

# Investor Meeting Mitsubishi Materials Corporation



(Ready mixed concrete plant of the Robertson's Ready Mix Concrete., Inc.)

May 14, 2013

# 1. FY2013\* Consolidated Performance Overview

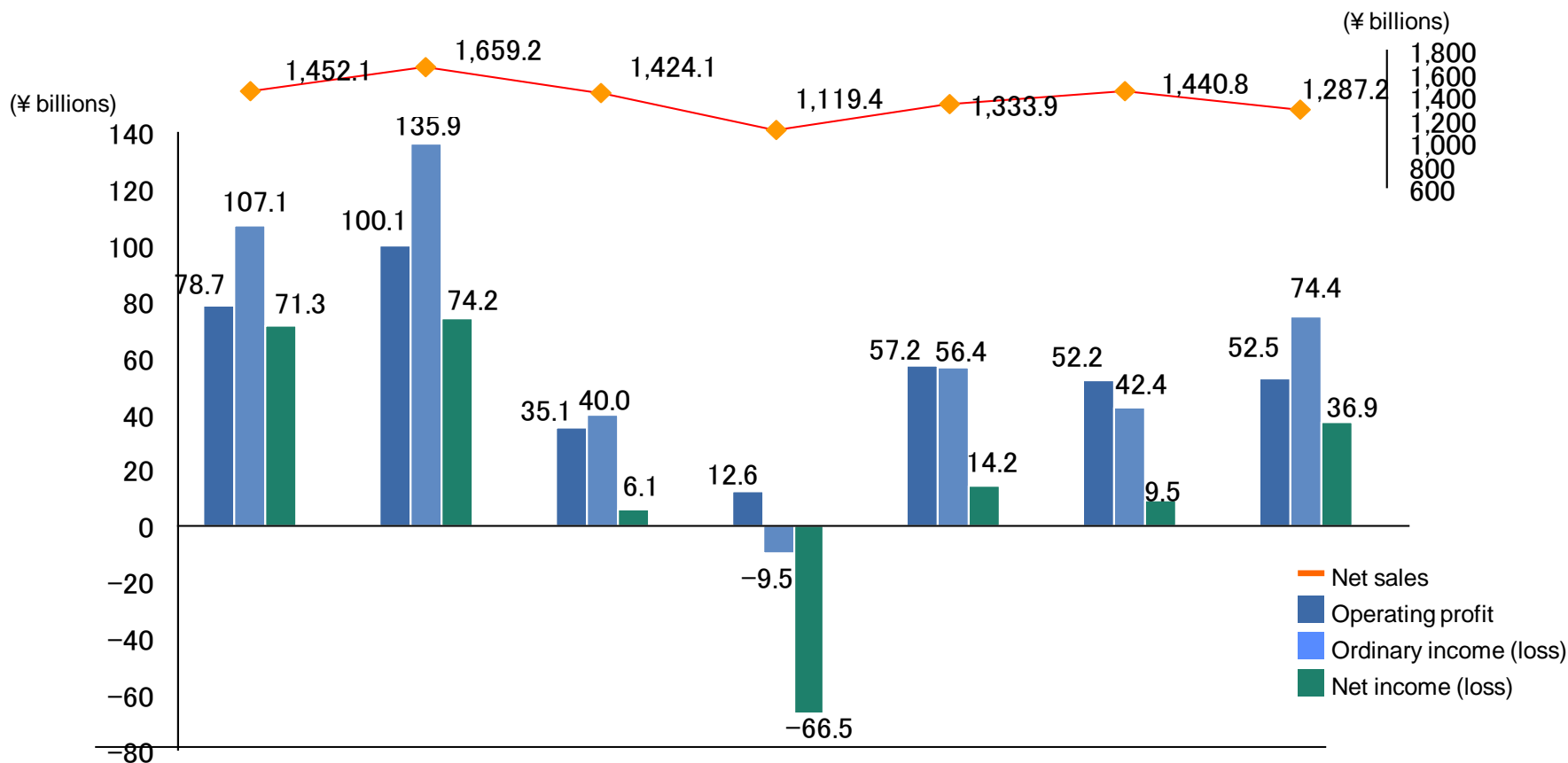
■ Net sales	1,287.2 billion yen (-153.6 billion yen YOY)
■ Operating profit	52.5 billion yen ( +0.3 billion yen YOY)
■ Ordinary income	74.4 billion yen ( +32.0 billion yen YOY)
■ Net income	36.9 billion yen ( +27.4 billion yen YOY)

## Highlights (as compared with the last fiscal year)

- ◆ In the Cement business, profits increased as a result of recovered demand both in Japan and the U.S. (operating profit: 9.2 billion yen=>14.2 billion yen)
- ◆ In the Metals business, due to such factors as furnace repairs, decrease in copper content in copper concentrates, and decrease in the quantity of the processed goods sold, there was a decrease of profit on operating profit basis (20.1 billion yen=>17.7 billion yen)  
Due to increases of dividend from copper mines, increases in equity profit, and other factors, on ordinary profit basis there was an increase of profit (37.8 billion yen=>39.1 billion yen)
- ◆ In the Advanced Materials & Tools business, there was a decrease of profit (operating profit: 13.4 billion yen=>10.7 billion yen) due to a decrease in the volume of car production in Japan and China from the second half of the fiscal year, inventory adjustment of the cement carbide tools, and some other factors.
- ◆ In the Electronic Materials & Components business, ordinary profit (loss) showed a substantial improvement (-20.6 billion yen=>+3.4 billion yen) as a result of improvements in business performance of SUMCO, and some other factors.
- ◆ In the Aluminum business, there was some negative impact on the rolling business due to a decrease in production of automobiles. However, on the whole the business increased profits mainly due to the increased sales of bottle cans. (Operating profit: 5.6 billion yen => 6.1 billion yen)

\* "FY2013" refers to the fiscal year ended March 31, 2013.

# 2. Consolidated Performance Overview



	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013
Dividends/share	6 yen	8 yen	4 yen	-	2 yen	2 yen	4 yen
ROA*	6.3%	7.5%	2.2%	-0.5%	3.1%	2.4%	4.2%
Net DE ratio	1.5 times	1.3 times	1.7 times	2.1 times	2.0 times	1.8 times	1.6 times

\*Ordinary income/Total assets

# 3. FY2014 Performance Outlook (1)

- Net sales 1,480.0 billion yen (+192.8 billion yen YOY)
- Operating profit 72.0 billion yen ( +19.5 billion yen YOY)
- Ordinary income 80.0 billion yen ( +5.6 billion yen YOY)
- Net income 45.0 billion yen ( +8.1 billion yen YOY)

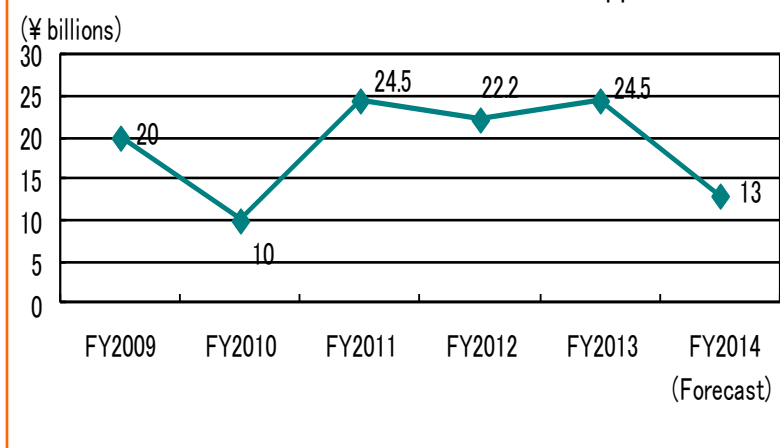
Assumptions		
◆ Exchange rate	95 yen/USD	(As compared to the actual results in the last fiscal year: +12 yen/USD)
◆ Copper price	330c/lb	(As compared to the actual results in the last fiscal year: -26c/lb)
◆ Domestic cement demand	45 million tons	(As compared to the actual results in the last fiscal year: +0.42 million tons)
◆ Sales of ready-mixed concrete in North America	5.70 million cy	(As compared to the actual results in the last fiscal year: +0.4 million cy)
(Nonoperating)		
◆ Consolidated dividends from copper mines	13 billion yen	(As compared to the actual results in the last fiscal year: -11.5 billion yen)
◆ Equity method income of SUMCO	2.5 billion yen	(As compared to the actual results in the last fiscal year: +1.9 billion yen)

# 3. FY2014 Performance Outlook (2)

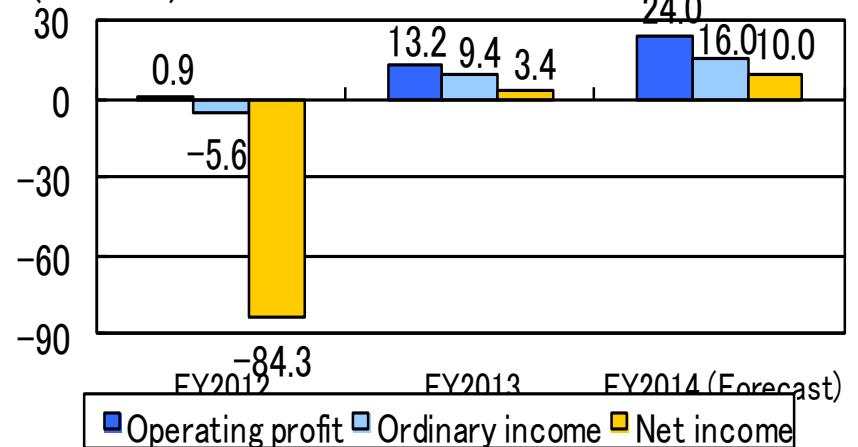
## Highlights (as compared with the last fiscal year)

- ◆ Expecting operating profit to increase in all business segments of the Group, including Cement, Metals, and Advanced Materials & Tools businesses.
- ◆ Although we do expect a decrease of dividends from copper mines the Group invested in due to a decrease of production, cost increases, and other factors, as a result of increased profits in the Cement business in the U.S., Metals smelting and processing business, cemented carbide business, and other businesses, in total the ordinary income is expected to increase by 5.6 billion yen.
- ◆ In SUMCO, the revitalization action plan has progressed as scheduled, which will result in an improvement in performance.
- ◆ Following FY2013, we intend to increase the dividend in FY2014 by 2 yen again making the dividend of the year of 6 yen per share.

Trends in consolidated dividends from copper mines



(¥ billions) (For your reference) Trends of SUMCO's business results

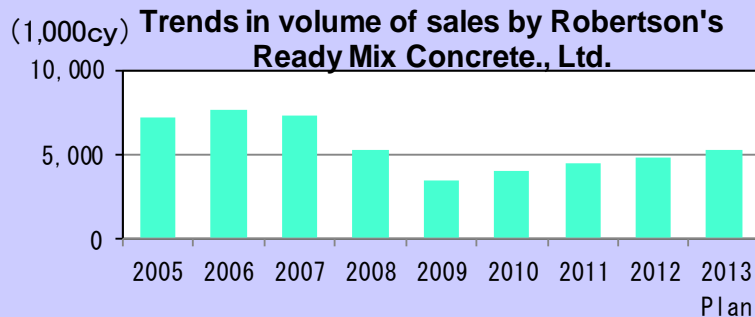


# 4. Global Business Expansion

North  
America

## Acquired 100% ownership of Robertson's Ready Mix.,Ltd.

- ◆ Equity of the MMC Development Corp. changed from 70% to 100%  
(acquisition made in December, 2012, with the total acquisition price of approx. 600 million dollars)
- ◆ One of the biggest manufacturers in the Southern California region with 48 ready-mixed concrete plants, 7 aggregate plants, and approx. 900 trucks
- ◆ The company owns its own aggregate resources and has an efficient plant layout  
- Also maintaining high competitiveness with its delivery system and other strengths
- ◆ Expanding the revenue base by further strengthening of ties with the Mitsubishi Cement Corp.



China, Vietnam, Thailand, Turkey, Indonesia, etc.

## - Strengthening of the sales network for cemented carbide tools

- ◆ Establishment of new business bases  
Shenyang (September, 2012), Chengdu and Hanoi (December, 2012)  
Eastern Thailand (Amata, Rayong) and Turkey (planned for the FY2014)
- ◆ Establishment of new technical centers (technical service bases)  
Bangkok (February, 2013)  
Chicago (autumn of 2013)

## - Establishment of manufacturing base for sintered products

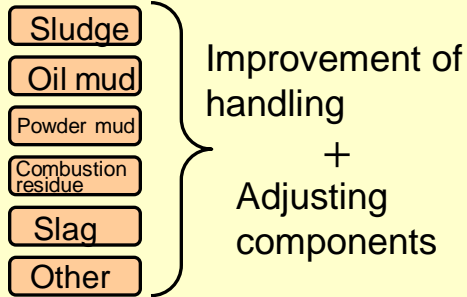
- ◆ China (Kuangtung)... completed in March, 2013
- ◆ Indonesia (Jakarta)... scheduled for completion in spring of 2014



# 5. Recycling Business

## Expansion of the existing business

- ◆ Advance cement recycling  
(Mix hard-to-treat waste material or adjust the ingredients in order to recycle them into raw materials)



- ◆ Promote the utilization of copper slag in Japan  
Heavyweight concrete as a civil engineering material usable for harbor improvement work (utilizing quality control engineering of copper slag and the our know-how regarding concrete)



Onahama Harbor

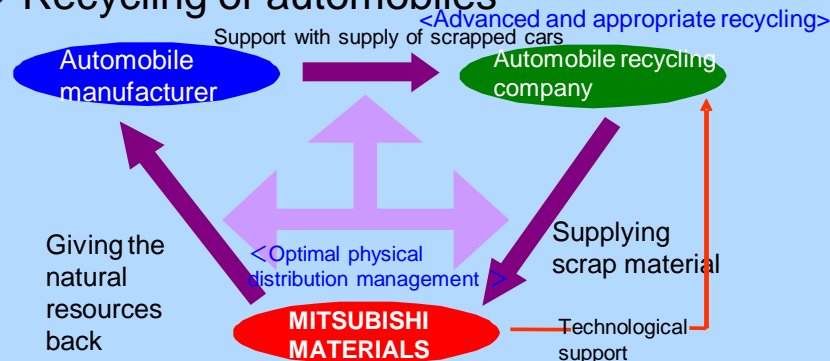
Naoshima Smelter & Refinery

- ◆ Expand recycling of home electronics



## Making inroads into new areas

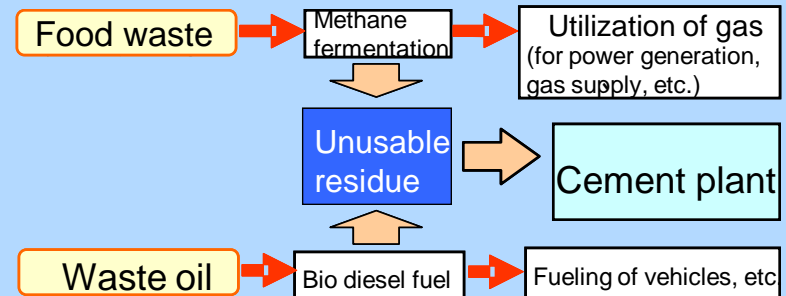
- ◆ Recycling of automobiles



<Add high value to material collected, such as copper, aluminum, platinum group and neodymium magnets.>

- ◆ Recycling of biomass energy

(Energy recycling business treating foodstuffs waste)





# 6. Businesses Associated with Recovery after the Earthquake

## ◆ Supply of cement, ready-mixed concrete, and aggregate...

reinforcing the supply organization at the Company and Ube-Mitsubishi Cement Corporation

### Cement carrier

(Postponement of reduction in the number of carriers/increase of carriers)

### Service station

(Resumption of operation/capacity increase)

### Trucks

(Lending to other companies/increase in the number of cars)

Aggregate production increase/increase of sales  
Utilization of copper slag

## ◆ Acceptance of earthquake waste for processing... processing at the Iwate and Aomori plants is being continued

### Iwate Plant

FY2013: approx. 34,800t  
FY2014: approx. 22,000t (planned)

### Aomori Plant

FY2013: approx. 2,800t  
FY2014: approx. 4,500t (planned)

### Yokoze Plant

FY2013: approx. 450t  
(Treatment completed)

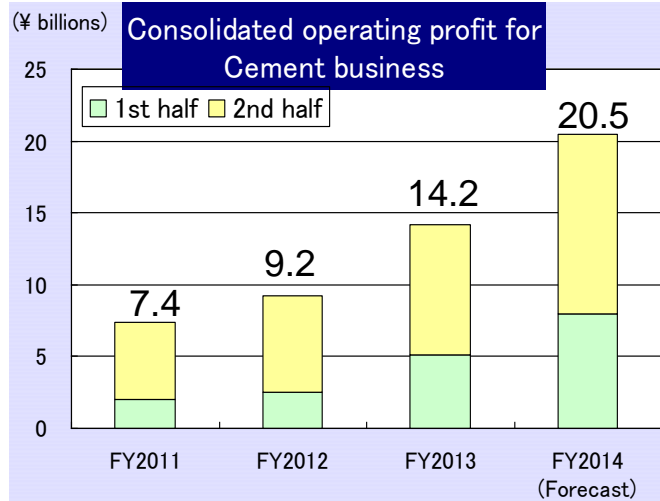
## ◆ Environmental restoration business... conducted by the us and Mitsubishi Materials Techno Corporation

Validation of decontamination model, preliminary surveys, and full-scale decontamination  
(Monitoring of level of radiation, radiation control, etc.)

Maintenance and creation of social infrastructure  
(Radiation control, etc. of water and sewage treatment facilities)



# 7. Actions in Individual Businesses (Cement)



## ◆ Japan:

- Conducting measures to answer the increase of demand resulting from needs related to the process of recovery after the earthquake and other factors
- Growth of environment-related earnings (increasing unit of output and the amounts accepted)
- Measures to rationalize prices

## ◆ North America:

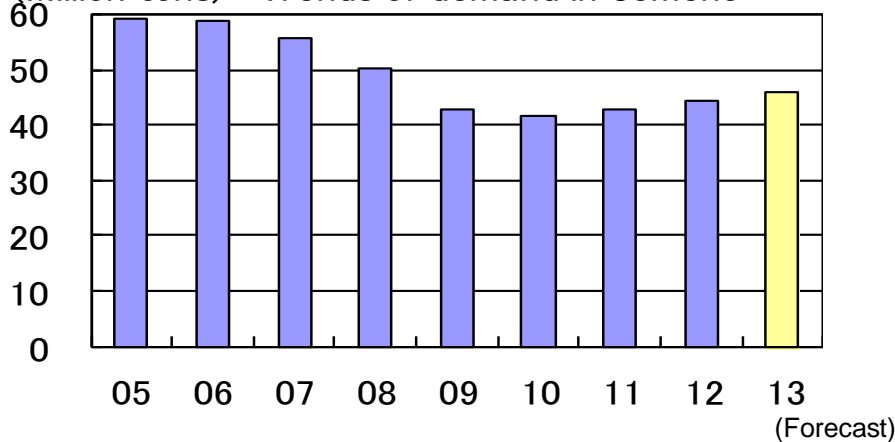
- Expansion of the volume and increase in prices for both cement and ready-mixed concrete centered on Robertson's Ready Mix concrete., Ltd

## ◆ China:

- Improve production efficiency and strengthen high grade products

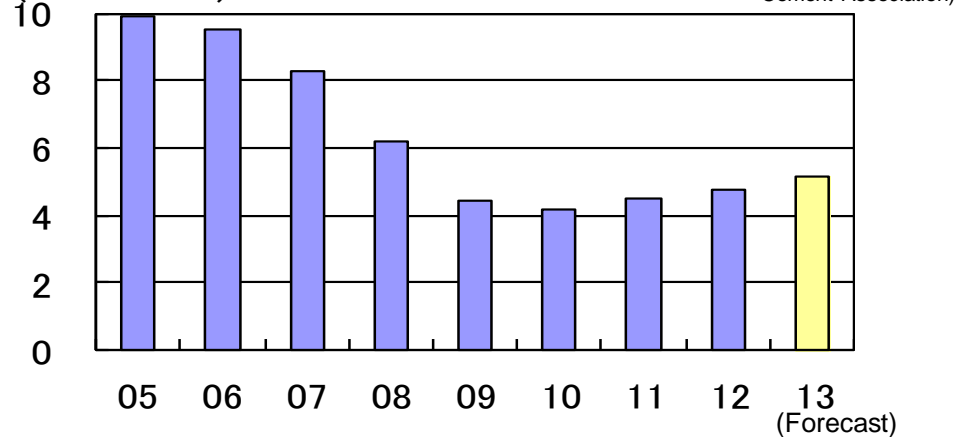
### Trends of domestic market

(Million tons) Trends of demand in cement

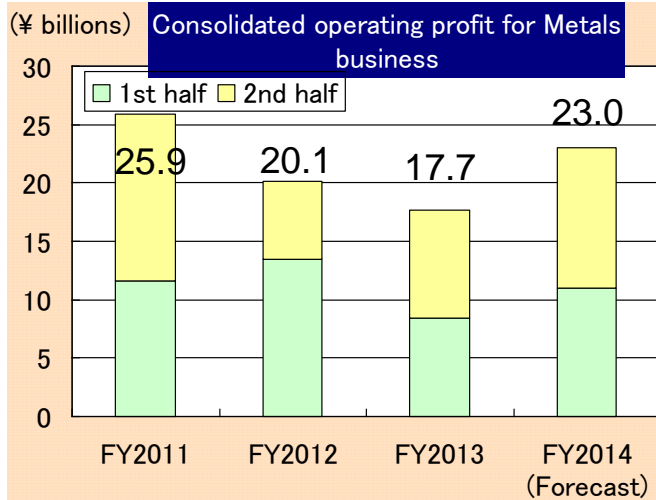


### Trends of the Southern California market

(Million tons) Trends of demand in cement



# 7. Actions in Individual Businesses (Metals)



## ◆ Mining:

- Stabilizing the operation of the existing business
- Early commercialization of new projects in Fiji, Australia, Peru, and other countries

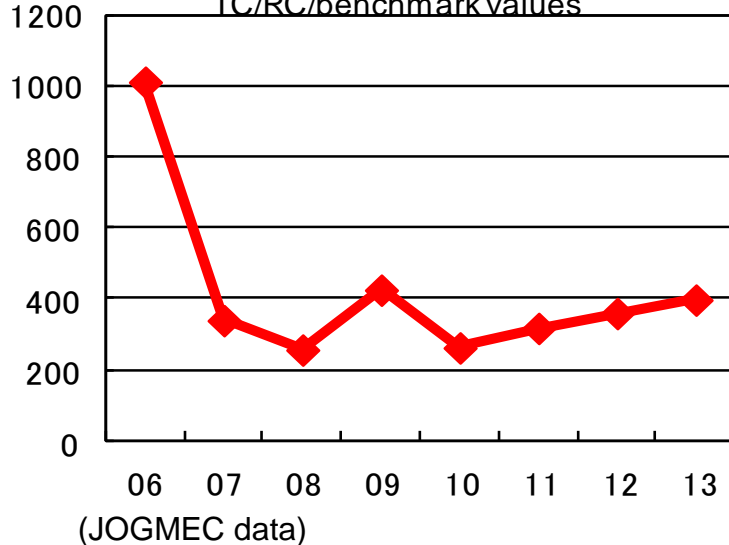
## ◆ Smelting:

- Increasing treatment of E-Scrap and other scrap of precious metals

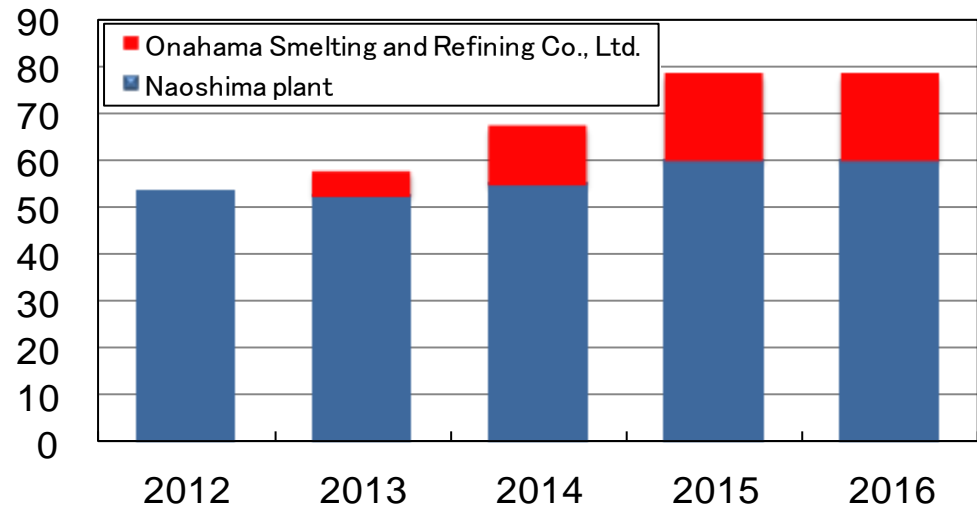
## ◆ Processed Copper:

- Aiming at steady recovery of the business centering on products for automobiles, construction industry, etc.

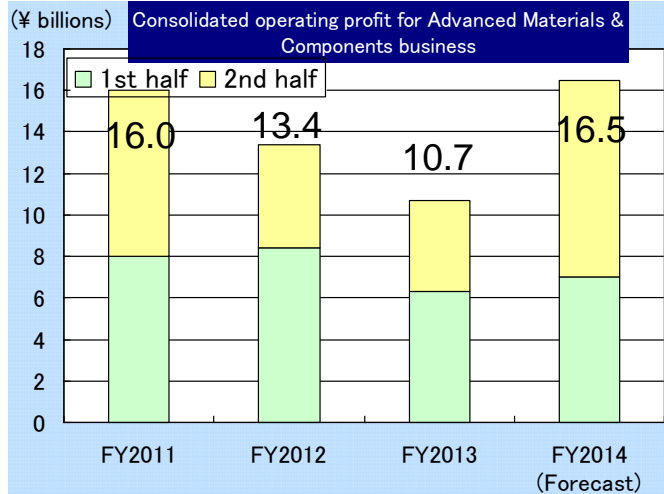
(US\$/MtCu) Trends in copper ore TC/RC/benchmark values



(Thousand tons) Plan to increase the volume of precious metals scrap treated



# 7. Actions in Individual Businesses (Advanced Materials & Tools)



## ◆ Cemented carbide products:

- Expansion of the sales network in the emerging countries
- Establishment of a technical center
- Strengthening promotion by exhibitions and other measures

## ◆ Sintered products:

- Factory in China completed, factory in Indonesia due to be completed next spring

### Sales promotion of cemented carbide tools



INTERMOLD (Tokyo)  
Held in April from 17 to 20



CIMT (China and Beijing)  
Held in April from 22 to 27

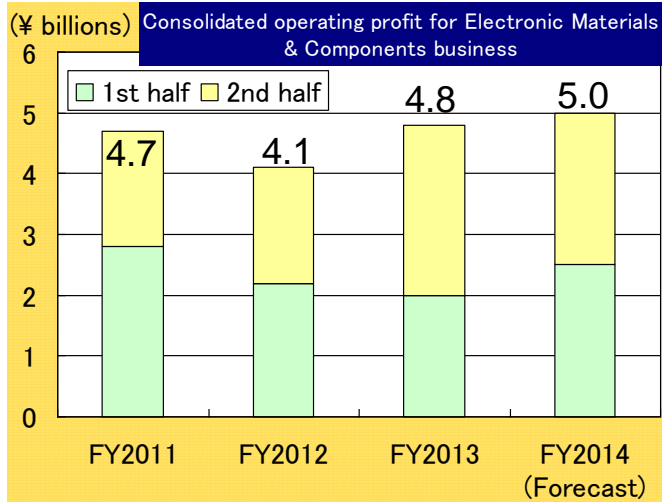
### Overseas sales promotion of sintered parts



Changeable valve timing  
(the core product of the factory in Kuangtung, China)

Bearings for automobiles  
(plan to make them the core product of the factory in Indonesia)

# 7. Actions in Individual Businesses (Electronic Materials & Components)



## ◆ Advanced Materials:

Further strengthen the competitiveness of low alpha-rays products.  
(Strengthening the technical support and utilize the production base in Taiwan)

## ◆ Electronic Device:

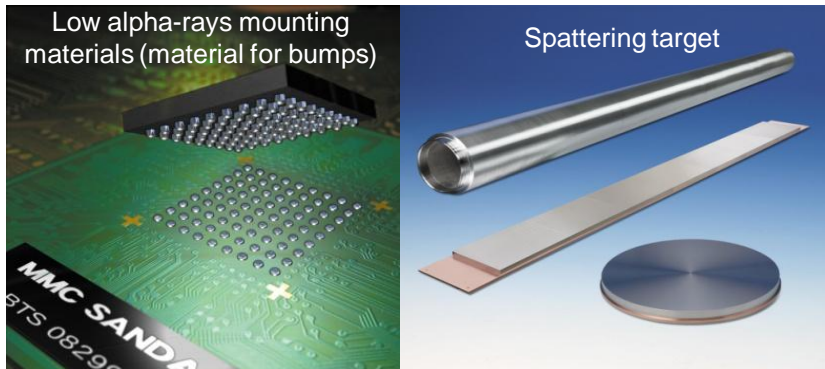
Transfer manufacturing to the SEA area and promote outsourcing

## ◆ Polycrystalline Silicon:

Continue optimization of production system

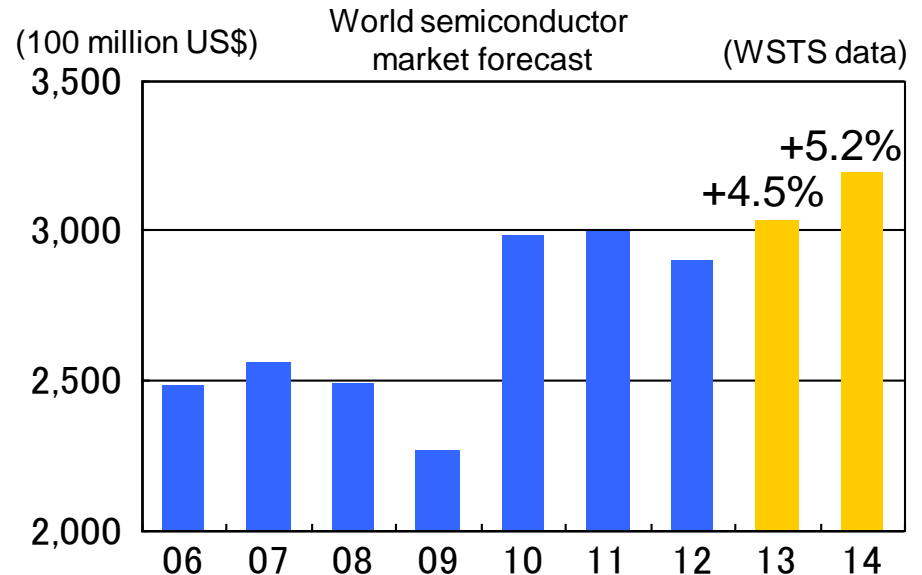
(Yokkaichi Plant... concentrating on further cost reduction)

## Flagship products of the Functional materials business

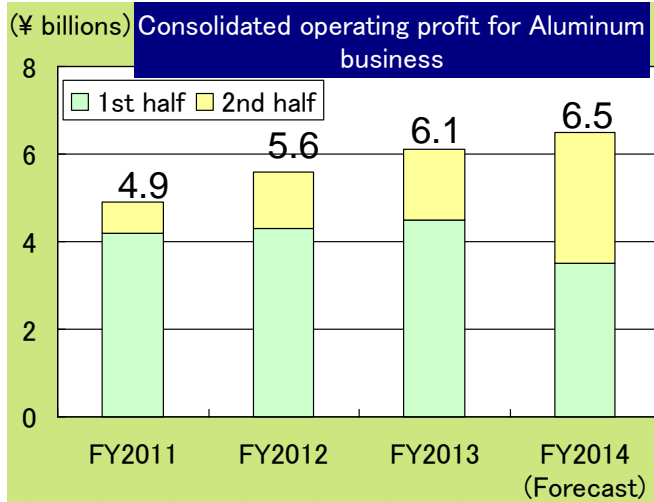


Strong demand for products for smart phones, tablet PCs, etc.

Providing to organic EL, etc.



# 7. Actions in Individual Businesses (Aluminum)



## ◆ Roll processing:

Promoting overseas expansion of heat exchanger materials business centering on products for automobiles

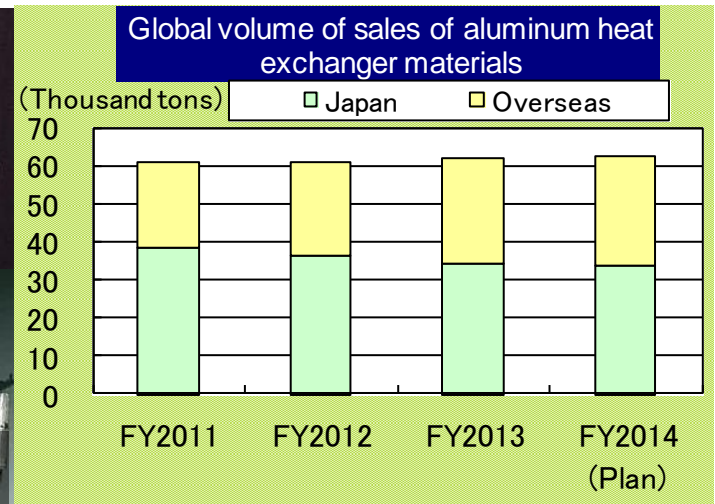
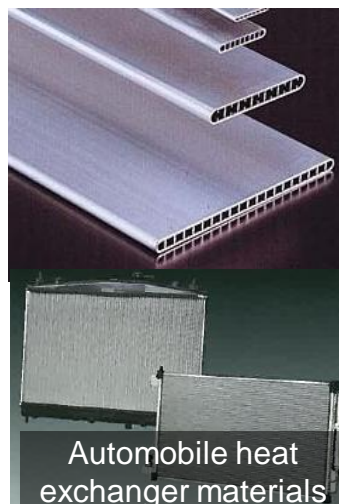
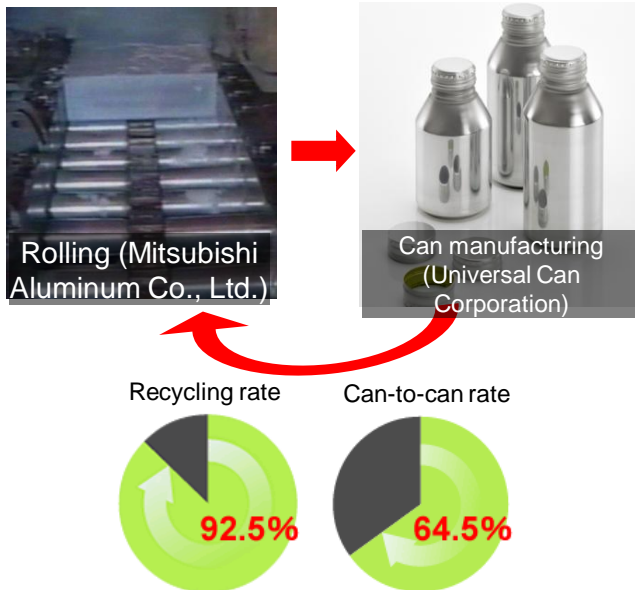
## ◆ Can manufacturing:

Further strengthening of the bottle can business

Striving to create products with less weight, thinner and stronger metal

## ◆ Recycle:

Strengthening and expansion of consistent casting process



(Data of Japan Aluminum Can Recycling Association)

# Summary

## ◆ Steadily capture the trend of recovering demand

- Act quickly in response to the improvements of environment in the U.S. Southeast Asia, and Japan
- Establish production and sales organization corresponding to the market needs

## ◆ Achievement of the revenue goal

- Aggressively promote the basic strategy of the medium-term management plan, adapting to environmental changes
- Steadily achieve the revenue goal of this term

## ◆ Show results toward the new growth strategy

- Further enhance the business base to achieve the new growth strategy in next medium-term management plan

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**For further information, please contact at:**

## **Mitsubishi Materials Corporation**

1-3-2, Otemachi, Chiyoda-ku, Tokyo 100-8117, Japan

Tel: +81-3-5252-5206

Fax: +81-3-5252-5272

E-mail: [ml-mmccir@mmc.co.jp](mailto:ml-mmccir@mmc.co.jp)

URL: <http://www.mmc.co.jp/corporate/en/index.html>

These projected performance figures are based on information available to the Company's management as of the day for releasing this material. There are many uncertain or risk factors inherent in projections, and there might be cases in which actual results materially differ from projections of this material.