Consolidated Financial Results for the Year Ended March 31, 2012
Mitsubishi Materials Corporation (Summary)

Tokyo, Japan

May 11, 2012

Stock code:	5711
Shares listed:	Tokyo Stock Exchange and Osaka Securities Exchange
URL:	http://www.mmc.co.jp/
Representative:	Mr. Hiroshi Yao, President
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Scheduled date of Ordinary General Meeting of Shareholders:	June 28, 2012
Scheduled date of start of dividend payment:	June 4, 2012
Scheduled date of filing of financial statements :	June 28, 2012
Supplementary materials for the financial results:	Yes
Investor conference for the financial results:	Yes (For Corporate Investors)

1. Results of the year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)
(1) Results of operations:

(Millions of yen)
(Percentage changes relative to previous corresponding period)

	Net Sales		Operating Profit		Ordinary Income		Net Income	
Year ended Mar. 31, 2012	1,440,847	8.0 (%)	52,293	-8.7 (%)	42,495	-24.7 (%)	9,565	-33.0 (%)
Year ended Mar. 31, 2011	1,333,992	19.2 (%)	57,290	351.8 (%)	56,425	−	14,274	−

(Note) Comprehensive income Year ended Mar. 31, 2012: 14,030 million yen (223.0%)
Year ended Mar. 31, 2011: 4,342 million yen (—%)

	Net Income per Share	Diluted Net Income per Share	Net Income/ Shareholders' Equity	Ordinary Income/ Total Assets	Operating Profit/Net Sales
Year ended Mar. 31, 2012	7.29 (yen)	−	2.8 (%)	2.4 (%)	3.6 (%)
Year ended Mar. 31, 2011	10.88 (yen)	−	4.2 (%)	3.1 (%)	4.3 (%)

(Reference) Equity losses and earnings of affiliates Year ended Mar. 31, 2012: -21,071 million yen
Year ended Mar. 31, 2011: -16,378 million yen

(2) Financial Position:

(Millions of yen)

	Total Assets	Net Assets	Shareholders' Equity Ratio	Shareholders' Equity per Share
As of Mar. 31, 2012	1,751,870	409,074	20.0 (%)	267.62 (yen)
As of Mar. 31, 2011	1,837,405	402,868	18.7 (%)	262.38 (yen)

(Reference) Shareholders' equity As of Mar. 31, 2012: 351,083 million yen
As of Mar. 31, 2011: 344,233 million yen

(3) Cash Flows:

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Year
Year ended Mar. 31, 2012	91,549	-48,335	-84,159	69,499
Year ended Mar. 31, 2011	115,111	-60,273	-12,171	112,226

2. Dividend payments

	Dividends per Share					Total Dividends (Annual)	Dividend Ratio (Consolidated)	Dividends/ Net Assets (Consolidated)
	First Quarter	Second Quarter	Third Quarter	Year-End	Annual			
Year Ended Mar. 31, 2011	Yen —	Yen 0.00	Yen —	Yen 2.00	Yen 2.00	(Millions of yen) 2,623	% 18.4	% 0.8
Year Ending Mar. 31, 2012	—	0.00	—	2.00	2.00	2,623	27.4	0.8
Year Ending Mar. 31, 2013 (Forecast)	—	0.00	—	4.00	4.00		17.5	

3. Forecast (From April 1, 2012 to March 31, 2013)

(Millions of yen)
(Percentage changes relative to previous corresponding period)

	Net Sales	Operating Profit	Ordinary Income	Net Income	Net Income per Share
Six months ending September 30, 2012	675,000 -8.7 (%)	27,000 -13.2 (%)	30,000 -25.7 (%)	16,000 -28.1 (%)	12.20 (yen)
Year Ending March 31, 2013	1,400,000 -2.8 (%)	62,000 18.6 (%)	70,000 64.7 (%)	30,000 213.6 (%)	22.87 (yen)

*Note

(1) Significant changes of subsidiaries during the period (including changes in scope of consolidation): None

(2) Changes in accounting policies; changes in accounting estimates; restatements
(i) Changes in accounting policies due to amendment of accounting standards: None
(ii) Other changes in accounting policies: None
(iii) Changes in accounting estimates: None
(iv) Restatements: None

(3) Number of issued shares (common stock)
(i) Number of issued shares at end of year (including treasury shares)
Year ended March 31, 2012: 1,314,895,351 shares
Year ended March 31, 2011: 1,314,895,351 shares
(ii) Number of treasury shares at end of year
Year ended March 31, 2012: 3,039,965 shares
Year ended March 31, 2011: 2,933,251 shares
(iii) Average number of shares during the period
Year ended March 31, 2012: 1,311,908,715 shares
Year ended March 31, 2011: 1,312,058,947 shares

(Reference) Summary of nonconsolidated financial results
Nonconsolidated results for the year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)
(1) Nonconsolidated results of operations:

(Millions of yen)
(Percentage changes relative to previous corresponding period)

	Net Sales		Operating Profit		Ordinary Income		Net Income	
Year ended Mar. 31, 2012	769,337	6.3 (%)	14,319	-3.1 (%)	26,822	-21.1 (%)	18,194	-8.1 (%)
Year ended Mar. 31, 2011	723,413	9.9 (%)	14,782	—	33,991	—	19,794	—

	Net Income per Share	Diluted Net Income per Share
Year ended Mar. 31, 2012	13.87 (yen)	—
Year ended Mar. 31, 2011	15.09 (yen)	—

(2) Nonconsolidated financial position:

(Millions of yen)

	Total Assets	Net Assets	Shareholders' Equity Ratio	Shareholders' Equity per Share
As of Mar. 31, 2012	1,200,368	323,245	26.9 (%)	246.40 (yen)
As of Mar. 31, 2011	1,229,417	300,936	24.5 (%)	229.37 (yen)

(Reference) Shareholders' equity As of Mar. 31, 2012: 323,245 million yen
As of Mar. 31, 2011: 300,936 million yen

*Indication regarding the situation of audit procedures
As of the disclosure of these financial results, audit procedures of the financial statements pursuant to the Financial Instruments and Exchange Act are in progress.

*Appropriate use of business forecasts and other special items

(Notes regarding descriptions of earning forecasts and other forward-looking statements, etc.)

1. Earning forecasts and other forward-looking statements in this document are based on information currently available to the Company's management and certain assumptions judged rational, and we do not make any warranties with respect to the accuracy, etc. Accordingly, there might be cases in which actual results materially differ from forecasts of this report. To use assumptions for forecasts and to refer to specific revisions on consolidated financial forecasts, see "3) Outlook for the Year Ending March 31, 2013 (page 4)", under "1.Business Results (1) Analysis of Business Results".

(Method of obtaining supplementary information to and contents of the financial results briefing)
Mitsubishi Materials Corporation is scheduled to hold financial results briefing for institutional investors on May 15, 2012 (Tuesday). Supplementary information to the financial results to be used in this briefing is being released on TDnet and on the Company's website with the announcement of the consolidated financial results for the year ended March 31, 2012.

Contents

1. Business Results

(1) Analysis of Business Results

1) Results for the Year Ended March 31, 2012

During the fiscal year under review, downside risks in the global economy became greater partly due to the impact of the debt crisis in Europe although domestic demand in emerging economies such as China and India continued to increase.

In Japan, although conditions remained difficult due to the prolonged appreciation of the yen and the impact of the Great East Japan Earthquake, the economy recovered gradually following the progress of rebuilding of supply chains.

In the fiscal year under review, despite high prices for major metals, the business environment in which the Group operates remained unpredictable due to the impact of the floods in Thailand and weakening demand in the semiconductor-related market.

In this environment, the Group strove to establish a system enabling us to maintain production activities at pre-disaster levels by working on a quick recovery from the earthquake and the floods in Thailand and establishing an operating plan based on the assumption of constant electricity shortages in Japan. We also strove to strengthen the crisis-management systems by creating a business continuity plan on the assumption of the occurrence of large-scale earthquakes in light of the lessons learned from the earthquake.

In addition, we have implemented various measures based on "Simultaneously implementing growth strategies and financial improvements," which is a basic concept of the medium-term management plan (FY 2012-2014), entitled "Materials Premium 2013 - For the Creation of New value," as well as two initiatives stated as growth strategies: "Business advancement in overseas markets, especially newly emerging nations" and "Generation of distinctive synergies as an integrated business entity."

As a result, consolidated net sales for the fiscal year amounted to ¥1,440,847 million, up 8.0% from the previous fiscal year. Operating profit declined year-on-year 8.7% to ¥52,293 million. Ordinary income declined 24.7% to ¥42,495 million due to equity in losses of affiliates (non-operating expense) in relation to SUMCO CORPORATION, an equity-method affiliate of the Company. Net income declined 33.0% to ¥9,565 million due mainly to loss on disaster resulting from the earthquake and the floods in Thailand.

2) Overview of Segment

(Cement)

(Billions of yen)

	FY 2011	FY 2012	Increase/decrease (%)	
Net sales	153.2	158.8	5.5	3.6%
Operating profit	7.4	9.2	1.7	23.8%
Ordinary income	5.2	7.7	2.4	46.4%

In the Cement business, domestic demand increased due to the large-sized redevelopment projects progressed in the Kanto District and the trend towards recovery for demand observed in the Tohoku District. Overseas as well, we enjoyed an increase in demand thanks to ongoing recovery in private-sector capital spending in the US, especially in urban areas, and continued brisk construction of infrastructure in China. In the entire Cement business, cement production amounted to 12.2 million tons, up 0.6 million tons.

In the entire Cement business, both net sales and operating profit rose year-on-year thanks to an increase in sales.

Ordinary income also rose due to an increase in operating profit.

(Metals)

(Billions of yen)

	FY 2011	FY 2012	Increase/decrease (%)	
Net sales	707.9	761.1	53.1	7.5%
Operating profit	25.9	20.1	-5.8	-22.4%
Ordinary income	43.2	37.8	-5.3	-12.5%

In the copper business, despite rising copper prices, both net sales and operating profit declined year-on-year due to the suspension of operations at the Onahama Smelter & Refinery (operated by Onahama Smelting and Refining Co., Ltd., based in Fukushima Pref.) until the end of June 2011 affected by the earthquake, a decrease in production by PT Smelting in Indonesia and the appreciation of the yen. In the entire Metals business, electrolytic copper production amounted to 557 thousand tons, down 27 thousand tons.

In the gold and other valuable metals business, despite higher gold prices and increased palladium sales, net sales rose but operating profit declined due mainly to the appreciation of the yen.

In the processed copper products business, despite the increased sales of products for the automobile sector, net sales rose but operating profit declined due mainly to decreased sales of products for the electronic material sector.

As a result, in the entire Metals business, net sales rose year-on-year but operating profit declined.

Despite an increase in equity in earnings of affiliates, ordinary income declined due to a decrease in operating profit.

(Advanced Materials & Tools)

(Billions of yen)

	FY 2011	FY 2012	Increase/decrease (%)	
Net sales	143.0	144.2	1.1	0.8%
Operating profit	16.0	13.4	-2.5	-15.9%
Ordinary income	15.1	12.3	-2.8	-18.6%

In the cemented carbide products business, despite a strong demand in emerging economies including China as well as in the US and Europe, net sales rose but operating profit declined due to the suspension of operations at manufacturing subsidiaries such as MMC Tools (Thailand) Co., Ltd. affected by the floods in Thailand and at the Tsukuba Plant (Ibaraki Pref.) affected by the earthquake.

In the high-performance Alloy Products business, both net sales and operating profit declined due to a decline in demand in automobile-related markets affected by the earthquake and the floods in Thailand.

As a result, in the entire Advanced Materials & Tools business, net sales rose year-on-year but operating profit declined.

Ordinary income also declined due to a decrease in dividend income in addition to a decrease in operating profit.

(Electronic Materials & Components)

(Billions of yen)

	FY 2011	FY 2012	Increase/decrease (%)	
Net sales	64.7	74.4	9.6	14.9%
Operating profit	4.7	4.1	0.6	-12.5%
Ordinary income (loss)	-11.5	-20.6	-9.0	−%

In the advanced materials business, both net sales and operating profit rose year-on-year thanks to solid demand for smartphone-related products and automobile-related products.

In the electronic devices business, both net sales and operating profit declined due to decreased sales of products for flat-screen TVs and other household appliances and the appreciation of the yen.

In the polycrystalline silicon and related products business, net sales rose but operating profit declined. This is due to increases in sales and repair costs incurred by periodical repair work on the back of the steady operations throughout the fiscal year at the Yokkaichi Plant (Mie Pref.), where operations were suspended from late April to early September 2010.

As a result, in the entire Electronic Materials & Components business, net sales rose year-on-year but operating profit declined. Ordinary loss rose due to an increase in equity in losses of affiliates on SUMCO CORPORATION and a decrease in dividend income.

(Aluminum)

(Billions of yen)

	FY 2011	FY 2012	Increase/decrease (%)	
Net sales	136.0	149.8	13.8	10.2%
Operating profit	4.9	5.6	0.6	13.4%
Ordinary income	3.8	4.4	0.6	16.7%

In the aluminum cans business, despite decreased demand for regular cans because of the slump in shipping volume of beer or beer-like beverages, demand for bottle cans increased due mainly to the shortage of supply following the reduced production at some beverage container manufacturers affected by the earthquake.

In the rolled aluminum and processed aluminum products business, demand for products for the electronic materials sector increased especially in the first half of the fiscal year and demand for products for the automobile sector, which had decreased due to the impact of the earthquake and the floods in Thailand, recovered in the second half of the fiscal year. In addition, as of April 1, 2011, three non-consolidated subsidiaries became consolidated subsidiaries: MALC-Thai Co., Ltd., Thermalex, Inc., and MA China Extrusion (Suzhou) Co., Ltd.

As a result, in the entire Aluminum business, both net sales and operating profit rose year-on-year. Ordinary income also rose due to an increase in operating profit.

(Others)

(Billions of yen)

	FY 2011	FY 2012	Increase/decrease (%)	
Net sales	338.0	408.9	70.8	21.0%
Operating profit	5.6	7.0	1.3	24.6%
Ordinary income	7.9	10.1	2.1	26.8%

In the energy-related products business, both net sales and operating profit rose year-on-year thanks to an increase in coal sales, an increase in orders related to development in the field of nuclear energy, and a cost reduction effect.

In the "e-waste" (used electronics and electrical products) recycling business, both net sales and operating profit declined due to the termination of the eco-point system for household appliances and the completion of the transition to digital terrestrial transmission.

In the precious metals business, despite a decrease in sales of jewelry-related items, both net sales and operating profit rose thanks to the increased trading volume of gold bullion on the back of highly volatile gold prices and a cost reduction effect.

Orders for nuclear energy and engineering services amounted to ¥56.5 billion, up ¥3.2 billion from the previous corresponding period. The order backlog at the end of the period was ¥14.9 billion, down ¥0.7 billion from a year earlier.

3) Outlook for the Year Ending March 31, 2013

Looking ahead, the Company anticipates headwinds in the world economy. While unemployment is trending downward in the United States, the fiscal crisis in Europe and hikes in oil prices are sure to have an effect, even as economic growth falters in emerging economies such as China and India.

In Japan, the Company expects signs of economic recovery to grow clearer in the coming fiscal year. While downside risks remain due to the global economic picture, the impact of a strong yen and restraints on electricity supply, demand from recovery from the Great East Japan Earthquake is gathering momentum.

With respect to future conditions surrounding the Mitsubishi Materials Group, the Company sees room for tempered optimism. In addition to demand from the earthquake-recovery effort, Japan is expected see continued benefit from the ongoing expansion in automobile-related industries in emerging markets. Nonetheless, uncertainty lingers over a clutch of factors that can adversely affect business results: conditions such as high prices for oil and other fuels and materials, as well as fluctuations in major-metal prices and exchange rates, continue to preclude complacency.

Our consolidated performance forecasts for the year ending March 31, 2013 are as follows: net sales of ¥1,400 billion, operating profit of ¥62 billion, ordinary income of ¥70 billion, and net income of ¥30 billion.

(2) Analysis of Financial Position

At March 31, 2012, total assets amounted to ¥1,751.8 billion, down ¥85.5 billion from a year earlier. This was mainly due to the decrease of cash and deposits.

Total liabilities declined ¥91.7 billion, to ¥1,342.7 billion. This stemmed mainly from a decrease in interest-bearing debt.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to ¥91.5 billion, down ¥23.5 billion from the previous fiscal year. This was due mainly to a significant improvement in business results..

(Cash Flows from Investing Activities)

Net cash used in investing activities totaled ¥48.3 billion, down ¥11.9 billion from the previous fiscal year. This was due mainly to outlays related to capital investments.

(Cash Flows from Financing Activities)

Together, operating activities and investing activities produced a net outflow of ¥43.2 billion, which was mainly applied to the repayment of bank borrowings. Accordingly, net cash provided by financing activities was ¥84.1 billion, compared with ¥71.9 billion in net cash used in financing activities in the previous fiscal year.

As a result of the above, as well as exchange rate changes and other factors, the balance of cash and cash equivalents at March 31, 2012, stood at ¥69.4 billion, down ¥42.7 billion from March 31, 2011.

	March 31, 2008	March 31, 2009	March 31, 2010	March 31, 2011	March 31, 2012
Equity ratio (%)	25.0	21.0	18.7	18.7	20.0
Equity ratio on a market-value basis (%)	29.8	19.6	19.3	20.1	19.6
Ratio of interest-bearing debt to cash flow	4.6	6.7	18.6	7.1	8.0
Interest coverage ratio	10.6	7.9	3.4	7.8	8.3

Equity ratio: Shareholders' equity/Total asset
Equity ratio on a market-value basis: Total value of shares at market price/Total assets
Ratio of interest-bearing debt to cash flow: Interest-bearing debt/Cash flow
Interest coverage ratio: Operating cash flow/Interest payments

(Note 1) All indicators are calculated on a consolidated basis.
(Note 2) Market capitalization is based on the year-end share price multiplied by the number of shares issued and outstanding at year-end (after deducting treasury stock).
(Note 3) Operating cash flow is based on the net cash provided by operating activities in the Consolidated Statements of Cash Flows.
(Note 4) Interest-bearing debt covers all interest-bearing debt in the Consolidated Balance Sheets. Interest payments are based on the amounts shown in the Consolidated Statements of Cash Flows.

(3) Basic Profit Distribution Policies and Dividend Payments

At its 81st General Meeting of Shareholders held on June 29, 2006, the Company amended its Articles of Incorporation to distribute the surplus following the resolution at the Board of Directors Meeting. We regard the distribution of profits to all shareholders as one of our most important priorities. Accordingly, our policy is to make decisions on profit appropriation based on comprehensive consideration of various factors related to overall management, such as income over the relevant period, retained earnings, and financial position. Based on this policy, the Board of Directors, at its meeting on May 11, 2012, passed a resolution to pay the year-end dividend for the period under review of ¥2.00. As a result, as the Company did not distribute an interim dividend, the full-year dividend for the fiscal year under review was ¥2.00 per share (same as for the previous fiscal year).

Dividend payments for the year ending March 31, 2013 expected to amount to ¥4.00 per share (¥0.00 interim dividend plus ¥4.00 year-end dividend).

2. Management Policies

(1) Basic Group Management Policies

The Mitsubishi Materials Group's basic management policy is to contribute to people, society, and the Earth. As an integrated corporation with comprehensive strengths, we provide total solutions in the fields of materials, parts and components, systems, and services for society oriented toward recycling and advanced information. In this role, we aim to revolve and become a top-class corporate group that is essential to the world.

(2) Target Management Indicator, Medium- and Long-Term Management Strategies and Issues to Be Addressed

In line with its medium-term management plan, the Group will seek to become the strongest integrated business entity in this resource-recycling society by advancing in overseas markets, especially newly emerging country, and generating distinctive synergies as an integrated business entity ("Materials Premium") while simultaneously implementing growth strategies and financial improvements.

We will continue to implement the measures outlined below as growth strategies.

1) Advancement in overseas markets, especially newly emerging nations

In line with our medium-term management plan, we will focus on advancement into overseas markets, especially fast-growing Asian emerging markets, where the Group has many existing bases, and toward the overseas sales (excluding gold exports) target of ¥510 billion in FY 2014, implement measures such as carrying out regional strategies and marketing across divisions, establishing common sales companies utilizing the existing bases and business expansion to non-Japanese clients.

2) Realization of Materials Premium

The Group has a wide range of materials, products and technologies including nonferrous metals and cement and is operating globally particularly in Asian emerging economies. In line with our medium-term management plan, we will pursue "Generation of distinctive synergies as an integrated business entity (Realization of Materials Premium)" by bringing together the capabilities of the Group and further strengthening collaboration among our businesses to expand and enhance our existing integrated areas and to create new business areas. In order to expand and enhance our existing integrated areas, we will seek to enhance the resources and environmental recycling businesses among others. We will further strengthen these businesses to achieve their medium- and long-term growth since these businesses have grown in value followed by the growing importance of resources security with a changing business environment and worldwide demand for establishing a resource-recycling society.

3) Group strategies supporting growth

In line with our medium-term management plan, we aim to be an integrated business entity group where employees can be active globally across divisions. For this purpose, we will develop diverse human resources by employing and using global staff and promoting deployment and use of staff across businesses and companies.

We will also continue to enhance efforts to pursue a switch to a low-cost structure. We will further reduce sourcing and process costs by establishing a global sourcing system, improving our supply chain management (SCM) and developing quality engineering.

Moreover, we will contribute to sustainable development of society as a whole by promoting corporate social responsibility (CSR) activities and making continued efforts in business activities focusing on factors that have a material effect on corporate value (materiality).

<Priorities in each business>

● Cement

In the domestic cement business, sales are expected to increase. This is because public-sector demand is expected to increase due to the implementation of budget related to reconstruction from the earthquake although private-sector demand is uncertain owing to the debt crisis in Europe and worsening external environment such as the appreciation of the yen. We will fulfill our social responsibility toward reconstruction in affected regions by stably supplying cement, a key reconstruction material, and by receiving earthquake waste.

In the U.S. cement business, we will strive to increase profitability by revising sales prices on the back of demand recovery.

In the Chinese cement business, with the development of infrastructure such as high-speed railway and subway in Shandong Province underway, demand is expected to remain strong. In this environment, we will continue to seek cost reduction and profitability enhancement.

● Metals

The supply-demand situation of copper concentrates is expected to become easy due to the enhanced supply capacity of mines. Although copper market price currently remains at a high level, with the price volatile, the future price trends are still uncertain. We will therefore keep a close watch on the price movements together with foreign exchange rates and stock prices.

In the processed copper products business, demand for products for the automobile and electronic material sectors is expected to recover gradually.

Amid such circumstances, in the Metals business, we will strive to establish a robust foundation less susceptible to market environment through ongoing efforts to lower the break-even point by reducing energy and fixed costs. In copper smelting, we will seek the steady operations at domestic and overseas smelting facilities including the Onahama Smelter & Refinery (operated by Onahama Smelting and Refining Co., Ltd., based in Fukushima Pref.), which was affected by the earthquake and resumed operations in July 2011. In addition, we will improve profitability through expansion of the recycling business and increasing revenues from treating waste by establishing the system to treat waste which our competitors find difficult to treat. In copper processing, we will continue to increase profitability by enhancing sales competitiveness through accelerated development of alloys, drawing on our technological and development capabilities.

● Advanced Materials & Tools

In the cemented carbide products business, demand is expected to remain strong particularly in the automobile-related industry in Japan and emerging economies such as China, India and Brazil, as well as in the US and Europe.

In the high-performance alloy products business, demand in automobile-related markets is currently recovering and demand in aircraft-related markets is expected to remain strong.

Amid such circumstances, on the production side in the cemented carbide products business, we will endeavor to repair the facilities of the MMC Tools (Thailand) Co., Ltd. affected by the floods in Thailand as early as possible, at the same time scaling up the production capacity in manufacturing bases and building the most suitable production system for each market. On the sales side in the cemented carbide products business, we will strive to enhance sales activities by establishing new sales bases and expanding sales network especially in emerging economies and deepening marketing in aircraft-related and medical-related markets. In the high-performance alloy products business, we will strive to increase profitability by further enhancing quality and productivity using manufacturing technology capabilities that we have strengthened so far. We will also seek overseas advancement especially into emerging economies.

● Electronic Materials & Components

In the advanced materials business, while demand for smartphone-related products and automobile-related products is expected to remain strong, demand trends in other semiconductor-related and solar battery-related markets are uncertain. In the relevant markets, we will continue to increase profitability by using core technological capabilities, and enhancing sales competitiveness and proposal capabilities to clients.

In electronic devices, future demand for flat-screen TVs and other household appliances is still uncertain and therefore we will reinforce our business foundation by optimizing our global business system and further cost reduction.

In the polycrystalline silicon and related products business, under worsening business environment due to decreased demand in the semiconductor-related market, we have stopped some production lines of the Yokkaichi Plant since April 2012 and are currently adjusting production, and we will strengthen our revenue base by revising the operational framework further and implementing thorough cost reduction.

● Aluminum

In the aluminum cans business, we will actively offer aluminum bottle cans, which are subject to steadily increasing demand for black coffee and tea-based beverages and we position as strategic products. We will also actively promote stable orders of regular cans, favorable procurement of raw materials, stable product quality and cost reduction.

In the rolled aluminum and processed aluminum products business, we forecast that demand for aluminum can materials will remain unchanged from this fiscal year, that demand for products for the automobile sector and homebuilding-related products will increase, and that demand for products for the electronic material sector, which plunged in the second half of this fiscal year, will recover. However, we will keep a close watch on the overall demand trends, seek stable orders of aluminum can materials, and strive to increase orders of products for the automobile sector both domestically and abroad.

We will also contribute to establish a resource-recycling society by actively promoting the recycling business of used aluminum cans, which the Group has long worked on.

3. Consolidated Financial Statement

(1) Consolidated Balance Sheets

[March 31, 2012 and 2011]

(Millions of yen)

	As of March 31, 2011	As of March 31, 2012
ASSETS		
Current Assets:		
Cash and deposits	112,930	70,923
Notes and accounts receivable-trade	221,480	223,977
Securities	570	—
Merchandise and finished goods	70,193	71,793
Work in process	103,561	99,114
Raw materials and supplies	88,076	86,710
Deferred income taxes	9,688	9,983
Other	184,848	201,415
Allowance for doubtful accounts	-2,878	-2,584
Total Current Assets	**788,471**	**761,333**
Noncurrent Assets:		
Property, Plant and Equipment:		
Building and structures, net	166,585	158,764
Machinery and equipment, net	211,642	197,337
Land, net	280,062	272,409
Construction in progress	16,818	21,819
Other, net	12,493	12,502
Total Property, Plant and Equipment	**687,602**	**662,834**
Intangible Assets:		
Goodwill	44,570	39,285
Other	8,675	8,507
Total Intangible Assets	**53,246**	**47,792**
Investments and Other Assets:		
Investment securities	265,655	239,926
Deferred income taxes	16,706	16,186
Other	33,850	31,778
Allowance for investment loss	-2,236	-2,221
Allowance for doubtful accounts	-5,891	-5,760
Total Investments and Other Assets	**308,084**	**279,910**
Total Noncurrent Assets	**1,048,933**	**990,537**
Total Assets	**1,837,405**	**1,751,870**

(Millions of yen)

	As of March 31, 2011	As of March 31, 2012
LIABILITIES		
Current Liabilities:		
Notes and accounts payable-trade	136,749	115,582
Short-term loans payable	330,791	275,248
Current portion of bonds payable	20,000	40,000
Commercial papers	48,000	2,000
Income taxes payable	6,183	5,864
Deferred income taxes	1,759	1,776
Accrued bonuses	10,711	10,660
Gold payable	189,795	210,308
Allowance for loss on disposal of inventories	1,968	1,702
Other	116,254	114,110
Total Current Liabilities	**862,214**	**777,253**
Noncurrent Liabilities:		
Bonds payable	80,000	75,000
Long-term loans payable	305,974	316,629
Provision for retirement benefits	62,478	61,809
Reserve for directors' retirement benefits	1,450	1,404
Reserve for loss on subsidiaries and affiliates	2,632	2,367
Reserve for environmental measures	5,235	4,412
Deferred income taxes	37,630	33,712
Deferred income taxes on revaluation reserve for land	39,791	34,405
Other	37,128	35,800
Total Noncurrent Liabilities	**572,321**	**565,542**
Total Liabilities	**1,434,536**	**1,342,795**
NET ASSETS		
Shareholders' Equity:		
Capital stock	119,457	119,457
Capital surplus	113,570	113,566
Retained earnings	108,887	116,890
Treasury stock	-1,421	-1,443
Total Shareholders' Equity	**340,493**	**348,471**
Accumulated Other Comprehensive Income:		
Valuation difference on securities available for sale	28,157	31,316
Deferred gains or losses on hedges	95	-768
Revaluation reserve for land	31,616	36,008
Foreign currency translation adjustment	-56,129	-63,945
Total Accumulated Other Comprehensive Income	**3,739**	**2,611**
Minority Interests	**58,635**	**57,991**
Total Net Assets	**402,868**	**409,074**
Total Liabilities and Net Assets	**1,837,405**	**1,751,870**

(2) Consolidated Statement of Operations and Consolidated Statement of Comprehensive Income

Consolidated Statement of Operations

[For the year ended March 31, 2011 and 2012]

(Millions of yen)

	Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Net Sales	**1,333,992**	**1,440,847**
Cost of sales	**1,141,094**	**1,249,744**
Gross Profit	**192,898**	**191,102**
Selling, General and Administrative Expenses	**135,607**	**138,809**
Operating Profit	**57,290**	**52,293**
Non-Operating Profit:		
Interest income	919	625
Dividends income	34,141	28,510
Rent income on noncurrent assets	5,399	5,070
Other	3,039	2,637
Total Non-Operating Profit	**43,499**	**36,844**
Non-Operating Expenses:		
Interest expenses	12,848	11,507
Equity in losses of affiliates	16,378	21,071
Expenses for rent in undertaking	4,145	4,237
Other	10,991	9,825
Total Non-Operating Expenses	**44,364**	**46,641**
Ordinary Income	**56,425**	**42,495**
Extraordinary Income:		
Subsidy	—	502
Gain on sales of noncurrent assets	581	396
Gain on sales of marketable securities and investments in Securities	816	155
Effect of application of accounting standard for inventories	3,461	—
Reversal of allowance for doubtful accounts	313	—
Other	1,558	233
Total Extraordinary Income	**6,731**	**1,287**
Extraordinary Losses:		
Loss on disaster	5,846	5,278
Loss on impairment	2,909	5,179
Loss on sales of property, plant and equipment	127	2,115
Loss on valuation of investment securities	10,280	1,480
Loss on liquidation of business	1,810	—
Other	4,674	1,388
Total Extraordinary Loss	**25,649**	**15,442**
Income before Income Taxes	**37,507**	**28,341**
Corporate income taxes and business tax	12,673	14,208
Income taxes adjustments	1,849	-1,714
Total Income taxes	14,523	12,493
Income before minority interests	22,984	15,847
Minority interests in income	8,710	6,281
Net Income	**14,274**	**9,565**

Consolidated Statement of Comprehensive Income

[For the Year Ended March 31, 2011 and 2012]

(Millions of yen)

	Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Income before minority interests	**22,984**	**15,847**
Other comprehensive income		
Valuation difference on securities available for sale	4,908	3,434
Deferred gains or losses on hedges	-29	-812
Revaluation reserve for land	—	4,938
Foreign currency translation adjustment	-21,795	-7,869
Equity in earnings of affiliates	-1,724	-1,507
Total other comprehensive income	-18,641	-1,816
Comprehensive income	**4,342**	**14,030**
(Breakdown)		
Comprehensive income attributable to owners of the parent company	1,046	9,532
Comprehensive income attributable to minority interests	3,296	4,498

(3) Statement of Changes in Consolidated Shareholders' Equity

[For the year ended March 31, 2011 and 2012]

(Millions of yen)

	Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Shareholders' Equity		
Capital stock		
Balance at beginning of period	119,457	119,457
Balance at end of period	119,457	119,457
Capital surplus		
Balance at beginning of period	113,408	113,570
Change during the year		
Increase from sales of shares of consolidated subsidiaries	171	—
Disposal of treasury stock	-8	-4
Total change during the year	162	-4
Balance at end of period	113,570	113,566
Retained earnings		
Balance at beginning of period	92,802	108,887
Change during the year		
Cash dividends from retained earnings	—	-2,623
Net income	14,274	9,565
Decrease from write-downs of land revaluation excess	-183	696
Increase from rise in number of consolidated subsidiaries	587	57
Increase from rise in number of equity method affiliate	1,412	203
Increase from exclusion of affiliates from consolidation	—	3
Decrease from exclusion of subsidiaries from consolidation	-5	—
Increase from rise in number of non-consolidated subsidiaries	—	101
Total change during the year	16,085	8,003
Balance at end of period	108,887	116,890
Treasury stock		
Balance at beginning of period	-1,384	-1,421
Change during the year		
Acquisition of treasury stock	-55	-29
Disposition of treasury stock	18	8
Total change during the year	-37	-21
Balance at end of period	-1,421	-1,443
Total Shareholders' Equity		
Balance at beginning of period	324,283	340,493
Change during the year		
Cash dividends from retained earnings	—	-2,623
Net income	14,274	9,565
Decrease from write-downs of land revaluation excess	-183	696
Increase from rise in number of consolidated subsidiaries	587	57
Increase from rise in number of equity method affiliate	1,412	203
Increase from exclusion of subsidiaries from consolidation	—	3
Decrease from exclusion of affiliates from consolidation	-5	—
Increase from sales of shares of consolidated subsidiaries	171	—

Statement of Changes in Consolidated Shareholders’ Equity (Continue)

[For the year ended March 31, 2011 and 2012]

(Millions of yen)

	Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Increase from rise in number of non-consolidated subsidiaries	—	101
Acquisition of treasury stock	-55	-29
Disposition of treasury stock	9	4
Total change during the year	16,210	7,977
Balance at end of period	340,493	348,471
Other Accumulated Comprehensive Income		
Valuation difference on available for sale securities		
Balance at beginning of period	23,313	28,157
Change during the year		
Net change in items other than shareholders’ equity	4,843	3,159
Total change during the year	4,843	3,159
Balance at end of period	28,157	31,316
Deferred gains or losses on hedge		
Balance at beginning of period	339	95
Change during the year		
Net change in items other than shareholders’ equity	-244	-863
Total change during the year	-244	-863
Balance at end of period	95	-768
Revaluation reserve for land		
Balance at beginning of period	31,433	31,616
Change during the year		
Net change in items other than shareholders’ equity	183	4,392
Total change during the year	183	4,392
Balance at end of period	31,616	36,008
Foreign currency translation adjustments		
Balance at beginning of period	-38,301	-56,129
Change during the year		
Net change in items other than shareholders’ equity	-17,827	-7,816
Total change during the year	-17,827	-7,816
Balance at end of period	-56,129	-63,945
Total of other accumulated comprehensive income		
Balance at beginning of period	16,784	3,739
Change during the year		
Net change in items other than shareholders’ equity	-13,044	-1,127
Total change during the year	-13,044	-1,127
Balance at end of period	3,739	2,611
Minority Interests		
Balance at beginning of period	58,027	58,635
Change during the year		
Net change in items other than shareholders’ equity	608	-643
Total change during the year	608	-643
Balance at end of period	58,635	57,991

(Millions of yen)

	Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Total Net Assets		
Balance at beginning of period	399,095	402,868
Change during the year		
Increase by share exchanges	—	-2,623
Net income	14,274	9,565
Decrease from write-downs of land revaluation excess	-183	696
Increase from increase of consolidated subsidiaries	587	57
Increase from rise in number of equity method affiliate	1,412	203
Increase from exclusion of affiliates from consolidation	—	3
Decrease from exclusion of subsidiaries from consolidation	-5	—
Increase from sales of shares of consolidated subsidiaries	171	—
Increase from rise in number of non-consolidated subsidiaries	—	101
Acquisition of treasury stock	-55	-29
Disposition of treasury stock	9	4
Net change in items other than shareholders' equity	-12,436	-1,771
Total change during the year	3,773	6,206
Balance at end of period	402,868	409,074

(4) Consolidated Statements of Cash Flows

[For the year ended March 31, 2011 and 2012]

(Millions of yen)

	Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Cash Flows from Operating Activities:		
Income before income taxes	37,507	28,341
Depreciation and amortization	62,750	62,493
Amortization of goodwill	3,879	4,005
Increase in allowance for doubtful accounts and reserves	212	-495
Increase (decrease) in severance and pension benefit of employees and employers	1,146	-666
Increase (decrease) in reserve for loss on investments of affiliates	-556	-15
Increase (decrease) in allowance for loss on disaster	4,364	-4,357
Increase (decrease) in reserve for loss on business of affiliate	151	-118
Increase (decrease) for environmental measures	-2,934	-823
Interest and dividends income	-35,060	-29,136
Interest expenses	12,848	11,507
Loss (gain) on sales of property, plant and equipment	-410	1,772
Loss on disposal of property, plant and equipment	3,172	2,495
Loss on impairment	2,909	5,179
Loss (gain) on sales of marketable securities and investments in securities	-817	-147
Loss (gain) on valuation of investment securities	10,280	1,480
Decrease (increase) in notes and accounts receivables-trade	-13,066	-1,538
Decrease (increase) in inventories	-30,994	1,778
Proceeds from sales of gold bullion deposited from customers under consuming bailment My Gold Plan	64,409	73,727
Payment for purchases of gold bullion from market for customer under My Gold Plan	-54,161	-64,528
Decrease (increase) in current assets	-108	-5,746
Increase (decrease) in notes and accounts payable-trade	13,479	-20,960
Increase (decrease) in accrued expenses	2,111	7,255
Increase (decrease) in other current liabilities	7,166	-3,511
Increase (decrease) in other noncurrent liabilities	469	1,040
Equity losses (earnings) of affiliates	16,378	21,071
Other, net	713	-2,922
Subtotal	**105,843**	**87,180**
Interest and dividends income received	35,580	30,499
Interest expenses paid	-14,681	-11,054
Income taxes refund (paid)	-11,630	-15,075
Net Cash Provided by (Used in) Operating Activities	**115,111**	**91,549**

(Millions of yen)

	Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Cash Flows from Investing Activities:		
Purchase of short-term investment securities	-615	—
Purchase of investment securities	-4,346	-2,565
Proceeds from sales of investment securities	1,367	293
Payments for lending	-2,218	-2,417
Proceeds from repayment of lending	2,629	5,744
Purchase of property, plant and equipment	-43,440	-50,548
Proceeds from sales of property, plant and equipment	1,955	2,725
Purchase of intangible assets	-1,146	-1,069
Payments for purchase of consolidated subsidiaries' shares	-731	-646
Proceeds from sales of investments in subsidiaries	2,107	255
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-17,216	—
Other, net	1,381	-106
Net Cash Provided by (Used in) Investing Activities	-60,273	-40,335
Cash Flows from Financing Activities:		
Net increase (decreases) in short-term loans payable	-17,636	-30,115
Proceeds from long-term loans payable	42,818	91,003
Repayment of long-term loans payable	-49,132	-104,199
Increase (decrease) in commercial papers	39,000	-46,000
Payments for redemption of bonds payable	-20,000	-20,000
Proceeds from issuance of bonds	—	35,000
Cash dividends paid	—	-2,623
Purchase of treasury stock	-55	-29
Cash dividends paid to minority shareholders	-4,566	-7,911
Proceeds from stock issuance to minority shareholders	277	3,100
Other, net	-2,876	-2,382
Net Cash Provided by (Used in) Financing Activities	-12,171	-84,159
Effect of Exchange Rate Change on Cash and Cash Equivalents	-6,916	-2,374
Net Increase (Decrease) in Cash and Cash Equivalents	35,750	-43,319
Cash and Cash Equivalents at Beginning of Period	76,309	112,226
Increase (Decrease) in Cash and Cash Equivalents Resulting from Change of Scope of Consolidation	167	504
Increase in Cash and Cash Equivalents Resulting from Merger	—	88
Cash and Cash Equivalents at End of Period	112,226	69,499

(5) Segment Information

(Segment Information)

I. For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

1. Overview of reporting segments

(1) Method of determining reporting segments

The reporting segments of Mitsubishi Materials Corporation are those units of the Company for which separate financial statements are available and which are subject to regular inspection for the use of the Board of Directors in determining the allocation of resources and evaluating business results.

The Company has adopted an internal-company structure. As such, each internal company, department and office proposes comprehensive strategy for operations both in Japan and overseas with respect to the products and services it handles, and carries out operations on that basis.

Therefore, the Company divides its reporting segments according to individual products and services, based on the internal-company structure. These reporting segments are Cement, Metals, Advanced Materials & Tools, Electronic Materials & Components, and Aluminum, the latter being particularly important among the operations of each division and office.

(2) Types of product and service belonging to each reporting segment

The main products in each business are as follows.

①	Cement	Cement, cement-related products, ready-mixed concrete, building materials
②	Metals	Copper smelting (copper ingots, gold, silver, sulfuric acid, etc.), processed-copper products
③	Advanced Materials & Tools	Cemented carbide products, high-performance alloy products, diamond tools
④	Electronic Materials & Components	Advanced materials, electronic-device products, polycrystalline silicon, chemical products
⑤	Aluminum	Aluminum cans, rolled-aluminum products, processed aluminum products

2. Method of calculation of amounts in net sales, income/loss, assets, liabilities and other items for each reporting segment

The accounting methods used in reporting business segments are the same as applied in “Basic important items for preparation of the consolidated financial statements.”

Figures for income from reporting segments are based on ordinary income.

Internal income and transfers between segments are based on actual market prices.

3. Information related to sales, income/loss, total assets, total liabilities, and other items for reporting segment

(Millions of yen)

	Cement	Metals	Advanced Materials & Tools	Electronic Materials & Components	Aluminum	Others	Total	Adjustment Amount	Amount Indicated in the Statements of Income
Net sales									
(1)Unaffiliated costomers	150,976	582,883	116,989	57,011	133,972	292,158	1,333,992	—	1,333,992
(2)Intersegment	2,310	125,028	26,103	7,744	2,035	45,901	209,123	-209,123	—
Total	153,287	707,911	143,092	64,756	136,007	338,060	1,543,115	-209,123	1,333,992
Segment income (loss)	-5,278	-43,234	-15,139	-11,597	3,802	7,972	63,830	-7,405	56,425
Segment assets	318,174	538,041	155,774	161,642	147,506	337,267	1,658,406	178,998	1,837,405
Segment liabilities	187,425	461,698	103,520	162,483	123,093	285,115	1,323,337	111,199	1,434,536
Other items									
Depreciation and amortization	14,435	18,461	8,679	5,962	8,460	3,508	59,509	3,241	62,750
Amortization of goodwill	2,305	1,588	—	—	—	17	3,911	-32	3,879
Dividend income	559	272	47	40	18	423	1,362	-442	919
Amortization of negative goodwill	—	58	73	—	109	44	287	-1	285
Interest expenses	3,474	5,826	1,163	3,066	1,164	890	15,585	-2,737	12,848
Equity in earnings (loss) of affiliates	701	266	12	-18,292	—	936	-16,376	-2	-16,378
Investment to equity method affiliate	15,785	6,366	256	60,024	—	24,615	107,048	-131	106,916
Increase in tangible and intangible noncurrent assets	7,625	11,608	5,789	7,484	5,798	2,530	40,836	2,582	43,418

Notes:

1. “Others” includes nuclear energy-related services, precious metals, environmental and recycling-related business, real estate business, and engineering-related services.
2. Included in the segment income (loss) adjustment amount (-¥7,405 million) are segment eliminations (-¥1,063 million) and corporate expenses that cannot be allocated to specific segments (-¥6,341 million). Corporate expenses consist mainly of management-related costs, basic experimental research costs, and financial income/expenses.
3. Included in the segment assets adjustment amount (¥178,998 million) are segment eliminations (-¥36,989 million) and corporate expenses that cannot be allocated to specific segments (¥215,988 million). Corporate expenses consist mainly of management-related assets and basic experimental research assets.
4. Included in the segment liabilities adjustment amount (¥111,199 million) are segment eliminations (-¥36,670 million) and corporate expenses that cannot be allocated to specific segments (¥147,869 million). Corporate expenses consist mainly of management-related liabilities and basic experimental research liabilities.
5. Adjustment of increase of property, plant and equipment and intangible assets (¥2,582 million) consist mainly of investment in the Omiya Environmental Management Center.
6. Segment income (loss) has been adjusted together with ordinary income on the consolidated quarterly statements of income.

II. For the year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)

1. Overview of reporting segments

(1) Method of determining reporting segments

The reporting segments of Mitsubishi Materials Corporation are those units of the Company for which separate financial statements are available and which are subject to regular inspection for the use of the Board of Directors in determining the allocation of resources and evaluating business results.

The Company has adopted an internal-company structure. As such, each internal company, department and office proposes comprehensive strategy for operations both in Japan and overseas with respect to the products and services it handles, and carries out operations on that basis.

Therefore, the Company divides its reporting segments according to individual products and services, based on the internal-company structure. These reporting segments are Cement, Metals, Advanced Materials & Tools, Electronic Materials & Components, and Aluminum, the latter being particularly important among the operations of each division and office.

(2) Types of product and service belonging to each reporting segment

The main products in each business are as follows.

① Cement	Cement, cement-related products, ready-mixed concrete, building materials
② Metals	Copper smelting (copper ingots, gold, silver, sulfuric acid, etc.), processed-copper products
③ Advanced Materials & Tools	Cemented carbide products, high-performance alloy products, diamond tools
④ Electronic Materials & Components	Advanced materials, electronic-device products, polycrystalline silicon, chemical products
⑤ Aluminum	Aluminum cans, rolled-aluminum products, processed aluminum products

2. Method of calculation of amounts in net sales, income/loss, assets, liabilities and other items for each reporting segment

The accounting methods used in reporting business segments are the same as applied in “Basic important items for preparation of the consolidated financial statements.”

Figures for income from reporting segments are based on ordinary income.

Internal income and transfers between segments are based on actual market prices.

3. Information related to sales, income/loss, total assets, total liabilities, and other items for reporting segment

(Millions of yen)

	Cement	Metals	Advanced Materials & Tools	Electronic Materials & Components	Aluminum	Others	Total	Adjustment Amount	Amount Indicated in the Statements of Income
Net sales									
(1)Unaffiliated costomers	155,907	599,192	115,054	67,471	148,583	354,637	1,440,847	―	1,440,847
(2)Intersegment	2,967	161,918	29,149	6,950	1,293	54,274	256,553	-256,553	―
Total	158,874	761,111	144,203	74,421	149,876	408,912	1,697,400	-256,553	1,440,847
Segment income (loss)	7,729	37,840	12,329	-20,660	4,439	10,110	51,788	-9,293	42,495
Segment assets	306,661	488,400	164,671	136,563	150,828	361,741	1,608,867	143,003	1,751,870
Segment liabilities	175,354	403,785	108,365	161,726	123,435	300,239	1,272,905	69,890	1,342,795
Other items									
Depreciation and amortization	13,085	18,261	8,542	7,314	8,699	3,216	59,119	3,373	62,493
Amortization of goodwill	2,149	1,700	―	―	173	13	4,037	-32	4,005
Dividend income	159	378	54	52	16	418	1,079	-454	625
Amortization of negative goodwill	―	219	73	―	―	44	337	-1	336
Interest expenses	2,677	5,064	946	2,799	1,080	762	13,330	-1,823	11,507
Equity in earnings (loss) of affiliates	662	535	10	-23,540	119	1,139	-21,072	0	-21,071
Investment to equity method affiliate	15,964	7,054	263	34,938	302	25,610	84,133	-132	84,001
Increase in tangible and intangible noncurrent assets	9,801	12,835	11,493	3,851	7,112	3,820	48,914	3,264	52,179

Notes:

1. "Others" includes nuclear energy-related services, precious metals, environmental and recycling-related business, real estate business, and engineering-related services.
2. Included in the segment income (loss) adjustment amount (-¥9,293 million) are segment eliminations (¥342 million) and corporate expenses that cannot be allocated to specific segments (-¥9,635 million). Corporate expenses consist mainly of management-related costs, basic experimental research costs, and financial income/expenses.
3. Included in the segment assets adjustment amount (¥143,003 million) are segment eliminations (-¥37,719 million) and corporate expenses that cannot be allocated to specific segments (¥180,722 million). Corporate expenses consist mainly of management-related assets and basic experimental research assets.
4. Included in the segment liabilities adjustment amount (¥69,890 million) are segment eliminations (-¥37,681 million) and corporate expenses that cannot be allocated to specific segments (¥107,571 million). Corporate expenses consist mainly of management-related liabilities and basic experimental research liabilities.
5. Adjustment of increase of property, plant and equipment and intangible assets (¥3,264 million) consist mainly of investment in the Central Research Institute.
6. Segment income (loss) has been adjusted together with ordinary income on the consolidated quarterly statements of income.

(Reference information)

I. For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

1. Information by Product/Service
Omits because the same information is written in the Segment Information.

2. Information by Region
(1) Net sales

(Millions of yen)

Japan	U.S.	Europe	Asia	Other	Total
856,928	63,230	61,515	340,660	11,657	1,333,992

(2) Property, plant and equipment

(Millions of yen)

Japan	U.S.	Europe	Asia	Other	Total
591,240	67,178	496	27,452	1,234	687,602

1. Categories for the countries and regions are geographically proximity-based.
2. Main countries and regions belong to the categories other than U.S.
    (1) Europe: Germany, United Kingdom, Spain, France
    (2) Asia: Indonesia, South Korea, Malaysia, Singapore, China, Taiwan, Hong Kong, Thailand
    (3) Other: Australia, Canada, Brazil

3. Information by Customer
Omits because no customers account for 10% or more of net sales in the Consolidated Statement of Operations.

II. For the year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)

1. Information by Product/Service
Omits because the same information is written in the Segment Information.

2. Information by Region
(1) Net sales

(Millions of yen)

Japan	U.S.	Europe	Asia	Other	Total
910,625	64,146	105,948	347,962	12,164	1,440,847

(2) Property, plant and equipment

(Millions of yen)

Japan	U.S.	Europe	Asia	Other	Total
573,452	62,279	600	24,700	1,802	662,834

1. Categories for the countries and regions are geographically proximity-based.
2. Main countries and regions belong to the categories other than U.S.
    (1) Europe: Germany, United Kingdom, Spain, France
    (2) Asia: Indonesia, South Korea, Malaysia, Singapore, China, Taiwan, Hong Kong, Thailand
    (3) Other: Australia, Canada, Brazil

3. Information by Customer
Omits because no customers account for 10% or more of net sales in the Consolidated Statement of Operations.

(Information related to Impairment Loss of Noncurrent Assets by Reported Segment)
For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Cement	Metals	Advanced Materials & Tools	Electronic Materials & Components	Aluminum	Others	Total	Corporate or elimination	Grand total
Loss on impairment	172	153	—	556	22	407	1,311	1,597	2,909

(Note) Adjustment of loss on impairment (¥1,597 million) consist mainly of that of the Osaka Amenity Park (OAP).

For the year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)

(Millions of yen)

	Cement	Metals	Advanced Materials & Tools	Electronic Materials & Components	Aluminum	Others	Total	Corporate or elimination	Grand total
Loss on impairment	450	2,561	1,205	309	31	583	5,140	38	5,179

(Note) Adjustment of loss on impairment (¥38 million) consist mainly of that of idle assets (land).

(Information related to Amortization of Goodwill and Unamortized Balance by Reported Segments)
For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Cement	Metals	Advanced Materials & Tools	Electronic Materials & Components	Aluminum	Others	Total	Corporate or elimination	Grand total
Amortization for the year ended Mar. 31, 2012	2,305	1,588	—	—	—	17	3,911	-32	3,879
Balance on Mar. 31, 2012	37,263	7,830	0	—	—	14	45,109	-538	44,570

Amortization of negative goodwill and unamortized balance incurred from a business combination before April 1, 2010 are as below.

(Millions of yen)

	Cement	Metals	Advanced Materials & Tools	Electronic Materials & Components	Aluminum	Others	Total	Corporate or elimination	Grand total
Amortization for the year ended Mar. 31, 2012	—	58	73	—	109	44	287	-1	285
Balance on Mar. 31, 2012	—	2,440	198	—	—	67	2,706	-2	2,703

For the year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)

(Millions of yen)

	Cement	Metals	Advanced Materials & Tools	Electronic Materials & Components	Aluminum	Others	Total	Corporate or elimination	Grand total
Amortization for the year ended Mar. 31, 2012	2,149	1,700	—	—	173	13	4,037	-32	4,005
Balance on Mar. 31, 2012	33,473	6,130	0	—	173	2	39,780	-495	39,285

Amortization of negative goodwill and unamortized balance incurred from a business combination before April 1, 2010 are as below.

(Millions of yen)

	Cement	Metals	Advanced Materials & Tools	Electronic Materials & Components	Aluminum	Others	Total	Corporate or elimination	Grand total
Amortization for the year ended Mar. 31, 2012	—	219	73	—	—	44	337	-1	336
Balance on Mar. 31, 2012	—	2,221	124	—	—	22	2,368	-0	2,367

(Information on goodwill in liabilities for each reporting segment)
For the year ended March 31, 2011 (April 1, 2010 to March 31, 2011)
None
For the year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
None

(6) Per-Share Information

Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Net assets per share: ¥262.38 Net income per share: ¥10.88 Net income per share after dilution is not indicated, as no undiluted shares exist.	Net assets per share: ¥267.62 Net income per share: ¥7.29 Net income per share after dilution is not indicated, as no undiluted shares exist.

Note: The standards used to calculate net income per share are as follows.

	Year Ended Mar. 31, 2011 (Apr. 1, 2010—Mar. 31, 2011)	Year Ended Mar. 31, 2012 (Apr. 1, 2011—Mar. 31, 2012)
Net income per share		
Net income per share (Millions of yen)	14,274	9,565
Amounts not belonging to ordinary shareholders (millions of yen)	—	—
Net income per share belonging to ordinary shareholders (Millions of yen)	14,274	9,565
Average number of shares outstanding during the period (thousands of shares)	1,312,058	1,311,908

(7) Additional Information

Effects from changes to corporate tax rates

The Law on the Partial Reform of Tax Law to Build a Tax System that Responds to Changes in the Structure of the Economic System (Law No. 114, 2011) and Law on Special Measures to Secure the Necessary Funds to Implement Recovery from the Great East Japan Earthquake (Law No. 117, 2011) were proclaimed on December 2, 2011. As a result of these laws, the corporate tax rate for accounting years beginning on or after April 1, 2012 is lowered, and a special corporate tax for recovery is imposed. In line with these changes, instead of the previously used 40.7%, the effective statutory tax rate used to measure deferred tax assets and liabilities is 38.0% for temporary differences expected to be eliminated during the fiscal years beginning on or after April 1, 2012 and beginning on or after April 1, 2014, and 35.6% for temporary differences expected to be eliminated in the fiscal year beginning on or after April 1, 2015. As a result, deferred-tax liabilities (after subtraction of tax-deferred assets) are decreased by ¥2,572 million, deferred hedge losses are reduced by ¥31 million, and income-tax adjustments are lowered by ¥201 million. Change in valuation of marketable securities is increased by ¥2,399 million.

Deferred-tax revaluation is decreased by ¥4,938 million, and change in valuation of land is increased by ¥4,879 million.

(8) Important Subsequent Event: N/A