

Supplementary Explanation for Financial Summary

2nd Quarter FY2019 【IFRS】

November 8th, 2019



SUMITOMO METAL MINING CO., LTD.

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Comparison

FY2019/1H Result vs FY2018/1H Result and FY2019/1H Forecast in Aug.

JPY 100M

	19/1H ①Result	18/1H ②Result	Diff. ①-②	③19/1H Forecast in Aug.	Diff. ①-③
Net sales	4,224	4,667	-443	4,210	+14
Gross profit	548	727	-179	530	+18
Profit before tax	364	732	-368	320	+44
Net income (loss) *1	294	581	-287	250	+44
(Inventory evaluation P&L)	-17	-16	-1	-46	+29
(Other exchange gain / loss *2)	-6	37	-43	1	-7
Cu (\$/t)	5,956	6,487	-531	6,107	-151
Ni (\$/lb)	6.32	6.28	+0.04	5.91	+0.41
Au (\$/toz)	1,392	1,260	+132	1,342	+50
Co (\$/lb)	15.02	38.55	-23.53	14.11	+0.91
Exchange (¥/\$)	108.63	110.28	-1.65	108.96	-0.33

Exchange	19/9E	19/6E	19/3E	18/12E	18/9E
(¥/\$)	107.93	107.75	111.00	111.02	113.58

【Diff of FY2019/1H Result vs FY2018/1H Result ①-②】

Profit before tax -368

Metal price/Exchange -175 (Metal price -164 (Cu -110, Ni +28, Co -95, Au +13, etc.), Exchange +4, Inventory evaluation -15), Quantity -52, Other exchange gain/loss -43, Cost@ +16, Material business -86, Profit on sale of Pogo -95, Other by-product credit etc. +67

【Diff of FY2019/1H Result vs Forecast in Aug. ①-③】

Profit before tax +44

Metal price/Exchange +112 (Metal price +96 (Cu +11, Ni +67, Co +13, Au +5 etc.), Inventory evaluation +17), Quantity -33, Other exchange gain/loss -8, Cost@ -23, others

New and Old Forecast of FY2019 (in Nov. vs in May) / 1H Result vs 2H Forecast

JPY 100M

	①19/1H Result	②19/2H Forecast in Nov.	③FY2019 Forecast in Nov.	④FY2019 Forecast in May	Diff. ③-④	Diff. ②-①
Net sales	4,224	4,346	8,570	8,680	-110	+122
Gross profit	548	612	1,160	1,240	-80	+64
Profit before tax	364	426	790	740	+50	+62
Net income (loss) *1	294	306	600	640	-40	+12
(Inventory evaluation P&L)	-17	11	-6	-73	+67	+28
(Other exchange gain / loss *2)	-6	8	2	0	+2	+14
Cu (\$/t)	5,956	5,700	5,828	6,300	-472	-256
Ni (\$/lb)	6.32	7.50	6.91	6.00	+0.91	+1.18
Au (\$/toz)	1,392	1,525	1,459	1,275	+184	+133
Co (\$/lb)	15.02	15.00	15.01	18.00	-2.99	-0.02
Exchange (¥/\$)	108.63	105.00	106.82	110.00	-3.18	-3.63

【Diff. of FY2019 Forecast in Nov. vs Forecast in May ③-④】

Profit before tax +50

Metal price / Exchange +11 (Metal price -7 (Cu -156, Ni +120, Co -9, Au +39 etc.), Exchange -35, Inventory evaluation +53), Quantity -43, Other exchange gain/loss +2, Cost@ -75, Material business -30, Gain on sale of fixed assets +90, Temporary special factor (estimate) -40, Other by-product credit etc. +135

【Diff. of FY2019 2H Forecast vs 1H Result ②-①】

Profit before tax +62

Metal price / Exchange -15 (Metal Price -25 (Cu -89, Ni +61, Co -14, Au +15 etc.), Exchange -28, Inventory Evaluation +38), Quantity +64, Other exchange gain/loss +15, Cost@ +28, Material business +14, Gain on sale of fixed assets +90, Temporary special factor (estimate) -40, Unrealized profit -94

*1: Net income (loss)=Profit (loss) attributable to owners of parent

*2: Other exchange gain / loss: Exchange gain or loss included in Finance income (or cost) and Other income (or expenses).

Metal price and Exchange rate

	Copper (\$/t)			Copper (¢/lb)			Nickel (\$/lb)		
	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019
Apr	5,698	6,839	6,445	258	310	292	4.39	6.32	5.81
May	5,592	6,822	6,028	254	309	273	4.15	6.51	5.44
Jun	5,699	6,955	5,868	259	316	266	4.05	6.85	5.43
1QAve.	5,663	6,872	6,114	257	312	277	4.20	6.56	5.56
Jul	5,979	6,248	5,940	271	283	269	4.30	6.25	6.11
Aug	6,478	6,040	5,708	294	274	259	4.92	6.09	7.11
Sep	6,583	6,020	5,745	299	273	261	5.10	5.68	8.02
2QAve.	6,347	6,103	5,798	288	277	263	4.77	6.01	7.08
Oct	6,797	6,216		308	282		5.14	5.59	
Nov	6,826	6,193		310	281		5.44	5.10	
Dec	6,801	6,094		309	276		5.18	4.92	
3QAve.	6,808	6,168		309	280		5.25	5.20	
Jan	7,080	5,932		321	269		5.84	5.20	
Feb	7,002	6,278		318	285		6.16	5.74	
Mar	6,796	6,451		308	293		6.08	5.92	
4QAve.	6,959	6,220		316	282		6.03	5.62	
FY Ave.	6,444	6,341		292	288		5.06	5.85	
Jan-Dec Ave.	6,163	6,525		280	296		4.72	5.95	
Oct.-Mar.(FCST in Nov.)			5,700			259			7.50
FY2019(FCST in Nov.)			5,828			265			6.91
FY2019(FCST in May.)			6,300			286			6.00

	Cobalt (\$/lb)(Standard-Low)			Gold (\$/toz)			Exchange (¥/US\$)		
	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019
Apr	24.82	43.45	15.36	1,266	1,335	1,287	110.13	107.45	111.73
May	24.28	43.03	16.07	1,245	1,303	1,284	112.26	109.76	109.87
Jun	26.33	40.86	14.23	1,261	1,282	1,359	110.94	110.01	108.12
1QAve.	25.14	42.45	15.22	1,257	1,307	1,310	111.11	109.08	109.91
Jul	27.68	37.06	12.61	1,236	1,238	1,414	112.44	111.39	108.28
Aug	28.18	33.51	14.69	1,282	1,202	1,498	109.94	111.09	106.33
Sep	28.60	33.38	17.16	1,316	1,199	1,511	110.76	111.92	107.45
2QAve.	28.15	34.65	14.82	1,278	1,213	1,474	111.05	111.47	107.35
Oct	29.32	33.50		1,280	1,215		112.96	112.83	
Nov	29.94	33.13		1,283	1,221		112.96	113.38	
Dec	33.52	28.43		1,264	1,249		113.03	112.53	
3QAve.	30.93	31.69		1,276	1,228		112.98	112.91	
Jan	36.26	22.31		1,332	1,292		110.87	108.99	
Feb	37.84	16.97		1,333	1,320		107.97	110.39	
Mar	40.86	14.04		1,325	1,302		106.08	111.24	
4QAve.	38.32	17.77		1,330	1,304		108.31	110.21	
FY Ave.	30.64	31.64		1,285	1,263		110.86	110.92	
Jan-Dec Ave.	25.87	36.78		1,258	1,269		112.20	110.44	
Oct.-Mar.(FCST in Nov.)			15.00			1,525			105.00
FY2019(FCST in Nov.)			15.01			1,459			106.82
FY2019(FCST in May.)			18.00			1,275			110.00

LME Price		19/1Q		19/2Q		19/3Q-4Q(F)
E-Ni applied	Mar-May	5.72	Jun-Aug	6.22	Sep-Feb	7.59
Fe-Ni applied	Jan-Mar	5.62	Apr-Jun	5.56	Jul-Dec	7.29

Exchange		19/1Q		19/2Q		19/3Q-4Q(F)
E-Ni applied	Mar-May	110.95	Jun-Aug	107.58	Sep-Feb	105.41
Fe-Ni applied	Jan-Mar	110.21	Apr-Jun	109.91	Jul-Dec	106.18

Comparison

(2019/1H Result vs 2018/1H Result)

JPY100M

JPY100M

Gross Profit				Segment Profit (loss)			
	19/1H ①	18/1H ②	Diff. ①-②		19/1H ③	18/1H ④	Diff. ③-④
Mineral Resources	193	304	-111	Mineral Resources	165	372	-207
Smelting & Refining	246	314	-68	Smelting & Refining	177	258	-81
Materials	104	180	-76	Materials	28	114	-86
Others	8	7	+1	Others	1	-7	+8
Diff. Adjustment	-3	-78	+75	Diff. Adjustment	-7	-5	-2
Gross Profit	548	727	-179	Profit before tax	364	732	-368

<<Explanation of Diff.>>

1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	0	-10	+13	-2	-3	+2
Pogo (Au)	-10					-10
Morenci/NP (Cu)	-101	-7	-51	+1	-44	0
Others	0					
Total	-111					

Au Sales (t)	19/1H	18/1H	Diff.
Hishikari (Au)	2.7	3.0	-0.3
Pogo(100%)*	-	3.3	-3.3

*Pogo is consolidated until August 2018.

2. Smelting & Refining

JPY100M

	Diff	Quantity	Price	Cost@	Inventory	Others
Copper	-4	-10	-6	-5	-10	+27
Nickel	-33	+1	-61	+26	-4	+5
Others*	-31				-1	-30
Total	-68	-9	-67	+21	-15	+2

*Others consists mainly the eliminations of transactions within the segment.

• Inventory evaluation P&L

	Total	Cu	Ni	Others
19/1H	-29	-39	11	-1
18/1H	-14	-29	15	0

Comparison

(2019/1H Result vs 2018/1H Result)

3. Materials

【Net Sales, by products】

JPY100M

	19/1H ①	18/1H ②	Diff. ①-②
Battery Materials (NCA, Nickel Hydroxide, etc.)	601	524	+77
Applied Powder Materials (Thick Film, Thin Film, Magnet, Alloy, Ink, etc.)	135	171	-36
Package Materials (Leadframes, CuPI, PWB, etc.)	89	92	-3
Crystal Material, Construction Materials, Connector, Others	267	278	-11
Total	1,092	1,065	+27

Share of profit (loss) of investments accounted for using equity method

JPY100M

		19/1H ①	18/1H ②	Diff. ①-②
Cu	Cerro Verde	61	75	-14
	Candelaria/Ojos	12	18	-6
	Sierra Gorda	-46	-60	+14
	Acids/Jinlong/MSMMBC	10	15	-5
	Total	37	48	-11
Ni	PT Vale Indonesia/Figesbal/NAC	-3	12	-15
	NECC/NK/MSZ/others	11	17	-6
	Total	45	77	-32
Segment	Mineral Resources	22	33	-11
	Smelting & Refining	7	27	-20
	Materials/Others	16	17	-1
	Total	45	77	-32

Main increase/decrease in Finance income/cost and Other in income/cost

(amount displayed in profit and loss)

JPY100M

	19/1H ①	18/1H ②	Diff. ①-②
Finance income/cost (exchange gain/loss from valuation of financial assets and liabilities)	-20	58	-78
Other income/cost (exchange gain/loss from settlement of other assets and liabilities)	14	-21	+35
Other income (Gain on sale of subsidiaries (SMM Pogo))	0	95	-95

Comparison

(FY2019 Forecast in Nov. vs Forecast in May.)

JPY100M				JPY100M			
Gross Profit				Segment Profit (loss)			
	FCST in Nov.	FCST in May	Diff.		FCST in Nov.	FCST in May	Diff.
	①	②	①-②		③	④	③-④
Mineral Resources	390	430	-40	Mineral Resources	290	290	0
Smelting & Refining	580	560	+20	Smelting & Refining	540	390	+150
Materials	230	260	-30	Materials	70	100	-30
Others	20	20	0	Others	0	-30	+30
Diff. Adjustment	-60	-30	-30	Diff. Adjustment	-110	-10	-100
Gross Profit	1,160	1,240	-80	Profit before tax	790	740	+50

<<Explanation of Diff.>>

1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	+28	-2	+40	-9	-1	0
Morenci/NP (Cu)	-55	+15	-57	-3	-13	+3
Others	-13					
Total	-40					

Au Sales (t)	FCST in Nov.	FCST in May	Diff.
Hishikari (Au)	6.0	6.0	0.0

2. Smelting & Refining

JPY100M

	Diff	Quantity	Price	Cost@	Inventory	Others
Copper	-31	-10	-13	-13	-21	+26
Nickel	+110	-30	+106	-40	+76	-2
Others*	-59				-2	-57
Total	+20	-40	+93	-53	+53	-33

*Others consists mainly the eliminations of transactions within the segment.

• Inventory evaluation P&L

JPY100M

	Total	Cu	Ni	Others
FCST in Nov.	-20	-79	59	0
FCST in May	-73	-58	-17	2

Comparison

(FY2019 Forecast in Nov. vs Forecast in May.)

3. Materials

【Net Sales, by products】

JPY100M

	FCST in Nov. ①	FCST in May ②	Diff. ①-②
Battery Materials (NCA, Nickel Hydroxide, etc.)	1,260	1,310	-50
Applied Powder Materials (Thick Film, Thin Film, Magnet, Alloy, Ink, etc.)	280	330	-50
Package Materials (Leadframes, CuPI, PWB, etc.)	180	180	0
Crystal Material, Construction Materials, Connector, Others	550	560	-10
Total	2,270	2,380	-110

Share of profit (loss) of investments accounted for using equity method

JPY100M

		FCST in Nov. ①	FCST in May ②	Diff. ①-②
Cu	Cerro Verde	110	145	-35
	Candelaria/Ojos	20	35	-15
	Sierra Gorda	-115	-160	+45
	Acids/Jinlong/MSMMBC	15	25	-10
	Total	30	45	-15
Ni	PT Vale Indonesia/Figesbal/NAC	30	30	0
	NECC/NK/MSZ/others	5	-5	+10
	Total	65	70	-5
Segment	Mineral Resources	-5	-10	+5
	Smelting & Refining	45	55	-10
	Materials/Others	25	25	0
	Total	65	70	-5

Main increase/decrease in Finance income/cost and Other in income/cost

(amount displayed in profit and loss)

JPY100M

	FCST in Nov. ①	FCST in May ②	Diff. ①-②
Finance income/cost (exchange gain/loss from valuation of financial assets and liabilities)	-36	0	-36
Other income/cost (exchange gain/loss from settlement of other assets and liabilities)	38	0	+38
Gain on sale of fixed assets (Taihei Metal Industry Co., Ltd.)	90	0	+90
Temporary special factor (estimate)	-40	0	-40

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

		FY2017					FY2018					FY2019						
		Results					Results					Results			Forecast		Plan in May	Diff.
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total ①	1Q	2Q	2H	① Total	② Total	①-②	
【Gold Mine】 (t)																		
Hishikari	Production	1.9	1.2	0.9	2.0	6.0	1.2	1.6	1.3	1.9	6.0	1.6	1.0	3.4	6.0	6.0	0.0	
	Sales	2.0	0.9	1.1	2.0	6.0	1.5	1.5	1.4	1.6	6.0	1.3	1.4	3.3	6.0	6.0	0.0	
Pogo	Production	2.2	2.2	2.1	1.7	8.2	2.0	1.2	/	/	3.2	/	/	/	/	/	/	
	Sales	2.1	2.2	2.3	1.7	8.3	1.9	1.4	/	/	3.3	/	/	/	/	/	/	
【Copper Mine】 (kt)																		
↑Pogo: included until Aug. 2018																		
Morenci	Production	114	118	117	115	464	106	115	107	102	430	105	114	221	440	401	39	
	Sales	118	102	134	103	457	107	114	105	112	438	96	114	224	434	404	30	
Cerro Verde	Production	119	118	129	116	482	111	118	127	120	476	118	108	234	460	482	-22	
	Sales	121	111	132	119	483	109	118	127	122	476	116	109	234	459	481	-22	
Sierra Gorda	Production	26	24	23	24	97	22	23	25	28	97	27	26	55	108	104	4	
	Sales	27	24	23	18	92	23	18	25	28	95	26	29	57	112	106	6	
La Candelaria	Production	32	44	40	34	150	25	26	26	25	102	24	25	71	120	120	0	
	Sales	36	39	46	31	152	27	28	25	24	104	24	24	71	119	120	-1	
Ojos Del Salado	Production	6	7	7	7	27	6	7	8	8	28	8	7	14	29	30	-1	
	Sales	6	7	7	7	27	6	7	8	8	28	7	7	15	29	29	0	
North Parkes	Production	12	11	10	11	44	11	10	9	10	40	9	9	18	36	38	-2	
	Sales	11	12	11	10	44	6	14	10	9	40	9	8	19	36	38	-2	
【Smelting & Refining in Japan】 (kt)																		
E-Cu	Production	112.5	111.4	98.2	110.1	432.2	116.0	114.6	113.3	110.3	454.2	100.9	95.5	203.9	400.3	420.0	-19.7	
	Sales	113.6	115.5	112.3	106.3	447.7	114.2	113.9	124.8	107.8	460.7	108.7	104.5	211.6	424.8	438.5	-13.7	
E-Ni	Production	14.5	16.4	14.2	15.2	60.3	13.8	14.4	14.2	14.3	56.7	12.0	17.0	32.4	61.4	62.6	-1.2	
	Sales	14.5	16.9	15.3	14.8	61.5	13.6	13.8	13.8	14.4	55.6	12.8	13.2	35.1	61.1	62.2	-1.1	
Nickel Sulfate (Product Qty)	Production	16.3	21.2	17.5	18.8	73.8	16.4	17.7	16.2	17.5	67.8	16.9	20.2	38.0	75.1	78.0	-2.9	
	Sales	16.9	19.6	18.7	19.7	75.0	16.6	17.7	16.6	17.2	68.1	16.9	20.0	38.3	75.2	78.0	-2.8	
FeNi (Ni content)	Production	3.5	2.8	3.7	3.0	13.0	3.5	2.7	3.8	2.9	12.9	3.6	2.9	7.1	13.6	13.3	0.3	
	Sales	3.3	3.6	2.9	3.2	13.0	3.3	3.0	3.3	2.8	12.4	2.9	3.5	7.6	14.0	13.2	0.8	
【Smelting & Refining overseas】 (kt)																		
CBNC MS (Ni content)	Production	4.4	5.6	4.8	6.1	20.9	4.7	6.0	5.4	5.6	21.7	4.6	5.3	10.8	20.7	21.5	-0.8	
	Sales	4.8	5.7	4.4	6.4	21.3	4.4	6.2	5.1	5.8	21.5	4.9	5.0	9.5	19.4	21.5	-2.1	
THPAL MS (Ni content)	Production	9.5	7.0	6.2	6.2	28.9	7.5	5.4	7.5	7.0	27.4	9.1	6.8	18.0	33.9	36.0	-2.1	
	Sales	7.9	8.6	6.2	5.8	28.5	7.8	5.4	6.4	8.4	28.0	7.6	7.0	16.3	30.9	36.0	-5.1	
PT Vale Matte (Ni content)	Production	17.2	20.1	20.1	19.4	76.8	17.1	18.9	18.2	20.8	75.0	13.1	17.6	40.0	70.7	77.5	-6.8	
	Sales	17.5	19.6	20.6	19.9	77.6	17.2	18.8	18.6	21.3	75.9	13.9	16.9	40.9	71.7	77.5	-5.8	

Sensitivity

JPY100M / Year

	Change	Profit Up · Down of FY2019 Profit before tax
Cu	±100 \$/t	27
Ni	±10 ¢ /lb	16
Au	±10 \$/toz	2
¥/\$	±1 ¥/\$	11

(Note. 1) USD/JPY translation including TC/RC-related and conversion rate of overseas consolidated / equity-method affiliate companies' profit.

(Note. 2) Inventory evaluation is not included.

Financial Position

【Shareholder's Equity Ratio】

JPY100M

End of FY	J-GAAP	
	FY2016	FY2017
Net assets	16,850	16,990
Shareholder's equity	9,617	10,364
Shareholder's Equity Ratio	57.1%	61.0%

IFRS			
FY2017	FY2018	2019/2Q	18 3-Yr 2021
17,323	17,977	17,175	20,900
10,294	10,476	9,926	12,660
59.4%	58.3%	57.8%	60.6%

【D/E Ratio】

JPY100M

End of FY	J-GAAP	
	FY2016	FY2017
Interest-bearing debt	4,955	3,924
Shareholder's equity	9,617	10,364
D/E ratio	0.52	0.38

IFRS			
FY2017	FY2018	2019/2Q	18 3-Yr 2021
3,618	3,498	3,578	4,700
10,294	10,476	9,926	12,660
0.35	0.33	0.36	0.37

【Dividend payout ratio】

JPY100M

	J-GAAP	
	FY2016	FY2017
Dividend / share (JPY)	11.00	100.0
Net Income(loss) / share (JPY)	-33.61	332.42
Dividend payout ratio	-	30.1%

IFRS			
FY2017	FY2018	FY2019(F	18 3-Yr 2021
100.0	73.0	77.0	-
(327.26)	243.06	218.35	-
(30.6%)	30.0%	35.3%	35%+

【Cash Flows】

JPY100M

	J-GAAP	
	FY2016	FY2017
Cash and cash equivalents at beginning of period	1,978	1,703
Net cash provided by (used in) operating activities	438	794
Net cash provided by (used in) investing activities	-1,432	-230
Free cash flows	-994	564
Net cash provided by (used in) financing activities	704	-901
Net increase (decrease) in cash and cash equivalents	-290	-337
Effect of exchange rate change on cash and cash equivalents	15	-16
Cash and cash equivalents at end of period	1,703	1,350

IFRS			
FY2017	FY2018	2019/2Q	18 3-Yr Total
1,729	1,373	813	600
786	1,147	745	3,800
-228	-1,424	-233	-4,900
558	-277	512	-1,100
-898	-290	115	1,200
-340	-567	627	100
-16	7	-28	0
1,373	813	1,412	700

Consolidated companies (59*) / Equity-method affiliated companies (16)

as of September 30, 2019

Mineral Resources

*Including the money held in trust which is deemed one of consolidated companies.

	Voting Shares	Location	FY (consolidated)	Operations
Consolidated companies				
Sumiko Resources Exploration & Development Co., Ltd.	100	Japan	Mar.	Geological survey of resources; Test boring
Sumitomo Metal Mining America Inc.	100	USA	Dec.	Exploration; Management of mining subsidiaries in USA.
Sumitomo Metal Mining Arizona Inc.	80	USA	Dec.	Mining and related operations
SMM Morenci Inc.	100	USA	Dec.	Mining and related operations
SMM Candelaria Inc.	100	USA	Dec.	Investment in local company in Chile operating Candelaria Mine
Sumitomo Metal Mining Canada Ltd.	100	Canada	Dec.	Exploration, Consulting
Sumitomo Metal Mining Oceania Pty. Ltd.	100	Australia	Dec.	Resource surveys, mine development and related operations in Oceania
SMM Resources Inc.	100	Canada	Mar.	Mineral Resources Business
SMM Cerro Verde Netherlands B.V.	80	Netherlands	Dec.	Investments in local Peruvian companies engaged in the Cerro Verde Mine operation.
SMM CV Holding B.V.	100	Netherlands	Dec.	Investment in a subsidiary in the Netherlands
SMM Exploration Corporation	100	USA	Dec.	Mineral Resources Business
SMM Solomon Limited	100	Solomon Islands	Dec.	Exploration in Solomon Islands
Sumitomo Metal Mining Peru S.A.	100	Peru	Dec.	Exploration in South America
Sumitomo Metal Mining Chile LTDA.	100	Chile	Dec.	Exploration in South America
Sumiko Solomon Exploration Co., Ltd.	70	Japan	Mar.	Exploration in Solomon Islands
SMM Sierra Gorda Inversiones Ltda.	70	Chile	Dec.	Investment in Sierra Gorda Project
SMM-SG Holding Inversiones Ltda.	100	Chile	Dec.	Investment in Sierra Gorda Project
Sumitomo Metal Mining do Brasil LTDA.	100	Brazil	Dec.	Exploration in Brazil
SMM Gold Cote Inc.	100	Canada	Dec.	Investment in Cote Gold Project
SMMQB Holding SpA	100	Chile	Dec.	Investment in Quebrada Blanca
SMM Quebrada Blanca SpA	83	Chile	Dec.	Investment in Quebrada Blanca
Equity-method affiliated companies				
Sociedad Minera Cerro Verde S.A.A.	21	Peru	Dec.	Cerro Verde Mine
Compania Contractual Minera Candelaria	20	Chile	Dec.	Candelaria Mine
Compania Contractual Minera Ojos del Salado	20	Chile	Dec.	Ojos del Salade Mine
Sierra Gorda S.C.M.	45	Chile	Dec.	Sierra Gorda Mine
Cordillera Exploration Co., Inc.	40	Philippines	Dec.	Exploration in Philippines
Quebrada Blanca Holdings SpA	33	Chile	Dec.	Quebrada Blanca Mine

Smelting & Refining

	Voting Shares	Location	FY (consolidated)	Operations
Consolidated companies				
Hyuga Smelting Co., Ltd.	60	Japan	Mar.	Ferro-nickel smelting
Shisaka Smelting Co., Ltd.	100	Japan	Mar.	Manufacture of crude zinc oxide
Sumiko Logistics Co., Ltd.	100	Japan	Mar.	Maritime trading; Harbor transportation and services; Land Transportation
Coral Bay Nickel Corporation	54	Philippines	Mar.	Manufacture of nickel and cobalt
Taganito HPAL Nickel Corporation	75	Philippines	Mar.	Manufacture of nickel and cobalt
Sumitomo Metal Mining Philippine Holdings Corporation	100	Philippines	Dec.	Regional headquarters for the nickel business
Sumitomo Metal Mining Management (Shanghai) Co., Ltd.	100	China	Dec.	Sales of SMM and SMM group company products in China, Provision of management business service for Chinese group companies, Business consulting
Sumitomo Metal Mining Management (Hong Kong) Co., Ltd.	100	China	Mar.	Sales of SMM and SMM group company products in China
Taihei Metal Industry Co., Ltd.	100	Japan	Mar.	Manufacture of heat-, corrosion- and friction-resistant steel castings and precision castings
Equity-method affiliated companies				
Jinlong Copper Co., Ltd.	27	China	Dec.	Manufacture and sale of electrolytic copper and sulfuric acid
Acids Co., Ltd.	50	Japan	Mar.	Manufacture and sale of sulfuric acid and related products
PT Vale Indonesia Tbk	20	Indonesia	Dec.	Nickel ore mining; Nickel smelting
Nickel Asia Corporation	26	Philippines	Dec.	Nickel ore mining
FIGESBAL	26	New Caledonia	Dec.	Nickel ore mining; Harbor transportation
MS Zinc Co., Ltd.	50	Japan	Mar.	Manufacture and sale of zinc and related operations
Mitsui Sumitomo Metal Mining Brass & Copper Co., Ltd.	50	Japan	Mar.	Manufacture and sale of copper and brass products and processed copper and brass products

Materials

	Voting Shares	Location	FY (consolidated)	Operations
Consolidated companies				
SH Materials Co., Ltd.	100	Japan	Mar.	Manufacture and sale of leadframes
Ohkuchi Electronics Co., Ltd.	100	Japan	Mar.	Recovery and recycling of non-ferrous metals /Manufacture of functional inks
Niihama Electronics Co., Ltd.	100	Japan	Mar.	Manufacture of flexible circuit materials
Niihama Materials Co., Ltd.	100	Japan	Mar.	Manufacture of leadframes
Shinko Co., Ltd.	99	Japan	Mar.	Design, manufacture, and sale of printed circuit boards
Taiwan Sumiko Materials Co., Ltd.	100	Taiwan	Mar.	Manufacture of thin film materials
Sumiko Tec Co., Ltd.	100	Japan	Mar.	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.
Sumiko Tec (Dongguan) Co., Ltd.	100	China	Dec.	Sales, quality service and export management service of terminals, connectors and electronic circuit board, also related jig for these products
Sumiko Tec (Thailand) Co., Ltd.	100	Thailand	Dec.	Procurement and Sales of terminals, connectors and components
Nittosha Co., Ltd.	100	Japan	Mar.	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	Mar.	Manufacture of crystal products and magnetic materials
Sumiko Energy Materials Co., Ltd.	100	Japan	Mar.	Manufacture of Battery Materials
Shanghai Sumiko Electronic Paste Co., Ltd.	69	China	Dec.	Manufacture and sale of thick-film paste
Dongguan Sumiko Electronic Paste Co., Ltd.	100	China	Dec.	Manufacture and sale of thick-film paste
SMM KOREA Co., Ltd.	100	Korea	Dec.	Sales support for advanced materials and business operations
SMM Precision Co., Ltd.	100	Japan	Mar.	Manufacture and sale of optical communications components
GRANOPT Co., Ltd.	51	Japan	Mar.	Manufacture and sale of rare earth iron garnet (RIG)
SICOXS CORPORATION	51	Japan	Mar.	Development, Manufacture, Sales, of SiC substrate for power semiconductor
Sumico Lubricant Co., Ltd.	100	Japan	Mar.	Manufacture and sale of various lubricants
Sumico Lubricant Trading (Shanghai) Co., Ltd.	100	China	Dec.	Sale of various lubricants
Sumitomo Metal Mining Siporex Co., Ltd.	100	Japan	Mar.	Manufacture and sale of ALC (Autoclaved Lightweight aerated Concrete) and other construction materials
Equity-method affiliated company				
N. E. Chemcat Corporation	50	Japan	Mar.	Manufacture of precious metal catalysts; Recovery and refining of precious metals
Nippon Ketjen Co., Ltd.	50	Japan	Dec.	Manufacture and sale of desulphurization catalysts for petroleum processing
Ohkuchi Materials Co., Ltd.	51	Japan	Mar.	Manufacture of leadframes

Others

	Voting Shares	Location	FY (consolidated)	Operations
Consolidated companies				
Sumiko Techno-Research Co., Ltd.	100	Japan	Mar.	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	Mar.	Commission-based work in area of nonferrous smelting/ Personnel agency business
Sumitomo Metal Mining Engineering Co., Ltd.	100	Japan	Mar.	Environment sector machinery & equipment, Plant surveys, etc. design, manufacturing and repair & maintenance
JCO Co., Ltd.	100	Japan	Mar.	Management of facilities using uranium and related wastes
Igeta Heim Co., Ltd.	100	Japan	Mar.	Construction of steel frame and reinforced concrete apartments and condominiums
Japan Irradiation Service Co., Ltd.	100	Japan	Mar.	Irradiation sterilization service for pharmaceutical products, medical instruments, and pharmaceutical containers, etc. /Modification of various industrial materials
SMM Holland B.V.	100	Netherlands	Dec.	Investment in nickel and copper development businesses

【Reference】

Quarterly Financial Results

JPY100M

	FY2017 (J-GAAP)					FY2017 (IFRS)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net sales	2,145	2,276	2,437	2,477	9,335	2,114	2,289	2,447	2,447	9,297
Operating income	218	229	337	318	1,102	355	339	451	345	1,490
①Recurring profit	300	163	447	339	1,249	323	159	438	163	1,083
Net income*	221	130	299	266	916	233	74	291	304	902
Cu (\$/t)	5,663	6,347	6,808	6,959	6,444	5,663	6,347	6,808	6,959	6,444
Ni (\$/lb)	4.20	4.77	5.25	6.03	5.06	4.20	4.77	5.25	6.03	5.06
Au (\$/TOZ)	1,257	1,278	1,276	1,330	1,285	1,257	1,278	1,276	1,330	1,285
Co (\$/lb)	25.15	28.15	30.93	38.32	30.64	25.15	28.15	30.93	38.32	30.64
Exchange (V\$)	111.11	111.05	112.98	108.31	110.86	111.11	111.05	112.98	108.31	110.86
Inventory impairment										
(Smelting) Impairment	-2	-13	+20	-13	-8	-5	+4	+5	-13	-9
(Smelting) QP Diff etc.	-11	-31	+10	-49	-81	-8	-30	+12	-28	-54
(Smelting) Total	-13	-44	+30	-62	-89	-13	-26	+17	-41	-63
(Materials & others)	0	-27	+28	-9	-8	0	-27	+28	-7	-6
② Total	-13	-71	+58	-71	-97	-13	-53	+45	-48	-69
① - ②	313	234	389	410	1,346	336	212	393	211	1,152

	FY2018 (IFRS)					FY2019 (IFRS)			
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q+4Q(F)	Total(F)
Net sales	2,420	2,247	2,368	2,087	9,122	2,070	2,154	4,346	8,570
Operating income	401	326	325	214	1,266	230	318	612	1,160
①Recurring profit	379	353	135	27	894	179	185	426	790
Net income*	289	292	88	-1	668	143	151	306	600
Cu (\$/t)	6,872	6,103	6,168	6,220	6,341	6,114	5,798	5,700	5,828
Ni (\$/lb)	6.56	6.01	5.20	5.47	5.85	5.56	7.08	7.50	6.91
Au (\$/TOZ)	1,307	1,213	1,228	1,304	1,263	1,310	1,474	1,525	1,459
Co (\$/lb)	42.45	34.65	31.69	17.77	31.64	15.22	14.82	15.00	15.01
Exchange (V\$)	109.08	111.47	112.91	110.21	110.92	109.91	107.35	105.00	106.82
Inventory impairment									
(Smelting) Impairment	+11	-5	-10	+16	+12	-14	11	7	+4
(Smelting) QP Diff etc.	-23	3	-8	-51	-79	-12	-14	2	-24
(Smelting) Total	-12	-2	-18	-35	-67	-26	-3	9	-20
(Materials & others)	-2	0	+5	-16	-13	4	8	+2	14
② Total	-14	-2	-13	-51	-80	-22	5	11	-6
① - ②	393	355	148	78	974	201	180	415	796

【Reference】

Profit by business segments (Operating income / Profit before tax / Gross profit)

		JPY100M				JPY100M				
		Results (J-GAAP)				Results (IFRS)				
		2014	2015	2016	2017	2017	2018	2019(F)		
Operating income	Mineral Resources	432	338	390	526	Gross Profit (loss)	Mineral Resources	657	519	390
	Smelting & Refining	718	228	282	465		Smelting & Refining	603	541	580
	Materials	82	29	79	114		Materials	203	271	230
	Others	10	0	12	10		Others	18	15	20
Diff. Adjustment		16	2	1	-13	Diff. Adjustment		9	-80	-60
Operating income in Total		1,258	597	764	1,102	Gross Profit in Total		1,490	1,266	1,160

		JPY100M					JPY100M			
		FY2018(IFRS)					FY2019(IFRS)			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q+4Q(F)	Total (F)
Gross Profit (loss)	Mineral Resources	158	146	107	108	519	96	97	197	390
	Smelting & Refining	189	125	121	106	541	87	159	334	580
	Materials	99	81	80	11	271	47	57	126	230
	Others	5	2	4	4	15	3	5	12	20
Diff. Adjustment		-50	-28	13	-15	-80	-3	0	-57	-60
Gross Profit in Total		401	326	325	214	1,266	230	318	612	1,160

		JPY100M					JPY100M			
		FY2018 (IFRS)					FY2019 (IFRS)			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q+4Q(F)	Total (F)
Segment Profit (loss)	Mineral Resources	152	220	-45	38	365	119	46	125	290
	Smelting & Refining	163	95	105	46	409	57	120	363	540
	Materials	66	48	44	-20	138	7	21	42	70
	Others	-1	-6	-3	-10	-20	0	1	-1	0
Diff. Adjustment		-1	-4	34	-27	2	-4	-3	-103	-110
Profit before tax in Total		379	353	135	27	894	179	185	426	790

Equity in earnings of affiliated companies

		JPY100M					JPY100M			
		FY2018					FY2019			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q+4Q(F)	Total (F)
Cu	Cerro Verde	30	45	-63	15	27	41	20	49	110
	Candelaria/Ojos	9	9	4	-5	17	8	4	8	20
	Sierra Gorda	-21	-39	-65	-60	-185	-14	-32	-69	-115
	Acids/Jinlong/MSMMBC	8	7	8	9	32	8	2	5	15
	Total	26	22	-116	-41	-109	43	-6	-7	30
Ni	PT Vale Indonesia/ Figesbal/NAC	2	10	18	-2	28	-4	1	33	30
NECC/NK/MSZ/others		8	9	9	6	32	9	2	-6	5
Total		36	41	-89	-37	-49	48	-3	20	65

		JPY100M					
		Results					
		(J-GAAP)			(IFRS)		
		2015	2016	2017	2017	2018	2019(F)
Cu	Cerro Verde	4	69	73	79	27	110
	Candelaria/Ojos	33	25	80	80	17	20
	Sierra Gorda	-827	-1,033	-126	-127	-185	-115
	Acids/Jinlong/MSMMBC	-2	26	39	39	32	15
	Total	-792	-913	66	71	-109	30
Ni	PT Vale Indonesia/ Figesbal/NAC/VNC	31	17	16	21	28	30
NECC/NK/MSZ/others		29	36	32	31	32	5
Total		-732	-860	114	123	-49	65