

Mitsubishi Materials Corporation

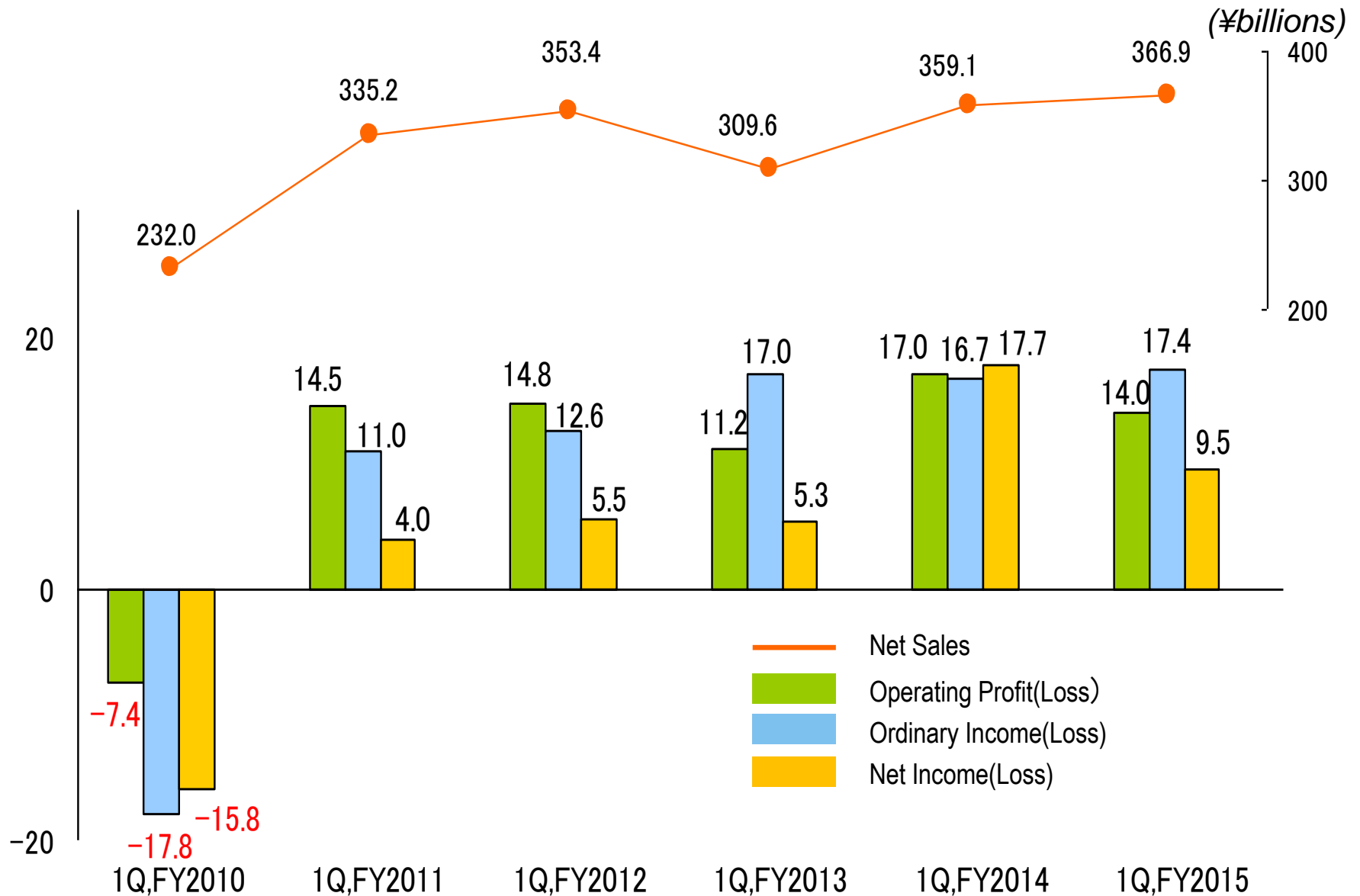
Supplementary Explanation
for the 1st Quarter of the fiscal year ending March 31, 2015

August 7, 2014

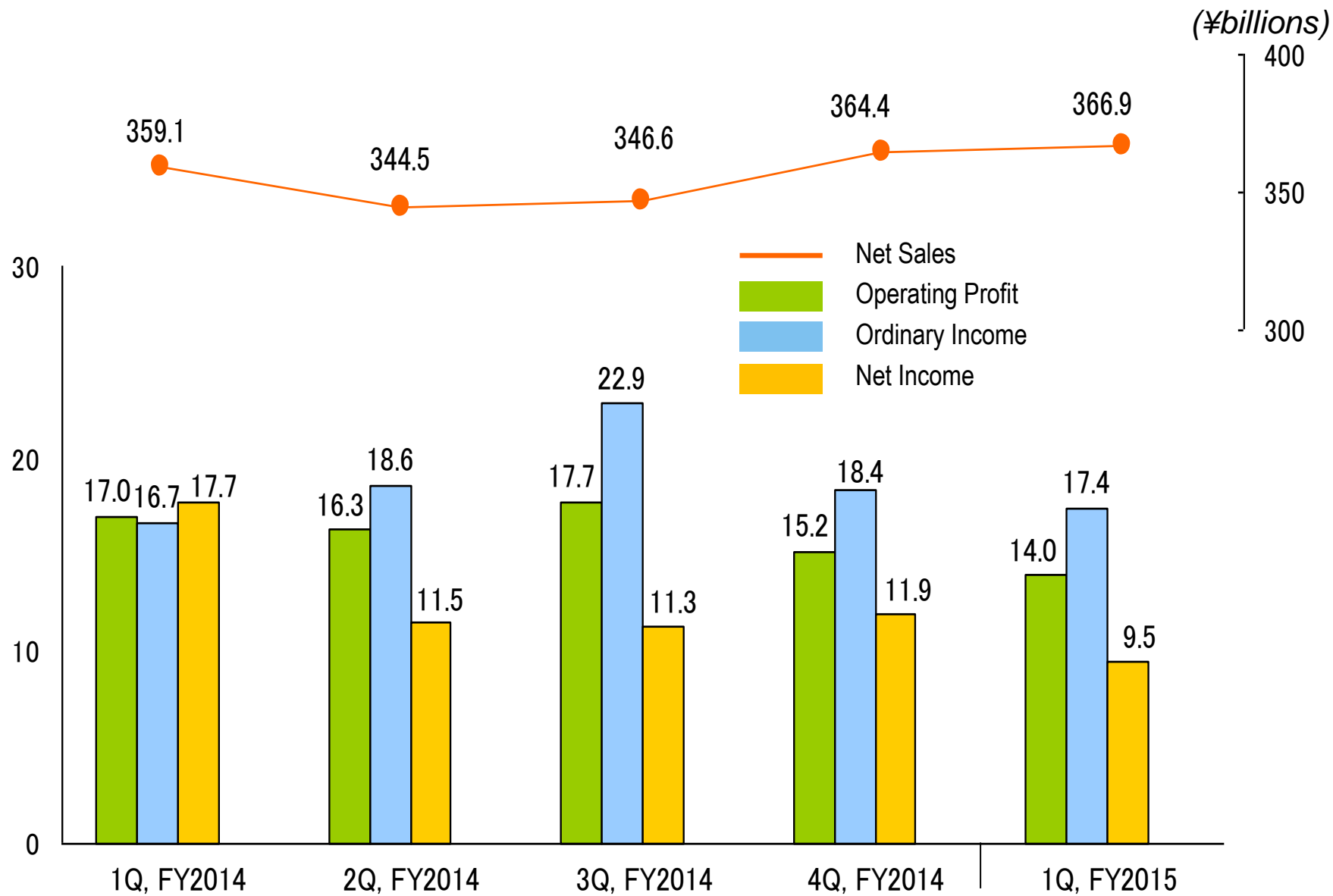
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Performance Overview (for the 1st Quarters)



Performance Overview (quarterly data)



Consolidated Statements of Operations (for the 1st Quarter)

(¥billions)	1Q/FY2014 Result (a)	1Q/FY2015 Result (b)	Difference (b)-(a)	Notes
Net sales	359.1	366.9	7.8	Metals+7.6、Cement+1.2、AM&T+0.3(cemented carbide+3.9)、EM&C△4.0 etc
Operating profit	17.0	14.0	-2.9	AMT+0.7、Metals△1.9、Cement△0.9 etc
Net interest and dividends income	-0.1	1.7	1.8	Dividends received+1.5 etc
Equity in earnings of affiliates	0.8	2.5	1.7	JAPAN DRILLING Co.+1.8、SUMCO+0.6 etc
Other/Non-operating profit	-0.9	-0.8	0.0	
Ordinary income	16.7	17.4	0.6	
Extraordinary income/loss	4.5	-2.4	-7.0	Gain from sale of fixed asset△3.9、Provision for environmental measures△1.3、Loss on suspension of operation△1.0、etc
Income taxes	-2.9	-4.5	-1.6	
Minority interests in income	-0.7	-0.9	-0.1	
Net income	17.7	9.5	-8.2	

Exchange rate : 99 JPY/\$ → 102 JPY/\$

Copper price : 324 ¢ /lb → 308 ¢ /lb

Factor Analysis of Net Sales, Operating Profit, and Ordinary Income by Segment

(¥billions)		FY2014	FY2015	Difference	Exchange rates difference	Price difference	Quantity variation	Electricity price effect	Dividends received	Equity in earnings of affiliates	Other
		1Q (a)	1Q (b)	(b)-(a)							
Cement	Net sales	42.3	43.6	1.2	1.1	1.1	-0.9				-0.1
	Operating profit	3.3	2.3	-0.9	-0.1	0.8	-0.4	-0.2	-0.0	-0.1	-0.9
	Ordinary income	3.2	1.9	-1.3							
Metals ※1	Net sales	192.8	200.4	7.6	5.2	-11.6	13.3				0.7
	Operating profit	6.6	4.6	-1.9	0.3	-1.3	0.4	-0.4	1.5	-0.4	-0.8
	Ordinary income	6.8	6.1	-0.6							
Advanced Materials & Tools	Net sales	36.0	36.4	0.3	0.8	0.2	3.0				-3.7
	Operating profit	3.6	4.4	0.7	0.6	-0.1	1.7	-0.1	-0.0	-0.0	-1.3
	Ordinary income	3.6	4.3	0.7							
Electronic Materials & Components	Net sales	17.7	13.6	-4.0	0.2	-0.4	-3.8				0.0
	Operating profit	1.1	0.7	-0.3	0.0	-0.3	-2.1	-0.1	-0.0	0.5	2.0
	Ordinary income	0.7	1.1	0.3							
Aluminum	Net sales	39.6	39.8	0.2	0.0	-0.3	0.5				0.0
	Operating profit	2.5	1.8	-0.6	0.0	-0.9	0.2	-0.2	0.0	-0.0	0.2
	Ordinary income	2.4	1.7	-0.7							
Other ※1	Net sales	56.8	53.6	-3.1	0.0	0.0	-3.4				0.2
	Operating profit	0.8	0.9	0.0	0.0	0.2	-0.2	0.0	-0.0	1.8	0.0
	Ordinary income	1.0	2.9	1.9							
Elimination, etc.	Net sales	-26.2	-20.7	5.5	0.0	0.0	5.5				0.0
	Operating profit	-1.1	-0.9	0.2	0.0	0.0	0.0	0.0	0.1	0.0	0.2
	Ordinary income	-1.1	-0.7	0.4							
Total	Net sales	359.1	366.9	7.8	7.5	-11.0	14.2				-2.9
	Operating profit	17.0	14.0	-2.9	0.9	-1.7	-0.3	-1.1	1.5	1.7	-0.7
	Ordinary income	16.7	17.4	0.6							

※1. As of April 1, 2014, the precious metals business that had been contained in the "Others" segment was shifted to the "Metals" segment. Please note that business results for the term ended March, 2014 have been reorganized to match the segments after the change.

Consolidated Balance Sheets: Assets

(¥billions)

		Mar 2014 (a)	Jun 2014 (b)	Difference (b)-(a)
Current Assets	Cash and deposits	63.4	63.7	0.2
	Notes and accounts receivable-trade	219.0	239.8	20.8
	Inventories	284.9	307.9	23.0
	Other	207.0	194.7	-12.2
	Sub total	774.4	806.2	31.8
Noncurrent Assets	Property, plant and equipment and intangible assets	698.7	692.6	-6.1
	Investments and other assets	305.2	303.7	-1.4
	Sub total	1,004.0	996.4	-7.5
Total		1,778.5	1,802.7	24.2

Consolidated Balance Sheets: Liabilities and Net Assets

(¥billions)		Mar 2014(a)	Jun 2014 (b)	Difference (b)-(a)
Liabilities	Notes and accounts payable-trade	106.6	129.6	23.0
	Loans payable, bonds payable, and CP	(37%) 649.8	(37%) 662.4	12.5
	Other liabilities	496.2	490.0	-6.2
	Sub total	1,252.7	1,282.1	29.3
Net assets	Capital stock	119.4	119.4	-
	Capital surplus and treasury stock	90.4	90.4	-0.0
	Retained earnings	207.3	208.4	1.0
	Other comprehensive income	39.4	34.5	-4.8
	Minority interests	68.9	67.7	-1.2
Sub total	(30%) 525.7	(29%) 520.6	-5.0	
Total		1,778.5	1,802.7	24.2

Equity Ratio (Mar' 14) 26% → (June' 14) 25%
 Net Debt to Equity Ratio 1.3 times → 1.3 times

Statistics / Assumptions/Sensitivity①

	1Q/FY2014 Results	1Q/FY2015 Results
Average TTM rate (yen/\$)	99	102
Average TTM rate (yen/€)	129	140
Total demand for cement in Japan (million tons)	11.13	11.13
Cement sales volumes for MMC-Domestic (million tons)	1.73	1.65
Cement sales volumes for MMC-Exports (million tons)	0.53	0.57
Total demand for cement in the U.S. (million tons)	-	-
Cement sales volumes in the U.S.(million short tons)	0.40	0.39
Ready-mixed concrete sales volumes in the U.S. (million cy)	1.44	1.49
Copper price LME (¢/lb)	324	308
Sales of cathodes (MMC, in-house products) (thousand tons)	66	69
Sales of cathodes (MMC, exports) (thousand tons)	22	32
Sales of cathodes (PTS) (thousand tons)	58	65

FY2015 (Forecast) (Announced on May 2014)		
1st Half	2nd Half	Annual
102	102	102
140	140	140
23.20	24.80	48.00
3.57	3.92	7.49
1.28	1.23	2.51
-	-	86.01
0.90	0.85	1.75
3.29	3.52	6.81
310	310	310
148	124	272
96	39	135
140	135	275

Statistics / Assumptions/Sensitivity②

	1Q/FY2014	1Q/FY2015	FY2015 (Forecast) (Announced on May 2014)		
	Results	Results	1st Half	2nd Half	Annual
Processed copper products sales volumes (thousand tons)	36	38	76	78	154
Dividends from copper mine (¥ billions)	0.6	2.2	3.2	9.4	12.6
SUMCO's net income(¥ billions)	0.5	2.8	4.5	4.5	※9.0
MMC's equity method investment gain(¥ billions)	0.1	0.7	1.1	1.1	2.2
Sales of aluminum sheet products (kilotons)	28	29	54	54	108
Sales of aluminum extrusion products (kilotons)	5	5	10	10	20

*For the first half, net income which was officially announced by SUMCO on February 14,2014 is used. For the second half, due to the fact that the Company has not yet announced the forecast for the full fiscal year, the same number as the first half is used.

FY2015 Sensitivity for 2Q-4Q

Exchange rate	yen/US\$ (yen appreciation)	-300	JPYmillion
(operating profit base)	yen/€ (yen appreciation)	-40	JPYmillion
Copper price(LME)	operating profit 10 ¢ /lb	300	JPYmillion
	non-operating profit 10 ¢ /lb	1,200	JPYmillion

Forecast for the FY2015

Not Revised

(¥billions)

	FY2015 1Q Result	FY2015 Forecast (Announced on May 2014)		
		1st Half	2nd Half	Annual
Net sales	366.9	760.0	740.0	1,500.0
Operating profit	14.0	33.0	41.0	74.0
Net interest and dividends income	1.7	0.5	6.6	7.1
Equity in earnings of affiliates	2.5	2.7	4.9	7.6
Other/Non-operating profit	-0.8	-2.2	-2.5	-4.7
Ordinary income	17.4	34.0	50.0	84.0
Extraordinary income/loss	-2.4	-4.0	-4.0	-8.0
Income taxes	-4.5	-9.0	-9.0	-18.0
Minority interests in income	-0.9	-4.0	-4.0	-8.0
Net income	9.5	17.0	33.0	50.0

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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.