



[Translation]

October 28, 2022

To whom it may concern

Company name: SUMCO Corporation
Representative: Mayuki Hashimoto, Representative Director
CEO & Chairman of the Board
(Code: 3436, TSE Prime Market)
Contact: Hiroshi Shibuya, Executive Officer
General Manager of Public Relations & IR Department
Phone: +81-3-5444-3915

**Announcing Plans to Acquire the Semiconductor Polysilicon Business of Mitsubishi Materials Corporation
through Acquisition of a New Company as Subsidiary**

SUMCO Corporation (the “Company”) has approved a resolution at the Board of Directors meeting held today (October 28, 2022) to acquire the semiconductor polysilicon business of Mitsubishi Materials Corporation. Details of the arrangement are as follows.

A new company to be established by Mitsubishi Materials (preliminary name: High Purity Silicon Co., Ltd.) will assume the semiconductor polysilicon business of Mitsubishi Materials, along with the shares held by Mitsubishi Materials in Mitsubishi Polycrystalline Silicon America Corporation and in NIPPON AEROSIL CO., LTD., after which SUMCO will acquire the shares of the new company.

1. Reason for the share acquisition

For SUMCO, semiconductor polysilicon and trichlorosilane are key raw materials essential for making silicon wafers. By acquiring the capability for manufacturing these in the SUMCO Group, we will become able to carry out total manufacturing from raw materials to the final silicon wafer products, which we have determined will contribute toward raising the corporate value of the Group in the future.

2. Overview of the new company to be made a consolidated subsidiary

1) Overview of new company (to be established by Mitsubishi Materials Corporation)

(1) Name	High Purity Silicon Co., Ltd.
(2) Location	5 Mitacho, Yokkaichi, Mie Prefecture
(3) Name and title of representative	Hirotake Ohta, President
(4) Main business operations	Manufacturing and sale of semiconductor polysilicon, silicon tetrachloride, trichlorosilane, dichlorosilane, and other related products
(5) Capital	JPY1
(6) Date of establishment	To be determined

(7)	Large shareholders and equity shares	Mitsubishi Materials Corporation (100%)	
(8)	Relation of the company to publicly traded companies	Capital relationships	N.A.
		Personal relationships	N.A.
		Business relationships	N.A.
(9)	Consolidated business results and financial condition of the company in the most recent three years	Being a new company, N.A.	

2) Overview of the consolidated subsidiary of the new company

(1)	Name	Mitsubishi Polycrystalline Silicon America Corporation Note: To be renamed following completion of the share transfer		
(2)	Location	Theodore, Alabama, USA		
(3)	Name and title of representative	Matt Wilson, President		
(4)	Main business operations	Manufacturing and sale of semiconductor polysilicon, silicon tetrachloride, trichlorosilane, and other related products		
(5)	Capital	USD328.8 million (JPY37,548 million)		
(6)	Date of establishment	July 1996		
(7)	Large shareholders and equity shares	High Purity Silicon Co., Ltd. (planned) (100%)		
(8)	Relationship with the Company	Capital relationships	N.A.	
		Personal relationships	N.A.	
		Business relationships	There are transactions for buying and selling semiconductor polysilicon, etc.	
(9)	Business results and financial condition of the company in the most recent three years			
	Fiscal year ended	March 31, 2020	March 31, 2021	March 31, 2022
	Total net assets	USD182.1 million (JPY19,822 million)	USD177.5 million (JPY19,651 million)	USD172.9 million (JPY21,171 million)
	Total assets	USD190.5 million (JPY20,736 million)	USD187.4 million (JPY20,754 million)	USD177.9 million (JPY21,776 million)
	Profit per share	USD2,897.5	USD2,850.7	USD2,705.7

	(JPY315,342)	(JPY315,610)	(JPY331,158)
Net sales	USD95.6 million (JPY10,396 million)	USD98.9 million (JPY10,491 million)	USD102.0 million (JPY11,467 million)
Operating profit	–USD15.7 million (–JPY1,714 million)	–USD8.1 million (–JPY863 million)	–USD5.2 million (–JPY587 million)
Ordinary profit	–USD11.3 million (–JPY1,231 million)	–USD4.6 million (–JPY495 million)	–USD4.7 million (–JPY537 million)
Net income	–USD20.6 million (–JPY2,246 million)	–USD4.6 million (–JPY491 million)	–USD4.5 million (–JPY508 million)
Profit per share	–USD314.1 (–JPY34,155)	–USD70.5 (–JPY7,478)	–USD68.7 (–JPY7,726)
Dividend per share	JPY—	JPY—	JPY—

Overview of entity from which shares are to be acquired (as of September 30, 2022)

(1) Name	Mitsubishi Materials Corporation	
(2) Location	3-2-3 Marunouchi, Chiyoda-ku, Tokyo	
(3) Name and title of representative	Naoki Ono, CEO	
(4) Main business operations	Manufacturing and sale of processed copper products and electronic materials; manufacturing and sale of ultra-hard products; refining and sale of copper, gold, silver, palladium and other metals; energy-related and environment and recycling-related products and services, etc.	
(5) Capital	JPY119,457 million	
(6) Date of establishment	April 1, 1950	
(7) Equity	JPY655,752 million (as of March 31, 2022)	
(8) Total assets	JPY2,125,032 million (as of March 31, 2022)	
(9) Large shareholders and equity shares (As of September 30, 2022)	Master Trust Bank of Japan, Ltd. (trust account), NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST Custody Bank of Japan, Ltd. (trust account) NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS Meiji Yasuda Life Insurance Company NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY NORTHERN TRUST GLOBAL SERVICES SE, LUXEMBOURG RE LUDU RE: UCITS CLIENTS 15.315	15.16% 6.78% 6.19% 3.29% 2.37% 2.29% 1.82%

	PCT NON TREATY ACCOUNT NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT BBH FOR GLOBAL X COPPER MINERS ETF NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS TOBACCO FREE INTERNATIONAL VALUE EQUITY TRUST	1.73% 1.52% 1.36%
(10) Relation of the company to publicly traded companies	Capital relationships	N.A.
	Personal relationships	N.A.
	Business relationships	There are transactions for buying and selling semiconductor polysilicon, etc. between the Group and Mitsubishi Materials Corporation.
	Related parties status	N.A.

4. Number of shares to be acquired, transfer price, and shareholdings before and after transfer

(1) Shares held before transfer	0 shares (Number of votes: 0) (Share of voting rights: 0%)
(2) Number of shares to be acquired	2 shares (Number of votes: 2)
(3) Acquisition price	Not to be made public due to confidentiality obligations in the contract between the parties.
(4) Shares held after transfer	2 shares (planned) (Number of votes: 2) (Share of voting rights: 100%)

5. Schedule

(1) Date of resolution by Board of Directors	October 28, 2022
(2) Date of agreement	October 28, 2022
(3) Date of share transfers	March 31, 2023 (planned)

6. Future outlook

This share acquisition will not impact the consolidated results of the Company in the current fiscal year. If any matters arise that should be disclosed, they will be disclosed promptly.

For reference: Cumulative consolidated financial forecasts for the third quarter of the current fiscal year (announced August 4, 2022) and consolidated financial results for the previous fiscal year

(Millions of JPY)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
Consolidated financial results forecast (cumulative total for the third quarter of the fiscal year ending December 31, 2022)	322,400	77,200	77,900	47,800
Consolidated financial results for the fiscal year ended December 31, 2021	335,674	51,543	51,107	41,120