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Notice Regarding Equity in Losses of Affiliates (Non-Operating Expenses)

SUMCO CORPORATION (securities code no. 3436; listed on the First Section of the Tokyo Stock Exchange), an equity-method affiliate company of Mitsubishi Materials Corporation (MMC), today released its "Brief Statement on Consolidated Financial Results for the third quarter of the year ending January 31, 2011 (Japanese GAAP)" and "Announcement of Revision of Business Results and Dividend Forecasts for the year ending January 31, 2010." Following this release, we have accounted for equity in losses of affiliates (non-operating expense) in relation to SUMCO in our consolidated statements for the first three quarters of the year ending March 31, 2011, and for the full year ending March 31, 2011, as follows.

1. Forecast amount of equity in losses of affiliates for the year ending March 31, 2011

- For the first three quarters: ¥9.6 billion
- For the full year: ¥18.7 billion

2. Future forecasts

We forecast the above (1) will reduce our full-year consolidated forecasts for both ordinary and net income, announced on November 8, 2010, by ¥15.0 billion. However, in terms of our full-year consolidated performance forecasts, because variable factors including exchange rates, material prices and demand trends have a significant influence on our performance, further revisions may be necessary after ascertaining the trend in such variables, which we will publish separately.

For reference: MMC's forecast consolidated performance for the current fiscal year (announced on November 8, 2010) and the results of last fiscal year (millions of yen)

	Consolidated net sales	Consolidated operating income	Consolidated ordinary income (loss)	Consolidated net income (loss)
Forecast for the current fiscal year (ending March 31, 2011)	1,290,000	45,000	50,000	18,000
Results of the previous fiscal year (ended March 31, 2010)	1,119,448	12,680	(9,541)	(66,555)