

# **Supplementary Explanation for Financial Summary**

## **2nd Quarter FY2015**

**November 10th, 2015**



**SUMITOMO METAL MINING CO., LTD.**

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## Comparison

### FY2015/1H Result vs FY2014/1H Result / FY2015/1H Forecast in Aug.

JPY100M

	15/1H ①Result	14/1H ②Result	Diff. ①-②	③ 15/1H Forecast in Aug.	Diff. ①-③
Net sales	4,592	4,455	+137	4,650	-58
Operating income	515	553	-38	520	-5
Recurring profit	646	799	-153	640	+6
Net income	538	555	-17	450	+88
(Inventory evaluation P&L)	-49	+9	-58	-42	-7
(Exchange gain & loss)	+5	+72	-67	+3	+2
Cu ( \$ /t)	5,653	6,890	-1,237	5,927	-274
Ni ( \$ /lb)	5.35	8.40	-3.05	5.71	-0.36
Au ( \$ /oz)	1,159	1,286	-127	1,181	-22
Exchange ( ¥ / \$)	121.80	103.05	+18.75	120.69	+1.11

	15/9E	15/6E	15/3E	14/12E	14/9E
Exchange (¥/\$)	119.92	122.44	120.15	120.56	109.45

#### 【Diff of FY2015/1H Result vs FY2014/1H Result ①-②】

Recurring Profit -153

Metal Price/ Exchange -258 (Metal Price -337, Exchange +134, Inventory evaluation -55)、

Exchange gain & loss -67, Quantity +87, Cost@ +8, Material Business -43, Unrealized Profit +92, etc.

#### 【Diff of FY2015/1H Result vs Forecast in Aug. ①-③】

Recurring Profit +6

### New and Old Forecast of FY2015 (in Nov. vs in May) / 1H Result vs 2H Forecast

JPY 100M

	15/1H ①Result	15/2H ②Forecast in Nov.	FY2015 ③Forecast in Nov.	FY2015 ④Forecast in May	Diff. ③-④	Diff. ②-①
Net sales	4,592	4,058	8,650	9,500	-850	-534
Operating income	515	225	740	1,180	-440	-290
Recurring profit	646	204	850	1,480	-630	-442
Net income	538	142	680	1,040	-360	-396
(Inventory evaluation P&L)	-49	-55	-104	-66	-38	-6
(Exchange gain & loss)	+5	0	+5	0	+5	-5
Cu ( \$ /t)	5,653	5,200	5,427	6,000	-573	-453
Ni ( \$ /lb)	5.35	4.50	4.92	6.50	-1.58	-0.85
Au ( \$ /oz)	1,159	1,100	1,129	1,150	-21	-59
Exchange ( ¥ / \$)	121.80	120.00	120.94	120.00	+0.94	-1.80

#### 【Diff of FY2015 Forecast in Nov. vs Forecast in May ③-④】

Recurring Profit -630

Metal Price/ Exchange -500 (Metal Price -474, Inventory evaluation -38, Exchange +12)

Quantity -45, Sierra Gorda -110, Material Business -60, Unrealized Profit +33, etc.

#### 【Diff. of FY2015 2H Forecast vs 1H Result ②-①】

Recurring Profit -442

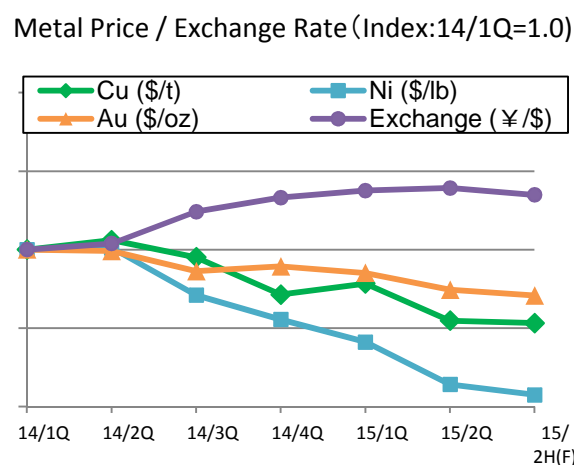
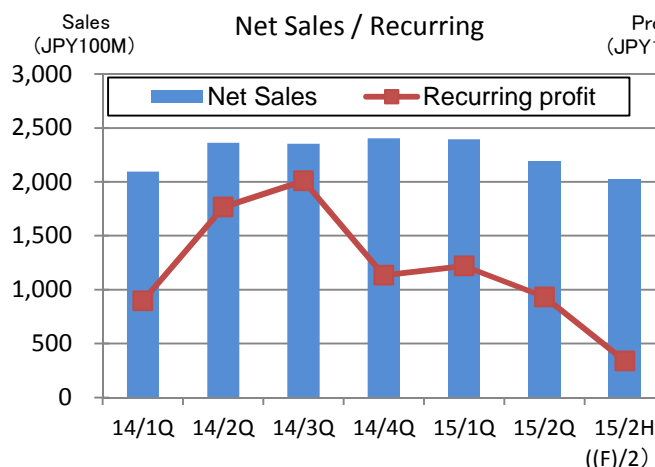
Metal Price/ Exchange -280, Inventory evaluation -38, Sierra Gorda -90, Unrealized Profit -33, etc.

# Quarterly Financial Results

JPY100M

	FY2012					FY2013				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net sales	2,046	1,939	1,878	2,222	8,085	2,105	2,055	1,957	2,188	8,305
Operating income	205	192	209	352	958	202	205	157	190	754
Recurring profit	211	181	318	440	1,150	315	250	302	277	1,144
Net income	170	102	284	310	866	233	167	210	193	803
Cu (\$/t)	7,867	7,716	7,909	7,927	7,855	7,146	7,079	7,153	7,038	7,104
Ni (\$/lb)	7.78	7.41	7.70	7.85	7.69	6.78	6.32	6.31	6.64	6.51
Au (\$/oz)	1,610	1,654	1,719	1,631	1,654	1,415	1,327	1,271	1,293	1,327
Exchange (¥/\$)	80.21	78.64	81.18	92.43	83.11	98.76	98.95	100.45	102.78	100.24
<b>Inventory impairment</b>										
(Smelting) Impairment	-14	+14	-1	+1	0	-36	+35	+1	-2	-2
(Smelting) QP Diff etc.	-23	-17	+31	+113	+104	+4	-35	-6	+10	-27
(Smelting) Total	-37	-3	+30	+114	+104	-32	0	-5	+8	-29
(Materials & others)	+3	+5	+9	-7	+10	-3	+2	-2	+1	-2
<b>② Total</b>	<b>-34</b>	<b>+2</b>	<b>+39</b>	<b>+107</b>	<b>+114</b>	<b>-35</b>	<b>+2</b>	<b>-7</b>	<b>+9</b>	<b>-31</b>
① - ②	245	179	279	333	1,036	350	248	309	268	1,175

	FY2014					FY2015				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	1H Result	2H(F)	Total (F)
Net sales	2,094	2,361	2,354	2,404	9,213	2,396	2,196	4,592	4,058	8,650
Operating income	208	345	385	320	1,258	261	254	515	225	740
Recurring profit	269	530	603	340	1,742	366	280	646	204	850
Net income	185	370	406	△ 50	911	263	275	538	142	680
Cu (\$/t)	6,787	6,993	6,621	5,815	6,554	6,054	5,252	5,653	5,200	5,427
Ni (\$/lb)	8.37	8.42	7.16	6.51	7.62	5.91	4.78	5.35	4.50	4.92
Au (\$/oz)	1,289	1,283	1,200	1,220	1,248	1,193	1,124	1,159	1,100	1,129
Exchange (¥/\$)	102.16	104.16	114.54	119.10	109.93	121.37	122.24	121.80	120.00	120.94
<b>Inventory impairment</b>										
(Smelting) Impairment	-1	-1	+2	-4	-4	+4	-21	-17	+20	+3
(Smelting) QP Diff etc.	-8	+18	+68	+5	+83	-7	-23	-30	-77	-107
(Smelting) Total	-9	+17	+70	+1	+79	-3	-44	-47	-57	-104
(Materials & others)	+1	0	+3	-6	-2	+1	-3	-2	0	-2
<b>② Total</b>	<b>-8</b>	<b>+17</b>	<b>+73</b>	<b>-5</b>	<b>+77</b>	<b>-2</b>	<b>-47</b>	<b>-49</b>	<b>-57</b>	<b>-106</b>
① - ②	277	513	530	345	1,665	368	327	695	261	956



## Operating income / Segment Profit

(JPY100M)

		FY2013					FY2014					FY2015			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q+4Q(F)	Total(F)
Operating income	Mineral Resources	142	111	95	104	452	91	116	108	117	432	98	117	155	370
	Smelting & Refining	59	107	68	72	306	109	205	229	175	718	182	89	69	340
	Materials	22	29	30	27	108	24	24	23	11	82	10	9	21	40
	Others	5	-2	6	8	17	1	-1	5	5	10	2	1	-3	0
Diff. Adjustment		-26	-40	-42	-21	-129	-17	1	20	12	16	-31	38	-17	-10
<b>Operating income Total</b>		<b>202</b>	<b>205</b>	<b>157</b>	<b>190</b>	<b>754</b>	<b>208</b>	<b>345</b>	<b>385</b>	<b>320</b>	<b>1,258</b>	<b>261</b>	<b>254</b>	<b>225</b>	<b>740</b>

		Result					2015 (F)
		2010	2011	2012	2013	2014	
Operating income	Mineral Resources	432	528	490	452	432	370
	Smelting & Refining	569	480	479	306	718	340
	Materials	78	10	45	108	82	40
	Others	10	14	16	17	10	0
Diff. Adjustment		-127	-146	-72	-129	16	-10
<b>Operating income Total</b>		<b>962</b>	<b>886</b>	<b>958</b>	<b>754</b>	<b>1,258</b>	<b>740</b>

In this page, Operating income of segments of FY2010-FY2013 (shown in *italic letter*) shows "Operating income before allocation".

FY2014 and FY2015, "Operating income" shows "Operating income (after allocation)".

		FY2013					FY2014					FY2015			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q+4Q(F)	Total(F)
Segment Profit	Mineral Resources	192	152	155	192	691	132	167	131	108	538	127	133	70	330
	Smelting & Refining	59	97	68	67	291	112	230	271	200	813	196	112	82	390
	Materials	19	36	29	27	111	35	41	36	17	129	19	14	37	70
	Others	5	-2	5	8	16	1	-2	3	-3	-1	1	-1	-10	-10
Diff. Adjustment		40	-33	45	-17	35	-11	94	162	18	263	23	22	25	70
<b>Recurring Profit Total</b>		<b>315</b>	<b>250</b>	<b>302</b>	<b>277</b>	<b>1,144</b>	<b>269</b>	<b>530</b>	<b>603</b>	<b>340</b>	<b>1,742</b>	<b>366</b>	<b>280</b>	<b>204</b>	<b>850</b>

## Equity in earnings of affiliated companies

(JPY100M)

		FY2013					FY2014					FY2015			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q+4Q(F)	Total(F)
Cu	Cerro Verde	29	19	37	37	122	20	29	16	13	78	12	-3	11	20
	Candelaria/Ojos	21	9	29	47	106	22	19	6	7	54	20	14	-4	30
	Sierra Gorda														
	Acids/Jinlong/MSMMBC	2	-6	2	4	2	-2	2	7	4	11	4	5	11	20
	<b>Total</b>	<b>52</b>	<b>22</b>	<b>68</b>	<b>88</b>	<b>230</b>	<b>40</b>	<b>50</b>	<b>29</b>	<b>-15</b>	<b>104</b>	<b>36</b>	<b>16</b>	<b>-72</b>	<b>-20</b>
Ni	PT Vale Indonesia/Figesbal/NAC	5	6	8	3	22	7	27	44	21	99	10	13	7	30
NECC/NK/MSZ/SHCP/others		9	15	9	13	46	8	11	12	5	36	8	5	7	20
<b>Total</b>		<b>66</b>	<b>43</b>	<b>85</b>	<b>104</b>	<b>298</b>	<b>55</b>	<b>88</b>	<b>85</b>	<b>11</b>	<b>239</b>	<b>54</b>	<b>34</b>	<b>-58</b>	<b>30</b>

		Result					2015 (F)	
		2010	2011	2012	2013	2014		
Cu	Cerro Verde	182	179	124	122	78	20	
	Candelaria/Ojos	100	118	61	106	54	30	
	Sierra Gorda						-39	-90
	Acids/Jinlong/MSMMBC	12	4	-1	2	11	20	
	<b>Total</b>	<b>294</b>	<b>301</b>	<b>184</b>	<b>230</b>	<b>104</b>	<b>-20</b>	
Ni	PT Vale Indonesia	74	55	10				
	Figesbal/NAC/VNC	-51	-142	-48	22	99	30	
	<b>Total</b>	<b>23</b>	<b>-87</b>	<b>-38</b>				
NECC/NK/MSZ/SHCP/others		31	18	25	46	36	20	
<b>Total</b>		<b>348</b>	<b>232</b>	<b>171</b>	<b>298</b>	<b>239</b>	<b>30</b>	

## Metal price and Exchange rate

	Copper (\$/t)			Copper (¢/lb)			Nickel (\$/lb)		
	FY2013	FY2014	FY2015	FY2013	FY2014	FY2015	FY2013	FY2014	FY2015
Apr	7,203	6,671	6,028	327	303	273	7.09	7.88	5.80
May	7,229	6,884	6,301	328	312	286	6.78	8.82	6.13
Jun	7,004	6,806	5,834	318	309	265	6.47	8.42	5.80
<b>Average</b>	<b>7,146</b>	<b>6,787</b>	<b>6,054</b>	<b>324</b>	<b>308</b>	<b>275</b>	<b>6.78</b>	<b>8.37</b>	<b>5.91</b>
Jul	6,893	7,105	5,457	313	322	248	6.22	8.64	5.16
Aug	7,182	7,001	5,089	326	318	231	6.48	8.43	4.69
Sep	7,162	6,872	5,209	325	312	236	6.25	8.20	4.49
<b>Average</b>	<b>7,079</b>	<b>6,993</b>	<b>5,252</b>	<b>321</b>	<b>317</b>	<b>238</b>	<b>6.32</b>	<b>8.42</b>	<b>4.78</b>
Oct	7,189	6,739		326	306		6.38	7.15	
Nov	7,066	6,701		321	304		6.23	7.12	
Dec	7,203	6,423		327	291		6.31	7.22	
<b>Average</b>	<b>7,153</b>	<b>6,621</b>		<b>324</b>	<b>300</b>		<b>6.31</b>	<b>7.16</b>	
Jan	7,295	5,816		331	264		6.39	6.70	
Feb	7,152	5,702		324	259		6.44	6.59	
Mar	6,668	5,926		302	269		7.10	6.23	
<b>Average</b>	<b>7,038</b>	<b>5,815</b>		<b>319</b>	<b>264</b>		<b>6.64</b>	<b>6.51</b>	
<b>FY average</b>	<b>7,104</b>	<b>6,554</b>	<b>5,653</b>	<b>322</b>	<b>297</b>	<b>256</b>	<b>6.51</b>	<b>7.62</b>	<b>5.35</b>
<b>Jan-Dec average</b>	<b>7,326</b>	<b>6,860</b>	<b>5,707</b>	<b>332</b>	<b>311</b>	<b>259</b>	<b>6.82</b>	<b>7.65</b>	<b>5.73</b>
Oct-Mar (FCST in Nov)			<b>5,200</b>			<b>236</b>			<b>4.50</b>
FY2015 (FCST in Nov.)			<b>5,427</b>			<b>246</b>			<b>4.92</b>
FY2015 (FCST in May)			<b>6,000</b>			<b>272</b>			<b>6.50</b>

	Gold (\$/oz)			Zinc (\$/t)			Exchange (¥/US\$)		
	FY2013	FY2014	FY2015	FY2013	FY2014	FY2015	FY2013	FY2014	FY2015
Apr	1,486	1,299	1,198	1,852	2,030	2,206	97.73	102.58	119.58
May	1,415	1,288	1,198	1,829	2,060	2,289	101.10	101.83	120.76
Jun	1,343	1,279	1,182	1,839	2,126	2,087	97.46	102.08	123.77
<b>Average</b>	<b>1,415</b>	<b>1,289</b>	<b>1,193</b>	<b>1,840</b>	<b>2,072</b>	<b>2,194</b>	<b>98.76</b>	<b>102.16</b>	<b>121.37</b>
Jul	1,286	1,312	1,131	1,835	2,310	2,001	99.77	101.73	123.26
Aug	1,346	1,297	1,118	1,894	2,329	1,809	97.85	102.97	123.21
Sep	1,349	1,240	1,125	1,848	2,293	1,718	99.22	107.78	120.24
<b>Average</b>	<b>1,327</b>	<b>1,283</b>	<b>1,124</b>	<b>1,859</b>	<b>2,311</b>	<b>1,843</b>	<b>98.95</b>	<b>104.16</b>	<b>122.24</b>
Oct	1,315	1,223		1,882	2,272		97.86	108.00	
Nov	1,277	1,176		1,868	2,259		100.02	116.22	
Dec	1,224	1,201		1,974	2,171		103.48	119.41	
<b>Average</b>	<b>1,271</b>	<b>1,200</b>		<b>1,908</b>	<b>2,234</b>		<b>100.45</b>	<b>114.54</b>	
Jan	1,244	1,251		2,038	2,110		103.93	118.33	
Feb	1,300	1,229		2,035	2,102		102.15	118.59	
Mar	1,366	1,180		2,014	2,028		102.27	120.37	
<b>Average</b>	<b>1,293</b>	<b>1,220</b>		<b>2,029</b>	<b>2,080</b>		<b>102.78</b>	<b>119.10</b>	
<b>FY average</b>	<b>1,327</b>	<b>1,248</b>	<b>1,159</b>	<b>1,909</b>	<b>2,174</b>	<b>2,018</b>	<b>100.24</b>	<b>109.93</b>	<b>121.80</b>
<b>Jan-Dec average</b>	<b>1,411</b>	<b>1,266</b>	<b>1,179</b>	<b>1,910</b>	<b>2,162</b>	<b>2,039</b>	<b>97.65</b>	<b>105.91</b>	<b>120.90</b>
Oct-Mar (FCST in Nov)			<b>1,100</b>			<b>1,800</b>			<b>120.90</b>
FY2015 (FCST in Nov.)			<b>1,129</b>			<b>1,909</b>			<b>120.00</b>
FY2015 (FCST in May)			<b>1,150</b>			<b>2,000</b>			<b>120.00</b>

LME Price		15/1Q		15/2Q		15/2H(F)
E-Ni applied	Mar-May	6.05	Jun-Aug	5.21	Sep-Feb	4.50
Fe-Ni applied	Jan-Mar	6.51	Apr-Jun	5.91	Jul-Dec	4.64

Exchange		15/1Q		15/2Q		15/2H(F)
E-Ni applied	Mar-May	120.24	Jun-Aug	123.41	Sep-Feb	120.04
Fe-Ni applied	Jan-Mar	119.10	Apr-Jun	121.37	Jul-Dec	121.12

## Comparison

(2015/1H Result vs 2014/1H Result)

JPY100M

Operating income				Segment Profit			
	15/1H ①	14/1H ②	Diff. ①-②		15/1H ③	14/1H ④	Diff. ③-④
Mineral Resources	215	207	+8	Mineral Resources	260	299	-39
Smelting & Refining	271	314	-43	Smelting & Refining	308	342	-34
Materials	19	48	-29	Materials	33	76	-43
Others	3	0	+3	Others	0	-1	+1
Diff. Adjustment	7	-16	+23	Diff. Adjustment	45	83	-38
<b>Op. income Total</b>	<b>515</b>	<b>553</b>	<b>-38</b>	<b>Recurring Profit</b>	<b>646</b>	<b>799</b>	<b>-153</b>

Op.income of FY2014 shows "Operating income (after allocation)."

### <<Explanation of Diff.>>

#### 1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	+42	+29	-17	+29	+3	-2
Pogo (Au)	-26	-6	-11	+4	-15	+2
Morenci/NP (Cu)	-9					
Others	+1					
<b>Op. income Total</b>	<b>+8</b>					

Au Sales (t)	15/1H	14/1H	Diff.
Hishikari	4.1	3.4	+0.7
Pogo(100%)	4.5	5.0	-0.5

#### 2. Smelting & Refining

JPY100M

	Diff.	Quantity	Price	Cost@	Inventory	Others
Copper	+40	+3	+14	+6	-6	+23
Nickel	-84	+41	-210	+13	-48	+120
Zinc/Lead	-5				-1	-4
Others	+6					+6
<b>Op. income Total</b>	<b>-43</b>	<b>+44</b>	<b>-196</b>	<b>+19</b>	<b>-55</b>	<b>+145</b>

\*Inventory evaluation P&L

	Total	Cu	Ni	Zn
15/1H	-47	-19	-26	-2
14/1H	+8	-13	+22	-1

## Comparison

(2015/1H Result vs 2014/1H Result)

### 3. Materials

【Net Sales, by products】

JPY100M

	15/1H ①	14/1H ②	Diff. ①-②
Advanced Materials Film materials/Crystals/Battery/Magnet/Ink/Rare metals/Recycle	378	343	35
Semiconductor Materials Leadframes/CuPI/Alloy/PWB/Connector	339	354	△ 15
Energy, Catalysts, Construction materials, Others	166	157	9
<b>Total</b>	<b>883</b>	<b>854</b>	<b>29</b>

### Equity in earnings of affiliated companies

JPY100M

		15/1H ①	14/1H ②	Diff. ①-②
Cu	Cerro Verde	9	49	-40
	Candelaria/Ojos	34	41	-7
	Sierra Gorda			
	Acids/Jinlong/MSMMBC	9	0	+9
	<b>Total</b>	<b>52</b>	<b>90</b>	<b>-38</b>
Ni	PT Vale Indonesia/Figesbal/NAC	23	34	-11
	NECC/NK/MSZ/SHCP/others	13	19	-6
	<b>Total</b>	<b>88</b>	<b>143</b>	<b>-55</b>
Segment	Mineral Resources	43	89	-46
	Smelting & Refining	33	34	-1
	Materials/Others	12	20	-8
	<b>Total</b>	<b>88</b>	<b>143</b>	<b>-55</b>

## Comparison

(FY2015 Forecast in Nov. vs Forecast in May.)

JPY100M

Operating income				Segment Profit			
	FCST in Nov.	FCST in May	Diff.		FCST in Nov.	FCST in May	Diff.
	①	②	①-②		③	④	③-④
Mineral Resources	370	510	-140	Mineral Resources	330	650	-320
Smelting & Refining	340	600	-260	Smelting & Refining	390	680	-290
Materials	40	90	-50	Materials	70	130	-60
Others	0	10	-10	Others	-10	0	-10
Diff. Adjustment	-10	-30	+20	Diff. Adjustment	70	20	+50
<b>Op. income Total</b>	<b>740</b>	<b>1,180</b>	<b>-440</b>	<b>Recurring Profit</b>	<b>850</b>	<b>1,480</b>	<b>-630</b>

Op.income FCST in May shows "Operating income (after allocation)."

### <<Explanation of Diff.>>

#### 1. Mineral Resources

JPY100M

	Diff.	Quantity	Price	Exchange	Cost@	Others
Hishikari (Au)	-5	-1	-5	+4	0	-3
Pogo (Au)	-42	-19	-2	0	-28	+7
Morenci/NP (Cu)	-92					
Others	-1					
<b>Op. income Total</b>	<b>-140</b>					

Au Sales (t)	FCST in Nov.	FCST in May	Diff.
Hishikari	7.5	7.5	0.0
Pogo(100%)	9.3	10.8	-1.5

#### 2. Smelting & Refining

JPY100M

	Diff.	Quantity	Price	Cost@	Inventory	Others
Copper	+5	+3	-10	+2	-9	+19
Nickel	-263	-12	-275	+24	-29	+29
Zinc/Lead	-5				0	-5
Others	+3					+3
<b>Op. income Total</b>	<b>-260</b>	<b>-9</b>	<b>-285</b>	<b>+26</b>	<b>-38</b>	<b>+46</b>

•Inventory evaluation P&L

JPY100M

	Total	Cu	Ni	Zn
FCST in Nov.	-104	-59	-45	0
FCST in May	-66	-50	-16	0



## Comparison

(FY2015 Forecast in Nov. vs Forecast in May.)

### 3. Materials

【Net Sales, by products】

JPY100M

	FCST in Nov. ①	FCST in May ②	Diff. ①-②
Advanced Materials Film materials/Crystals/Battery/Magnet/Ink/Alloy/Recycle	790	900	-110
Semiconductor Materials Leadframes/CuPI/PWB/Connector	640	710	-70
Energy, Catalysts, Construction materials, Others	320	350	-30
<b>Total</b>	<b>1,750</b>	<b>1,960</b>	<b>-210</b>

## Equity in earnings of affiliated companies

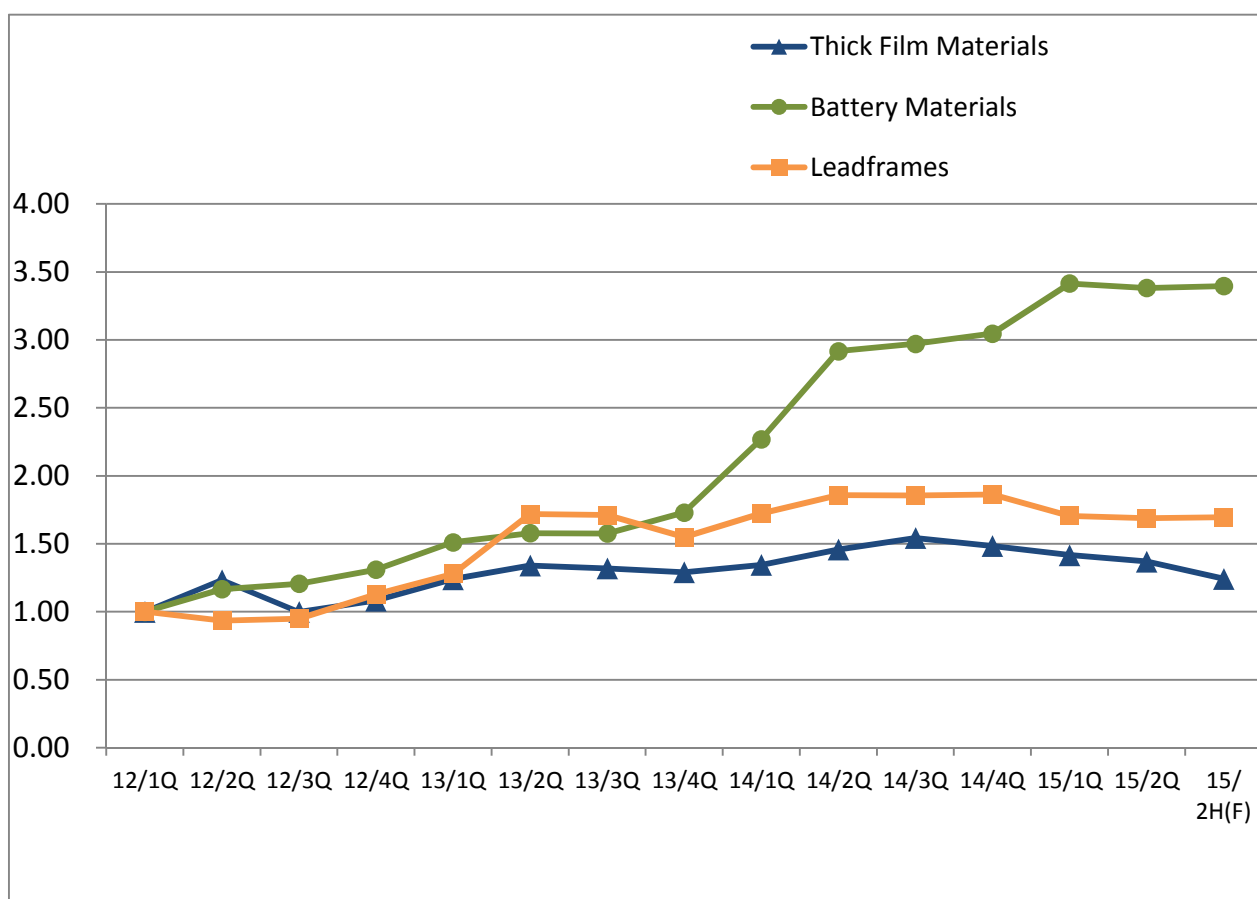
JPY100M

		FCST in Nov. ①	FCST in May ②	Diff. ①-②
Cu	Cerro Verde	20	70	-50
	Candelaria/Ojos	30	50	-20
	Sierra Gorda	-90	20	-110
	Acids/Jinlong/MSMMBC	20	20	0
	<b>Total</b>	<b>-20</b>	<b>160</b>	<b>-180</b>
Ni	PT Vale Indonesia/Figesbal/NAC	30	80	-50
	NECC/NK/MSZ/SHCP/others	20	30	-10
<b>Total</b>		<b>30</b>	<b>270</b>	<b>-240</b>
Segment	Mineral Resources	-40	140	-180
	Smelting & Refining	50	100	-50
	Materials/Others	20	30	-10
<b>Total</b>		<b>30</b>	<b>270</b>	<b>-240</b>

# Sales trend of Semiconductor Materials and Advanced Materials

(Index FY2012/1Q=1.00)

	FY2012				FY2013				FY2014				FY2015		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	2H (F)
Thick Film Materials	1.00	1.23	1.00	1.08	1.24	1.34	1.32	1.29	1.34	1.46	1.54	1.48	1.42	1.37	1.24
Battery Materials	1.00	1.17	1.21	1.31	1.51	1.58	1.58	1.73	2.27	2.92	2.97	3.05	3.41	3.38	3.40
Leadframes	1.00	0.94	0.95	1.13	1.28	1.72	1.71	1.55	1.72	1.86	1.86	1.86	1.71	1.69	1.69



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

(in 100%)

		FY2013					FY2014					FY2015								
		Result					Result					Result		Forecast		Plan in May	Diff.			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	2H	① Total	② Total	①-②			
<b>【Gold Mine】 (t)</b>																				
Hishikari	Production	1.7	1.9	1.4	1.9	6.9	1.4	2.0	1.5	2.0	6.9	2.0	2.2	3.3	7.5	7.5	0.0			
	Sales	1.9	1.7	1.5	1.9	7.0	1.6	1.8	1.5	1.6	6.5	2.2	1.9	3.4	7.5	7.5	0.0			
Pogo	Production	2.7	2.9	2.4	2.5	10.5	2.5	2.6	2.9	2.6	10.6	2.1	2.1	5.1	9.3	10.8	-1.5			
	Sales	2.6	2.9	2.4	2.6	10.5	2.2	2.8	2.8	2.6	10.4	2.5	2.0	4.8	9.3	10.8	-1.5			
<b>【Copper Mine】 (kt)</b>																				
Morenci	Production	74	77	73	82	306	79	82	96	110	367	109	119	260	488	486	2			
	Sales	78	79	54	87	298	84	81	88	114	367	84	143	273	500	492	8			
Cerro Verde	Production	55	62	66	69	252	61	56	53	57	227	49	47	145	241	278	-37			
	Sales	54	63	66	71	254	56	62	54	55	227	50	44	147	241	276	-35			
Sierra Gorda	Production	/					/					1	10	11	18	22	60	100	123	-23
	Sales											0	7	7	19	15	64	98	120	-22
La Candelaria	Production	33	31	48	56	168	34	31	30	40	135	42	39	68	149	145	4			
	Sales	34	33	43	59	169	37	30	24	43	134	45	38	65	148	142	6			
Ojos Del Salado	Production	6	6	5	6	23	6	6	5	5	22	6	6	13	25	22	3			
	Sales	6	5	6	6	23	6	6	4	6	22	6	6	13	25	20	5			
North Parkes	Production	13	14	14	14	55	14	14	14	15	57	13	13	27	53	54	-1			
	Sales	13	14	11	18	56	10	17	10	17	54	10	14	26	50	50	0			
Batu Hijau	Production	19	17	18	22	76	22	16	3	32	73	51	59	123	233	221	12			
	Sales	11	17	21	26	75	9	9	11	43	72	50	52	134	236	206	30			
<b>【Smelting &amp; Refining in Japan】 (kt)</b>																				
E-Cu	Production	102.6	97.8	89.9	110.3	400.6	112.5	101.4	111.4	103.5	428.7	103.0	102.8	214.0	419.8	419.5	0.3			
	Sales	106.4	105.2	101.7	115.0	428.3	110.7	118.0	110.2	105.4	444.3	116.3	108.6	219.5	444.4	462.0	-17.6			
E-Ni	Production	10.2	12.9	12.3	14.5	50.0	13.2	14.6	13.8	15.6	57.2	15.4	16.4	32.2	64.0	63.8	0.2			
	Sales	10.2	12.1	11.8	12.0	46.1	13.9	13.8	13.9	16.3	58.0	15.8	16.5	32.0	64.3	64.9	-0.6			
FeNi	Production	4.7	5.1	6.2	5.7	21.7	4.7	6.3	6.1	6.2	23.3	5.4	5.3	9.7	20.4	20.0	0.4			
	Sales	4.5	4.7	5.7	6.8	21.6	3.8	5.4	6.3	6.4	21.9	5.2	5.3	10.2	20.7	19.8	0.9			
<b>【Smelting &amp; Refining overseas】 (kt)</b>																				
CBNC MS (Ni content)	Production	6.2	5.2	6.4	5.8	23.6	6.4	5.6	6.5	5.5	24.0	6.4	5.2	12.4	24.0	24.0	0.0			
	Sales	6.2	5.2	6.7	5.5	23.6	6.4	5.6	6.3	5.8	24.1	5.6	6.2	12.2	24.0	24.0	0.0			
THPAL MS (Ni content)	Production	/			1.0	3.5	4.5	5.2	6.6	5.8	8.7	26.3	7.8	5.7	16.5	30.0	30.0	0.0		
	Sales				0.0	2.4	2.4	5.7	6.1	6.6	7.5	25.9	8.7	6.4	13.7	28.8	30.0	-1.2		
PT Vale Ma (Ni content)	Production	18.5	19.2	19.8	18.3	75.8	19.6	19.7	18.8	20.6	78.7	17.8	18.9	45.3	82.0	82.6	-0.6			
	Sales	18.9	20.1	19.6	18.6	77.2	19.4	19.7	19.8	20.6	79.5	18.0	19.0	45.7	82.7	84.1	-1.4			

## Sensitivity

JPY100M / Year

	Change	Profit Up · Down Operating / Recurring Profit
Cu	±100 \$/t	11/21
Ni	±10 ¢ /lb	18/20
Au	±10 \$/Toz	6/6
¥ / \$	±1 ¥/\$	13/14 (Yen Depreciation = Positive for profit)

(Remark)

USD/JPY translation include RC-related and

Conversion rate of overseas consolidated / equity-method affiliate companies' profit

## Financial Position

### 【Shareholder's Equity Ratio】

JPY100M

End of FY	FY2011	FY2012	FY2013	FY2014	2015/2Q	12 3-Yr 2015
Net assets	11,468	13,512	15,724	17,402	17,450	14,300
Shareholder's equity	6,597	7,693	9,132	10,512	10,804	8,800
Shareholder's Equity Ratio	57.5%	56.9%	58.1%	60.4%	61.9%	61.0%

### 【D/E Ratio】

JPY100M

End of FY	FY2011	FY2012	FY2013	FY2014	2015/2Q	12 3-Yr 2015
Interest-bearing debt	2,660	3,300	3,836	3,941	3,946	3,100
Shareholder's equity	6,597	7,693	9,132	10,512	10,804	8,800
D/E ratio	0.40	0.43	0.42	0.37	0.37	0.35

### 【Dividend payout ratio】

	FY2011	FY2012	FY2013	FY2014	2015/2Q	12 3-Yr 2015
Dividend / share (JPY)	28.0	34.0	37.0	48.0	21.0	—
Net Income / share (JPY)	116.17	155.58	145.35	165.11	97.45	—
Dividend payout ratio	24.1%	21.9%	25.5%	29.1%	21.5%	25% +

**Consolidated companies (68) / Equity-method affiliated companies (16)**

at Sep. 30. 2015

**Mineral Resources**

	Voting Shares	Location	Operations
<b>Consolidated companies</b>			
Sumiko Resources Exploration & Development Co., Ltd	100	Japan	Geological survey of resources; Test boring
Sumitomo Metal Mining America Inc.	100	USA	Exploration; Management of mining subsidiaries in USA.
Sumitomo Metal Mining Arizona Inc.	80	USA	Mining and related operations
SMMA Candelaria Inc.	100	USA	Investment in local company in Chile operating Candelaria Mine
Sumitomo Metal Mining Canada Ltd.	100	Canada	Exploration, Consulting
Sumitomo Metal Mining Oceania Pty. Ltd.	100	Australia	Resource surveys, mine development and related operations in Oceania
Sumitomo Metal Mining Pogo LLC	100	USA	Investment in Pogo Mine
SMM Resources Inc.	100	Canada	Mineral Resources Business
SMM Cerro Verde Netherlands B.V.	80	Netherlands	Investments in local Peruvian companies engaged in the Cerro Verde Mine operation
SMM Exploration Corporation	100	USA	Mineral Resources Business
SMM Solomon Limited	100	Solomon Islands	Exploration in Solomon Islands
Sumitomo Metal Mining Peru S.A	100	Peru	Exploration in South America
Sumitomo Metal Mining Chile LTDA.	100	Chile	Exploration in South America
Sumiko Solomon Exploration Co., Ltd.	70	Japan	Exploration in Solomon Islands
SUMAC MINES LTD.	100	Canada	Exploration
Stone Boy Inc.	80	USA	Exploration
SMM Sierra Gorda Inversiones Ltda.	70	Chile	Investment in Sierra Gorda Project
SMM-SG Holding Inversiones Ltda.	100	Chile	Investment in Sierra Gorda Project
Sumitomo Metal Mining do Brasil LTDA.	100	Brazil	Exploration in Brazil
<b>Equity-method affiliated companies</b>			
Sociedad Minera Cerro Verde S.A.A	21	Peru	Cerro Verde Mine
Compania Contractual Minera Candelaria	20	Chile	Candelaria Mine
Compania Contractual Minera Ojos del Salado	20	Chile	Ojos del Salade Mine
Sierra Gorda SCM	45	Chile	Sierra Gorda Mine
Cordillera Exploration Co., Inc.	25	Philippines	Exploration in Philippines

**Smelting & Refining**

	Voting Shares	Location	Operations
<b>Consolidated companies</b>			
Hyuga Smelting Co., Ltd	60	Japan	Ferro-nickel smelting
Shisaka Smelting Co., Ltd.	100	Japan	Manufacture of crude zinc oxide
Sumiko Logistics Co., Ltd.	100	Japan	Maritime trading; Harbor transportation and services; Land Transportation
SUMIC Nickel Netherlands b.v.	52	Netherlands	Investment in nickel and cobalt development businesses; Sale of nickel and cobalt
Coral Bay Nickel Corporation	54	Philippines	Manufacture of nickel and cobalt
Taganito HPAL Nickel Corporation	62.5	Philippines	Manufacture of nickel and cobalt
Sumitomo Metal Mining Philippine Holdings Corporation	100	Philippines	Regional headquarters for the nickel business
Sumitomo Metal Mining Management (Shanghai) Co., Ltd.	100	China	Sales of SMM and SMM group company products in China, Provision of management business service for Chinese group companies, Business consulting
Sumitomo Metal Mining Management (Hong Kong) Co., Ltd.	100	China	Sales of SMM and SMM group company products in China
Taihei Metal Industry Co., Ltd.	97	Japan	Manufacture of heat-, corrosion- and friction-resistant steel castings and precision castings
<b>Equity-method affiliated companies</b>			
Jinlong Copper Co., Ltd.	27	China	Manufacture and sale of electrolytic copper and sulfuric acid
Acids Co., Ltd.	50	Japan	Manufacture and sale of sulfuric acid and related products
PT Vale Indonesia Tbk	20	Indonesia	Nickel ore mining; Nickel smelting
Nickel Asia Corporation	25	Philippines	Nickel ore mining
FIGESBAL	26	New Caledonia	Nickel ore mining; Harbor transportation
MS Zinc Co., Ltd.	50	Japan	Manufacture and sale of zinc and related operations
Mitsui Sumitomo Metal Mining Brass & Copper Co., Ltd	50	Japan	Manufacture and sale of copper and brass products and processed copper and brass products

## Materials

	Voting Shares	Location	Operations
<b>Consolidated companies</b>			
SH Materials Co., Ltd.	51	Japan	Manufacture and sale of leadframes
Okuchi Electronics Co., Ltd.	100	Japan	Recovery and recycling of non-ferrous metals /Manufacture of functional inks
Okuchi Materials Co., Ltd.	100	Japan	Manufacture of leadframes
Niihama Electronics Co., Ltd.	100	Japan	Manufacture of flexible circuit materials
Niihama Materials Co., Ltd.	100	Japan	Manufacture of leadframes
SH Precision Co., Ltd.	100	Japan	Manufacture of leadframes
Shinko Co., Ltd.	97	Japan	Design, manufacture, and sale of printed circuit boards
SH Asia Pacific Pte. Ltd.	100	Singapore	Regional headquarters for international lead frame operations
Sumiko Tape Materials Singapore Pte.Ltd.	100	Singapore	Regional headquarters for international tape materials operations
Malaysian SH Electronics Sdn.Bhd.	100	Malaysia	Manufacture and sale of leadframes
Malaysian SH Precision Sdn.Bhd.	100	Malaysia	Manufacture and sale of leadframes
SH Electronics Taiwan Co., Ltd.	70	Taiwan	Manufacture and sale of leadframes
Taiwan Sumiko Materials Co., Ltd	100	Taiwan	Manufacture of thin film materials
Sumiko Leadframe Chengdu Co., Ltd.	70	China	Manufacture and sale of leadframes
Sumiko Precision Chengdu Co., Ltd	70	China	Manufacture of leadframes
Sumiko Electronics Suzhou Co., Ltd.	100	China	Manufacture and sale of leadframes
SH Electronics Suzhou Co., Ltd.	100	China	Manufacture of leadframes
SumikoTec Co., Ltd.	100	Japan	Terminals and connectors for electronic and electric equipment/Components, electric wire, power cords and pressure bonding machines relating to the above and their maintenance/Manufacture and sale of formed products for optical equipment, etc.
Nittosha Co., Ltd.	100	Japan	Plating of metal products, surface treatment processing and distribution / Electromagnetic shielding processing to electronics resin products through a dry plating method
Sumiko Kunitomi Denshi Co., Ltd.	100	Japan	Manufacture of crystal products and magnetic materials
Sumiko Energy Materials Co., Ltd.	100	Japan	Manufacture of Battery Materials
Shanghai Sumiko Electronic Paste Co., Ltd.	69	China	Manufacture and sale of thick-film paste
Dongguan Sumiko Electronic Paste Co., Ltd.	85	China	Manufacture and sale of thick-film paste
SMM KOREA Co., Ltd..	100	Korea	Sales support for advanced materials and business operations
SMM Precision Co., Ltd.	100	Japan	Manufacture and sale of optical communications components
Sumico Lubricant Co., Ltd.	100	Japan	Manufacture and sale of various lubricants
Sumico Lubricant Trading (Shanghai) Co., Ltd.	100	China	Sale of various lubricants
Sumitomo Metal Mining Siporex Co., Ltd.	100	Japan	Manufacture and sale of ALC (Autoclaved Lightweight aerated Concrete) and other construction materials
<b>Equity-method affiliated company</b>			
SH Copper Products Co., Ltd.	50	Japan	Manufacture and sale of copper strips, copper bars, rods, and fabricated parts
N. E. Chemcat Corporation	50	Japan	Manufacture of precious metal catalysts; Recovery and refining of precious metals
Nippon Ketjen Co., Ltd.	50	Japan	Manufacture and sale of desulphurization catalysts for petroleum processing
Granopt Ltd.	50	Japan	Manufacture and sale of rare earth iron garnet (RIG)

## Others

	Voting Shares	Location	Operations
<b>Consolidated companies</b>			
Sumiko Techno-Research Co., Ltd.	100	Japan	Environmental measurement verification operations such as water quality, air, soil, noise and vibration, etc. Data collection, adjustment and product evolution as well as technological development
Sumiko Technical Service Co., Ltd	100	Japan	Commission-based work in area of nonferrous smelting/ Personnel agency business
Sumitomo Metal Mining Engineering Co., Ltd.	100	Japan	Environment sector machinery & equipment, Plant surveys, etc. design, manufacturing and repair & maintenance
Sumiko Plantech Co., Ltd.	100	Japan	Manufacture of machinery & equipment and repair work for nonferrous metal smelting and chemical plants, etc. / Installation of machinery & equipment and piping work / Steel structure work
JCO Co., Ltd.	100	Japan	Management of facilities using uranium and related wastes
Igeta Heim Co., Ltd.	100	Japan	Construction of steel frame and reinforced concrete apartments and condominiums
Japan Irradiation Service Co., Ltd.	100	Japan	Irradiation sterilization service for pharmaceutical products, medical instruments, and pharmaceutical containers, etc. /Modification of various industrial materials
SMM Holland B.V.	100	Netherlands	Investment in nickel and cobalt development businesses