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BUSINESS REPORT

(For the period from April 1, 2025, through March 31, 2026)

1. Matters Concerning the Current State of Mitsubishi Materials Corporation Group

(1) Business Developments and Outcomes

Regarding the performance of the Mitsubishi Materials Group (hereinafter, “the Company” or “the Group”), consolidated operating profit increased due to rising metals prices and gradual recovery in automotive-related demand. Consolidated ordinary profit also increased, reflecting the posting of foreign exchange gains, higher equity-method investment profit, and increased dividends received from mines.

During the consolidated fiscal year under review, the global economy continued to pick up moderately, although economic recovery in some regions showed signs of stalling amid growing uncertainty due to U.S. policy trends, including tariff policies, and geopolitical developments in the Middle East.

The Japanese economy continued on a moderate recovery trend, although weakening sentiment regarding private consumption was observed amid continued price increases.

In the business environment surrounding the Group, demand for automobile-related products showed a moderate recovery, while demand for semiconductor-related products remained sluggish, with the exception of AI-related demand. In addition, while the prices of copper, gold, and other commodities increased compared to the previous fiscal year, we were also affected by deteriorating concentrate purchase terms (TC/RC). Regarding foreign exchange, the yen appreciated against the U.S. dollar in the first half and depreciated in the second half.

Under these circumstances, the Group accelerated our fundamental structural reforms while shifting our management focus from quantity to quality in order to enhance profitability.

As a result, consolidated net sales amounted to ¥1,844.053 billion (down 6.0% year-on-year) and consolidated operating profit amounted to ¥60.502 billion (up 63.0% year-on-year). Consolidated ordinary profit increased to ¥97.556 billion (up 62.0% year-on-year), mainly due to the recognition of foreign exchange gains, higher equity-method earnings, and increased dividends received from mines. Profit attributable to owners of parent increased to ¥40.581 billion (up 19.1% year-on-year), despite the absence of gains on changes in equity recorded in the previous fiscal year and the recognition of impairment losses associated with the fundamental structural reforms.

On a non-consolidated basis, the Company posted net sales of ¥1,431.229 billion (down 11.0% year-on-year), an operating profit of ¥33.934 billion (up from ¥2.233 billion in the previous year), an ordinary profit of ¥52.403 billion (up 284.3% year-on-year), and profit of ¥22.448 billion (up from a loss of ¥10.667 billion in the previous year).

The Company pays dividends based on the resolutions of the Board of Directors in accordance with its Articles of Incorporation. In addition, recognizing that returning profits to shareholders is one of the most important objectives of management, the Company's policy is to determine profit distribution based on a comprehensive assessment of various management factors, including periodic earnings, retained earnings, and financial strength. Regarding profit allocation, the Company aims to provide returns to shareholders with a target dividend payout ratio of around 30% for FYE March 2024 through FYE March 2026. Moreover, the Company will continue to consider the flexible acquisition of treasury stock, taking into account financial discipline factors such as cash flow conditions, stock price, and the net D/E ratio.

Based on this policy, the Company declared a year-end dividend of ¥50 by resolution of the Board of Directors at the meeting held on May 13, 2026, which, together with the interim dividend of ¥50 resulted in a dividend of ¥100 per share (also ¥100 in the previous fiscal year) for the current fiscal year.

Below is an overview of the Group's performance by business segment.

●Metals Business

Although the terms of concentrate purchases (TC/RC) deteriorated, operating profit increased due to rising prices for copper, gold, and other commodities. Ordinary profit increased due to higher dividends received from mines and higher equity-method investment profit.

In the Metals business, net sales declined year-on-year, mainly due to a decrease in gold production. Operating profit increased, despite a deterioration in concentrate purchase terms (TC/RC), primarily due to higher copper and gold prices. Ordinary profit also rose, mainly due to higher dividends received from mines and an improvement in equity-method earnings.

As a result, net sales for the entire Metals business amounted to ¥1,235.643 billion (down 13.8% year-on-year), an operating profit of ¥24.237 billion (up 4.8% year-on-year), and an ordinary profit of ¥57.066 billion (up 38.6% year-on-year).

●Advanced Products Business

Operating profit and ordinary profit increased due to the higher sales volumes in the Copper & Copper Alloy business and the impact of higher copper prices.

In the Advanced Products business, performance was supported by an increase in sales volumes in the Copper & Copper Alloy business, together with rising copper prices. In the Electronic Materials & Components business, sales of chemical products and seal products declined, although demand for some semiconductor-related products continued to show a gradual recovery.

These factors led to year-on-year increases in net sales, operating profit, and ordinary profit.

As a result, net sales for the entire Advanced Products business amounted to ¥585.817 billion (up 14.8% year-on-year), an operating profit of ¥21.028 billion (up 272.6% year-on-year), and an ordinary profit of ¥20.093 billion (up 536.6% year-on-year).

●Metalworking Solutions Business

Operating profit and ordinary profit increased due to the impact of price increases and higher sales of cemented carbide and tungsten products.

In the Metalworking Solutions business, the Company made H.C. Starck Holding (Germany) GmbH a consolidated subsidiary in December 2024, resulting in increased net sales year-on-year. In addition, operating profit and ordinary profit rose, primarily due to the effects of price increases and increased sales of cemented carbide and tungsten products.

As a result, net sales for the entire Metalworking Solutions business amounted to ¥234.741 billion (up 57.8% year-on-year), an operating profit of ¥16.433 billion (up 84.9% year-on-year), and an ordinary profit of ¥14.980 billion (up 75.5% year-on-year).

●Renewable Energy Business

Operating profit and ordinary profit decreased due to the suspension of operations at the Appi Geothermal Power Plant following a lightning strike.

In the Renewable Energy business, the suspension of operations at the Appi Geothermal Power Plant following a lightning strike in April 2025 led to year-on-year decreases in net sales and operating profit. Ordinary profit also declined, reflecting lower equity-method earnings.

As a result, net sales for the entire Renewable Energy business amounted to ¥6.210 billion (down 25.5% year-on-year), an operating profit of ¥1.040 billion (down 55.9% year-on-year), and an ordinary profit of ¥802 million (down 69.3% year-on-year).

● **Other Businesses**

Operating profit decreased overall. Ordinary profit decreased due to a decline in equity-method investment profit.

In the other businesses, net sales and operating profit declined year-on-year on a combined basis. Ordinary profit also declined, reflecting lower equity-method earnings.

As a result, net sales for these businesses amounted to ¥140.033 billion (down 11.2% year-on-year), an operating profit of ¥4.275 billion (down 21.9% year-on-year), and an ordinary profit of ¥14.856 billion (down 19.9% year-on-year).

Net sales, operating profit (loss), and ordinary profit (loss) on a consolidated basis by business segment for FYE March 2026 are as follows:

Business Segments	Item	The 100th Fiscal Year (From April 1, 2024 to March 31, 2025)		The 101st Fiscal Year (From April 1, 2025 to March 31, 2026)		YoY Change (%)
		Amount (Millions of yen)	Percentage of Total (%)	Amount (Millions of yen)	Percentage of Total (%)	
Metals	Net sales	1,433,633	73.1	1,235,643	67.0	(13.8)
	Operating profit	23,138	62.3	24,237	40.1	4.8
	Ordinary profit	41,167	68.3	57,066	58.5	38.6
Advanced Products	Net sales	510,358	26.0	585,817	31.8	14.8
	Operating profit	5,643	15.2	21,028	34.8	272.6
	Ordinary profit	3,156	5.2	20,093	20.6	536.6
Metalworking Solutions	Net sales	148,804	7.6	234,741	12.7	57.8
	Operating profit	8,888	23.9	16,433	27.2	84.9
	Ordinary profit	8,537	14.2	14,980	15.4	75.5
Renewable Energy	Net sales	8,337	0.4	6,210	0.3	(25.5)
	Operating profit	2,359	6.4	1,040	1.7	(55.9)
	Ordinary profit	2,609	4.3	802	0.8	(69.3)
Other	Net sales	157,670	8.0	140,033	7.6	(11.2)
	Operating profit	5,474	14.7	4,275	7.1	(21.9)
	Ordinary profit	18,551	30.8	14,856	15.2	(19.9)
Elimination and Corporate ^{*Note}	Net sales	(296,726)	(15.1)	(358,393)	(19.4)	20.8
	Operating profit	(8,385)	(22.6)	(6,513)	(10.8)	(22.3)
	Ordinary profit	(13,786)	(22.9)	(10,241)	(10.5)	(25.7)
Total	Net sales	1,962,076	100.0	1,844,053	100.0	(6.0)
	Operating profit	37,118	100.0	60,502	100.0	63.0
	Ordinary profit	60,235	100.0	97,556	100.0	62.0

Note: Net sales, operating profit, and ordinary profit resulting from transactions among business segments are deducted in "Elimination and Corporate."

(2) Status of Financing of the Group

The main financing of the Company for the fiscal year under review was through the issuance of corporate bonds (¥40.000 billion), as well as through the issuance of commercial paper and bank loans.

The balance of interest-bearing debt at the end of the fiscal year under review increased by ¥58.972 billion from the end of the previous fiscal year to ¥652.070 billion.

(3) Capital Expenditures of the Group

The Group determines capital expenditure allocations by carefully selecting projects in areas where future earnings and growth are expected, while striving to reduce interest-bearing debt.

The total capital expenditure for FYE March 2026 was ¥54.982 billion, as a result of maintenance and repair work on existing facilities in each business, as well as the expansion and rationalization of production facilities.

Capital expenditures for each business segment for FYE March 2026 are as follows:

- Metals Business

In addition to the maintenance and repair of existing facilities in this business as a whole, we also strengthened our production facilities.

Capital expenditures in this business segment amounted to ¥19.718 billion.

- Advanced Products Business

In addition to maintenance and repair work on existing facilities in this business as a whole, we strengthened our production facilities, mainly in the Copper & Copper Alloy business.

Capital expenditures in this business segment amounted to ¥14.802 billion.

- Metalworking Solutions Business

We conducted expansion and rationalization work on our facilities, as well as maintenance and repair work on existing facilities.

Capital expenditures in this business segment amounted to ¥12.065 billion.

- Renewable Energy Business

We conducted maintenance and repair work on existing facilities.

Capital expenditures in this business segment amounted to ¥3.229 billion.

- Other Businesses

We carried out maintenance and repair work on existing facilities.

Capital expenditures in this segment amounted to ¥5.166 billion.

(4) Changes in the Assets, and Profit and Loss of the Group and the Company

1) Changes in the Assets, and Profit and Loss of the Group (Consolidated)

		The 98th Fiscal Year (From April 1, 2022 to March 31, 2023)	The 99th Fiscal Year (From April 1, 2023 to March 31, 2024)	The 100th Fiscal Year (From April 1, 2024 to March 31, 2025)	The 101st Fiscal Year (From April 1, 2025 to March 31, 2026)
Net sales	(Millions of yen)	1,625,933	1,540,642	1,962,076	1,844,053
Operating profit	(Millions of yen)	50,076	23,276	37,118	60,502
Ordinary profit	(Millions of yen)	25,306	54,102	60,235	97,556
Profit attributable to owners of the parent	(Millions of yen)	20,330	29,793	34,076	40,581
Profit per share	(Yen)	155.60	228.07	260.82	310.56
Net assets	(Millions of yen)	628,875	685,623	693,276	752,978
Net assets per share	(Yen)	4,541.96	5,003.75	5,183.34	5,633.05
Total assets	(Millions of yen)	1,891,795	2,167,628	2,379,409	2,999,744

2) Changes in the Assets, and Profit and Loss of the Company (Non-consolidated)

		The 98th Fiscal Year (From April 1, 2022 to March 31, 2023)	The 99th Fiscal Year (From April 1, 2023 to March 31, 2024)	The 100th Fiscal Year (From April 1, 2024 to March 31, 2025)	The 101st Fiscal Year (From April 1, 2025 to March 31, 2026)
Net sales	(Millions of yen)	1,180,998	1,188,036	1,608,327	1,431,229
Operating profit (loss)	(Millions of yen)	4,259	(9,233)	2,233	33,934
Ordinary profit	(Millions of yen)	24,146	19,621	13,637	52,403
Profit (loss)	(Millions of yen)	20,376	15,162	(10,667)	22,448
Profit (loss) per share	(Yen)	155.95	116.07	(81.65)	171.80
Net assets	(Millions of yen)	383,281	393,172	365,283	379,033
Net assets per share	(Yen)	2,934.06	3,009.81	2,795.70	2,900.53
Total assets	(Millions of yen)	1,471,687	1,660,409	1,852,792	2,412,532

(5) Priorities for the Group

Medium-term Management Strategy

The global economy is expected to become more uncertain due to the impact of U.S. policy trends, including tariff policies, and the situation in the Middle East, among other influences, and there are concerns about downturns in business conditions and volatility in capital markets. Regarding the Japanese economy, in addition to trends in the global economy, there are also concerns about downward pressure on the economy due to the impact on consumer sentiment resulting from continued price hikes. The business environment surrounding the Group is also expected to remain challenging due to fluctuations in foreign exchange rates, a decline in concentrate purchase terms (TC/RC), and changes in demand trends for automobiles and semiconductors.

Against this backdrop, the Group will implement various initiatives based on the Medium-term Management Strategy (FYE March 2027-2029) (hereinafter, “Medium-term Management Strategy”) to enhance corporate value.

In the Medium-term Management Strategy, the Group has established Our Commitment of “For people, society and the earth, circulating resources for a sustainable future.” An overview of the Medium-term Management Strategy is presented below.

i) Basic Policy

The Group has adopted the basic policy of becoming a company committed to “creating the future through resource circulation.” The phrase “creating the future” reflects our strong determination not merely to pursue growth as an extension of the status quo, but to transform ourselves and become a driving force for the sustainability of society and industry. Through our Resource Circulation business, we aim to maximize the use of limited resources and convert waste into new value, thereby achieving both a reduction in environmental impact and the generation of economic value.

The growth strategy and key initiatives in our Medium-term Management Strategy are as follows:

First, the global expansion of our resource circulation business. We will globally expand our Metals/Resources Circulation businesses, which have traditionally been centered on smelters in Japan, by establishing new secondary smelting plants in Europe and the United States. The Company will also accelerate the global expansion of our Tungsten, Metalworking Solutions, and Advanced Products businesses.

Second, the expansion of secondary smelting, including E-Scrap, and the improvement of the tungsten recycling rate. The Company aims to double the volume of E-Scrap processed by FYE March 2036 and to achieve a 100% ratio of recycled raw materials at our tungsten manufacturing sites by FYE March 2031.

Third, the joint procurement of copper concentrate. Through joint procurement of copper

concentrate with other companies, the Company aims to enhance the international competitiveness of our copper smelting operations.

Creating the Future through Resource Circulation



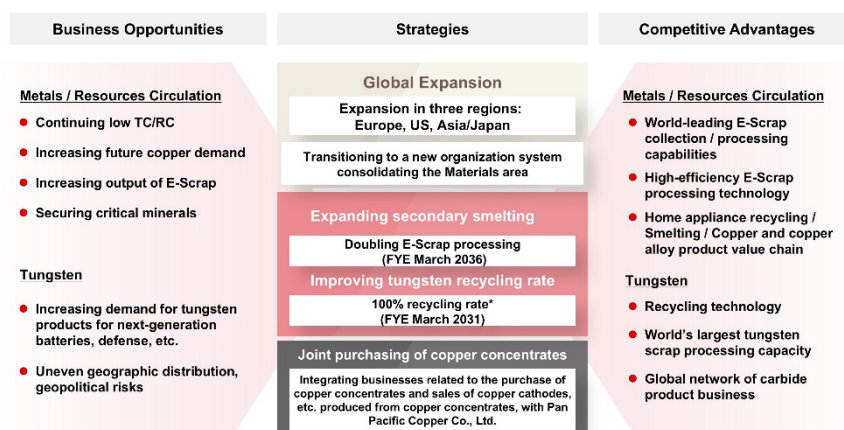
*Secondary smelting: Smelting of E-Scrap and other used products used as raw materials

ii) Business Opportunities and Competitive Advantages

With copper concentrate treatment and refining charges (TC/RC) expected to remain at low levels, a shift toward highly profitable E-Scrap is indispensable to our growth. Furthermore, while demand for copper is projected to increase further in line with the progress of decarbonization and other factors, there are limits on the maximum supply of copper concentrate, which further increases the importance of secondary raw materials such as E-Scrap. Global E-Scrap generation is increasing, and is expected to continue to exceed processing capacity – particularly in Europe and the US. Leveraging our strengths, including world-class E-Scrap collection and processing capabilities and a value chain spanning from home appliance recycling to copper and copper alloy products, the Company will expand our E-Scrap collection and processing operations on a global basis, and we aim to double our processing volume by FYE March 2036.

While demand for tungsten, a rare metal, is expected to grow in applications such as next-generation batteries, primary resource deposits are geographically concentrated. Following the acquisition of Germany-based H.C. Starck Holding GmbH in FYE March 2025, the Group possesses the world’s largest scrap processing capacity. We aim to increase the ratio of recycled materials at our tungsten production sites to 100% by FYE March 2031, while enhancing profitability.

Promoting Strategies Based on Business Opportunities and Competitive Advantages

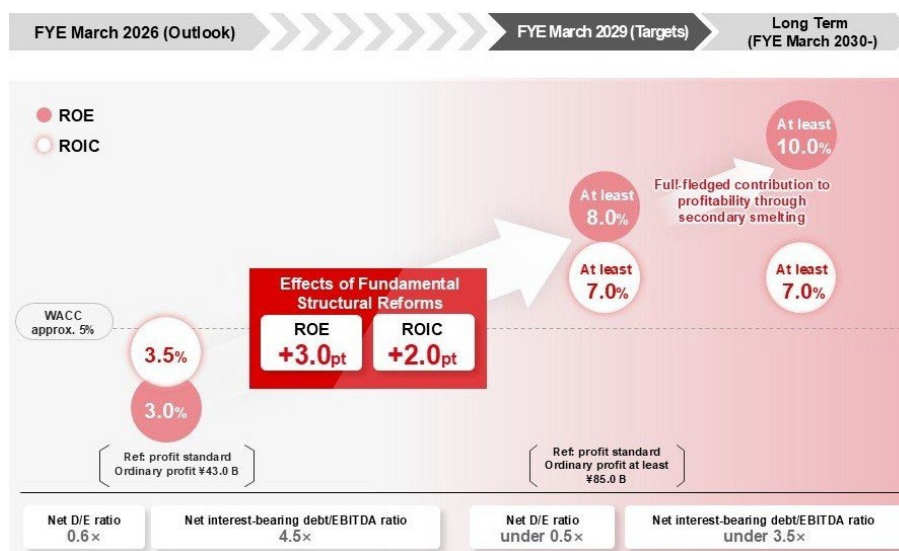


*Ratio of recycled raw materials used at our Group's tungsten product manufacturing sites excluding sites in China

iii) Financial Targets

The financial targets for FYE March 2029 incorporate the effects of our fundamental structural reforms and are set as follows: an ROE of 8% or higher, an ROIC of 7% or higher, a net debt-to-equity ratio of 0.5x or lower, and a net interest-bearing debt-to-EBITDA ratio of 3.5x or lower. In the long term (FYE March 2030 and beyond), we aim to achieve an ROE of 10% or higher, primarily driven by the full-scale contribution to earnings from secondary smelting.

Furthermore, recognizing that ROIC may temporarily stagnate during the implementation phase of growth investments, the Company has established a long-term target of 7% or higher, which exceeds our calculated weighted average cost of capital (WACC) of approximately 5%.



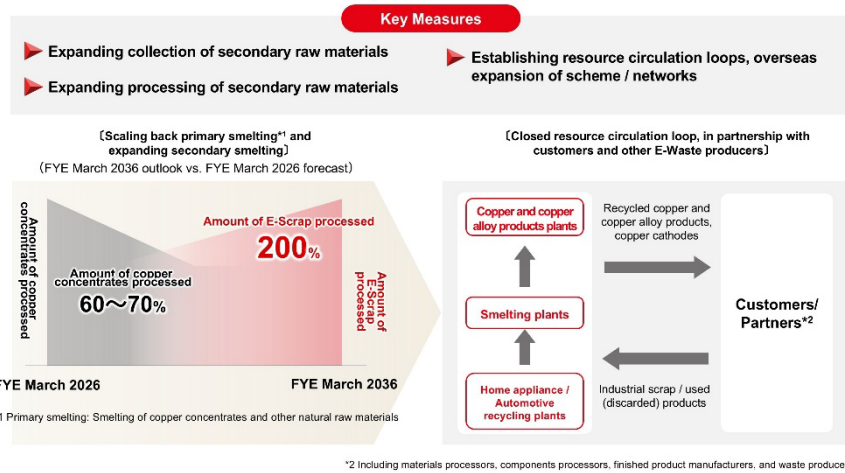
iv) Business Strategy

- Materials Business Area (Metals/Resources Circulation Businesses)

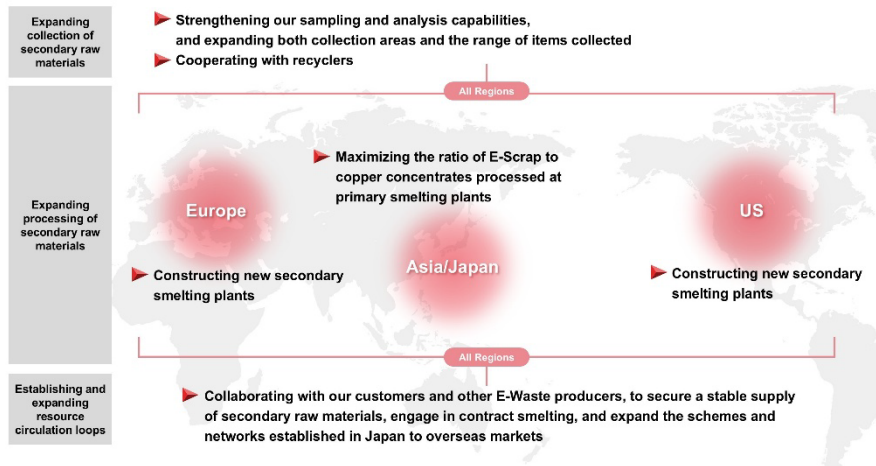
For copper-related resource circulation, we seek to achieve improved profitability by advancing the shift toward secondary smelting. Copper concentrate processing volumes are planned to be reduced to 60-70% of FYE March 2026 levels, while E-Scrap collection and processing are targeted to double by FYE March 2036. Resource circulation loops are being built and expanded to ensure traceability and secure a stable supply of recycled electrolytic copper and recycled copper and copper-alloy products.

For global expansion, efforts include strengthening sampling and analysis technologies and promoting collaboration with recyclers to enhance collection capabilities. In Japan, investments are underway to expand E-Scrap processing capacity and accelerate technological development in order to maximize the ratio of E-Scrap processing relative to copper concentrate processing. In Europe, Mitsubishi Materials Europe B.V. is considering the establishment of a new secondary smelting plant, and in the United States, the Exurban Project is progressing toward the construction of a new secondary smelting plant. In addition, resource circulation schemes and networks established in Japan are being extended to overseas markets to build robust global resource circulation loops.

Improving Profitability by Transitioning to Secondary Smelting



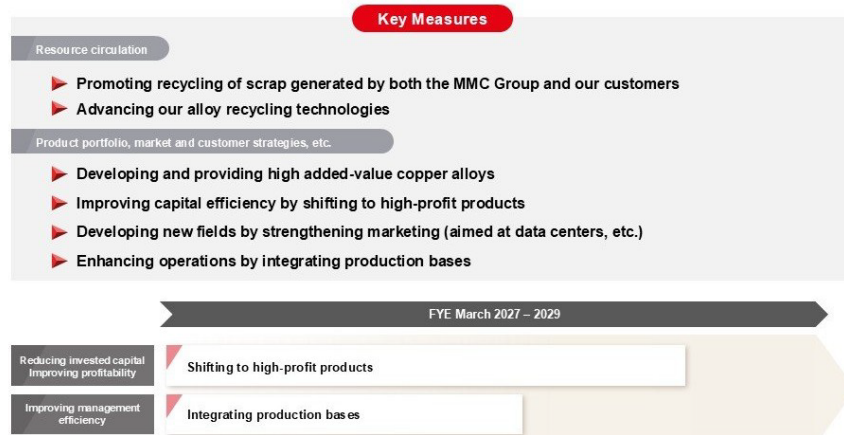
Global Business Expansion



• Materials Business Area (Copper & Copper Alloy Products Business)

We play an important role by building touch points with customers within the resource circulation loop. Efforts are directed toward promoting the recycling of customer-generated scrap and advancing alloy recycling technologies. In addition, we are developing high value-added copper alloys and exploring new fields such as data centers.

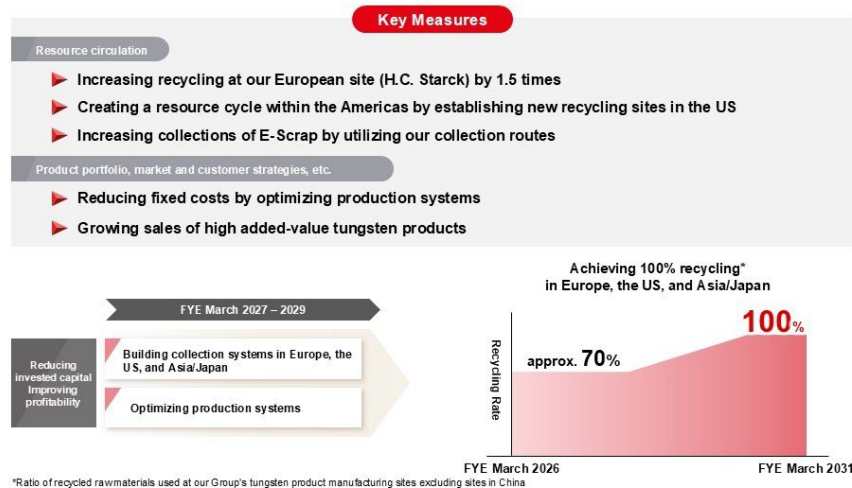
Building Customer Touch Points within the Resource Circulation Loop and Providing High Added-value Products



• Materials Business Area (Tungsten Business)

We are working towards making the capital expenditures required to increase recycling capacity at H.C. Starck Holdings (Germany) GmbH by 1.5 times, and considering the establishment of new recycling bases in the United States. Regarding collections, we will leverage our E-Scrap collection routes and strengthen collection of used carbide products through our Metalworking Solutions business. We are also aiming to achieve a 100% recycling rate at our tungsten product manufacturing sites in Europe, the United States, Asia, and Japan by FYE March 2031. In addition, plans include expanding sales of high-value tungsten products, such as tungsten powders for electronic components, and ensuring a stable supply for carbide products.

Building Global Recycling Capabilities for Tungsten

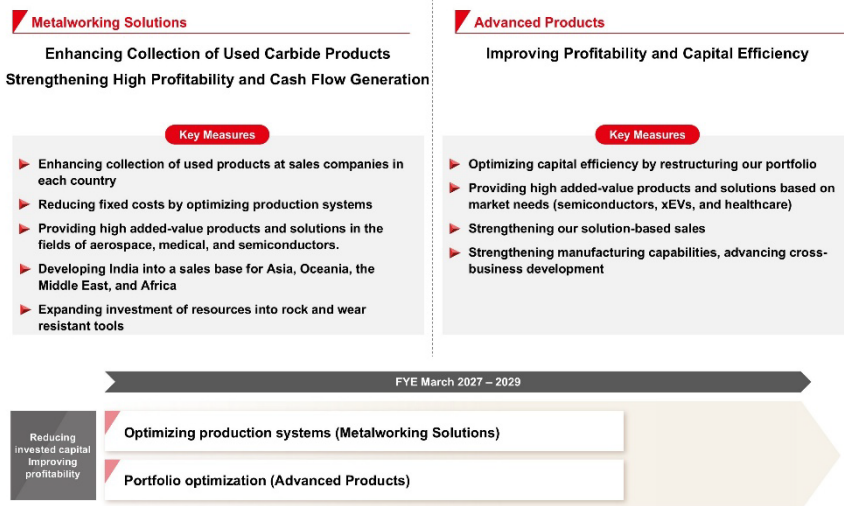


• Products Business Area (Metalworking Solutions Business)

To promote tungsten resource circulation, we will strengthen our collection of used products at sales companies in each country. As part of our fundamental structural reforms, we are reducing fixed costs by optimizing our production systems. On the sales side, we will advance the provision of higher added-value products and solutions to the aerospace, medical, and semiconductor sectors. From a regional perspective, we will promote sales expansion using India as a strategic hub.

• Products Business Area (Advanced Products Business)

We will optimize capital efficiency through portfolio restructuring. We aim to enhance profitability and efficiency by providing high added-value products and solutions in the semiconductor, xEV, and healthcare fields, and by promoting cross-business development.

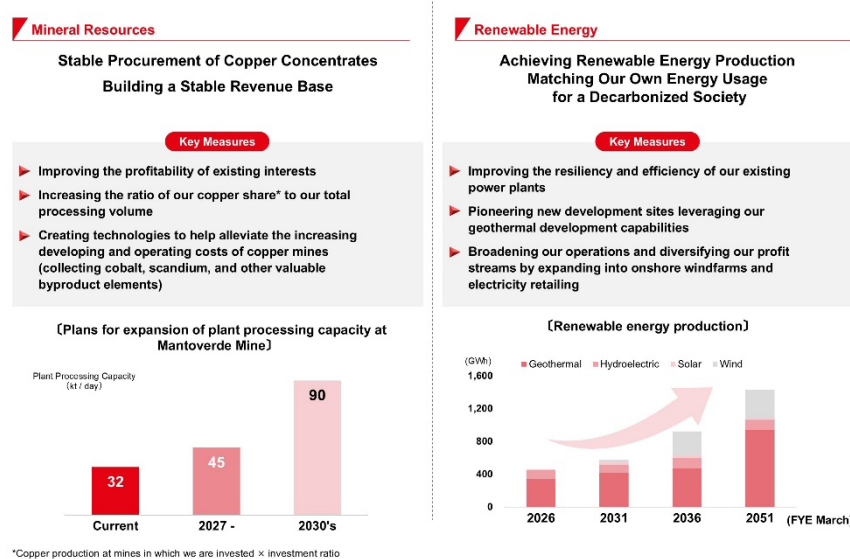


• Mineral Resources Business:

In our Mineral Resources business, priority is placed on securing the stable procurement of copper concentrates and enhancing the profitability of existing interests. At the Mantoverde Copper Mine, plans are underway to expand plant processing capacity, and we are increasing the ratio of our copper share relative to our total copper concentrate processing volume, in an attempt to mitigate the impact of low TC/RC on profitability. In addition, technology development is being advanced for the recovery of valuable by-products such as cobalt and scandium.

• Renewable Energy Business:

In our Renewable Energy business, a long-term goal has been set to generate renewable energy equivalent to our own energy use, contributing to the realization of a decarbonized society. Development of new sites is being advanced with a particular focus on geothermal energy.



• Strengthening Our Management Foundation

Human Resources Strategies:

We will achieve strategic recruitment, development, and deployment of talent in order to support the global expansion of our Resource Circulation business. In the course of advancing our fundamental structural reforms, initiatives focus on fostering individuals capable of driving transformation to enhance productivity and capital efficiency, while building a foundation for co-creation and growth across the Group.

R&D Strategies:

We are pursuing the creation of new businesses and technologies in the fields of the circular economy and GHG reduction.

Production Engineering Strategies:

We are enhancing our manufacturing and engineering capabilities in order to increase our competitiveness and support continuous innovation.

Digital Strategies:

We are enhancing our global standard IT infrastructure, strengthening security, and accelerating our utilization of AI to contribute to the growth of our Resource Circulation business.

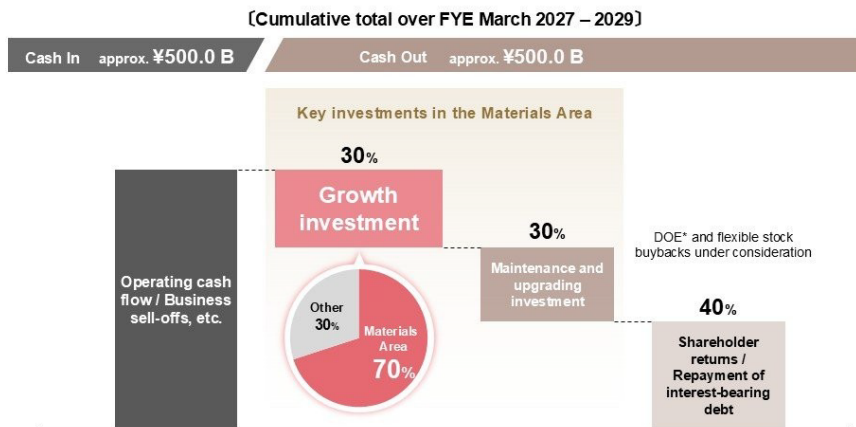
v) Capital Allocation

We anticipate cumulative cash inflows of approximately ¥500 billion for the period from FYE March 2027 through FYE March 2029. While maintaining financial discipline, we will prioritize growth investments, primarily in the Materials Business Area of our Resource Circulation business, such as secondary smelting.

With respect to shareholder returns, it is our policy to prioritize ongoing stable dividends, and to make dividend payments with a target dividend on equity (DOE) of approximately 2.5%.

In addition, we will consider flexible acquisitions of treasury shares, taking into account cash flow conditions, share price levels, and financial discipline.

Prioritizing Growth Investment while Maintaining Financial Discipline



*We are in the process of considering shifting to a DOE (Dividend on Equity Ratio)-based model, with a focus on continuing steady dividends.

(For Reference) Policy on Shareholder Returns During the Period of the Medium-term Management Strategy (FYE March 2027-2029)

We are currently implementing fundamental structural reforms to enhance the profitability of our businesses in accordance with the Medium-term Management Strategy (FYE March 2027-2029). Specifically, we are undertaking initiatives such as scaling back our copper concentrate processing and shifting to secondary smelting, optimizing our production systems and business portfolio, and building collection systems for recycled raw materials, primarily in Europe, the United States, and Asia. We are in a management phase in which, through these initiatives, we are focused on reducing invested capital, improving profitability, and improving our financial position, while prioritizing investments aimed at future growth.

In accordance with our Articles of Incorporation, we distribute dividends from retained earnings based on resolutions of the Board of Directors. Furthermore, recognizing that shareholder returns constitutes one of our most important management objectives, we have adopted a policy of determining profit distribution based on a comprehensive consideration of various factors relating to overall management, including our earnings for the period, internal reserves, and financial position.

Accordingly, with respect to profit distribution during period covered by the Medium-term Management Strategy (FYE March 2027-2029), we have adopted a policy of prioritizing ongoing stable dividends, and providing shareholder returns with a target dividend on equity (DOE) of approximately 2.5%. In addition, we will continue to consider flexible acquisitions of treasury shares, taking into account cash flow conditions, share price levels, and financial discipline.

Material Issues (Materialities)

Based on the recognition that the sustainability of society as a whole will have a significant impact on the future of our corporate activities, the Group identifies as material issues those of high priority among the important social issues that we aim to resolve through our corporate activities. In addition, we continuously review these material issues and other matters in order to ensure that we can appropriately identify and respond to changes in the business environment and other factors in a timely and appropriate manner.

Under the Medium-term Management Strategy launched in FYE March 2027, the Group has adopted the basic policy of “becoming a company committed to creating the future through resource circulation.” Through our Resource Circulation business, we aim to maximize the use of limited resources while transforming waste into new value, thereby achieving both the reduction of environmental impacts and the creation of economic value. In reviewing the material issues in parallel with the formulation of the Medium-term Management Strategy, the Group conducted an evaluation from both the perspective of the impact of our business activities on the environment and society (impact materiality), and the financial impact of environmental and social issues on the Group (financial materiality). Furthermore, by aligning the results of this evaluation with the direction of our business strategy, we made comprehensive determinations of materiality while placing emphasis on balancing our responses to social issues with the enhancement of corporate value.

●Promotion of Resource Circulation

Recognizing that our Resource Circulation business is currently in its implementation phase as a core business, we have revised some of our key themes to better align with specific business activities. Specifically, we have established “Expansion of secondary smelting (global expansion)” and “Improving our tungsten recycling rate” to clarify the core initiatives of our Resource Circulation business.

●Enhancement of Human Capital

We have shifted our focus from a problem-solving approach, in which we attempted to address issues such as labor shortages and improving worker experiences, to viewing human capital as a source of competitiveness and value creation, and redefined our key themes as “Strategic recruitment, development, and deployment of talent,” “Transformation to enhance productivity and capital efficiency,” and “Building a foundation for co-creation and growth.” We have also

reorganized our human resources initiatives from the perspective of supporting business transformation and growth.

●Providing High Added-value Products and Solutions / Strengthening R&D and Production Engineering Capabilities

We have reorganized the items previously covered comprehensively under the pre-review materiality “Pursuit of value creation.” Elements related to the value provided to customers and the creation of revenue opportunities have been categorized as “Providing high added-value products and solutions.” Concurrently, elements related to the foundational technologies and new technologies that support these have been consolidated under “Strengthening of development and production capabilities,” clarifying the relationship between these initiatives.

●Strengthening Digital Strategies

We have reorganized “Deepening of DX” and “Strengthening information security,” which were previously set as separate initiatives. We have also established “Business model transformation through the use of AI and digital tools” and “Strengthening IT/OT security and resilience” as key themes, respectively, and we are advancing our initiatives accordingly.

Our materialities and key themes at the time of preparation of this report are as follows.

Materiality	Key themes
Promotion of resource circulation	Expansion of secondary smelting (global expansion)
	Improving our tungsten recycling rate
Enhancement of human capital	Strategic recruitment, development, and deployment of talent
	Transformation to enhance productivity and capital efficiency
	Building a foundation for co-creation and growth
Strengthening measures to address global environmental issues	Strengthening initiatives to achieve carbon neutrality
	Developing and promoting the use of renewable energy
Providing high added-value products and solutions	Creating new materials
	Strengthening marketing and sales capabilities
Strengthening R&D and production engineering capabilities	Strengthening foundational technological capabilities
	Creating new businesses and technologies
	Enhancing manufacturing and engineering capabilities
Strengthening digital strategies	Business model transformation through AI and digital technologies
	Strengthening IT/OT security and resilience
Strengthening response to SCQ (*) issues	Prevention of occupational accidents
	Responding to pandemics and natural disasters
	Reinforcing compliance
	Enhancing internal control through group governance
	Preventing off-site leakage of hazardous substances and eliminating violations of environmental laws
	Establishing and implementing a system to prevent substandard products

* Safety & health (Safety & health come first), Compliance & environment (Compliance & environment to ensure fair activities), Quality (Quality of products and services provided to our “customers”)

The Group intends to promote value creation through the implementation of the above measures by concentrating our collective strength, and we hope to receive continued support and cooperation from our shareholders.

(6) Major Business Activities of the Group (as of March 31, 2026)

The Group is mainly engaged in the smelting and sales of copper, gold, silver, lead, tin, palladium, etc., environmental recycling, etc., the manufacturing and sales of copper and copper alloy products, electronic materials and components, etc., the manufacturing and sales of cemented carbide products, etc., and businesses related to renewable energy. The major products and services of each business segment are as follows:

Business Segments ^{*Note}	Major Products, etc.
Metals	Copper, gold, silver, lead, tin, sulfuric acid, palladium, home appliance recycling, etc.
Advanced Products	Copper & copper alloy products (copper cakes and billets, copper and copper alloy products, copper wire rods, etc.), electronic materials and components (functional materials, chemical products, electronic devices, sealing products, etc.), etc.
Metalworking Solutions	Cemented carbide products (cemented carbide tools, cemented carbide alloys, etc.), etc.
Renewable Energy	Geothermal, hydroelectric, and solar power generation
Other	Cement business, real estate management, forestry, engineering, etc.

Note: Due to the organizational changes effective April 1, 2026, there have been some changes to the products, etc., handled by the various segments.

(7) The Group's Major Plants and Business Offices (as of March 31, 2026)

1) The Company

Head Office	Marunouchi, 3-2-3, Chiyoda-ku, Tokyo	
Plants, etc. ^{*Note 1}	Metals	Naoshima Smelter & Refinery (Kagawa), Ikuno Plant (Hyogo)
	Advanced Products	Wakamatsu Plant (Fukushima), Ceramics Plant (Saitama), Sakai Plant (Osaka) ^{*Note 2} , Sambo Plant (Osaka) ^{*Note 2} , Sanda Plant (Hyogo)
	Metalworking Solutions	Tsukuba Plant (Ibaraki), Gifu Plant, Akashi Plant (Hyogo)
	Other	Akita Refinery, Saitama Property Management Office, Fuji-Oyama Plant (Shizuoka)
Branches	—	
R&D Centers	Innovation Center (Ibaraki)	
Overseas Offices	Vancouver Office (Canada), London Office (United Kingdom)	

Note 1: Due to the organizational changes effective April 1, 2026, there have been some changes to the products, etc., handled by the various segments.

Note 2: Due to the organizational changes effective April 1, 2026, the Sakai Plant and Sambo Plant have integrated and been renamed the Osaka Plant.

2) Main Subsidiaries

Business Segments	Company Name ^{*Note 1}
Metals ^{*Note 2}	Onahama Smelting & Refining Co., Ltd. (Fukushima) ^{*Note 3} , Hosokura Metal Mining Co., Ltd. (Miyagi), Material Eco Recycle Co., Ltd. (Kagawa)
Advanced Products	Sambo Metals Corp. (Osaka), Mitsubishi Cable Industries Co., Ltd. (Tokyo), Mitsubishi Materials Electronic Chemicals Co., Ltd. (Akita), Luvata Oy (Finland)
Metalworking Solutions	H.C. Starck Holding GmbH (Germany) ^{*Note 4} , Japan New Metals Co., Ltd. (Osaka), Mitsubishi Materials U.S.A. Corporation (U.S.), Mitsubishi Materials Tools Europe GmbH (Germany), MOLDINO Tool Engineering Ltd. (Tokyo)
Renewable Energy	Appi Geothermal Energy Corporation (Iwate), Hachimantai Green Energy Co., Ltd. (Akita)
Other	Mitsubishi Materials IT Solutions Co., Ltd. (Saitama), Mitsubishi Materials Chile SpA (Chile), Mitsubishi Materials Techno Corporation (Tokyo), Mitsubishi Materials Trading Corporation (Tokyo) ^{*Note 5} , Mitsubishi Materials Europe B.V. (The Netherlands)

Note 1: Locations in parentheses after "Company Name" in the table indicate the location of headquarters for domestic subsidiaries and the country of headquarters for overseas subsidiaries.

Note 2: As of April 1, 2025, the business of Materials Eco-Refining Co., Ltd. was transferred to Mitsubishi Materials Trading Corporation and two other companies through an absorption-type split.

Note 3: As of April 1, 2025, Onahama Smelting & Refining Co., Ltd. has taken over certain operations of Materials Eco-Refining Co., Ltd. through an absorption-type split.

Note 4: As of September 4, 2025, MMC Hardmetal Europe Holdings GmbH merged with MMC Hartmetall GmbH and changed its name to Mitsubishi Materials Tools Europe GmbH.

Note 5: As of April 1, 2025, Mitsubishi Materials Trading Corporation has taken over certain operations of Materials Eco-Refining Co., Ltd. through an absorption-type split.

(8) Employees of the Group and the Company (as of March 31, 2026)**1) Employees of the Group (Consolidated)**

Business Segments	Number of Employees (persons) ^{*Note 1,2}
Metals	1,999 (decreased by 91)
Advanced Products	5,975 (decreased by 350)
Metalworking Solutions	6,973 (decreased by 296)
Renewable Energy	102 (decreased by 11)
Other	1,740 (increased by 3)
All Companies (Common) ^{*Note 3}	802 (decreased by 116)
Total	17,591 (decreased by 861)

Note 1: The figures within parentheses in the “Number of Employees” section of the table show the increase or decrease from the end of the previous fiscal year.

Note 2: The number of employees for the current fiscal year has decreased due to factors such as normal personnel fluctuations, as well as the early implementation of a voluntary retirement program as part of the fundamental structural reforms carried out in accordance with our Medium-term Management Strategy.

Note 3: The number of employees listed under All Companies (Common) refers to those belonging to administrative divisions that cannot be classified into specific business segments.

2) Employees of the Company (Non-consolidated)

Number of Employees (persons)	YoY Change (persons)	Average Age (years old)	Average Years of Employment (years)
5,084	Decreased by 231	43.0	19.0

(9) Major Subsidiaries and Affiliates (as of March 31, 2026)**1) Major Subsidiaries**

Company Name	Capital	Percentage of Ownership (including indirect ownership) (%)	Main Business Activities
Appi Geothermal Energy Corporation	¥100 million	51.0	Operation for geothermal power generation
H.C. Starck Holding (Germany) GmbH	€25 thousand	100.0	Manufacture and sales of tungsten products
Onahama Smelting & Refining Co., Ltd. ^{*Note 2}	¥6,999 million	100.0	Smelting on consignment of copper concentrate
Mitsubishi Materials U.S.A. Corporation	\$7 million ^{*Note 1}	100.0	Sales of cemented carbide tools
Mitsubishi Cable Industries, Ltd.	¥8,000 million	100.0	Production and sale of sealing products
Mitsubishi Materials Chile SpA	\$289 million	100.0	Management and operations of mining investment projects, sales and marketing activities
Mitsubishi Materials Tools Europe GmbH ^{*Note 3}	€8 million ^{*Note 1}	100.0	Sales of cemented carbide tools
Mitsubishi Materials Techno Corporation	¥1,042 million	100.0	Contracting for facility construction, civil engineering and construction, production and sale of industrial machinery
Mitsubishi Materials Trading Corporation ^{*Note 4}	¥393 million	100.0	Sale of the Company’s products and other non-ferrous metal products
Mitsubishi Materials Europe B.V.	\$47 million ^{*Note 1}	100.0	Recycling design business, resources business, tungsten business

MOLDINO Tool Engineering, Ltd.	¥1,455 million	100.0	Production and sales of cemented carbide tools
Luvata Oy	€230 million *Note 1	100.0	Production and sales of copper and fabricated products

Note 1: Paid-in capital is shown.

Note 2: As of April 1, 2025, Onahama Smelting & Refining Co., Ltd. has taken over certain operations of Materials Eco-Refining Co., Ltd. through an absorption-type split.

Note 3: As of September 4, 2025, MMC Hardmetal Europe Holdings GmbH merged with MMC Hartmetall GmbH and changed its name to Mitsubishi Materials Tools Europe GmbH.

Note 4: As of April 1, 2025, Onahama Smelting & Refining Co., Ltd. has taken over certain operations of Materials Eco-Refining Co., Ltd. through an absorption-type split.

2) Major Affiliates

Name of the Company	Capital	Percentage of Ownership (including indirect ownership) (%)	Main Business Activities
PT. Smelting	\$579 million *Note 1	34.0	Smelting of copper concentrate on consignment in Indonesia
LM Sun Power Co., Ltd.	¥495 million	50.0	Operation of solar power generation
Elemental USA E-Waste & ITAD, Inc.	\$37 million	19.0	E-Waste recycling business in the United States
Green Cycle Corporation	¥350 million	16.4	Recycling of home appliances and other products
Mantoverde S.A.	\$518 million *Note 2	30.0	Operation of the Mantoverde Copper Mine
Yuzawa Geothermal Power Generation Corporation	¥3,802 million	30.0	Operation of geothermal power generation
Mitsubishi UBE Cement Corporation	¥50,250 million	50.0	Cement business and ready-mixed concrete business, etc.

Note 1: Paid-in capital is shown.

(10) The Group's Major Lenders (as of March 31, 2026)

Lender	Borrowing Amount (Millions of yen)	Company Shares held by the Lender	
		Number of Shares Held (Thousand shares)	Percentage of Shareholding (%) *Note
MUFG Bank, Ltd.	87,201	—	—
Mizuho Bank, Ltd.	63,149	—	—
The Norinchukin Bank	42,595	—	—
Hachijuni Nagano Bank, Ltd.	28,901	—	—
Development Bank of Japan Inc.	13,621	—	—

Note: Percentages of shareholding were calculated after deducting treasury shares (646,400 shares).

2. Matters Related to Shares (as of March 31, 2026)

(1) Total number of authorized shares: 340,000,000 (No change from the previous fiscal year-end)

(2) Total number of issued shares: 131,489,535 (No change from the previous fiscal year-end)

(3) Number of shareholders: 148,334 (Up 9,777 from the previous fiscal year-end)

* This includes 97,158 shareholders holding one unit or more (Up 116 from the previous fiscal year-end).

(4) Major Shareholders

Name of shareholder	Number of shares held (Thousand shares)	Percentage of shareholding (%) *Note
The Master Trust Bank of Japan, Ltd. (Trust account)	20,424	15.6
Custody Bank of Japan, Ltd. (Trust account)	7,563	5.8
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	5,632	4.3
NORTHERN TRUST CO.(AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS	4,180	3.2
STATE STREET BANK AND TRUST COMPANY 505223	3,500	2.7
STATE STREET BANK AND TRUST COMPANY 505001	3,412	2.6
Meiji Yasuda Life Insurance Company	3,101	2.4
NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS	2,531	1.9
JP MORGAN CHASE BANK 385781	1,908	1.5
DFA INTL SMALL CAP VALUE PORTFOLIO	1,758	1.3

Note: Percentages of shareholding were calculated after deducting treasury shares (646,400 shares).

(5) Status of shares issued to the Company's Officers during the fiscal year under review as compensation for the execution of their duties

	Type and number of shares *Note 1	Number of grantees *Note 2
Executive Officers	The Company's common stock 19,055 shares	1

Note 1: The Company adopts a system called the Board Incentive Plan (BIP) trust for officer remuneration. Under this system, points are accumulated during the trust period in accordance with the Executive Officer's position in each fiscal year, and shares of the Company's common stock equivalent to 70% of the accumulated points (rounding down for shares less than one unit) and cash equivalent to the proceeds from the sale of the Company's common stock corresponding to the remaining accumulated points are delivered and paid as Executive Officer's remuneration after the Executive Officer's retirement. The number of shares shown in the above table also includes shares that were delivered in cash following such conversion.

Note 2: The "Number of grantees" indicates the number of persons who retired as Executive Officers by the end of the previous fiscal year and who received share grants during the current fiscal year by satisfying the conditions for share grants.

3. Information on the Company's Executives

(1) Directors and Executive Officers

(i) Directors (as of March 31, 2026)

Title	Name	Responsibility	Significant Positions at Other Organizations
Director, Chair of the Board	Naoki Ono	Member of the Audit Committee *Note 3	Outside Director, Yamaha Motor Co., Ltd. *Note 4
Director	Tatsuo Wakabayashi *Note 1,2	Member of the Nomination Committee (Chair) Member of the Remuneration Committee	Senior Advisor, Mitsubishi UFJ Trust and Banking Corporation *Note 5 Outside Director, Mitsubishi Logistics Corporation *Note 6
Director	Koji Igarashi *Note 1,2	Member of the Nomination Committee Member of the Remuneration Committee (Chair)	
Director	Kazuhiko Takeda *Note 1,2,7	Member of the Nomination Committee Member of the Audit Committee (Chair)	Outside Director, Sojitz Corporation
Director	Rikako Beppu *Note 1,2	Member of the Nomination Committee Member of the Remuneration Committee	Counsel, Squire Patton Boggs, Tokyo (Foreign Law Joint Enterprise) *Note 9 Audit & Supervisory Board Member (Outside), Toyota Tsusho Corporation *Note 10
Director	Hatsunori Kiriya *Note 1,2	Member of the Audit Committee *Note 3 Member of the Sustainability Committee	Representative Director and CEO, forGL. Co., Ltd. *Note 11 Outside Director, Calbee, Inc. *Note 12
Director	Nozomi Sagara *Note 1,2	Member of the Audit Committee *Note 3 Member of the Sustainability Committee (Chair)	
Director	Ichiro Sasaki *Note 1,2	Member of the Sustainability Committee	Advisor, Brother Industries, Ltd. *Note 13 Outside Director, Rigaku Holdings Corporation *Note 14
Director	Tetsuya Tanaka *Note 15		
Director	Kayo Hirano *Note 15		

Note 1: Directors Tatsuo Wakabayashi, Koji Igarashi, Kazuhiko Takeda, Rikako Beppu, Hatsunori Kiriya, Nozomi Sagara, and Ichiro Sasaki are Outside Directors as defined in Article 2, Paragraph 15 of the Companies Act.

Note 2: The Company has notified Tokyo Stock Exchange that Directors Tatsuo Wakabayashi, Koji Igarashi, Kazuhiko Takeda, Rikako Beppu, Hatsunori Kiriya, Nozomi Sagara, and Ichiro Sasaki are Independent Directors (Outside Directors who are not likely to cause conflicts of interest with general shareholders), in accordance with the regulations of Tokyo Stock Exchange, Inc.

Note 3: The Company has established the Audit Committee Office as an organization to support the duties of the Audit Committee. Furthermore, the Company has implemented a system to ensure the effectiveness of the Audit Committee's oversight, including reporting the results of audits conducted by the internal audit department and external auditors, as well as the status of improvements, to the Audit Committee. For these reasons, the Company does not appoint full-time members to the Audit Committee.

Note 4: The Company has a business relationship with Yamaha Motor Co., Ltd., including the sale of products, but the transaction amount is less than 1% of the respective consolidated net sales of the Company and Yamaha Motor Co., Ltd.

Note 5: The Company has a business relationship with Mitsubishi UFJ Trust and Banking Corporation, concerning stock transfer agency services, etc., but the amount of such transactions is less than 1% of the respective consolidated net sales of the Company and Mitsubishi UFJ Trust and Banking Corporation. Moreover, the Company has no borrower-lender relationship with Mitsubishi UFJ Trust and Banking Corporation.

Note 6: The Company has a business relationship with Mitsubishi Logistics Corporation, including consignment of transportation, etc. However, the transaction amount is less than 1% of the respective consolidated net sales of the Company and Mitsubishi Logistics Corporation.

Note 7: Kazuhiko Takeda, Chair of the Audit Committee, has experience as a Chief Financial Officer (CFO) in a major subsidiary of a listed company and possesses considerable expertise in finance and accounting.

Note 8: The Company has a business relationship with Sojitz Corporation, including the sale of products, but the transaction amount is less than 1% of the respective consolidated net sales of the Company and Sojitz Corporation.

Note 9: The Company does not have a business relationship with Squire Patton Boggs Tokyo (Foreign Law Joint Enterprise).

Note 10: The Company has a business relationship with Toyota Tsusho Corporation, including the sale of products, but the transaction amount is less than 3% of the consolidated net sales of the Company and less than 1% of the Toyota Tsusho Corporation's consolidated net sales.

Note 11: The Company does not have a business relationship with forGL. Co., Ltd.

Note 12: The Company does not have a business relationship with Calbee, Inc.

Note 13: The Company has a business relationship with Brother Industries, Ltd., including advertising and promotions, but the transaction amount is less than 1% of the respective consolidated net sales of the Company and Brother Industries, Ltd.

Note 14: The Company does not have a business relationship with Rigaku Holdings Corporation. The Company has a business relationship, including the purchase of products, with Rigaku Corporation, which is a specified subsidiary of Rigaku Holdings Corporation. However, the transaction amount is less than 1% of the respective consolidated net sales of the Company and Rigaku Corporation.

Note 15: Directors Tetsuya Tanaka and Kayo Hirano concurrently serve as Executive Officers.

(ii) Executive Officers (as of March 31, 2026)

Title	Name	Responsibility	Significant Positions at Other Organizations
Executive Officer and President (Representative Executive Officer)	Tetsuya Tanaka *Note 1,2,3	CEO *Note 3 Responsible for General Operation of the Company, Internal Audit, Management Strategy, Sustainability Promotion *Note 4, Mitsubishi Materials Europe B.V.	
Managing Executive Officer	Kayo Hirano *Note 1	CFO *Note 5 Responsibilities of the CFO *Note 6, Responsible for Procurement & Logistics	
Managing Executive Officer	Makiko Nogawa	CHRO *Note 7 Responsibilities of the CHRO *Note 8, Responsible for General Affairs, Corporate Communications, Legal & Compliance, Business Transformation	
Managing Executive Officer	Toshinori Ishii *Note 2	CTO *Note 9 Responsibilities of the CTO *Note 10, Responsible for Renewable Energy Business	
Managing Executive Officer (Representative Executive Officer)	Nobuhiro Takayanagi *Note 2	President, Metals Company	
Managing Executive Officer	Zhang Shoubin	President, Advanced Products Company	
Managing Executive Officer	Kazuo Ohara *Note 2	President, Metalworking Solutions Company	

Note 1: Executive Officers Tetsuya Tanaka and Kayo Hirano concurrently serve as Directors.

Note 2: Managing Executive Officers Toshinori Ishii, Nobuhiro Takayanagi and Kazuo Ohara retired as Managing Executive Officers on March 31, 2026.

Note 3: CEO is an abbreviation for Chief Executive Officer.

Note 4: Sustainability Promotion: Sustainability Management (including Safety, Environment & Quality, Sustainable Development, Environmental Stewardship Center).

Note 5: CFO is an abbreviation for Chief Financial Officer.

Note 6: Responsibilities of the CFO: Accounting, Finance, Financial Controlling, Investor Relations.

Note 7: CHRO is an abbreviation for Chief Human Resources Officer.

Note 8: Responsibilities of the CHRO: Global Human Resources, Human Resources & Industrial Relations.

Note 9: CTO is an abbreviation for Chief Technical Officer.

Note 10: Responsibilities of the CTO: Monozukuri and R&D Strategy, DX Promotion, System Strategy.

As of April 1, 2026, the following Executive Officers have been given new titles or responsibilities as shown below.

Title	Name	Responsibility	Significant Positions at Other Organizations
Executive Officer and President (Representative Executive Officer)	Tetsuya Tanaka	CEO Responsible for General Operation of the Company, Internal Audit, Management Strategy	
Managing Executive Officer (Representative Executive Officer)	Kayo Hirano	CFO Responsibilities of the CFO ^{*Note 1} , Responsible for Procurement, Resources Business	
Managing Executive Officer	Makiko Nogawa	CHRO Responsibilities of the CHRO ^{*Note 2} , Responsible for Legal & General Affairs, Corporate Communications, Business Transformation	
Managing Executive Officer [Newly appointed]	Miki Adachi	CTO Responsibilities of the CTO ^{*Note 3} , Sustainability and SCQ Promotion ^{*Note 4} , Responsible for Renewable Energy Business	
Managing Executive Officer [Newly appointed]	Tatsuya Inoue	Responsible for Materials Business Area ^{*Note 5}	
Managing Executive Officer	Zhang Shoubin	Responsible for Products Business Area ^{*Note 6}	

Note 1: Responsibilities of the CFO: Accounting, Finance, Financial Controlling, Investor Relations

Note 2: Responsibilities of the CHRO: Global Human Resources, Human Resources & Industrial Relations, HR Business Partner

Note 3: Responsibilities of the CTO: Digital Strategy, Production Technology, Development Strategy, Intellectual Property

Note 4: Sustainability and SCQ Promotion: Promotion of compliance, risk management, safety, environment, and quality

Note 5: Materials Business Area: Metals Business, Resources Circulation Business, Copper & Copper Alloy Products Business, Tungsten Business

Note 6: Products Business Area: Metalworking Solutions Business, Advanced Products Business

(2) Outline of the Content of Limited Liability Agreements

The provisions of the Articles of Incorporation allow the Company to execute with Directors (excluding those who are Executive Directors, etc.) agreements limiting liability for damages in accordance with Article 427, Paragraph 1 of the Companies Act. In accordance with these provisions, the Company has concluded limited liability agreements with all of the Non-Executive Directors. An outline of the agreements is as follows:

With respect to liability as described in Article 423, Paragraph 1 of the Companies Act, if Directors (excluding those who are Executive Directors, etc.) perform their duties in good faith and without gross negligence, the Directors shall be liable to the Company for damages only to the extent of minimum liability as set out in Article 425, Paragraph 1 of the Companies Act. The Company shall indemnify the Directors for damages in excess of the amount of the liability.

(3) Summary of Contents of Directors' and Officers' Liability Insurance Policy, etc.

The Company has included Directors, Executive Officers, Corporate Auditors, and Operating Officers of the Company and its subsidiaries, with some exceptions, as insured parties under our Directors' and Officers' Liability Insurance Policy with an insurance company as provided in Article 430-3, Paragraph 1 of the Companies Act, and the premiums are fully borne by the Company and the subsidiaries.

The insurance policy covers damages and litigation expenses that may arise from the insured being held liable for the performance of their duties or from claims related to the pursuit of such liability. However, the policy does not cover damages resulting from the insured's criminal acts or willful violations of laws and regulations, nor does it cover damages that fall under any of the

exclusions set forth in the insurance policy.

(4) Amount of Remuneration, etc. for Directors and Executive Officers

Classification of Officers	Total Amount of Remuneration, etc. (Millions of yen)	Type of Remuneration, etc.					
		Monetary Remuneration				Non-monetary Remuneration	
		Basic Remuneration ^{*Note 2}		Bonus ^{*Note 4} (Performance-linked Remuneration)		Stock-based Compensation ^{*Note 5}	
		Total Amount (Millions of yen)	Number of Eligible Recipients (Number of Persons) ^{*Note 3}	Total Amount (Millions of yen)	Number of Eligible Recipients (Number of Persons)	Total Amount (Millions of yen)	Number of Eligible Recipients (Number of Persons)
Directors ^{*Note 1} (Outside Directors)	167 (124)	167 (124)	11 (8)	—	—	—	—
Executive Officers ^{*Note 1}	331	250	7	—	—	81	7

Note 1: The total amount of remuneration, etc. paid to those who concurrently serve as Directors and Executive Officers and the number of persons covered by such remuneration, etc. are shown in the column for Executive Officers.

Note 2: The amount of fixed compensation for directors includes the allowance paid to the director serving as Chair of the Board of Directors, as well as the chair's allowance paid to outside directors serving as chairs of the Nomination Committee, Audit Committee, Remuneration Committee, and Sustainability Committees. Furthermore, the amount of fixed compensation for Directors reflects compensation paid in consideration for the performance of their duties as Directors and does not include compensation paid for duties assigned separately from their roles as Directors.

Note 3: As of the end of FYE March 2026, the Company has ten (10) Directors and seven (7) Executive Officers. The number of Directors mentioned above includes three (3) Directors (including one (1) Outside Directors) who retired during the current fiscal year.

Note 4: During the current fiscal year (June 2025), a total of ¥79 million in bonuses was paid to the eight (8) Executive Officers who were in office at the end of the previous fiscal year, based on the performance evaluation and non-financial evaluation covering the previous fiscal year. The calculation method, performance indicators used, and actual performance of performance-linked remuneration for the previous fiscal year are as described below in "Calculation Method and Performance Indicators Used in Calculating Performance-Linked Remuneration for the Previous Fiscal Year and Actual Results." The performance-linked remuneration for the period covered by the current fiscal year is scheduled to be paid in June 2026 in accordance with "(5) Policy etc. on Determining of Remuneration for Officers" below. However, the total amount and the number of eligible individuals have not yet been finalized at the time of preparing this report.

Note 5: The Company has introduced stock-based compensation based on a trust scheme, and the above amount of stock-based compensation represents the amount recorded as expenses for the fiscal year. An outline of the remuneration system for Directors and Executive Officers is as described in "(5) Policy etc. on Determining of Remuneration for Officers."

Calculation Method and Performance Indicators Used in Calculating Performance-Linked Remuneration for the Previous Fiscal Year, Actual Results

Bonuses (performance-linked remuneration) paid in the current fiscal year are calculated based on performance evaluation and non-financial evaluation covering the previous fiscal year. The calculation method and performance indicators used in the calculation and their actual results are as follows:

Method of calculation and performance indicators used in the calculation, actual results

The annual bonus shall be determined based on the consolidated operating profit, relative comparison of TSR (Total Shareholder Return; calculation method described below), and status of achievement of the non-financial target set for each Executive Officer, on a single-year basis. The specific evaluation items shall be as follows:

Evaluation Items

- (i) Consolidated operating profit (or, in the case of an Executive Officer in charge of business activities, operating earnings from the relevant business sector), based on which the earning capacity of the individual's main job is measured:

The evaluation of consolidated operating profit (evaluation coefficient) is multiplied by an adjustment factor based on the consolidated operating profit growth rate compared with other companies to enhance awareness of the need for growth greater than market growth (relative comparison with six domestic nonferrous metal companies and other companies chosen mainly from among similar-sized manufacturing companies in Japan)

- (ii) Relative comparison of TSR (relative comparison with six domestic nonferrous metal companies and other companies chosen mainly from among similar-sized manufacturing companies in Japan)
- (iii) Non-financial evaluation that evaluates the status of achievement of the targets set for each Executive Officer at the beginning of the term and other relevant factors with regard to efforts aimed at improving medium- to long-term corporate value, which is less likely to be represented in short-term performance, as well as efforts in line with the Sustainability Policy*

* Sustainability Policy Items

1. Build a Work Environment that Puts Safety and Health First
2. Respect Human Rights
3. Promote Diversity, Equity and Inclusion
4. Cultivate Mutual Prosperity with Stakeholders
5. Strengthen Corporate Governance and Risk Management
6. Engage in Fair Business Transactions and Responsible Sourcing
7. Ensure Stable Provision of Safe, Secure, and High Value Added Products
8. Proactive Engagement for the Global Environment

Calculation Formula

By deeming the amount payable for achievement of the target (Base Annual Bonus) as 100%, the amount for each individual shall be calculated using the following calculation formula:

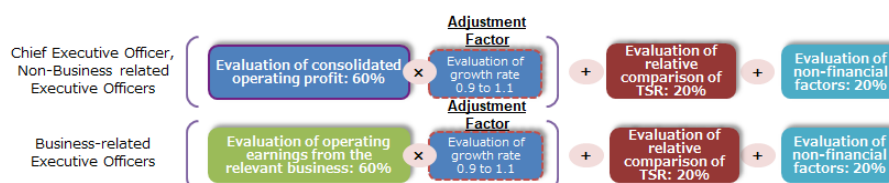
Annual Bonus = Base Annual Bonus by Job Position × Payment Rate Based on Performance Evaluation *

Evaluation *

* "Payment Rate Based on Performance Evaluation" shall range from 0% to approximately 200%, based on performance.

Evaluation Weight

The annual bonus amount shall be determined by evaluating the base annual bonus, which is based on the individual's job position, using the following weighting: 60% (adjusted based on comparison of the consolidated operating profit growth rate with other companies) for consolidated operating profit evaluation (or, in the case of an Executive Officer in charge of business activities, operating profit from the relevant business sector), 20% for relative TSR comparison, and 20% for non-financial performance.



Target of Performance Evaluation Indicators for Annual Bonus

With regard to the target of consolidated operating profit for the annual bonuses, in principle, the consolidated operating profit plan for the current fiscal year in the Medium-term Management Strategy shall be applied (for the operating profit of the business for which the Officer is responsible, the consolidated operating profit plan for said shall be used).

The following are the target and actual values of performance-linked indicators for bonuses paid in the current fiscal year:

Evaluation criteria		Target value	Actual value
Operating profit	Consolidated	¥55.0 billion	¥37.1 billion
	Metals Business	¥14.9 billion	¥23.1 billion
	Advanced Products Business	¥19.5 billion	¥5.6 billion
	Metalworking Solutions Business	¥21.2 billion	¥8.8 billion
Consolidated operating profit growth rate		–	(59.47%)
TSR (Total Shareholder Return)		–	94.3%

(5) Policy etc. on Determining of Remuneration for Officers

* The Company has partially revised the remuneration system for Directors, and since April 2025, the chair's allowance has been paid to Directors who serve as Chair of the Board of Directors. Furthermore, starting in June 2025, compensation for auditing activities and other duties have been paid to directors who perform specific auditing activities, such as serving as Chair of the Audit Committee, as compensation commensurate with the workload involved.

Remuneration System for Directors and Executive Officers

With the aim of creating an attractive remuneration system for outstanding management personnel who will drive improvements in the Group's corporate value from a medium- to long-term viewpoint, and establishing remuneration governance that will enable the Company to fulfill our accountability to stakeholders, including shareholders, the Company shall establish a policy on determining the remuneration for Directors and Executive Officers (hereinafter, "Officers") and a remuneration system as follows:

1. Policy on Determining Remuneration for Officers

- (1) A system shall be created that provides competitive standards for remuneration compared with companies of a business category and size similar to the Group.
- (2) The performance of the functions and duties assumed by each Officer and contributions to the improvement of medium- to long-term corporate value shall be evaluated in a fair and equitable manner, and the evaluation results shall be reflected in remuneration.
- (3) As for the remuneration for Executive Officers, in order to have remuneration function as a sound incentive to improve the Group's medium- to long-term corporate value, remuneration shall consist of basic remuneration, an annual bonus based on performance evaluations in each fiscal year, etc. and stock-based compensation, which is a medium- to long-term incentive linked to medium- to long-term performance and corporate value. The remuneration composition ratio shall be determined appropriately in accordance with the individual's job position. As for the remuneration for Directors (excluding those who concurrently hold the posts of Director and Executive Officer), in principle, only basic remuneration shall be paid in cash, in light of their function and role of supervising the performance of job duties by the Executive Officers. However, Directors who serve as Chairs of the Board of Directors and as Chairs of various Committee shall be paid an allowance in addition to their basic remuneration in consideration of their responsibilities. In addition, compensation for auditing activities will be provided to directors who perform specific auditing duties, such as serving as Chair of the Audit Committee, as compensation commensurate with the workload involved.
- (4) An annual bonus shall be determined with emphasis on the performance in each fiscal year, while appropriately evaluating the relative results of Total Shareholder Return (TSR)* and the status of each Executive Officer's implementation of medium- to long-term management strategies, etc.

$$* \text{TSR} = \frac{\text{Average closing price of the stock on each day in March of the current year} + \text{Total amount of dividends per share in the current fiscal year}}{\text{Average closing price of the stock on each day in March of the previous year}}$$

- (5) A medium- to long-term incentive shall be stock-based compensation that enables Officers to share awareness of the need for profits with shareholders in order to enhance corporate value from a medium- to long-term viewpoint.
- (6) The policies for determining remuneration and the amount of individual remuneration shall be deliberated on and determined by the Remuneration Committee, which shall be composed of a

majority of Independent Outside Directors.

- (7) Necessary information shall be disclosed actively so that stakeholders, including shareholders, can monitor the relationship between performance, etc. and remuneration.

2. Remuneration System for Officers

- (1) Directors (excluding those who concurrently hold the posts of Director and Executive Officer)

The remuneration system for Directors shall be, in principle, only basic remuneration paid in cash. However, Directors who serve as the Chairs of the Board of Directors and as Chairs of various Committees shall be paid an allowance in addition to their basic remuneration in consideration of their responsibilities. The amount shall be determined by taking into consideration and referring to the standards for remuneration of other companies based on the research of outside experts.

- (2) Executive Officers

The remuneration payable to Executive Officers shall consist of basic remuneration, which is fixed remuneration, and an annual bonus and stock-based compensation, which are performance-linked remuneration. The remuneration composition ratio shall be in line with “Basic remuneration/Annual bonus/Stock-based compensation = 1.0/0.6/0.4” (Note: In the case where the annual bonus payment rate is 100%) as to the Chief Executive Officer, and for other Executive Officers, the ratio of performance-linked remuneration to basic remuneration shall be set lower than that for the Chief Executive Officer.

Further, the standards for remuneration shall be determined by referring to the standards of peer companies (similar-sized companies determined by the Remuneration Committee) based on the research of outside experts.

Basic Remuneration

Basic remuneration shall be paid in cash as fixed remuneration in accordance with the individual’s job position.

Annual Bonus (Short-term Incentive Remuneration)

The annual bonus shall be determined based on consolidated operating profit, relative comparison of TSR, and status of achievement of the non-financial target set for each Executive Officer, on a single-year basis.

The specific evaluation items shall be as follows:

Evaluation Items

- (i) Consolidated operating profit (or, in the case of an Executive Officer in charge of business activities, operating profit from the relevant business sector), based on which the earning capacity of the individual’s main job is measured: to be multiplied by an adjustment factor based on the consolidated operating profit evaluation (evaluation factor) compared with other companies to enhance awareness of the need for growth greater than market growth (relative comparison with six nonferrous metal companies and other companies chosen mainly from among similar-sized manufacturing companies in Japan)
- (ii) Relative comparison of TSR (relative comparison with domestic six nonferrous metal companies and other companies chosen mainly from among similar-sized manufacturing companies in Japan)
- (iii) Non-financial evaluation that evaluates the status of achievement of the targets set for each Executive Officer at the beginning of the term and other relevant factors with regard to efforts aimed at improving medium- to long-term corporate value, which is less likely to be represented in short-term performance, as well as efforts in line with the Sustainability Policy*

* Sustainability Policy Items

- 1. Build a Work Environment that Puts Safety and Health First
- 2. Respect Human Rights
- 3. Promote Diversity, Equity and Inclusion
- 4. Cultivate Mutual Prosperity with Stakeholders
- 5. Strengthen Corporate Governance and Risk Management
- 6. Engage in Fair Business Transactions and Responsible Sourcing

7. Ensure Stable Provision of Safe, Secure, and High Value Added Products
8. Proactive Engagement for the Global Environment

Calculation Formula

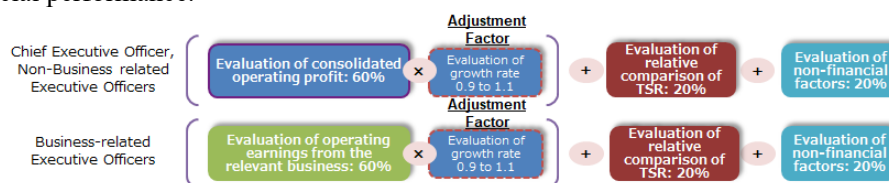
By deeming the amount payable for achievement of the target (Base Annual Bonus) as 100%, the amount for each individual shall be calculated using the following calculation formula:

$$\text{Annual Bonus} = \text{Base Annual Bonus by Job Position} \times \text{Payment Rate Based on Performance Evaluation}^*$$

* “Payment Rate Based on Performance Evaluation” shall range from 0% to approximately 200%, based on performance.

Evaluation Weight

The annual bonus amount shall be determined by evaluating the base annual bonus, which is based on the individual’s job position, using the following weighting: 60% (adjusted based on comparison of the consolidated operating profit growth rate with other companies) for consolidated operating profit evaluation (or, in the case of an Executive Officer in charge of business activities, operating profit from the relevant business sector), 20% for relative TSR comparison, and 20% for non-financial performance.



Target of Consolidated Operating Profit for Annual Bonus

With regard to the target of consolidated operating profit for annual bonuses, in principle, consolidated operating profit plan for the current period in the Medium-term Management Strategy shall be applied (for the operating profit of the business for which the Officer is responsible, the consolidated operating profit plan for said shall be used).

Stock-based Compensation (Medium- to Long-term Incentive Remuneration) *

Stock-based compensation shall be a system that utilizes a trust for the purpose of achieving the sharing of a common profit awareness with shareholders. This shall be used as an incentive for improving the medium- to long-term corporate value of the Group and under which the Company’s shares and cash equivalent to the proceeds (hereinafter, “the Company’s Stock, etc.”) from the sale of the Company’s shares shall be granted in accordance with the individual’s job position, upon retirement from the post of Executive Officer. No performance conditions nor stock price conditions shall be set with respect to the shares to be delivered.

Please note that in the case of a non-resident of Japan, different treatment may be applied as required by law or due to any other relevant circumstances.

* The Officers’ remuneration system adopts a structure called BIP (Board Incentive Plan) and grants to the Executive Officers the shares of the Company’s Stock, etc. During the trust period, it is an incentive plan to accumulate points to be given to Executive Officers, and to grant the shares of the Company’s common stock equivalent to 70% of such accumulated points (shares less than one unit shall be disregarded) and cash equivalent to proceeds from the sale of the Company’s common stock equivalent to the remaining accumulated points as compensation to Executive Officers after their retirement. One point is deemed equal to one share of the Company’s common stock, and if a stock split or reverse stock split occurs during the trust period, the number of the Company’s shares per point shall be adjusted according to the stock split ratio or reverse stock split ratio. The maximum number of points to be given to Executive Officers during the three fiscal years including the current fiscal year (from FYE March 2024 to FYE March 2026) shall be 140,000 points in total.

Demand for Restitution of Compensation (Malus Clawback System)

Upon a resolution of the Remuneration Committee, the Company may disqualify an Executive Officer who has violated a law or regulation or the duty of care of a good manager from entitlement to an annual bonus, or demand restitution of an annual bonus already paid; with respect to stock compensation, the Company may disqualify the Executive Officer from entitlement to receive

delivery of the Company's shares, etc., or demand restitution of an amount equivalent to the individual's accumulated number of points.

The Remuneration Committee has determined that the individual remuneration, etc., for each Director and Executive Officer in the fiscal year under review aligns with the policy for determining Director and Executive remuneration, as it was determined according to the established remuneration structure based on the policy.

Note: Since FYE March 2027, the Company has revised the details of the remuneration composition ratio for Executive Officers, the performance evaluation metrics used for annual bonuses, and the details of stock-based compensation (mid-to-long-term incentive compensation). The revised content is available below.

- The details of the remuneration composition ratio for Executive Officers and the performance evaluation metrics used for annual bonuses: https://ir.mmc.co.jp/en/ir/library/corporate_governance.html
- The details of stock-based compensation (mid-to-long-term incentive compensation): https://ir.mmc.co.jp/en/ir/library/corporate_governance.html

(6) Major Activities of Outside Directors

Classification	Name	Attendance at Meetings of the Board of Directors, etc. Held during the Fiscal Year Ended March 2026*Note	Major Activities and Summary of Duties Performed in Relation Roles Expected to Outside Directors
Director	Tatsuo Wakabayashi	<p>Board of Directors 21/21 (100%)</p> <p>Nomination Committee 12/12 (100%)</p> <p>Remuneration Committee 13/13 (100%)</p>	<p>Through his experience as President and Chairman of a financial institution, he has gained insight into banking, finance, accounting, and overall management. Based on this expertise, he makes useful recommendations from various perspectives, including the enhancement of the Group's medium- to long-term corporate value, and oversees the execution of duties by Executive Officers and others from an independent standpoint.</p> <p>In addition, as the Chair of the Nomination Committee and a member of the Remuneration Committee, he contributes from an objective and neutral standpoint to the selection of candidates for the Company's Board of Directors, decisions on executive remuneration for the Executive Officers etc.</p>

Director	Koji Igarashi	<p>Board of Directors 21/21 (100%)</p> <p>Nomination Committee 12/12 (100%)</p> <p>Remuneration Committee 11/11 (100%)</p> <p>Sustainability Committee 3/3 (100%)</p>	<p>Through his extensive experience as a leader of a globally expanding food manufacturer, he has gained a wealth of technical knowledge in technological development and manufacturing as well as insight into various aspects of management, such as business globalization, business transformation and innovation, and digitalization. Based on his insights, he provides valuable recommendations to the Board of Directors from various perspectives, aiming to enhance the Group's medium- to long-term corporate value. He also oversees the execution of duties by Executive Officers and others from an independent standpoint.</p> <p>In addition, as the Chair of the Remuneration Committee and a member of the Nomination Committee, he contributes from an objective and neutral standpoint to the selection of candidates for the Company's Board of Directors, decisions on executive remuneration for the Executive Officers etc. Moreover, as the Chair of the Sustainability Committee, he contributed from an objective and neutral standpoint to the examination of sustainability-related themes within the Company, etc.</p>
Director	Kazuhiko Takeda	<p>Board of Directors 21/21 (100%)</p> <p>Nomination Committee 3/3 (100%)</p> <p>Audit Committee 17/17 (100%)</p>	<p>Through his extensive experience as a senior executive of a conglomerate that develops a wide range of businesses all over the world and the leader of its major subsidiaries, he has gained a wealth of knowledge in corporate management, business operations and administration, accounting and finance, and information technology. Additionally, his years of work experience in Europe and the United States have provided him with a global perspective on corporate strategy and overall management. Based on this expertise, he offers valuable insights from various perspectives to the Board of Directors, with the aim of enhancing the Group's medium- to long-term corporate value. He also oversees the execution of duties by Executive Officers and others from an independent standpoint.</p> <p>In addition, as the Chair of the Audit Committee, he mainly audits the execution of duties by Executive Officers, etc. from an objective and neutral standpoint. Moreover, as a member of Nomination Committee, he contributed from an objective and neutral standpoint to the selection of candidates for the Company's Board of Directors.</p>

Director	Rikako Beppu	<p>Board of Directors 21/21 (100%)</p> <p>Nomination 12/12 (100%)</p> <p>Audit Committee 4/4 (100%)</p> <p>Remuneration Committee 13/13 (100%)</p>	<p>Through her extensive experience over many years as attorney-at-law both in Japan and abroad, she has a deep understanding based on advanced legal knowledge, as well as specialized expertise in corporate legal affairs, particularly in the areas of global business development and business restructuring. Based on such insights, she provides valuable recommendations to the Board of Directors from various perspectives, aiming to enhance the Group's medium- to long-term corporate value. She also oversees the execution of duties by Executive Officers and others from an independent standpoint.</p> <p>In addition, as a member of the Nomination Committee and Remuneration Committee, she contributes from an objective and neutral standpoint to the selection of candidates for the Company's Board of Directors, decisions on executive remuneration for the Executive Officers etc., and she actively contributes to the examination of sustainability-related themes within the Company from an objective and neutral standpoint. Moreover, during her service as a member of the Audit Committee, she mainly audited the execution of duties by Executive Officers, etc. from an objective and neutral standpoint.</p>
Director	Hatsunori Kiriya	<p>Board of Directors 21/21 (100%)</p> <p>Audit Committee 17/17 (100%)</p> <p>Sustainability Committee 12/12 (100%)</p>	<p>He has extensive knowledge of corporate management and marketing as gained from his experience as manager at a leading international company as well as insights into corporate strategies and general aspects of management from a global perspective based on his experience as supervisor of the Asia region and manager at a U.S. company. Moreover, he has extensive insights into development of management human resources based on many years of corporate management experience both in and outside Japan. Based on these insights, he provides valuable recommendations to the Board of Directors from various perspectives, aiming to enhance the Group's medium- to long-term corporate value. He also oversees the execution of duties by Executive Officers and others from an independent standpoint.</p> <p>In addition, as a member of the Sustainability Committee, he contributes from an objective and neutral standpoint to the examination of sustainability-related themes within the Company, etc. Moreover, as a member of the Audit Committee, he mainly audits the execution of duties by Executive Officers and others from an objective and neutral standpoint.</p>

Director	Nozomi Sagara	Board of Directors 21/21 (100%) Audit Committee 17/17 (100%) Sustainability Committee 12/12 (100%)	She has extensive knowledge of trade and industry policies through many years of service at the Ministry of Economy, Trade and Industry. She has specialized knowledge in metallic mineral resources, renewable energy, information technology and recycling fields as well as technical knowledge as a holder of a Master of Engineering degree. Based on such insights, she provides valuable recommendations to the Board of Directors from various perspectives, aiming to enhance the Group's medium- to long-term corporate value. She also oversees the execution of duties by Executive Officers and others from an independent standpoint. In addition, as the Chair of the Sustainability Committee, she contributes from an objective and neutral standpoint to the examination of sustainability-related themes within the Company, etc. Moreover, as a member of the Audit Committee, she mainly audits the execution of duties by Executive Officers and others from an objective and neutral standpoint.
Director	Ichiro Sasaki	Board of Directors 15/15 (100%) Sustainability Committee 9/9 (100%)	He has extensive technical knowledge relating to development and manufacturing, gained through his wealth of experience as a corporate manager, including service as the president of a manufacturing company with global operations, and has insight into corporate strategy and management in general, all from a global perspective. He also has extensive knowledge of the manufacturing field, including product planning and quality assurance, gained through his experiences with new business creation and commercialization. Based on this expertise, he offers valuable insights from various perspectives to the Board of Directors, with the aim of enhancing the Group's medium- to long-term corporate value. He also oversees the execution of duties by Executive Officers and others from an independent standpoint. In addition, as a member of the Sustainability Committee, he contributes from an objective and neutral standpoint to the examination of sustainability-related themes within the Company, etc.

Note: Regarding attendance at Board of Directors meetings, etc., held during the current fiscal year, attendance at Board of Directors meetings held during each Outside Director's term of office is shown in the table above. In addition, the attendance of each Outside Director at each committee meeting held during each Outside Director's term of office as a member of each committee is shown in the table above.

4. Matters Concerning the Accounting Auditor

(1) Name of the Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Remuneration, etc. Paid to the Accounting Auditor for FYE March 31, 2026

Content of the Audit Fees	Amount
(i) Audit fees paid by the Company to the Accounting Auditor	¥235 million ^{*Note 1}
(ii) Total amount of monetary and other financial benefits paid by the Company and its subsidiaries (including the above-mentioned fees)	¥357 million

Note 1: The Company has not subdivided the amount of fees for auditing based on the Financial Instruments and Exchange Act and the amount of fees for auditing based on the Companies Act. Under the audit agreement entered into with the Accounting Auditor, it is not possible to substantially subdivide the two. This amount thus includes audit fees based on the Financial Instruments and Exchange Act. The Audit Committee has determined and agreed that this amount is appropriate based on comprehensive consideration of the

Accounting Auditor's audit plan, quality control system, performance of duties including the status of cooperation with the Audit Committee, and the number of audit days and personnel based on the Company's size and business characteristics.

Note 2: Among the major subsidiaries of the Company, H.C. Starck Holding (Germany) GmbH, Mitsubishi Materials U.S.A. Corporation, Mitsubishi Materials Chile SpA, Mitsubishi Materials Tools Europe GmbH, Mitsubishi Materials Europe B.V. and Luvata Oy use the services of auditing corporations (including auditors who have the appropriate auditing qualifications abroad) other than the services of Deloitte Touche Tohmatsu LLC, to audit accounting related documents (in accordance with the Companies Act and the Financial Instruments and Exchange Act and the applicable laws of the applicable foreign laws and regulations).

(3) Content of Non-auditing Services

The Company entrusts to the Accounting Auditor services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services), such as "Comfort Letter Preparation Services for Bond Issuance."

(4) Policy on Dismissal or Non-reappointment of the Accounting Auditor

The Audit Committee shall check the Accounting Auditor's (i) expertise, independence, timeliness and appropriateness, quality control and governance systems, (ii) ability to respond to the Company's multi-industry and global business development, (iii) efficiency of accounting and auditing operations, (iv) communication with the Audit Committee, management, etc., (v) any applicability to dismissal requirements based on statutory grounds, and (vi) continuous audit period (not to exceed 20 years). If any problems with these conditions are found, the Audit Committee will dismiss the Accounting Auditor or determine the content of the proposal for dismissal or non-reappointment of the Accounting Auditor to be presented to the General Meeting of Shareholders in accordance with the statutory procedures.

5. Systems to Ensure Appropriate Business Operations and the Status of Operation of Those Systems

●Fundamental Policy

The Board of Directors has resolved the following fundamental policy regarding the establishment of systems to ensure appropriate business operations.

(1) Systems to ensure the execution of duties by Executive Officers and employees in conformity with laws and the Articles of Incorporation

- 1) The Company shall determine the Corporate Philosophy, etc. as the supreme common rule of the Mitsubishi Materials Group, and shall also put in place internal regulations to establish a compliance system.
- 2) The Company shall determine through the Board of Directors, the Strategic Management Committee and other committees, the details for the execution of duties by the Executive Officers and employees in accordance with laws, the Articles of Incorporation, internal regulations, etc. In addition, the legal department and the related departments shall carry out preliminary reviews of certain significant matters.
- 3) The Board of Directors shall receive regular reports from Executive Officers on the status of the execution of duties, as well as reports on necessary matters at meetings of the Board of Directors from time to time.
- 4) The Company shall appoint an Officer from among its Executive Officers to oversee matters relating to compliance and establish an organization for SCQ (S: Safety & Health, C: Compliance & Environment, Q: Quality) and a department responsible for compliance, and shall also enforce cross-divisional compliance promotion activities (including internal education) for the whole Company based on the policies, plans, etc. to be established for each fiscal year.
- 5) The Company shall establish a reporting system for compliance-related issues.
- 6) The Company shall conduct periodic auditing by the department in charge of internal audits.

(2) Systems for preservation and management of information related to the execution of duties of Executive Officers

The Company shall properly preserve and manage the minutes of the Strategic Management Committee, other significant meetings, as well as other significant information, based on laws, the Articles of Incorporation, internal regulations, etc.

(3) Regulations and other systems concerning risk management

- 1) The Company shall deliberate carefully on significant matters through the Board of Directors, the Strategic Management Committee and other decision-making bodies based on laws, the Articles of Incorporation, internal regulations, etc. In addition, the Company shall carry out the preliminary review of certain important matters through legal and other related departments based on the internal regulations, etc., in order to identify and avoid risks.
- 2) The Company shall determine the internal regulations, policies and plans, etc. related to general risk management. In addition, the Company shall appoint an Officer from among its Executive Officers to oversee matters relating to risk management and establish an organization for SCQ and a department responsible for risk management and shall enforce cross-divisional risk management promotion activities for the whole Company.
- 3) Executive Officers shall develop and implement measures, based on internal regulations, policies, and plans related to general risk management, to continuously assess risk factors within the Group and minimize losses if risks materialize.
- 4) The Company shall establish a crisis management system, crisis response measures, etc., in order to promptly and appropriately address and take corrective actions in the event that risks with significant impact on the Group's management become manifest.

(4) Systems to ensure efficient execution of duties by Executive Officers

- 1) The Company has chosen to be a Company with a Nomination Committee, etc. from among the governance systems available under the Companies Act, and will accelerate decision-making with the appropriate transfer of authority to Executive Officers with respect to decisions on matters concerning the execution of duties. The Company will establish the rules for official authority and decision-making based on the areas of responsibility of each Executive Officer and internal regulations.
- 2) The Company shall determine the management plan, allocate suitable management resources and authority among the divisions controlled by each Executive Officer to achieve the plan, and require those divisions to formulate their own specific plans. In addition, the Executive Officers shall suitably verify the state of progress of each division's plan and take appropriate measures when necessary.

(5) Systems to ensure appropriate operations by the corporate group comprising the Company and its subsidiaries

- 1) The Company shall aim to establish corporate ethics and build a Group compliance and risk management system (including an internal education system) through the promotion of activities and behaviors, etc. toward compliance and risk management by the Group, including subsidiaries, based on the Corporate Philosophy, etc. and internal regulations, etc. that are applied consistently throughout the Group.
- 2) Concerning each subsidiary, the Company shall aim to improve the soundness and efficiency of management of the subsidiary, and by extension the whole Group, by determining a response liaison department within the Company. The concerned department shall consult and exchange information with the subsidiary concerning specific significant matters.
- 3) The Company shall establish various regulations related to internal controls concerning financial reporting. The Company shall also establish assessment mechanisms for those internal controls and build a system to ensure the accuracy of the Group's financial reports.
- 4) In addition to the above-mentioned (1), (2) and (3), the Company shall enforce periodic auditing concerning compliance, risk management and the efficiency of management of subsidiaries by the department in charge of internal audits.

(6) Matters concerning employees assigned to assist the Audit Committee, matters concerning the independence of such employees from Executive Officers, and matters concerning ensuring the effectiveness of instructions provided by the Audit Committee to such employees

- 1) The Company shall establish the Audit Committee Office to assist the duties of the Audit Committee. The Company shall assign necessary personnel to the Audit Committee Office as employees to assist with the operations of the Audit Committee.
- 2) The employees assigned to support the Audit Committee shall perform their duties in accordance with the instructions of the Audit Committee.
- 3) The personnel reassignment of employees to the Audit Committee in its duties shall be made with the prior consent of the Audit Committee (or the designated Audit Committee member, if the Audit Committee designates a particular Audit Committee member). In addition, the Audit Committee (or the designated Audit Committee member, if the Audit Committee designates a particular Audit Committee member) shall be responsible for evaluating the performance of employees who are to support the Audit Committee in its duties.

(7) Systems for reporting to the Audit Committee and for ensuring that people making reports shall not experience disadvantageous treatment as a result of this reporting

- 1) The Directors (excluding those who are members of the Audit Committee), Executive Officers and employees shall swiftly report appropriate information to the Audit Committee in accordance with the method stipulated in laws and the internal regulations of the Company, in cases when they become aware of facts that pose the risk of considerable damage to the Company's operations in areas for which they are responsible, or when facts that otherwise significantly impact the Company have been found. In addition, the same shall apply in the event that the Audit Committee requests a report about business operations.
- 2) In the event of a report by a Director, Executive Officer, Audit & Supervisory Board Member or employee, etc. of the Company or its subsidiary to the reporting system on a compliance-related problem, the department in charge of the reporting system shall, in principle, report the content of such report to the Chair of the Audit Committee.
- 3) The department in charge of internal audits shall report to the Audit Committee important items heard from Directors, Executive Officers, Audit & Supervisory Board Members and employees, etc. of the Company and its subsidiaries, as well as important items from audit results. As for the matters determined to be necessary for the operations of the Audit Committee, the department in charge of such matters shall make a periodic report.
- 4) The Company and its subsidiaries shall ensure that persons who report to the Audit Committee (including those who report indirectly through others) are not subject to adverse treatment based on the fact of their reporting, by establishing provisions to that effect in their internal rules and regulations, etc.

(8) Matters concerning policies related to the handling of expenses or obligations incurred during the execution of duties by the Members of the Audit Committee

Any member of the Audit Committee may request the Company in advance to pay expenses, etc. deemed to be necessary for the execution of the member's duties. Further, any member of the Audit Committee may request the Company after the fact to reimburse any expense paid out on an emergency or temporary basis. The Company shall pay expenses necessary for the execution of duties of the members of the Audit Committee upon request by said members.

(9) Other systems to ensure effective auditing by the Audit Committee

- 1) The Audit Committee shall exchange opinions with the Executive Officers, including the Chief Executive Officer, the Audit Committee Office, the department in charge of internal audits and other departments necessary for the execution of duties of the Audit Committee, as well as the Accounting Auditor, etc., periodically or as the occasion demands.
- 2) If deemed necessary for the execution of its duties, the Audit Committee may give instructions to the department in charge of internal audits. In the event of any conflict between the instructions received from the Audit Committee and those from the Executive Officers, the

instructions of the Audit Committee shall prevail.

- 3) The members of the Audit Committee shall be provided with the opportunity to attend the Strategic Management Committee and other significant meetings of the Company, and the Company shall establish systems to enable each member of the Audit Committee to review, through the internal information system, the materials and minutes of any significant meetings related to the execution of business duties.

●Overview of Operational Status

Principal initiatives to secure the operation of systems to ensure appropriate business operations are indicated as follows.

(1) Initiatives Related to Compliance

- 1) The Company and its subsidiaries share a Corporate Philosophy etc. aimed at ensuring sound corporate activities that comply with laws and regulations and are in accordance with social mores. Awareness of the Company's Corporate Philosophy etc. is instilled throughout the Group.
- 2) The SCQ Promotion Office meets regularly to deliberate on annual policies and plans related to overall compliance activities, as well as to share and evaluate the status of compliance within the Group and summaries of the reports that have been submitted through the internal reporting system. The Company and its subsidiaries work together to ensure enhancing compliance awareness throughout the Group and address compliance-related issues.
- 3) Regarding quality, the Company has established regulations, guidelines, etc. that apply to the entire Group, and is working to manage quality appropriately, including by establishing a quality control system.

(2) Initiatives Related to Risk Management

- 1) For risk management, significant cross-group risks are managed by management and the Corporate Department, while significant business-specific risks are managed by the Business Division. Every fiscal year, these risks are comprehensively identified and evaluated. The results are reported to the Board of Directors and other relevant bodies in the Sustainability Deliberative Council, as well as resolutions in the Strategic Management Committee. The Company and its subsidiaries implement risk management for the above risks and risks unique to each business location, and the status of such activities are regularly monitored at the management level as well.
- 2) Regarding work-related accidents, meetings of the Zero Accident Labor-Management Meeting and Group Safety Meeting are convened to decide on management priorities and share information about legal updates, thereby endeavoring to ensure an appropriate response.
- 3) The Company formulates regulations and business continuity plans (BCPs) prescribing action guidelines in the event of large-scale accidents, natural disasters, or terrorism, etc. In addition, the SCQ Promotion Office holds the Risk and Crisis Management Panel during normal times and times of crisis alike to prevent damage from spreading and strengthen resilience.

(3) Initiatives Related to Enhancing Management Soundness and Efficiency

- 1) The Company formulates Medium-term Management Strategies and annual budgets and strives to appropriately allocate management resources and authorities to its various departments. The status of significant business execution is reported to the Board of Directors.
- 2) By clearly indicating the scope of responsibility of the Executive Officers, as well as the operational responsibilities and authority of individual departments, the Company strives to ensure the appropriateness of accelerated decision-making and business execution.
- 3) For each subsidiary, the Company identifies a responsible liaison division within the Company. That division receives reports on significant investment projects and compliance-related problems and consults and exchanges information with the subsidiaries on such matters.

(4) Initiatives Related to Internal Audits

Based on an annual audit plan, the Internal Audit Department conducts periodic internal audits of the compliance, risk management and management efficiency, etc. of internal divisions and

subsidiaries and reports the results of these audits to the Board of Directors.

(5) Initiatives Related to Audits by the Audit Committee

- 1) Members of the Audit Committee attend important meetings, visit Company sites and exchange opinions with Executive Officers, etc.
- 2) The department responsible for internal audits regularly reports the findings to the members of the Audit Committee. Likewise, the department responsible for internal reporting provides regular reports to the members of the Audit Committee on the whistleblowing cases received.
- 3) The Audit Committee Office has been established to assist duties of the Audit Committee. Additionally, within the office, we allocate the necessary staff members to support the duties of the Audit Committee. Transfer of such employees is subject to the consent of the Audit Committee (or the designated Audit Committee member, if applicable) in advance, and the performance evaluations of these staff members are conducted by the Audit Committee (or the designated Audit Committee member, if applicable). These measures contribute to enhancing the effectiveness of the Audit Committee's audits.

(Reference) Status of Corporate Governance

<Basic Approach >

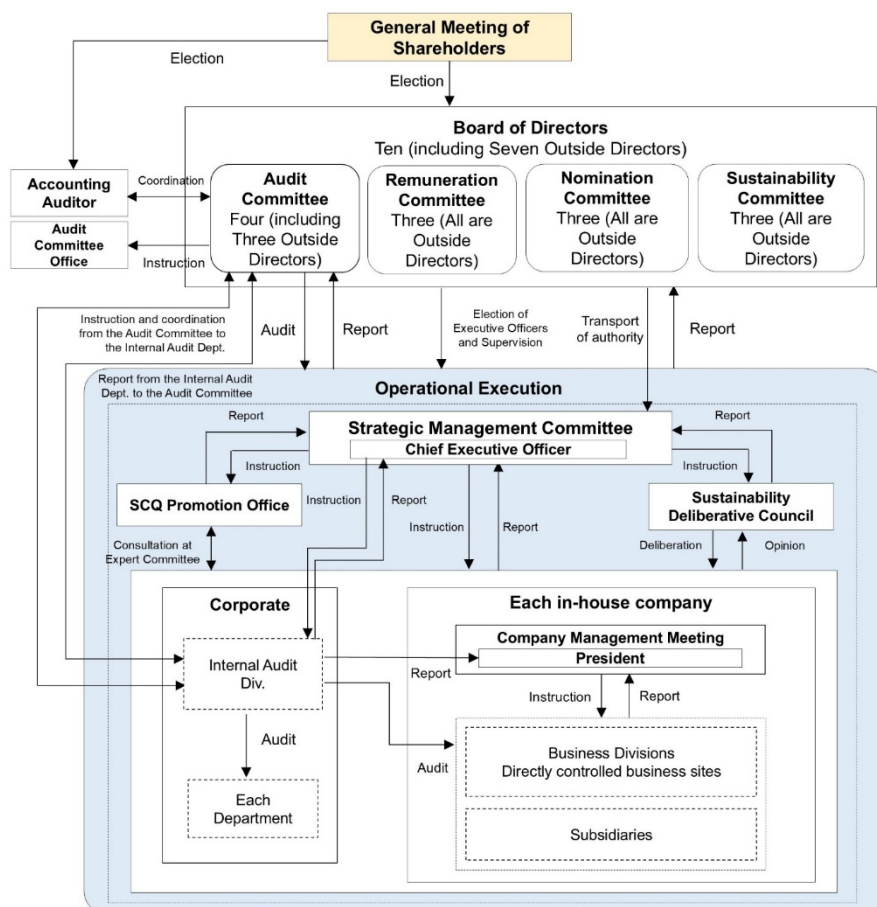
- We have, based on the Group’s Corporate Philosophy, Vision, Our Values, Code of Conduct, Our Commitment and the Basic Policy on Corporate Governance* established by the Board of Directors, developed trust with all stakeholders related to the Company and its subsidiaries, such as shareholders and investors as well as employees, customers, clients or suppliers, creditors and local communities, and also continue to develop our corporate governance.
- Among the governance systems available under the Companies Act, we have chosen to be a Company with a Nomination Committee, etc., and by separating supervision and execution, we will strengthen the Board of Directors’ management supervisory functions, improve the transparency and fairness of management and accelerate business execution and decision-making.
- We acknowledge the enhancement of corporate governance to be one of the most important management issues, and continuously make efforts to improve it.

* We have prepared the “Basic Policy on Corporate Governance,” which is disclosed on the Company’s website, as a compilation of the basic approach to and the framework of corporate governance.
https://ir.mmc.co.jp/en/ir/library/corporate_governance.html

The Corporate Governance System related to the Company’s management decision-making and supervision, business execution, and auditing is outlined in the following chart, “Overview of the Corporate Governance System.”

[Overview of the Corporate Governance System] (As of March 31, 2026)

[Overview of Corporate Governance System]



Note: As of April 1, 2026, the Company has made some changes to its business execution structure. The latest corporate governance structure is available on our website.
https://ir.mmc.co.jp/en/ir/library/corporate_governance.html

Composition of the Board of Directors

The Company's basic policy regarding the structure of the Board of Directors, which fulfills the roles of determining the direction of management and exercising supervision over the progress of business execution, is to ensure that it is comprised of a diverse range of individuals with different expert knowledge, experience, and other qualities.

Particular consideration has been given to candidates for Outside Directors to ensure that they consist of individuals with experience and knowledge in business management and organizational operation, and those who have broad and sophisticated expertise and extensive experience in finance and accounting, legal affairs, production technology, research and development, sales, international relations, etc.

The number of the Board of Directors is set at an appropriate level to enable the Board of Directors to function most effectively and efficiently (twelve or fewer members, as provided in the Articles of Incorporation) with Independent Outside Directors representing a majority of the members. In addition, in accordance with the Basic Policy on Corporate Governance, the Board of Directors shall consist of a majority of Independent Outside Directors, and the Chair shall not concurrently serve as an Executive Officer (including the Chief Executive Officer).

Moreover, in accordance with the Basic Policy on Corporate Governance, the majority of the Nomination, Audit, Remuneration, and Sustainability Committees are composed of Independent Outside Directors, and each Committee is chaired by an Independent Outside Director.

Evaluation of the Effectiveness of the Board of Directors

The Company analyzes and evaluates the effectiveness of the Board of Directors based on the evaluation by each Director on an annual basis. Since FYE March 2022, third-party evaluation has been conducted once every three years. In FYE March 2026, the Company evaluated the effectiveness of the Board of Directors using a self-evaluation method (evaluation by questionnaire).

1. Method of analysis/evaluation

(1) Evaluation process

- December 2025 to January: The Chair of the Board requested that a questionnaire be distributed to all 10 Directors, and responses were retrieved.
- February 2026: The Board of Directors discussed the effectiveness of the Board of Directors based on an analysis of the results of the questionnaire responses.
- March 2026: Following the discussions in February, the Board of Directors passed a resolution on the effectiveness of the Board of Directors for FYE March 2026.

(2) Questionnaire items

The questionnaire uses a four-grade evaluation for the questions below (1. Totally disagree, 2. Disagree, 3. Agree, 4. Strongly agree) and provides free comment space where needed.

- Quality of operations and discussions of the Board of Directors and its decision-making process
- Scale and composition of the Board of Directors
- The Company's governance structure
- Roles of each of the Nomination Committee, Audit Committee, Remuneration Committee, and Sustainability Committee, etc.

2. Status of initiatives relating to the issues for improvement in FYE March 2026 based on the FYE March 2025 evaluation

There was an evaluation of initiatives concerning the following matters taken for further improvement by the Board of Directors in FYE March 2026 based on the results of the evaluation of the effectiveness of the Board of Directors in FYE March 2025. The evaluation found that although "improvements have been made" in general, "initiatives were not adequate" for some matters.

(1) Medium- to long-term competitive advantage

- From May 2025 to November 2025, we held 15 out of a total of 22 briefings for Directors regarding the reconsideration of the Medium-term Management Strategy, attended by all

Directors and all Executive Officers, and engaged in discussions considering the above perspectives.

- According to the results of the questionnaire, when asked the question, “Do you think that the Board of Directors understands the characteristics of the Company’s businesses in light of factors such as competitive advantage and profitability (i.e., has it developed a perspective on the business), and is such business perspective shared across the Board of Directors?” two (2) of 10 Directors responded “Strongly agree,” and six (6) responded “Agree,” indicating that positive responses exceeded negative responses.

(2) Response to management by the Board of Directors

- In order to focus discussions on matters that contribute to the enhancement of corporate value, the Company reviewed matters to be discussed by the Board of Directors and the methods for selecting topics for Briefings for Directors.
- The questionnaire results for the related questions were generally positive, as shown in items (i) through (iii) below. However, several comments were also observed, such as: “A substantial amount of time was being spent on matters that should be delegated to the executive side,” and “While the core policies are clearly communicated to the executive side, at a more detailed level the Board presents a variety of differing opinions, resulting in a structure in which the executive side must determine which views to adopt.”
 - (i) Question: “Are the topics taken up at the Board of Directors and other meetings focused on matters that could have a significant impact on corporate value?”
Results: Of the ten (10) Directors, four (4) responded “Strongly agree” and five (5) responded “Agree.”
 - (ii) Question: “With respect to medium- to long-term management policies (particularly in FYE March 2025, in the course of discussions on the reconsideration of the Medium-term Management Strategy), is the Board of Directors, as a whole, clearly communicating its opinions and thinking to the executive side?”
Results: Of the ten (10) Directors, six (6) responded “Strongly agree” and one (1) responded “Agree.”
 - (iii) Question: “Does the Chair of the Board facilitate discussions at the Board of Directors and other meetings in a smooth and effective manner?”
Results: Of the ten (10) Directors, five (5) responded “Strongly agree” and four (4) responded “Agree.”

3. Summary of FYE March 2026 evaluation results

Upon deliberation by the Board of Directors, it was confirmed that the Board of Directors maintained effectiveness in FYE March 2026. In order to further enhance the effectiveness of the Board of Directors, the following is a summary of the deliberations of the Board of Directors on matters identified through the evaluation as areas where further improvement initiatives will be made in the future.

- (1) Initiatives for Approach to Communication between the Board of Directors and the Executive Side
 - Some Directors noted the following comments: “From the perspective of encouraging appropriate risk-taking by the executive side, it would be preferable, when necessary, for the Board as a whole to reach consensus on its positions,” and “It is important to ensure clarity regarding whether the Directors’ positions are being accurately conveyed to the executive side. It would be desirable to establish communication that enables the Board to understand how the executive side interprets and responds to the positions expressed by Directors.”
 - The Company’s Board of Directors will further discuss the approach to communication between the Board of Directors and the executive side.
- (2) Initiatives for Approach to Future Monitoring
 - Some Directors noted the following comments: “At meetings of the Board of Directors, monitoring should be limited to matters further narrowed down from the Company’s

management policies to those of the highest importance,” and “A mechanism is needed that enables timely monitoring and follow-up so that course corrections can be made when progress deviates from plans.”

- The Company’s Board of Directors will further discuss the future approach to monitoring.

The Board of Directors will continue making efforts to further improve its effectiveness.

Consolidated Balance Sheet
[As of March 31, 2026]

(Millions of yen)

Item	Amount	Item	Amount
[Assets]		[Liabilities]	
Current assets	2,064,993	Current liabilities	1,871,989
Cash and deposits	123,019	Notes and accounts payable - trade	123,608
Notes receivable - trade	25,508	Short-term borrowings	281,845
Accounts receivable - trade	198,349	Commercial paper	70,000
Merchandise and finished goods	203,710	Current portion of bonds payable	30,000
Work in process	184,670	Income taxes payable	8,710
Raw materials and supplies	221,644	Provision for bonuses	14,930
Leased gold bullion	813,829	Provision for loss of disposal of inventories	862
Gold bullion in custody	138,579	Deposited gold bullion	1,239,178
Other	156,364	Other current liabilities	102,853
Allowance for doubtful accounts	(682)	Non-current liabilities	374,776
Non-current assets	934,090	Bonds payable	110,000
Property, plant and equipment	434,533	Long-term borrowings	160,225
Buildings and structures, net	159,206	Deferred tax liabilities	18,972
Machinery, equipment and vehicles, net	143,976	Deferred tax liabilities for land revaluation	7,664
Land, net	88,727	Provision for loss on business of subsidiaries and affiliates	69
Construction in progress	23,703	Provision for environmental measures	13,078
Other, net	18,919	Provision for directors' retirement benefits	429
Intangible assets	46,940	Provision for share-based compensation plan	476
Goodwill	19,599	Retirement benefit liability	38,791
Other	27,341	Other	25,069
Investments and other assets	452,616	Total liabilities	2,246,766
Investment securities	330,663	[Net assets]	
Long-term loans receivable	35,124	Shareholders' equity	605,338
Retirement benefit asset	32,980	Share capital	119,457
Deferred tax assets	22,317	Capital surplus	81,745
Other	32,301	Retained earnings	406,922
Allowance for doubtful accounts	(770)	Treasury shares	(2,788)
Deferred assets	661	Accumulated other comprehensive income	130,773
Opening expenses	661	Valuation difference on available-for-sale securities	12,127
		Deferred gains or losses on hedges	3,315
		Revaluation reserve for land	15,623
		Foreign currency translation adjustment	74,045
		Remeasurements of defined benefit plans	25,661
		Non-controlling interests	16,866
		Total net assets	752,978
Total assets	2,999,744	Total liabilities and net assets	2,999,744

Consolidated Profit and Loss Statement

[For the fiscal year ended March 31, 2026]

(Millions of yen)

Item	Amount
Net sales	1,844,053
Cost of sales	1,645,083
Gross profit	198,969
Selling, general and administrative expenses	138,466
Operating profit	60,502
Non-operating income	61,038
Interest income	3,694
Dividend income	23,491
Share of profit of entities accounted for using the equity method	21,201
Foreign exchange gains	5,735
Rental income from non-current assets	4,200
Other	2,714
Non-operating expenses	23,983
Interest expenses	9,490
Expense for the maintenance and management of abandoned mines	4,136
Rental expenses on non-current assets	2,728
Loss on retirement of non-current assets	1,913
Other	5,715
Ordinary profit	97,556
Extraordinary income	5,731
Gain on transfer of business	2,400
Gain on sales of investment securities	2,253
Other	1,078
Extraordinary losses	41,487
Impairment losses	30,335
Special retirement allowance	2,612
Other business restructuring expenses	3,989
Other	4,548
Profit before income taxes	61,801
Income taxes – current	14,038
Income taxes – deferred	748
Profit	47,013
Profit attributable to non-controlling interests	6,432
Profit attributable to owners of the parent	40,581

Note: Amounts are rounded down to the nearest million yen.

Statement of Changes in Consolidated Shareholders' Equity

[For the fiscal year ended March 31, 2026]

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	119,457	81,745	379,339	(2,828)	577,714
Changes during period					
Cash dividends			(13,084)		(13,084)
Profit attributable to owners of parent			40,581		40,581
Reversal of revaluation reserve for land			46		46
Change in scope of consolidation			40		40
Purchase of treasury shares				(22)	(22)
Disposal of treasury shares		(0)		62	62
Net changes in items other than shareholders' equity					
Total changes during period	—	(0)	27,583	40	27,623
Balance at end of period	119,457	81,745	406,922	(2,788)	605,338

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefits plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,894	972	15,670	57,698	17,300	99,535	16,026	693,276
Changes during period								
Cash dividends								(13,084)
Profit attributable to owners of parent								40,581
Reversal of revaluation reserve for land								46
Change in scope of consolidation								40
Purchase of treasury shares								(22)
Disposal of treasury shares								62
Net changes in items other than shareholders' equity	4,233	2,343	(46)	16,346	8,361	31,238	839	32,077
Total changes during period	4,233	2,343	(46)	16,346	8,361	31,238	839	59,701
Balance at end of period	12,127	3,315	15,623	74,045	25,661	130,773	16,866	752,978

Note: Amounts are rounded down to the nearest million yen.

Balance Sheet
[As of March 31, 2026]

(Millions of yen)

Item	Amount	Item	Amount
[Assets]		[Liabilities]	
Current assets	1,798,442	Current liabilities	1,744,029
Cash and deposits	50,987	Notes payable – trade	575
Notes receivable - trade	13,236	Accounts payable - trade	92,564
Accounts receivable - trade	147,447	Short-term borrowings	232,103
Merchandise and finished goods	131,887	Commercial paper	70,000
Work in process	141,772	Current portion of bonds payable	30,000
Raw materials and supplies	178,920	Lease obligations	241
Advance payments	36,217	Accounts payable-other	15,539
Prepaid expenses	1,963	Accrued expenses	25,070
Short-term loans receivable	53,733	Corporate taxes payable	1,912
Accounts receivable - other	13,289	Contract liabilities	5,481
Leased gold bullion	813,829	Unearned revenue	203
Deposited gold bullion	138,579	Provision for bonuses	7,567
Other	93,479	Deposits received from employees	5,528
Allowance for doubtful accounts	(16,903)	Notes payable-facilities	303
Non-current assets	614,090	Accounts payable - facilities	9,243
Property, plant and equipment	228,656	Asset retirement obligations	296
Buildings	52,268	Deposited gold bullion	1,239,178
Structures	24,027	Other	8,217
Machinery and equipment	65,776	Non-current liabilities	289,469
Vessels	1	Bonds payable	110,000
Vehicles	166	Long-term borrowings	136,100
Tools, furniture and fixtures	3,779	Lease obligations	851
Land	67,873	Deferred tax liabilities for land revaluation	7,664
Leased assets	920	Provision for retirement benefits	9,141
Construction in progress	12,848	Provision for environmental measures	12,764
Trees	993	Provision for share awards	476
Intangible assets	10,932	Asset retirement obligations	2,048
Mining right	0	Guarantee deposits received	4,238
Software	9,946	Other	6,183
Software in progress	815	Total liabilities	2,033,499
Other	170	[Net assets]	
Investments and other assets	374,501	Shareholders' equity	366,245
Investment securities	10,962	Share capital	119,457
Shares of subsidiaries and associates	291,364	Capital surplus	112,995
Bonds of subsidiaries and associates	4	Legal capital surplus	85,654
Investments in capital	1,739	Other capital surplus	27,341
Investments in capital of subsidiaries and associates	2,214	Retained earnings	136,580
Long-term loans	637	Other retained earnings	136,580
Long-term loans receivable from subsidiaries and associates	36,959	Retained earnings brought forward	136,580
Prepaid pension costs	10,388	Treasury shares	(2,788)
Deferred tax assets	6,682	Valuation and translation adjustments	12,787
Other	13,548	Valuation difference on available-for-sale securities	3,943
Total assets	2,412,532	Deferred gains or losses on hedges	2,932
		Revaluation reserve for land	5,912
		Total net assets	379,033
		Total liabilities and net assets	2,412,532

Note: Amounts are rounded down to the nearest million yen.

Profit and Loss Statement
 [For the fiscal year ended March 31, 2026]

(Millions of yen)

Item	Amount
Net sales	1,431,229
Cost of sales	1,336,455
Gross profit	94,774
Selling, general and administrative expenses	60,839
Operating profit	33,934
Non-operating income	37,030
Interest income	3,903
Dividend income	21,427
Rental income from non-current assets	3,970
Foreign exchange gains	5,881
Other	1,846
Non-operating expenses	18,560
Interest expenses	5,599
Expense for the maintenance and management of abandoned mines	3,693
Rental expenses on non-current assets	2,707
Loss on retirement of non-current assets	1,983
Other	4,576
Ordinary profit	52,403
Extraordinary income	4,244
Gain on sales of investment securities	2,209
Gain on liquidation of affiliates	1,967
Other	67
Extraordinary losses	30,333
Provision for doubtful accounts	16,364
Loss on valuation of shares of subsidiaries and associates	7,454
Impairment losses	2,808
Special retirement allowance	2,157
Other	1,548
Profit before income taxes	26,314
Income taxes - current	2,268
Income taxes - deferred	1,597
Profit	22,448

Note: Amounts are rounded down to the nearest million yen.

Statement of Changes in Shareholders' Equity
[For the fiscal year ended March 31, 2026]

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital reserves	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	119,457	85,654	27,341	112,995	127,228	127,228	(2,828)	356,853
Changes during the period								
Cash dividends					(13,084)	(13,084)		(13,084)
Profit					22,448	22,448		22,448
Reversal of revaluation reserve for land					(12)	(12)		(12)
Purchase of treasury shares							(22)	(22)
Disposal of treasury shares			(0)	(0)			62	62
Net changes in items other than shareholders' equity								
Total changes during the period	—	—	(0)	(0)	9,352	9,352	40	9,392
Balance at end of period	119,457	85,654	27,341	112,995	136,580	136,580	(2,788)	366,245

	Valuation and translation adjustments				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	1,875	654	5,899	8,429	365,283
Changes during the period					
Cash dividends					(13,084)
Profit					22,448
Reversal of revaluation reserve for land					(12)
Purchase of treasury shares					(22)
Disposal of treasury shares					62
Net changes in items other than shareholders' equity	2,067	2,277	12	4,357	4,357
Total changes during the period	2,067	2,277	12	4,357	13,750
Balance at end of period	3,943	2,932	5,912	12,787	379,033

Note: Amounts are rounded down to the nearest million yen.