

**Supplementary Explanation for Financial Summary**  
**3rd Quarter FY2020**  
**【IFRS】**

**February 8th, 2021**



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## Comparison

### FY2020/1-3Q Result vs FY2019/1-3Q Result

JPY100M

	20/1-3Q ①Result	19/1-3Q ②Result	Diff. ①-②
Net sales	6,721	6,448	+273
Gross profit	1,002	871	+131
Profit before tax	646	675	-29
Net income (loss) *1	454	515	-61
(Inventory evaluation P&L)	0	14	-14
(Other exchange gain / loss *2)	-49	-9	-40
Cu (\$/t)	6,345	5,933	+412
Ni (\$/lb)	6.41	6.54	-0.13
Au (\$/toz)	1,832	1,422	+410
Co (\$/lb)	15.06	15.53	-0.47
Exchange (¥/\$)	106.12	108.68	-2.56

Exchange	20/12E	20/9E	20/6E	20/3E	19/12E
(¥/\$)	103.50	105.78	107.71	108.81	109.54

【Diff of FY2020/3Q vs FY2019/3Q Results ①-②】

Profit before tax -29

Metal Price/Exchange +37 (Metal Price +73 (Cu 0, Ni +11, Co -7, Au +66, etc.), Exchange -20, Inventory evaluation -16), Quantity +43, Other exchange gain -40, Cost@ +85, Material Business +5, Gain on sale of fixed assets (Taihei Metal Industry) -90, Cost associated with QB2 project suspension -63, others

### New and Old Forecast of FY2020 (in Feb. vs in Nov.)

JPY100M

	20/1Q+2Q ①Result	20/3Q ②Result	20/4Q ③Forecast	FY2020 ④Forecast in Feb.	FY2020 ⑤Forecast in Nov.	Diff. ④-⑤
Net sales	4,191	2,530	2,319	9,040	8,580	+460
Gross profit	562	440	378	1,380	1,210	+170
Profit before tax	259	387	384	1,030	670	+360
Net income (loss) *1	175	279	326	780	460	+320
(Inventory evaluation P&L)	5	-5	-31	-31	-49	+18
(Other exchange gain / loss *2)	-26	-23	7	-42	-35	-7
Cu (\$/t)	5,931	7,174	7,500	6,634	6,116	+518
Ni (\$/lb)	5.99	7.23	7.25	6.62	6.12	+0.50
Au (\$/toz)	1,811	1,875	1,850	1,837	1,856	-19
Co (\$/lb)	14.84	15.51	15.50	15.17	14.67	+0.50
Exchange (¥/\$)	106.92	104.51	104.00	105.59	105.46	+0.13

【Diff of FY2020 Forecast in Feb. vs Forecast in Nov. ④-⑤】

Profit before tax +360

Metal Price/ Exchange +263 (Metal price +243 (Cu +174, Ni +63, Co +9, Au -3, etc.), Exchange +2, Inventory evaluation +18), Quantity -11, Other exchange gain & loss -7, Cost@ -45, Material Business +40, Reversal of allowance for doubtful accounts for Sierra Gorda S.C.M. +91, Cost associated with QB2 project suspension +7, others

\*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
<b>1QAve.</b>	<b>6,872</b>	<b>6,114</b>	<b>5,341</b>	<b>312</b>	<b>277</b>	<b>242</b>	<b>6.56</b>	<b>5.56</b>	<b>5.53</b>
Jul	6,248	5,940	6,354	283	269	288	6.25	6.11	6.05
Aug	6,040	5,708	6,497	274	259	295	6.09	7.11	6.57
Sep	6,020	5,745	6,712	273	261	305	5.68	8.02	6.74
<b>2QAve.</b>	<b>6,103</b>	<b>5,798</b>	<b>6,521</b>	<b>277</b>	<b>263</b>	<b>296</b>	<b>6.01</b>	<b>7.08</b>	<b>6.46</b>
Oct	6,216	5,743	6,703	282	261	304	5.59	7.76	6.90
Nov	6,193	5,860	7,063	281	266	320	5.10	6.89	7.16
Dec	6,094	6,062	7,755	276	275	352	4.92	6.26	7.62
<b>3QAve.</b>	<b>6,168</b>	<b>5,888</b>	<b>7,174</b>	<b>280</b>	<b>267</b>	<b>325</b>	<b>5.20</b>	<b>6.97</b>	<b>7.23</b>
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	
<b>4QAve.</b>	<b>6,220</b>	<b>5,638</b>		<b>282</b>	<b>256</b>		<b>5.62</b>	<b>5.77</b>	
<b>FY Ave.</b>	<b>6,341</b>	<b>5,860</b>		<b>288</b>	<b>266</b>		<b>5.85</b>	<b>6.35</b>	
<b>Jan-Dec Ave.</b>	<b>6,525</b>	<b>6,005</b>		<b>296</b>	<b>272</b>		<b>5.95</b>	<b>6.31</b>	
Jan.-Mar.(FCST in Feb.)			<b>7,500</b>			<b>340</b>			<b>7.25</b>
FY2020(FCST in Feb.)			<b>6,634</b>			<b>301</b>			<b>6.62</b>
FY2020(FCST in Nov.)			<b>6,116</b>			<b>277</b>			<b>6.12</b>

	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
<b>1QAve.</b>	<b>42.45</b>	<b>15.22</b>	<b>14.97</b>	<b>1,307</b>	<b>1,310</b>	<b>1,710</b>	<b>109.08</b>	<b>109.91</b>	<b>107.62</b>
Jul	37.06	12.61	13.82	1,238	1,414	1,842	111.39	108.28	106.84
Aug	33.51	14.69	14.97	1,202	1,498	1,970	111.09	106.33	106.05
Sep	33.38	17.16	15.36	1,199	1,511	1,923	111.92	107.45	105.77
<b>2QAve.</b>	<b>34.65</b>	<b>14.82</b>	<b>14.72</b>	<b>1,213</b>	<b>1,474</b>	<b>1,912</b>	<b>111.47</b>	<b>107.35</b>	<b>106.22</b>
Oct	33.50	17.67	15.56	1,215	1,495	1,901	112.83	108.15	105.27
Nov	33.13	16.67	15.51	1,221	1,471	1,867	113.38	108.90	104.42
Dec	28.43	15.34	15.45	1,249	1,478	1,856	112.53	109.25	103.85
<b>3QAve.</b>	<b>31.69</b>	<b>16.56</b>	<b>15.51</b>	<b>1,228</b>	<b>1,481</b>	<b>1,875</b>	<b>112.91</b>	<b>108.77</b>	<b>104.51</b>
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	
<b>4QAve.</b>	<b>17.77</b>	<b>16.42</b>		<b>1,304</b>	<b>1,584</b>		<b>110.21</b>	<b>108.94</b>	
<b>FY Ave.</b>	<b>31.64</b>	<b>15.76</b>		<b>1,263</b>	<b>1,462</b>		<b>110.92</b>	<b>108.74</b>	
<b>Jan-Dec Ave.</b>	<b>36.78</b>	<b>16.20</b>		<b>1,269</b>	<b>1,392</b>		<b>110.44</b>	<b>109.06</b>	
Jan.-Mar.(FCST in Feb.)			<b>15.50</b>			<b>1,850</b>			<b>104.00</b>
FY2020(FCST in Feb.)			<b>15.17</b>			<b>1,837</b>			<b>105.59</b>
FY2020(FCST in Nov.)			<b>14.67</b>			<b>1,856</b>			<b>105.46</b>

LME Price		20/1Q		20/2Q		20/3Q		20/4Q(F)
E-Ni applied	Mar-May	5.41	Jun-Aug	6.13	Sep-Nov	6.94	Dec-Feb	7.37
Fe-Ni applied	Jan-Mar	5.77	Apr-Jun	5.53	Jul-Sep	6.46	Oct-Dec	7.23

Exchange		20/1Q		20/2Q		20/3Q		20/4Q(F)
E-Ni applied	Mar-May	107.58	Jun-Aug	106.82	Sep-Nov	104.30	Dec-Feb	103.95
Fe-Ni applied	Jan-Mar	108.94	Apr-Jun	107.62	Jul-Sep	105.11	Oct-Dec	104.51

## Comparison

### (FY2020/1-3Q Result vs FY2019/1-3Q Result)

JPY100M				JPY100M			
Gross Profit				Segment Profit (loss)			
	20/1-3Q	19/1-3Q	Diff.		20/1-3Q	19/1-3Q	Diff.
	①	②	①-②		③	④	③-④
Mineral Resources	433	282	+151	Mineral Resources	357	250	+107
Smelting & Refining	420	423	-3	Smelting & Refining	347	413	-66
Materials	165	167	-2	Materials	62	57	+5
Others	14	13	+1	Others	-4	2	-6
Diff. Adjustment	-30	-14	-16	Diff. Adjustment	-116	-47	-69
<b>Gross Profit</b>	<b>1,002</b>	<b>871</b>	<b>+131</b>	<b>Profit before tax</b>	<b>646</b>	<b>675</b>	<b>-29</b>

(\*) 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 FY2019/3Q 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)	+114	+43	+68	-5	+8	0
Morenci / NP (Cu)	+29	+5	-4	-2	+32	-2
Others	+8					
<b>Total</b>	<b>+151</b>					

Au Sales (t)	20/1-3Q	19/1-3Q	Diff.
Hishikari (Au)	5.0	3.9	+1.1

#### 2. Smelting & Refining

JPY100M

	Diff	Quantity	Price	Cost@	Inventory	Others
Copper	+50	+7	-4	+5	+18	+24
Nickel	-28	+18	+1	+3	-34	-16
Others*	-25				0	-25
<b>Total</b>	<b>-3</b>	<b>+25</b>	<b>-3</b>	<b>+8</b>	<b>-16</b>	<b>-17</b>

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

#### · Inventory evaluation P&L

JPY100M

	Total	Cu	Ni	Others
20/1-3Q	-15	-16	1	0
19/1-3Q	1	-34	35	0

## Comparison

(FY2020/1-3Q Result vs FY2019/1-3Q Result)

### 3. Materials (Net sales)

JPY100M

	20/1-3Q ①	19/1-3Q ②	Diff. ①-②
Battery Materials (NCA, NMC, Nickel Hydroxide, etc.)	839	912	-73
Applied Powder Materials (Thick Film, Thin Film, Magnet, Alloy, Ink, etc.)	264	207	+57
Package Materials (Leadframes, CuPI, PWB, etc.)	123	133	-10
Crystal Material, Construction Materials, Connector, Others	451	408	+43
<b>Total</b>	<b>1,677</b>	<b>1,660</b>	<b>+17</b>

## Equity in earnings of affiliated companies

JPY100M

		20/1-3Q ①	19/1-3Q ②	Diff. ①-②
Cu	Cerro Verde	28	75	-47
	Candelaria/Ojos	22	19	+3
	Sierra Gorda	-68	-81	+13
	Acids/Jinlong/MSMMBC	15	17	-2
	Toal	-3	30	-33
Ni	PT Vale Indonesia/Figesbal/NAC	22	10	+12
	NECC/NK/MSZ/others	-22	15	-37
<b>Total</b>		<b>-3</b>	<b>55</b>	<b>-58</b>
Segment	Mineral Resources	-58	4	-62
	Smelting & Refining	38	27	+11
	Materials/Others	17	24	-7
<b>Total</b>		<b>-3</b>	<b>55</b>	<b>-58</b>

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

(amount displayed in profit and loss) JPY100M

	20/1-3Q ①	19/1-3Q ②	Diff. ①-②
Finance income/cost (exchange gain/loss from valuation of financial assets and liabilities)	-51	-10	-41
Other income/cost (exchange gain/loss from settlement of other assets and liabilities)	2	1	+1
Gain on sale of fixed assets (Taihei Metal Industry Co., Ltd.)	0	90	-90

## Comparison

### (FY2020 Forecast in Feb. vs Forecast in Nov.)

JPY 100M

JPY 100M

Gross Profit				Segment Profit (loss)			
	FCST in Feb.	FCST in Nov.	Diff.		FCST in Feb.	FCST in Nov.	Diff.
	①	②	①-②		③	④	③-④
Mineral Resources	590	550	+40	Mineral Resources	650	430	+220
Smelting & Refining	550	450	+100	Smelting & Refining	450	340	+110
Materials	230	200	+30	Materials	90	50	+40
Others	20	20	+0	Others	-30	-20	-10
Diff. Adjustment	-10	-10	+0	Diff. Adjustment	-130	-130	+0
<b>Gross Profit</b>	<b>1,380</b>	<b>1,210</b>	<b>+170</b>	<b>Profit before tax</b>	<b>1,030</b>	<b>670</b>	<b>+360</b>

### <<Explanation of Diff.>>

#### 1. Mineral Resources

JPY 100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	-2	0	-3	+1	+2	-2
Morenci / NP (Cu)	+37	-5	+45	+1	-5	+1
Others	+5					
<b>Total</b>	<b>+40</b>					

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

#### 2. Smelting & Refining

JPY 100M

	Diff	Quantity	Price	Cost@	Inventory	Others
Copper	+30	0	+8	-1	-4	+27
Nickel	+76	-7	+72	-22	+23	+10
Others*	-6				-1	-5
<b>Total</b>	<b>+100</b>	<b>-7</b>	<b>+80</b>	<b>-23</b>	<b>+18</b>	<b>+32</b>

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

#### • Inventory evaluation P&L

JPY100M

	Total	Cu	Ni	Others
FCST in Feb.	-49	-60	13	-2
FCST in Nov.	-67	-56	-10	-1

## Comparison

(FY2020 Forecast in Feb. vs Forecast in Nov.)

### 3. Materials (Net sales)

JPY100M

	FCST in Feb. ①	FCST in Nov. ②	Diff. ①-②
Battery Materials (NCA, NMC, Nickel Hydroxide, etc.)	1,170	1,150	+20
Applied Powder Materials (Thick Film, Thin Film, Magnet, Alloy, Ink, etc.)	360	350	+10
Package Materials (Leadframes, CuPI, PWB, etc.)	170	160	+10
Crystal Material, Construction Materials, Connector, Others	620	620	0
<b>Total</b>	<b>2,320</b>	<b>2,280</b>	<b>+40</b>

## Equity in earnings of affiliated companies

JPY100M

		FCST in Feb. ①	FCST in Nov. ②	Diff. ①-②
Cu	Cerro Verde	60	25	+35
	Candelaria/Ojos	15	15	0
	Sierra Gorda	-35	-75	+40
	Acids/Jinlong/MSMMBC	20	10	+10
	Toal	60	-25	+85
Ni	PT Vale Indonesia/Figesbal/NAC	30	30	0
	NECC/NK/MSZ/others	-20	-45	+25
	<b>Total</b>	<b>70</b>	<b>-40</b>	<b>+110</b>
Segment	Mineral Resources	5	-80	+85
	Smelting & Refining	55	35	+20
	Materials/Others	10	5	+5
	<b>Total</b>	<b>70</b>	<b>-40</b>	<b>+110</b>

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

(amount displayed in profit and loss) JPY100M

	FCST in Feb. ①	FCST in Nov. ②	Diff. ①-②
Finance income/cost (exchange gain/loss from valuation of financial assets and liabilities)	-42	-44	+2
Other income/cost (exchange gain/loss from settlement of other assets and liabilities)	0	9	-9
Reversal of allowance for doubtful accounts for Sierra Gorda S.C.M.	91	0	+91

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

		FY2018					FY2019					FY2020						
		Result					Result					Results			Forecast		Forecast in Nov.	Diff.
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total ①	Total ②	①-②
<b>【Gold Mine】 (t)</b>																		
Hishikari	Production	1.2	1.6	1.3	1.9	6.0	1.6	1.0	1.4	2.1	6.1	1.9	1.3	1.9	1.1	6.1	6.0	+0.1
	Sales	1.5	1.5	1.4	1.6	6.0	1.3	1.4	1.2	2.1	6.0	1.9	1.2	1.9	1.0	6.0	6.0	+0.0
Pogo	Production	2.0	1.2	/	/	3.2	/	/	/	/	/	/	/	/	/	/	/	/
	Sales	1.9	1.4	/	/	3.3	/	/	/	/	/	/	/	/	/	/	/	/
<b>【Copper Mine】 (kt)</b> ↑ Pogo: included until Aug. 2018																		
Morenci	Production	106	115	107	102	430	105	114	126	116	461	109	117	118	102	446	451	-5
	Sales	107	114	105	112	438	96	114	120	107	437	116	111	118	113	458	459	-1
Cerro Verde	Production	111	118	127	120	476	118	108	107	122	455	92	81	99	95	367	368	-1
	Sales	109	118	127	122	476	116	109	98	131	454	95	80	98	92	365	361	+4
Sierra Gorda	Production	22	23	25	28	97	27	26	28	27	108	34	37	38	39	148	145	+3
	Sales	23	18	25	28	95	26	29	29	27	111	27	42	34	46	149	146	+3
La Candelaria	Production	25	26	26	25	102	24	25	32	30	111	26	27	27	13	95	113	-18
	Sales	27	28	25	24	104	24	24	35	26	109	31	28	27	9	95	112	-17
Ojos Del Salado	Production	6	7	8	8	28	8	7	7	8	30	7	7	8	6	28	29	-1
	Sales	6	7	8	8	28	7	7	8	8	30	7	7	8	6	28	29	-1
North Parkes	Production	11	10	9	10	40	9	9	9	9	36	9	9	8	8	34	33	+1
	Sales	6	14	10	9	40	9	9	6	13	37	6	11	7	10	34	34	+0
<b>【Smelting &amp; Refining in Japan】 (kt)</b>																		
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	112.9	112.6	111.4	443.0	444.0	-1.0
	Sales	114.2	113.9	124.8	107.8	460.7	108.7	104.5	101.4	115.2	429.8	108.7	110.1	118.9	99.7	437.4	436.4	+1.0
E-Ni	Production	13.8	14.4	14.2	14.3	56.7	12.0	17.0	15.5	14.3	58.8	13.3	15.2	12.5	15.0	56.0	57.5	-1.5
	Sales	13.6	13.8	13.8	14.4	55.6	12.8	13.2	15.2	16.6	57.8	12.4	13.2	16.3	13.0	54.9	54.8	+0.1
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	20.8	20.7	19.5	78.1	77.7	+0.4
	Sales	16.6	17.7	16.6	17.2	68.1	16.9	20.0	18.3	19.9	75.1	17.6	20.4	20.9	19.3	78.2	77.7	+0.5
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	2.7	4.2	2.8	12.9	13.5	-0.6
	Sales	3.3	3.0	3.3	2.8	12.4	2.9	3.5	3.6	3.3	13.3	3.2	3.5	4.0	2.5	13.2	14.0	-0.8
<b>【Smelting &amp; Refining overseas】 (kt)</b>																		
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	4.7	3.9	5.3	19.2	20.3	-1.1
	Sales	4.4	6.2	5.1	5.8	21.5	4.9	5.0	4.0	5.2	19.1	4.5	4.5	3.3	4.9	17.2	18.7	-1.5
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	9.7	6.0	8.9	31.6	32.7	-1.1
	Sales	7.8	5.4	6.4	8.4	28.0	7.6	7.0	8.9	5.4	28.9	5.9	9.2	7.1	8.6	30.8	31.4	-0.6
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	18.7	/	/	36.3	73.7	-37.4
	Sales	17.2	18.8	18.6	21.3	75.9	13.9	16.9	20.1	21.1	72.0	16.7	19.9	/	/	36.6	73.3	-36.7

↑ PTVI is consolidated only until 2Q since it is excluded from equity earnings due to partial divestment.



## Sensitivity for FY2020 Forecast

JPY100M / Year

	Change	Up / Down of Profit before tax for FY2020
Cu	±100 \$ / t	26
Ni	±10 ¢ / lb	15
Au	±10 \$ / TOZ	2
¥/\$	±1¥ / \$	14

(Note. 1) USD/JPY translation include 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

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

IFRS				
FY2017	FY2018	FY2019	2020/3Q	18 3-Yr 2021
17,323	17,977	17,197	17,757	20,900
10,294	10,476	10,019	10,524	12,660
59.4%	58.3%	58.3%	59.3%	60.6%

## 【D/E Ratio】

JPY100M

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

IFRS				
FY2017	FY2018	FY2019	2020/3Q	18 3-Yr 2021
3,618	3,498	3,679	3,370	4,700
10,294	10,476	10,019	10,524	12,660
0.35	0.33	0.37	0.32	0.37

## 【Dividend payout ratio】

JPY100M

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

IFRS				
FY2017	FY2018	FY2019	FY2020(F)	18 3-Yr 2021
100.0	73.0	78.0	100.0	-
(327.26)	243.06	220.54	283.87	-
(30.6%)	30.0%	35.4%	35.2%	35%+

## 【Cash Flows】

JPY100M

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

IFRS				
FY2017	FY2018	FY2019	2020/3Q	18 3-Yr Total
1,729	1,373	813	1,555	600
786	1,147	1,365	542	3,800
-228	-1,424	-703	-291	-4,900
558	-277	662	251	-1,100
-898	-290	91	-416	1,200
-340	-567	753	-165	100
-16	7	-11	-46	0
1,373	813	1,555	1,344	700

## Consolidated companies (56\*) / Equity-method affiliated companies (14)

as of December 31, 2020

### Mineral Resources

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

	Voting Shares	Location	FY (consolidated)	Operations
<b>Consolidated companies</b>				
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
<b>Equity-method affiliated companies</b>				
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
<b>Consolidated companies</b>				
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
<b>Equity-method affiliated companies</b>				
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
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
<b>Consolidated companies</b>				
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
<b>Equity-method affiliated company</b>				
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
<b>Consolidated companies</b>				
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
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
<b>Inventory evaluation P&amp;L</b>										
(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	3Q	4Q(F)	Total(F)
Net sales	2,070	2,154	2,224	2,278	8,726	1,969	2,222	2,530	2,319	9,040
Gross profit	230	318	323	224	1,095	187	375	440	378	1,380
Profit before tax①	179	185	311	115	790	35	224	387	384	1,030
Net income	143	151	221	91	606	2	173	279	326	780
Cu (\$/t)	6,114	5,798	5,888	5,638	5,860	5,341	6,521	7,174	7,500	6,634
Ni (\$/lb)	5.56	7.08	6.97	5.77	6.35	5.53	6.46	7.23	7.25	6.62
Au (\$/TOZ)	1,310	1,474	1,481	1,584	1,462	1,710	1,912	1,875	1,850	1,837
Co (\$/lb)	15.22	14.82	16.56	16.42	15.76	14.97	14.72	15.51	15.50	15.17
Exchange (¥/\$)	109.91	107.35	108.77	108.94	108.74	107.62	106.22	104.51	104.00	105.59
<b>Inventory evaluation P&amp;L</b>										
(Smelting) lower of cost or net realizable value	-14	+11	-7	-20	-30	+28	-1	-5	+5	+27
(Smelting) QP Diff etc.	-12	-14	+37	-4	+7	-50	+16	-3	-39	-76
(Smelting) Total	-26	-3	+30	-24	-23	-22	+15	-8	-34	-49
(Materials & others)	+4	+8	+1	-14	-1	-10	+22	+3	+3	+18
②Total	-22	+5	+31	-38	-24	-32	+37	-5	-31	-31
①-②	201	180	280	153	814	67	187	392	415	1,061

## 【Reference】

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

		JPY100M			JPY100M					
		Results (J-GAAP)			Results (IFRS)					
		2015	2016	2017	2017	2018	2019	2020(F)		
Operating income	Mineral Resources	338	390	526	Gross Profit	Mineral Resources	657	519	414	590
	Smelting & Refining	228	282	465		Smelting & Refining	603	541	514	550
	Materials	29	79	114		Materials	203	271	201	230
	Others	0	12	10		Others	18	15	23	20
Diff. Adjustment		2	1	-13	Diff. Adjustment		9	-80	-57	-10
<b>Operating income in Total</b>		<b>597</b>	<b>764</b>	<b>1,102</b>	<b>Gross Profit in Total</b>		<b>1,490</b>	<b>1,266</b>	<b>1,095</b>	<b>1,380</b>

		FY2019 (IFRS)					FY2020 (IFRS)				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q(F)	Total (F)
Gross Profit	Mineral Resources	96	97	89	132	414	97	119	217	157	590
	Smelting & Refining	87	159	177	91	514	84	173	163	130	550
	Materials	47	57	63	34	201	36	59	70	65	230
	Others	3	5	5	10	23	4	5	5	6	20
Diff. Adjustment		-3	0	-11	-43	-57	-34	19	-15	20	-10
<b>Gross Profit in Total</b>		<b>230</b>	<b>318</b>	<b>323</b>	<b>224</b>	<b>1,095</b>	<b>187</b>	<b>375</b>	<b>440</b>	<b>378</b>	<b>1,380</b>

		FY2019 (IFRS)					FY2020 (IFRS)				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q(F)	Total (F)
Segment Profit (loss)	Mineral Resources	133	62	55	129	379	38	96	223	293	650
	Smelting & Refining	57	120	236	69	482	42	128	177	103	450
	Materials	7	21	29	-4	53	-2	27	37	28	90
	Others	0	1	1	-11	-9	0	-3	-1	-26	-30
Diff. Adjustment		-18	-19	-10	-68	-115	-43	-24	-49	-14	-130
<b>Gross Profit in Total</b>		<b>179</b>	<b>185</b>	<b>311</b>	<b>115</b>	<b>790</b>	<b>35</b>	<b>224</b>	<b>387</b>	<b>384</b>	<b>1,030</b>

### Equity in earnings of affiliated companies

		FY2019 (IFRS)					FY2020 (IFRS)				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q(F)	Total (F)
Cu	Cerro Verde	41	20	14	21	96	-9	12	25	32	60
	Candelaria/Ojos	8	4	7	2	21	2	7	13	-7	15
	Sierra Gorda	-14	-32	-35	-38	-119	-34	-27	-7	33	-35
	Acids/Jinlong/MSMMBC	8	2	7	3	20	-3	9	9	5	20
	Total	43	-6	-7	-12	18	-44	1	40	63	60
Ni	PT Vale Indonesia/ Figesbal/NAC	-4	1	13	16	26	6	4	12	8	30
NECC/NK/MSZ/others		9	2	4	3	18	2	-13	-11	2	-20
<b>Total</b>		<b>48</b>	<b>-3</b>	<b>10</b>	<b>7</b>	<b>62</b>	<b>-36</b>	<b>-8</b>	<b>41</b>	<b>73</b>	<b>70</b>

		Results						
		(J-GAAP)			(IFRS)			
		2015	2016	2017	2017	2018	2019	2020(F)
Cu	Cerro Verde	4	69	73	79	27	96	60
	Candelaria/Ojos	33	25	80	80	17	21	15
	Sierra Gorda	-827	-1,033	-126	-127	-185	-119	-35
	Acids/Jinlong/MSMMBC	-2	26	39	39	32	20	20
Total		-792	-913	66	71	-109	18	60
Ni	PT Vale Indonesia/ Figesbal/NAC	31	17	16	21	28	26	30
NECC/NK/MSZ/others		29	36	32	31	32	18	-20
<b>Total</b>		<b>-732</b>	<b>-860</b>	<b>114</b>	<b>123</b>	<b>-49</b>	<b>62</b>	<b>70</b>