

# **MITSUBISHI MATERIALS CORPORATION**

Supplementary Explanation of Consolidated Financial Results  
for the Nine Months Ended December 31, 2020

February 9, 2021

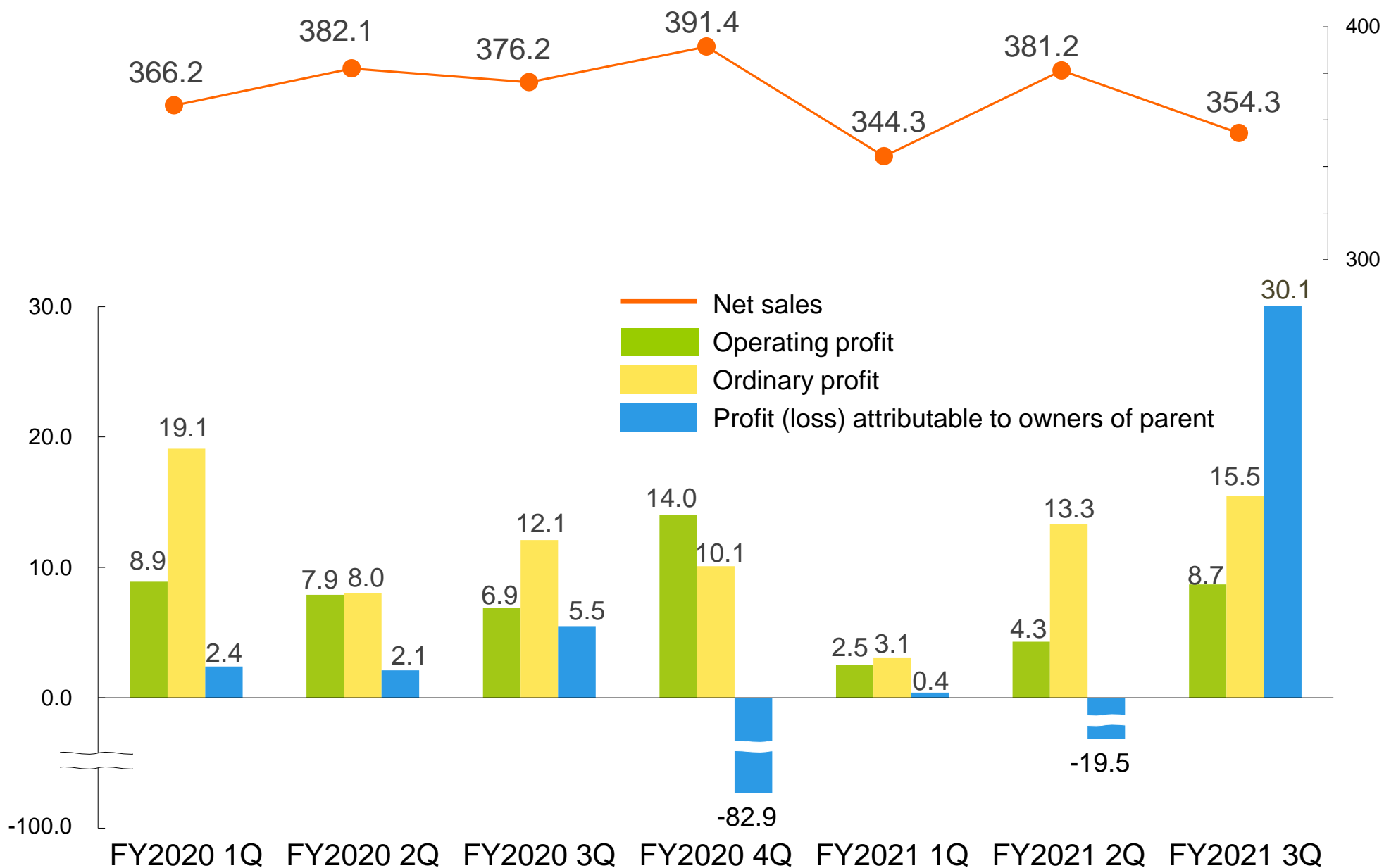
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# Performance Overview (Quarterly)

[Unit: billion yen]



# Comparison with the Previous Year Result (Consolidated Statements of Operations)

[Unit: billion yen]

	FY2020 Nine Months Result(a)	FY2021 Nine Months Result(b)	Difference (b)-(a)	Reason *
Net sales	1,124.6	1,079.8	-44.7	AP-33.8, MS-26.5, Metals+40.4, Cement-28.8 etc.
Operating profit	23.9	15.5	-8.3	AP-2.9, MS-10.0, Metals+1.7, Cement-3.1 etc.
Net interest and dividend income	15.0	13.1	-1.9	Dividend income-2.1 etc.
Share of profit (loss) of entities accounted for using equity method	3.3	3.0	-0.3	
Other / Non-operating profit / loss	-2.9	0.3	3.2	Employment adjustment subsidy +1.7 etc.
Ordinary profit	39.4	32.0	-7.4	
Extraordinary income / loss	-10.9	-4.6	6.2	Reversal of provision for loss on business restructuring-22.3 Gain on sales of investment securities+18.0 Provision for loss on the Antimonopoly Act+10.4, etc.
Income taxes	-14.4	-11.5	2.9	
Profit(loss) attributable to non-controlling interests	-4.0	-4.8	-0.7	
Profit(loss) attributable to owners of parent	10.0	11.0	0.9	
Exchange rate (USD)	109	106	-3	JPY / \$
Exchange rate (EUR)	121	122	1	JPY / €
Copper price (LME)	269	288	19	¢ / lb

\*AP: Advanced Products  
MS: Metalworking Solutions

# Comparison with the Previous Year Result (Statistics)

## ■ Statistics

		FY2020	FY2021	
		Nine Months	Nine Months	Difference
		Result (a)	Result (b)	(b-a)
Sales volumes of copper & copper alloy products	(thousand tons)	99	80	-20
Sales volumes of copper cathodes (in-house product)	(thousand tons)	225	247	23
Sales volumes of copper cathodes (PTS)	(thousand tons)	202	193	-9
Dividend from copper mine	(billion yen)	12.6	12.5	-0.1
Total demand for cement in Japan	(million tons)	31.33	29.61	-1.72
Cement sales volumes for MMC-Domestic	(million tons)	5.04	4.74	-0.30
Cement sales volumes for MMC-Exports	(million tons)	1.51	1.70	0.19
Cement sales volumes in the U.S.	(million tons)	1.08	1.20	0.12
Ready-mixed concrete sales volumes in the U.S.	(million cy)	6.30	6.05	-0.25
Sales volumes of aluminum sheet products	(thousand tons)	76	69	-6
Sales volumes of aluminum extrusion products	(thousand tons)	11	9	-2

# Comparison with the Previous Year Result (Factor Analysis of Ordinary Profit)

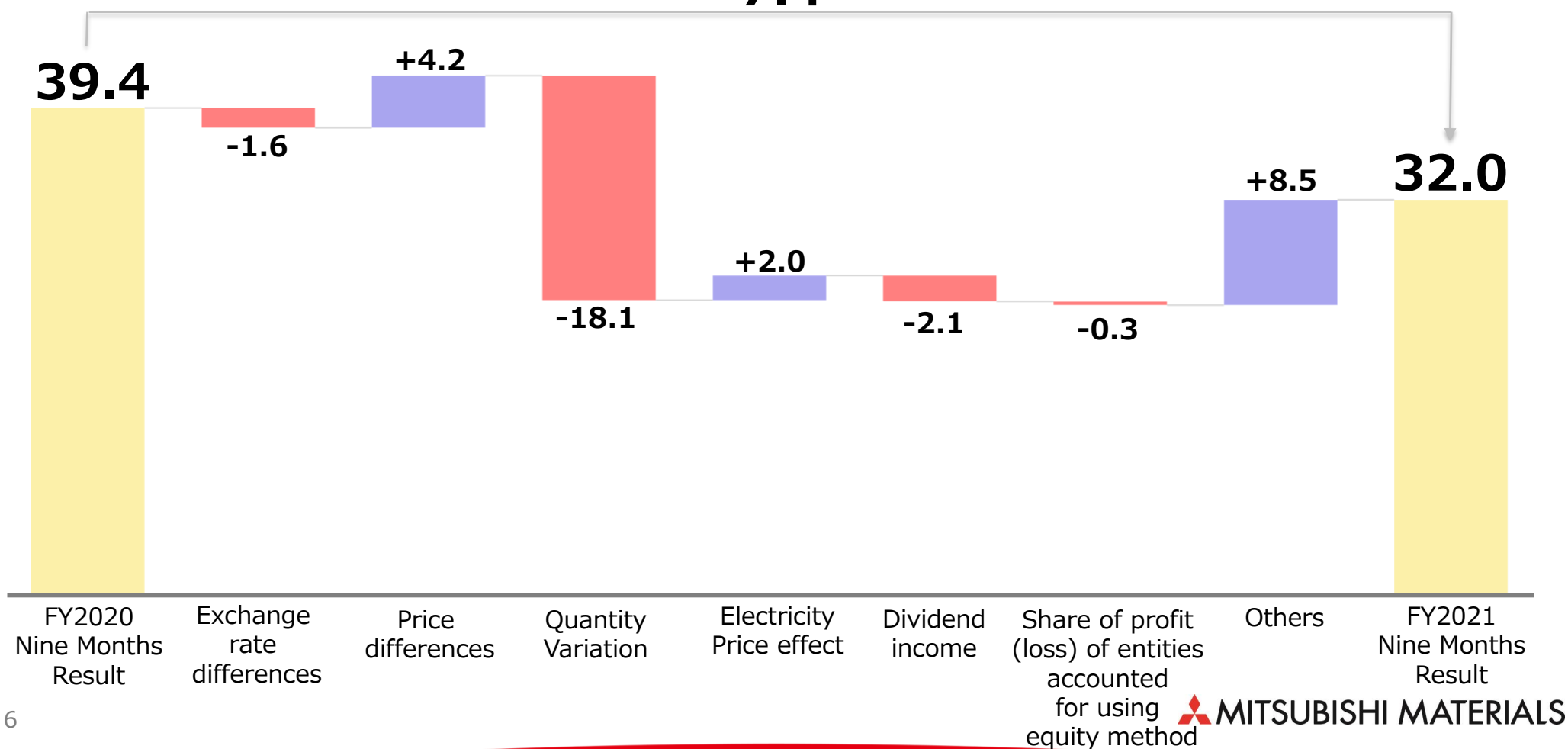
[Unit: billion yen]

## **FY2021 Nine Months Result : -7.4 billion yen(year-on-year)**

【Quantity Variation】 Due to decline in demand for products of automobiles, sales decreased in Advanced Products Business (Copper & Copper Alloy) and Metalworking Solutions Business.

【Others】 Despite a deterioration in purchasing condition of concentrates and carrying out a regular furnace repair at PT Smelting, Ordinary Profit was recovered to some extent due to implementation measures to improve earnings.

**-7.4**



# Comparison with the Previous Year Result (Factor Analysis by Segment)

[Unit: billion yen]

		FY2020	FY2021										
		Nine Months	Nine Months	Difference	Exchange rate difference	Price difference	Quantity variation	Electricity price effect	Dividend income	Share of profit (loss) of entities accounted for using equity method	Other		
		Results (a)	Result (b)	(b-a)									
Advanced Products	Net sales	285.2	251.4	-33.8	-1.2	-0.9	-31.7	—	—	—	—	—	
	Operating profit	2.3	-0.6	-2.9								0.5	
	Ordinary profit	3.4	1.9	-1.4	-0.0	0.2	-4.0	0.4	-0.3	-0.2		2.5	
	Copper & copper alloy	Net sales	192.9	161.0	-31.9	-0.8	-0.9	-30.2	—	—	—	—	—
		Operating profit	1.9	-1.8	-3.7								0.6
		Ordinary profit	1.0	-0.6	-1.7	-0.0	-0.0	-4.4	0.1	-0.0	-0.0		2.6
	Electronic materials & components	Net sales	92.8	91.2	-1.5	-0.4	-0.0	-1.1	—	—	—	—	—
		Operating profit	0.3	1.4	1.1								-0.1
		Ordinary profit	2.2	2.9	0.6	0.0	0.2	0.7	0.3	-0.2	-0.1		-0.3
Metalworking Solutions	Net sales	115.0	88.5	-26.5	-1.2	-0.8	-22.8	—	—	—	—	-1.7	
	Operating profit	6.6	-3.4	-10.0								4.1	
	Ordinary profit	5.6	-3.1	-8.8	-0.6	-0.6	-13.1	0.2	-0.0	—		5.3	
Metals	Net sales	481.4	521.8	40.4	-6.2	54.4	-7.8	—	—	—	—	—	
	Operating profit	8.9	10.6	1.7								-1.8	
	Ordinary profit	20.2	22.5	2.3	-0.7	2.4	1.3	0.5	-0.1	-0.4		-0.7	
Cement	Net sales	187.6	158.7	-28.8	-2.0	-2.3	-24.5	—	—	—	—	—	
	Operating profit	9.6	6.5	-3.1								-1.2	
	Ordinary profit	12.4	7.4	-4.9	-0.2	-0.6	-1.4	0.3	-1.1	0.4		-2.3	
Environment & Energy	Net sales	16.6	15.7	-0.8	0.0	0.1	-0.9	—	—	—	—	0.0	
	Operating profit	0.4	0.2	-0.2								-0.4	
	Ordinary profit	1.5	1.1	-0.3	0.0	0.1	0.1	0.0	0.0	-0.1		-0.4	
Others	Net sales	209.9	196.1	-13.8	-0.4	0.3	-13.7	—	—	—	—	—	
	Operating profit	0.6	5.2	4.6								2.7	
	Ordinary profit	0.5	5.0	4.5	-0.0	2.8	-1.4	0.5	-0.0	0.0		2.6	
	Aluminum	Net sales	104.6	96.5	-8.0	-0.2	0.3	-8.1	—	—	—	—	—
		Operating profit	-2.1	3.1	5.2								2.6
		Ordinary profit	-2.4	2.6	5.0	0.0	2.8	-0.7	0.5	-0.0	0.0		2.4
Elimination, etc.	Net sales	-171.3	-152.6	18.7	0.0	-5.6	24.3	—	—	—	—	—	
	Operating profit	-4.6	-3.0	1.6								1.2	
	Ordinary profit	-4.4	-3.1	1.3	0.0	0.0	0.4	0.0	-0.5	0.0		1.4	
Total	Net sales	1,124.6	1,079.8	-44.7	-11.0	45.1	-77.1	—	—	—	—	-1.7	
	Operating profit	23.9	15.5	-8.3								5.2	
	Ordinary profit	39.4	32.0	-7.4	-1.6	4.2	-18.1	2.0	-2.1	-0.3		8.5	

\* As a result of organizational restructuring that occurred on April 1, 2020, the Company has changed its reporting segments. Consequently, the results for the Nine Months of the fiscal year ended March 31, 2020, which is shown as “(a)”, are presented after reclassifications according to the changes in segmentation. In addition, the Company has reviewed the method of allocating the common costs of the Company and changed its method of calculating profits or losses within the reporting segments.

# Consolidated Balance Sheet

[Unit: billion yen]

	End of Mar. 2020(a)	End of Dec. 2020(b)	Difference (b-a)		End of Mar. 2020(a)	End of Dec. 2020(b)	Difference (b-a)
<b>Assets</b>				<b>Liabilities</b>			
Cash and deposits	134.4	131.4	-3.0	Notes and accounts payable – trade	113.1	124.7	11.6
Notes and accounts receivable - trade	217.2	205.4	-11.8	Borrowings, bonds payable and commercial papers	547.6	619.7	72.1
Inventories	352.2	375.1	22.9	Other liabilities	657.2	633.7	-23.4
Other	251.5	292.7	41.2	<b>Total liabilities</b>	<b>1,318.0</b>	<b>1,378.3</b>	<b>60.2</b>
<b>Total current assets</b>	<b>955.4</b>	<b>1004.7</b>	<b>49.2</b>	<b>Net assets</b>			
Property, plant and equipment and intangible assets	710.7	696.2	-14.5	Share capital	119.4	119.4	–
Investments and other assets	237.7	249.1	11.3	Capital surplus and treasury shares	90.2	76.3	-13.8
<b>Total non-current assets</b>	<b>948.5</b>	<b>945.4</b>	<b>-3.1</b>	Retained earnings	274.7	281.4	6.6
<b>Total assets</b>	<b>1904.0</b>	<b>1950.1</b>	<b>46.1</b>	Accumulated other comprehensive income	22.3	28.9	6.5
				Non-Controlling interests	79.2	65.6	-13.5
				<b>Total net assets</b>	<b>586.0</b>	<b>571.8</b>	<b>-14.1</b>
				<b>Total liabilities and net assets</b>	<b>1,904.0</b>	<b>1,950.1</b>	<b>46.1</b>
				Shareholders' equity ratio	27 %	26 %	
				Net D/E ratio	0.82 times	0.96 times	



# FY2021 Performance Forecast (Statistics / Assumptions / Sensitivity)

■ Statistics		FY2021 Forecast (Announced on Dec.16,2020)			FY2021 Forecast (This time)			Difference Full year (b-a)
		1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year	
		Result	Forecast	(a)	Result	Forecast	(b)	
Sales volumes of copper & copper alloy products	(thousand tons)	50	61	110	50	63	112	2
Sales volumes of copper cathodes (in-house product)	(thousand tons)	175	151	325	175	138	312	Δ 13
Sales volumes of copper cathodes (PTS)	(thousand tons)	141	114	256	141	122	263	7
Dividend from copper mine	(billion yen)	9.0	3.5	12.5	9.0	5.1	14.1	1.5
Total demand for cement in Japan	(million tons)	—	—	39.5	—	—	39.5	—
Cement sales volumes for MMC-Domestic	(million tons)	3.03	3.40	6.43	3.03	3.35	6.38	-0.05
Cement sales volumes for MMC-Exports	(million tons)	1.08	1.23	2.31	1.08	1.27	2.35	0.04
Cement sales volumes in the U.S.	(million tons)	0.84	0.73	1.56	0.84	0.73	1.57	0.01
Ready-mixed concrete sales volumes in the U.S.	(million cy)	4.25	4.02	8.27	4.25	3.69	7.94	-0.33
Sales volumes of aluminum sheet products	(thousand tons)	46	48	94	46	48	94	0
Sales volumes of aluminum extrusion products	(thousand tons)	5	7	12	5	7	12	0

## ■ Sensitivity

	FY2021 4Q	
Exchange rates Operating profit - 1 yen/\$ (yen depreciation)	0.2	billion yen
Exchange rates Operating profit - 1 yen/\$ (yen depreciation)	0.02	billion yen
Copper price (LME) Operating profit ±10¢/lb	0.1	billion yen
Non - Operating profit ±10¢/lb	0.0	billion yen

## ■ Assumptions

FY2021 4Q
105 JPY / \$
125 JPY / €
300 ¢ / lb

# FY2021 Performance Forecast (Consolidated Statements of Operations)

[Unit: billion yen]

	FY2021 Forecast (Announced on Dec.16,2020)			FY2021 Forecast (This time)			Difference Full year (b-a)
	1st Half Result	2nd Half Forecast	Full Year (a)	1st Half Result	2nd Half Forecast	Full Year (b)	
Net sales	725.5	724.5	1,450.0	725.5	734.5	1,460.0	10.0
Operating profit	6.8	1.2	8.0	6.8	8.2	15.0	7.0
Net interest and dividend income	9.4	2.6	12.0	9.4	4.6	14.0	2.0
Share of profit (loss) of entities accounted for using equity method	0.8	2.9	3.7	0.8	3.7	4.5	0.8
Other / Non-operating profit / loss	-0.7	-3.0	-3.7	-0.7	-0.8	-1.5	2.2
Ordinary profit	16.4	3.6	20.0	16.4	15.6	32.0	12.0
Extraordinary income / loss	-23.0	23.0	0.0	-23.0	21.0	-2.0	-2.0
Income taxes	-8.6	-5.4	-14.0	-8.6	-6.0	-14.6	-0.6
Profit(loss) attributable to non-controlling interests	-3.9	-2.1	-6.0	-3.9	-1.5	-5.4	0.6
Profit(loss) attributable to owners of parent	-19.1	19.1	0.0	-19.1	29.1	10.0	10.0
Exchange rate (USD)	107	105	106	107	105	106	-0 JPY / \$
Exchange rate (EUR)	121	124	123	121	125	123	0 JPY / €
Copper price (LME)	269	307	288	269	313	291	3 ¢ / lb
Dividend per share (JPY)	0	40	40	0	40	40	—

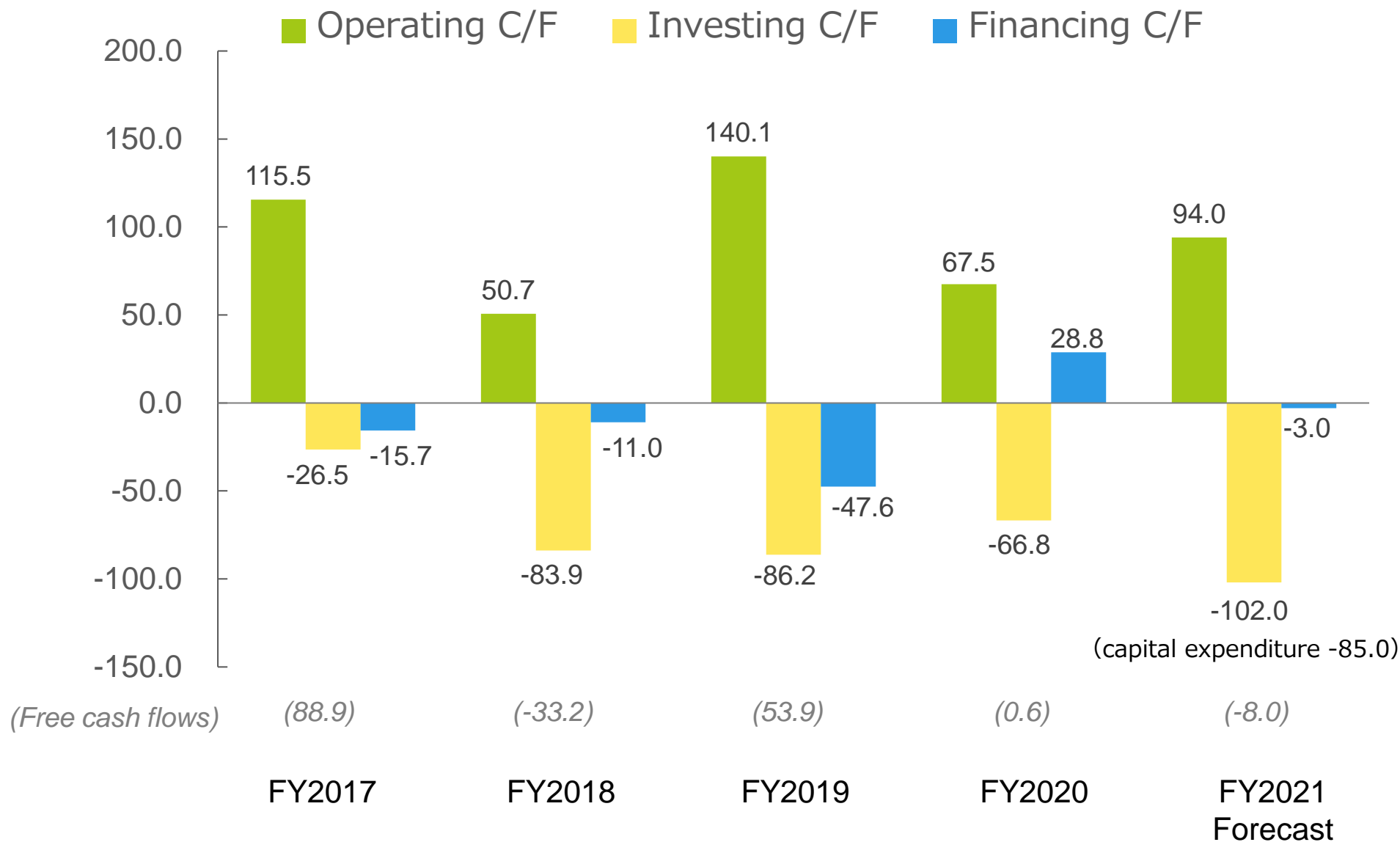
# FY2021 Performance Forecast (Factor Analysis by Segment)

[Unit: billion yen]

		FY2021 Forecast (Announced on Dec.16,2020)			FY2021 Forecast (This time)			Difference Full year (b-a)	
		1st Half Result	2nd Half Forecast	Full Year (a)	1st Half Result	2nd Half Forecast	Full Year (b)		
Advanced Products	Net sales	156.0	181.2	337.2	156.0	192.2	348.3	11.1	
	Operating profit	-1.7	0.0	-1.7	-1.7	2.5	0.7	2.4	
	Ordinary profit	0.0	0.7	0.7	0.0	3.9	4.0	3.3	
	Copper & copper alloy	Net sales	99.0	116.2	215.2	99.0	126.1	225.1	9.9
		Operating profit	-2.2	-0.7	-2.9	-2.2	0.7	-1.5	1.4
		Ordinary profit	-1.7	-0.5	-2.2	-1.7	1.8	0.1	2.3
	Electronic materials & components	Net sales	57.5	65.0	122.5	57.5	66.3	123.9	1.4
		Operating profit	0.6	0.9	1.5	0.6	1.9	2.6	1.1
		Ordinary profit	1.9	1.2	3.1	1.9	2.3	4.2	1.1
Metalworking Solutions	Net sales	56.6	57.4	114.0	56.6	59.0	115.7	1.7	
	Operating profit	-3.0	-2.1	-5.1	-3.0	-0.6	-3.7	1.4	
	Ordinary profit	-2.8	-2.7	-5.5	-2.8	-0.8	-3.7	1.8	
Metals	Net sales	358.3	337.6	695.9	358.3	345.7	704.1	8.2	
	Operating profit	7.4	0.1	7.5	7.4	2.2	9.6	2.1	
	Ordinary profit	15.4	2.7	18.1	15.4	6.9	22.3	4.2	
Cement	Net sales	105.7	118.7	224.4	105.7	111.3	217.1	-7.3	
	Operating profit	4.1	5.0	9.1	4.1	3.0	7.1	-2.0	
	Ordinary profit	3.8	5.6	9.4	3.8	3.6	7.5	-1.9	
Environment & Energy	Net sales	9.6	16.7	26.3	9.6	17.2	26.9	0.6	
	Operating profit	-0.0	0.9	0.9	-0.0	0.9	0.9	0.0	
	Ordinary profit	0.4	1.7	2.1	0.4	1.7	2.1	0.0	
Others	Net sales	127.3	132.2	259.5	127.3	135.2	262.6	3.1	
	Operating profit	2.5	2.6	5.1	2.5	4.3	6.8	1.7	
	Ordinary profit	2.2	3.1	5.3	2.2	4.9	7.1	1.8	
	Aluminum	Net sales	63.9	64.5	128.4	63.9	63.7	127.7	-0.7
		Operating profit	1.7	1.2	2.9	1.7	1.4	3.1	0.2
		Ordinary profit	1.3	1.7	3.0	1.3	1.9	3.3	0.3
Elimination, etc.	Net sales	-88.3	-119.2	-207.5	-88.3	-126.5	-214.8	-7.3	
	Operating profit	-2.2	-5.7	-7.9	-2.2	-4.2	-6.4	1.5	
	Ordinary profit	-2.7	-7.6	-10.3	-2.7	-4.8	-7.5	2.8	
Total	Net sales	725.5	724.5	1,450.0	725.5	734.5	1,460.0	10.0	
	Operating profit	6.8	1.2	8.0	6.8	8.2	15.0	7.0	
	Ordinary profit	16.4	3.6	20.0	16.4	15.6	32.0	12.0	

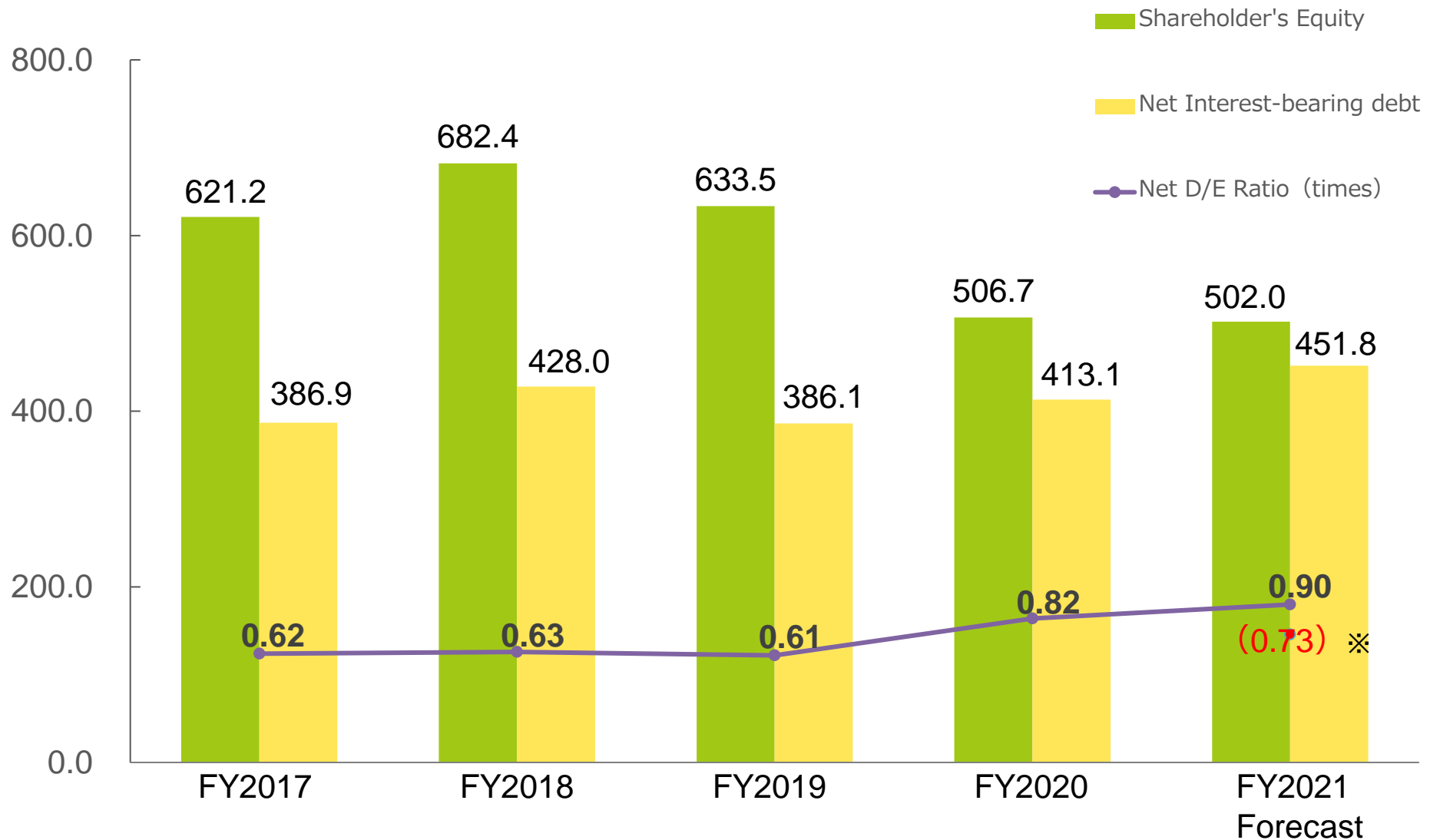
# Cash Flows

[Unit: billion yen]



# Net D/E Ratio

[Unit: billion yen]



※Net D/E Ratio(including effect of Hybrid Loan)

# 【Reference】 Performance Overview (Quarterly)

[Unit: billion yen]

■ Performance Overview by Segment		FY2020 Result							FY2021 Result						
		1 Q	2 Q	1st Half	3 Q	4 Q	2nd Half	Full Year	1 Q	2 Q	1st Half	3 Q	4 Q	2nd Half	Full Year
Advanced Products	Net sales	97.6	94.2	191.8	93.3	90.1	183.5	375.3	79.9	76.1	156.0	95.3			
	Operating profit	1.2	0.3	1.5	0.7	0.9	1.6	3.2	-0.1	-1.6	-1.7	1.0			
	Ordinary profit	1.6	1.2	2.8	0.5	1.0	1.5	4.4	-0.7	0.7	0.0	1.9			
Copper & copper alloy	Net sales	67.1	63.8	130.9	61.9	60.0	121.9	252.9	50.5	48.4	99.0	61.9			
	Operating profit	1.2	0.2	1.5	0.4	0.4	0.8	2.4	-0.7	-1.4	-2.2	0.4			
	Ordinary profit	1.3	-0.1	1.1	-0.0	-0.0	-0.1	1.0	-1.7	0.0	-1.7	1.0			
Electronic materials & components	Net sales	30.6	30.4	61.1	31.7	30.4	62.1	123.2	29.6	27.9	57.5	33.6			
	Operating profit	-0.0	0.0	0.0	0.3	0.5	0.8	0.8	0.6	-0.0	0.6	0.8			
	Ordinary profit	0.3	1.3	1.6	0.6	1.0	1.6	3.3	1.1	0.8	1.9	1.0			
Metalworking Solutions	Net sales	40.4	37.7	78.1	36.9	35.1	72.0	150.2	27.9	28.7	56.6	31.8			
	Operating profit	3.4	2.1	5.5	1.1	1.1	2.2	7.7	-1.2	-1.8	-3.0	-0.3			
	Ordinary profit	3.0	1.7	4.7	0.9	0.5	1.4	6.2	-1.3	-1.4	-2.8	-0.3			
Metals	Net sales	151.9	164.6	316.5	164.8	183.5	348.4	665.0	157.8	200.5	358.3	163.5			
	Operating profit	1.2	4.1	5.3	3.5	9.7	13.3	18.6	1.5	5.8	7.4	3.2			
	Ordinary profit	9.7	3.6	13.3	6.8	7.2	14.1	27.4	1.6	13.7	15.4	7.1			
Cement	Net sales	60.6	63.1	123.7	63.8	59.8	123.7	247.5	51.2	54.5	105.7	52.9			
	Operating profit	4.2	2.3	6.5	3.1	2.5	5.6	12.2	1.9	2.1	4.1	2.4			
	Ordinary profit	5.0	2.8	7.9	4.4	2.8	7.2	15.2	2.5	1.2	3.8	3.6			
Environment & Energy	Net sales	4.4	6.4	10.9	5.6	10.4	16.1	27.0	4.6	5.0	9.6	6.1			
	Operating profit	0.0	0.2	0.2	0.1	1.2	1.4	1.6	-0.0	0.0	-0.0	0.3			
	Ordinary profit	0.3	0.6	0.9	0.5	1.5	2.1	3.1	0.2	0.2	0.4	0.7			
Others	Net sales	66.8	69.5	136.4	73.5	75.3	148.8	285.2	61.9	65.3	127.3	68.8			
	Operating profit	-0.3	0.5	0.1	0.4	1.3	1.8	2.0	0.8	1.6	2.5	2.7			
	Ordinary profit	-0.2	0.3	0.0	0.4	0.7	1.2	1.2	0.7	1.4	2.2	2.8			
Aluminum	Net sales	35.6	34.8	70.5	34.1	32.1	66.2	136.7	31.7	32.2	63.9	32.5			
	Operating profit	-0.4	-0.7	-1.2	-0.9	-0.9	-1.8	-3.0	0.5	1.1	1.7	1.3			
	Ordinary profit	-0.5	-0.8	-1.4	-0.9	-1.5	-2.4	-3.9	0.4	0.9	1.3	1.2			
Elimination, etc.	Net sales	-55.6	-53.7	-109.4	-61.9	-63.0	-125.0	-234.4	-39.2	-49.1	-88.3	-64.3			
	Operating profit	-0.7	-1.7	-2.4	-2.2	-2.9	-5.1	-7.6	-0.3	-1.8	-2.2	-0.7			
	Ordinary profit	-0.3	-2.4	-2.8	-1.6	-3.7	-5.3	-8.1	-0.0	-2.7	-2.7	-0.3			
Total	Net sales	366.2	382.1	748.4	376.2	391.4	767.7	1,516.1	344.3	381.2	725.5	354.3			
	Operating profit	8.9	7.9	16.9	6.9	14.0	20.9	37.9	2.5	4.3	6.8	8.7			
	Ordinary profit	19.1	8.0	27.2	12.1	10.1	22.3	49.6	3.1	13.3	16.4	15.5			

## ■ Statistics / Assumptions

Sales volumes of copper & copper alloy products (thousand tons)	34	33	67	32	31	63	130	27	23	50	30			
Sales volumes of copper cathodes (in-house product) (thousand tons)	69	81	150	74	81	156	306	77	98	175	73			
Sales volumes of copper cathodes (PTS) (thousand tons)	68	70	138	64	69	133	271	69	72	141	52			
Dividend from copper mine (billion yen)	8.9	-0.0	8.8	3.7	0.0	3.7	12.6	0.9	8.0	9.0	3.5			
Total demand for cement in Japan (million tons)	10.03	10.33	20.36	10.97	9.64	20.61	40.97	9.40	9.65	19.05	10.56			
Cement sales volumes for MMC-Domestic (million tons)	1.62	1.62	3.24	1.81	1.65	3.45	6.69	1.47	1.55	3.03	1.71			
Cement sales volumes for MMC-Exports (million tons)	0.48	0.53	1.01	0.50	0.71	1.21	2.22	0.41	0.66	1.08	0.62			
Total demand for cement in the U.S. (million tons)	—	—	—	—	—	—	99.56	—	—	—	—			
Cement sales volumes in the U.S. (million tons)	0.38	0.35	0.74	0.34	0.40	0.74	1.48	0.41	0.43	0.84	0.37			
Ready-mixed concrete sales volumes in the U (million cy)	2.29	2.14	4.43	1.87	1.94	3.81	8.24	2.21	2.04	4.25	1.81			
Sales volumes of aluminum sheet products (thousand tons)	26	24	50	26	24	50	100	24	22	46	23			
Sales volumes of aluminum extrusion product (thousand tons)	4	4	7	3	3	7	14	3	3	5	3			

Exchange rate (USD)	JPY / \$	110	107	109	109	109	109	109	108	106	107	105			
Exchange rate (EUR)	JPY / €	123	119	121	120	120	120	121	118	124	121	125			
Copper price (LME)	¢ / lb	277	263	270	267	256	261	266	242	296	269	325			

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