

# Supplementary Explanation for Financial Summary

## 2nd Quarter FY2013



Taganito HPAL Inauguration Ceremony

**November 8th, 2013**

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

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# Comparison

## FY2013/1H Result vs FY2012/1H Result vs FY2012/1H Forecast in Aug.

JPY100M

|                            | FY2013/1H<br>①Result | FY2012/1H<br>②Result | Diff.<br>①-② | FY2013/1H<br>③Forecast in Aug. | Diff.<br>①-③ |
|----------------------------|----------------------|----------------------|--------------|--------------------------------|--------------|
| Net sales                  | 4,160                | 3,985                | 175          | 3,980                          | 180          |
| Operating income           | 407                  | 397                  | 10           | 310                            | 97           |
| Recurring profit           | 565                  | 392                  | 173          | 470                            | 95           |
| Net income                 | 400                  | 272                  | 128          | 360                            | 40           |
| (Inventory evaluation P&L) | △ 33                 | △ 32                 | △ 1          | △ 79                           | 46           |
| (Exchange gain & loss)     | 32                   | △ 37                 | 69           | 34                             | △ 2          |
| Cu ( \$ /t)                | 7,112                | 7,792                | △ 680        | 7,073                          | 39           |
| Ni ( \$ /lb)               | 6.55                 | 7.60                 | △ 1.05       | 6.39                           | 0.16         |
| Au ( \$ /oz)               | 1,370.6              | 1,632.2              | △ 261.6      | 1,332.3                        | 38.3         |
| Exchange ( ¥ / \$ )        | 98.86                | 79.42                | 19.44        | 96.88                          | 1.98         |
| Exchange                   | 13/9End              | 13/6End              | 13/3End      | 12/12End                       | 12/9End      |
| ( ¥ / \$ )                 | 97.69                | 98.58                | 94.01        | 86.56                          | 77.57        |

### 【Diff. of FY2013/1H Result vs FY2012/1H Result ①-②】

Recurring Profit +173

Metal Price / Exchange +3 (Metal Price / Exchange △4, Inventory Evaluation +7)、Exchange Gain & loss +69、  
Materials Business +53、Decrease of loss of Vale New Caledonia +70、Quantity △24、etc.

### 【Diff. of FY2013/1H Result vs Forecast in Aug. ①-③】

Recurring Profit +95

Metal Price / Exchange +58 (Metal Price / Exchange +14, Inventory Evaluation +44)、Material Business +15、etc.

## FY2013 1H Result vs 2H Forecast / FY2013 New and old Forecast (in May vs in Nov.)

JPY100M

|                            | 13/1H<br>①Result | 13/2H<br>②Forecast | FY2013<br>④Forecast in Nov. | FY2013<br>④Forecast in May | Diff.<br>③-④ | Diff.<br>②-① |
|----------------------------|------------------|--------------------|-----------------------------|----------------------------|--------------|--------------|
| Net sales                  | 4,160            | 3,960              | 8,120                       | 8,720                      | △ 600        | △ 200        |
| Operating income           | 407              | 303                | 710                         | 810                        | △ 100        | △ 104        |
| Recurring profit           | 565              | 465                | 1,030                       | 1,060                      | △ 30         | △ 100        |
| Net income                 | 400              | 340                | 740                         | 740                        | 0            | △ 60         |
| (Inventory evaluation P&L) | △ 33             | △ 29               | △ 62                        | △ 2                        | △ 60         | 4            |
| (Exchange gain & loss)     | 32               | 0                  | 32                          | 0                          | 32           | △ 32         |
| Cu ( \$ /t)                | 7,112            | 7,000              | 7,056                       | 7,000                      | 56           | △ 112        |
| Ni ( \$ /lb)               | 6.55             | 6.30               | 6.42                        | 7.00                       | △ 0.58       | △ 0.25       |
| Au ( \$ /oz)               | 1,370.6          | 1,300.0            | 1,335.3                     | 1,450.0                    | △ 114.7      | △ 70.6       |
| Exchange ( ¥ / \$ )        | 98.86            | 98.00              | 98.43                       | 98.00                      | 0.43         | △ 0.86       |

### 【Diff. of Forecast of FY2013 in Nov. vs in May ③-④】

Recurring Profit △30

Metal Price / Exchange △75 (Metal Price / Exchange △14, Inventory Evaluation △61)、  
Exchange gain & loss +32、Material Business +20、Quantity △39、Cost@ +24、etc.

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

Recurring Profit △100

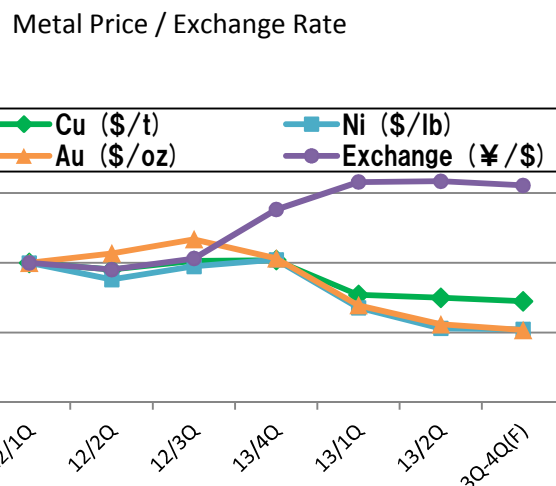
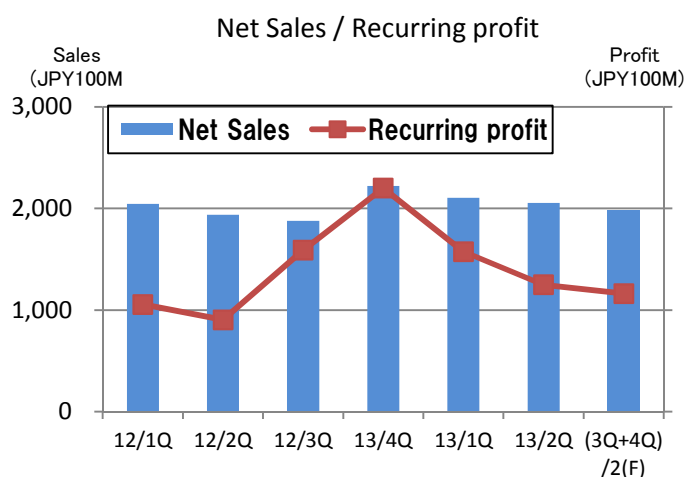
Metal Price / Exchange △45 (Metal Price / Exchange △46, Inventory Evaluation +1)、  
Exchange gain & loss △32、Material Business △30、etc.

# 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 |
| <b>Inventory impairment</b> |        |       |       |       |       |        |       |       |       |       |
| (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 | 1Q     | 2Q    | 1H Result | 2H Forecast | Total |
| Net sales                   | 2,046  | 1,939 | 1,878 | 2,222 | 8,085 | 2,105  | 2,055 | 4,160     | 3,960       | 8,120 |
| Operating income            | 205    | 192   | 209   | 352   | 958   | 202    | 205   | 407       | 303         | 710   |
| ① Recurring profit          | 211    | 181   | 318   | 440   | 1,150 | 315    | 250   | 565       | 465         | 1,030 |
| Net income                  | 170    | 102   | 284   | 310   | 866   | 233    | 167   | 400       | 340         | 740   |
| Cu (\$/t)                   | 7,867  | 7,716 | 7,909 | 7,927 | 7,855 | 7,146  | 7,079 | 7,112     | 7,000       | 7,056 |
| Ni (\$/lb)                  | 7.78   | 7.41  | 7.70  | 7.85  | 7.69  | 6.78   | 6.32  | 6.55      | 6.30        | 6.42  |
| Au (\$/oz)                  | 1,610  | 1,654 | 1,719 | 1,631 | 1,654 | 1,415  | 1,327 | 1,371     | 1,300       | 1,335 |
| Exchange(¥/\$)              | 80.21  | 78.64 | 81.18 | 92.43 | 83.11 | 98.76  | 98.95 | 98.86     | 98.00       | 98.43 |
| <b>Inventory impairment</b> |        |       |       |       |       |        |       |           |             |       |
| (Smelting) Impairment       | △ 14   | 14    | △ 1   | 1     | 0     | △ 36   | 35    | △ 1       | 2           | 1     |
| (Smelting) QP Diff etc.     | △ 23   | △ 17  | 31    | 113   | 104   | 4      | △ 35  | △ 31      | △ 33        | △ 64  |
| (Smelting) Total            | △ 37   | △ 3   | 30    | 114   | 104   | △ 32   | 0     | △ 32      | △ 31        | △ 63  |
| (Materials & others)        | 3      | 5     | 9     | △ 7   | 10    | △ 3    | 2     | △ 1       | 2           | 1     |
| ② Total                     | △ 34   | 2     | 39    | 107   | 114   | △ 35   | 2     | △ 33      | △ 29        | △ 62  |
| ① - ②                       | 245    | 179   | 279   | 333   | 1,036 | 350    | 248   | 598       | 494         | 1,092 |



## Segment profit (Operating income / Segment profit)

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|                               |                     | FY2011     |            |            |            |            | FY2012     |            |            |            |            | FY2013     |            |            |            |
|-------------------------------|---------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                               |                     | 1Q         | 2Q         | 3Q         | 4Q         | Total      | 1Q         | 2Q         | 3Q         | 4Q         | Total      | 1Q         | 2Q         | 3Q+4Q(F)   | Total      |
| Operating Profit              | Mineral Resources   | 144        | 150        | 124        | 110        | 528        | 149        | 110        | 119        | 112        | 490        | 142        | 111        | 187        | 440        |
|                               | Smelting & Refining | 166        | 47         | 57         | 210        | 480        | 53         | 97         | 107        | 222        | 479        | 59         | 107        | 134        | 300        |
|                               | Materials           | 18         | 3          | △ 8        | △ 3        | 10         | 2          | 9          | 13         | 21         | 45         | 22         | 29         | 39         | 90         |
|                               | Others              | △ 3        | 0          | 7          | 10         | 14         | 3          | 1          | 6          | 6          | 16         | 5          | △ 2        | 7          | 10         |
| Sub-Total                     |                     | 325        | 200        | 180        | 327        | 1,032      | 207        | 217        | 245        | 361        | 1,030      | 228        | 245        | 367        | 840        |
| Headquarter Exp. etc.         |                     | △ 44       | △ 30       | △ 10       | △ 62       | △ 146      | △ 2        | △ 25       | △ 36       | △ 9        | △ 72       | △ 26       | △ 40       | △ 64       | △ 130      |
| <b>Operating income Total</b> |                     | <b>281</b> | <b>170</b> | <b>170</b> | <b>265</b> | <b>886</b> | <b>205</b> | <b>192</b> | <b>209</b> | <b>352</b> | <b>958</b> | <b>202</b> | <b>205</b> | <b>303</b> | <b>710</b> |

|                               |                     | Result       |            |            |            |            |            | Forecast   |
|-------------------------------|---------------------|--------------|------------|------------|------------|------------|------------|------------|
|                               |                     | 2007         | 2008       | 2009       | 2010       | 2011       | 2012       | 2013       |
| Operating Profit              | Mineral Resources   | 384          | 181        | 309        | 432        | 528        | 490        | 440        |
|                               | Smelting & Refining | 1,174        | 107        | 417        | 569        | 480        | 479        | 300        |
|                               | Materials           | 98           | △ 87       | 45         | 78         | 10         | 45         | 90         |
|                               | Others              | 37           | 6          | △ 1        | 10         | 14         | 16         | 10         |
| Sub-Total                     |                     | 1,693        | 207        | 770        | 1,089      | 1,032      | 1,030      | 840        |
| Headquarter Exp. etc.         |                     | △ 138        | △ 100      | △ 107      | △ 127      | △ 146      | △ 72       | △ 130      |
| <b>Operating income Total</b> |                     | <b>1,555</b> | <b>107</b> | <b>663</b> | <b>962</b> | <b>886</b> | <b>958</b> | <b>710</b> |

1)  
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.

2)  
For details about (Earlier Bases) Contribution Margin and (New) Segment Profit, please refer P13.

|                               |                     | (Earlier Bases) Contribution Margin |            |            |            |              | (New) Segment Profit |            |            |            |              |            |            |            |              |
|-------------------------------|---------------------|-------------------------------------|------------|------------|------------|--------------|----------------------|------------|------------|------------|--------------|------------|------------|------------|--------------|
|                               |                     | FY2011                              |            |            |            |              | FY2012               |            |            |            | FY2013       |            |            |            |              |
|                               |                     | 1Q                                  | 2Q         | 3Q         | 4Q         | Total        | 1Q                   | 2Q         | 3Q         | 4Q         | Total        | 1Q         | 2Q         | 3Q+4Q(F)   | Total        |
| Segment Profit                | Mineral Resources   | 233                                 | 240        | 156        | 177        | 806          | 198                  | 148        | 164        | 150        | 660          | 192        | 152        | 326        | 670          |
|                               | Smelting & Refining | 149                                 | 26         | 7          | 74         | 256          | 12                   | 48         | 113        | 234        | 407          | 59         | 97         | 124        | 280          |
|                               | Materials           | 13                                  | △ 7        | △ 13       | 4          | △ 3          | △ 4                  | 6          | 12         | 16         | 30           | 19         | 36         | 25         | 80           |
|                               | Others              | △ 1                                 | 6          | 10         | 19         | 34           | 3                    | 1          | 6          | 6          | 16           | 5          | △ 2        | 7          | 10           |
| Diff. Adjustment              |                     | △ 17                                | △ 26       | 44         | △ 6        | △ 5          | 2                    | △ 22       | 23         | 34         | 37           | 40         | △ 33       | △ 17       | △ 10         |
| <b>Recurring Profit Total</b> |                     | <b>377</b>                          | <b>239</b> | <b>204</b> | <b>268</b> | <b>1,088</b> | <b>211</b>           | <b>181</b> | <b>318</b> | <b>440</b> | <b>1,150</b> | <b>315</b> | <b>250</b> | <b>465</b> | <b>1,030</b> |

## Equity in earnings of affiliated companies

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|                       |                      | FY2011     |            |           |             |            | FY2012    |          |           |           |            | FY2013    |           |            |            |
|-----------------------|----------------------|------------|------------|-----------|-------------|------------|-----------|----------|-----------|-----------|------------|-----------|-----------|------------|------------|
|                       |                      | 1Q         | 2Q         | 3Q        | 4Q          | Total      | 1Q        | 2Q       | 3Q        | 4Q        | Total      | 1Q        | 2Q        | 3Q+4Q(F)   | Total      |
| Cu                    | Cerro Verde          | 54         | 68         | 32        | 25          | 179        | 38        | 30       | 31        | 25        | 124        | 29        | 19        | 72         | 120        |
|                       | Candelaria/Ojos      | 40         | 28         | 15        | 35          | 118        | 22        | 9        | 11        | 19        | 61         | 21        | 9         | 60         | 90         |
|                       | Acids/Jinlong/MSMMBC | 4          | 1          | △ 5       | 4           | 4          | 0         | △ 6      | △ 1       | 6         | △ 1        | 2         | △ 6       | 4          | 0          |
|                       | Total                | 98         | 97         | 42        | 64          | 301        | 60        | 33       | 41        | 50        | 184        | 52        | 22        | 136        | 210        |
| Ni                    | PT Vale Indonesia    | 19         | 22         | 12        | 2           | 55         | 2         | 1        | 4         | 3         | 10         | 5         | 6         | 19         | 30         |
|                       | Figesbal/NAC/VNC     | △ 6        | △ 11       | △ 18      | △ 107       | △ 142      | △ 29      | △ 34     | 5         | 10        | △ 48       |           |           |            |            |
|                       | Total                | 13         | 11         | △ 6       | △ 105       | △ 87       | △ 27      | △ 33     | 9         | 13        | △ 38       | 5         | 6         | 19         | 30         |
| NECC/NK/MSZ/SHCP/etc. |                      | 4          | 4          | △ 1       | 11          | 18         | 2         | 5        | 9         | 9         | 25         | 9         | 15        | 16         | 40         |
| <b>Total</b>          |                      | <b>115</b> | <b>112</b> | <b>35</b> | <b>△ 30</b> | <b>232</b> | <b>35</b> | <b>5</b> | <b>59</b> | <b>72</b> | <b>171</b> | <b>66</b> | <b>43</b> | <b>171</b> | <b>280</b> |

|                       |                      | Result     |            |            |            |            |            | Forecast   |            |
|-----------------------|----------------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                       |                      | 2006       | 2007       | 2008       | 2009       | 2010       | 2011       | 2012       | 2013       |
| Cu                    | Cerro Verde          | 107        | 180        | 158        | 129        | 182        | 179        | 124        | 120        |
|                       | Candelaria/Ojos      | 143        | 168        | 86         | 77         | 100        | 118        | 61         | 90         |
|                       | Acids/Jinlong/MSMMBC | 29         | 22         | 0          | 13         | 12         | 4          | △ 1        | 0          |
|                       | Total                | 279        | 370        | 244        | 219        | 294        | 301        | 184        | 210        |
| Ni                    | PT Vale Indonesia    | 113        | 274        | 87         | 31         | 74         | 55         | 10         | 30         |
|                       | Figesbal/NAC/VNC     | 8          | 11         | △ 18       | △ 25       | △ 51       | △ 142      | △ 48       |            |
|                       | Total                | 121        | 285        | 69         | 6          | 23         | △ 87       | △ 38       | 30         |
| NECC/NK/MSZ/SHCP/etc. |                      | 67         | 85         | 2          | 36         | 31         | 18         | 25         | 40         |
| <b>Total</b>          |                      | <b>467</b> | <b>740</b> | <b>315</b> | <b>261</b> | <b>348</b> | <b>232</b> | <b>171</b> | <b>280</b> |

## Metal price and Exchange rate

|                        | Copper (\$/t) |              |              | Copper (¢/lb) |            |            | Nickel (\$/lb) |             |             |
|------------------------|---------------|--------------|--------------|---------------|------------|------------|----------------|-------------|-------------|
|                        | FY2011        | FY2012       | FY2013       | FY2011        | FY2012     | FY2013     | FY2011         | FY2012      | FY2013      |
| Apr                    | 9,483         | 8,260        | 7,203        | 430           | 375        | 327        | 11.94          | 8.12        | 7.09        |
| May                    | 8,927         | 7,920        | 7,229        | 405           | 359        | 328        | 10.98          | 7.72        | 6.78        |
| Jun                    | 9,045         | 7,420        | 7,004        | 410           | 337        | 318        | 10.14          | 7.50        | 6.47        |
| <b>Average</b>         | <b>9,152</b>  | <b>7,867</b> | <b>7,146</b> | <b>415</b>    | <b>357</b> | <b>324</b> | <b>11.02</b>   | <b>7.78</b> | <b>6.78</b> |
| Jul                    | 9,619         | 7,589        | 6,893        | 436           | 344        | 313        | 10.76          | 7.33        | 6.22        |
| Aug                    | 9,041         | 7,492        | 7,182        | 410           | 340        | 326        | 10.02          | 7.10        | 6.48        |
| Sep                    | 8,315         | 8,068        | 7,162        | 377           | 366        | 325        | 9.25           | 7.81        | 6.25        |
| <b>Average</b>         | <b>8,992</b>  | <b>7,716</b> | <b>7,079</b> | <b>408</b>    | <b>350</b> | <b>321</b> | <b>10.01</b>   | <b>7.41</b> | <b>6.32</b> |
| Oct                    | 7,348         | 8,070        |              | 333           | 366        |            | 8.57           | 7.82        |             |
| Nov                    | 7,552         | 7,694        |              | 343           | 349        |            | 8.11           | 7.39        |             |
| Dec                    | 7,568         | 7,963        |              | 343           | 361        |            | 8.23           | 7.90        |             |
| <b>Average</b>         | <b>7,489</b>  | <b>7,909</b> |              | <b>340</b>    | <b>359</b> |            | <b>8.30</b>    | <b>7.70</b> |             |
| Jan                    | 8,043         | 8,049        |              | 365           | 365        |            | 8.99           | 7.92        |             |
| Feb                    | 8,423         | 8,070        |              | 382           | 366        |            | 9.28           | 8.04        |             |
| Mar                    | 8,457         | 7,663        |              | 384           | 348        |            | 8.49           | 7.59        |             |
| <b>Average</b>         | <b>8,308</b>  | <b>7,927</b> |              | <b>377</b>    | <b>360</b> |            | <b>8.92</b>    | <b>7.85</b> |             |
| <b>FY average</b>      | <b>8,485</b>  | <b>7,855</b> | <b>7,112</b> | <b>385</b>    | <b>356</b> | <b>323</b> | <b>9.56</b>    | <b>7.69</b> | <b>6.55</b> |
| <b>Jan-Dec average</b> | <b>8,821</b>  | <b>7,950</b> | <b>7,384</b> | <b>400</b>    | <b>361</b> | <b>335</b> | <b>10.38</b>   | <b>7.95</b> | <b>6.98</b> |
| 10-3月(11月予想)           |               |              | 7,000        |               |            | 318        |                |             | 6.30        |
| FY2013(11月予想)          |               |              | 7,056        |               |            | 320        |                |             | 6.42        |
| FY2013(5月予想)           |               |              | 7,000        |               |            | 318        |                |             | 7.00        |

|                        | Gold (\$/oz)   |                |                | Zinc (\$/t)  |              |              | Exchange (¥/US\$) |              |              |
|------------------------|----------------|----------------|----------------|--------------|--------------|--------------|-------------------|--------------|--------------|
|                        | FY2011         | FY2012         | FY2013         | FY2011       | FY2012       | FY2013       | FY2011            | FY2012       | FY2013       |
| Apr                    | 1,474.1        | 1,649.3        | 1,485.5        | 2,372        | 1,997        | 1,852        | 83.45             | 81.56        | 97.73        |
| May                    | 1,511.3        | 1,585.3        | 1,415.4        | 2,160        | 1,930        | 1,829        | 81.24             | 79.77        | 101.10       |
| Jun                    | 1,528.5        | 1,596.2        | 1,342.5        | 2,230        | 1,856        | 1,839        | 80.56             | 79.30        | 97.46        |
| <b>Average</b>         | <b>1,504.7</b> | <b>1,610.3</b> | <b>1,414.5</b> | <b>2,254</b> | <b>1,928</b> | <b>1,840</b> | <b>81.75</b>      | <b>80.21</b> | <b>98.76</b> |
| Jul                    | 1,570.7        | 1,593.3        | 1,285.5        | 2,391        | 1,851        | 1,835        | 79.52             | 79.04        | 99.77        |
| Aug                    | 1,757.7        | 1,625.9        | 1,346.1        | 2,212        | 1,814        | 1,894        | 77.28             | 78.69        | 97.85        |
| Sep                    | 1,776.3        | 1,743.2        | 1,348.6        | 2,077        | 2,002        | 1,848        | 76.88             | 78.18        | 99.22        |
| <b>Average</b>         | <b>1,701.6</b> | <b>1,654.1</b> | <b>1,326.7</b> | <b>2,227</b> | <b>1,889</b> | <b>1,859</b> | <b>77.89</b>      | <b>78.64</b> | <b>98.95</b> |
| Oct                    | 1,666.6        | 1,746.7        |                | 1,859        | 1,912        |              | 76.75             | 78.99        |              |
| Nov                    | 1,737.5        | 1,722.7        |                | 1,916        | 1,904        |              | 77.60             | 80.91        |              |
| Dec                    | 1,652.5        | 1,687.9        |                | 1,916        | 2,037        |              | 77.88             | 83.65        |              |
| <b>Average</b>         | <b>1,685.5</b> | <b>1,719.1</b> |                | <b>1,897</b> | <b>1,951</b> |              | <b>77.41</b>      | <b>81.18</b> |              |
| Jan                    | 1,656.1        | 1,671.4        |                | 1,981        | 2,033        |              | 76.99             | 89.24        |              |
| Feb                    | 1,742.9        | 1,629.1        |                | 2,058        | 2,129        |              | 78.41             | 93.24        |              |
| Mar                    | 1,674.4        | 1,591.9        |                | 2,035        | 1,935        |              | 82.45             | 94.80        |              |
| <b>Average</b>         | <b>1,691.1</b> | <b>1,630.8</b> |                | <b>2,025</b> | <b>2,032</b> |              | <b>79.28</b>      | <b>92.43</b> |              |
| <b>FY average</b>      | <b>1,645.7</b> | <b>1,653.6</b> | <b>1,370.6</b> | <b>2,101</b> | <b>1,950</b> | <b>1,849</b> | <b>79.08</b>      | <b>83.11</b> | <b>98.86</b> |
| <b>Jan-Dec average</b> | <b>1,569.1</b> | <b>1,668.7</b> | <b>1,457.3</b> | <b>2,193</b> | <b>1,948</b> | <b>1,910</b> | <b>79.85</b>      | <b>79.83</b> | <b>96.71</b> |
| Oct-Mar(FCST in Nov)   |                |                | 1,300          |              |              | 1,850        |                   |              | 98.00        |
| FY2013(FCST in Nov.)   |                |                | 1,335          |              |              | 1,850        |                   |              | 98.43        |
| FY2013(FCST in May)    |                |                | 1,450          |              |              | 1,900        |                   |              | 98.00        |

| LME Price     |         | 13/1Q |         | 13/2Q |         | 13/2H(F) |
|---------------|---------|-------|---------|-------|---------|----------|
| E-Ni applied  | Mar-May | 7.15  | Jun-Aug | 6.39  | Sep-Feb | 6.29     |
| Fe-Ni applied | Jan-Mar | 7.85  | Apr-Jun | 6.78  | Jul-Dec | 6.31     |

| Exchange      |         | 13/1Q |         | 13/2Q |         | 13/2H(F) |
|---------------|---------|-------|---------|-------|---------|----------|
| E-Ni applied  | Mar-May | 97.88 | Jun-Aug | 98.36 | Sep-Feb | 98.20    |
| Fe-Ni applied | Jan-Mar | 92.43 | Apr-Jun | 98.76 | Jul-Dec | 98.48    |

## Comparison

(2013/1H Result vs 2012/1H Result)

JPY100M

| Operating income      |              |              |              |
|-----------------------|--------------|--------------|--------------|
|                       | 2013/1H<br>① | 2012/1H<br>② | Diff.<br>①-② |
| Mineral Resources     | 253          | 259          | △ 6          |
| Smelting & Refining   | 166          | 150          | 16           |
| Materials             | 51           | 11           | 40           |
| Others                | 3            | 4            | △ 1          |
| Sub-Total             | 473          | 424          | 49           |
| Headquarter Exp. etc. | △ 66         | △ 27         | △ 39         |
| <b>Total</b>          | <b>407</b>   | <b>397</b>   | <b>10</b>    |

| (New) Segment Profit    |              |              |              |
|-------------------------|--------------|--------------|--------------|
|                         | 2013/1H<br>③ | 2012/1H<br>④ | Diff.<br>③-④ |
| Mineral Resources       | 344          | 346          | △ 2          |
| Smelting & Refining     | 156          | 60           | 96           |
| Materials               | 55           | 2            | 53           |
| Others                  | 3            | 4            | △ 1          |
| Diff. Adjustment        | 7            | △ 20         | 27           |
| <b>Recurring Profit</b> | <b>565</b>   | <b>392</b>   | <b>173</b>   |

### <<Explanation of Diff.>>

#### 1. Mineral Resources

JPY100M

|                  | Diff. | Quantity | Price | Exchange | Cost@ | Others |
|------------------|-------|----------|-------|----------|-------|--------|
| Hishikari (Au)   | △ 10  | △ 12     | △ 29  | 36       |       | △ 5    |
| Pogo (Au)        | 4     | 5        | △ 16  | 17       | 3     | △ 5    |
| Morenci/NP (Cu)  | 6     |          |       |          |       |        |
| Others           | △ 6   |          |       |          |       |        |
| Op. income Total | △ 6   |          |       |          |       |        |

| Au Sales (t) | 13/1H | 12/1H | Diff. |
|--------------|-------|-------|-------|
| Hishikari    | 3.6   | 4.0   | △ 0.4 |
| Pogo(100%)   | 5.5   | 5.3   | 0.2   |

#### 2. Smelting & Refining

JPY100M

|                  | Diff. | Quantity | Price | Cost@ | Inventory | Others |
|------------------|-------|----------|-------|-------|-----------|--------|
| Copper           | 22    | △ 21     | 1     | △ 1   | 14        | 29     |
| Nickel           | △ 6   | △ 3      | △ 36  | △ 7   | △ 5       | 45     |
| Zinc/Lead        | △ 4   | △ 2      |       | 3     | △ 1       | △ 4    |
| Others           | 4     |          |       |       |           | 4      |
| Op. income Total | 16    | △ 26     | △ 35  | △ 5   | 8         | 74     |

•Inventory evaluation P&L  
 13/1H △ 32 (JPY100M) (Cu△11、Ni△20、Zn△1)  
 12/1H △ 40 (JPY100M) (Cu△25、Ni△15、Zn+0)

## Comparison

(2013/1H Result vs 2012/1H Result)

### 3. Materials

【Net Sales, by products】

JPY100M

|   | 2013/1H<br>① | 2012/1H<br>② | Diff.<br>①-② |
|---|--------------|--------------|--------------|
| Semiconductor①CuPI・COF・LF・FW・Alloy                | 254          | 378          | △ 124        |
| Semiconductor②PWB・Terminals・Recycle               | 166          | 192          | △ 26         |
| Advanced①Film materials・Crystals                  | 133          | 141          | △ 8          |
| Advanced②Battery・Magnet・Ink・Rare metals           | 99           | 75           | 24           |
| Energy, Catalysts, Construction materials, Others | 97           | 89           | 8            |
| <b>Total</b>                                      | <b>749</b>   | <b>875</b>   | <b>△ 126</b> |

## Equity in earnings of affiliated companies

JPY100M

|                         |                      | 2013/1H<br>① | 2012/1H<br>② | Diff.<br>①-② |
|-------------------------|----------------------|--------------|--------------|--------------|
| Cu                      | Cerro Verde          | 48           | 68           | △ 20         |
|                         | Candelaria/Ojos      | 30           | 31           | △ 1          |
|                         | Acids/Jinlong/MSMMBC | △ 4          | △ 6          | 2            |
|                         | <b>Total</b>         | <b>74</b>    | <b>93</b>    | <b>△ 19</b>  |
| Ni                      | PT Vale Indonesia    | 11           | 3            | 8            |
|                         | Figesbal/NAC/VNC     |              | △ 63         | 63           |
|                         | <b>Total</b>         | <b>11</b>    | <b>△ 60</b>  | <b>71</b>    |
| NECC/NK/MSZ/SHCP/Others |                      | 24           | 7            | 17           |
| <b>Total</b>            |                      | <b>109</b>   | <b>40</b>    | <b>69</b>    |
| Segment                 | Mineral Resources    | 78           | 98           | △ 20         |
|                         | Smelting & Refining  | 10           | △ 69         | 79           |
|                         | Others               | 21           | 11           | 10           |
| <b>Total</b>            |                      | <b>109</b>   | <b>40</b>    | <b>69</b>    |

## Comparison

(2013/2Q Result vs 2013/1Q Result)

JPY100M

| Operating income      |            |            |          |
|-----------------------|------------|------------|----------|
|                       | 2013/2Q    | 2013/1Q    | Diff.    |
|                       | ①          | ②          | ①-②      |
| Mineral Resources     | 111        | 142        | △ 31     |
| Smelting & Refining   | 107        | 59         | 48       |
| Materials             | 29         | 22         | 7        |
| Others                | △ 2        | 5          | △ 7      |
| Sub-Total             | 245        | 228        | 17       |
| Headquarter Exp. etc. | △ 40       | △ 26       | △ 14     |
| <b>Total</b>          | <b>205</b> | <b>202</b> | <b>3</b> |

| (New) Segment Profit    |            |            |             |
|-------------------------|------------|------------|-------------|
|                         | 2013/2Q    | 2013/1Q    | Diff.       |
|                         | ③          | ④          | ③-④         |
| Mineral Resources       | 152        | 192        | △ 40        |
| Smelting & Refining     | 97         | 59         | 38          |
| Materials               | 36         | 19         | 17          |
| Others                  | △ 2        | 5          | △ 7         |
| Diff. Adjustment        | △ 33       | 40         | △ 73        |
| <b>Recurring Profit</b> | <b>250</b> | <b>315</b> | <b>△ 65</b> |

### <<Explanation of Diff.>>

#### 1. Mineral Resources

JPY100M

|                  | Diff. | Quantity | Price | Exchange | Cost@ | Others |
|------------------|-------|----------|-------|----------|-------|--------|
| Hishikari (Au)   | △ 11  | △ 5      | △ 5   |          | 1     | △ 2    |
| Pogo (Au)        | △ 2   | 6        | △ 16  | 3        | 6     | △ 1    |
| Morenci/NP (Cu)  | △ 4   |          |       |          |       |        |
| Others           | △ 14  |          |       |          |       |        |
| Op. income Total | △ 31  |          |       |          |       |        |

|              | 2013/2Q | 2013/1Q | Diff. |
|--------------|---------|---------|-------|
| Au Sales (t) |         |         |       |
| Hishikari    | 1.7     | 1.9     | △ 0.2 |
| Pogo(100%)   | 2.9     | 2.6     | 0.3   |

#### 2. Smelting & Refining

JPY100M

|                  | Diff. | Quantity | Price | Cost@ | Inventory | Others |
|------------------|-------|----------|-------|-------|-----------|--------|
| Copper           | 63    | △ 2      | △ 4   |       | 45        | 24     |
| Nickel           | △ 21  | 5        | △ 10  | △ 6   | △ 12      | 2      |
| Zinc/Lead        | 3     |          |       |       | △ 1       | 4      |
| Others           | 3     |          |       |       |           | 3      |
| Op. income Total | 48    | 3        | △ 14  | △ 6   | 32        | 33     |

•Inventory evaluation P&L      2013/2Q            0 (JPY100M) (Cu+17, Ni△16, Zn △1)  
    2013/1Q            △ 32 (JPY100M) (Cu△28, Ni△4, Zn0)



## Comparison

(2013/2Q Result vs 2013/1Q Result)

### 3. Materials

【Net Sales, by products】

JPY100M

|   | 2013/2Q<br>① | 2013/1Q<br>② | Diff.<br>①-② |
|---|--------------|--------------|--------------|
| Semiconductor①CuPI・COF・LF・Alloy                   | 152          | 102          | 50           |
| Semiconductor②PWB・Terminals・Recycle               | 80           | 86           | △ 6          |
| Advanced①Film materials・Crystals                  | 62           | 71           | △ 9          |
| Advanced②Battery・Magnet・Ink・Rare metals           | 47           | 52           | △ 5          |
| Energy, Catalysts, Construction materials, Others | 55           | 42           | 13           |
| <b>Total</b>                                      | <b>396</b>   | <b>353</b>   | <b>43</b>    |

## Equity in earnings of affiliated companies

JPY100M

|         |                                | 2013/2Q<br>① | 2013/1Q<br>② | Diff.<br>①-② |
|---------|--------------------------------|--------------|--------------|--------------|
| Cu      | Cerro Verde                    | 19           | 29           | △ 10         |
|         | Candelaria/Ojos                | 9            | 21           | △ 12         |
|         | Acids/Jinlong/MSMMBC           | △ 6          | 2            | △ 8          |
|         | <b>Total</b>                   | <b>22</b>    | <b>52</b>    | <b>△ 30</b>  |
| Ni      | PT Vale Indonesia/Figesbal/NAC | 6            | 5            | 1            |
|         | NECC/NK/MSZ/SHCP/Others        | 15           | 9            | 6            |
|         | <b>Total</b>                   | <b>43</b>    | <b>66</b>    | <b>△ 23</b>  |
| Segment | Mineral Resources              | 28           | 50           | △ 22         |
|         | Smelting & Refining            | 2            | 8            | △ 6          |
|         | Others                         | 13           | 8            | 5            |
|         | <b>Total</b>                   | <b>43</b>    | <b>66</b>    | <b>△ 23</b>  |

## Comparison

(FY2013 Forecast in Nov. vs Forecast in May.)

JPY100M

| FY2013 Operating Income |                   |                  |              | FY2013 (New) Segment Profit |                   |                  |              |
|-------------------------|-------------------|------------------|--------------|-----------------------------|-------------------|------------------|--------------|
|                         | FCST in Nov.<br>① | FCST in May<br>② | Diff.<br>①-② |                             | FCST in Nov.<br>③ | FCST in May<br>④ | Diff.<br>③-④ |
| Mineral Resources       | 440               | 460              | △ 20         | Mineral Resources           | 670               | 650              | 20           |
| Smelting & Refining     | 300               | 390              | △ 90         | Smelting & Refining         | 280               | 370              | △ 90         |
| Materials               | 90                | 80               | 10           | Materials                   | 80                | 60               | 20           |
| Others                  | 10                | 10               | 0            | Others                      | 10                | 10               | 0            |
| Sub-Total               | 840               | 940              | △ 100        | Diff. Adjustment            | △ 10              | △ 30             | 20           |
| Headquarter Exp. etc.   | △ 130             | △ 130            | 0            | <b>Recurring Profit</b>     | <b>1,030</b>      | <b>1,060</b>     | <b>△ 30</b>  |
| <b>Total</b>            | <b>710</b>        | <b>810</b>       | <b>△ 100</b> |                             |                   |                  |              |

### <<Explanation of Diff.>>

#### 1. Mineral Resources

JPY100M

|                  | Diff. | Quantity | Price | Exchange | Cost@ | Others |
|------------------|-------|----------|-------|----------|-------|--------|
| Hishikari (Au)   | △ 24  |          | △ 27  | 1        | 1     | 1      |
| Pogo (Au)        | △ 5   |          | △ 9   | △ 2      | △ 1   | 7      |
| Morenci/NP (Cu)  | 13    |          |       |          |       |        |
| Others           | △ 4   |          |       |          |       |        |
| Op. income Total | △ 20  |          |       |          |       |        |

| Au Sales (t) | FCST in Aug. | FCST in May | Diff. |
|--------------|--------------|-------------|-------|
| Hishikari    | 7.0          | 7.0         | 0.0   |
| Pogo(100%)   | 10.8         | 10.8        | 0.0   |

#### 2. Smelting & Refining

JPY100M

|                  | Diff. | Quantity | Price | Cost@ | Inventory | Others |
|------------------|-------|----------|-------|-------|-----------|--------|
| Copper           | △ 12  | △ 9      | 7     | △ 3   | △ 34      | 27     |
| Nickel           | △ 51  | △ 3      | △ 16  | △ 3   | △ 24      | △ 5    |
| Zinc/Lead        | 1     |          |       |       | △ 3       | 4      |
| Others           | △ 28  |          |       |       |           | △ 28   |
| Op. income Total | △ 90  | △ 12     | △ 9   | △ 6   | △ 61      | △ 2    |

•Inventory evaluation P&L  
 FCST in Nov      △ 63 (JPY100M) (Cu△36、Ni△26、Zn△1)  
 FCST in May      △ 2 (JPY100M) (Cu△2、Ni△2、Zn+2)

## Comparison

(FY2013 Forecast in Nov. vs Forecast in May.)

### 3. Materials

【Net Sales, by products】

JPY100M

|   | FCST in Nov.<br>① | FCST in May<br>② | Diff.<br>①-② |
|---|-------------------|------------------|--------------|
| Semiconductor①CuPI・COF・LF・Alloy                   | 450               | 510              | △ 60         |
| Semiconductor②PWB・Terminals・Recycle               | 360               | 400              | △ 40         |
| Advanced①Film materials・Crystals                  | 280               | 280              | 0            |
| Advanced②Battery・Magnet・Ink・Rare metals           | 210               | 200              | 10           |
| Energy, Catalysts, Construction materials, Others | 190               | 200              | △ 10         |
| <b>Total</b>                                      | <b>1,490</b>      | <b>1,590</b>     | <b>△ 100</b> |

## Equity in earnings of affiliated companies

JPY100M

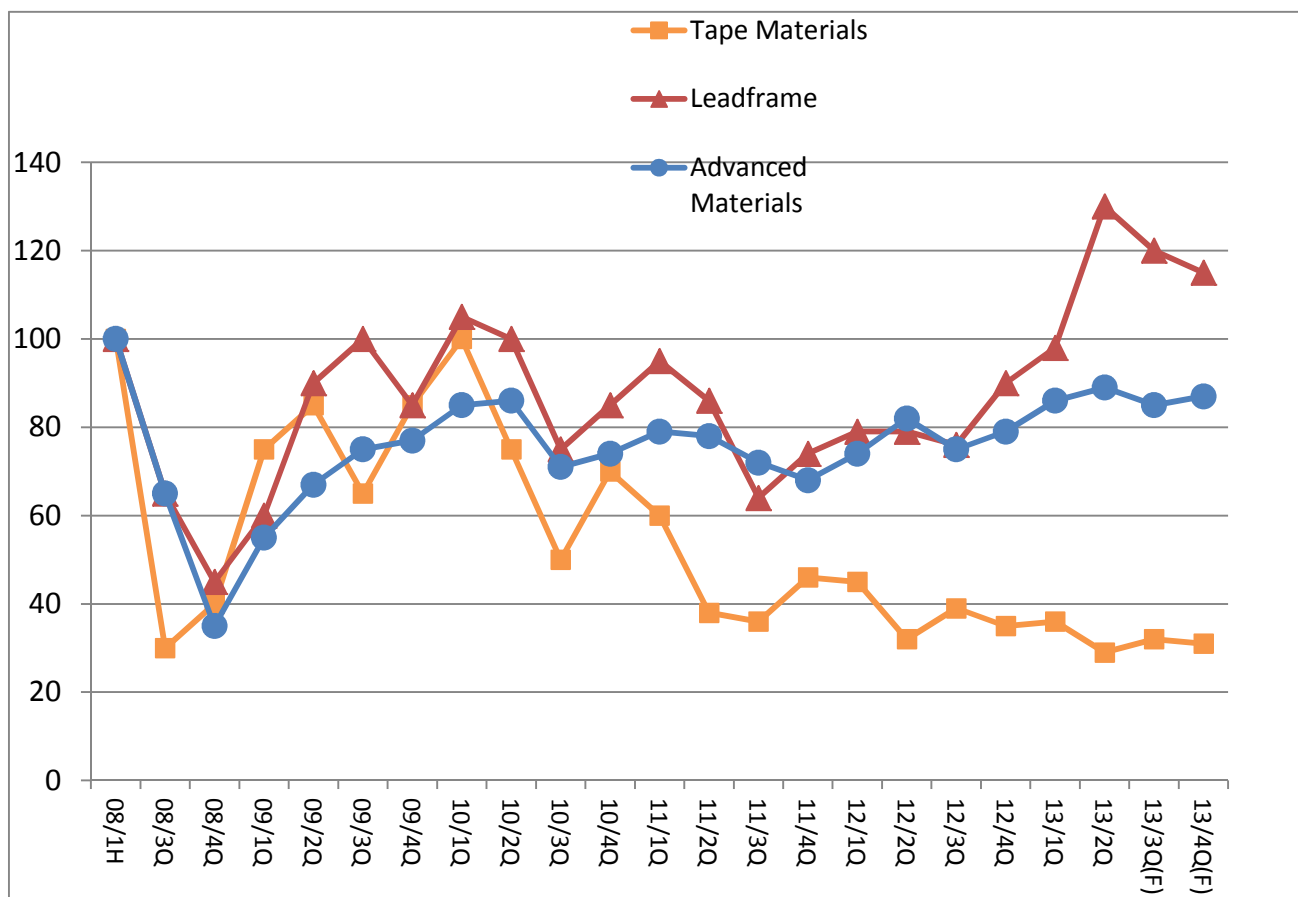
|         |                                | FCST in Nov.<br>① | FCST in May<br>② | Diff.<br>①-② |
|---------|--------------------------------|-------------------|------------------|--------------|
| Cu      | Cerro Verde                    | 120               | 110              | 10           |
|         | Candelaria/Ojos                | 90                | 80               | 10           |
|         | Acids/Jinlong/MSMMBC           | 0                 | 10               | △ 10         |
|         | <b>Total</b>                   | <b>210</b>        | <b>200</b>       | <b>10</b>    |
| Ni      | PT Vale Indonesia/Figesbal/NAC | 30                | 20               | 10           |
|         | NECC/NK/MSZ/SHCP/Others        | 40                | 30               | 10           |
|         | <b>Total</b>                   | <b>280</b>        | <b>250</b>       | <b>30</b>    |
| Segment | Mineral Resources              | 210               | 190              | 20           |
|         | Smelting & Refining            | 40                | 40               | 0            |
|         | Others                         | 30                | 20               | 10           |
|         | <b>Total</b>                   | <b>280</b>        | <b>250</b>       | <b>30</b>    |

## Sales trend of Semiconductor Materials and Advanced Materials

(Index FY2008/1H=100)

|                    | 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 |     |       |       |
|--------------------|--------|----|----|----|--------|----|----|----|--------|-----|-------|-------|
|                    | 1Q     | 2Q | 3Q | 4Q | 1Q     | 2Q | 3Q | 4Q | 1Q     | 2Q  | 3Q(F) | 4Q(F) |
| Tape Materials     | 60     | 38 | 36 | 46 | 45     | 28 | 39 | 35 | 36     | 29  | 32    | 31    |
| Leadframe          | 95     | 86 | 64 | 74 | 79     | 77 | 76 | 90 | 98     | 130 | 120   | 115   |
| Advanced Materials | 79     | 78 | 72 | 68 | 74     | 73 | 75 | 79 | 86     | 89  | 85    | 87    |



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

|  |            | FY2011 |      |      |       |       | FY2012 |       |       |       |            | FY2013 |       |          |            |       |       |
|--|------------|--------|------|------|-------|-------|--------|-------|-------|-------|------------|--------|-------|----------|------------|-------|-------|
|  |            | Result |      |      |       |       | Result |       |       |       |            | Result |       | Forecast |            | Plan  | Diff. |
|  |            | 1Q     | 2Q   | 3Q   | 4Q    | Total | 1Q     | 2Q    | 3Q    | 4Q    | Total<br>① | 1Q     | 2Q    | 2H       | Total<br>② | Total | ②-①   |
| <b>【Gold Mine】 (t)</b>                         |            |        |      |      |       |       |        |       |       |       |            |        |       |          |            |       |       |
| Hishikari                                      | Production | 2.0    | 3.2  | 1.4  | 1.2   | 7.8   | 2.5    | 1.1   | 2.0   | 1.9   | 7.5        | 1.7    | 1.9   | 3.4      | 7.0        | 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        | 1.9    | 1.7   | 3.4      | 7.0        | 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        | 2.7    | 2.9   | 5.2      | 10.8       | 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        | 2.6    | 2.9   | 5.2      | 10.7       | 10.8  | 1.0   |
| <b>【Copper Mine】 (kt)</b>                      |            |        |      |      |       |       |        |       |       |       |            |        |       |          |            |       |       |
| Morenci  | Production | 65     | 72   | 72   | 70    | 279   | 69     | 69    | 73    | 76    | 287        | 74     | 77    | 158      | 309        | 325   | 22.0  |
|  | Sales      | 63     | 76   | 69   | 70    | 278   | 78     | 50    | 108   | 71    | 307        | 78     | 79    | 141      | 298        | 346   | -9.0  |
| La Candelaria                                  | Production | 36     | 35   | 36   | 41    | 148   | 27     | 25    | 27    | 44    | 123        | 33     | 31    | 101      | 165        | 171   | 42.0  |
|  | Sales      | 36     | 38   | 33   | 43    | 150   | 26     | 23    | 30    | 41    | 120        | 34     | 33    | 94       | 161        | 171   | 41.0  |
| Ojos Del Salado                                | Production | 7      | 6    | 7    | 6     | 26    | 6      | 7     | 6     | 5     | 24         | 6      | 6     | 10       | 22         | 23    | -2.0  |
|  | Sales      | 6      | 6    | 7    | 7     | 26    | 6      | 7     | 5     | 6     | 24         | 6      | 5     | 12       | 23         | 23    | -1.0  |
| Cerro Verde                                    | Production | 79     | 77   | 72   | 66    | 294   | 63     | 68    | 69    | 70    | 270        | 55     | 62    | 135      | 252        | 252   | -18.0 |
|  | Sales      | 77     | 78   | 73   | 70    | 298   | 62     | 67    | 70    | 68    | 267        | 54     | 63    | 135      | 252        | 252   | -15.0 |
| North Parkes                                   | Production | 12     | 12   | 13   | 13    | 50    | 13     | 14    | 13    | 13    | 53         | 13     | 14    | 28       | 55         | 55    | 2.0   |
|  | Sales      | 7      | 14   | 10   | 16    | 47    | 11     | 14    | 15    | 15    | 55         | 13     | 14    | 26       | 53         | 53    | -2.0  |
| Batu Hijau                                     | Production | 40     | 26   | 38   | 24    | 128   | 20     | 19    | 20    | 15    | 74         | 19     | 17    | 36       | 72         | 87    | -2.0  |
|  | Sales      | 42     | 29   | 36   | 28    | 135   | 19     | 15    | 19    | 21    | 74         | 10     | 17    | 42       | 69         | 85    | -5.0  |
| <b>【Smelting &amp; Refining in Japan】 (kt)</b> |            |        |      |      |       |       |        |       |       |       |            |        |       |          |            |       |       |
| E-Cu   | Production | 85.5   | 72.8 | 71.5 | 103.5 | 333.3 | 110.2  | 108.4 | 109.2 | 107.8 | 435.6      | 102.6  | 97.8  | 204.4    | 404.8      | 423.1 | -30.8 |
|  | Sales      | 99.6   | 94.1 | 89.4 | 107.2 | 390.3 | 117.0  | 108.5 | 107.7 | 116.1 | 449.3      | 106.4  | 105.2 | 212.1    | 423.6      | 433.0 | -25.7 |
| E-Ni   | Production | 9.5    | 10.6 | 10.5 | 11.2  | 41.7  | 10.0   | 10.8  | 10.0  | 10.8  | 41.5       | 10.6   | 12.9  | 29.8     | 53.4       | 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       | 10.2   | 12.1  | 27.6     | 50.0       | 50.2  | 5.5   |
| FeNi   | Production | 4.8    | 5.4  | 4.5  | 5.7   | 20.4  | 4.7    | 6.0   | 5.3   | 5.8   | 21.9       | 4.7    | 5.1   | 12.6     | 22.4       | 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       | 4.5    | 4.7   | 12.2     | 21.3       | 22.2  | -0.5  |
| <b>【Smelting &amp; Refining overseas】 (kt)</b> |            |        |      |      |       |       |        |       |       |       |            |        |       |          |            |       |       |
| 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       | 6.2    | 5.2   | 12.2     | 23.6       | 24.0  | -0.3  |
|  | Sales      | 5.5    | 3.6  | 7.4  | 6.2   | 22.7  | 5.4    | 6.1   | 5.5   | 6.9   | 23.9       | 6.2    | 5.2   | 12.2     | 23.6       | 24.0  | -0.3  |
| 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       | 18.5   | 19.2  | 41.8     | 79.5       | 79.6  | 8.8   |
|  | Sales      | 15.7   | 19.4 | 16.1 | 15.6  | 66.8  | 12.5   | 16.3  | 21.8  | 20.8  | 71.4       | 18.9   | 20.1  | 42.4     | 81.4       | 79.6  | 10.0  |

# 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 】   |   | 【 New segment profits 】  |
|---|---|--|
| ① Net sales   | Disclosure in these materials (identical)<br><br>Allocation under new<br>(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<br>Based on R.P., disclosed in this material |   | ⑨ (New) Segment Profits = ⑤+⑥+⑦-⑧<br>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 (R.P.) = ⑬+⑭+⑮  | ⑪ Total ordinary income (R.P.) = 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.

## Reference) Diff. of Segment Profit of 2012/1Q

(JPY100M)

|                     | (New) | (Earlier bases) | Diff. |
|---------------------|-------|-----------------|-------|
| Mineral Resources   | 198   | 196             | 2     |
| Smelting & Refining | 12    | △ 5             | 17    |
| Materials           | △ 4   | △ 2             | △ 2   |
| Others              | 3     | 3               | 0     |
| Diff. Adjustment    | 2     | 19              | △ 17  |
| R.P. Total          | 211   | 211             | 0     |

## Sensitivity

JPY100M / Year

|        | Change      | Profit Up · Down<br>Operating / Recurring Profit |
|--------|-------------|--|
| Cu     | ±100 \$ /t  | 7/13   |
| Ni     | ±10 ¢ /lb   | 11/13  |
| Au     | ±10 \$ /Toz | 5/5  |
| ¥ / \$ | ±1 ¥/\$     | 13/15  |

(Remark)

USD/JPY translation include RC-related and

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

# Financial Position

## 【Shareholder's Equity Ratio】

JPY100M

| End of FY                  | FY2009 | FY2010 | FY2011 | FY2012 | FY2013/2Q | 12 3-Yr<br>2015 |
|----------------------------|--------|--------|--------|--------|-----------|-----------------|
| Net assets                 | 9,820  | 10,528 | 11,468 | 13,512 | 14,918    | 14,300          |
| Shareholder's equity       | 5,869  | 6,305  | 6,597  | 7,693  | 8,576     | 8,800           |
| Shareholder's Equity Ratio | 59.8%  | 59.9%  | 57.5%  | 56.9%  | 57.5%     | 61%             |

## 【D/E Ratio】

JPY100M

| End of FY             | FY2009 | FY2010 | FY2011 | FY2012 | FY2013/2Q | 12 3-Yr<br>2015 |
|-----------------------|--------|--------|--------|--------|-----------|-----------------|
| Interest-bearing debt | 2,009  | 2,110  | 2,660  | 3,300  | 3,728     | 3,100           |
| Shareholder's equity  | 5,869  | 6,305  | 6,597  | 7,693  | 8,576     | 8,800           |
| D/E ratio             | 0.34   | 0.33   | 0.40   | 0.43   | 0.43      | 0.35            |

## 【Dividend payout ratio】

|                          | FY2009 | FY2010 | FY2011 | FY2012 | FY2013/1H | 12 3-Yr<br>2015 |
|--------------------------|--------|--------|--------|--------|-----------|-----------------|
| Dividend / share (JPY)   | 20.0   | 32.0   | 28.0   | 34.0   | 17.0      | -               |
| Net Income / share (JPY) | 96.26  | 149.38 | 116.17 | 155.58 | 72.48     | -               |
| Dividend payout ratio    | 20.8%  | 21.4%  | 24.1%  | 21.9%  | 23.5%     | 25%以上           |



**Consolidated companies (66) / Equity-method affiliated companies (16)**
**at September 30, 2013**
**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 Inc.                  | 100           | USA             | Exploration; Management of mining subsidiaries in USA.                            |
| Sumitomo Metal Mining Arizona Inc.                  | 80            | USA             | Mining and related operations   |
| SMM 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   |
| <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   |
| 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  |
| 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>                 |               |           |   |
| SH Materials Co., Ltd.                        | 51            | Japan     | Manufacture and sale of leadframes  |
| Okuchi Electronics Co., Ltd.                  | 100           | Japan     | Recovery and recycling of non-ferrous metals /Manufacture of functional inks  |
| Okuchi Materials Co., Ltd.                    | 100           | Japan     | Manufacture of leadframes   |
| Niihama Electronics Co., Ltd.                 | 100           | Japan     | Manufacture of flexible circuit materials   |
| Niihama Materials Co., Ltd.                   | 100           | Japan     | Manufacture of leadframes   |
| SH Precision Co., Ltd.                        | 100           | Japan     | Manufacture of leadframes   |
| Shinko Co., Ltd.                              | 97            | Japan     | Design, manufacture, and sale of printed circuit boards   |
| SH Asia Pacific Pte. Ltd.                     | 100           | Singapore | Regional headquarters for international lead frame operations   |
| Sumiko Tape Materials Singapore Pte.Ltd.      | 100           | Singapore | Regional headquarters for international tape materials operations   |
| Malaysian SH Electronics Sdn.Bhd.             | 100           | Malaysia  | Manufacture and sale of leadframes  |
| Malaysian SH Precision Sdn.Bhd.               | 100           | Malaysia  | Manufacture and sale of leadframes  |
| Malaysian Electronics Materials SDN.BHD.      | 100           | Malaysia  | Manufacture and sale of thick film materials  |
| Sumiko Electronics Taiwan Co.,Ltd.            | 70            | Taiwan    | Manufacture and sale of tape materials  |
| SH Electronics Taiwan Co., Ltd.               | 70            | Taiwan    | Manufacture and sale of leadframes  |
| Taiwan Sumiko Materials Co., Ltd              | 100           | Taiwan    | Manufacture of thin film 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 leadframes  |
| SH Electronics Suzhou Co., Ltd.               | 100           | China     | Manufacture of leadframes   |
| Sumiko Advanced Materials (Suzhou) Co., Ltd.. | 100           | China     | Manufacture and sale of alloy preforms  |
| 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   |
| <b>Equity-method affiliated company</b>       |               |           |   |
| SH Copper Products Co., Ltd.                  | 50            | Japan     | Manufacture and sale of copper strips, copper bars, rods, and fabricated parts  |
| N. E. Chemcat Corporation                     | 50            | Japan     | Manufacture of precious metal catalysts; Recovery and refining of precious metals   |
| Nippon Ketjen Co., Ltd.                       | 50            | Japan     | Manufacture and sale of desulphurization catalysts for petroleum processing   |
| Granopt Ltd.                                  | 50            | Japan     | Manufacture and sale of rare earth iron garnet (RIG)  |

## 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   |