

Supplementary Explanation for Financial Summary

FY2020

【IFRS】

May 10th, 2021

 **SUMITOMO METAL MINING**

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Comparison

FY2020 Result vs FY2019 Result / FY2020 Forecast in Feb.

JPY100M

	FY2020 ①Result	FY2019 ②Result	Diff. ①-②	FY2020 ③Forecast in Feb.	Diff. ①-③
Net sales	9,261	8,519	+742	9,040	+221
Gross profit	1,509	1,095	+414	1,380	+129
Profit before tax	1,234	790	+444	1,030	+204
Net income (loss) *1	946	606	+340	780	+166
(Inventory evaluation P&L)	-6	-24	+18	-31	+25
(Other exchange gain / loss *2)	-10	-10	0	-42	+32
Cu (\$/t)	6,879	5,860	+1,019	6,634	+245
Ni (\$/lb)	6.80	6.35	+0.45	6.62	+0.18
Au (\$/toz)	1,824	1,462	+362	1,837	-13
Co (\$/lb)	16.62	15.76	+0.86	15.17	+1.45
Exchange (¥/\$)	106.07	108.74	-2.67	105.59	+0.48
Exchange	21/3E	20/12E	20/9E	20/6E	20/3E
(¥/\$)	110.71	103.50	105.78	107.71	108.81

(Note) Changes in accounting policies regarding non-free supplied materials were applied to sales of FY2020 and retroactively applied to sales of FY2019.

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

Profit before tax +444

Metal Price/Exchange +248 (Metal Price +287 (Cu +135, Ni +72, Co +12, Au +65, etc.), Exchange -38,

Inventory evaluation -1), Quantity -32, Cost@ +116, Material Business +60,

Gain on sale of fixed assets (Taihei Metal Industry) -90, Cost associated with QB2 project suspension -64,

Reversal of allowance for doubtful accounts for Sierra Gorda S.C.M. +63, Tax cost at overseas copper mines +27,

Profit/loss related to partial divestment from PTVI +7, Interest +24, SG&A +28, Other unrealized profit etc. +57

【Diff of FY2020 Result vs FY2020 Forecast in Feb. ①-③】

Profit before tax +204

Metal Price/Exchange +55 (Metal Price +30 (Cu -14, Ni +22, Co +25, Au -2, etc.), Exchange +1,

Inventory evaluation +24), Quantity +8, Other exchange gain & loss +32, Material Business +23,

Interest +4, Other unrealized profit etc. +82

FY2021 Forecast vs FY2020 Result

JPY100M

	FY2021 ①Forecast	FY2020 ②Result	Diff. ①-②
Net sales	10,470	9,261	+1,209
Gross profit	1,500	1,509	-9
Profit before tax	1,380	1,234	+146
Net income (loss) *1	1,040	946	+94
(Inventory evaluation P&L)	-154	-6	-148
(Other exchange gain / loss *2)	0	-10	+10
Cu (\$/t)	7,800	6,879	+921
Ni (\$/lb)	7.00	6.80	+0.20
Au (\$/toz)	1,700	1,824	-124
Co (\$/lb)	15.00	16.62	-1.62
Exchange (¥/\$)	107.00	106.07	+0.93

【Diff of FY2021 Forecast vs FY2020 Result ①-②】

Profit before tax +146

Metal Price/Exchange +373 (Metal Price +497 (Cu +511, Ni +30, Co -31, Au -19, etc.), Exchange +6,

Inventory evaluation -130), Quantity -2, Other exchange gain & loss +10, Cost@ +40, Material Business -3,

Cost associated with QB2 project suspension +64, Reversal of allowance for doubtful accounts for Sierra Gorda S.C.M. -86,

Tax cost at overseas copper mines -166, Profit/loss related to partial divestment from PTVI -7,

PTVI excluded from application of equity method -10, Other unrealized profit etc. -67

*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	315	266	260	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	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	304	5.68	8.02	6.74
2QAve.	6,103	5,798	6,521	277	263	296	6.01	7.08	6.46
Oct	6,216	5,743	6,703	282	260	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
3QAve.	6,168	5,888	7,174	280	267	325	5.20	6.97	7.23
Jan	5,932	6,049	7,971	269	274	362	5.20	6.15	8.10
Feb	6,278	5,686	8,460	285	258	384	5.74	5.78	8.42
Mar	6,451	5,179	9,005	293	235	408	5.92	5.39	7.47
4QAve.	6,220	5,638	8,479	282	256	385	5.62	5.77	7.99
FY Ave.	6,341	5,860	6,879	288	266	312	5.85	6.35	6.80
Jan-Dec Ave.	6,525	6,005	6,169	296	272	280	5.95	6.31	6.25
FY2021 (FCST in May)	7,800			354			7.00		

	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	1,681	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	110.04	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	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
2QAve.	34.65	14.82	14.72	1,213	1,474	1,912	111.47	107.35	106.22
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	1,866	113.38	108.90	104.42
Dec	28.43	15.34	15.45	1,249	1,478	1,855	112.53	109.25	103.85
3QAve.	31.68	16.56	15.50	1,228	1,481	1,874	112.91	108.77	104.51
Jan	22.31	15.86	17.31	1,292	1,561	1,868	108.99	109.39	103.70
Feb	16.97	16.80	22.38	1,320	1,598	1,811	110.39	109.99	105.38
Mar	14.04	16.61	24.17	1,302	1,593	1,720	111.24	107.44	108.64
4QAve.	17.77	16.42	21.29	1,304	1,584	1,800	110.21	108.94	105.91
FY Ave.	31.64	15.76	16.62	1,263	1,462	1,824	110.92	108.74	106.07
Jan-Dec Ave.	36.78	16.09	15.40	1,269	1,392	1,770	110.44	109.06	106.82
FY2021 (FCST in May)	15.00			1,700			107.00		

LME Price		20/1Q		20/2Q		20/3Q		20/4Q
E-Ni applied	Mar-May	5.41	Jun-Aug	6.13	Sep-Nov	6.94	Dec-Feb	8.05
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
E-Ni applied	Mar-May	107.58	Jun-Aug	106.82	Sep-Nov	105.15	Dec-Feb	104.31
Fe-Ni applied	Jan-Mar	108.94	Apr-Jun	107.62	Jul-Sep	106.22	Oct-Dec	104.51

Comparison

(FY2020 Result vs FY2019 Result)

JPY100M

Gross Profit			
	FY2020 ①	FY2019 ②	Diff. ①-②
Mineral Resources	587	414	+173
Smelting & Refining	646	514	+132
Materials	250	201	+49
Others	19	23	-4
Diff. Adjustment	7	-57	+64
Gross Profit	1,509	1,095	+414

JPY100M

Segment Profit (loss)			
	FY2020 ③	FY2019 ④	Diff. ③-④
Mineral Resources	653	379	+274
Smelting & Refining	558	482	+76
Materials	113	53	+60
Others	-28	-9	-19
Diff. Adjustment	-62	-115	+53
Profit before tax	1,234	790	+444

<<Explanation of Diff.>>

1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	+67	+2	+70	-7	-1	+3
Morenci / NP (Cu)	+95	+5	+48	-6	+47	+1
Others	+11					
Total	+173					

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

2. Smelting & Refining

JPY100M

	Diff	Quantity	Price	Cost@	Inventory	Others
Copper	+56	+4	-31	+34	-20	+69
Nickel	+103	+10	+81	-8	+18	+2
Others*	-27				+1	-28
Total	+132	+14	+50	+26	-1	+43

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

Inventory evaluation P&L

JPY100M

	Total	Cu	Ni	Others
FY2020	-24	-59	34	1
FY2019	-23	-39	16	0

Comparison

(FY2020 Result vs FY2019 Result)

3. Materials (Net sales)

JPY100M

	FY2020 ①	FY2019 ②	Diff. ①-②
Battery Materials (NCA, NMC, Nickel Hydroxide, etc.)	956	1,063	-107
Applied Powder Materials (Thick Film, Thin Film, Magnet, Alloy, Ink, etc.)	372	293	+79
Package Materials (Leadframes, CuPI, PWB, etc.)	173	174	-1
Crystal Material, Construction Materials, Connector, Others	614	550	+64
Total	2,115	2,080	+35

(Note) Changes in accounting policies regarding non-free supplied materials were applied to sales of battery materials.

Equity in earnings of affiliated companies

JPY100M

		FY2020 ①	FY2019 ②	Diff. ①-②
Cu	Cerro Verde	52	96	-44
	Candelaria/Ojos	19	21	-2
	Sierra Gorda	-35	-119	+84
	Acids/Jinlong/MSMMBC	26	20	+6
	Toal	62	18	+44
Ni	PT Vale Indonesia/Figesbal/NAC	34	26	+8
	NECC/NK/MSZ/others	-9	18	-27
	Total	87	62	+25
Segment	Mineral Resources	6	-22	+28
	Smelting & Refining	60	47	+13
	Materials/Others	21	37	-16
	Total	87	62	+25

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

(amount displayed in profit and loss) JPY100M

	FY2020 ①	FY2019 ②	Diff. ①-②
Finance income/cost (exchange gain/loss from valuation of financial assets and liabilities)	21	-12	+33
Other income/cost (exchange gain/loss from settlement of other assets and liabilities)	-31	2	-33
Gain on sale of fixed assets (Taihei Metal Industry Co., Ltd.)	0	90	-90
Reversal of allowance for doubtful accounts for Sierra Gorda S.C.M.	86	23	+63

Comparison

(FY2021 Forecast vs FY2020 Result)

JPY100M				JPY100M			
Gross Profit				Segment Profit (loss)			
	FY2021	FY2020	Diff.		FY2021	FY2020	Diff.
	①Forecast	②Result	①-②		③Forecast	④Result	③-④
Mineral Resources	630	587	+43	Mineral Resources	890	653	+237
Smelting & Refining	550	646	-96	Smelting & Refining	370	558	-188
Materials	300	250	+50	Materials	110	113	-3
Others	20	19	+1	Others	-20	-28	+8
Diff. Adjustment	0	7	-7	Diff. Adjustment	30	-62	+92
Gross Profit	1,500	1,509	-9	Profit before tax	1,380	1,234	146

<<Explanation of Diff.>>

1. Mineral Resources

JPY 100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	-35	0	-24	+3	-11	-3
Morenci / NP (Cu)	+83	-43	+202	0	-81	+5
Others	-5					
Total	+43					

Au Sales (t)	FY2021(F)	FY2020	Diff.
Hishikari (Au)	6.0	6.0	0.0

2. Smelting & Refining

JPY100M

	Diff	Quantity	Price	Cost@	Inventory	Others
Copper	-88	+2	+18	+2	-73	-37
Nickel	-41	+26	-1	+19	-56	-29
Others*	+33				-1	+34
Total	-96	+28	+17	+21	-130	-32

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

• Inventory evaluation P&L

JPY100M

	Total	Cu	Ni	Others
FY2021(F)	-154	-132	-22	0
FY2020	-24	-59	34	1

Comparison

(FY2021 Forecast vs FY2020 Result)

3. Materials (Net sales)

JPY100M

	FY2021 ①Forecast	FY2020 ②Result	Diff. ①-②
Battery Materials (NCA, NMC, Nickel Hydroxide, etc.)	1,180	956	+224
Applied Powder Materials (Thick Film, Thin Film, Magnet, Alloy, Ink, etc.)	440	372	+68
Package Materials (Leadframes, CuPI, PWB, etc.)	180	173	+7
Crystal Material, Construction Materials, Connector, Others	720	614	+106
Total	2,520	2,115	+405

(Note) Changes in accounting policies regarding non-free supplied materials were applied to sales of battery materials.

Equity in earnings of affiliated companies

JPY100M

		FY2021 ①Forecast	FY2020 ②Result	Diff. ①-②
Cu	Cerro Verde	175	52	+123
	Candelaria/Ojos	105	19	+86
	Sierra Gorda	80	-35	+115
	Acids/Jinlong/MSMMBC	15	26	-11
	Toal	375	62	+313
Ni	PT Vale Indonesia/Figesbal/NAC	25	34	-9
	NECC/NK/MSZ/others	5	-9	+14
	Total	405	87	+318
Segment	Mineral Resources	355	6	+349
	Smelting & Refining	40	60	-20
	Materials/Others	10	21	-11
	Total	405	87	+318

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

(amount displayed in profit and loss) JPY100M

	FY2021 ①Forecast	FY2020 ②Result	Diff. ①-②
Finance income/cost (exchange gain/loss from valuation of financial assets and liabilities)	0	21	-21
Other income/cost (exchange gain/loss from settlement of other assets and liabilities)	0	-31	+31
Reversal of allowance for doubtful accounts for Sierra Gorda S.C.M.	0	86	-86

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

		FY2018					FY2019					FY2020					FY2021	
		Result					Result					Result					Plan	Diff.
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total ①	Total ②	②-①
【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	1.9	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	/	/	/	/	/	/	/	/	/	/	/	/
【Copper Mine】 (kt) ↑ Pogo: included until Aug. 2018																		
Morenci	Production	106	115	107	102	430	105	114	126	116	461	109	117	116	102	446	368	-78
	Sales	107	114	105	112	438	96	114	120	107	437	116	111	116	113	458	376	-82
Cerro Verde	Production	111	118	127	120	476	118	108	107	122	455	92	81	99	100	372	409	+37
	Sales	109	118	127	122	476	116	109	98	131	454	95	80	96	102	375	404	+29
Sierra Gorda	Production	22	23	25	28	97	27	26	28	27	108	34	37	36	40	149	180	+31
	Sales	23	18	25	28	95	26	29	29	27	111	27	42	34	45	148	177	+29
La Candelaria	Production	25	26	26	25	102	24	25	32	30	111	26	27	27	13	95	148	+53
	Sales	27	28	25	24	104	24	24	35	26	109	31	28	27	9	95	150	+55
Ojos Del Salado	Production	6	7	8	8	28	8	7	7	8	30	7	7	8	6	28	27	-1
	Sales	6	7	8	8	28	7	7	8	8	30	7	7	8	6	28	27	-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	33	-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	112.9	112.6	111.0	442.6	421.4	-21.2
	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	105.3	443.0	435.9	-7.1
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	14.9	55.9	57.0	+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	13.2	16.3	14.3	56.2	57.9	+1.7
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	20.5	79.1	77.9	-1.2
	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	20.2	79.1	77.9	-1.2
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	2.9	13.0	13.7	+0.7
	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	2.7	13.4	13.9	+0.5
【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	4.7	3.9	5.2	19.1	20.0	+0.9
	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	6.2	18.5	20.0	+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	6.7	29.4	33.0	+3.6
	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	8.0	30.2	33.0	+2.8
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	/	/
	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	/	/

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

Sensitivity for FY2021 Forecast

JPY100M / Year

	Change	Up / Down of Profit before tax for FY2021
Cu	±100 \$ / t	25
Ni	±10 ¢ / lb	15
Au	±10 \$ / TOZ	2
¥/\$	±1¥ / \$	18

(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】

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

JPY100M

IFRS				
FY2017	FY2018	FY2019	FY2020	18 3-Yr 2021
17,323	17,977	17,197	18,860	20,900
10,294	10,476	10,019	11,139	12,660
59.4%	58.3%	58.3%	59.1%	60.6%

【D/E Ratio】

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

JPY100M

IFRS				
FY2017	FY2018	FY2019	FY2020	18 3-Yr 2021
3,618	3,498	3,679	3,307	4,700
10,294	10,476	10,019	11,139	12,660
0.35	0.33	0.37	0.30	0.37

【Dividend payout ratio】

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

JPY100M

IFRS				
FY2017	FY2018	FY2019	FY2020	18 3-Yr 2021
100.0	73.0	78.0	121.0	-
(327.26)	243.06	220.54	344.29	-
(30.6%)	30.0%	35.4%	35.1%	35%+

【Cash Flows】

	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

JPY100M

IFRS				
FY2017	FY2018	FY2019	FY2020	18 3-Yr Total
1,729	1,373	813	1,555	600
786	1,147	1,365	915	3,800
-228	-1,424	-703	-324	-4,900
558	-277	662	591	-1,100
-898	-290	91	-558	1,200
-340	-567	753	33	100
-16	7	-11	-4	0
1,373	813	1,555	1,584	700

Consolidated companies (55*) / Equity-method affiliated companies (14)

as of March 31, 2021

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
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 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
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
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.	100	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.	85	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
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 tax ^①	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	5.67	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	31.68	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	3Q	4Q	Total
Net sales	2,031	2,110	2,168	2,210	8,519	1,908	2,159	2,485	2,709	9,261
Gross profit	230	318	323	224	1,095	187	375	440	507	1,509
Profit before tax ^①	179	185	311	115	790	35	224	387	588	1,234
Net income	143	151	221	91	606	2	173	279	492	946
Cu (\$/t)	6,114	5,798	5,888	5,638	5,860	5,341	6,521	7,174	8,479	6,879
Ni (\$/lb)	5.56	7.08	6.97	5.77	6.35	5.53	6.46	7.23	7.99	6.80
Au (\$/TOZ)	1,310	1,474	1,481	1,584	1,462	1,710	1,912	1,874	1,800	1,824
Co (\$/lb)	15.22	14.82	16.56	16.42	15.76	14.97	14.72	15.50	21.29	16.62
Exchange (¥/\$)	109.91	107.35	108.77	108.94	108.74	107.62	106.22	104.51	105.91	106.07
Inventory evaluation P&L										
(Smelting) lower of cost or net realizable value	-14	+11	-7	-20	-30	+28	-1	-5	0	+22
(Smelting) QP Diff etc.	-12	-14	+37	-4	+7	-50	+16	-3	-9	-46
(Smelting) Total	-26	-3	+30	-24	-23	-22	+15	-8	-9	-24
(Materials & others)	+4	+8	+1	-14	-1	-10	+22	+3	+3	+18
②Total	-22	+5	+31	-38	-24	-32	+37	-5	-6	-6
①-②	201	180	280	153	814	67	187	392	594	1,240

(Note) Due to retrospective application in accordance with changes in accounting policies for non-free supplied materials, sales of FY2019/1Q to FY2020/3Q were modified from numbers disclosed in the past.

【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		
Operating income	Mineral Resources	338	390	526	Gross Profit	Mineral Resources	657	519	414	587
	Smelting & Refining	228	282	465		Smelting & Refining	603	541	514	646
	Materials	29	79	114		Materials	203	271	201	250
	Others	0	12	10		Others	18	15	23	19
Diff. Adjustment		2	1	-13	Diff. Adjustment		9	-80	-57	7
Operating income in Total		597	764	1,102	Gross Profit in Total		1,490	1,266	1,095	1,509

		FY2019 (IFRS)					FY2020 (IFRS)				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Gross Profit	Mineral Resources	96	97	89	132	414	97	119	217	154	587
	Smelting & Refining	87	159	177	91	514	84	173	163	226	646
	Materials	47	57	63	34	201	36	59	70	85	250
	Others	3	5	5	10	23	4	5	5	5	19
Diff. Adjustment		-3	0	-11	-43	-57	-34	19	-15	37	7
Gross Profit in Total		230	318	323	224	1,095	187	375	440	507	1,509

		FY2019 (IFRS)					FY2020 (IFRS)				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Segment Profit (loss)	Mineral Resources	133	62	55	129	379	38	96	223	296	653
	Smelting & Refining	57	120	236	69	482	42	128	177	211	558
	Materials	7	21	29	-4	53	-2	27	37	51	113
	Others	0	1	1	-11	-9	0	-3	-1	-24	-28
Diff. Adjustment		-18	-19	-10	-68	-115	-43	-24	-49	54	-62
Gross Profit in Total		179	185	311	115	790	35	224	387	588	1,234

Equity in earnings of affiliated companies

		FY2019 (IFRS)					FY2020 (IFRS)				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Cu	Cerro Verde	41	20	14	21	96	-9	12	25	24	52
	Candelaria/Ojos	8	4	7	2	21	2	7	13	-3	19
	Sierra Gorda	-14	-32	-35	-38	-119	-34	-27	-7	33	-35
	Acids/Jinlong/MSMMBC	8	2	7	3	20	-3	9	9	11	26
	Total	43	-6	-7	-12	18	-44	1	40	65	62
Ni	PT Vale Indonesia/ Figesbal/NAC	-4	1	13	16	26	6	4	12	12	34
	NECC/NK/MSZ/others	9	2	4	3	18	2	-13	-11	13	-9
Total		48	-3	10	7	62	-36	-8	41	90	87

		JPY100M						
		Results						
		(J-GAAP)			(IFRS)			
		2015	2016	2017	2017	2018	2019	2020
Cu	Cerro Verde	4	69	73	79	27	96	52
	Candelaria/Ojos	33	25	80	80	17	21	19
	Sierra Gorda	-827	-1,033	-126	-127	-185	-119	-35
	Acids/Jinlong/MSMMBC	-2	26	39	39	32	20	26
Total		-792	-913	66	71	-109	18	62
Ni	PT Vale Indonesia/ Figesbal/NAC	31	17	16	21	28	26	34
	NECC/NK/MSZ/others	29	36	32	31	32	18	-9
Total		-732	-860	114	123	-49	62	87