



November 9, 2021

To All Concerned Parties

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**Notice Regarding Differences Between Earnings Forecasts and Results for the First Six Months,
 Revision to Earnings Forecasts, Interim Dividends and Revision to Dividend Forecasts, for Fiscal Year
 Ending March 31, 2022**

Mitsubishi Materials Corporation (hereinafter referred to as “the Company”) announces that some differences have occurred between consolidated earnings forecasts announced on August 6 and actual results announced today for the first six months of the fiscal year ending March 31, 2022.

The Company also announces revisions to consolidated and non-consolidated earnings forecasts for the fiscal year ending March 31, 2022 announced on August 6 and dividend forecasts announced on May 14, reflecting its recent business trends and other factors, and the Company resolved, at the meeting of its Board of Directors held today, the distribution of interim dividends from capital surplus with a record date of September 30, 2021.

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, 2022 (from April 1, 2021 to September 30, 2021)

1) Details for differences

	Net sales	Operating profit	Ordinary profit	Quarterly Profit attributable to owners of parent
	Million yen	Million yen	Million yen	Million yen
Previous forecasts (A)	880,000	26,000	34,000	23,000
Results (B)	860,026	29,038	38,220	38,181
Amount changes (B-A)	-19,974	3,038	4,220	15,181
Percentage changes (%)	-2.3	11.7	12.4	66.0
(Reference) Results for the previous fiscal year (First Six months of the fiscal year ended March 31, 2021)	725,568	6,890	16,457	-19,150

2) Reasons for the differences

With regard to the first six months of the consolidated fiscal year ending March 31, 2022, net sales were almost the same as the previous forecast mainly due to steady sale of semiconductor related products, but operating profit and ordinary profit were higher than the previous forecast. In addition, quarterly profit attributable to owners of parent exceeded the previous forecasts mainly due to a recording of gain on sales of investment securities.

2. Revision to Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

1) Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
	Million yen	Million yen	Million yen	Million yen
Previous forecasts (A)	1,760,000	47,000	56,000	37,000
Revised forecasts (B)	1,760,000	42,000	59,000	37,000
Amount changes (B-A)	—	-5,000	3,000	—
Percentage changes (%)	—	-10.6	5.4	—
(Reference) Consolidated results for the previous fiscal year (for the full-term of the fiscal year ended March 31, 2021)	1,485,121	26,567	44,527	24,407

2) Non-consolidated earnings forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

	Net sales	Operating profit	Ordinary profit	Profit
	Million yen	Million yen	Million yen	Million yen
Previous forecasts (A)	1,090,000	8,000	17,000	19,000
Revised forecasts (B)	1,090,000	2,000	17,000	22,000
Amount changes (B-A)	—	-6,000	—	3,000
Percentage changes (%)	—	-75.0	—	15.8
(Reference) Non-consolidated results for the previous fiscal year (for the full-term of the fiscal year ended March 31, 2021)	868,053	-4,822	15,199	21,260

3) Reasons for the revisions

With regard to the consolidated earnings forecasts for the fiscal year ending March 31, 2022, despite the increase in profits in the first half of the current fiscal year, operating income is expected to decrease compared to the previous forecast, and ordinary income is expected to increase compared to the previous forecast, mainly due to an increase in dividends received from copper mines, despite the impact of falling palladium prices. In addition, profit attributable to owners of the parent is expected to be on par with the previous forecast, due to the reduction of strategic-holding stocks and the progress of business restructuring.

With regard to the non-consolidated earnings forecasts, the Company expects, for the same reasons as for the consolidated earnings results, net profit are going to increase compared to the previous forecast although operating profit is going to decrease.

3. Interim dividends and Revision to dividend forecasts for the fiscal year ending March 31, 2022

1) Details of interim dividends

	Details of resolution	Previous forecast (Announced on May 14, 2021)	Previous fiscal year (Interim dividends for Fiscal Year Ended March 31, 2021)
Record date	September 30, 2021	September 30, 2021	September 30, 2020
Dividends per share	40.00 yen (Ordinary dividend: 25.00 yen) (Special dividend: 15.00 yen)	25.00 yen	0.00 yen
Total amount of dividends	5,236 million yen	—	—
Effective date	December 10, 2021	—	—
Source of dividends	Retained earnings	—	—

2) Revision to dividend forecasts

	Dividend per share (Yen)		
	End of 2nd quarter	Term-end	Total dividend payment
Previous forecast	25.00 yen	25.00 yen	50.00 yen
Current forecast	—	40.00 yen (Ordinary dividend: 25.00 yen) (Special dividend: 15.00 yen)	80.00 yen (Ordinary dividend: 50.00 yen) (Special dividend: 30.00 yen)
Actual	40.00 yen (Ordinary dividend: 25.00 yen) (Special dividend: 15.00 yen)	—	—
Previous fiscal year (Fiscal Year Ended March 31, 2021)	0.00 yen	50.00 yen	50.00 yen

3) Reasons

The Company has set a minimum payment of annual dividend of 50 yen per share for the period of the Medium-term Management Strategy, which covers the period from the fiscal year ended March 31, 2021 to the fiscal year ending March 31, 2023, and aims to return shareholders as the same amount as the total dividend initially expected for the same period by accelerating the sale of assets and flexibly implementing share buybacks and additional dividends. In accordance with this policy, the Company has decided to pay 40 yen per share for interim dividend and expects to pay 40 yen per share for year-end dividend for the fiscal year ending March 31, 2022, consisting of an ordinary dividend of 25 yen per share, and a special dividend of 15 yen per share as shareholder return corresponding to temporary earnings gained from selling investment securities, etc. As a result, the annual dividend forecast will be 80 yen per share.

(Note) The forecast above is based on the economic environment, market conditions and other factors that can be presumed as of the date of this announcement; hence the actual result may differ from such forecast due to various factors arising in the future.