



May 14, 2024

Company name	Mitsubishi Materials Corporation
Representative	Naoki Ono, Chief Executive Officer
	(Securities code: 5711, Prime Market, Tokyo Stock Exchange)
Contact for inquiries	Chiaki Kubota, General Manager,
	Corporate Communications Dept.
	(Tel:+81-3-5252-5206)

Notice Regarding Establishment and Capital Increase of a Subsidiary (Making a Specified Subsidiary)

Mitsubishi Materials Corporation (“Company”, “we”), at the Board of Directors meeting held today, resolved to establish a subsidiary (MM MV Inversiones SpA, “New Company”) in Santiago, Chile (“Establishment”), in order to improve the efficiency of its mining investment business in the South America by making an in-kind contribution of all shares of Mantoverde S.A (Mantoverde Copper Mine Operator, a 30% equity stake in the Company) held by the Company, and thereafter making an in-kind contribution (“Capital Increase”) of all shares of the New Company to Mitsubishi Materials Chile SpA (consolidated subsidiary of the Company located in Chile).

As a result, we announce that the New Company and Mitsubishi Materials Chile SpA are expected to become specified subsidiaries of the Company.

1. Background and Reasons

In addition to previous investments in Los Pelambres Copper Mine and Escondida Copper Mine in Chile, the Company made an investment in Mantoverde Copper Mine in Chile in 2021. The Company considers South America as an important area for its mining investment business. With this background, in February 2021, we established Mitsubishi Materials Chile SpA in Santiago, Chile for the management and operation of our mining investment business, in order to strengthen our management base.

With the aim of improving the efficiency of our mining investment business in South America, we have decided to manage Mantoverde Copper Mine through Mitsubishi Materials Chile SpA and establish the New Company and conduct the Capital Increase.

2. Overview of the New Company

1) Overview of the New Company (estimate at the time of establishment)

(1)	Name	MM MV Inversiones SpA	
(2)	Location	Santiago, Chile	
(3)	Title and Name of Representative	President Masatoshi Iwatsubo	
(4)	Business Profile	Investment in Mantoverde S.A.	
(5)	Capital (planned)	Approx. US \$349.6 million Approx. ¥ 53.5 billion	
(6)	Establishment Date	June 2024 (planned)	
(7)	Major Shareholders and Shareholding Ratio	(Before the Capital Increase) The Company 100% (After the Capital Increase) Mitsubishi Materials Chile SpA 100%	
(8)	Relationship between New Company and the Company	Capital relationship	The Company plans to become a consolidated subsidiary (specified subsidiary) of the Company.
		Personnel relationship	We plan to dispatch four (4) directors (Three of whom were seconded from the Company to Mitsubishi Materials Chile SpA.) from the Company

	Business relationship	Not applicable
(9)	Operating Results and Financial Position	Not applicable

2) Mitsubishi Materials Chile SpA

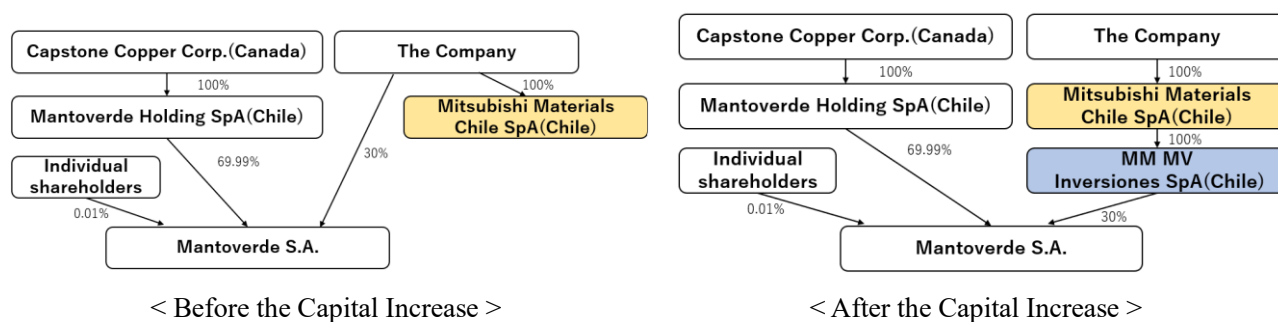
(i) Overview of Mitsubishi Materials Chile SpA (as of April 1, 2024)

(1)	Name	Mitsubishi Materials Chile SpA		
(2)	Location	Santiago, Chile		
(3)	Title and name of representative	President & CEO Masatoshi Iwatsubo		
(4)	Business	Management and operation of mining investment business, sales and marketing		
(5)	Amount of Capital	(Before the Capital Increase) US\$ 1.3 million <i>Approx. ¥ 190 million</i>		
(6)	Establishment Date	February 5, 2021		
(7)	Major Shareholders and Investment Ratio	The Company 100%		
(8)	Relationship between the New Company and the Company	Capital relationship	A consolidated subsidiary of the Company (Expected to become a specified subsidiary after the Capital Increase)	
		Personal relationship	Four directors and others are dispatched from the Company	
		Business relationship	The Company has entrusted operations such as collecting information on mining investment business	
(9)	Operating results and financial position of the company for the last three years			
	Accounting period	FY December 2021	FY December 2022	FY December 2023
	Net assets	US\$ 0.5 million <i>¥ 77 million</i>	US\$ 1.0 million <i>¥ 153 million</i>	US\$ 1.5 million <i>¥ 230 million</i>
	Total assets	US\$ 0.8 million <i>¥ 122 million</i>	US\$ 1.2 million <i>¥ 184 million</i>	US\$ 2.0 million <i>¥ 306 million</i>
	Net assets per share	US\$ 500 <i>¥ 76,500</i>	US\$ 530 <i>¥ 81,090</i>	US\$ 589 <i>¥ 90,117</i>
	Sales	US\$ 0.03 million <i>¥ 5 million</i>	US\$ 1.2 million <i>¥ 184 million</i>	US\$ 3.2 million <i>¥ 490 million</i>
	Operating profit	US\$ (0.01 million) <i>¥ (2 million)</i>	US\$ 0.1 million <i>¥ 15 million</i>	US\$ 0.4 million <i>¥ 61 million</i>
	Ordinary profit	US\$ 0.04 million <i>¥ 6 million</i>	US\$ 0.1 million <i>¥ 15 million</i>	US\$ 0.3 million <i>¥ 46 million</i>
	Net income	US\$ (0.003 million) <i>¥ (0.5 million)</i>	US\$ 0.06 million <i>¥ 9 million</i>	US\$ 0.17 million <i>¥ 26 million</i>
	Profit (loss) per share	US\$ (0.3) <i>¥ (46)</i>	US\$ 31 <i>¥ 4,743</i>	US\$ 66 <i>¥ 10,098</i>
	Dividends per share	-	-	-

(ii) Details of the Capital Increase

(1)	Capital and Investment Ratio before the Capital Increase	US \$1.3 million <i>Approx. ¥ 190 million,</i> The Company 100%
(2)	Amount of the Capital Increase	Approx. US\$ 349.6 million <i>Approx. ¥ 53.5 billion</i>
(3)	Date of the Capital Increase	June 2024 (scheduled)
(4)	Capital and Investment Ratio after the Capital Increase	Approx. US\$ 350.9 million <i>Approx. ¥ 53.7 billion,</i> The Company 100%

(Reference) Investment Structure before and after the Capital Increase



3. Schedule

(1)	Resolution Date of Board of Directors	May 14, 2024
(2)	Establishment Date	June 2024 (scheduled)
(3)	Capital Increase Execution Date	June 2024 (scheduled)

* Due to procedural restrictions, there is expected to be a difference of several days between the Establishment date and the Capital Increase execution date.

4. Future Outlook

The impact of this matter on the consolidated financial results for the fiscal year ending March 2025 is immaterial.

End