567.3	271.8	250.1	522.0	1,089.3
		Operating profit	6.1	10.2	16.4	2.6	9.2	11.8	28.2
		Ordinary profit	12.0	9.1	21.2	0.3	8.2	8.6	29.9
	Advanced Products *2	Net sales	133.2	127.0	260.3	136.8	129.2	266.0	526.3
		Operating profit	3.7	2.4	6.1	1.3	0.6	2.0	8.1
		Ordinary profit	3.8	2.3	6.1	1.3	-0.2	1.0	7.1
	Copper & Copper Alloy	Net sales	103.7	96.3	200.1	104.0	98.0	202.0	402.1
		Operating profit	1.0	1.4	2.4	-0.0	0.2	0.2	2.6
		Ordinary profit	0.7	0.5	1.2	-0.3	-0.9	-1.3	-0.0
	Electronic Materials & Components	Net sales	29.9	30.4	60.4	32.9	31.2	64.2	124.6
		Operating profit	2.5	1.2	3.8	1.6	0.4	2.1	5.9
		Ordinary profit	3.0	2.0	5.0	1.8	0.7	2.6	7.7
	Metalworking Solutions	Net sales	36.2	35.5	71.8	35.3	34.3	69.7	141.6
		Operating profit	4.3	3.5	7.8	3.4	2.7	6.2	14.1
		Ordinary profit	5.0	3.7	8.8	2.9	2.7	5.7	14.5
	Renewable Energy	Net sales	0.9	0.8	1.7	0.7	0.9	1.7	3.4
		Operating profit	0.1	-0.1	0.0	-0.0	0.2	0.1	0.2
		Ordinary profit	0.2	0.0	0.3	0.2	0.4	0.6	0.9
	Other	Net sales	37.1	39.8	77.0	43.7	49.8	93.5	170.6
		Operating profit	1.2	2.3	3.5	1.9	3.4	5.4	9.0
		Ordinary profit	-3.3	-6.3	-9.7	-1.3	-4.9	-6.2	-15.9
	Adjustment	Net sales	-74.8	-71.4	-146.3	-76.9	-82.1	-159.1	-305.4
		Operating profit	-1.6	-2.7	-4.4	-0.9	-4.2	-5.1	-9.6
		Ordinary profit	-0.7	-2.9	-3.7	-1.5	-6.0	-7.5	-11.3
	Total	Net sales	422.6	409.3	831.9	411.5	382.3	793.9	1,625.9
		Operating profit	13.9	15.6	29.5	8.4	12.1	20.5	50.0
		Ordinary profit	17.0	5.9	23.0	1.9	0.3	2.2	25.3

\*1: Due to the reorganization as of April 1, 2023, the Company has changed its reporting segments. Accordingly, the results for FY March 2023 has been adjusted to the new segmentation.

\*2: The total amount of Advanced Products includes transactions among the Copper & Copper Alloy business and the Electronic Materials & Components business, etc., as common to Advanced Products.

# 【Reference】 Quarterly Results and Forecasts for FY March 2024

(Billions of yen)

			FY March 2024 Results and Forecasts				
			Q1	Q2	H1	H2	Full Year
Metals		Net sales	240.9	235.8	476.8	633.8	1,110.6
		Operating profit	1.6	5.4	7.1	15.1	22.3
		Ordinary profit	2.6	5.8	8.4	26.5	35.0
Advanced Products *1		Net sales	120.5	122.4	242.9	266.0	509.0
		Operating profit	0.4	0.3	0.8	5.2	6.0
		Ordinary profit	0.2	-0.0	0.1	3.6	3.7
Copper & Copper Alloy		Net sales	101.6	102.7	204.3	223.1	427.4
		Operating profit	0.5	0.5	1.0	3.5	4.6
		Ordinary profit	-0.0	-0.1	-0.2	2.0	1.8
Electronic Materials & Components		Net sales	18.9	19.9	38.8	43.7	82.6
		Operating profit	0.1	-0.1	0.0	2.1	2.1
		Ordinary profit	0.4	0.2	0.6	2.0	2.7
Metalworking Solutions		Net sales	35.0	34.7	69.8	84.9	154.8
		Operating profit	3.2	1.9	5.2	9.5	14.7
		Ordinary profit	4.1	2.2	6.3	9.2	15.6
Renewable Energy		Net sales	1.2	1.0	2.2	2.1	4.4
		Operating profit	0.3	-0.0	0.2	0.2	0.5
		Ordinary profit	0.3	-0.0	0.3	0.2	0.5
Other		Net sales	33.4	39.0	72.5	85.1	157.6
		Operating profit	-0.1	1.6	1.5	2.3	3.8
		Ordinary profit	2.0	6.2	8.2	5.5	13.7
Adjustment		Net sales	-68.6	-79.5	-148.2	-128.2	-276.4
		Operating profit	-1.8	-1.2	-3.1	-4.2	-7.3
		Ordinary profit	-2.4	-2.7	-5.1	-7.4	-12.5
Total		Net sales	362.6	353.5	716.1	943.9	1,660.0
		Operating profit	3.7	8.1	11.9	28.1	40.0
		Ordinary profit	6.9	11.4	18.4	37.6	56.0

\*1: The total amount of Advanced Products includes transactions among the Copper & Copper Alloy business and the Electronic Materials & Components business, etc., as common to Advanced Products.

## 【Reference】 Statistics and Assumptions by Quarterly

			Results for FY March 2023						
			Q1	Q2	H1	Q3	Q4	H2	Full Year
	Electrolytic copper sold (in-house product)	thousand tons	79	83	162	83	73	156	318
	Electrolytic copper sold (PTS) *	thousand tons	68	70	138	63	39	102	240
	Dividend from copper mine	billion yen	5.1	0.5	5.7	1.3	0.1	1.4	7.2
	Copper & copper alloy products sold	thousand tons	34	33	66	35	33	68	134
	Dollar exchange rate	yen/\$	130	138	134	142	132	137	135
	Euro exchange rate	yen/€	138	139	139	144	142	143	141
	Copper Price (LME)	¢/lb	432	351	392	363	405	384	388

\*Electrolytic copper sales volume by purchased ore smelting.

			Results for FY March 2024				
			Q1	Q2	H1	H2	Full Year
	Electrolytic copper sold (in-house product)	thousand tons	86	99	186	214	400
	Dividend from copper mine	billion yen	0.6	0.3	0.9	13.9	14.8
	Copper & copper alloy products sold	thousand tons	29	31	61	65	126
	Dollar exchange rate	yen/\$	137	145	141	150	145
	Euro exchange rate	yen/€	149	157	153	155	154
	Copper Price (LME)	¢/lb	385	379	382	365	373

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