

July 31, 2003

Consolidated Operating Results for the First Quarter ended June 30, 2003
Mitsubishi Materials Corporation
Tokyo, Japan

Code : 5711
Shares listed : Tokyo, Osaka and 3 other Japanese stock exchanges
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1. Notes to Accounting Policy of Consolidated Net Sales

Partly, we adopt the simplified accounting method for the elimination of the internal sales.

2. Consolidated Operating Results for the First Quarter (From April 1, 2003 to June 30, 2003)

(1) Results of Consolidated Net Sales :

	Net Sales	Percent Change
	(Millions of yen)	(%)
Three months ended June 30, 2003	JPY 229,379	2.9
Three months ended June 30, 2002	JPY 222,888	-
Year ended March 31, 2003	JPY 964,728	

Note: Changes shown above are calculated against those figures in the same period of last year.

An Overview of Consolidated Operating Results Regarding Net Sales

During this 1st quarter no sign of recovery has been seen for Japanese economy resulting from the instability in the Middle East and concern caused by SARS.

In the meantime, as regarding the company's sales, domestic cement demand continued to be inactive resulting from the decline in public spending & housing investments, while demand for aluminum beverage cans was also low due to decline in domestic beer sales compared to same quarter of the last year.

On the other hand, in nonferrous metals area full-scale production of copper at PT Smelting Indonesia contributed to substantial recovery from the year before. And fabricated metal products area were solid since demand for automobile products remained strong.

As a result, Group's net sales for the 1st quarter of this fiscal year were JPY229,379 millions compared with JPY 222,888 millions in the previous same quarter.

(2) The events seriously affecting the company's consolidated financial results and position for the first quarter ended June 30, 2003

None

3. Forecast (from April 1, 2003 to March 31, 2004)

No change has been made to the company's consolidated forecast announced on May 15, 2003.