

Supplementary Explanation for Financial Summary

1st Quarter FY2020 【IFRS】

August 7th, 2020

 **SUMITOMO METAL MINING**

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Comparison

FY2020/1Q Result vs FY2019/1Q Result

JPY100M

	2020/1Q ①Result	2019/1Q ②Result	Diff. ①-②
Net sales	1,969	2,070	-101
Gross profit	187	230	-43
Profit before tax	35	179	-144
Net income *1	2	143	-141
(Inventory evaluation P&L)	-32	-26	-6
(Other exchange gain / loss *2)	-13	-2	-11
Cu (\$/t)	5,341	6,114	-773
Ni (\$/lb)	5.53	5.56	-0.03
Au (\$/toz)	1,710	1,310	+400
Co (\$/lb)	14.97	15.22	-0.25
Exchange (¥/\$)	107.62	109.91	-2.29

Exchange	20/6E	20/3E	19/12E	19/9E	19/6E
(¥/\$)	107.71	108.81	109.54	107.93	107.75

【Diff. of FY2020/1Q Result vs FY2019/1Q Result ①-②】

Profit before tax -144

Metal Price/Exchange -111 (Metal Price -111 (Cu -152, Au +28, Ni +17, Co -5 etc.), Exchange -4, Inventory evaluation +4), Quantity +19, Other exchange gain & loss -11, Cost@ -30, Material Business -9, others

FY2020 Forecast vs FY2019 Result

JPY100M

	20/1Q Result	20/2Q Forecast	20/1Q+2Q Forecast	20/3Q+4Q Forecast	FY2020 ①Forecast	FY2019 ②Result	Diff. ①-②
Net sales	1,969	2,031	4,000	4,350	8,350	8,726	-376
Gross profit	187	273	460	600	1,060	1,095	-35
Profit before tax	35	105	140	340	480	790	-310
Net income *1	2	78	80	240	320	606	-286
(Inventory evaluation P&L)	-32	-17	-49	-13	-62	-24	-38
(Other exchange gain / loss *2)	-13	0	-13	0	-13	-10	-3
Cu (\$/t)	5,341	6,000	5,671	6,000	5,835	5,860	-25
Ni (\$/lb)	5.53	6.00	5.77	6.00	5.88	6.35	-0.47
Au (\$/toz)	1,710	1,800	1,755	1,800	1,778	1,462	316
Co (\$/lb)	14.97	13.50	14.24	13.50	13.87	15.76	-1.89
Exchange (¥/\$)	107.62	107.00	107.31	107.00	107.16	108.74	-1.58

【Diff of FY2020 Forecast vs FY2019 Result ①-②】

Profit before tax -310

Metal Price/Exchange -223 (Metal Price -155 (Cu -111, Au +60, Ni -72, Co -39 etc.), Exchange -18, Inventory evaluation -50), Quantity -31, Cost@ +169, Material Business -33, Gain on sale of fixed assets (Taihei Metal Industry Co., Ltd.) -90, Cost associated with QB2 project suspension -80, etc,

*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)		
	FY2018	FY2019	FY2020	FY2018	FY2019	FY2020	FY2018	FY2019	FY2020
Apr	6,839	6,445	5,048	310	292	229	6.32	5.81	5.33
May	6,822	6,028	5,234	309	273	237	6.51	5.44	5.50
Jun	6,955	5,868	5,742	316	266	261	6.85	5.43	5.76
1QAve.	6,872	6,114	5,341	312	277	242	6.56	5.56	5.53
Jul	6,248	5,940		283	269		6.25	6.11	
Aug	6,040	5,708		274	259		6.09	7.11	
Sep	6,020	5,745		273	261		5.68	8.02	
2QAve.	6,103	5,798		277	263		6.01	7.08	
Oct	6,216	5,743		282	261		5.59	7.76	
Nov	6,193	5,860		281	266		5.10	6.89	
Dec	6,094	6,062		276	275		4.92	6.26	
3QAve.	6,168	5,888		280	267		5.20	6.97	
Jan	5,932	6,049		269	274		5.20	6.15	
Feb	6,278	5,686		285	258		5.74	5.78	
Mar	6,451	5,179		293	235		5.92	5.39	
4QAve.	6,220	5,638		282	256		5.62	5.77	
FY Ave.	6,341	5,860		288	266		5.85	6.35	
Jan-Dec Ave.	6,525	6,005		296	272		5.95	6.31	
FY2020/2Q-4Q (FCST in Aug)			6,000			272			6.00
FY2020 (FCST in Aug)			5,835			265			5.88

	Cobalt (\$/lb)(Standard-Low)			Gold (\$/toz)			Exchange (¥/US\$)		
	FY2018	FY2019	FY2020	FY2018	FY2019	FY2020	FY2018	FY2019	FY2020
Apr	43.45	15.36	15.55	1,335	1,287	1,682	107.45	111.73	107.96
May	43.03	16.07	14.91	1,303	1,284	1,716	109.76	109.87	107.35
Jun	40.86	14.23	14.45	1,282	1,359	1,733	110.01	108.12	107.56
1QAve.	42.45	15.22	14.97	1,307	1,310	1,710	109.08	109.91	107.62
Jul	37.06	12.61		1,238	1,414		111.39	108.28	
Aug	33.51	14.69		1,202	1,498		111.09	106.33	
Sep	33.38	17.16		1,199	1,511		111.92	107.45	
2QAve.	34.65	14.82		1,213	1,474		111.47	107.35	
Oct	33.50	17.67		1,215	1,495		112.83	108.15	
Nov	33.13	16.67		1,221	1,471		113.38	108.90	
Dec	28.43	15.34		1,249	1,478		112.53	109.25	
3QAve.	31.69	16.56		1,228	1,481		112.91	108.77	
Jan	22.31	15.86		1,292	1,561		108.99	109.39	
Feb	16.97	16.80		1,320	1,598		110.39	109.99	
Mar	14.04	16.61		1,302	1,593		111.24	107.44	
4QAve.	17.77	16.42		1,304	1,584		110.21	108.94	
FY Ave.	31.64	15.76		1,263	1,462		110.92	108.74	
Jan-Dec Ave.	36.78	16.20		1,269	1,392		110.44	109.06	
FY2020/2Q-4Q (FCST in Aug)			13.50			1,800			107.00
FY2020 (FCST in Aug)			13.87			1,778			107.16

LME Price		20/1Q		20/2Q(F)		20/3Q-4Q(F)
E-Ni applied	Mar-May	5.41	Jun-Aug	5.92	Sep-Feb	6.00
Fe-Ni applied	Jan-Mar	5.77	Apr-Jun	5.53	July-Dec	6.00

Exchange		20/1Q		20/2Q(F)		20/3Q-4Q(F)
E-Ni applied	Mar-May	107.58	Jun-Aug	107.19	Sep-Feb	107.00
Fe-Ni applied	Jan-Mar	108.94	Apr-Jun	107.62	July-Dec	107.00

Comparison

(2020/1Q Result vs 2019/1Q Result)

JPY100M

Gross Profit			
	2020/1Q	2019/1Q	Diff.
	①	②	①-②
Mineral Resources	97	96	+1
Smelting & Refining	84	87	-3
Materials	36	47	-11
Others	4	3	+1
Diff. Adjustment	-34	-3	-31
Gross Profit	187	230	-43

JPY100M

Segment Profit (loss)			
	2020/1Q	2019/1Q	Diff.
	③	④	③-④
Mineral Resources	38	133	-95
Smelting & Refining	41	57	-16
Materials	-2	7	-9
Others	0	0	0
Diff. Adjustment	-42	-18	-24
Profit before tax	35	179	-144

(*) Due to organizational change, a consolidated overseas financial company which had been counted in adjustment segment is included in Mineral Resources segment from the release of financial result of FY2019. Segment profit of FY2019/1Q shown here is recalculated based on the new segment allocation rule.

<<Explanation of Diff.>>

1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	+53	+21	+26	-2	+5	+3
Morenci / NP (Cu)	-51	+5	-29	0	-21	-6
Others	-1					
Total	+1					

Au Sales (t)	2020/1Q	2019/1Q	Diff.
Hishikari (Au)	1.9	1.3	+0.6

2. Smelting & Refining

JPY100M

	Diff.	Quantity	Price	Cost@	Inventory	Others
Copper	+8	-1	0	-4	+17	-4
Nickel	-6	+5	+7	-1	-12	-5
Others*	-5					-5
Total	-3	+4	+7	-5	+5	-14

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

• Inventory evaluation P&L

	Total	Cu	Ni	Others
2020/1Q	-21	-8	-13	0
2019/1Q	-26	-25	-1	0

Comparison

(2020/1Q Result vs 2019/1Q Result)

3. Materials (Net sales)

JPY100M

	2020/1Q ①	2019/1Q ②	Diff. ①-②
Battery Materials (NCA, NMC, Nickel Hydroxide, etc.)	280	272	+8
Applied Powder Materials (Thick Film, Thin Film, Magnet, Alloy, Ink, etc.)	80	68	+12
Package Materials (Leadframes, CuPI, PWB, etc.)	52	42	+10
Crystal Material, Construction Materials, Connector, Othe	133	127	+6
Total	545	509	+36

Equity in earnings of affiliated companies

JPY100M

		2020/1Q ①	2019/1Q ②	Diff. ①-②
Cu	Cerro Verde	-9	41	-50
	Candelaria/Ojos	2	8	-6
	Sierra Gorda	-34	-14	-20
	Acids/Jinlong/MSMMBC	-3	8	-11
	Total	-44	43	-87
Ni	PT Vale Indonesia/Figesbal/NAC	6	-4	+10
	NECC/NK/MSZ/others	2	9	-7
Total		-36	48	-84
Segment	Mineral Resources	-40	35	-75
	Smelting & Refining	3	4	-1
	Materials/Others	1	9	-8
Total		-36	48	-84

Main changes in financial income/cost and other income/cost

(amount displayed in profit and loss)

JPY100M

	2020/1Q ①	2019/1Q ②	Diff. ①-②
Finance income/cost (exchange gain/loss from valuation of financial assets and liabilities)	-8	-19	+11
Other income/cost (exchange gain/loss from settlement of other assets and liabilities)	-5	17	-22

Comparison

(FY2020 Forecast vs FY2019 Result)

JPY100M

Gross Profit							
	FY2020 Forecast			FY2019 Result			Diff. ①-②
	1Q+2Q	3Q+4Q	Total①	1Q+2Q	3Q+4Q	Total②	
Mineral Resources	240	220	460	193	221	414	+46
Smelting & Refining	200	240	440	246	268	514	-74
Materials	60	120	180	104	97	201	-21
Others	10	10	20	8	15	23	-3
Diff. Adjustment	-50	10	-40	-3	-54	-57	+17
Total	460	600	1,060	548	547	1,095	-35

JPY100M

Segment Profit (Profit before tax)							
	FY2020 Forecast			FY2019 Result			Diff. ③-④
	1Q+2Q	3Q+4Q	Total③	1Q+2Q	3Q+4Q	Total④	
Mineral Resources	140	170	310	165	214	379	-69
Smelting & Refining	120	200	320	177	305	482	-162
Materials	-20	40	20	28	25	53	-33
Others	0	-20	-20	1	-10	-9	-11
Diff. Adjustment	-100	-50	-150	-7	-108	-115	-35
Total	140	340	480	364	426	790	-310

<<Explanation of Diff.>>

1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	+58	+2	+60	-4	-5	+5
Morenci / NP (Cu)	-14	+6	-31	-3	+14	0
Others	+2					
Total	+46					

Au Sales (t)	FY2020(F)	FY2019	Diff.
Hishikari (Au)	6.0	6.0	0.0

2. Smelting & Refining

JPY100M

	Diff	Quantity	Price	Cost@	Inventory	Others
Copper	-29	+3	-13	+38	-42	-15
Nickel	-67	+30	-111	+37	-8	-15
Others*	+22					+22
Total	-74	+33	-124	+75	-50	-8

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

• Inventory evaluation P&L

JPY100M

	Total	Cu	Ni	Others
FY2020 Forecast	-73	-81	8	0
FY2019 Result	-23	-39	16	0

Comparison

(FY2020 Forecast vs FY2019 Result)

3. Materials (Net sales)

JPY100M

	FY2020 Forecast ①	FY2019 Result ②	Diff. ①-②
Battery Materials (NCA, NMC, Nickel Hydroxide, etc.)	1,130	1,269	-139
Applied Powder Materials (Thick Film, Thin Film, Magnet, Alloy, Ink, etc.)	330	293	+37
Package Materials (Leadframes, CuPI, PWB, etc.)	160	174	-14
Crystal Material, Construction Materials, Connector, Others	610	550	+60
Total	2,230	2,286	-56

Equity in earnings of affiliated companies

JPY100M

		FY2020 Forecast ①	FY2019 Result ②	Diff. ①-②
Cu	Cerro Verde	20	96	-76
	Candelaria/Ojos	25	21	+4
	Sierra Gorda	-80	-119	+39
	Acids/Jinlong/MSMMBC	10	20	-10
	Total	-25	18	-43
Ni	PT Vale Indonesia/Figesbal/NAC	35	26	+9
	NECC/NK/MSZ/others	-50	18	-68
	Total	-40	62	-102
Segment	Mineral Resources	-90	-13	-77
	Smelting & Refining	45	46	-1
	Materials/Others	5	29	-24
	Total	-40	62	-102

Main changes in financial income/cost and other income/cost

(amount displayed in profit and loss) JPY100M

	FY2020 Forecast ①	FY2019 Result ②	Diff. ①-②
Finance income/cost (exchange gain/loss from valuation of financial assets and liabilities)	-8	-12	+4
Other income/cost (exchange gain/loss from settlement of other assets and liabilities)	-5	2	-7
Other income (Gain on sale of fixed assets (Taihei Metal Industry Co., Ltd.))	0	90	-90

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

		FY2018					FY2019					FY2020											
		Result					Result					Result				Forecast				Fore cast in Aug ②	Refe rence in May ③	Diff. ②-①	Diff. ②-③
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total ①	1Q	2Q	1H	2H								
【Gold Mine】 (t)																							
Hishikari	Production	1.2	1.6	1.3	1.9	6.0	1.6	1.0	1.4	2.1	6.1	1.6	1.8	3.6	2.4	6.0	6.0	-0.1	0.0				
	Sales	1.5	1.5	1.4	1.6	6.0	1.3	1.4	1.2	2.1	6.0	1.9	1.8	3.7	2.3	6.0	6.0	0.0	0.0				
Pogo	Production	2.0	1.2	/	/	3.2	/	/	/	/	/	/	/	/	/	/	/	/	/				
	Sales	1.9	1.4	/	/	3.3	/	/	/	/	/	/	/	/	/	/	/	/	/				
【Copper Mine】 (kt) ↑ Pogo: included untl Aug. 2018																							
Morenci	Production	106	115	107	102	430	105	114	120	116	461	109	109	218	212	430	420	-31	10				
	Sales	107	114	105	112	438	96	114	120	107	437	116	109	225	238	463	448	26	15				
Cerro Verde	Production	111	118	127	120	476	118	108	107	122	455	92	81	173	186	359	380	-96	-21				
	Sales	109	118	127	122	476	116	109	99	131	454	95	80	175	185	360	383	-94	-23				
Sierra Gorda	Production	22	23	25	28	97	27	26	29	27	108	34	37	71	73	144	143	36	1				
	Sales	23	18	25	28	95	26	29	29	27	111	27	42	69	74	143	143	32	0				
La Candelaria	Production	25	26	26	25	102	24	25	32	30	111	28	30	58	69	127	140	16	-13				
	Sales	27	28	25	24	104	24	24	35	26	109	31	28	59	71	130	139	21	-9				
Ojos Del Salado	Production	6	7	8	8	28	8	7	7	8	30	7	6	13	15	28	28	-2	0				
	Sales	6	7	8	8	28	7	7	8	8	30	7	6	13	15	28	28	-2	0				
North Parkes	Production	11	10	9	10	40	9	9	9	9	36	9	8	17	16	33	33	-3	0				
	Sales	6	14	10	9	40	9	9	6	13	37	6	11	17	17	34	33	-3	1				
【Smelting & Refining in Japan】 (kt)																							
E-Cu	Production	116.0	114.6	113.3	110.3	454.2	100.9	95.5	89.1	113.9	399.4	106.1	113.0	219.1	224.9	444.0	444.0	44.6	0.0				
	Sales	114.2	113.9	124.8	107.8	460.7	108.7	104.5	101.4	115.2	429.8	108.7	108.8	217.5	217.5	435.0	435.5	5.2	-0.5				
E-Ni	Production	13.8	14.4	14.2	14.3	56.7	12.0	17.0	15.5	14.3	58.8	13.5	16.3	29.6	29.9	59.5	58.4	0.7	1.1				
	Sales	13.6	13.8	13.8	14.4	55.6	12.8	13.2	15.2	16.6	57.8	12.4	15.7	28.1	31.4	59.5	58.4	1.7	1.1				
Nickel Sulfate (Product Qty)	Production	16.4	17.7	16.2	17.5	67.8	16.9	20.2	18.0	20.0	75.1	17.1	21.1	38.2	39.8	78.0	77.5	2.9	0.5				
	Sales	16.6	17.7	16.6	17.2	68.1	16.9	20.0	18.5	19.9	75.1	17.6	20.1	37.7	40.3	78.0	77.4	2.9	0.6				
FeNi (Ni content)	Production	3.5	2.7	3.8	2.9	12.9	3.6	2.9	4.0	3.0	13.5	3.2	2.9	6.1	7.2	13.3	13.3	-0.2	0.0				
	Sales	3.3	3.0	3.3	2.8	12.4	2.9	3.5	3.0	3.3	13.3	3.2	3.4	6.6	6.7	13.3	13.3	0.0	0.0				
【Smelting & Refining overseas】 (kt)																							
CBNC MS (Ni content)	Production	4.7	6.0	5.4	5.6	21.7	4.6	5.3	4.0	5.2	19.1	5.3	5.4	10.7	10.8	21.5	21.5	2.4	0.0				
	Sales	4.4	6.2	5.1	5.8	21.5	4.9	5.0	4.0	5.2	19.1	4.7	5.0	9.7	11.8	21.5	21.5	2.4	0.0				
THPAL MS (Ni content)	Production	7.5	5.4	7.5	7.0	27.4	9.1	6.8	8.5	7.9	32.3	7.0	9.3	16.3	14.7	31.0	29.9	-1.3	1.1				
	Sales	7.8	5.4	6.4	8.4	28.0	7.6	7.0	8.9	5.4	28.9	9.2	8.9	18.1	15.8	33.9	30.4	5.0	3.5				
PT Vale Matte (Ni content)	Production	17.1	18.9	18.2	20.8	75.0	13.1	17.6	19.9	20.4	71.0	17.6	18.0	35.6	36.1	71.7	71.7	0.7	0.0				
	Sales	17.2	18.8	18.6	21.3	75.9	13.9	16.9	20.1	21.1	72.0	16.7	18.3	35.0	36.5	71.5	71.5	-0.5	0.0				

Sensitivity for FY2020 Forecast

JPY100M / Year

	Change	Up / Down of Profit before tax for FY2020
Cu	±100 \$ / t	27
Ni	±10 ¢ / lb	16
Au	±10 \$ / TOZ	2
¥/\$	±1¥ / \$	11

(Note. 1) USD/JPY translation include RC-related and Conversion rate (

overseas consolidated / equity-method affiliate companies' pro

(Note. 2) Inventory evaluation is not included.

Financial Position

【Shareholder's Equity Ratio】

JPY100M

End of FY	J-GAAP	IFRS				
	FY2017	FY2017	FY2018	FY2019	2020/1Q	18 3-Yr 2021
Net assets	16,990	17,323	17,977	17,197	17,191	20,900
Shareholder's equity	10,364	10,294	10,476	10,019	9,908	12,660
Shareholder's Equity Ratio	61.0%	59.4%	58.3%	58.3%	57.6%	60.6%

【D/E Ratio】

JPY100M

End of FY	J-GAAP	IFRS				
	FY2017	FY2017	FY2018	FY2019	2020/1Q	18 3-Yr 2021
Interest-bearing debt	3,924	3,618	3,498	3,679	3,652	4,700
Shareholder's equity	10,364	10,294	10,476	10,019	9,908	12,660
D/E ratio	0.38	0.35	0.33	0.37	0.37	0.37

【Dividend payout ratio】

JPY100M

	J-GAAP	IFRS				
	FY2017	FY2017	FY2018	FY2019	FY2020 (F)	18 3-Yr 2021
Dividend / share (JPY)	100.0	100.0	73.0	78.0	41.0	-
Net Income(loss) / share (JPY)	332.42	(327.26)	243.06	220.54	116.46	-
Dividend payout ratio	30.1%	(30.6%)	30.0%	35.4%	35.2%	35%+

【Cash Flows】

JPY100M

	J-GAAP	IFRS				
	FY2017	FY2017	FY2018	FY2019	2020/1Q	18 3-Yr Total
Cash and cash equivalents at beginning of period	1,703	1,729	1,373	813	1,555	600
Net cash provided by (used in) operating activities	794	786	1,147	1,365	411	3,800
Net cash provided by (used in) investing activities	-230	-228	-1,424	-703	-273	-4,900
Free cash flows	564	558	-277	662	138	-1,100
Net cash provided by (used in) financing activities	-901	-898	-290	91	-122	1,200
Net increase (decrease) in cash and cash equivalents	-337	-340	-567	753	15	100
Effect of exchange rate change on cash and cash equivalents	-16	-16	7	-11	-15	0
Cash and cash equivalents at end of period	1,350	1,373	813	1,555	1,555	700

Consolidated companies (56*) / Equity-method affiliated companies (15)

as of June 30, 2020

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
SMMA 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
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
SMM Holland B.V.	100	Netherlands	Dec.	Overseas resources development
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 Salado 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
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				
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
Shinko Co., Ltd.	99	Japan	Mar.	Design, manufacture, and sale of printed circuit boards
Ohkuchi Materials Co., Ltd.	95	Japan	Mar.	Manufacture of leadframes
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
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.	84.81	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 sales of rare earth iron garnet (RIG)
Granopt Optics Trading (Shenzhen) Co., Ltd.	51	China	Dec.	Sales 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.	Sales 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

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

【Reference】

Quarterly Financial Results

JPY100M

	FY2017 (IFRS)					FY2018 (IFRS)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net sales	2,114	2,289	2,447	2,447	9,297	2,420	2,247	2,368	2,087	9,122
Gross profit	355	339	451	345	1,490	401	326	325	214	1,266
Profit before tax①	323	159	438	163	1,083	379	353	135	27	894
Net income	233	74	291	304	902	289	292	88	-1	668
Cu (\$/t)	5,663	6,347	6,808	6,959	6,444	6,872	6,103	6,168	6,220	6,341
Ni (\$/lb)	4.20	4.77	5.25	6.03	5.06	6.56	6.01	5.20	5.47	5.85
Au (\$/TOZ)	1,257	1,278	1,276	1,330	1,285	1,307	1,213	1,228	1,304	1,263
Co (\$/lb)	25.15	28.15	30.93	38.32	30.64	42.45	34.65	31.69	17.77	31.64
Exchange (¥/\$)	111.11	111.05	112.98	108.31	110.86	109.08	111.47	112.91	110.21	110.92
Inventory evaluation P&L										
(Smelting) lower of cost or net realizable value	-5	+4	+5	-13	-9	+11	-5	-10	+16	+12
(Smelting) QP Diff etc.	-8	-30	+12	-28	-54	-23	+3	-8	-51	-79
(Smelting) Total	-13	-26	+17	-41	-63	-12	-2	-18	-35	-67
(Materials & others)	0	-27	+28	-7	-6	-2	0	+5	-16	-13
②Total	-13	-53	+45	-48	-69	-14	-2	-13	-51	-80
①-②	336	212	393	211	1,152	393	355	148	78	974

	FY2019 (IFRS)					FY2020 (IFRS)			
	1Q	2Q	3Q	4Q	Total	1Q	2Q(F)	3Q+4Q(F)	Total
Net sales	2,070	2,154	2,224	2,278	8,726	1,969	2,031	4,350	8,350
Gross profit	230	318	323	224	1,095	187	273	600	1,060
Profit before tax①	179	185	311	115	790	35	105	340	480
Net income	143	151	221	91	606	2	78	240	320
Cu (\$/t)	6,114	5,798	5,888	5,638	5,860	5,341	6,000	6,000	5,835
Ni (\$/lb)	5.56	7.08	6.97	5.77	6.35	5.53	6.00	6.00	5.88
Au (\$/TOZ)	1,310	1,474	1,481	1,584	1,462	1,710	1,800	1,800	1,778
Co (\$/lb)	15.22	14.82	16.56	16.42	15.76	14.97	13.50	13.50	13.87
Exchange (¥/\$)	109.91	107.35	108.77	108.94	108.74	107.62	107.00	107.00	107.16
Inventory evaluation P&L									
(Smelting) lower of cost or net realizable value	-14	+11	-7	-20	-30	+28	0	0	+28
(Smelting) QP Diff etc.	-12	-14	+37	-4	+7	-50	-17	-34	-101
(Smelting) Total	-26	-3	+30	-24	-23	-22	-17	-34	-73
(Materials & others)	+4	+8	+1	-14	-1	-10	-2	+21	+9
②Total	-22	+5	+31	-38	-24	-32	-19	-13	-64
①-②	201	180	280	153	814	67	124	353	544

【Reference】

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

JPY100M

		Results (J-GAAP)		
		2015	2016	2017
Operating income	Mineral Resources	338	390	526
	Smelting & Refining	228	282	465
	Materials	29	79	114
	Others	0	12	10
Diff. Adjustment		2	1	-13
Operating income in Total		597	764	1,102

JPY100M

		Results (J-GAAP)			
		2017	2018	2019	2020(F)
Gross Profit	Mineral Resources	657	519	414	460
	Smelting & Refining	603	541	514	440
	Materials	203	271	201	180
	Others	18	15	23	20
Diff. Adjustment		9	-80	-57	-40
Gross Profit in Total		1,490	1,266	1,095	1,060

JPY100M

		FY2019 (IFRS)					FY2020 (IFRS)
		1Q	2Q	3Q	4Q	Total	1Q
Gross Profit	Mineral Resources	96	97	89	132	414	97
	Smelting & Refining	87	159	177	91	514	84
	Materials	47	57	63	34	201	36
	Others	3	5	5	10	23	4
Diff. Adjustment		-3	0	-11	-43	-57	-34
Gross Profit in Total		230	318	323	224	1,095	187

JPY100M

		FY2019 (IFRS)					FY2020 (IFRS)
		1Q	2Q	3Q	4Q	Total	1Q
Segment Profit (loss)	Mineral Resources	119	46	40	174	379	38
	Smelting & Refining	57	120	236	69	482	42
	Materials	7	21	29	-4	53	-2
	Others	0	1	1	-11	-9	0
Diff. Adjustment		-4	-3	5	-113	-115	-43
Gross Profit in Total		179	185	311	115	790	35

Equity in earnings of affiliated companies

JPY100M

		FY2019 (IFRS)					FY2020 (IFRS)
		1Q	2Q	3Q	4Q	Total	1Q
Cu	Cerro Verde	41	20	14	21	96	-9
	Candelaria/Ojos	8	4	7	2	21	2
	Sierra Gorda	-14	-32	-35	-38	-119	-34
	Acids/Jinlong/MSMMBC	8	2	7	3	20	-3
	Total	43	-6	-7	-12	18	-44
Ni	PT Vale Indonesia/ Figesbal/NAC	-4	1	13	16	26	6
NECC/NK/MSZ/others		9	2	4	3	18	2
Total		48	-3	10	7	62	-36

JPY100M

		Results						
		J-GAAP			(IFRS)			
		2015	2016	2017	2017	2018	2019	2020(F)
Cu	Cerro Verde	4	69	73	79	27	96	20
	Candelaria/Ojos	33	25	80	80	17	21	25
	Sierra Gorda	-827	-1,033	-126	-127	-185	-119	-80
	Acids/Jinlong/MSMMBC	-2	26	39	39	32	20	10
	Total	-792	-913	66	71	-109	18	-25
Ni	PT Vale Indonesia/ Figesbal/NAC	31	17	16	21	28	26	35
NECC/NK/MSZ/others		29	36	32	31	32	18	-50
Total		-732	-860	114	123	-49	62	-40