

Supplementary Explanation for Financial Summary

FY2012



Taganito Project

May 10th, 2013

Sumitomo Metal Mining Co., Ltd.

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Comparison

FY2012 Result vs FY2011 Result / FY2012 Forecast in Feb.

JPY100M

	FY2012 ①Result	FY2011 ②Result	Diff. ①-②	FY2012 ③Forecast in Feb.	Diff. ①-③
Net sales	8,085	8,479	△ 394	7,790	295
Operating income	958	886	72	800	158
Recurring profit	1,150	1,088	62	950	200
Net income	866	653	213	730	136
(Inventory evaluation P&L)	114	△ 51	165	30	84
(Exchange gain & loss)	56	△ 9	65	11	45
Cu (\$/t)	7,855	8,485	△ 630	7,873	△ 18
Ni (\$/lb)	7.69	9.56	△ 1.87	7.72	△ 0.03
Au (\$/oz)	1,653.6	1,645.7	7.9	1,658.4	△ 4.8
Exchange (¥/\$)	83.11	79.08	4.03	81.26	1.85
Exchange	13/3End	12/12End	12/9End	12/6End	12/3End
(¥/\$)	94.01	86.56	77.57	79.28	82.13

【Diff. of FY2012 Result vs FY2011 Result ①-②】

Recurring Profit +62

Metal Price / Exchange △112 (Metal Price/Exchange△258、Inventory evaluation+146,etc)

Exchange gain & loss +65, Materials Segment +24, VNC +92, etc.

【Diff. of FY2012 Result vs FY2012 Forecast in Feb. ①-③】

Recurring Profit +200

Metal Price / Exchange +105 (Metal Price/ Exchange+16、Inventory evaluation+89)、

Exchange gain & loss+45, Materials Segment +8, etc.

FY2013 Forecast vs FY2012 Result

JPY100M

	FY2013 ①Forecast	FY2012 ②Result	Diff. ①-②
Net sales	8,720	8,085	635
Operating income	810	958	△ 148
Recurring profit	1,060	1,150	△ 90
Net income	740	866	△ 126
(Inventory evaluation P&L)	△ 2	114	△ 116
(Exchange gain & loss)	0	56	△ 56
Cu (\$/t)	7,000	7,855	△ 855
Ni (\$/lb)	7.00	7.69	△ 0.69
Au (\$/oz)	1,450.0	1,653.6	△ 203.6
Exchange (¥/\$)	98.00	83.11	14.89

【Diff. of FY2013 Forecast vs FY2012 Result ①-②】

Recurring Profit△90

Metal Price / Exchange △127 (Metal Price / Exchange△21、Inventory evaluation△106)、

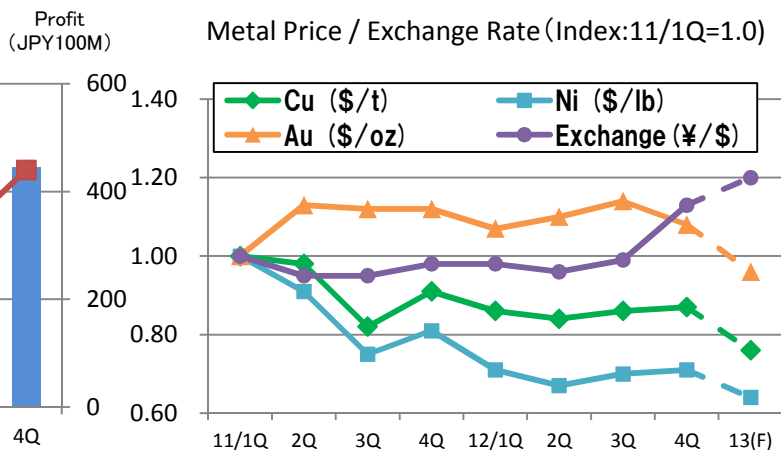
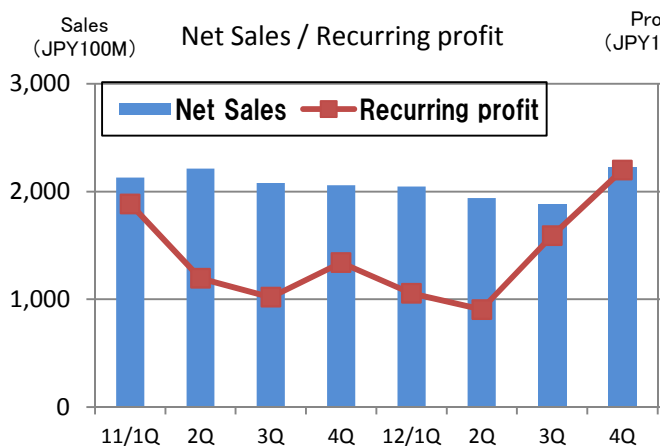
Exchange gain & loss△56、VNC+70、Materials Segment+42、etc

Quarterly Financial Results

JPY100M

	FY2010					FY2011				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net sales	2,190	2,107	2,136	2,208	8,641	2,129	2,214	2,078	2,058	8,479
Operating income	295	158	203	306	962	281	170	170	265	886
① Recurring profit	299	176	308	455	1,238	377	239	204	268	1,088
Net income	202	154	205	280	841	266	110	95	182	653
Cu (\$/t)	7,027	7,243	8,637	9,652	8,140	9,152	8,992	7,489	8,308	8,485
Ni (\$/lb)	10.19	9.61	10.71	12.20	10.68	11.02	10.01	8.30	8.92	9.56
Au (\$/oz)	1,195	1,227	1,369	1,385	1,294	1,505	1,702	1,686	1,691	1,646
Exchange(¥/\$)	92.02	85.90	82.65	82.35	85.73	81.75	77.89	77.41	79.28	79.08
Inventory impairment										
(Smelting) Impairment	△ 17	15	2	0	0	△ 12	△ 40	17	36	1
(Smelting) QP Diff etc.	61	△ 55	6	32	44	33	△ 17	△ 59	1	△ 42
(Smelting) Total	44	△ 40	8	32	44	21	△ 57	△ 42	37	△ 41
(Materials & others)	△ 3	2	0	2	1	0	△ 7	△ 4	1	△ 10
② Total	41	△ 38	8	34	45	21	△ 64	△ 46	38	△ 51
① - ②	258	214	300	421	1,193	356	303	250	230	1,139

	FY2012					FY2013
	1Q	2Q	3Q	4Q	Total	Forecast
Net sales	2,046	1,939	1,878	2,222	8,085	8,720
Operating income	205	192	209	352	958	810
① Recurring profit	211	181	318	440	1,150	1,060
Net income	170	102	284	310	866	740
Cu (\$/t)	7,867	7,716	7,909	7,927	7,855	7,000
Ni (\$/lb)	7.78	7.41	7.70	7.85	7.69	7.00
Au (\$/oz)	1,610	1,654	1,719	1,631	1,654	1,450
Exchange(¥/\$)	80.21	78.64	81.18	92.43	83.11	98.00
Inventory impairment						
(Smelting) Impairment	△ 14	14	△ 1	1	0	0
(Smelting) QP Diff etc.	△ 23	△ 17	31	113	104	△ 2
(Smelting) Total	△ 37	△ 3	30	114	104	△ 2
(Materials & others)	3	5	9	△ 7	10	0
② Total	△ 34	2	39	107	114	△ 2
① - ②	245	179	279	333	1,036	1,062



Segment profit (Operating income / Contribution margin)

JPY100M

		FY2011					FY2012					2013
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Forecast
Operating Profit	Mineral Resources	144	150	124	110	528	149	110	119	112	490	460
	Smelting & Refining	166	47	57	210	480	53	97	107	222	479	390
	Materials	18	3	△ 8	△ 3	10	2	9	13	21	45	80
	Others	△ 3	0	7	10	14	3	1	6	6	16	10
Sub-Total		325	200	180	327	1,032	207	217	245	361	1,030	940
Headquarter Exp. etc.		△ 44	△ 30	△ 10	△ 62	△ 146	△ 2	△ 25	△ 36	△ 9	△ 72	△ 130
Operating income Total		281	170	170	265	886	205	192	209	352	958	810

		Result						Forecast
		2007	2008	2009	2010	2011	2012	2013
Operating Profit	Mineral Resources	384	181	309	432	528	490	460
	Smelting & Refining	1,174	107	417	569	480	479	390
	Materials	98	△ 87	45	78	10	45	80
	Others	37	6	△ 1	10	14	16	10
Sub-Total		1,693	207	770	1,089	1,032	1,030	940
Headquarter Exp. etc.		△ 138	△ 100	△ 107	△ 127	△ 146	△ 72	△ 130
Operating income Total		1,555	107	663	962	886	958	810

The company has changed reporting segment from 2012/1Q ("Materials" segment and "Others" segment). In this page, profit till FY2011 is shown in previous segment grouping.

		FY2011 (Earlier Bases)					FY2012 (Earlier Bases)					FY2013	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Forecast (Earlier Bases)	Forecast ※
Contribution Margin	Mineral Resources	233	240	156	177	806	196	146	162	148	652	640	650
	Smelting & Refining	149	26	7	74	256	△ 5	31	96	217	339	300	370
	Materials	13	△ 7	△ 13	4	△ 3	△ 2	8	14	18	38	80	60
	Others	△ 1	6	10	19	34	3	1	6	6	16	10	10
Diff. Adjustment		△ 17	△ 26	44	△ 6	△ 5	19	△ 5	40	51	105	30	△ 30
Recurring Profit Total		377	239	204	268	1,088	211	181	318	440	1,150	1,060	1,060

※New Segment Profit (Refer P13)

Equity in earnings of affiliated companies

JPY100M

		FY2011					FY2012					2013
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Forecast
Cu	Cerro Verde	54	68	32	25	179	38	30	31	25	124	110
	Candelaria/Ojos	40	28	15	35	118	22	9	11	19	61	80
	Acids/Jinlong/MSMMBC	4	1	△ 5	4	4	0	△ 6	△ 1	6	△ 1	10
	Total	98	97	42	64	301	60	33	41	50	184	200
Ni	PT Vale Indonesia	19	22	12	2	55	2	1	4	3	10	0
	Figesbal/NAC/VNC	△ 6	△ 11	△ 18	△ 107	△ 142	△ 29	△ 34	5	10	△ 48	20
	Total	13	11	△ 6	△ 105	△ 87	△ 27	△ 33	9	13	△ 38	20
NECC/NK/MSZ/etc.		4	4	△ 1	11	18	2	5	9	9	25	30
Total		115	112	35	△ 30	232	35	5	59	72	171	250

		Result						Forecast	
		2006	2007	2008	2009	2010	2011	2012	2013
Cu	Cerro Verde	107	180	158	129	182	179	124	110
	Candelaria/Ojos	143	168	86	77	100	118	61	80
	Acids/Jinlong/MSMMBC	29	22	0	13	12	4	△ 1	10
	Total	279	370	244	219	294	301	184	200
Ni	PT Vale Indonesia	113	274	87	31	74	55	10	0
	Figesbal/NAC/VNC	8	11	△ 18	△ 25	△ 51	△ 142	△ 48	20
	Total	121	285	69	6	23	△ 87	△ 38	20
NECC/NK/MSZ/etc.		67	85	2	36	31	18	25	30
Total		467	740	315	261	348	232	171	250

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
Average	7,027	9,152	7,867	319	415	357	10.19	11.02	7.78
Jul	6,735	9,619	7,589	306	436	344	8.85	10.76	7.33
Aug	7,284	9,041	7,492	330	410	340	9.71	10.02	7.10
Sep	7,709	8,315	8,068	350	377	366	10.27	9.25	7.81
Average	7,243	8,992	7,716	329	408	350	9.61	10.01	7.41
Oct	8,292	7,348	8,070	376	333	366	10.80	8.57	7.82
Nov	8,470	7,552	7,694	384	343	349	10.39	8.11	7.39
Dec	9,147	7,568	7,963	415	343	361	10.94	8.23	7.90
Average	8,637	7,489	7,909	392	340	359	10.71	8.30	7.70
Jan	9,556	8,043	8,049	433	365	365	11.63	8.99	7.92
Feb	9,868	8,423	8,070	448	382	366	12.82	9.28	8.04
Mar	9,531	8,457	7,663	432	384	348	12.16	8.49	7.59
Average	9,652	8,308	7,927	438	377	360	12.20	8.92	7.85
FY average	8,140	8,485	7,855	369	385	356	10.68	9.56	7.69
Jan-Dec average	7,535	8,821	7,950	342	400	361	9.89	10.38	7.95
2013FCST	7,000			318			7.00		

	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
Average	1,195.4	1,504.7	1,610.3	2,026	2,254	1,928	92.02	81.75	80.21
Jul	1,194.5	1,570.7	1,593.3	1,844	2,391	1,851	87.75	79.52	79.04
Aug	1,214.6	1,757.7	1,625.9	2,045	2,212	1,814	85.50	77.28	78.69
Sep	1,271.2	1,776.3	1,743.2	2,151	2,077	2,002	84.46	76.88	78.18
Average	1,226.8	1,701.6	1,654.1	2,013	2,227	1,889	85.90	77.89	78.64
Oct	1,342.6	1,666.6	1,746.7	2,372	1,859	1,912	81.94	76.75	78.99
Nov	1,370.8	1,737.5	1,722.7	2,292	1,916	1,904	82.55	77.60	80.91
Dec	1,392.0	1,652.5	1,687.9	2,281	1,916	2,037	83.46	77.88	83.65
Average	1,368.5	1,685.5	1,719.1	2,315	1,897	1,951	82.65	77.41	81.18
Jan	1,358.4	1,656.1	1,671.4	2,372	1,981	2,033	82.67	76.99	89.24
Feb	1,372.0	1,742.9	1,629.1	2,465	2,058	2,129	82.55	78.41	93.24
Mar	1,423.4	1,674.4	1,591.9	2,349	2,035	1,935	81.82	82.45	94.80
Average	1,384.6	1,691.1	1,630.8	2,395	2,025	2,032	82.35	79.28	92.43
FY average	1,293.8	1,645.7	1,653.6	2,187	2,101	1,950	85.73	79.08	83.11
Jan-Dec average	1,225.1	1,569.1	1,668.7	2,161	2,193	1,948	87.82	79.85	79.83
2013FCST	1,450			1,900			98.00		

LME Price	FY2011	FY2012	FY2013(F)		12/3Q		12/4Q
E-Ni applied	9.87	7.76	7.05	Sep-Dec	7.67	Dec-Feb	7.95
Fe-Ni applied	10.38	7.95	7.21	Jul-Sep	7.41	Oct-Dec	7.70

Exchange	FY2011	FY2012	FY2013(F)		12/3Q		12/4Q
E-Ni applied	79.03	82.09	97.73	Sep-Dec	79.36	Dec-Feb	88.71
Fe-Ni applied	79.85	79.83	96.61	Jul-Sep	78.64	Oct-Dec	81.18

Comparison

(FY2012 Result VS FY2011 Result)

JPY100M

Operating income				(Earlier Bases) Contribution Margin			
	FY2012 ①	FY2011 ②	Diff. ①-②		FY2012 ③	FY2011 ④	Diff. ③-④
Mineral Resources	490	528	△ 38	Mineral Resources	652	806	△ 154
Smelting & Refining	479	480	△ 1	Smelting & Refining	339	256	83
Materials	45	8	37	Materials	38	14	24
Others	16	16	0	Others	16	19	△ 3
Sub-Total	1,030	1,032	△ 2	Diff. Adjustment	105	△ 7	112
Headquarter Exp. etc.	△ 72	△ 146	74	Recurring Profit	1,150	1,088	62
Total	958	886	72				

<<Explanation of Diff.>>

1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	10		1	16	△ 8	1
Pogo (Au)	△ 5	△ 11	21		△ 12	△ 3
Morenci/NP (Cu)	△ 16					
Others	△ 27					
Op. income Total	△ 38					

Au Sales (t)	FY2012	FY2011	Diff.
Hishikari	7.5	7.5	0.0
Pogo(100%)	9.7	10.4	△ 0.7

2. Smelting & Refining

JPY100M

	Diff.	Quantity	Price	Cost@	Inventory	Others
Copper	122	△ 1	△ 14	39	105	△ 7
Nickel	△ 99	22	△ 174	△ 1	37	17
Zinc/Lead	△ 1	△ 15		5	3	6
Others	△ 23					△ 23
Op. income Total	△ 1	6	△ 188	43	145	△ 7

•Inventory evaluation P&L
 FY2012 104 (JPY100M) (Cu+104, Ni△2, Zn+2)
 FY2011 △ 41 (JPY100M) (Cu△1, Ni△39, Zn△1)

Comparison

(FY2012 Result VS FY2011 Result)

3. Materials

【Net Sales, by products】

JPY100M

	FY2012 ①	FY2011 ②	Diff. ①-②
Semiconductor①CuPI・COF・LF・FW・Alloy	589	1,002	△ 413
Semiconductor②PWB・Terminals・Recycle	357	439	△ 82
Advanced①Film materials・Crystals	278	286	△ 8
Advanced②Battery・Magnet・Ink・Rare metals	156	122	34
Energy, Catalysts, Construction materials, Others	186	158	28
Total	1,566	2,007	△ 441

Equity in earnings of affiliated companies

JPY100M

		2012/1-3Q ①	2011/1-3Q ②	Diff ①-②
Cu	Cerro Verde	124	179	△ 55
	Candelaria/Ojos	61	118	△ 57
	Acids/Jinlong/MSMMBC	△ 1	4	△ 5
	Total	184	301	△ 117
Ni	PT Vale Indonesia	10	55	△ 45
	Figesbal/NAC/VNC	△ 48	△ 142	94
	Total	△ 38	△ 87	49
NECC/NK/MSZ/Others		25	18	7
Total		171	232	△ 61
Segment	Mineral Resources	185	297	△ 112
	Smelting & Refining	△ 35	△ 94	59
	Others	21	29	△ 8
Total		171	232	△ 61

Comparison

(2012/4Q Result vs 2012/3Q Result)

3. Materials

【Net Sales, by products】

JPY100M

	2012/4Q ①	2012/3Q ②	Diff. ①-②
Semiconductor①CuPI・COF・LF・FW・Alloy	102	110	△ 8
Semiconductor②PWB・Terminals・Recycle	79	86	△ 7
Advanced①Film materials・Crystals	68	68	0
Advanced②Battery・Magnet・Ink・Rare metals	42	39	3
Energy, Catalysts, Construction materials, Others	50	47	3
Total	341	350	△ 9

Equity in earnings of affiliated companies

JPY100M

		2012/4Q ①	2012/3Q ②	Diff. ①-②
Cu	Cerro Verde	25	31	△ 6
	Candelaria/Ojos	19	11	8
	Acids/Jinlong/MSMMBC	6	△ 1	7
	Total	50	41	9
Ni	PT Vale Indonesia	3	4	△ 1
	Figesbal/NAC/VNC	10	5	5
	Total	13	9	4
NECC/NK/MSZ/Others		9	9	0
Total		72	59	13
Segment	Mineral Resources	44	42	2
	Smelting & Refining	24	10	14
	Others	4	7	△ 3
Total		72	59	13

Comparison

(FY2013 Forecast vs FY2012 Result)

3. Materials

【Net Sales, by products】

JPY100M

	FY2013 Forecast①	FY2012 Result②	Diff. ①-②
Semiconductor①CuPI・COF・LF・FW・Alloy	510	589	△ 79
Semiconductor②PWB・Terminals・Recycle	400	357	43
Advanced①Film materials・Crystals	280	278	2
Advanced②Battery・Magnet・Ink・Rare metals	200	156	44
Energy, Catalysts, Construction materials, Others	200	186	14
Total	1,590	1,566	24

Equity in earnings of affiliated companies

JPY100M

		FY2013 Forecast①	FY2012 Result②	Diff. ①-②
Cu	Cerro Verde	110	124	△ 14
	Candelaria/Ojos	80	61	19
	Acids/Jinlong/MSMMBC	10	△ 1	11
	Total	200	184	16
Ni	PT Vale Indonesia	0	10	△ 10
	Figesbal/NAC/VNC	20	△ 48	68
	Total	20	△ 38	58
NECC/NK/MSZ/Others		30	25	5
Total		250	171	79
Segment	Mineral Resources	190	185	5
	Smelting & Refining	40	△ 35	75
	Others	20	21	△ 1
Total		250	171	79

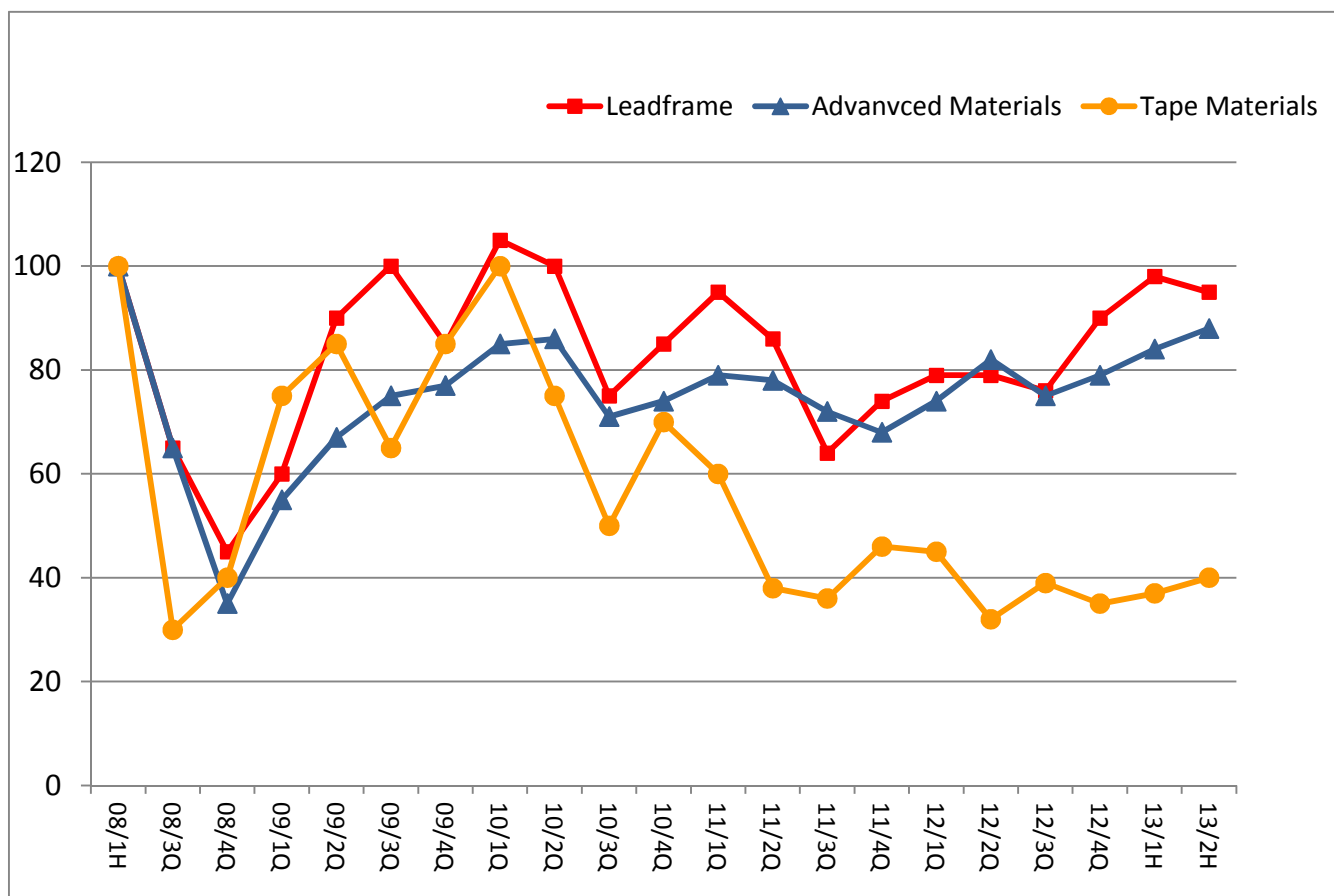
Sales trend of Materials Division

(Index FY2008/1H=100)

(Sales)

	FY2008			FY2009				FY2010			
	08/1H	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Tape Materials	100	30	40	75	85	65	85	100	75	50	70
Leadframe	100	65	45	60	90	100	85	105	100	75	85
Advanced Materials	100	65	35	55	67	75	77	85	86	71	74

	FY2011				FY2012				FY2013 Forecast	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1H	2H
Tape Materials	60	38	36	46	45	28	39	35	37	40
Leadframe	95	86	64	74	79	77	76	90	98	95
Advanced Materials	79	78	72	68	74	73	75	79	84	88



Production/Sales trend of Mineral Resources / Smelting & Refining

		FY2011					FY2012					FY2013		
		Result					Result					Diff.	Plan	Diff.
		1Q	2Q	3Q	4Q	Total ①	1Q	2Q	3Q	4Q	Total ②	②-①	Total ③	③-②
【Gold Mine】 (t)														
Hishikari	Production	2.0	3.2	1.4	1.2	7.8	2.5	1.1	2.0	1.9	7.5	-0.3	7.0	-0.5
	Sales	2.0	2.3	1.6	1.6	7.5	2.6	1.4	1.8	1.7	7.5	0.0	7.0	-0.5
Pogo	Production	2.5	2.5	2.5	2.6	10.1	2.7	2.6	2.3	2.2	9.8	-0.3	10.8	1.0
	Sales	2.8	2.6	2.5	2.5	10.4	2.6	2.7	2.4	2.0	9.7	-0.7	10.8	1.1
【Copper Mine】 (kt)														
Morenci	Production	65	72	72	70	279	69	69	73	76	287	8	325	38.0
	Sales	63	76	69	70	278	78	50	108	71	307	29	346	39.0
La Candelaria	Production	36	35	36	41	148	27	25	27	44	123	-25	171	48.0
	Sales	36	38	33	43	150	26	23	30	41	120	-30	171	51.0
Ojos Del Salado	Production	7	6	7	6	26	6	7	6	5	24	-2	23	-1.0
	Sales	6	6	7	7	26	6	7	5	6	24	-2	23	-1.0
Cerro Verde	Production	79	77	72	66	294	63	68	69	70	270	-24	252	-18.0
	Sales	77	78	73	70	298	62	67	70	68	267	-31	252	-15.0
North Parkes	Production	12	12	13	13	50	13	14	13	13	53	3	55	2.0
	Sales	7	14	10	16	47	11	14	15	15	55	8	53	-2.0
Batu Hijau	Production	40	26	38	24	128	20	19	20	15	74	-54	87	13.0
	Sales	42	29	36	28	135	19	15	19	21	74	-61	85	11.0
【Smelting & Refining in Japan】 (kt)														
E-Cu	Production	85.5	72.8	71.5	103.5	333.3	110.2	108.4	109.2	107.8	435.6	102.3	423.1	-12.5
	Sales	99.6	94.1	89.4	107.2	390.3	117.0	108.5	107.7	116.1	449.3	59.0	433.0	-16.3
E-Ni	Production	9.5	10.6	10.5	11.2	41.7	10.0	10.8	10.0	10.8	41.5	-0.2	53.4	11.9
	Sales	10.0	11.9	11.2	11.3	44.4	11.2	11.2	10.3	11.8	44.5	0.1	50.2	5.7
FeNi	Production	4.8	5.4	4.5	5.7	20.4	4.7	6.0	5.3	5.8	21.9	1.5	22.4	0.5
	Sales	5.2	5.3	4.9	5.3	20.7	5.1	5.7	5.3	5.8	21.9	1.2	22.2	0.3
【Smelting & Refining overseas】 (kt)														
CBNC MS (Ni content)	Production	5.6	5.1	6.0	5.8	22.5	6.5	5.2	6.5	5.7	23.9	1.4	24.0	0.1
	Sales	5.5	3.6	7.4	6.2	22.7	5.4	6.1	5.5	6.9	23.9	1.2	24.0	0.1
PT Vale Matte (Ni content)	Production	16.5	18.6	18.1	13.7	66.9	12.4	16.6	20.4	21.3	70.7	3.8	79.6	8.9
	Sales	15.7	19.4	16.1	15.6	66.8	12.5	16.3	21.8	20.8	71.4	4.6	79.6	8.2

Regarding Disclosure of Segment Profits from FY2013

1. Overview

1) Commencing with FY2013, the method for calculating segment profits recorded in the results brief is to be changed as follows:

- ① “Capital costs” will no longer be allocated to segment profits.
- ② Internal loan interest, calculated from the split balance sheets, will be borne respectively by each segment.
- ③ The method for allocating Head Office expenses and Technology Division expenses will be changed.

Under the disclosure bases used until now, Head Office Expenses and Technology Division Expenses are not allocated and has been booked as “different adjustments” amount; from FY2013 expenses directly connected to the various segments will be borne by and the head office expenses and Technology Division expenses balance are newly allocated to the respective segments.

Example: Among R&D expenses of the Technology Division, those directly connected to the Materials segment will be borne by the Materials segment.

2) The changes being implemented will have an impact on two items previously disclosed as “contribution margin”: “segment profits” based on ordinary income and “adjustments.” Total profit and “operating income before allocations” will not be affected.

3) In these materials, “contribution margin (applying the earlier bases)” and “new segment profits” are both shown.

“Operating income before allocations” is also disclosed.

2. Detailed description

Disclosures of shaded items in these materials:

【 Earlier bases 】	Disclosure in these materials (identical)	【 New segment profits 】
① Net sales	Allocation under new (Dis-continued) -----> (Newly adopted)	① Net sales
② Cost of sales / segment SG&A costs		② Cost of sales / segment SG&A expenses
③ Operating income before allocations = ①-②		③ Operating income before allocations = ①-②
		④ Head Office expenses and Technology Division expenses
		⑤ Segment operating income = ③-④
⑥ Segment equity-method investment profit/loss		⑥ Segment equity-method investment profit/loss
⑦ Segment other non-operating profit/loss		⑦ Segment other non-operating profit/loss
⑫ Capital costs		⑧ Internal loan interest, etc.*
⑬ Segment contribution margins (earlier bases) = ③+⑥+⑦-⑫ Based on R.P., disclosed in this material		⑨ New segment profits = ⑤+⑥+⑦-⑧ Based on R.P., disclosed in “Financial Results” and this material
⑭ Differential-adjustment (Head Office expenses, Technology Division expenses, etc.)		
⑮ Differential-adjustment (Capital costs set off, elimination, etc.)		⑩ Differential-adjustment (set off, elimination, etc.)
⑪ Total ordinary income = ⑬+⑭+⑮		⑪ Total ordinary income = ⑨+⑩

* Note: Interest on internal loans will be calculated from the split balance sheets of each segment applying the internal interest rate, and those amounts will be borne as internal loan interest by each respective segment.

Sensitivity

JPY100M / Year

	Change	Profit Up · Down Operating / Recruing Profit
Cu	±100 \$ /t	7/13
Ni	±10 ¢ /lb	11/13
Au	±10 \$ /Toz	5/5
¥ / \$	±1 ¥/\$	13/15

(Remark)

USD/JPY translation included RC-related and

Conversion rate of overseas consolidated / equity-method affiliate companies' profit

Financial Position

【Shareholder's Equity Ratio】

JPY100M

End of FY	FY2008	FY2009	FY2010	FY2011	FY2012	09 3-Yr Plan 2012
Net assets	8,803	9,820	10,528	11,468	13,512	11,200
Shareholder's equity	5,049	5,869	6,305	6,597	7,693	6,740
Shareholder's Equity Ratio	57.4%	59.8%	59.9%	57.5%	56.9%	60%

【D/E Ratio】

JPY100M

End of FY	FY2008	FY2009	FY2010	FY2011	FY2012	09 3-Yr Plan 2012
Interest-bearing debt	2,185	2,009	2,110	2,660	3,300	2,740
Shareholder's equity	5,049	5,869	6,305	6,597	7,693	6,740
D/E ratio	0.43	0.34	0.33	0.40	0.43	0.4

【Dividend payout ratio】

	FY2008	FY2009	FY2010	FY2011	FY2012	09 3-Yr Plan 2012
Dividend / share (JPY)	13.0	20.0	32.0	28.0	34.0	-
Net Income / share (JPY)	38.87	96.26	149.38	116.17	155.58	-
Dividend payout ratio	33.4%	20.8%	21.4%	24.1%	21.9%	20% +

Consolidated companies (58) / Equity-method affiliated companies (15)
at March 31, 2012
Mineral Resources

	Voting Shares	Location	Operations
Consolidated companies			
Sumiko Resources Exploration & Development Co., Ltd	100	Japan	Geological survey of resources; Test boring
Sumitomo Metal Mining America Inc.	100	USA	Exploration; Management of mining subsidiaries in USA.
Sumitomo Metal Mining Arizona Inc.	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 Pty. Ltd.	100	Australia	Resource surveys, mine development and related operations in Oceania
Sumitomo Metal Mining Pogo LLC	100	USA	Investment in Pogo Mine
SMM Resources Inc.	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	100	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
Equity-method affiliated companies			
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
Consolidated companies			
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
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
Equity-method affiliated companies			
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
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
Consolidated companies			
Okuchi Electronics Co., Ltd.	100	Japan	Lead frame etching and plating/ Manufacture of functional inks/Recovery and recycling of non-ferrous metals
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
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.	70	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
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
Equity-method affiliated company			
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
Consolidated companies			
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