

Company name Mitsubishi Materials Corporation
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Notice Regarding Posting of Extraordinary Loss (Provision for Environmental Measures)

Mitsubishi Materials Corporation (hereinafter, the "Company") hereby announces that it has decided to post an extraordinary loss associated with the provision for environmental measures in the fourth quarter of the fiscal year ending March 31, 2017. Details are as follows.

1. Details of the extraordinary loss (provision for environmental measures)

The Company is carrying out dramatic countermeasure work in abandoned and suspended mines managed by the Group sequentially in order to prevent mining-induced pollution, such as measures for the stabilization of large-scale collection sites and the prevention of damages therein pursuant to the "Technical Guidelines for the Ministerial Ordinance Specifying Technical Standards for Machineries and Facilities Use for Mining (bylaw)" revised by the Ministry of Economy, Trade and Industry in November 2012, as well as measures for the prevention of dumping untreated water with a focus on the reinforcement of water treatment capacity in response to the changes in the natural environment in recent years. With the new finalization of the details and estimated cost for the works, the Company has decided to post the total amount of 23.9 billion yen as an extraordinary loss (provision for environmental measures).

The above mentioned extraordinary loss does not include some forms of countermeasure work for which the amount cannot be calculated reasonably at this moment because the details of construction work are undecided due to the fact that the most appropriate construction method for the landscape and existing equipment have yet to be selected, even though countermeasure work is necessary. The Company will post such items as provision for environmental measures subject to the finalization of estimated costs, while at the same time disclosing information about such provisions as necessary.

2. Future outlook

In conjunction with the posting of the abovementioned extraordinary loss, the Company has not changed its forecasts for consolidated financial results for the fiscal year ending March 31, 2017, announced on February 9, 2017.

(Reference) Forecasts for the consolidated fiscal year ending March 31, 2017 (announced on February 9, 2017), and consolidated financial results for the previous fiscal year.

(Unit: million yen)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary income	Net income attributable to owners of parent
Forecast for the current consolidated fiscal year (Ending March 31, 2017)	1,300,000	59,000	64,000	24,000
Consolidated financial results for the previous fiscal year (Ended March 31, 2016)	1,417,895	70,420	72,442	61,316