



December 16, 2020

To All Concerned Parties

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Notice Regarding Differences Between Earnings Forecasts and Results for the First Six Months of the Consolidated Fiscal Year Ending March 31, 2021 and Revision to Earnings Forecasts

Mitsubishi Materials Corporation (hereinafter referred to as “the Company”) announces that some differences have occurred between consolidated earnings forecasts announced on September 29 and actual results announced today for the first six months of the fiscal year ending March 31, 2021.

The Company also announces revisions to consolidated and non-consolidated earnings forecasts for the fiscal year ending March 31, 2021 announced on September 29, 2020, reflecting its recent business trends and other factors.

Details are as described below.

1. Differences between consolidated earnings forecasts and results for the first six months of the fiscal year ending March 31, 2021 (from April 1, 2020 to September 30, 2020)

- 1) Details for differences

	Net sales	Operating profit (loss)	Ordinary profit (loss)	Quarterly Profit (loss) attributable to owners of parent
	Million yen	Million yen	Million yen	Million yen
Previous forecasts (A)	710,000	5,000	14,000	-20,000
Results (B)	725,568	6,890	16,457	-19,150
Amount changes (B-A)	15,568	1,890	2,457	850
Percentage changes (%)	2.2	37.8	17.6	—
(Reference) Results for the previous fiscal year (Six months of the fiscal year ended March 31, 2020)	748,400	16,978	27,242	4,511

- 2) Reasons for the differences

With regard to the first six months of the consolidated fiscal year ending March 31, 2021, net sales, operating profit(loss), ordinary profit(loss) and quarterly profit(loss) attributable to owners of parent exceeded the previous forecasts mainly due to a hike in metal prices and stronger sales for cemented carbide products in the Metalworking Solutions Business.

2. Revision to earnings forecasts for the fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

1) Consolidated earnings forecasts for the fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

	Net sales	Operating profit (loss)	Ordinary profit (loss)	Profit (loss) attributable to owners of parent
	Million yen	Million yen	Million yen	Million yen
Previous forecasts (A)	1,420,000	0	7,000	-20,000
Revised forecasts (B)	1,450,000	8,000	20,000	0
Amount changes (B-A)	30,000	8,000	13,000	20,000
Percentage changes (%)	2.1	—	185.7	—
(Reference) Consolidated results for the previous fiscal year (for the full-term of the fiscal year ended March 31, 2020)	1,516,100	37,952	49,610	-72,850

2) Non-consolidated earnings forecasts for the fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

	Net sales	Operating profit (loss)	Ordinary profit (loss)	Profit (loss)
	Million yen	Million yen	Million yen	Million yen
Previous forecasts (A)	810,000	-17,000	-4,000	-6,000
Revised forecasts (B)	850,000	-14,000	2,000	10,000
Amount changes (B-A)	40,000	3,000	6,000	16,000
Percentage changes (%)	4.9	—	—	—
(Reference) Non- consolidated results for the previous fiscal year (for the full-term of the fiscal year ended March 31, 2020)	802,655	-645	17,233	-49,929

3) Reasons for the revisions

With regard to the consolidated earnings forecasts for the fiscal year ending March 31, 2021, net sales, operating profit(loss) and ordinary profit(loss) are expected to increase compared to the previous forecasts mainly due to increase in net sales and earnings for the first six months of the fiscal year ending March 31, 2021, in addition to increase in sales in copper & copper-alloy products and electronic materials in the Advanced Products Business and cemented carbide products in the Metalworking Solutions Business, as well as a hike in metal prices and increases in dividend income from mining companies in the Metal Business, among others. Profit(loss) attributable to owners of parent is also expected to increase compared to the previous forecasts due to increase in ordinary profit(loss) as well as increase in extraordinary profit as the Company continues the reduction of strategic holdings. As a result, profit(loss) attributable to owners of parent is expected to become the break even.

With regard to the non-consolidated earnings forecasts, the Company expects for the same reasons as for the consolidated earnings results, net sales, operating profit(loss), ordinary profit(loss) and net profit(loss) are expected to increase compared to the previous forecasts. As a result, ordinary(loss) and net profit(loss) are going into the black.

(Note) The above forecasts have been prepared on assumed economic conditions, market trends and other factors foreseeable as of the date of this announcement, and the results may differ from the forecasts due to various factors arising in the future.