Consolidated Financial Results for the Year Ended March 31, 2012 [J-GAAP]

May 11, 2012

Listed Company Name:	Sumitomo Metal Mining Co., Ltd.
Code:	5713
Listings:	Tokyo Stock Exchange and Osaka Securities Exchange
URL:	http://www.smm.co.jp/
Representative:	Nobumasa Kemori, President and Representative Director
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Scheduled Ordinary General Meeting of Shareholders:	June 25, 2012
Scheduled Date to Start Dividend Payment:	June 26, 2012
Scheduled Date to Submit Securities Report:	June 25, 2012
Preparation of Supplementary Explanation Materials for Financial Results:	Yes
Account Settlement Briefing:	Yes (for institutional investors)

(Amounts less than one million yen are rounded off)

1. Consolidated Financial Results (from April 1, 2011, to March 31, 2012)

(1) Consolidated operating results

(Millions of yen unless otherwise stated except for % figures, which show year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
Year ended March 31, 2012	847,897	-1.9	88,498	-7.9	108,750	-12.1	65,219	-22.3
Year ended March 31, 2011	864,077	19.0	96,038	44.9	123,701	40.9	83,962	55.6

Note: Comprehensive income
Year ended March 31, 2012: ¥47,194 million (–22.5%) Year ended March 31, 2011: ¥60,866 million (–26.4%)

	Net income per share (Basic)	Net income per share (Diluted)	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2012	116.05	106.80	10.1	9.9	10.4
Year ended March 31, 2011	149.38	136.98	13.8	12.2	11.1

(Reference) Equity in earnings (loss) of affiliates
Year ended March 31, 2012: ¥23,217 million Year ended March 31, 2011: ¥34,832 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2012	1,145,994	725,565	57.5	1,173.13
As of March 31, 2011	1,052,353	684,103	59.9	1,121.19

(Reference) Shareholders' equity Year ended March 31, 2012: ¥659,246 million Year ended March 31, 2011: ¥630,116 million

(3) Consolidated cash flows

(Millions of yen)

	Net cash provided by operating activities	Net cash used in investing activities	Net cash provided by financing activities	Cash and cash equivalents at end of period
Year ended March 31, 2012	144,901	(135,834)	50,314	185,708
Year ended March 31, 2011	102,458	(75,735)	7,379	128,311

2. Dividends

	Dividend per share					Total dividend amount (Annual)	Dividend payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2011	—	12.00	—	20.00	32.00	17,985	21.4	3.0
Year ended March 31, 2012	—	16.00	—	12.00	28.00	15,735	24.1	2.4
Year ending March 31, 2013 (Forecast)	—	14.00	—	14.00	28.00		23.1	

3. Forecast of consolidated operating results for the year ending March 31, 2013 (from April 1, 2012, to March 31, 2013)

(Percentages indicate changes from the previous fiscal year for full year and from the corresponding period of the previous year for second quarter)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter (cumulative)	407,000	-6.3	38,000	-15.7	44,000	-28.5	33,000	-12.0	58.72
Full year	814,000	-4.0	80,000	-9.6	92,000	-15.4	68,000	4.3	121.01

Note:

(1) Change in Important Subsidiaries during the Period under Review (Change in specific subsidiaries that will accompany a change in scope of consolidation): Yes

Companies included in consolidation: 1 (Company name: SMM Sierra Gorda Inversiones Ltda.)

Companies excluded from consolidation: —

Note: For details, please refer to “(6) Basis of Presenting the Consolidated Financial Statements” on page 23.

(2) Change in accounting principles, change in accounting estimate and restatement

1) Changes in accordance with revisions to accounting standards None
2) Changes other than 1) above None
3) Change in accounting estimate None
4) Restatement None

(3) Number of outstanding shares (Common stock)

1) Number of shares issued at fiscal year-end (including treasury stock)
581,628,031 shares at March 31, 2012 581,628,031 shares at March 31, 2011
2) Number of shares of treasury stock at fiscal year-end
19,671,522 shares at March 31, 2012 19,621,490 shares at March 31, 2011
3) Average number of shares during the fiscal year
561,980,669 shares for the year ended March 31, 2012 562,067,468 shares for the year ended March 31, 2011

Note: Refer to “Earnings per Share” for the number of shares used as the basis for calculating “Net income per share (consolidated)” on page 49.

(Reference) Summary of Non-Consolidated Operating Results

Non-Consolidated Financial Results (from April 1, 2011, to March 31, 2012)

(1) Non-consolidated operating results

(Millions of yen unless otherwise stated except for % figures, which show year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
Year ended March 31, 2012	723,447	-0.7	44,726	-18.5	76,774	0.1	52,745	-7.0
Year ended March 31, 2011	728,260	20.9	54,910	32.1	76,712	58.9	56,697	85.5

	Net income per share (Basic)	Net income per share (Diluted)
	Yen	Yen
Year ended March 31, 2012	93.86	86.59
Year ended March 31, 2011	100.87	92.95

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2012	826,265	492,429	59.6	876.28
As of March 31, 2011	757,860	458,379	60.5	815.61

(Reference) Shareholders' equity Year ended March 31, 2012: ¥492,429 million Year ended March 31, 2011: ¥458,379 million

Auditing procedure

At the time of disclosing this Consolidated Financial Summary, an audit of the consolidated financial statements as outlined in the Financial Instruments and Exchange Act was under way.

Explanation regarding appropriate use of operating results forecast and other special notes

The forward-looking statements, including business results forecast, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable as of the date of release of this document. Actual business results may differ substantially due to a number of factors. .

(Supplementary Explanation Materials for Financial Results)

Supplementary Explanation Materials for Financial Results were posted on the Company's website on Friday, May 11, 2012.

Contents of the Attachment

1. Business Performance

(1) Analysis of Business Performance

1) Business performance in fiscal 2011 (Year ended March 31, 2012)

(a) General overview (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Year ended March 31, 2012	847,897	88,498	108,750	65,219
Year ended March 31, 2011	864,077	96,038	123,701	83,962
Increase/decrease (Rate of change: %)	-16,180 (-1.9)	-7,540 (-7.9)	-14,951 (-12.1)	-18,743 (-22.3)

During fiscal 2011, the global economy gradually recovered, coupled with the avoidance of the feared sovereign risk in Europe and signs of recovery in the U.S. economy. Japan's economy was sluggish on the whole, affected by the Great East Japan Earthquake and the Thai floods.

In the non-ferrous metals industry, non-ferrous metal prices overall remained at high levels owing to the strong influx of funds into the non-ferrous metal market. In exchange markets, the yen continued to appreciate in comparison with many currencies due to the uncertainty surrounding economic prospects centering on Europe, but extreme appreciation of the yen leveled off by the end of the fiscal year.

In the electronics related industry, price competition continuously intensified by reflecting the commoditization of products and demand remained stagnant.

In these circumstances, the SMM Group carried out the 2009 3-Year Business Plan (hereinafter the "09 3-Yr Business Plan") covering the three years from fiscal 2010 to fiscal 2012. Based on the basic strategy of "Promotion of New Growth Strategy Based on Long-Term Vision," the 09 3-Yr Business Plan aims to promote strategic targets for the three core businesses of Mineral Resources, Smelting & Refining and Materials, that is, to become globally competitive and channel business resources into growth sectors via a change in the business structure.

Consolidated net sales in fiscal 2011 decreased ¥16,180 million year over year to ¥847,897 million mainly due to the sales decline in the overall Materials segment and of electrolytic copper in the Smelting & Refining segment due to the Toyo Smelter & Refinery's furnace operation halt for repair.

Consolidated operating income decreased ¥7,540 million year over year to ¥88,498 million mainly due to the year-over-year decline of nickel prices. Consolidated ordinary income was ¥108,750 million, a year-over-year decrease of ¥14,951 million, affected by the deteriorated investment return due to equity method. As a result, consolidated net income for the fiscal period under review decreased ¥18,743 million year over year to ¥65,219 million, due to the reporting of an impairment loss and a loss on valuation of investment securities.

(b) Reported segments (Millions of yen)

	Mineral Resources	Smelting & Refining	Materials	Total of the Reported Segments	Other Businesses	Adjustments	Amounts Reported in the Consolidated Financial Statements
Net sales:							
Year ended March 31, 2012	105,743	688,580	182,043	976,366	33,185	-161,654	847,897
Year ended March 31, 2011	87,988	685,045	207,158	980,191	30,428	-146,542	864,077
Increase/decrease (Change: %)	17,755 (20.2)	3,535 (0.5)	-25,115 (-12.1)	-3,825 (-0.4)	2,757 (9.1)	-15,112	-16,180 (-1.9)
Segmental income:							
Year ended March 31, 2012	80,540	25,644	-294	105,890	3,393	-533	108,750
Year ended March 31, 2011	70,410	49,518	5,386	125,314	2,336	-3,949	123,701
Increase/decrease (Change: %)	10,130 (14.4)	-23,874 (-48.2)	-5,680 (-)	-19,424 (-15.5)	1,057 (45.2)	3,416	-14,951 (-12.1)

a) Mineral Resources segment

The mining operations at the Hishikari mine (Kagoshima Prefecture, Japan) performed well. The output of gold and silver ores from the Hishikari mine amounted to 131,985 t, and the gold content was 7,833 kg.

As for overseas mines, the gold output at the Pogo gold mine (United States) that SMM directly operates declined, affected by the degradation of ore grade compared with the previous fiscal year. The production of copper ore and electrolytic copper at the principal copper mining operations in which SMM is a management participant—namely, Morenci (United States), Candelaria (Chile) and Cerro Verde (Peru)—generally performed steadily.

Segmental net sales increased ¥17,755 million year over year to ¥105,743 million, whereas operating income rose ¥10,130 million to ¥80,540 million.

b) Smelting & Refining segment

On a full-year basis, the nickel sector saw as favorable sales volume as a year earlier although demand for nickel weakened slightly toward the second half of the fiscal year under review. Coral Bay Nickel Corporation in the Philippines, in which high-pressure acid leach (HPAL) technology is used to facilitate the efficient processing of low-grade nickel oxide ores, increased its output year over year due to steady mine operations. Despite an attack by an armed guerrilla, plant construction is successfully under way for the Taganito Project on the island of Mindanao in the Philippines, our second HPAL project. Commercial production at the plant is targeted to start in 2013 as scheduled.

Copper production decreased year over year primarily due to the Toyo Smelter & Refinery's furnace operation halt, which required almost two months as planned. As a sales adjustment for electrolytic copper was conducted in line with the aforementioned repair work, the sales volume of copper also was below the previous year's level.

Gold output decreased, affected by the Toyo Smelter & Refinery's furnace operation halt, but sales during the year increased due to the increased price of gold.

Segmental net sales increased ¥3,535 million year over year to ¥688,580 million, whereas operating income decreased ¥23,874 million to ¥25,644 million.

c) Materials segment

Affected by an economic slowdown, orders for lead frames remained stagnant centering on demand for personal computers. Sales for chip-on-film (COF) substrates (electronic packaging materials used to make LCD panel integrated circuits) and related tape bonding materials such as Copper-clad polyimide film were also sluggish due to the lagged recovery of demand. As the market preference is rapidly shifting from gold wire to copper wire and future sales growth can no longer be expected, SMM decided to exit the bonding wire business. The order environment for thick-film pastes, which includes nickel pastes for multi-layer ceramic capacitor (MLCC) applications, also deteriorated. Sales volumes for battery materials increased year over year, supported by the recovery of the sales environment for hybrid vehicles.

Segmental net sales decreased ¥25,115 million year over year to ¥182,043 million, whereas operating income decreased ¥5,680 million year over year to ¥294 million.

2) Prospects for fiscal 2012

(a) General overview (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Year ending March 31, 2013 (Projections)	814,000	80,000	92,000	68,000
Year ended March 31, 2012 (Actual)	847,897	88,498	108,750	65,219
Increase/decrease (Rate of change: %)	-33,897 (-4.0)	-8,498 (-9.6)	-16,750 (-15.4)	2,781 (4.3)

In the global economy, uncertain conditions that require cautious prospects for the future are expected to continue, affected by adverse factors such as unclear future demand in the emerging nations, the rise of energy costs and the trends of international financial circumstances.

Although the business environment surrounding the SMM Group may need to be monitored for uncertain elements, demand for products in the non-ferrous metals industry is expected to remain steady in Asian countries. However, harsh conditions in raw material procurement will continue globally against a backdrop of intensifying competition to acquire mineral resources and moves to implement an embargo on exports and/or a tax imposition on exports in the resource-producing countries. The electronics-related industries are expected to face tough business conditions in view of the delayed recovery in the LCD-related markets.

Given the aforementioned circumstances, the Group intends to pursue the 09 3-Yr Business Plan toward further improving its corporate value.

In fiscal 2012, the year ending March 31, 2013, net sales are forecast to decrease mainly due to the expected year-over-year decline in nickel prices. Earnings are expected to decrease due to the decline of return on investment because of rising costs for operating overseas mines even though non-ferrous metal prices are forecast to remain at approximately the same level as those of fiscal 2011.

As a result, net sales are expected to reach ¥814.0 billion with operating income of ¥80.0 billion, ordinary income of ¥92.0 billion and net income of ¥68.0 billion on a consolidated basis.

(b) Reported segments (Millions of yen)

	Mineral Resources	Smelting & Refining	Materials	Total	Other Businesses	Adjustment of differences	Amounts Reported in the Consolidated Financial Statements
Net sales:	110,000	622,000	138,000	870,000	36,000	-92,000	814,000
Segmental income:	74,000	10,000	3,000	87,000	3,000	2,000	92,000

In the Mineral Resources segment, decreases in earnings are anticipated mainly due to the rising costs for operating overseas mines. In the Smelting & Refining segment, decreases in earnings are expected because a decline in nickel prices is forecast compared with fiscal 2011. Increases in earnings are expected in the Materials segment, supported by the anticipated recovery in demand and positive effects from reforms of the business structure.

(2) Analysis of Financial Position

1) Overview for fiscal 2011

Consolidated Balance Sheets (Millions of yen)

	As of March 31, 2011	As of March 31, 2012	Increase/decrease
Assets	1,052,353	1,145,994	93,641
Liabilities	368,250	420,429	52,179
Net assets	684,103	725,565	41,462

Consolidated Statements of Cash Flows (Millions of yen)

	From April 1, 2010, to March 31, 2011	From April 1, 2011, to March 31, 2012	Increase/decrease
Net cash provided by operating activities	102,458	144,901	42,443
Net cash used in investing activities	(75,735)	(135,834)	(60,099)
Net cash provided by (used in) financing activities	7,379	50,314	42,935
Effect of exchange rate change on cash and cash equivalents	(3,183)	(1,984)	1,199
Cash and cash equivalents at beginning of period	100,452	128,311	27,859
Increase (decrease) in cash and cash equivalents	(3,060)	—	3,060
Cash and cash equivalents at end of period	128,311	185,708	57,397

Assets as of March 31, 2012, increased from March 31, 2011, primarily due to an increase in investment securities by the investment in Sierra Gorda S.C.M. and an increase in property, plant and equipment by the capital investment in the Taganito Project. In liabilities, bonds payable outstanding increased, reflecting the issuance of bonds aimed at raising funds to invest aggressively in overseas mines.

Net cash provided by operating activities for the year ended March 31, 2012, increased ¥42,443 million from the previous fiscal year to ¥144,901 million mainly due to a decrease in inventories despite a decrease in income before income taxes. Net cash used in investing activities amounted to ¥135,834 million, resulting from investments in the overseas resources development business such as the investment in Sierra Gorda S.C.M. and capital investments such as the Taganito Project. Net cash provided by financing activities amounted to ¥50,314 million mainly due to the issuance of bonds despite cash dividends paid and the repayment of long-term loans payable.

As a result, the balance of cash and cash equivalents amounted to ¥185,708 million at March 31, 2012, an increase of ¥57,397 million compared with at the previous fiscal year-end.

Cash flow indicators:

Year ended	Mar. 31, 2008	Mar. 31, 2009	Mar. 31, 2010	Mar. 31, 2011	Mar. 31, 2012
Equity ratio (%)	54.0	57.3	59.8	59.9	57.5
Equity ratio based on market capitalization (%)	98.4	59.0	79.7	76.4	57.0
Cash flows/Interest-bearing debt ratio (year)	1.6	1.7	4.6	2.1	1.8
Interest coverage ratio (times)	24.9	28.3	14.5	40.4	42.7

Notes:

1. Equity ratio: Shareholders' equity/Total assets
   Equity ratio based on market capitalization: Market capitalization/Total assets
   Cash flows/Interest-bearing debt ratio: Interest-bearing debt/Cash flows
   Interest coverage ratio: Cash flows/Interest payment
2. All of the above indicators are calculated for their respective values on a consolidated basis.
3. Market capitalization is calculated based on the number of shares issued at the end of the year after deducting shares of treasury stock.
4. Cash flows employs "Net cash provided by operating activities" in the Consolidated Statements of

Cash Flows.

5. Interest-bearing debt indicates the liabilities for which interest is paid on all the liabilities posted in the Consolidated Balance Sheets. Interest payment corresponds to the amount of "Interest expenses paid" in the Consolidated Statements of Cash Flows.

2) Forecasts for the next fiscal year

Net cash provided by operating activities is expected to be maintained, based on a forecast for income before income taxes for the year ending March 31, 2013. Net cash used in investing activities at a high level is expected to be recorded for the next fiscal year principally due to the large-scale investment plan for the nickel business. For net cash provided by (used in) financing activities, a repayment of long-term loans is scheduled.

(3) Basic Policy concerning the Distribution of Earnings and Current and Future Period Dividends

The Company works to determine the balance between dividends from surplus and the internal reserve while comprehensively taking into consideration such factors as future business development, ensuring financial strength, operating performance for the year and the payout ratio. As a financial strategy in the New Plan, we expect to continue to maintain financial strength so that we can maintain a consolidated equity ratio above 50% and our dividend policy, which targets a consolidated payout ratio of at least 20%, with due consideration to operating performance.

Based on this policy, the Company plans to distribute a year-end dividend of ¥12 per share for the fiscal year under review which is linked to the consolidated operating performance. As a result, the annual dividend per share is expected to be ¥28, a decrease of ¥4 per share from the previous fiscal year.

In view of these performance projections, the Company plans to distribute an annual dividend of ¥28 per share according to the aforementioned policy concerning the distribution of earnings.

(4) Business and Other Risks

The following section provides an overview of the risk factors that could exert a significant effect on the business performance and financial position of the SMM Group. All forward-looking statements in the text refer to management decisions of the Group based on the best information available at the end of the fiscal year ended March 31, 2012.

1) Fluctuations in non-ferrous metals prices and exchange rates

(a) Price slump of non-ferrous metals

The prices of copper, nickel, gold and other non-ferrous metals are influenced by a number of factors, including international supply and demand, political and economic circumstances, speculative trading and competition from alternative materials. A considerable slump in non-ferrous metals prices could have a significant negative impact on the Group's business performance and financial position.

(b) Foreign exchange rates (Appreciation of the yen)

The refining margins earned by the Company from its refining business are effectively denominated in U.S. dollars. In addition, returns on investments in overseas mining developments, income earned from investments in the semiconductor materials and advanced materials businesses and revenues from exports of products in each of the aforementioned businesses are also denominated in foreign currencies. Substantial appreciation of the yen against these currencies over a sustained period could exert a significant negative impact on the Group's business performance and financial position.

To mitigate these external risks, the SMM Group continues to make progress in implementing a variety of measures aimed at boosting competitiveness, both in materials procurement and manufacturing.

2) Deterioration in terms of non-ferrous metal ore purchasing contracts and supply disruptions

Currently, the SMM Group procures the majority of copper ores, nickel matte and other raw materials for non-ferrous metal refining operations based on long-term ore-purchasing contracts that are not backed by investment. In each case of such long-term ore-purchasing contracts, there are instances in which required volumes cannot be purchased at an appropriate price due to a variety of market factors. Supplies of ore can also be affected due to unpredictable disruptive events beyond the control of the Company such as natural disasters, supplier operational accidents and industrial disputes. Such factors could impose various constraints on Group production volumes, which, as a result, could exert a negative impact on the Group's business performance and financial position.

To mitigate such risks, the Group continues to seek to invest in high-grade overseas mines to secure reliable (in-house) supplies of ore.

3) Uncertainty inherent in mining investments
As described above, the raw materials procurement policy of the SMM Group is to develop in-house mining resources to boost the proprietary ore ratio. With respect to mining development, amounts of extractable ore and extraction costs may differ from those estimated based on the results of exploratory surveys. In addition, the development costs of a mining project can rise as the result of a variety of situations such as compliance with environmental or regulatory actions. Any additional investment or increase in the burden of extraction costs arising from the inherent uncertainty associated with mining developments could have a negative impact on the Group’s business performance and financial position.
To mitigate such risks, the Group employs a selective investment policy and undertakes strict assessments of the potential profitability of individual mining developments based on extensive experience in mining extraction and mine valuation accumulated over many years.

4) Environmental protection and regulatory compliance risks
SMM Group businesses, notably the mining and non-ferrous metal smelting and refining operations, are subject to a broad range of laws and regulations in areas such as occupational safety and health, environmental protection, pollution prevention, industrial waste disposal and management of potentially toxic substances. Ongoing regulatory compliance costs are substantial and subject to considerable increases as the result of the sudden emergence of previously unknown risks. The costs of ensuring regulatory compliance could therefore exert a negative impact on the Group’s business performance and financial position.
To mitigate such risks, the Group seeks to ensure that operations are in full compliance with environmental protection and other laws and regulations through the operation of environmental and risk management systems based on strict standards. The Group also endeavors to manage operations so that related compliance costs are kept within reasonable limits.

5) Risks associated with market changes, new product development and intellectual property rights
In those markets targeted by the Materials business segment. and the Advanced Materials Div., increasingly longer periods for the development of new products and the investment of increasingly large amounts of management resources are required to address rapid changes in market requirements. Expected returns on investment from related new product development programs may not materialize due to obsolescence caused by technological progress, delays caused by responding to customer requests or the untimely launch of competitor products, among other factors. Customer demand for products could also decline in the future. All these various factors could have a negative impact on the Group’s business performance and financial position.
The SMM Group recognizes the importance and value of acquiring intellectual property rights and managing such rights properly in accordance with related laws and regulations. Although the Group strives to observe such laws, it remains exposed to risks such as failure to acquire certain rights or damage done to the results of the Group’s R&D activities due to illegal actions by third parties.
To mitigate such risks, the Group strives to minimize related problems by structuring R&D activities to realize commercial opportunities as quickly as possible. The Group has also created dedicated in-house teams to manage issues related to intellectual property rights to ensure that such rights are acquired and protected properly.

6) Overseas investments
In the conduct of its business overseas, the Group is subject to a wide range of political and economic risks that vary by country. The emergence of various developments could prevent the Group from earning a suitable return on overseas investments. Such risks include the development of mineral resource projects by organizations funded by national or regional governments against the backdrop of high non-ferrous metals prices, the levying of higher taxes on such operations or increased environmental demands from various quarters.
To mitigate such risks, the Group makes overseas investment decisions based on careful consideration of all relevant country risks.

7) Disaster-related risks
The SMM Group locates manufacturing operations based on considerations such as customer

relationships, raw material procurement, the links to other Group operations and the effective use of management resources. Unexpected large-scale natural disasters such as earthquakes or typhoons that affect the regions where such facilities are located could result in major financial losses arising from factors such as onsite damage and loss of production.

To mitigate such risks, the Group insures such facilities where this is possible at reasonable cost and has made plans containing suitable countermeasures to minimize any secondary effects due to such disasters.

2. Corporate Group

(1) Organization Chart

SUMITOMO METAL MINING CO., LTD. (the Company)

Mineral resources

(Domestic)

(Geological research, civil engineering)
・Sumiko Resources Exploration & Development Co.,Ltd
(Overseas resources development)
・Sumiko Solomon Exploration Co., Ltd.

(Three more companies)

(Overseas)

(Overseas resources development)
・Sumitomo Metal Mining America Inc.
・Sumitomo Metal Mining Arizona Inc.
・SMMA Candelaria Inc.
・SMM Sierra Gorda Inversiones Ltda.
・Sumitomo Metal Mining Canada Ltd.
・SMM Exploration Corporation
・Sumitomo Metal Mining Oceania Pty. Ltd.
・Sumitomo Metal Mining Pogo LLC
・SMM Resources
・SMM Cerro Verde Netherlands B.V.
・SMM Solomon LIMITED
・Sumitomo Metal Mining Peru S.A.
・Sumitomo Metal Mining Chile LTDA
・Sumitomo Metal Mining do Brasil LTDA.
・SUMAC MINES LTD.
・Stone Boy Inc.
・Compania Contractual Minera Candelaria*
・Sociedad Minera Cerro Verde S.A.A.*
・Compania Contractual Minera Ojos del Salado*
・Sierra Gorda S.C.M.
・Cordillera Exploration Co., Inc.

(One more company)

Materials

(Domestic)

(Manufacture and sales of Semiconductor materials)
・Okuchi Electronics Co., Ltd.
・Niihama Electronics Co., Ltd.
・Ajimu Electronics Co., Ltd.

(Manufacture, sales and contracted manufacturing of advanced materials
・Sumiko Kunitomi Denshi Co., Ltd.
・SMM Precision Co., Ltd.
・GRANOPT Ltd.*

(Manufacture and sales of electronic component materials)
・Shinko Co. Ltd.
・Sumiko Tec Co., Ltd.

(Plating and finishing)
・Nittosha Co., Ltd.

(Overseas)

(Manufacture and sales of semiconductor materials)
・Sumitomo Metal Mining Asia Pacific Pte. Ltd.
・M-SMM Electronics SDN. BHD
・Malaysian Electronics Materials SDN. BHD
・Sumiko Electronics Taiwan Co., Ltd.
・Sumiko Leadframe(Thailand) Co., Ltd.
・Sumiko Leadframe Chengdu Co., Ltd.
・Sumiko Electronics Suzhou Co., Ltd
・Sumitomo Metal Mining Electronic Materials (Shanghai) Co., Ltd.
・Sumiko Precision Chengdu Co., Ltd.
・Taiwan Sumiko Materials Co., Ltd.

(Sales consulting)
・SMM KOREA CO, Ltd

(Manufacture and sale of advanced materials)
・Shanghai Sumiko Electronic Paste Co., Ltd.
・Dongguan Sumiko Electronic Paste Co., Ltd.

(Liquidating)
・P.T.SUMIKO LEADFRAME BINTAN

Smelting and refining

(Domestic)

(Contracted manufacturing of ferronickel)
・Hyuga Smelting Co., Ltd.

(Manufacture and sales of zinc recycling)
・Shisaka Smelting Co., Ltd

(Manufacture and sales of steel casting)
・Taihei Metal Industry Co., Ltd.

(Land & marine transportation)
・Sumiko Logistics Co., Ltd.

(Sales of sulfuric acid)
・Acids Co., Ltd.*

(Manufacture and sales of zinc)
・MS Zinc Co., Ltd.*

(Manufacture and sales of Copper and copper alloys)
・MITSUI SUMITOMO METAL MINING BRASS & COPPER CO., LTD.*

(One more company)

(Overseas)

(Overseas metal smelting)
・Coral Bay Nickel Corporation
・Sumiko Nickel Netherlands B.V.
・Taganito HPAL Nickel Corporation
・Sumitomo Metal Mining Philippine Holdings Corporation
・P.T. Vale Indonesia Tbk*
・FIGESBAL*
・Vale New-Caledonia S.A.S.*
・Jinlong Copper Co., Ltd.*
・Nickel Asia Corp. (NAC)*

(Business consulting)
・Sumiko Business Consulting(Shanghai) Co., Ltd.

Other businesses

(Domestic)

(Manufacture and sales of siporex)
・Sumitomo Metal Mining Siporex Co., Ltd.

(House design and construction of house)
・Igeta Heim Co., Ltd.

(Management of facility & low-level nuclear waste)
・JCO Co., Ltd.

(Survey of machinery in the fields of nonferrous, chemical and environment)
・Sumitomo Metal Mining Engineering Co., Ltd.

(Manufacture & maintenance)
・Sumiko Technical Service Co., Ltd.

(Design and construction of nonferrous or chemical machine plants)
・Sumiko Plantech Co., Ltd.

(Manufacture and sales of lubricant agent)
・Sumiko Lubricant Co., Ltd.

(General chemical analysis)
・Sumiko Techno-Research Co., Ltd.

(Recovery of valuable metals)
・Nippon Catalyst Cycle Co., Ltd.

(Manufacture and sales of chemical catalyst)
・N.E. Chemcat Corporation*
・Nippon Ketjen Co., Ltd.*

(Antisepsis, disinfect and reformulation by radiation)
Japan Irradiation Service CO., LTD

(Two more companies)

(Overseas)

(Overseas resources development)
・SMM Holland B.V.
(Sale of various lubricants)
・SUMICO LUBRICANT TRADING (SHANGHAI) CO., LTD

Contracted manufacturing
Product supply
Outsourcing

Consolidated subsidiaries have no mark (61)
Equity-method affiliates are marked with*(16)

3. Management Guidelines

(1) Basic Management Guidelines of the SMM Group

The SMM Group has formulated the basic management guidelines below.

SMM Group Corporate Philosophy

- Sumitomo Metal Mining Co., Ltd. (SMM), in accordance with the Sumitomo Business Spirit, shall, through the performance of sound corporate activities and the promotion of sustainable co-existence with the global environment, seek to make positive contributions to society and to fulfill its responsibilities to its stakeholders, in order to win ever greater trust.
- SMM shall, based on respect for all individuals and recognizing each person's dignity and value, seek to be a forward-minded and vibrant company.

SMM Group Management Vision

- By developing and employing innovative technology, we shall fulfill our social responsibilities as a manufacturing enterprise.
- Based on the principles of compliance, environmental protection and operational safety, the Sumitomo Metal Mining Group shall pursue maximum corporate value through the provision, via its global network, of high-quality materials such as non-ferrous metals, semiconductor materials, and advanced materials.

CSR Policy

1. SMM shall work to combat global warming by promoting recycling and effective resource utilization while also targeting technological innovation and continuous improvements in energy efficiency.
2. SMM shall promote sustainable co-existence with society by respecting the needs of local communities in which we operate around the world.
3. SMM shall respect human rights and safeguard diversity in the workplace.
4. According safety the highest priority, SMM shall provide safe, comfortable working environments and seek to eliminate occupational accidents.
5. SMM shall strengthen communications with all stakeholders to build healthy, trust-based relationships.

(2) Targeted Management Indicators

In 09 3-Yr Business Plan, the SMM Group has determined to maintain an equity ratio above 50% and a consolidated payout ratio of at least 20% as financial indicators to prove its sound financial strength.

(3) Medium-and Long-Term Management Strategies and Our Tasks Ahead

Our core strategy stated in the 09 3-Yr Business Plan is "Promotion of New Growth Strategy Based on Long-Term Vision." Following this strategy, we intend to channel our business resources into growth sectors where we can continue to build international competitiveness in the three core businesses—"Mineral Resources," "Smelting & Refining" and "Materials." Although there are several concerns, especially in the copper smelting business such as deteriorating purchase terms for metal ores, rising energy costs and the deteriorating market conditions in the electronics-related industries amid intensifying competition to acquire mineral resources, we plan to reinforce our basic operating platform with the utmost effort to boost efficiency and reduce costs. This will enable SMM to target increased earnings growth. On the other hand, we will exit business sectors where we cannot pursue a growth strategy through the sell-off of businesses or divestments.

1) Mineral resources

In the mineral resources segment, we are focusing our efforts on the supply of raw materials for our smelting & refining operations and plan to expand earnings by our mining business. Non-ferrous metals prices have reached high levels due to the growth in demand from industrializing economies. In addition, the degree of control exerted by major resources players over global mining has strengthened. To respond to these shifts in business conditions, we intend to promote exploration activities, enter new resource development projects, support expansion of existing mines and move to acquire majority interests in certain projects while seeking to gain control of first-class resource assets, obtain operatorships and invest in human resources and technical development. In May 2011, SMM signed a contract to invest a 31.5% interest in the Sierra Gorda copper mine development project in Chile and is currently promoting development of this mine.

In copper, our long-term vision is to expand our annual production interest to 300 ktpa of copper equivalents. Hence, we will attempt to establish copper mines in which we own a majority interest and look to participate in copper resource development projects.

In nickel, in addition to our current goal of 100 ktpa setup for nickel, we have set a new goal of expanding supply to 150 ktpa. To reach this goal, as for the nickel deposits in the Solomon Islands, we intend to undertake an aggressive exploration program, including the expansion of the mining area, while receiving support from Japan Oil Gas and Metals National Corporation (JOGMEC). We are also advancing search for mines in which we own a majority interest and to look at participating in gold resource development projects with the aim of boosting our interest in gold production to 30 tpa over time.

2) Smelting & Refining

We intend to expand and reinforce our nickel refining business to solidify the top-ranked position. We are active in constructing SMM's second overseas refining facility located in the northeastern part of the island of Mindanao in the Philippines (Taganito Project), a large-scale project to process low-grade nickel ore using high-pressure acid leach (HPAL), to enter production in 2013. Meanwhile, for the purpose of processing the nickel-cobalt mixed sulfide that will be produced at the refining facility under the Taganito Project, we have proceeded with preparations at our nickel refining facility (Ehime Prefecture, Japan) to increase the annual electrolytic nickel production capacity from the current 41 ktpa to 65 ktpa. As a medium- and long-term strategy, over the course of the New Plan, we expect to increase our overall nickel refining capacity to 100 ktpa, then150 ktpa, in the years ahead by concentrating management resources on the nickel business.

The business conditions for copper smelting are expected to remain difficult with such negative factors as the highly pegged energy costs, the slump in the smelting margin, and sluggish domestic demand. We will endeavor to improve profitability by focusing efforts on increasing cost competitiveness.

3) Materials

We will clearly identify businesses aimed at further growth in the structural shift of the materials businesses and apply the "Selection and Concentration" criteria to existing businesses for which we cannot pursue a medium- to long-term growth strategy.

As for individual product families, in COF substrates, we decided to exit from the business for subtractive-process product types in Taiwan due to the fact that primary demand in the market is shifting to high-definition products. In the future, we intend to focus on the semi-additive process substrates, for which we will be able cope with ultra-high-definition items, and strive to bolster our earnings structure based on quality improvements and higher productivity. With these measures, we will continue to increase shares in the Chinese and Taiwanese markets. In nickel pastes for multi-layer ceramic capacitor (MLCC) applications, we plan to leverage our existing Ni supply chain to expand sales by developing fresh demand in China. As for lead frames, we will promote examination toward the business integration with Hitachi Cable, Ltd., which was announced in March 2012.

Battery materials is one area where we see demand growing in the future, especially for anode materials used in battery packs for electric vehicles or various secondary batteries for consumer applications. In line with the market's growth potential, we are endeavoring to expand and strengthen these businesses to make them pillars for higher earnings. Another field where demand is expected to grow is that of sapphire substrates for use in white LEDs. By exploiting our integrated production capabilities in crystal growth and fabrication, we aim to capture the leading share of the market for large substrates of this type.

On the other hand, we decided to exit the bonding wire business which we cannot foresee future growth strategy.

4) New product development

In R&D, as is conventionally done, we will continue to follow the policy of priority-based resource allocation and our priority development targets are E&E-related materials in accordance with the New Plan. We will also focus on so-called inter-core research to link different core businesses and take initiatives with an eye to becoming a major player in the global Ni market.

(4) Other Important Management Related Matters

JCO Co., Ltd., has been continuously devoted to the maintenance and management of its facilities, as well as the storage and control of low-level radioactive waste. The Company continues to fully support JCO so that it can take appropriate measures to address these challenging tasks.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous Fiscal Year (as of March 31, 2011)	Current Fiscal Year (as of March 31, 2012)
Assets		
Current assets		
Cash and deposits	92,024	76,245
Notes and accounts receivable—trade	104,324	*5 99,499
Short-term investment securities	36,500	109,500
Merchandise and finished goods	80,271	69,960
Work in process	50,526	45,964
Raw materials and supplies	39,449	35,144
Deferred tax assets	2,658	2,165
Other	67,048	61,260
Allowance for doubtful accounts	(242)	(242)
Total current assets	472,558	499,495
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	81,053	79,940
Machinery, equipment and vehicles, net	107,762	90,113
Tools, furniture and fixtures, net	4,823	3,761
Land	26,509	26,484
Construction in progress	44,942	90,159
Total property, plant and equipment	*1, *3 265,089	*1, *3 290,457
Intangible assets		
Mining right	8,824	7,245
Software	1,296	1,019
Other	2,160	2,147
Total intangible assets	*3 12,280	*3 10,411
Investments and other assets		
Investment securities	*2 282,317	*2,3 325,947
Deferred tax assets	2,528	1,384
Other	*2 17,809	*2 18,530
Allowance for doubtful accounts	(222)	(224)
Allowance for investment loss	(6)	(6)
Total investments and other assets	302,426	345,631
Total noncurrent assets	579,795	646,499
Total assets	1,052,353	1,145,994

(Millions of yen)

	Previous Fiscal Year (as of March 31, 2011)	Current Fiscal Year (as of March 31, 2012)
Liabilities		
Current liabilities		
Notes and accounts payable—trade	42,593	*5 43,426
Short-term loans payable	*3 65,841	*3 58,832
Current portion of bonds	10,000	—
Income taxes payable	15,520	4,132
Deferred tax liabilities	765	—
Provision for bonuses	3,254	3,531
Provision for directors' bonuses	70	51
Provision for furnace repair works	970	253
Provision for loss on business restructuring	189	1,764
Provision for loss on liquidation of subsidiaries and affiliates	5	—
Provision for environmental measures	106	109
Provision for loss on disaster	387	34
Other provision	121	163
Other	65,665	74,658
Total current liabilities	205,486	186,953
Noncurrent liabilities		
Bonds payable	—	50,000
Long-term loans payable	*3 135,128	*3 157,119
Deferred tax liabilities	4,200	6,376
Provision for retirement benefits	7,158	6,973
Provision for directors' retirement benefits	58	54
Provision for loss on business restructuring	1,032	21
Accrued indemnification loss on damages	0	0
Provision for environmental measures	26	39
Other provision	204	214
Asset retirement obligations	4,268	4,317
Other	10,690	8,363
Total noncurrent liabilities	162,764	233,476
Total liabilities	368,250	420,429
Net assets		
Shareholders' equity		
Capital stock	93,242	93,242
Capital surplus	86,063	86,063
Retained earnings	524,978	572,102
Treasury stock	(21,788)	(21,845)
Total shareholders' equity	682,495	729,562
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	17,738	10,986
Deferred gains or losses on hedges	(4,636)	(4,854)
Foreign currency translation adjustment	(65,481)	(76,448)
Total valuation and translation adjustments	(52,379)	(70,316)
Minority interests	53,987	66,319
Total net assets	684,103	725,565
Total liabilities and net assets	1,052,353	1,145,994

(2) Consolidated Statements of Income and Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Net sales	864,077	847,897
Cost of sales	*1 725,267	*1 715,555
Gross profit	138,810	132,342
Selling, general and administrative expenses		
Sales, transportation and sundry expenses	8,575	8,671
Salaries and allowances	9,700	10,341
Provision for bonuses	419	407
Retirement benefit expenses	966	965
Provision for directors' retirement benefits	11	7
Research and development expenses	*2 5,271	*2 5,103
Other	17,830	18,350
Total selling, general and administrative expenses	42,772	43,844
Operating income	96,038	88,498
Non-operating income		
Interest income	738	1,027
Dividends income	2,003	3,046
Equity in earnings of affiliates	34,832	23,217
Other	1,312	2,511
Total non-operating income	38,885	29,801
Non-operating expenses		
Interest expenses	2,484	3,410
Suspended business management expense	519	573
Provision of allowance for doubtful accounts	3	—
Loss on valuation of derivatives	862	1,588
Foreign exchange losses	4,863	934
Loss on valuation of borrowed gold bullion	1,049	548
Dismantlement cost	228	1,062
Other	1,214	1,434
Total non-operating expenses	11,222	9,549
Ordinary income	123,701	108,750
Extraordinary income		
Gain on sales of noncurrent assets	*3 224	*3 140
Gain on sales of investment securities	96	240
Reversal of allowance for doubtful accounts	22	—
Reversal of provision for loss on business restructuring	134	—
Reversal of accrued indemnification loss on damages	1	—
Reversal of provision for loss on disasters	—	218
Gain on change in equity	2,452	—
Total extraordinary income	2,929	598

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Extraordinary loss		
Loss on sales of noncurrent assets	*4 74	*4 13
Loss on retirement of noncurrent assets	*5 528	*5 391
Impairment loss	*6 63	*6 11,102
Loss on sales of investment securities	96	—
Loss on valuation of investment securities	1,500	6,167
Loss on business restructuring	*7 151	*7 480
Provision for loss on business restructuring	*8 44	*8 1,263
Provision for environmental measures	—	*9 138
Loss on disaster	456	*10 1,608
Loss on reversal of foreign currency translation adjustment due to liquidation of foreign subsidiaries	—	303
Loss on adjustment for changes of accounting standard for asset retirement obligations	324	—
Total extraordinary losses	3,236	21,465
Income before income taxes	123,394	87,883
Income taxes—current	29,671	15,091
Income taxes—deferred	987	4,379
Total income taxes	30,658	19,470
Income before minority interests	92,736	68,413
Minority interests in income	8,774	3,194
Net income	83,962	65,219

Statements of Comprehensive Income

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Income before minority interests	92,736	68,413
Other comprehensive income		
Valuation difference on available-for-sale securities	1,676	(6,740)
Deferred gains or losses on hedges	(2,244)	(250)
Foreign currency translation adjustment	(10,884)	(4,634)
Share of other comprehensive income of associates accounted for using equity method	(20,418)	(9,595)
Total other comprehensive income	(31,870)	* (21,219)
Comprehensive income	60,866	47,194
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	57,574	47,282
Comprehensive income attributable to minority interests	3,292	(88)

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	93,242	93,242
Balance at the end of current period	93,242	93,242
Capital surplus		
Balance at the end of previous period	86,062	86,063
Changes of items during the period		
Disposal of treasury stock	1	0
Total changes of items during the period	1	0
Balance at the end of current period	86,063	86,063
Retained earnings		
Balance at the beginning of current period	454,896	524,978
Effect of changes in accounting policies applied to associates accounted for using equity method	106	2,137
Balance at the beginning of current period as restated	—	527,115
Changes of items during the period		
Dividends from surplus	(14,053)	(20,232)
Net income	83,962	65,219
Change of scope of consolidation	67	—
Total changes of items during the period	69,976	44,987
Balance at the end of current period	524,978	572,102
Treasury stock		
Balance at the beginning of current period	(21,633)	(21,788)
Changes of items during the period		
Purchase of treasury stock	(160)	(66)
Disposal of treasury stock	5	9
Total changes of items during the period	(155)	(57)
Balance at the end of current period	(21,788)	(21,845)
Total shareholders' equity		
Balance at the beginning of current period	612,567	682,495
Effect of changes in accounting policies applied to associates accounted for using equity method	106	2,137
Balance at the beginning of current period as restated	—	684,632
Changes of items during the period		
Dividends from surplus	(14,053)	(20,232)
Net income	83,962	65,219
Purchase of treasury stock	(160)	(66)
Disposal of treasury stock	6	9
Change of scope of consolidation	67	—
Total changes of items during the period	69,822	44,930
Balance at the end of current period	682,495	729,562

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	16,043	17,738
Changes of items during the period		
Net changes of items other than shareholders' equity	1,695	(6,752)
Total changes of items during the period	1,695	(6,752)
Balance at the end of current period	17,738	10,986
Deferred gains or losses on hedges		
Balance at the beginning of current period	(2,439)	(4,636)
Changes of items during the period		
Net changes of items other than shareholders' equity	(2,197)	(218)
Total changes of items during the period	(2,197)	(218)
Balance at the end of current period	(4,636)	(4,854)
Foreign currency translation adjustment		
Balance at the beginning of current period	(39,595)	(65,481)
Changes of items during the period		
Net changes of items other than shareholders' equity	(25,886)	(10,967)
Total changes of items during the period	(25,886)	(10,967)
Balance at the end of current period	(65,481)	(76,448)
Total valuation and translation adjustments		
Balance at the beginning of current period	(25,991)	(52,379)
Changes of items during the period		
Net changes of items other than shareholders' equity	(26,388)	(17,937)
Total changes of items during the period	(26,388)	(17,937)
Balance at the end of current period	(52,379)	(70,316)
Minority interests		
Balance at the beginning of current period	43,108	53,987
Effect of changes in accounting policies applied to associates accounted for using equity method	—	534
Balance at the beginning of current period as restated	—	54,521
Changes of items during the period		
Net changes of items other than shareholders' equity	10,879	11,798
Total changes of items during the period	10,879	11,798
Balance at the end of current period	53,987	66,319
Total net assets		
Balance at the beginning of current period	629,684	684,103
Effect of changes in accounting policies applied to associates accounted for using equity method	106	2,671
Balance at the beginning of current period as restated	—	686,774
Changes of items during the period		
Dividends from surplus	(14,053)	(20,232)
Net income	83,962	65,219
Purchase of treasury stock	(160)	(66)
Disposal of treasury stock	6	9
Change of scope of consolidation	67	—
Net changes of items other than shareholders' equity	(15,509)	(6,139)
Total changes of items during the period	54,313	38,791
Balance at the end of current period	684,103	725,565

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Net cash provided by (used in) operating activities		
Income before income taxes	123,394	87,883
Depreciation and amortization	34,625	31,113
Impairment loss	63	11,102
Loss (gain) on sales of noncurrent assets	(150)	(127)
Loss on retirement of noncurrent assets	528	391
Loss (gain) on sales of investment securities	(0)	(240)
Loss (gain) on valuation of investment securities	1,500	6,167
Loss (gain) on valuation of derivatives	862	1,588
Loss on adjustment for changes of accounting standard for asset retirement obligations	324	―
Loss on reversal of foreign currency translation adjustment due to liquidation of foreign subsidiaries	―	303
Increase (decrease) in allowance for doubtful accounts	(43)	2
Increase (decrease) in allowance for investment loss	(58)	―
Increase (decrease) in provision for bonuses	318	277
Increase (decrease) in provision for directors' bonuses	5	(19)
Increase (decrease) in provision for furnace repair works	116	(717)
Increase (decrease) in provision for retirement benefits	(284)	307
Increase (decrease) in provision for directors' retirement benefits	(140)	(4)
Increase (decrease) in provision for loss on business restructuring	(666)	564
Increase (decrease) in accrued indemnification loss on damages	(2)	―
Increase (decrease) in provision for loss on liquidation of subsidiaries and affiliates	―	(5)
Increase (decrease) in provision for environmental measures	(538)	16
Increase (decrease) in provision for loss on disaster	387	(353)
Increase (decrease) in other provision	(2,992)	52
Interest and dividends income	(2,741)	(4,073)
Interest expenses	2,484	3,410
Foreign exchange losses (gains)	2,038	(1,693)
Equity in (earnings) losses of affiliates	(34,832)	(23,217)
Suspended business management expense	519	573
Loss (gain) on change in equity	(2,452)	―
Loss on business restructuring	151	480
Loss on disaster	456	1,608
Decrease (increase) in notes and accounts receivable—trade	(8,967)	4,523
Decrease (increase) in inventories	(25,892)	18,566
Increase (decrease) in notes and accounts payable—trade	2,336	7,791
Increase (decrease) in accrued consumption taxes	2,221	1,960
Other, net	3,827	3,769
Subtotal	96,397	151,997
Interest and dividends income received	36,724	23,252
Interest expenses paid	(2,538)	(3,390)
Suspended business management expense paid	(519)	(573)
Disaster recovery expense paid	(66)	(488)
Income taxes paid	(27,540)	(25,897)
Net cash provided by operating activities	102,458	144,901

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(53,966)	(74,915)
Proceeds from sales of property, plant and equipment	550	1,125
Purchase of intangible assets	(614)	(498)
Proceeds from sales of intangible assets	2	—
Purchase of investment securities	(11,480)	(3,009)
Proceeds from sales of investment securities	215	628
Purchase of stocks of subsidiaries and affiliates	(9,361)	(58,902)
Payments into time deposits	(206)	—
Proceeds from withdrawal of time deposits	46	170
Payments of short-term loans receivable	(26)	(23)
Collection of short-term loans receivable	2,105	194
Payments of long-term loans receivable	(2,861)	(702)
Collection of long-term loans receivable	101	98
Other, net	(240)	—
Net cash used in investing activities	(75,735)	(135,834)
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term loans payable	(3,773)	2,668
Proceeds from long-term loans payable	23,140	26,620
Repayment of long-term loans payable	(5,422)	(10,305)
Proceeds from issuance of bonds	—	49,736
Redemption of bonds	—	(10,000)
Proceeds from stock issuance to minority shareholders	14,196	17,687
Decrease (increase) in treasury stock	(154)	(59)
Cash dividends paid	(14,053)	(20,232)
Cash dividends paid to minority shareholders	(6,555)	(5,801)
Net cash provided by (used in) financing activities	7,379	50,314
Effect of exchange rate change on cash and cash equivalents	(3,183)	(1,984)
Net increase (decrease) in cash and cash equivalents	30,919	57,397
Cash and cash equivalents at beginning of period	100,452	128,311
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(3,060)	—
Cash and cash equivalents at end of period	*1 128,311	*1 185,708

(5) Note Relating to the “Going Concern” Assumption

There are no pertinent items.

(6) Basis of Presenting the Consolidated Financial Statements

Current Fiscal Year (from April 1, 2011, to March 31, 2012)

1. Scope of Consolidation

(1) Number of consolidated subsidiaries: 61
As significant consolidated subsidiaries are stated in "(1) Organization Chart" of "2. Corporate Group," their names are omitted.

Of the consolidated subsidiaries, SMM Sierra Gorda Inversiones Ltda. has been included in the scope of consolidation due to new incorporation and its increased importance from a capital increase, effective from the fiscal year ended March 31, 2012. Sumitomo Metal Mining do Brasil LTDA. has been included in the scope of consolidation due to new incorporation from the fiscal year ended March 31, 2012.
SSM USA, Ltd., which was a consolidated subsidiary in the previous fiscal year, has been excluded from the scope of consolidation effective from the fiscal year ended March 31, 2012, because it was liquidated.

(2) Names of principal unconsolidated subsidiaries:

Mie Siporex Service Co., Ltd.

(Reason for exclusion from consolidation)
The unconsolidated subsidiaries are small in corporate size, and the impact of their respective total assets, net sales, net income (loss) (corresponding to the equity held by Sumitomo Metal Mining Co., Ltd.) and retained earnings (corresponding to the equity held by Sumitomo Metal Mining Co., Ltd.) on the consolidated total assets, consolidated net sales, consolidated net income and consolidated retained earnings is insignificant. For these reasons, the unconsolidated subsidiaries are excluded from the scope of consolidation.

2. Application of the Equity Method

(1) Number of equity-method affiliates: 16
Compania Contractual Minera Candelaria, Sociedad Minera Cerro Verde S.A.A., CCMO Ojos del Salado, Sierra Gorda S.C.M, Cordillera Exploration Co. Inc., Acids Co., Ltd., MS Zinc Co., Ltd., MITSUI SUMITOMO METAL MINING BRASS & COPPER CO., LTD., Vale Indonesia Tbk PT, FIGESBAL, Vale Inco New-Caledonia S.A.S., Jinlong Copper Co., Ltd., Nickel Asia Corp. (NAC), GRANOPT Ltd., N.E. Chemcat Corporation, and Nippon Ketjen Co., Ltd.

Effective from the fiscal year ended March 31, 2012, Sierra Gorda S.C.M. has been included in this category of equity-method affiliates due to the Company's 45% investment in the capital thereof through its consolidated subsidiary SMM Sierra Gorda Inversiones Ltda. Effective from the fiscal year ended March 31, 2012, Cordillera Exploration Co., Inc., has been included in this category of equity-method affiliates due to the Company's 25% investment in the capital thereof.
P.T. International Nickel Indonesia Tbk changed its company name to P.T. Vale Indonesia Tbk during the fiscal year under review.

(2) Names of principal, nonconsolidated subsidiaries and affiliates not accounted for by the equity method

Mie Siporex Service Co., Ltd., and Hishikari Spa Heat Corporation

(Reason for not applying the equity method)
The unconsolidated subsidiaries and affiliates, which are not accounted for by the equity method, are excluded from the application of the equity method because their respective income (loss) and retained earnings have no significant impact on the consolidated income (loss) and retained earnings in the consolidated financial statements, and they are immaterial on the whole.

Current Fiscal Year
(from April 1, 2011, to March 31, 2012)

(3) Matters deemed necessary to especially mention regarding the procedure of applying the equity method

Of the companies accounted for by the equity method, the financial statements for the respective fiscal years are used for those that have a closing date that differs from the consolidated closing date (March 31) for the fiscal year under review.

As for Compania Contractual Minera Candelaria, CCMO Ojos del Salado and Sociedad Minera Cerro Verde S.A.A., accounting policies were changed during the fiscal year ended March 31, 2012. Accordingly, the cumulative effect of changes in accounting policies was restated as of the beginning of fiscal 2011, the latest timing for which a retroactive application of such accounting changes was practicable. The resulting cumulative effect values were adjusted in “Retained earnings” and the “Effect of changes in accounting policies applied to equity-method affiliates” under “Minority interests” in the Consolidated Statements of Changes in Net Assets.

3. Fiscal Year, etc., of Consolidated Subsidiaries

The closing date is December 31 for the 29 consolidated subsidiaries below:
Sumitomo Metal Mining America Inc., Sumitomo Metal Mining Arizona Inc., SMMA Candelaria Inc., Sumitomo Metal Mining Canada Ltd., SMM Exploration Corporation, Sumitomo Metal Mining Oceania Pty. Ltd., Sumitomo Metal Mining Pogo LLC (formerly SMM Pogo LLC), SMM Resources, SMM Cerro Verde Netherlands B.V., SMM Solomon LIMITED, Sumitomo Metal Mining Peru S.A., Sumitomo Metal Mining Chile LTDA, Smack Mine Co., Ltd., Stone Boy Inc., Coral Bay Nickel Corporation, SUMIC Nickel Netherlands B.V., Sumiko Business Consulting (Shanghai) Co., Ltd., Taganito HPAL Nickel Corporation, Sumiko Leadframe Chengdu Co., Ltd., Sumiko Electronics Suzhou Co., Ltd., Sumitomo Metal Mining Electronics Materials (Shanghai) Co., Ltd., Sumiko Precision Chengdu Co., Ltd., SMM KOREA Co., Ltd., Shanghai Sumiko Electronic Paste Co., Ltd., Dongguan Sumiko Electronic Paste Co., Ltd., SMM Holland B.V. and SUMICO LUBRICANT TRADING (SHANGHAI) CO., LTD.

As the difference in the closing date for the consolidated subsidiaries above and the consolidated closing date is only three months, consolidation was determined based on the financial statements for the relevant companies pertaining to their respective fiscal years.

In preparing the consolidated financial statements, however, the financial statements of these consolidated subsidiaries are provided with necessary adjustments for consolidation purposes with regard to material transactions between their closing date (December 31) and the consolidated closing date (March 31).

4. Summary of Significant Accounting Policies

(1) Valuation basis and method for important assets

(i) Marketable securities and investment securities

Available-for-sale securities:

Available-for-sale securities with available fair values (marketable securities) are stated at the fair value. Unrealized gains and losses on these securities are reported, net of applicable income taxes, presented as a separate component of net assets.

Other available-for-sale securities with no available fair values (non-marketable securities) are stated at cost determined by the moving-average method.

(ii) Derivatives:

Derivative instruments are stated at fair value.

(iii) Inventories

Smelting and refining-lined inventories:

Mainly stated at cost determined by the first-in first-out (FIFO) method. (For figures shown on the balance sheet, values are written down to their book values based on their decreased profitability.)

Material-lined inventories:

Mainly stated at cost determined by the FIFO method. (For figures shown on the balance sheet, values are written down to their book values based on their decreased profitability.)

Other inventories:

Mainly stated at cost determined by the FIFO method. (For figures shown on the balance sheet, values are written down to their book values based on their decreased profitability.)

At several overseas subsidiaries, other inventories are stated at the lower of cost or market determined by the gross average method.

Current Fiscal Year (from April 1, 2011, to March 31, 2012)
(2) Depreciation method of major depreciable assets (i) Property, plant and equipment (excluding lease assets) The depreciation of property, plant and equipment (excluding mining sites, tunnels and lease assets) at the Company and its consolidated subsidiaries is computed by the straight-line method, based on the estimated useful lives of the respective assets (whereas the declining-balance method is adopted for the five consolidated subsidiaries). Mining sites and tunnels are stated by the unit-of-production method. The depreciation period generally ranges from 2 years to 60 years for buildings and structures and 2 years to 20 years for machinery, equipment and vehicles. (ii) Intangible assets (excluding lease assets) The amortization of mining rights (mineral rights) is computed by the unit-of-production method, mining rights (exploration rights) by the straight-line method and other intangible assets (excluding software) by the straight-line method. Computer software for internal use is amortized by the straight-line method over the estimated useful life (5 years). (iii) Lease assets Lease assets are amortized by the straight-line method, assuming the lease period as the useful life and no residual value. (3) Accounting for important reserves (i) Allowance for doubtful accounts The allowance for doubtful accounts is provided at an amount determined based on the historical experience of bad debt with respect to ordinary accounts, plus an estimate of uncollectible amount determined by reference to specific doubtful accounts such as nonperforming loans from customers who are experiencing financial difficulties. (ii) Allowance for investment loss The allowance for investment loss is provided at an amount deemed necessary to cover the loss on investments in view of the financial condition of the relevant subsidiaries and/or affiliates in which the Company invests. (iii) Provision for bonuses The provision for bonuses to employees and executive officers is provided at an estimated amount accounted for as an expense in the accounting period in which such bonuses were incurred. (iv) Provision for directors’ bonuses The provision for directors’ bonuses is provided at an estimated amount accounted for as an expense in the accounting period in which such bonuses were incurred.

Current Fiscal Year (from April 1, 2011, to March 31, 2012)
(v) Provision for furnace repair works The provision for furnace repair works is provided at an amount that corresponds to the works' amount projected for the fiscal year under review to cover the expense for regular repair works of the furnaces at the Toyo Smelter & Refinery and other plants. (vi) Provision for retirement benefits The provision for retirement benefits is provided for by the Company and the consolidated domestic subsidiaries to cover the retirement benefits to employees and executive officers thereof. For the employees' portion, the Company and its consolidated domestic subsidiaries provide the Provision for retirement benefits based on the estimated amounts of projected benefit obligation and the fair value of the plan assets at the balance sheet date. Actuarial gains and losses are recognized in expenses using the straight-line method over the average of the estimated remaining service lives of 10 years commencing with the following period. Prior service costs are recognized in expenses using the straight-line method over the average of the estimated remaining service lives of 10 years. As for the executive officers of the Company, the Company provides the provision for retirement benefits at an amount deemed necessary to cover the total amount to be paid pursuant to the internal regulations thereof at the balance sheet date of the fiscal year under review. As the Company abolished the system of retirement and severance benefits for executive directors in June 2005, any new provision for the executive officers has been suspended since July 2005. Accordingly, the balance of the executive officers' benefits at the end of the fiscal year under review corresponded to the amount accounted for as a provision depending on the period during which the incumbent executive officers served at their positions in and before June 2005.

Current Fiscal Year (from April 1, 2011, to March 31, 2012)
(vii) Provision for directors' retirement benefits The Company provides the provision for directors' retirement benefits at an amount deemed necessary to cover the total amount to be paid pursuant to the internal regulations thereof at the balance sheet date of the fiscal year under review. As the Company abolished the system of retirement and severance benefits for directors and auditors in June 2005, any new provision for the directors and auditors has been suspended since July 2005. Accordingly, the balance thereof regarding the Company at the end of the fiscal year under review corresponded to the amount accounted for as a provision depending on the period during which the incumbent directors and auditors served at their positions in and before June 2005. (viii) Provision for loss on business restructuring The provision for loss on business restructuring is provided at an amount to cover the estimated loss of business reconstruction that might be experienced by the Company and any subsidiaries and/or affiliates. (ix) Provision for loss on liquidation of subsidiaries and affiliates The provision for loss on liquidation of subsidiaries and affiliates is provided at an amount to cover the estimated loss as a result of the business liquidation of any subsidiaries and/or affiliates. (x) Accrued indemnification loss on damages The accrued indemnification loss on damages caused by a consolidated subsidiary (JCO Co., Ltd.) is provided to cover the estimated indemnification loss of the JCO criticality accident. (xi) Provision for environmental measures The provision for environmental measures is provided at an estimated amount to provide for future potential costs, such as costs related to the disposal of polychlorinated biphenyl (PCB). (xii) Provision for loss on disaster Provision for loss on disaster is estimated restoration expense to be used to restore the domestic consolidated subsidiaries, in case they are damaged by disaster. (4) Accounting standards for significant revenues and costs Accounting standard for recognizing revenues and costs of construction contracts When the outcome of an individual contract can be estimated reliably, the percentage-of-completion method (the percentage of completion at the end of the fiscal year is measured based on the percentage of the cost incurred to the estimated total cost) has been applied for that portion in progress through to the end of the fiscal year ended March 31, 2012. For other construction work, the completed-contract method has been applied. (5) Translation of important assets and liabilities denominated in foreign currencies into yen Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the spot exchange rates of the consolidated closing date, and differences arising from such translation are charged to income. The asset and liability accounts of the overseas subsidiaries are translated into Japanese yen at the spot exchange rate as of the closing date of the respective companies. The revenue and expense accounts of the overseas subsidiaries are translated into Japanese yen at the annual average exchange rate during the period as of the closing date of the respective companies. Differences arising from such translation are included in "Foreign currency translation adjustment" and "Minority interests" as separate components of "Net Assets."

Current Fiscal Year (from April 1, 2011, to March 31, 2012)
(6) Significant hedge accounting (i) Hedge accounting method Deferred gains or losses on hedges are reported at the Company and its consolidated subsidiaries. If interest rate swap contracts are used as hedges and meet certain hedging criteria, the net amount to be paid or received under the interest rate swap contract is added to or deducted from the interest on the assets or liabilities for which the swap contract was executed. (ii) Hedge instruments and hedged objects Trade receivables and payables relating to production/marketing activities based on real demand are mainly used as hedged objects. Derivative transactions (primarily forward foreign exchange contracts and forward agreements) associated with currencies and merchandise are used as hedge instruments. (iii) Hedging policy As derivative transactions employed by the Company seek to provide hedges for certain types of risk exposure, their use is limited to within the scope of real demand and the value of receivables and payables with the aim of ensuring the previously projected gains or losses or cash flows. (iv) Method of assessing the effectiveness of hedges The derivative transactions as hedge instruments to be employed by the Company and its consolidated subsidiaries are selected after having obtained internal approval of the Company on the effectiveness via prior simulation-based calculations. While the transactions are being executed, the volume of the hedged objects and hedge instruments is appropriately managed to match each other. After the derivative transactions are completed, to evaluate hedge effectiveness monthly, the Company verifies whether the initially projected gains or losses and/or cash flows are obtained for each transaction by comparing cumulative changes in cash flows from or the changes in fair value of hedged objects and the corresponding changes in the hedging derivative instruments. (v) Others In cases where forward foreign exchange contracts are made to provide hedges for the risks of fluctuations in the foreign currency exchange rates of monetary receivables and payables denominated in foreign currencies, which are translated into Japanese yen at the spot exchange rates of the consolidated closing date, unrealized gains or losses on the foreign exchange contracts at the balance sheet date are recorded in accordance with the Accounting Standard for Financial Instruments.

Current Fiscal Year (from April 1, 2011, to March 31, 2012)
(7) Amortization of goodwill The amount of goodwill is equally amortized over five years on a straight-line basis. However, at the consolidated subsidiaries in the United States, it is equally amortized over 20 years on a straight-line basis. (8) Scope of cash and cash equivalents in the Consolidated Statements of Cash Flows Cash and cash equivalents in the consolidated statements of cash flows include cash on hand, readily available bank deposits and short-term, highly liquid investments with maturities not exceeding three months at the time of purchase, which are easily convertible into cash with little or no risk from fluctuation in value. (9) Accounting for consumption taxes Transactions subject to the consumption tax and the local consumption tax are recorded at amounts exclusive of the consumption tax.

(7) Change in Presentation Method

Current Fiscal Year (from April 1, 2011, to March 31, 2012)
(Consolidated Statements of Income) "Dismantlement cost," which was included in "Other" under "Non-operating expenses" for the previous year, has been separately posted effective from the fiscal year ended March 31, 2012, because the dismantlement cost exceeded 10/100 of the total non-operating expenses. The consolidated financial statements for the previous fiscal year were reclassified to reflect this change in presentation method. As a result, ¥1,442 million, which was posted in "Other" under "Non-operating expenses" in the consolidated statements of income for the previous fiscal year, has been reclassified into ¥228 million in "Dismantlement cost" and ¥1,214 million in "Other." "Penalty collection of income taxes," which was separately posted for the previous fiscal year, has been included in "Income taxes—current" due to the lack of monetary importance effective from the fiscal year ended March 31, 2012. The consolidated financial statements for the previous fiscal year were reclassified to reflect this change in presentation method. As a result, ¥41 million, which was posted in "Penalty collection of income taxes" in the consolidated statements of income for the previous fiscal year, has been reclassified as a component of "Income taxes—current."

(8) Additional Information

Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Relative to accounting changes and corrections of past errors, which are to be made on and after the beginning of the fiscal year ended March 31, 2012, the "Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Statement No. 24, December 4, 2009) and the "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No. 24, December 4, 2009) have been applied.

(9) Notes

(Consolidated Balance Sheets)

Previous Fiscal Year (as of March 31, 2011)	Current Fiscal Year (as of March 31, 2012)
1. Accumulated depreciation of property, plant and equipment ¥351,170 million	1. Accumulated depreciation of property, plant and equipment ¥360,082 million
2. Those for nonconsolidated subsidiaries and affiliates are as follows: Investment securities ¥195,823 million Investments and other assets ¥5,917 million Investment securities includes amount of ¥10,766 million invested to jointly controlled enterprises.	2. Those for nonconsolidated subsidiaries and affiliates are as follows: Investment securities ¥249,317 million Investments and other assets ¥6,446 million Investment securities includes amount of ¥10,156 million invested to jointly controlled enterprises.
3. Assets pledged as collateral Collateral is pledged for these assets in conjunction with liabilities below. <Assets> (Millions of yen) Buildings and structures ¥17,273 (¥17,132) Machinery, equipment and vehicles ¥24,821 (¥24,821) Tools, furniture and fixtures ¥193 (¥193) Land ¥1,114 (¥1,114) Mining rights ¥312 (¥312) Total collateral ¥43,713 (¥43,572) Of the figures above, those in parentheses indicate the assets held by mining foundations and/or factory foundations. <Liabilities> Long-term loans payable (including current portion redeemable within one year) ¥3,110 Total ¥3,110 The above liabilities pledged by the collateral include those signed up with joint mortgage contracts. The relevant liabilities are not stated above because such liabilities are difficult to distinguish from those associated with any mining foundations and factory foundations.	3. Assets pledged as collateral Collateral is pledged for these assets in conjunction with liabilities below. <Assets> (Millions of yen) Buildings and structures ¥16,998 (¥16,998) Machinery, equipment and vehicles ¥21,981 (¥21,981) Tools, furniture and fixtures ¥156 (¥156) Land ¥1,114 (¥1,114) Mining rights ¥302 (¥302) Sub-total ¥40,551 (¥40,551) *Investment securities ¥56,573 Sub-total ¥56,573 Total collateral ¥97,124 (¥40,551) Of the figures above, those in parentheses indicate the assets held by mining foundations and/or factory foundations. <Liabilities> Long-term loans payable (including current portion redeemable within one year) ¥3,000 Total ¥3,000 The above liabilities pledged by the collateral include those signed up with joint mortgage contracts. The relevant liabilities are not stated above because such liabilities are difficult to distinguish from those associated with any mining foundations and factory foundations. *Note: The Company provided the assets pledged as collateral for loans payable of ¥11,498 million that Sierra Gorda S.C.M. borrowed from financial institutions.
4. Commitments and contingent liabilities The Company granted guarantees for the loans payable as guarantor from financial institutions signed up by the following counterparties. MS Zinc Co., Ltd. ¥4,000 million Other (2 companies) ¥1,500 Total ¥5,500 Besides the above, as to providing electric power to Pogo gold mine, there is ¥997 million to guarantee construction costs of electric facilities.	4. Commitments and contingent liabilities The Company granted guarantees for the loans payable as guarantor from financial institutions signed up by the following counterparties. Sierra Gorda S.C.M ¥8,049 million MS Zinc Co., Ltd. ¥2,750 MITSUI SUMITOMO METAL MINING BRASS & COPPER CO., LTD. ¥2,500 Total ¥13,299 Besides the above, as to providing electric power to Pogo gold mine, there is ¥820 million to guarantee construction costs of electric facilities.

(Consolidated Balance Sheets)

Previous Fiscal Year (as of March 31, 2011)	Current Fiscal Year (as of March 31, 2012)
5. Notes and accounts receivable sold to factoring companies with recourse ¥404 million Discount on export notes receivable ¥105	5. As for the accounting of notes at maturity on March 31, 2012, the relevant notes were settled at the date for clearing notes. As the closing date of the fiscal year under review (March 31, 2012) was a holiday for financial institutions, the following notes at maturity were included in the respective balances as of this closing date. Notes receivable-trade ¥195 million Notes payable-trade ¥9 6. Notes and accounts receivable sold to factoring companies with recourse ¥416 million Discount on export notes receivable ¥116

(Consolidated Statements of Income)

Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
*1. Ending merchandise and finished goods indicate the amounts after values are written down to their book values based on their decreased profitability, and the following loss on valuation of inventories is included in the cost of sales. (¥75 million)	*1. Ending merchandise and finished goods indicate the amounts after values are written down to their book values based on their decreased profitability, and the following loss on valuation of inventories is included in the cost of sales. ¥763 million
*2. Research and development expenses included in "General and administrative expenses" ¥5,271 million	*2. Research and development expenses included in "General and administrative expenses" ¥5,103 million
*3. Gains due to sales of noncurrent assets and the breakdown by account title are as follows: Land ¥146 million Machinery, equipment and vehicles ¥63 Tools, furniture and fixtures ¥15 Total ¥224	*3. Gains due to sales of noncurrent assets and the breakdown by account title are as follows: Land ¥86 million Machinery, equipment and vehicles ¥39 Tools, furniture and fixtures ¥15 Total ¥140
*4. Losses due to sales of noncurrent assets and the breakdown by account title are as follows: Machinery, equipment and vehicles ¥49 million Buildings and structures ¥15 Land ¥6 Tools, furniture and fixtures ¥4 Total ¥74	*4. Losses due to sales of noncurrent assets and the breakdown by account title are as follows: Machinery, equipment and vehicles ¥11 million Buildings and structures ¥2 Total ¥13
*5. Losses due to the retirement of noncurrent assets and the breakdown by account title are as follows: Machinery, equipment and vehicles ¥365 million Buildings and structures ¥143 Tools, furniture and fixtures ¥19 Other ¥1 Total ¥528	*5. Losses due to the retirement of noncurrent assets and the breakdown by account title are as follows: Machinery, equipment and vehicles ¥202 million Buildings and structures ¥162 Tools, furniture and fixtures ¥18 Other ¥9 Total ¥391

Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
*6. Impairment loss The SMM Group's impairment loss of noncurrent assets for the fiscal year ended March 31, 2011, consists of the following:	*6. Impairment loss The SMM Group's impairment loss of noncurrent assets for the fiscal year ended March 31, 2012, consists of the following:

Previous Fiscal Year:

Major use	Location	Asset category	Loss (Millions of yen)
Idle land	Isa City, Kagoshima Prefecture, Japan	Land	63
Total			63

Current Fiscal Year:

Major use	Location	Asset category	Loss (Millions of yen)
Manufacturing facilities for distilled zinc	Kako-gun, Hyogo Prefecture, Japan	Land	16
		Buildings	1,264
		Structures	497
		Machinery and equipment	3,517
		Vehicles	11
		Tools, furniture and fixtures	119
		Software	7
		Other intangible assets	46
Manufacturing facilities for powder materials	Niihama City, Ehime Prefecture, Japan	Buildings	61
		Structures	33
		Machinery and equipment	347
		Vehicles	0
		Tools, furniture and fixtures	1
Manufacturing facilities for certain chips on film (COF)	Kaohsiung City, Taiwan	Buildings	436
		Machinery and equipment	1,807
		Tools, furniture and fixtures	196
Manufacturing facilities for lead frames	Ayutthaya Province, Thailand	Buildings	171
		Tools, furniture and fixtures	391
Manufacturing facilities for Copper-clad polyimide films	Niihama City, Ehime Prefecture, Japan	Machinery and equipment	49
		Vehicles	0
		Tools, furniture and fixtures	1
Manufacturing facilities for bonding wires	Isa City, Kagoshima Prefecture, Japan	Buildings	7
		Machinery and equipment	165

Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)

		Tools, furniture and fixtures	24
		Construction in progress	3
		Software	4
	Shanghai, China	Buildings	51
		Machinery and equipment	352
		Vehicles	0
		Tools, furniture and fixtures	8
		Software	9
		Construction in progress	6
	Kaohsiung City, Taiwan	Buildings	119
		Machinery and equipment	208
		Tools, furniture and fixtures	45
	Selangor, Malaysia	Buildings	9
		Machinery and equipment	64
		Tools, furniture and fixtures	24
Electron beam irradiation facilities	Naka-gun, Ibaraki Prefecture, Japan	Buildings	406
		Structures	10
		Machinery and equipment	607
		Tools, furniture and fixtures	1
		Software	10
Total			11,102

Previous Fiscal Year	Current Fiscal Year
The Company categorized operating assets by such business units as plants and manufacturing processes based on the division of managerial accounting. A breakdown of "Major use" is as follows.	The Company categorized operating assets by such business units as plants and manufacturing processes based on the division of managerial accounting. A breakdown of "Major use" is as follows.

Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Of the land lots acquired as commercial land of the Hishikari Mine, the book values of several idle land lots for which market prices have considerably declined along with the drop in land prices were reduced to their recoverable amounts. The net sales prices (fair value less cost to sell) of assets are used as their recoverable amounts for the calculation of impairment losses in extraordinary loss.	The book values of manufacturing facilities for distilled zinc were reduced to their recoverable amounts because of expectations that these facilities would cease to operate due to the worsening business environment. The book values of wet-process manufacturing facilities for powder materials were reduced to their recoverable amounts because of expectations that recovery of the sales volume for wet-type nickel powder cannot be expected in view of the considerably falling sales volume. The noncurrent assets book values of manufacturing facilities for certain chips on film (COF) were reduced to their recoverable amounts because of the Company's decision to withdraw from its business in subtractive chip on film (COF) production. The noncurrent assets book values of manufacturing facilities for lead frames were reduced to their recoverable amounts because of the Company's decision to withdraw from the lead frame business in Thailand. The book values of several wet-process manufacturing facilities for copper-clad polyimide films were reduced to their recoverable amounts because of expectations that these facilities would cease to operate due to their obsolescence. The noncurrent assets book values of manufacturing facilities for bonding wires were reduced to their recoverable amounts because of the Company's decision to withdraw from the bonding wire business. The book values of electron beam irradiation facilities were reduced to their recoverable amounts because of expectations that the collectability of future cash flows cannot be expected in view of the significant decline in orders received from major customers compared with the target values in the initial plan. The net sales prices (fair value less cost to sell) of assets are used as their recoverable amounts for the measurement of impairment losses, which will be posted under Extraordinary Loss.
*7. Refers to the loss on business restructuring that a consolidated subsidiary experienced in association with the business reconstruction. *8. Refers to the provision to cover the potential loss on business restructuring, which some consolidated subsidiaries are projected to experience in association with the business reconstruction. 9. ―――― 10. ――――	*7. Refers to the loss on business restructuring that a consolidated subsidiary experienced in association with the business reconstruction. *8. Refers to the provision to cover the potential loss on business restructuring, which the Company and its consolidated subsidiaries are projected to experience. The breakdown is ¥1,013 million related to the withdrawal from the bonding wire business and ¥250 million related to the withdrawal from its business in subtractive chip on film (COF) production. *9. Refers to the provision to cover future potential costs, which several consolidated domestic subsidiaries are projected to experience in association with the disposal of polychlorinated biphenyl (PCB). *10. We posted (i) a loss amount of ¥1,202 million in association with the damage to the Taganito Project caused by an attack from an armed local guerrilla that

Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
	happened on the island of Mindanao in the Philippines and (ii) a loss amount of ¥406 million in restoration expense for damages due to a typhoon and other natural disasters as components in “Loss on disaster.”

(Statements of Comprehensive Income)

Current Fiscal Year (from April 1, 2011, to March 31, 2012)

*Amount of recycling and tax-effect amount associated with the presentation of other comprehensive income

Valuation difference on available-for-sale securities:	
Amount that occurred during the period	(12,039)
Reclassification adjustment	5,927
Before tax-effect adjustment	(6,112)
Tax-effect amount	(628)
Valuation difference on available-for-sale securities	(6,740)
Deferred gains or losses on hedges:	
Amount that occurred during the period	(2,967)
Reclassification adjustment	2,599
Acquisition cost adjustment	(9)
Before tax-effect adjustment	(377)
Tax-effect amount	127
Deferred loss on hedges	(250)
Foreign currency translation adjustment:	
Amount that occurred during the period	(4,937)
Reclassification adjustment	303
Before tax-effect adjustment	(4,634)
Tax-effect amount	—
Foreign currency translation adjustment	(4,634)
Share of other comprehensive income of associates accounted for using equity method:	
Amount that occurred during the period	(9,595)
Total other comprehensive income	(21,219)

(Consolidated Statements of Changes in Net Assets)

Previous Fiscal Year (from April 1, 2010, to March 31, 2011)

1. Matters Related to Shares Issued

Class of shares	Number of shares at previous fiscal year-end	Increase	Decrease	Number of shares at current fiscal year-end
Common stock (shares)	581,628,031	—	—	581,628,031

2. Matters Related to Treasury Stock

Class of shares	Number of shares at previous fiscal year-end	Increase	Decrease	Number of shares at current fiscal year-end
Common stock (shares)	19,504,973	121,482	4,965	19,621,490

A major cause of the increase in the number of treasury stock is as follows:

Increase due to the purchase of less-than-one-unit shares by the Company: 121,482 shares

Major causes of the decrease in the number of treasury stock are as follows:

Decrease due to the sale of less-than-one-unit shares by the Company: 4,965 shares

3. Matters Related to Dividends

(1) Cash dividends paid

Resolution	Class of shares	Total dividend amount (Millions of yen)	Dividend per share (Yen)	Date of record	Effective date
Ordinary General Meeting of Shareholders held on June 25, 2010	Common stock	7,308	13	March 31, 2010	June 28, 2010
Board meeting held on November 8, 2010	Common stock	6,745	12	September 30, 2010	December 7, 2010

(2) Dividends for which the date of record is during the current fiscal year but the proposed effective date is in the following fiscal year

Resolution	Class of shares	Total dividend amount (Millions of yen)	Source of dividends	Dividend per share (Yen)	Date of record	Proposed effective date
Ordinary General Meeting of Shareholders to be held on June 27, 2011	Common stock	11,240	Retained earnings	20	March 31, 2011	June 28, 2011

Current Fiscal Year (from April 1, 2011, to March 31, 2012)

1. Matters Related to Shares Issued

Class of shares	Number of shares at beginning of current fiscal year	Increase	Decrease	Number of shares at current fiscal year-end
Common stock (shares)	581,628,031	—	—	581,628,031

2. Matters Related to Treasury Stock

Class of shares	Number of shares at beginning of current fiscal year	Increase	Decrease	Number of shares at current fiscal year-end
Common stock (shares)	19,621,490	57,419	7,387	19,671,522

A major cause of the increase in the number of treasury stock is as follows:
Increase due to the purchase of less-than-one-unit shares by the Company: 57,419 shares
A major cause of the decrease in the number of treasury stock is as follows:
Decrease due to the sale of less-than-one-unit shares by the Company: 7,387 shares

3. Matters Related to Dividends

(1) Cash dividends paid

Resolution	Class of shares	Total dividend amount (Millions of yen)	Dividend per share (Yen)	Date of record	Effective date
Ordinary General Meeting of Shareholders held on June 27, 2011	Common stock	11,240	20	March 31, 2011	June 28, 2011
Board meeting held on November 8, 2011	Common stock	8,992	16	September 30, 2011	December 6, 2011

(2) Dividends for which the date of record is during the current fiscal year but the proposed effective date is in the following fiscal year

Resolution	Class of shares	Total dividend amount (Millions of yen)	Source of dividends	Dividend per share (Yen)	Date of record	Proposed effective date
Ordinary General Meeting of Shareholders to be held on June 25, 2012	Common stock	6,743	Retained earnings	12	March 31, 2012	June 26, 2012

(Consolidated Statements of Cash Flows)

Previous Fiscal Year (from April 1, 2010, to March 31, 2011)		Current Fiscal Year (from April 1, 2011, to March 31, 2012)	
*1. Relationship between cash and cash equivalents at end of period and the line item amounts stated on the consolidated balance sheet (as of March 31, 2011)		*1. Relationship between cash and cash equivalents at end of period and the line item amounts stated on the consolidated balance sheet (as of March 31, 2012)	
Cash and deposits	¥92,024 million	Cash and deposits	¥76,245 million
Short-term investment securities	36,500	Short-term investment securities	109,500
Time deposits with a maturity longer than three months	(213)	Time deposits with a maturity longer than three months	(37)
Cash and cash equivalents	128,311	Cash and cash equivalents	185,708

(Segment Information and Others)

[Segment Information]

1. Summary of Reported Segments

(1) Decision method of the reported segments

The reported segments of the Company refer to constitutional units, for which separate financial information is available and that are subject to periodic reviews by the Board of Directors as the supreme, managerial decision-making organ to determine the allocation of management resources and assess their respective operating results.

The Company currently has five business divisions―Mineral Resources Div., Non-Ferrous Metals Div., Semiconductor Materials Div., Advanced Materials Div. and Energy, Catalysts & Construction Materials Div.―in the pursuit of effective business operations by products and services. Each of these business divisions plans its own comprehensive strategies to be carried out in Japan and overseas for its own product and service lines and engages in diverse business activities within the Company and through the consolidated subsidiaries and equity-method affiliates over which it holds jurisdiction.

The five aforementioned business divisions, as well as the Taganito Project Div., of which the purpose is to construct a second high-pressure acid leaching (HPAL) plant in the Taganito area on the Mindanao Island in the Philippines, and the Sierra Golda Project Div., of which the purpose is to promote investment and managerial participation in the Sierra Golda copper mine development project in Chile, are classified as "Business Segments" of the Company.

The Group has classified six of the seven business segments into three core reported segments: Mineral Resources, Smelting & Refining and Materials. In determining these reported segments, the mineral resource businesses and the Sierra Golda Project Div. were integrated into Mineral Resources; the metal businesses and the Taganito Project Div. were integrated into Smelting & Refining; and the semiconductor materials and advanced materials businesses were integrated into Materials, in accordance with the integration criteria and quantitative standards set forth in the "Accounting Standard for Disclosure of Segments of an Enterprise and Related Information" (ASBJ Statement No. 17; issued on March 27, 2009) and "Guidance on Accounting Standard for Disclosure of Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20; issued on March 21, 2008).

As described above, the Company consists of segments organized on the basis of business division–based products and services.

(2) Types of products and services that belong to each reported segment

In the Mineral Resources segment, the SMM Group mainly engages in the exploration, development and production of non-ferrous metal resources in Japan and overseas, as well as sales of ores and products.

In the Smelting & Refining segment, the Group mainly engages in smelting and sales of copper, nickel, ferronickel, zinc and lead, as well as smelting and sales of precious metals such as gold, silver and platinum.

In the Materials segment, the Group mainly engages in manufacturing, processing and sales of semiconductor materials such as lead frames, tape materials (copper-clad polyimide film, chip-on-film (COF) substrates (electronic packaging materials used to make LCD panel integrated circuits) and related tape bonding materials such as copper clad polyimide film) and bonding wires, as well as of advanced materials such as pastes, powder materials (e.g., nickel powder), battery materials (e.g., nickel hydroxide) and crystalline materials.

2. Calculation Methods of Net Sales, Income (Loss), Assets and Other Items

The accounting methods employed for the reported business segments are almost the same as those set forth in the Basis of Presenting the Consolidated Financial Statements, excluding the reporting of "cost of capital" to each business segment.

Cost of capital refers to an interest rate burden to be borne by each business segment of the parent company, which does not financially assume interest expenses, in proportion to its holding assets in calculating segmental income for internal administration purposes. The cost of capital is obtained by multiplying total assets held by each segment of the parent company by "Internal interest rate." An amount that corresponds to the weighted average of the parent company's cost of capital and cost of liability is used as the internal interest rate. The same amount as a total of the cost of capital reported by each business segment is reported as a negative value in "Adjustments." The cost of capital is offset in the total for all segments companywide. The cost of capital therefore has no effect on the consolidated financial statements.

Income by Reported Segment is posted based on ordinary income.

The inter-segment net sales are calculated based on arm's length transaction prices.

3. Information on Net Sales, Income (Loss), Assets and Other Items by Reported Segment

Previous fiscal year (from April 1, 2010, to March 31, 2011)

(Millions of yen)

	Mineral Resources	Smelting & Refining	Materials	Total of the Reported Segments	Other Businesses 1	Adjustments 2	Amounts Reported in the Consolidated Financial Statements[3]
Net sales:							
Outside customers	61,474	590,646	188,630	840,750	23,327	—	864,077
Inter-segment	26,514	94,399	18,528	139,441	7,101	(146,542)	—
Total	87,988	685,045	207,158	980,191	30,428	(146,542)	864,077
Segmental income	70,410	49,518	5,386	125,314	2,336	(3,949)	123,701
Segmental assets	176,250	583,193	113,879	873,322	53,485	125,546	1,052,353
Other items							
Depreciation	8,337	14,296	8,897	31,530	1,483	1,612	34,625
Amortization of goodwill	99	—	11	110	—	—	110
Interest income	115	52	16	183	7	548	738
Interest expenses	79	216	332	627	67	1,790	2,484
Equity in earnings (losses) of affiliates	29,849	4,180	104	34,133	2,372	(1,673)	34,832
Investment in equity-method affiliates	72,816	158,175	414	231,405	24,802	(54,554)	201,653
Increase in property, plant and equipment and intangible assets	3,816	41,373	5,829	51,018	624	1,463	53,105

Current fiscal year (from April 1, 2011, to March 31, 2012)

(Millions of yen)

	Mineral Resources	Smelting & Refining	Materials	Total of the Reported Segments	Other Businesses [1]	Adjustments [2]	Amounts Reported in the Consolidated Financial Statements [3]
Net sales:							
Outside customers	63,208	601,459	160,754	825,421	22,476	—	847,897
Inter-segment	42,535	87,121	21,289	150,945	10,709	(161,654)	—
Total	105,743	688,580	182,043	976,366	33,185	(161,654)	847,897
Segmental income (loss)	80,540	25,644	(294)	105,890	3,393	(533)	108,750
Segmental assets	248,351	564,171	109,583	922,105	52,550	171,339	1,145,994
Other items							
Depreciation	7,104	13,611	7,663	28,378	1,110	1,625	31,113
Amortization of goodwill	89	—	4	93	—	—	93
Interest income	367	129	17	513	6	508	1,027
Interest expenses	47	466	313	826	59	2,525	3,410
Equity in earnings (losses) of affiliates	28,311	(9,377)	93	19,027	2,770	1,420	23,217
Investment in equity-method affiliates	152,104	143,136	469	295,709	21,494	(61,516)	255,687
Increase in property, plant and equipment and intangible assets	4,065	74,394	6,563	85,022	1,394	1,928	88,344

Notes:

1. The “Other Businesses” segment refers to other profit-seeking business activities that are under the control of the Head Office divisions/departments and are engaged in by business segments other than those included in the reported segments. Other Businesses include manufacturing and sales of automotive exhaust processing catalysts, chemical catalysts, petroleum refinery and desulfurization catalysts, and ALC products, as well as technical engineering and real estate businesses.

2. The “Adjustments” are as follows:

(1) The “Adjustments” for Segmental income (loss) are as follows: (Millions of yen)

	Previous fiscal year	Current fiscal year
Head Office expenses not allocated to each reported segment [a]	(10,281)	(10,261)
Cost of capital to be borne by each reported segment	15,084	15,224
Eliminations of inter-segmental transactions among the reported segments	(3,816)	(2,716)
Non-operating income/expenses not allocated to each reported segment [b]	(5,422)	(3,287)
Other adjustments	486	507
Total	(3,949)	(533)

a. The Head Office expenses not allocated to each reported segment consist of general administrative expenses and research and development expenses, which are not attributable to the reported segments.

b. The non-operating income/expenses not allocated to each reported segment consist of foreign exchange gains/losses and interest expenses, which are not attributable to the reported segments.

(2) The Adjustments on Segmental assets are as follows: (Millions of yen)

	Previous fiscal year	Current fiscal year
Corporate assets not allocated to each reported segment*	205,301	266,726
Offsets and eliminations of inter-segmental receivables among the reported segments, including those toward Head Office divisions/departments	(79,755)	(95,387)
Total	125,546	171,339

*The corporate assets not allocated to each reported segment refer to the assets under the control of the Administration Dept. at the Head Office, which are not attributable to the reported segments.

(3) The Adjustments on Depreciation refer to depreciation at the Head Office divisions/departments, which are not allocated to the reported segments.

(4) The Adjustments on Interest income consist of interest income at the Head Office divisions/departments, which is not allocated to the reported segments, and eliminations of transactions among the reported segments.

(5) The Adjustments on Interest expenses consist of interest expenses at the Head Office divisions/departments, which are not allocated to the reported segments, and eliminations of transactions among the reported segments.

(6) The Adjustments on Equity in earnings (losses) of affiliates refer to the deduction of unrealized income relating to the inter-segmental transactions among the reported segments.

(7) The Adjustments on Investment in equity-method affiliates represent the amount corresponding to the "Foreign currency translation adjustment," which is included in the stocks of subsidiaries and affiliates.

(8) The Adjustments on Increase in property, plant and equipment and intangible assets refer to increases thereof at the Head Office divisions/departments, which are not allocated to the reported segments.

3. The segmental income (loss) is adjusted with ordinary income in the Consolidated Financial Statements.

[Related Information]
Previous fiscal year (from April 1, 2010, to March 31, 2011)

1. Information by product/service
As for net sales to outside customers by product/service, relevant information disclosure is omitted as similar information is disclosed in the Segment Information.

2. Information by region
(1) Net sales

(Millions of yen)

Domestic	China	Taiwan	East Asia	Southeast Asia	North America	Others	Total
502,614	95,375	91,496	13,295	90,911	60,374	10,012	864,077

Notes:
1. Net sales are segmented by country or region according to customers' location data.
2. Regions are segmented based on their geographical proximity, and only those countries for which the net sales amount accounts for more than 10% of the net sales stated in the Consolidated Statement of Income are separately listed.
3. Major countries or regions that belong to the segments are as follows:
   (1) East Asia: South Korea and Hong Kong
   (2) Southeast Asia: Thailand, Indonesia, Malaysia, etc.
   (3) North America: United States, Canada and Mexico
   (4) Others: Bangladesh, Australia, United Kingdom, etc.

(2) Property, plant and equipment

(Millions of yen)

Domestic	East Asia	The Philippines	Southeast Asia	United States	Others	Total
158,849	11,286	61,252	1,824	26,486	5,392	265,089

Notes:
1. Regions are segmented based on their geographical proximity, and only those countries for which the property, plant and equipment amount accounts for more than 10% of the property, plant and equipment stated in the Consolidated Balance Sheet are separately listed.
2. Major countries or regions that belong to the segments are as follows:
   (1) East Asia: China and Taiwan
   (2) Southeast Asia: Thailand, Malaysia and Singapore
   (3) North America: United States
   (4) Others: Australia, Solomon Islands, Peru and Chile

3. Information by major customer

(Millions of yen)

Customer's designation or name	Net sales	Related reported segments
Sumitomo Corporation	113,063	Smelting & Refining and Materials
Mitsui & Co., Ltd.	80,619	Smelting & Refining

Current fiscal year (from April 1, 2011, to March 31, 2012)

1. Information by product/service
As for net sales to outside customers by product/service, relevant information disclosure is omitted as similar information is disclosed in the Segment Information.

2. Information by region
(1) Net sales

(Millions of yen)

Domestic	China	Taiwan	East Asia	Southeast Asia	North America	Others	Total
514,539	88,316	85,310	14,552	74,850	60,549	9,781	847,897

Notes:
1. Net sales are segmented by country or region according to customers' location data.
2. Regions are segmented based on their geographical proximity, and only those countries for which the net sales amount accounts for more than 10% of the net sales stated in the Consolidated Statement of Income are separately listed.
3. Major countries or regions that belong to the segments are as follows:
   (1) East Asia: South Korea and Hong Kong
   (2) Southeast Asia: Thailand, Indonesia, Malaysia, etc.
   (3) North America: United States, Canada and Mexico
   (4) Others: Australia, India, Bangladesh, etc.

(2) Property, plant and equipment

(Millions of yen)

Domestic	East Asia	The Philippines	Southeast Asia	United States	Others	Total
132,076	8,074	120,975	1,022	22,852	5,458	290,457

Notes:
1. Regions are segmented based on their geographical proximity, and only those countries for which the property, plant and equipment amount accounts for more than 10% of the property, plant and equipment stated in the Consolidated Balance Sheet are separately listed.
2. Major countries or regions that belong to the segments are as follows:
   (1) East Asia: China and Taiwan
   (2) Southeast Asia: Malaysia, Thailand and Singapore
   (3) North America: United States
   (4) Others: Australia, Solomon Islands, Peru, Chile and Brazil

3. Information by major customer

(Millions of yen)

Customer's designation or name	Net sales	Related reported segments
Sumitomo Corporation	138,685	Smelting & Refining and Materials
Mitsui & Co., Ltd.	79,333	Smelting & Refining

[Information on Impairment Loss of Noncurrent Assets by Reported Segment]
Previous fiscal year (from April 1, 2010, to March 31, 2011)

(Millions of yen)

	Mineral Resources	Smelting & Refining	Materials	Total of the Reported Segments	Other Businesses	Adjustments	Amounts Reported in the Consolidated Financial Statements
Impairment loss	63	—	—	63	—	—	63

Current fiscal year (from April 1, 2011, to March 31, 2012)

(Millions of yen)

	Mineral Resources	Smelting & Refining	Materials	Total of the Reported Segments	Other Businesses	Adjustments	Amounts Reported in the Consolidated Financial Statements
Impairment loss	—	5,477	4,591	10,068	1,034	—	11,102

[Information on Amortization of Goodwill and Unamortized Balance by Reported Segment]
Previous fiscal year (from April 1, 2010, to March 31, 2011)

(Millions of yen)

	Mineral Resources	Smelting & Refining	Materials	Total of the Reported Segments	Other Businesses	Adjustments	Amounts Reported in the Consolidated Financial Statements
Balance at current fiscal year-end	635	—	5	640	—	—	640

Current fiscal year (from April 1, 2011, to March 31, 2012)

(Millions of yen)

	Mineral Resources	Smelting & Refining	Materials	Total of the Reported Segments	Other Businesses	Adjustments	Amounts Reported in the Consolidated Financial Statements
Balance at current fiscal year-end	519	—	1	520	—	—	520

[Information on Gain on Negative Goodwill by Reported Segment]
Previous fiscal year (from April 1, 2010, to March 31, 2011)
There are no pertinent items.

Current fiscal year (from April 1, 2011, to March 31, 2012)
There are no pertinent items.

(Earnings per Share)

(Yen)

Previous Fiscal Year (from April 1, 2010, to March 31, 2011)		Current Fiscal Year (from April 1, 2011, to March 31, 2012)	
Net assets per share	¥1,121.19	Net assets per share	¥1,173.13
Basic net income per share	¥149.38	Basic net loss per share	¥116.05
Diluted net income per share	¥136.98	Diluted net income per share	¥106.80

Notes:

1. The basis for the calculation of net assets per share is as follows.

	Previous Fiscal Year (from Apr. 1, 2010, to Mar. 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Total net assets (Millions of yen)	684,103	725,565
Amounts deducted from total net assets (Millions of yen)	53,987	66,319
(Including minority interests)	(53,987)	(66,319)
Net assets attributable to shares of common stock at fiscal year-end (Millions of yen)	630,116	659,246
Number of common shares issued (Thousands)	581,628	581,628
Number of common shares of treasury stock (Thousands)	19,621	19,672
Year-end number of common shares used for the calculation of net assets per share (Thousands)	562,007	561,957

2. The basis for the calculation of basic net income per share and diluted net income per share is as follows.

	Previous Fiscal Year (from Apr. 1, 2010, to Mar. 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Basic net income per share:		
Net income (Millions of yen)	83,962	65,219
Net income not available to common shareholders (Millions of yen)	—	—
Net income attributable to shares of common stock (Millions of yen)	83,962	65,219
Weighted average number of shares of common stock during the fiscal year (Thousands)	562,067	561,981
Diluted net income per share:		
Adjustment of net income (Millions of yen)	864	867
(Including interest expenses after deducting the amount corresponding to tax) (Millions of yen)	(864)	(867)
Increase in shares of common stock (Thousands)	57,176	57,176
(Including subscription rights to shares) (Thousands)	(57,176)	(57,176)
Securities excluded from the computation of diluted net income per share, because they do not have dilutive effects	—	—

(Significant Subsequent Event)
None

5. Financial Statements

(1) Balance Sheets

(Millions of yen)

	Previous Fiscal Year (as of March 31, 2011)	Current Fiscal Year (as of March 31, 2012)
Assets		
Current assets		
Cash and deposits	46,274	27,789
Notes receivable—trade	1,889	1,384
Accounts receivable—trade	83,949	79,160
Short-term investment securities	36,500	109,500
Merchandise and finished goods	78,217	67,352
Work in process	45,689	40,324
Raw materials and supplies	26,965	23,014
Advance payments—trade	13,098	5,863
Prepaid expenses	39	56
Deferred tax assets	2,121	2,375
Short-term loans receivable	94	92
Gold bullion in storage	16,529	19,004
Gold bullion on loan	20,789	21,774
Short-term loans receivable from subsidiaries and affiliates	44,200	57,080
Accounts receivable—other	26,074	8,615
Other	5,443	3,477
Allowance for doubtful accounts	(3,065)	(3,782)
Total current assets	444,805	463,077
Noncurrent assets		
Property, plant and equipment		
Buildings, net	29,473	28,130
Structures, net	17,799	17,259
Machinery and equipment, net	39,183	30,421
Vessels, net	0	0
Vehicles, net	157	216
Tools, furniture and fixtures, net	1,313	930
Mining land	28	28
General-purpose land	18,538	18,581
Construction in progress	1,582	3,612
Total property, plant and equipment	108,073	99,177
Intangible assets		
Leasehold right	84	84
Mining right	483	441
Software	906	715
Other	84	96
Total intangible assets	1,557	1,336

(Millions of yen)

	Previous Fiscal Year (as of March 31, 2011)	Current Fiscal Year (as of March 31, 2012)
Investments and other assets		
Investment securities	63,476	63,476
Stocks of subsidiaries and affiliates	124,683	124,373
Investments in capital	6	6
Investments in capital of subsidiaries and affiliates	3,277	43,769
Long-term loans receivable	1,134	1,038
Long-term loans receivable from employees	128	117
Long-term loans receivable from subsidiaries and affiliates	4,102	26,232
Claims provable in bankruptcy, claims provable in rehabilitation and other	10	9
Long-term prepaid expenses	1,373	1,347
Deferred tax assets	2,545	—
Other	2,975	2,502
Allowance for doubtful accounts	(187)	(194)
Allowance for investment loss	(97)	—
Total investments and other assets	203,425	262,675
Total noncurrent assets	313,055	363,188
Total assets	757,860	826,265

(Millions of yen)

	Previous Fiscal Year (as of March 31, 2011)	Current Fiscal Year (as of March 31, 2012)
Liabilities		
Current liabilities		
Accounts payable—trade	39,436	38,166
Short-term loans payable	26,060	26,060
Current portion of long-term loans payable	8,785	1,843
Current portion of bonds	10,000	—
Borrowed gold bullion	37,318	40,778
Lease obligations	2	2
Accounts payable—other	12,956	15,525
Accrued expenses	6,066	6,774
Income taxes payable	12,838	2,713
Advances received	696	669
Deposits received	613	492
Provision for bonuses	1,562	1,735
Provision for directors' bonuses	70	51
Provision for furnace repair works	970	253
Provision for loss on business restructuring	189	1,261
Provision for environmental measures	104	106
Provision for loss on disaster	284	—
Other	2,269	4,170
Total current liabilities	160,218	140,598
Noncurrent liabilities		
Bonds payable	—	50,000
Long-term loans payable	132,332	137,024
Lease obligations	5	2
Deferred tax liabilities	—	2,073
Provision for retirement benefits	2,694	2,280
Provision for directors' retirement benefits	20	20
Provision for metal mining pollution control	42	44
Provision for loss on business restructuring	492	—
Provision for loss on support to subsidiaries and affiliates	400	440
Provision for environmental measures	17	17
Asset retirement obligations	402	411
Other	2,859	927
Total noncurrent liabilities	139,263	193,238
Total liabilities	299,481	333,836

(Millions of yen)

	Previous Fiscal Year (as of March 31, 2011)	Current Fiscal Year (as of March 31, 2012)
Net assets		
Shareholders' equity		
Capital stock	93,242	93,242
Capital surplus		
Legal capital surplus	86,062	86,062
Other capital surplus	1	1
Total capital surplus	86,063	86,063
Retained earnings		
Legal retained earnings	7,455	7,455
Other retained earnings		
Reserve for overseas investment loss	52	7,610
Reserve for special depreciation	1	1
Reserve for reduction entry	3,789	3,809
Reserve for exploration for minerals	2,537	2,358
General reserve	223,000	263,000
Retained earnings brought forward	63,968	49,082
Total retained earnings	300,802	333,315
Treasury stock	(21,788)	(21,845)
Total shareholders' equity	458,319	490,775
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	471	2,233
Deferred gains or losses on hedges	(411)	(579)
Total valuation and translation adjustments	60	1,654
Total net assets	458,379	492,429
Total liabilities and net assets	757,860	826,265

(2) Statements of Income

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Net sales		
Net sales of finished goods	670,911	645,962
Net sales of goods	57,349	77,485
Total net sales	728,260	723,447
Cost of sales		
Cost of finished goods sold		
Beginning finished goods	31,886	47,754
Cost of products manufactured	682,756	701,021
Total	714,642	748,775
Finished goods transfer to other account	93,151	157,517
Ending finished goods	47,754	36,281
Cost of finished goods sold	573,737	554,977
Cost of goods sold		
Beginning goods	605	1,932
Cost of purchased goods	86,849	107,713
Total	87,454	109,645
Goods transfer to other account	16,518	15,843
Ending goods	1,932	1,696
Cost of goods sold	69,004	92,106
Total cost of sales	642,741	647,083
Gross profit	85,519	76,364
Selling, general and administrative expenses		
Transportation and warehousing expenses	8,732	8,439
Salaries and allowances	6,245	6,548
Provision for bonuses	237	297
Provision for directors' bonuses	70	51
Retirement benefit expenses	794	755
Depreciation	596	643
Subcontract expenses	971	979
Research and development expenses	5,389	5,530
Survey costs for mines	2,058	3,062
Other	5,517	5,334
Total selling, general and administrative expenses	30,609	31,638
Operating income	54,910	44,726
Non-operating income		
Interest income	972	1,481
Dividends income	28,552	38,017
Other	858	997
Total non-operating income	30,382	40,495

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Non-operating expenses		
Interest expenses	1,989	2,636
Interest on bonds	142	355
Loss on valuation of derivatives	28	914
Foreign exchange losses	4,589	838
Out-of-cost amortization	10	18
Provision of allowance for doubtful accounts	—	992
Provision of allowance for investment loss	97	—
Maintenance expense of suspended or abandoned mines	462	497
Dismantlement cost	336	1,178
Other	927	1,019
Total non-operating expenses	8,580	8,447
Ordinary income	76,712	76,774
Extraordinary income		
Gain on sales of noncurrent assets	153	110
Gain on sales of investment securities	92	240
Reversal of provision for loss on disaster	—	218
Liquidation dividend of subsidiaries and affiliates	288	—
Total extraordinary income	533	568
Extraordinary loss		
Loss on sales of noncurrent assets	24	2
Loss on retirement of noncurrent assets	369	290
Impairment loss	63	6,159
Loss on valuation of investment securities	1,500	6,167
Loss on valuation of stocks of subsidiaries and affiliates	—	154
Provision for loss on business restructuring	—	357
Loss on support to subsidiaries and affiliates	500	600
Provision for loss on support to subsidiaries and affiliates	28	40
Provision for environmental measures	—	119
Loss on disaster	338	344
Loss on adjustment for changes of accounting standard for asset retirement obligations	295	—
Total extraordinary losses	3,117	14,232
Income before income taxes	74,128	63,110
Penalty collection of income taxes	19,671	7,716
Income taxes—deferred	(2,240)	2,649
Total income taxes	17,431	10,365
Net income	56,697	52,745

(3) Statements of Changes in Net Assets

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	93,242	93,242
Balance at the end of current period	93,242	93,242
Capital surplus		
Legal capital surplus		
Balance at the beginning of current period	86,062	86,062
Balance at the end of current period	86,062	86,062
Other capital surplus		
Balance at the beginning of current period	—	1
Changes of items during the period		
Disposal of treasury stock	1	0
Total changes of items during the period	1	0
Balance at the end of current period	1	1
Total capital surplus		
Balance at the beginning of current period	86,062	86,063
Changes of items during the period		
Disposal of treasury stock	1	0
Total changes of items during the period	1	0
Balance at the end of current period	86,063	86,063
Retained earnings		
Legal retained earnings		
Balance at the beginning of current period	7,455	7,455
Balance at the end of current period	7,455	7,455
Other retained earnings		
Various reserves		
Balance at the beginning of current period	215,538	229,379
Changes of items during the period		
Provision of various reserves	16,832	50,090
Reversal of various reserves	(2,991)	(2,691)
Total changes of items during the period	13,841	47,399
Balance at the end of current period	229,379	276,778
Retained earnings brought forward		
Balance at the beginning of current period	35,165	63,968
Changes of items during the period		
Provision of various reserves	(16,832)	(50,090)
Reversal of various reserves	2,991	2,691
Dividends from surplus	(14,053)	(20,232)
Net income	56,697	52,745
Disposal of treasury stock	—	—
Total changes of items during the period	28,803	(14,886)
Balance at the end of current period	63,968	49,082

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Total other retained earnings		
Balance at the beginning of current period	250,703	293,347
Changes of items during the period		
Provision of various reserves	—	—
Reversal of various reserves	—	—
Dividends from surplus	(14,053)	(20,232)
Net income	56,697	52,745
Disposal of treasury stock	—	—
Total changes of items during the period	42,644	32,513
Balance at the end of current period	293,347	325,860
Total retained earnings		
Balance at the beginning of current period	258,158	300,802
Changes of items during the period		
Provision of various reserves	—	—
Reversal of various reserves	—	—
Dividends from surplus	(14,053)	(20,232)
Net income	56,697	52,745
Disposal of treasury stock	—	—
Total changes of items during the period	42,644	32,513
Balance at the end of current period	300,802	333,315
Treasury stock		
Balance at the beginning of current period	(21,633)	(21,788)
Changes of items during the period		
Purchase of treasury stock	(160)	(66)
Disposal of treasury stock	5	9
Total changes of items during the period	(155)	(57)
Balance at the end of current period	(21,788)	(21,845)
Total shareholders' equity		
Balance at the beginning of current period	415,829	458,319
Changes of items during the period		
Provision of various reserves	—	—
Reversal of various reserves	—	—
Dividends from surplus	(14,053)	(20,232)
Net income	56,697	52,745
Purchase of treasury stock	(160)	(66)
Disposal of treasury stock	6	9
Total changes of items during the period	42,490	32,456
Balance at the end of current period	458,319	490,775

(Millions of yen)

	Previous Fiscal Year (from April 1, 2010, to March 31, 2011)	Current Fiscal Year (from April 1, 2011, to March 31, 2012)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	5,201	471
Changes of items during the period		
Net changes of items other than shareholders' equity	(4,730)	1,762
Total changes of items during the period	(4,730)	1,762
Balance at the end of current period	471	2,233
Deferred gains or losses on hedges		
Balance at the beginning of current period	(200)	(411)
Changes of items during the period		
Net changes of items other than shareholders' equity	(211)	(168)
Total changes of items during the period	(211)	(168)
Balance at the end of current period	(411)	(579)
Total valuation and translation adjustments		
Balance at the beginning of current period	5,001	60
Changes of items during the period		
Net changes of items other than shareholders' equity	(4,941)	1,594
Total changes of items during the period	(4,941)	1,594
Balance at the end of current period	60	1,654
Total net assets		
Balance at the beginning of current period	420,830	458,379
Changes of items during the period		
Provision of various reserves	—	—
Reversal of various reserves	—	—
Dividends from surplus	(14,053)	(20,232)
Net income	56,697	52,745
Purchase of treasury stock	(160)	(66)
Disposal of treasury stock	6	9
Net changes of items other than shareholders' equity	(4,941)	1,594
Total changes of items during the period	37,549	34,050
Balance at the end of current period	458,379	492,429

[Note in the Margin of the Statements of Changes in Net Assets]
Note: The breakdown of “Various reserves” is as follows:

	Balance at April 1, 2010	Provision	Reversal	Total changes during the fiscal year	Balance at March 31, 2011
Reserve for overseas investment loss	732	—	(680)	(680)	52
Reserve for special depreciation	2	—	(1)	(1)	1
Reserve for reduction entry	4,129	72	(412)	(340)	3,789
Reserve for exploration for minerals	2,675	1,760	(1,898)	(138)	2,537
General reserve	208,000	15,000	—	15,000	223,000
Total various reserves (Millions of yen)	215,538	16,832	(2,991)	13,841	229,379

	Balance at April 1, 2011	Provision	Reversal	Total changes during the fiscal year	Balance at March 31, 2012
Reserve for overseas investment loss	52	7,575	(17)	7,558	7,610
Reserve for special depreciation	1	0	0	0	1
Reserve for reduction entry	3,789	307	(287)	20	3,809
Reserve for exploration for minerals	2,537	2,208	(2,387)	(179)	2,358
General reserve	223,000	40,000	—	40,000	263,000
Total various reserves (Millions of yen)	229,379	50,090	(2,691)	47,399	276,778

(4) Note Relating to the “Going Concern” Assumption
There are no pertinent items.

6. Others

(1) Overseas Market Prices, Foreign Exchange Rates, Sales and Production

(i) Overseas market prices and foreign exchange rates

		A	B	B-A	C	C-B
	Unit	Previous Fiscal Year (Fiscal 2010)	Current Fiscal Year (Fiscal 2011)	Increase (Decrease)	Projections for the Next Fiscal Year (Fiscal 2012)	Increase/ Decrease
Copper	$/t	8,140	8,485	345	8,500	15
Gold	$/TOZ	1,293.8	1,645.7	351.9	1,650.0	4.3
Nickel	$/lb	10.68	9.56	-1.12	8.00	-1.56
Zinc	$/t	2,187	2,101	-86	2,000	-101
Exchange rate (TTM)	¥/$	85.73	79.08	-6.65	80.00	-0.92

(ii) Sales volume, unit price and net sales for major products (the Company)

			A	B	B – A
Segment	Product	Unit	Previous Fiscal Year (Fiscal 2010)	Current Fiscal Year (Fiscal 2011)	Increase/Decrease
Mineral Resources	Gold and silver ores	t	135,030	128,682	-6,348
		¥1,000/DMT	183	230	47
		¥Million	24,720	29,590	4,870
	(Gold content)	(kg)	(7,500)	(7,500)	(-)
Smelting & Refining	Copper	t	411,009	390,265	-20,744
		¥1,000/t	699	685	-14
		¥Million	287,249	267,380	-19,869
	Gold	kg	45,863	39,884	-5,979
		¥/g	3,559	4,191	632
		¥Million	163,245	167,173	3,928
	Silver	kg	258,917	226,523	-32,394
		¥1,000/kg	66	90	24
		¥Million	16,972	20,471	3,499
	Nickel	t	63,293	65,117	1,824
		¥1,000/t	2,033	1,785	-248
		¥Million	128,702	116,225	-12,477
	Zinc	t	22,013	25,422	3,409
		¥1,000/t	198	171	-27
		¥Million	4,360	4,349	-11
	(Including commissioned zinc)	(t)	(94,281)	(96,364)	(2,083)
Materials	Semiconductor materials and advanced materials	¥Million	135,978	114,407	-21,571

Notes:

1. The Company mainly engages in project production for these major products because the ratio of build-to-order production is low.
2. Nickel above includes ferronickel.

(iii) Output by product (the Company)

Product	Unit	Previous Fiscal Year (Fiscal 2010)	Current Fiscal Year (Fiscal 2011)	Increase/Decrease
Copper	t	404,124	333,308	-70,816
Gold	kg	39,252	31,989	-7,263
Electrolytic nickel	t	41,322	41,117	-205
Ferronickel	t	18,701	20,372	1,671
Zinc	t	72,268	70,942	-1,326
Gold and silver ore	t	135,629	131,985	-3,644
(Gold content)	(kg)	(7,738)	(7,833)	(95)
Zinc (Commissioning portion)	t	19,842	23,578	3,736

Notes:

1. Output includes the portions of commissioning and/or commissioned production.
2. The Commissioning portion of zinc is separately presented from “Zinc” as shown in the above table.

Transfer of Corporate Officers

1. Nominee for new Representative Director
   Yoshiaki Nakazato (current positions: Director, Managing Executive Officer and General Manager of Advanced Materials Div.)

2. Nominees for new Directors
   Yukio Kawaguchi (current positions: Managing Executive Officer and General Manager of Mineral Resources Div.)
   Naoyuki Tsuchida (current positions: Managing Executive Officer and General Manager of Taganito Project Div.)
   Mikinobu Ogata (current positions: Executive Officer, Senior Deputy General Manager of Non-Ferrous Metals Div. and General Manager of Metal By-Products Sales Dept., Non-Ferrous Metals Div.)
   Hajime Sato (current position: General Manager of Public Relations & Investor Relations Dept.)

3. Retiring Directors

Currently Representative Director	Ichiro Abe (Positions to be assumed: Adviser of the Company and General Manager of Sierra Golda Project Div.)
Currently Representative Director	Masashi Koike (Position to be assumed: Adviser of the Company)
Currently Director	Kozo Baba (Position to be assumed: Adviser of the Company)
Currently Director	Takashi Ito (Positions to be assumed: Managing Executive Officer and General Manager of PR&IR Dept. of the Company)

4. Nominees for new Corporate Auditors

Corporate Auditor (Standing)	Kazuo Nakashige (current position: General Manager of Internal Audit Dept.)
Outside Corporate Auditor	Shigeru Nozaki (current positions: Adviser to Mitsubishi Corporation and Director of the Economic Research, Institute for Northeast Asia)

5. Retiring Corporate Auditor

Currently Outside Corporate Auditor	Takayuki Kurata

6. New Executive Officers

Executive Officer	Toru Nakasatomi (current positions: Qualified Executive, Executive Vice President and Representative Director of MITSUI SUMITOMO METAL MINING BRASS & COPPER CO., LTD.)
Executive Officer	Isao Okada (current position: General Manager of Administration & Marketing Dept., Energy, Catalysts & Construction Materials Div.)
Executive Officer	Takashi Sugiura (current position: Deputy General Manager of Safety and Environment Control Dept.)
Executive Officer	Hajime Sato (current position: General Manager of Public Relations & Investors Relations Dept.)
Executive Officer	Hirohisa Oda (current position: Executive Vice President of Taganito HPAL Nickel Corporation)
Executive Officer	Hiroki Kadoya (current position: General Manager of Battery Materials Dept., Advanced Materials Div.)
Executive Officer	Hiroyuki Asai (current position: General Manager of Personnel Dept.)

7. Retiring Executive Officers

Currently Executive Vice President	Ichiro Abe (Positions to be assumed: Adviser of the Company and General Manager of Sierra Golda Project Div.)
Currently Senior Managing Executive Officer	Masashi Koike (Position to be assumed: Adviser of the Company)
Currently Senior Managing Executive Officer	Yoshiaki Hashinaka (Position to be assumed: Adviser of the Company)
Currently Senior Managing Executive Officer	Kouzou Baba (Position to be assumed: Adviser of the Company)
Currently Managing Executive Officer	Takahito Kusada (Position to be assumed: Adviser of the Company)

Currently Executive Officer	Shigeru Takeuchi (Positions to be assumed: Adviser of the Company, Executive Vice President and Representative Director of N.E. CHEMCAT Corporation)

8. Executive Officers to be Promoted

Senior Managing Executive Officer	Yukio Kawaguchi (current position: Managing Executive Officer)
Senior Managing Executive Officer	Yoshiaki Nakazato (current position: Managing Executive Officer)
Senior Managing Executive Officer	Takeshi Kubota (current position: Managing Executive Officer)
Managing Executive Officer	Takashi Ito (current position: Executive Officer)
Managing Executive Officer	Yasushi Hashimoto (current position: Executive Officer)
Managing Executive Officer	Ryoichi Manabe (current position: Executive Officer)
Managing Executive Officer	Mikinobu Ogata (current position: Executive Officer)

9. Qualified Executive to be designated
   Isao Okada
   Takashi Sugiura
   Hajime Sato
   Hirohisa Oda
   Hiroki Kadoya
   Hiroyuki Asai

10. Retiring Qualified Executive
    Ichiro Abe
    Masashi Koike
    Yoshiaki Hashinaka
    Kozo Baba
    Takahito Kusada
    Shigeru Takeuchi

Note: The Senior Deputy General Manager is the Company's internal position that will be designated as Executive Officer or President of the Company or significant subsidiaries.

To be determined as of June 25, 2012 (scheduled)