



November 25, 2020

To All Concerned Parties

Company name Mitsubishi Materials Corporation
 Representative Naoki Ono, Chief Executive Officer
 (Securities code: 5711, First Section, Tokyo Stock Exchange)
 Contact for inquiries Yuji Omura, General Manager, Corporate Communications Dept.
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Regarding Signing of Definitive Agreement Concerning Transfer of Shares of Diamet Corporation

Mitsubishi Materials Corporation (hereinafter referred to as the “Company”) hereby announces that the Company, at the meeting of its Board of Directors held today, adopted a formal resolution to transfer (hereinafter referred to as the “Transfer”) the entire shares of Diamet Corporation (hereinafter referred to as “Diamet”), a consolidated subsidiary of the Company, to Endeavour II United Investment Business Limited Partnership (hereinafter referred to as "EUF-2"), a fund under management of Endeavour United Co., Ltd. (hereinafter referred to as “Endeavour”) which is an unlimited liability partner of EUF-2 and that the Company signed a definitive agreement with Endeavour today. The signing of the definitive agreement is pursuant to the announcement on September 29, 2020 by the Company that the Company had signed a memorandum of understanding with Endeavour to commence detailed consultations and studies to Transfer.

1. Scope of the Transfer

The entire shares of Diamet held by the Company will be transferred. Accordingly, PM Techno Corporation, Diamet Klang (Malaysia) Sdn., Bhd. and Guangdong Diamet Powder Metallurgy Co., Ltd., which are the subsidiaries of Diamet and also the consolidated subsidiaries of the Company, will be out of the scope of consolidation.

Outline of Diamet

(1)	Name	Diamet Corporation
(2)	Location	3-1-1 Koganecho, Higashi-ku, Niigata City, Niigata
(3)	Name and title of representative	Fumio Tsurumaki, President Director
(4)	Business Overview	Production, R&D and Sales for sintered mechanical parts, Oilless Bearings, Other powder metallurgy parts
(5)	Stated capital	4.75 billion Japanese yen
(6)	Date of establishment	December 1, 2005
(7)	Major shareholder and its shareholding ratio	Mitsubishi Materials Corporation: 100%

2. Outline of the transferee

(1)	Name	Endeavour II United Investment Business Limited Partnership
(2)	Location	6F, Marunouchi 2-chome Building, 2-5-1 Marunouchi, Chiyoda-ku, Tokyo
(3)	Ground for establishment and others	Limited liability partnership incorporated under the Limited Partnership Act for Investment
(4)	Date of establishment	September 13, 2018
(5)	Total investments	35.1 billion Japanese yen (total amount of investment commitments made by partners)

(6)	Outline of unlimited liability partner	Company name	Endeavour United Co., Ltd.
		Location	6F, Marunouchi 2-chome Building, 2-5-1 Marunouchi, Chiyoda-ku, Tokyo
		Name and title of representative	Tomohiko Mimura, CEO
		Business Overview	Private equity fund management
		Stated capital	80 million Japanese yen

* The transferee and the Company have no capital, personal or transactional relationships and the transferee or the Company do not constitute a related party of each other.

3. Schedule of the Transfer

November 25, 2020 (date of this announcement) : Finalizing of the definitive agreement

December 4,2020 (expected) : Closing

4. Impact on the Company's financial results

Regarding the Transfer, the Company is expected to record an extraordinary loss of approximately 21.9 billion Japanese yen as a provision for loss on business restructuring for the second quarter of the fiscal year ending March 31, 2021. The impact of the Transfer on the Company's financial results has been factored in the forecast of annual consolidated earnings in the "Notice of Revisions to Earnings Forecasts" announced on September 29, 2020.