

# Supplementary Explanation for Financial Summary

## 1st Quarter FY2012



Sierra Gorda Project

**August 7th, 2012**

## **Sumitomo Metal Mining Co., Ltd.**

The materials provided herein are not intended as disclosure under the Securities Law, and no warranty is made as to their completeness or accuracy. Any projections included in these materials are based solely on information available at the time of this briefing, and are subject to change based on market conditions, competitive conditions, and a number of other factors. Therefore, we ask that you refrain from making any investment decisions based on these materials alone. The Company cannot be held responsible in any way for any losses that may occur as a result of the use of these materials.

All copyrights, trademarks, and intellectual property rights attaching to the materials herein are the sole property of Sumitomo Metal Mining Co., Ltd..

## Comparison

### FY2012/1Q Result vs FY2011/1Q Result vs FY2011/4Q Result

JPY100M

	FY2012/1Q ①Result	FY2011/1Q ②Result	Diff. ①-②	FY2011/4Q ③Result	Diff. ①-③
Net sales	2,046	2,129	△ 83	2,058	△ 12
Operating income	205	281	△ 76	265	△ 60
Recurring profit	211	377	△ 166	268	△ 57
Net income	170	266	△ 96	182	△ 12
(Inventory evaluation P&L)	△ 34	21	△ 55	38	△ 72
(Exchange gain & loss)	△ 25	△ 13	△ 12	28	△ 53
Cu ( \$ /t)	7,867	9,152	△ 1,285	8,308	△ 441
Ni ( \$ /lb)	7.78	11.02	△ 3.24	8.92	△ 1.14
Au ( \$ /oz)	1,610.3	1,504.7	105.6	1,691.1	△ 80.8
Exchange ( ¥ / \$ )	80.21	81.75	△ 1.54	79.28	0.93

Exchange	12/6 End	12/3 End	11/12 End	11/9 End	11/6 End
( ¥ / \$ )	79.28	82.13	77.74	76.65	80.68

#### <Diff. of 2012/1Q Result vs 2011/1Q Result : Recurring profit △166>

Metal Price / Exchange △152 (Price △94, Inventory evaluation △58), Quantity +10,

Exchange loss △12, Vale New Caledonia △21

### New and Old Forecast of FY2012/1H (in Aug. vs in May)

JPY100M

	FY2012/1Q Result	FY2012/2Q Forecast(in Aug.)	FY2012/1H ①Forecast (in Aug.)	FY2012/1H ②Forecast (in May)	Diff. ①-②
Net sales	2,046	1,814	3,860	4,070	△ 210
Operating income	205	135	340	380	△ 40
Recurring profit	211	129	340	440	△ 100
Net income	170	110	280	330	△ 50
(Inventory evaluation P&L)	△ 34	△ 21	△ 55	△ 4	△ 51
(Exchange gain & loss)	△ 25	0	△ 25	0	△ 25
Cu ( \$ /t)	7,867	7,500	7,683	8,500	△ 817
Ni ( \$ /lb)	7.78	7.50	7.64	8.00	△ 0.36
Au ( \$ /oz)	1,610.3	1,600.0	1,605.1	1,650.0	△ 44.9
Exchange ( ¥ / \$ )	80.21	78.00	79.11	80.00	△ 0.89

#### <Diff. of Forecast in Aug. vs Forecast in May ①-②: Recurring profit△100>

Metal Price / Exchange △80 (Price △25, Inventory evaluation △55), Quantity △10, Exchange loss △25

Due to reorganization in July, the company has changed reporting segment from 2012/1Q.

(Most of "Others" segment has included in "Materials" segment from 2012/1Q).

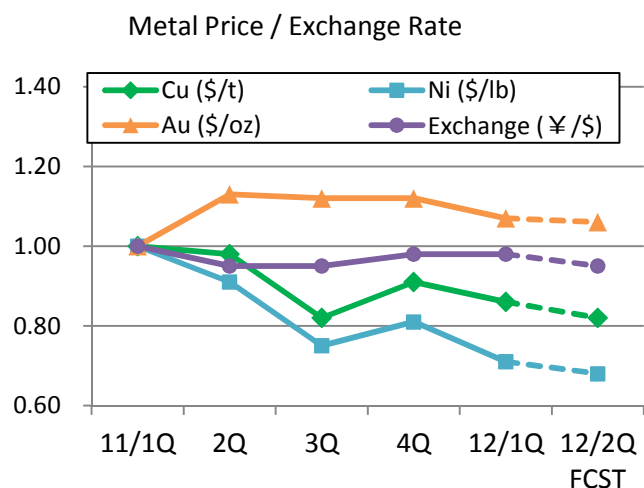
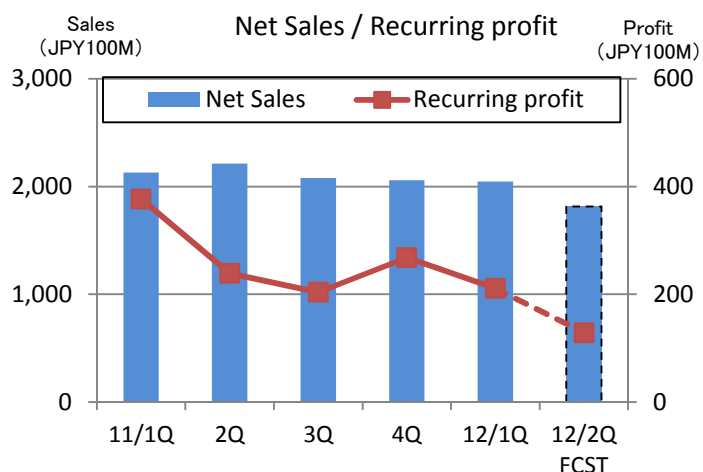
Details are shown on related pages.

## Quarterly Financial Results

JPY100M

	FY2009					FY2010				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net sales	1,552	1,707	1,929	2,070	7,258	2,190	2,107	2,136	2,208	8,641
Operating income	107	126	180	250	663	295	158	203	306	962
① Recurring profit	129	149	258	342	879	299	176	308	455	1,238
Net income	66	103	169	202	540	202	154	205	280	841
Cu (\$/t)	4,663	5,859	6,648	7,232	6,101	7,027	7,243	8,637	9,652	8,140
Ni (\$/lb)	5.86	8.02	7.95	9.05	7.72	10.19	9.61	10.71	12.20	10.68
Au (\$/oz)	922	960	1,102	1,110	1,023	1,195	1,227	1,369	1,385	1,294
Exchange(¥/\$)	97.33	93.66	89.72	90.71	92.86	92.02	85.90	82.65	82.35	85.73
<b>Inventory impairment</b>										
(Smelting) Impairment	25	△ 5	8	4	32	△ 17	15	2	0	0
(Smelting) QP Diff etc.	22	21	27	21	91	61	△ 55	6	32	44
(Smelting) Total	47	16	35	25	123	44	△ 40	8	32	44
(Materials & others)	14	12	2	4	32	△ 3	2	0	2	1
② Total	61	28	37	29	155	41	△ 38	8	34	45
① - ②	68	121	221	313	724	258	214	300	421	1,193

	FY2011					FY2012	
	1Q	2Q	3Q	4Q	Total	1Q Result	2Q Forecast
Net sales	2,129	2,214	2,078	2,058	8,479	2,046	1,814
Operating income	281	170	170	265	886	205	135
① Recurring profit	377	239	204	268	1,088	211	129
Net income	266	110	95	182	653	170	110
Cu (\$/t)	9,152	8,992	7,489	8,308	8,485	7,867	7,500
Ni (\$/lb)	11.02	10.01	8.30	8.92	9.56	7.78	7.50
Au (\$/oz)	1,505	1,702	1,686	1,691	1,646	1,610	1,600
Exchange(¥/\$)	81.75	77.89	77.41	79.28	79.08	80.21	78.00
<b>Inventory impairment</b>							
(Smelting) Impairment	△ 12	△ 40	17	36	1	△ 14	11
(Smelting) QP Diff etc.	33	△ 17	△ 59	1	△ 42	△ 23	△ 35
(Smelting) Total	21	△ 57	△ 42	37	△ 41	△ 37	△ 24
(Materials & others)	0	△ 7	△ 4	1	△ 10	3	3
② Total	21	△ 64	△ 46	38	△ 51	△ 34	△ 21
① - ②	356	303	250	230	1,139	245	150



## Segment profit (Operating income / Contribution margin)

JPY100M

		FY2010					FY2011					FY2012	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q FCST
Operating Profit	Mineral Resources	114	109	94	115	432	144	150	124	110	528	149	101
	Smelting & Refining	180	38	133	218	569	166	47	57	210	480	53	47
	Materials	39	24	7	8	78	18	3	△ 8	△ 3	10	2	8
	Others	△ 3	0	7	6	10	△ 3	0	7	10	14	3	△ 3
Sub-Total		330	171	241	347	1,089	325	200	180	327	1,032	207	153
Headquarter Exp. etc.		△ 35	△ 13	△ 38	△ 41	△ 127	△ 44	△ 30	△ 10	△ 62	△ 146	△ 2	△ 18
Operating income Total		<b>295</b>	<b>158</b>	<b>203</b>	<b>306</b>	<b>962</b>	<b>281</b>	<b>170</b>	<b>170</b>	<b>265</b>	<b>886</b>	<b>205</b>	<b>135</b>

		Result						FY2012
		2006	2007	2008	2009	2010	2011	1H FSCT
Operating Profit	Mineral Resources	338	384	181	309	432	528	250
	Smelting & Refining	1,181	1,174	107	417	569	480	100
	Materials	152	98	△ 87	45	78	10	10
	Others	63	37	6	△ 1	10	14	0
Sub-Total		1,734	1,693	207	770	1,089	1,032	360
Headquarter Exp. etc.		△ 107	△ 138	△ 100	△ 107	△ 127	△ 146	△ 20
Operating income Total		<b>1,627</b>	<b>1,555</b>	<b>107</b>	<b>663</b>	<b>962</b>	<b>886</b>	<b>340</b>

The company has changed reporting segment from 2012/1Q. In this page, profit till FY2011 is shown in previous segment

		FY2010					FY2011					FY2012	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q FCST
Contribution Margin	Mineral Resources	169	142	181	213	705	233	240	156	177	806	196	134
	Smelting & Refining	124	4	131	236	495	149	26	7	74	256	△ 5	△ 25
	Materials	32	18	△ 1	5	54	13	△ 7	△ 13	4	△ 3	△ 2	12
	Others	2	7	8	6	23	△ 1	6	10	19	34	3	△ 3
Diff. Adjustment		△ 28	5	△ 11	△ 5	△ 39	△ 17	△ 26	44	△ 6	△ 5	19	11
Recurring Profit Total		<b>299</b>	<b>176</b>	<b>308</b>	<b>455</b>	<b>1,238</b>	<b>377</b>	<b>239</b>	<b>204</b>	<b>268</b>	<b>1,088</b>	<b>211</b>	<b>129</b>

## Equity in earnings of affiliated companies

JPY100M

		FY2010					FY2011					FY2012	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q FCST
Cu	Cerro Verde	39	26	51	66	182	54	68	32	25	179	38	27
	Candelaria/Ojos	17	12	40	31	100	40	28	15	35	118	22	8
	Acids/Jinlong/MSMMBC	2	2	2	6	12	4	1	△ 5	4	4	0	△ 5
	Total	58	40	93	103	294	98	97	42	64	301	60	30
Ni	PT Vale Indonesia	15	24	19	16	74	19	22	12	2	55	2	△ 2
	Figesbal/NAC/VNC	△ 35	△ 35	2	17	△ 51	△ 6	△ 11	△ 18	△ 107	△ 142	△ 29	△ 36
	Total	△ 20	△ 11	21	33	23	13	11	△ 6	△ 105	△ 87	△ 27	△ 38
NECC/NK/MSZ/etc.		3	8	12	8	31	4	4	△ 1	11	18	2	8
Total		<b>41</b>	<b>37</b>	<b>126</b>	<b>144</b>	<b>348</b>	<b>115</b>	<b>112</b>	<b>35</b>	<b>△ 30</b>	<b>232</b>	<b>35</b>	<b>0</b>

		Result						FY2012
		2006	2007	2008	2009	2010	2011	1H FSCT
Cu	Cerro Verde	107	180	158	129	182	179	65
	Candelaria/Ojos	143	168	86	77	100	118	30
	Acids/Jinlong/MSMMBC	29	22	0	13	12	4	△ 5
	Total	279	370	244	219	294	301	90
Ni	PT Vale Indonesia	113	274	87	31	74	55	0
	Figesbal/NAC/VNC	8	11	△ 18	△ 25	△ 51	△ 142	△ 65
	Total	121	285	69	6	23	△ 87	△ 65
NECC/NK/MSZ/etc.		67	85	2	36	31	18	10
Total		<b>467</b>	<b>740</b>	<b>315</b>	<b>261</b>	<b>348</b>	<b>232</b>	<b>35</b>

## Metal price and Exchange rate

	Copper (\$/t)			Copper (¢/lb)			Nickel (\$/lb)		
	FY2010	FY2011	FY2012	FY2010	FY2011	FY2012	FY2010	FY2011	FY2012
Apr	7,745	9,483	8,260	351	430	375	11.81	11.94	8.12
May	6,838	8,927	7,920	310	405	359	9.98	10.98	7.72
Jun	6,499	9,045	7,420	295	410	337	8.79	10.14	7.50
<b>Average</b>	<b>7,027</b>	<b>9,152</b>	<b>7,867</b>	<b>319</b>	<b>415</b>	<b>357</b>	<b>10.19</b>	<b>11.02</b>	<b>7.78</b>
Jul	6,735	9,619		306	436		8.85	10.76	
Aug	7,284	9,041		330	410		9.71	10.02	
Sep	7,709	8,315		350	377		10.27	9.25	
<b>Average</b>	<b>7,243</b>	<b>8,992</b>		<b>329</b>	<b>408</b>		<b>9.61</b>	<b>10.01</b>	
Oct	8,292	7,348		376	333		10.80	8.57	
Nov	8,470	7,552		384	343		10.39	8.11	
Dec	9,147	7,568		415	343		10.94	8.23	
<b>Average</b>	<b>8,637</b>	<b>7,489</b>		<b>392</b>	<b>340</b>		<b>10.71</b>	<b>8.30</b>	
Jan	9,556	8,043		433	365		11.63	8.99	
Feb	9,868	8,423		448	382		12.82	9.28	
Mar	9,531	8,457		432	384		12.16	8.49	
<b>Average</b>	<b>9,652</b>	<b>8,308</b>		<b>438</b>	<b>377</b>		<b>12.20</b>	<b>8.92</b>	
<b>FY average</b>	<b>8,140</b>	<b>8,485</b>	<b>7,867</b>	<b>369</b>	<b>385</b>	<b>357</b>	<b>10.68</b>	<b>9.56</b>	<b>7.78</b>
<b>Jan-Dec average</b>	<b>7,535</b>	<b>8,821</b>	<b>8,087</b>	<b>342</b>	<b>400</b>	<b>367</b>	<b>9.89</b>	<b>10.38</b>	<b>8.35</b>
12/2Q (FCST in Aug)			<b>7,500</b>			<b>340</b>			<b>7.50</b>
FY2012(FCST in May)			<b>8,500</b>			<b>386</b>			<b>8.00</b>

	Gold (\$/oz)			Zinc (\$/t)			Exchange (¥/US\$)		
	FY2010	FY2011	FY2012	FY2010	FY2011	FY2012	FY2010	FY2011	FY2012
Apr	1,148.6	1,474.1	1,649.3	2,367	2,372	1,997	93.42	83.45	81.56
May	1,204.9	1,511.3	1,585.3	1,968	2,160	1,930	91.71	81.24	79.77
Jun	1,232.7	1,528.5	1,596.2	1,743	2,230	1,856	90.93	80.56	79.30
<b>Average</b>	<b>1,195.4</b>	<b>1,504.7</b>	<b>1,610.3</b>	<b>2,026</b>	<b>2,254</b>	<b>1,928</b>	<b>92.02</b>	<b>81.75</b>	<b>80.21</b>
Jul	1,194.5	1,570.7		1,844	2,391		87.75	79.52	
Aug	1,214.6	1,757.7		2,045	2,212		85.50	77.28	
Sep	1,271.2	1,776.3		2,151	2,077		84.46	76.88	
<b>Average</b>	<b>1,226.8</b>	<b>1,701.6</b>		<b>2,013</b>	<b>2,227</b>		<b>85.90</b>	<b>77.89</b>	
Oct	1,342.6	1,666.6		2,372	1,859		81.94	76.75	
Nov	1,370.8	1,737.5		2,292	1,916		82.55	77.60	
Dec	1,392.0	1,652.5		2,281	1,916		83.46	77.88	
<b>Average</b>	<b>1,368.5</b>	<b>1,685.5</b>		<b>2,315</b>	<b>1,897</b>		<b>82.65</b>	<b>77.41</b>	
Jan	1,358.4	1,656.1		2,372	1,981		82.67	76.99	
Feb	1,372.0	1,742.9		2,465	2,058		82.55	78.41	
Mar	1,423.4	1,674.4		2,349	2,035		81.82	82.45	
<b>Average</b>	<b>1,384.6</b>	<b>1,691.1</b>		<b>2,395</b>	<b>2,025</b>		<b>82.35</b>	<b>79.28</b>	
<b>FY average</b>	<b>1,293.8</b>	<b>1,645.7</b>	<b>1,610.3</b>	<b>2,187</b>	<b>2,101</b>	<b>1,928</b>	<b>85.73</b>	<b>79.08</b>	<b>80.21</b>
<b>Jan-Dec average</b>	<b>1,225.1</b>	<b>1,569.1</b>	<b>1,650.7</b>	<b>2,161</b>	<b>2,193</b>	<b>1,976</b>	<b>87.82</b>	<b>79.85</b>	<b>79.75</b>
12/2Q (FCST in Aug)			<b>1,600.0</b>			<b>1,800</b>			<b>78.00</b>
FY2012(FCST in May)			<b>1,650.0</b>			<b>2,000</b>			<b>80.00</b>

LME Price	FY2010	FY2011		2012/1Q		12/2Q FCST
E-Ni applied	10.52	9.87	Mar-May	8.11	Jun-Aug	7.50
Fe-Ni applied	9.89	10.38	Jan-Mar	8.92	Apr-Jun	7.78

Exchange	FY2010	FY2011		2012/1Q		12/2Q FCST
E-Ni applied	86.46	79.03	Mar-May	81.26	Jun-Aug	78.43
Fe-Ni applied	87.82	79.85	Jan-Mar	79.28	Apr-Jun	80.21

## Comparison

(FY2012/1Q Result VS FY2011/1Q Result)

JPY100M

Operating income			
	2012/1Q	2011/1Q	Diff.
	①	②	①-②
Mineral Resources	149	144	5
Smelting & Refining	53	166	△ 113
Materials	2	13	△ 11
Others	3	2	1
Sub-Total	207	325	△ 118
Headquarter Exp. etc.	△ 2	△ 44	42
<b>Total</b>	<b>205</b>	<b>281</b>	<b>△ 76</b>

Contribution margin			
	2012/1Q	2011/1Q	Diff.
	①	②	③-④
Mineral Resources	196	233	△ 37
Smelting & Refining	△ 5	149	△ 154
Materials	△ 2	10	△ 12
Others	3	1	2
Diff. Adjustment	19	△ 16	35
<b>Recurring Profit</b>	<b>211</b>	<b>377</b>	<b>△ 166</b>

The company has changed reporting segment from 2012/1Q.  
In this page, sales and profit are shown in the new segments.

### <<Explanation of Diff.>>

#### 1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	20	17	7	△ 2	2	△ 4
Pogo (Au)	6	△ 2	18		△ 5	△ 5
Morenci/NP (Cu)	4					
Others	△ 25					
Op. income Total	5					

Au Sales (t)	2012/1Q	2011/1Q	Diff.
Hishikari	2.6	2.0	0.6
Pogo(100%)	2.6	2.8	△ 0.2

#### 2. Smelting & Refining

JPY100M

	Diff.	Quantity	Price	Cost@	Inventory	Others
Copper	△ 39	1	△ 6	2	△ 47	11
Nickel	△ 79	3	△ 68	△ 2	△ 11	△ 1
Zinc/Lead	4	2		△ 3	0	5
Others	1					1
Op. income Total	△ 113	6	△ 74	△ 3	△ 58	16

•Inventory evaluation P&L  
 12/1Q      △ 37 (JPY100M) (Cu △32, Ni △6, Zn +1)  
 11/1Q      21 (JPY100M) (Cu +15, Ni +5, Zn +1)

## Comparison

(FY2012/1Q Result VS FY2011/1Q Result)

### 3. Materials

【Net Sales, by products】

JPY100M

	2012/1Q ①	2011/1Q ②	Diff. ①-②
Semiconductor①CuPI・COF・LF・FW	218	281	△ 63
Semiconductor②PWB・Terminals・Recycle	95	100	△ 5
Advanced①Alloy・Film materials・Crystals	77	90	△ 13
Advanced②Battery・Magnet・Ink・Rare metals	40	22	18
Energy, Catalysts, Construction materials, Others	36	40	△ 4
<b>Total</b>	<b>466</b>	<b>533</b>	<b>△ 67</b>

The company has changed reporting segment from 2012/1Q.

In this page, sales are shown in the new segments.

## Equity in earnings of affiliated companies

JPY100M

		2012/1Q ①	2011/1Q ②	Diff. ①-②
Cu	Cerro Verde	38	54	△ 16
	Candelaria/Ojos	22	40	△ 18
	Acids/Jinlong/MSMMBC	0	4	△ 4
	<b>Total</b>	<b>60</b>	<b>98</b>	<b>△ 38</b>
Ni	PT Vale Indonesia	2	19	△ 17
	Figesbal/NAC/VNC	△ 29	△ 6	△ 23
	<b>Total</b>	<b>△ 27</b>	<b>13</b>	<b>△ 40</b>
NECC/NK/MSZ/Others		2	4	△ 2
<b>Total</b>		<b>35</b>	<b>115</b>	<b>△ 80</b>
Segment	Mineral Resources	60	94	△ 34
	Smelting & Refining	△ 31	17	△ 48
	Others	6	4	2
<b>Total</b>		<b>35</b>	<b>115</b>	<b>△ 80</b>

## Comparison

(2012 1H Forecast in Aug. vs Forecast in May)

JPY100M

2012/1H Operating income			
	FCST in Aug. ①	FCST in May ②	Diff. ①-②
Mineral Resources	250	270	△ 20
Smelting & Refining	100	145	△ 45
Materials	10	15	△ 5
Others	0	0	0
Sub-Total	360	430	△ 70
Headquarter Exp. etc.	△ 20	△ 50	30
<b>Operating Profit</b>	<b>340</b>	<b>380</b>	<b>△ 40</b>

2012/1H Contribution Margin			
	FCST in Aug. ③	FCST in May ④	Diff. ③-④
Mineral Resources	330	370	△ 40
Smelting & Refining	△ 30	50	△ 80
Materials	10	10	0
Others	0	0	0
Diff. Adjustment	30	10	20
<b>Recurring Profit</b>	<b>340</b>	<b>440</b>	<b>△ 100</b>

The company has changed reporting segment from 2012/1Q.

In this page, sales and profit are shown in the new segments.

### <<Explanation of Diff.>>

#### 1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	7	12	△ 5	△ 2	1	1
Pogo (Au)	△ 3	△ 1	0		△ 2	0
Morenci/NP (Cu)	△ 14					
Others	△ 10					
Op. income Total	△ 20					

Au Sales (t)	FCST in Aug.	FCST in May	Diff.
Hishikari	4.2	3.8	0.4
Pogo(100%)	5.3	5.3	0.0

#### 2. Smelting & Refining

JPY100M

	Diff.	Quantity	Price	Cost@	Inventory	Others
Copper	△ 23	△ 1	△ 1	4	△ 47	22
Nickel	△ 20	0	△ 1	△ 10	△ 7	△ 2
Zinc/Lead	0	2		△ 2	△ 2	2
Others	△ 2					△ 2
Op. income Total	△ 45	1	△ 2	△ 8	△ 56	20

•Inventory evaluation P&L  
FCST in Aug. △ 61 (JPY100M) (Cu △48, Ni △11, Zn △2)  
FCST in May △ 5 (JPY100M) (Cu △1, Ni △4, Zn ±0)



## Comparison

(2012 1H Forecast in Aug. vs Forecast in May)

### 3. Materials

【Net Sales, by products】

JPY100M

	FCST in Aug. ①	FCST in May ②	Diff. ①-②
Semiconductor①CuPI・COF・LF・FW	360	260	100
Semiconductor②PWB・Terminals・Recycle	220	200	20
Advanced①Alloy・Film materials・Crystals	160	160	0
Advanced②Battery・Magnet・Ink・Rare metals	90	80	10
Energy, Catalysts, Construction materials, Others	70	90	△ 20
<b>Total</b>	<b>900</b>	<b>790</b>	<b>110</b>

The company has changed reporting segment from 2012/1Q.

In this page, sales are shown in the new segments.

## Equity in earnings of affiliated companies

JPY100M

		FCST in Aug. ①	FCST in May ②	Diff. ①-②
Cu	Cerro Verde	65	75	△ 10
	Candelaria/Ojos	30	35	△ 5
	Acids/Jinlong/MSMMBC	△ 5	5	△ 10
	<b>Total</b>	<b>90</b>	<b>115</b>	<b>△ 25</b>
Ni	PT Vale Indonesia	0	5	△ 5
	Figesbal/NAC/VNC	△ 65	△ 50	△ 15
	<b>Total</b>	<b>△ 65</b>	<b>△ 45</b>	<b>△ 20</b>
NECC/NK/MSZ/Others		10	10	0
<b>Total</b>		<b>35</b>	<b>80</b>	<b>△ 45</b>
Segment	Mineral Resources	95	110	△ 15
	Smelting & Refining	△ 70	△ 40	△ 30
	Others	10	10	0
<b>Total</b>		<b>35</b>	<b>80</b>	<b>△ 45</b>



## Comparison

(FY2012/1Q Result VS FY2011/4Q Result)

### 3. Materials

【Net Sales, by products】

JPY100M

	2012/1Q ①	2011/4Q ②	Diff. ①-②
Semiconductor①CuPI・COF・LF・FW	218	215	3
Semiconductor②PWB・Terminals・Recycle	95	105	△ 10
Advanced①Alloy・Film materials・Crystals	77	66	11
Advanced②Battery・Magnet・Ink・Rare metals	40	31	9
Energy, Catalysts, Construction materials, others	36	51	△ 15
<b>Total</b>	<b>466</b>	<b>468</b>	<b>△ 2</b>

The company has changed reporting segment from 2012/1Q.

In this page, sales are shown in the new segments.

## Equity in earnings of affiliated companies

JPY100M

		2012/1Q ①	2011/4Q ②	Diff. ①-②
Cu	Cerro Verde	38	25	13
	Candelaria/Ojos	22	35	△ 13
	Acids/Jinlong/MSMMBC	0	4	△ 4
	<b>Total</b>	<b>60</b>	<b>64</b>	<b>△ 4</b>
Ni	PT Vale Indonesia	2	2	0
	Figesbal/NAC/VNC	△ 29	△ 107	78
	<b>Total</b>	<b>△ 27</b>	<b>△ 105</b>	<b>78</b>
NECC/NK/MSZ/Others		2	11	△ 9
<b>Total</b>		<b>35</b>	<b>△ 30</b>	<b>65</b>
Segment	Mineral Resources	60	60	0
	Smelting & Refining	△ 31	△ 100	69
	Others	6	10	△ 4
<b>Total</b>		<b>35</b>	<b>△ 30</b>	<b>65</b>

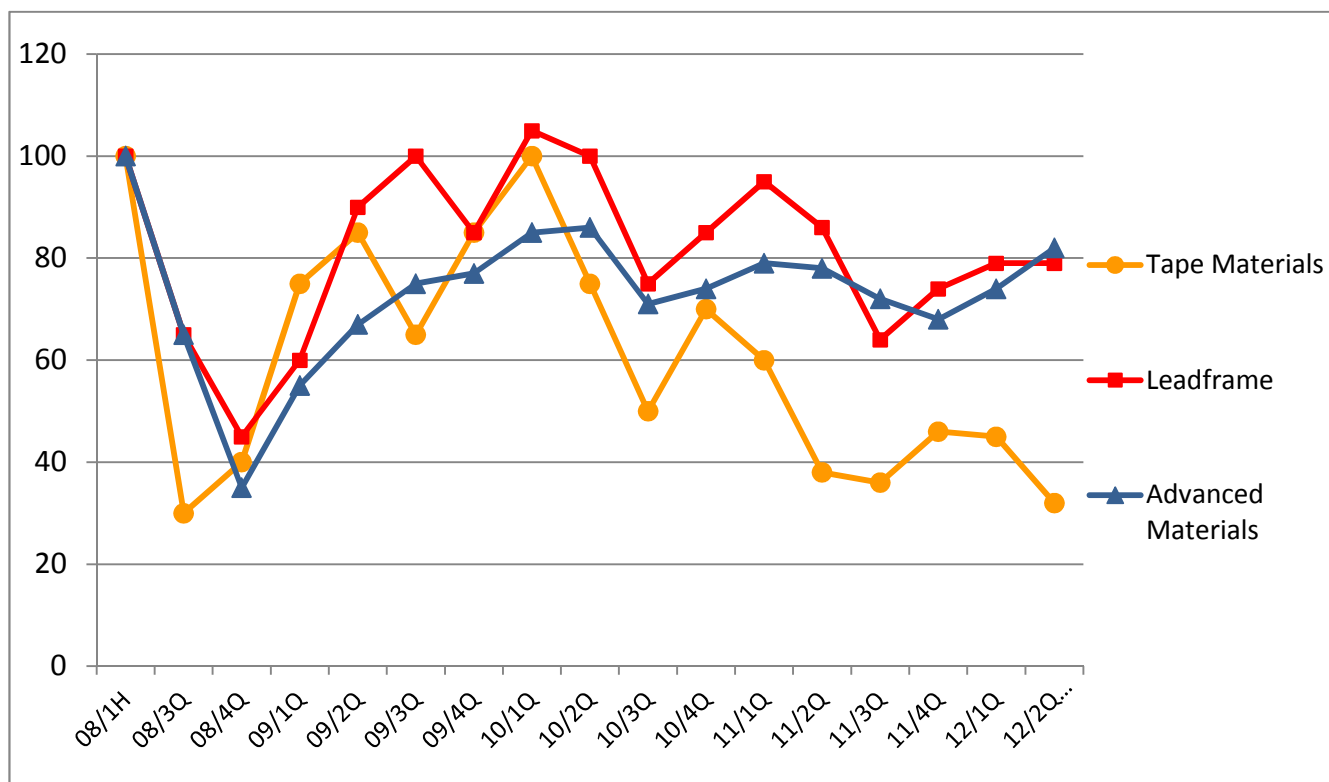
## Sales trend of Semiconductor Materials and Advanced Materials

(Index FY2008/1H=100)

(Sales)

	FY2008			FY2009			
	08/1H	08/3Q	08/4Q	09/1Q	09/2Q	09/3Q	09/4Q
Tape Materials	100	30	40	75	85	65	85
Leadframe	100	65	45	60	90	100	85
Advanced Materials	100	65	35	55	67	75	77

	FY2010				FY2011				FY2012	
	10/1Q	10/2Q	10/3Q	10/4Q	11/1Q	11/2Q	11/3Q	11/4Q	1Q	2Q Est.
Tape Materials	100	75	50	70	60	38	36	46	45	32
Leadframe	105	100	75	85	95	86	64	74	79	79
Advanced Materials	85	86	71	74	79	78	72	68	74	82



## Production/Sales trend of Mineral resources / Smelting & Refining

		FY2010					FY2011					FY2012			Diff. ③-②
		Result					Result					Result	FCST	Plan	
		1Q	2Q	3Q	4Q	Total ①	1Q	2Q	3Q	4Q	Total ②	1Q	2Q	Total ③	
<b>【Gold Mine】 (t)</b>															
Hishikari	Production	2.8	1.9	1.4	1.6	7.7	2.0	3.2	1.4	1.2	7.8	2.5	1.6	7.5	-0.3
	Sales	2.0	2.4	1.7	1.4	7.5	2.0	2.3	1.6	1.6	7.5	2.6	1.6	7.5	0.0
Pogo	Production	2.9	2.5	3.2	3.4	12.0	2.5	2.5	2.5	2.6	10.1	2.7	2.6	10.7	0.6
	Sales	2.9	2.7	3.1	3.2	11.9	2.8	2.6	2.5	2.5	10.4	2.6	2.7	10.7	0.3
<b>【Copper Mint】 (kt)</b>															
Morenci	Production	52	61	58	62	233	65	72	72	70	279	69	69	284	5.0
	Sales	52	61	49	46	208	63	76	69	70	278	78	68	304	26.0
La Candelaria	Production	25	28	46	37	136	36	35	36	41	148	27	19	121	-27.0
	Sales	30	31	51	40	152	36	38	33	43	150	26	19	121	-29.0
Ojos Del Salado	Production	7	8	7	8	30	7	6	7	6	26	6	13	27	1.0
	Sales	7	8	7	8	30	6	6	7	7	26	6	11	27	1.0
Cerro Verde	Production	75	75	75	78	303	79	77	72	66	294	63	68	269	-25.0
	Sales	75	75	75	78	303	77	78	73	70	298	62	68	269	-29.0
North Parkes	Production	9	9	10	11	39	12	12	13	13	50	13	14	54	4.0
	Sales	7	7	10	14	38	7	14	10	16	47	11	14	53	6.0
Batu Hijau	Production	66	60	65	54	245	40	26	38	24	128	20	20	87	-41.0
	Sales	65	53	69	44	231	42	29	36	28	135	19	18	92	-43.0
<b>【Smelting &amp; Refining in Japan】 (kt)</b>															
E-Cu	Production	102.6	101.2	100.0	100.3	404.1	85.5	72.8	71.5	103.5	333.3	110.2	108.3	435.5	102.2
	Sales	109.7	102.4	106.6	92.3	411.0	99.6	94.1	89.4	107.2	390.3	117.0	106.6	442.5	52.2
E-Ni	Production	9.9	10.5	9.8	11.1	41.3	9.5	10.6	10.5	11.2	41.7	10.0	10.8	41.1	-0.6
	Sales	10.0	10.7	11.1	10.6	42.4	10.0	11.9	11.2	11.3	44.4	11.2	10.8	46.6	2.2
FeNi	Production	3.3	4.1	5.4	5.9	18.7	4.8	5.4	4.5	5.7	20.4	4.7	6.1	22.2	1.8
	Sales	5.0	5.3	5.1	5.6	20.9	5.2	5.3	4.9	5.3	20.7	5.1	5.7	22.2	1.6
<b>【Smelting &amp; Refining overseas】 (kt)</b>															
OBNC MS (Ni content)	Production	5.6	2.7	4.7	6.4	19.4	5.6	5.1	6.0	5.8	22.5	6.5	5.2	23.9	1.4
	Sales	5.0	3.6	3.2	7.0	18.8	5.5	3.6	7.4	6.2	22.7	5.4	6.1	23.9	1.2
PT Vale Matte (Ni content)	Production	19.8	18.2	20.0	18.0	76.0	16.5	18.6	18.1	13.7	66.9	12.4	16.6	72.5	5.6
	Sales	18.0	20.0	20.7	18.3	77.0	15.7	19.4	16.1	15.6	66.8	12.5	16.5	73.5	6.7

## Sensitivity

JPY100M / Year

	Change	Profit Up · Down
Cu	±100 \$ /t	5/10
Ni	±10 ¢ /lb	8/9
Au	±10 \$ /Toz	4/4
¥ / \$	±1 ¥/\$	11/11

(Remark)

- 1) Operating income/Recurring profit
- 2) USD/JPY translation applied to RC-related only.

# Financial Position

## 【Shareholder's Equity Ratio】

JPY100M

End of FY	FY2008	FY2009	FY2010	FY2011	FY2012/1Q	09 3-Yr Plan 2012
Net assets	8,803	9,820	10,528	11,468	11,679	11,200
Shareholder's equity	5,049	5,869	6,305	6,592	6,836	6,740
Shareholder's Equity Ratio	57.4%	59.8%	59.9%	57.5%	58.5%	60%

## 【D/E Ratio】

JPY100M

End of FY	FY2008	FY2009	FY2010	FY2011	FY2012/1Q	09 3-Yr Plan 2012
Interest-bearing debt	2,185	2,009	2,110	2,660	2,892	2,740
Shareholder's equity	5,049	5,869	6,305	6,592	6,836	6,740
D/E ratio	0.43	0.34	0.33	0.40	0.42	0.4

## 【Dividend payout ratio】

	FY2008	FY2009	FY2010	FY2011	FY2012/1Q	09 3-Yr Plan 2012
Dividend / share (JPY)	13.0	20.0	32.0	28.0	-	-
Net Income / share (JPY)	38.87	96.26	149.38	116.05	-	-
Dividend payout ratio	33.4%	20.8%	21.4%	24.1%	-	20% +

**Consolidated companies (62) / Equity-method affiliated companies (16)**
**at June 30, 2012**
**Mineral Resources**

	Voting Shares	Location	Operations
<b>Consolidated companies</b>			
Sumiko Resources Exploration & Development Co., Ltd	100	Japan	Geological survey of resources; Test boring
Sumitomo Metal Mining America	100	USA	Exploration; Management of mining subsidiaries in USA.
Sumitomo Metal Mining Arizona	80	USA	Mining and related operations
SMMA Candelaria Inc.	100	USA	Investment in local company in Chile operating Candelaria Mine
Sumitomo Metal Mining Canada Ltd.	100	Canada	Exploration, Consulting
Sumitomo Metal Mining Oceania	100	Australia	Resource surveys, mine development and related operations in Oceania
Sumitomo Metal Mining Pogo LLC	100	USA	Investment in Pogo Mine
SMM Resources	100	Canada	Mineral Resources Business
SMM Cerro Verde Netherlands B.V.	80	Netherlands	Investments in local Peruvian companies engaged in the Cerro Verde Mine operation
SMM Exploration Corporation	100	USA	Mineral Resources Business
SMM Solomon Limited	70	Solomon Islands	Exploration in Solomon Islands
Sumitomo Metal Mining Peru S.A	100	Peru	Exploration in South America
Sumitomo Metal Mining Chile LTDA.	100	Chile	Exploration in South America
Sumiko Solomon Exploration Co., Ltd.	70	Japan	Exploration in Solomon Islands
SUMAC MINES LTD.	100	Canada	Exploration
Stone Boy Inc.	80	USA	Exploration
SMM Sierra Gorda Inversiones Ltda.	70	Chile	Investment in Sierra Gorda Project
Sumitomo Metal Mining do Brasil LTDA.	100	Brazil	Exploration in Brazil
<b>Equity-method affiliated companies</b>			
Sociedad Minera Cerro Verde S.A.A	21	Peru	Cerro Verde Mine
Compania Contractual Minera Candelaria	20	Chile	Candelaria Mine
Compania Contractual Minera Ojos del Salado	20	Chile	Ojos del Salade Mine
Sierra Gorda SCM	45	Chile	Sierra Gorda Mine
Cordillera Exploration Co., Inc.	25	Philippines	Exploration in Philippines

**Smelting & Refining**

	Voting Shares	Location	Operations
<b>Consolidated companies</b>			
Hyuga Smelting Co., Ltd	60	Japan	Ferro-nickel smelting
Shisaka Smelting Co.,Ltd.	100	Japan	Manufacture of crude zinc oxide
Sumiko Logistics Co., Ltd.	100	Japan	Maritime trading; Harbor transportation and services; Land Transportation
SUMIC Nickel Netherlands b.v.	52	Netherlands	Investment in nickel and cobalt development businesses; Sale of nickel and cobalt
Coral Bay Nickel Corporation	54	Philippines	Manufacture of nickel and cobalt
Taganito HPAL Nickel Corporation	62.5	Philippines	Taganito Project
Sumitomo Metal Mining Philippine Holdings Corporation	100	Philippines	Regional headquarters for the nickel business
Sumiko Business Consulting(Shanghai) Co., Ltd.	100	China	Business consulting
Sumitomo Metal Mining Management (Shanghai) Co., Ltd.	100	China	Sales of SMM and SMM group company products in China, Provision of management business service for Chinese group companies, Business consulting
Taihei Metal Industry Co., Ltd.	97	Japan	Manufacture of heat-, corrosion- and friction-resistant steel castings and precision castings
<b>Equity-method affiliated companies</b>			
Jinlong Copper Co., Ltd.	27	China	Manufacture and sale of electrolytic copper and sulfuric acid
Acids Co., Ltd.	50	Japan	Manufacture and sale of sulfuric acid and related products
PT Vale Indonesia Tbk	20	Indonesia	Nickel ore mining; Nickel smelting
Nickel Asia Corporation	25	Philippines	Nickel ore mining
FIGESBAL	26	New Caledonia	Nickel ore mining; Harbor transportation
Vale New-Caledonia S.A.S.	21	France	Goro Mine
MS Zinc Co., Ltd.	50	Japan	Manufacture and sale of zinc and related operations
Mitsui Sumitomo Metal Mining Brass & Copper Co.,Ltd	50	Japan	Manufacture and sale of copper and brass products and processed copper and brass products



## Materials

	Voting Shares	Location	Operations
<b>Consolidated companies</b>			
Okuchi Electronics Co., Ltd.	100	Japan	Lead frame etching and plating/ Manufacture of Bonding wire and functional inks/Recovery and recycling of non-ferrous
Niihama Electronics Co., Ltd.	100	Japan	Manufacture of semiconductor leadframes and flexible circuit materials
Shinko Co., Ltd.	94	Japan	Design, manufacture, and sale of printed circuit boards
Sumitomo Metal Mining Asia Pacific Pte.Ltd.	100	Singapore	Regional headquarters for international lead frame operations
Malaysian Electronics Materials SDN. BHD.	100	Malaysia	Manufacture and sale of bonding wire and thick-film paste
M-SMM Electronics SDN.BHD	100	Malaysia	Manufacture and sale of leadframes
Sumiko Electronics Taiwan Co.,Ltd.	70	Taiwan	Manufacture and sale of leadframes and tape materials
Sumiko Leadframe Chengdu Co., Ltd.	85	China	Manufacture and sale of leadframes
Sumiko Precision Chengdu Co., Ltd	70	China	Manufacture of leadframes
Sumiko Electronics Suzhou Co., Ltd.	100	China	Manufacture and sale of semiconductor package materials
Sumitomo Metal Mining Electronics Materials(Shanghai) Co., Ltd.	100	China	Manufacture and sale of bonding wire
SumikoTec Co., Ltd.	100	Japan	Terminals and connectors for electronic and electric equipment/Components, electric wire, power cords and pressure bonding machines relating to the above and their maintenance/Manufacture and sale of formed products for optical equipment, etc.
Nittosha Co., Ltd.	100	Japan	Plating of metal products, surface treatment processing and distribution / Electromagnetic shielding processing to electronics resin products through a dry plating method
Sumiko Kunitomi Denshi Co., Ltd.	100	Japan	Manufacture of crystal products and magnetic materials
Shanghai Sumiko Electronic Paste Co., Ltd.	69	China	Manufacture and sale of thick-film paste
Dongguan Sumiko Electronic Paste Co., Ltd.	85	China	Manufacture and sale of thick-film paste
SMM KOREA Co.,Ltd.	100	Korea	Sales support for advanced materials and business operations
Taiwan Sumiko Materials Co., Ltd	70	Taiwan	Manufacture of bonding wire
SMM Precision Co., Ltd.	100	Japan	Manufacture and sale of optical communications components
Sumico Lubricant Co., Ltd.	100	Japan	Manufacture and sale of various lubricants
Sumico Lubricant Trading (Shanghai) Co.,Ltd	100	China	Sale of various lubricants
Sumitomo Metal Mining Siporex Co., Ltd.	100	Japan	Manufacture and sale of ALC (Autoclaved Lightweight aerated Concrete) and other construction materials
JCO Co., Ltd.	100	Japan	Management of facilities using uranium and related wastes
Igeta Heim Co., Ltd.	100	Japan	Construction of steel frame and reinforced concrete apartments and condominiums
Japan Irradiation Service Co., Ltd.	100	Japan	Irradiation sterilization service for pharmaceutical products, medical instruments, and pharmaceutical containers,etc., /Modification of various industrial materials
<b>Equity-method affiliated company</b>			
Granopt Ltd.	50	Japan	Manufacture and sale of rare earth iron garnet (RIG)
N. E. Chemcat Corporation	50	Japan	Manufacture of precious metal catalysts and surface treatment chemicals; Recovery and refining of precious metals
Nippon Ketjen Co., Ltd.	50	Japan	Manufacture and sale of desulphurization catalysts for petroleum processing

## Others

	Voting Shares	Location	Operations
<b>Consolidated companies</b>			
Sumiko Techno-Research Co., Ltd.	100	Japan	Environmental measurement verification operations such as water quality, air, soil, noise and vibration, etc. Data collection, adjustment and product evolution as well as technological development
Sumiko Technical Service Co., Ltd	100	Japan	Commission-based work in area of nonferrous smelting/ Personnel agency business
Sumitomo Metal Mining Engineering Co., Ltd.	100	Japan	Nonferrous metal smelting, Chemicals business, Environment sector machinery & equipment, Plant surveys, etc. design, manufacturing and repair & maintenance
Sumiko Plantech Co., Ltd.	100	Japan	Manufacture of machinery & equipment and repair work for nonferrous metal smelting and chemical plants, etc. / Installation of machinery & equipment and piping work / Steel structure work
SMM Holland B.V.	100	Netherlands	Investment in nickel and cobalt development businesses