

Richard C. Adkerson

Vice Chairman of the Board,
President and Chief Executive Officer
Freeport-McMoRan Inc.



Richard C. Adkerson



Akio Toyoda



Tsuneo Murata



Manuel B. Zamora, Jr.

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Chairman
Nickel Asia Corporation

Long-Term Partners Creating Long-Term Value

Our partnership with Sumitomo began more than 30 years ago. Through the years, our two companies have continuously strengthened our ties. In 2005, Sumitomo invested in our Cerro Verde mine in Peru and now in 2016, Sumitomo has made an additional investment in our Morenci operations in Arizona.

The cyclical nature of the copper market requires strategic management to succeed. In 1986, the copper industry was suffering and Sumitomo made a wise investment in Morenci. In 2016, Sumitomo has made a wise investment, and helped Freeport-McMoRan in achieving its financial objectives.

Today's copper market is challenging, but I am confident the future of our industry's business is bright. The need for copper in the traditional economy and in high-end new technology for transportation, power generation and other applications remains strong and the prospects for future growth are positive. Meeting future demand will be challenged by difficulties in developing deposits in an economic and reasonable fashion.

Freeport-McMoRan and Sumitomo share a common culture focused on integrity, safe and responsible operations, sound management and long-term value creation. I value our partnership and look forward to working together for years to come.

Messages from Our Customers and Business Partners

Expectations for Sumitomo Metal Mining

At SMM Group, we see a trusting relationship with customers and business partners as a great strength and we are deploying our business aiming for harmony and mutual benefit. We have received comments about "expectations for SMM" from the top management at four companies which are representative of the customers and business partners that we have the pleasure of maintaining good relationships with.

Akio Toyoda

President

Toyota Motor Corporation

Aiming for Mutual Benefits through Steady Growth Each Year

Toyota is attempting to mutually enhance corporate value with our suppliers and is looking for relationships that support each other to achieve steady growth each year.

Through the development and production of automobile battery materials, we have built a trusting relationship with Sumitomo Metal Mining as a partner who embodies our vision of Making Always Better Cars. The cross-holding of each other's shares is also a symbol of our resolution to come together and protect Japanese manufacturing.

The environmental problems surrounding automobiles are getting more serious, and the responsibility of the automotive industry for the future of the world is continually increasing. In this environment, we have great trust in the non-ferrous metal resource development and production capabilities that SMM, the origin of the Sumitomo Group, has built up over more than 420 years of experience.

Let's aim for Making Always Better Cars and providing mutual benefit through steady growth each year for our customers' permanent smiles.

Tsuneo Murata

President

Murata Manufacturing Co., Ltd.

Gratitude for Great Support and Expectations for the New Possibilities of Metals

Thank you for this opportunity to contribute to SMM's Integrated Report. Sumitomo Metal Mining and Murata Manufacturing have business for nickel materials and LT/LN substrates (lithium tantalite and lithium niobate) and these construct the basic functions of our company's main products. SMM's smelting and refining technology, crystal growth technology and processing technology are incorporated in these materials and greatly contribute to the miniaturization, increased capacity and performance of our products.

As a result, we have been able to comply with our customers' demands and grab business opportunities as the number of smartphones in the market increased and with the growth of high-speed transmission protocols such as LTE. Also, when demand rapidly expanded, we were able to proceed with increased production thanks to SMM's speedy and flexible supply.

Going forward, in addition to further expanding sales in the smartphone market, we will aim for expanding business in our focus markets (automotive, energy, healthcare) and start up many new products. Within this effort, SMM's development of high-performance materials, detailed technical support, and increased production supported by a strong financial foundation are all essential to capturing business. Going forward, we ask for even greater cooperation from SMM as an important partner.

An Ideal Partnership

I am proud that the partnership between Nickel Asia Corporation and Sumitomo Metal Mining Co., Ltd. remains strong today more than a decade after it was forged.

When a partnership such as ours is built on the foundations of trust and mutual respect, it can enjoy the best of times but also withstand the most challenging situations. This has been our story.

The collaboration between NAC and SMM in Rio Tuba came at a time when our stock of high grade ore was close to depletion and we were beginning to plan a shutdown of our operations.

Unknown to us, SMM was looking for a mine where it could test its improved version of the HPAL technology using lower grade ore.

Under the leadership of former President Mr. Fukushima our discussions with SMM swiftly led to the signing of a joint venture agreement between Rio Tuba and Japanese partners.

The partnership we forged in Rio Tuba was a gamble—but it was one that paid off handsomely and quickly, and soon we were planning—and then inaugurating—a second and even bigger HPAL plant.

While today's global environment is not too favorable for our business,—and it may remain so for some time to come—ours is a partnership for the long term. We will remain strong while waiting for better times.

And so on behalf of Nickel Asia Corporation I extend our warmest greetings to SMM and its stakeholders.

Mabuhay!