

Glossary

Term	Explanation	Pages
Copper concentrates	A raw material used in copper smelting, consisting of about 30% copper content with sulfur and iron as most of the remainder. Copper concentrates are produced mainly from sulfide ores. At present, ores extracted from overseas mines generally have a grade of about 1%. The ores are then “dressed” at the mine to enhance the grade and produce concentrate. The raw materials imported by copper smelting and refining plants in Japan are primarily copper concentrates.	▶ P.5,7,22,24,30,48,59
Coral Bay Nickel Corporation (CBNC)	The SMM Group’s first HPAL plant. Located in the Province of Palawan in the Philippines, CBNC produces mixed nickel-cobalt sulfides (MS) using HPAL technology for export to the Group’s Niihama Nickel Refinery and Harima Refinery.	▶ P.4,9,56,62,64,96,99
Dore	An alloy of 90%-grade gold and silver. Intermediate product of the Cote Gold Mine, produced by mineral processing and smelting of mined gold ore in the ore processing plant. Dore is smelted and refined into high-grade gold by external specialists.	▶ P.58
Electrolytic copper (electrolytic nickel and cobalt)	A high-purity copper material produced through electrolytic refining in a solution (electrolysis). At our Group’s Toyo Smelter & Refinery, we dissolve copper concentrate in a flash furnace, pass it through a converter and a refining furnace, cast anodes in plate form, and produce electrolytic copper through electrolytic refining. Electrolytic nickel and electrolytic cobalt are also produced through electrolytic refining.	▶ P.4,22,44,49,56,64
GRI	An acronym for Global Reporting Initiative. An organization that creates and promotes international guidelines and standards for sustainability reports. It issued its first guidelines in 2000, and has transitioned to issuing standards from 2016.	▶ P.11,38
GX/GX League	GX is an acronym for green transformation. GX refers to activities for transformations or towards the realization of transformations to facilitate the utilization of clean energy while using the bare minimum of fossil fuels. The GX League is a forum for companies—which aim to achieve sustainable growth in the present and future society by engaging with the challenge of GX with a view to achieving carbon neutrality and social transformation by 2050—to collaborate with government and academia as part of a group of companies working on similar initiatives.	▶ P.41,73
HPAL	An acronym for High Pressure Acid Leach. This technology enables the recovery of nickel from low-grade nickel oxide ores that had been conventionally difficult to process. The SMM Group was the first company in the world to apply it successfully on a commercial scale. HPAL causes low-grade nickel oxide ores to react stably with sulfuric acid under high-temperature and high-pressure conditions, to produce a high-grade nickel raw material.	▶ P.4,7,21-22,44,49,62

Term	Explanation	Pages
Human rights due diligence	An approach to human rights protection based on the Guiding Principles on Business and Human Rights approved by the Human Rights Council in 2011, this is a series of processes for performing preventive investigations to avoid and mitigate the negative effects that organizations have on human rights, and for taking appropriate corrective action based on the findings. The SMM Group built a system for human rights due diligence in FY2014 and has followed it since then.	▶ P.47,101
Hydrometallurgical refining	A refining method in which metals and impurities are dissolved in a solution, and chemical reactions are used to separate them. The method is stable and enables continuous processing, but incurs the costs of chemical reagents.	▶ P.5,49,65
ICP (Internal carbon pricing)	A framework for encouraging investment that leads to decarbonization. Internal carbon pricing uniquely attaches prices to carbon emissions within a company, attaches monetary values to greenhouse gas (GHG) emission reductions, and incorporates these into investment cost-effectiveness.	▶ P.23,50,91,93
ICMM	An acronym for International Council on Mining and Metals. This is an organization composed of worldwide metal and mining companies and related industry bodies. Its mission is “In collaboration with others, we will strengthen the social and environmental performance of the mining and metals industry and build recognition of its contribution to local communities and society at large.”	▶ P.38,50,96,99,101
IoT	An acronym for “Internet of Things,” referring to communication among objects via the Internet. Communication devices, such as smartphones and PCs, and even items such as home appliances, are becoming connected to the Internet, creating expectations for a future society in which all things are connected to networks.	▶ P.39,85,88,130
LT/LN	Lithium Tantalate (LT) and Lithium Niobate (LN). These are used in chips for information and communication terminal SAW filters.	▶ P.4,44,69
Lithium Iron Phosphate (LFP)	LFP is a cathode material for lithium-ion batteries, like nickel-based cathode materials (NCA, NMC), which are battery materials. While nickel-based cathode materials are made from metals such as nickel, manganese, and cobalt, LFP is made from relatively inexpensive lithium, iron, and phosphorus. It is mainly produced in China.	▶ P.5,14,41,44,48,66-67,94
MCLE	An acronym for Matte Chlorine Leach Electrowinning. This is a manufacturing process adopted at the SMM Group’s Niihama Nickel Refinery. Matte and mixed nickel-cobalt sulfides (MS) are dissolved in chlorine at high temperature, then electrolysis is used to produce high-purity nickel. MCLE is more competitive than other methods in terms of cost, but poses significant operational challenges, and only a few other producers outside of SMM have commercialized it using similar technology.	▶ P.4,22,62

System for Value Creation

Vision for the SMM Group

Medium-to-Long-Term Strategy for Value Creation

Foundations Supporting Value Creation

Data Section

Glossary

Term	Explanation	Pages
MS	An acronym for Mixed Sulfides of nickel and cobalt. CBNC and THPAL produce a mixed nickel-cobalt sulfide intermediate containing about 55–60% nickel by weight. It is used as a raw material in the production of electrolytic nickel, nickel sulfate, and other products.	▶ P.4,64
Matte	A term for metal sulfides. Niihama Nickel Refinery produces electrolytic nickel using nickel matte (of about 75–80% purity) sourced from PT Vale Indonesia Tbk.	▶ P.4,64
NCA	An acronym for a type of secondary battery cathode material composed primarily of Li (Lithium), N (nickel), C (cobalt), and A (aluminum).	▶ P.66-67
NMC	An acronym for a type of secondary battery cathode material composed primarily of Li (Lithium), N (nickel), M (manganese), and C (cobalt).	▶ P.66-67
Nanban-buki	A smelting and refining method that uses lead to remove silver and impurities contained in crude copper. Developed by Soga Riemon around 1600. An alloy made by melting and rapidly cooling lead and crude copper containing silver is heated, and silver-containing lead, which melts out at a melting point below that of copper, is heated atop ash. The lead is absorbed by the ash and only the silver remains. This allows the collection of silver while obtaining high-purity refined copper.	▶ P.2,21
NiO (nickel oxide) for fuel cells	Fuel cells are a clean and highly efficient method for generating electricity and heat through the chemical reaction of hydrogen and oxygen. Plans for increased use of fuel cells in a wide range of applications, from homes to factories, are being formulated in countries around the world. Nickel oxide powder for fuel cells is used in the electrodes of solid oxide fuel cells (SOFCs), which deliver the highest power generation efficiency.	▶ P.88
Nickel oxide ores (laterite ore)	While predominantly higher-grade sulfide ores are used in nickel refining, nickel oxide ores are more prevalent than nickel sulfides. High refining costs and technical issues have limited the use of oxide ores in nickel refining to date, but the SMM Group has succeeded in mass producing nickel from low-grade oxide ores based on HPAL technology.	▶ P.4,7,22,30,64,92
OJT	An acronym for On-the-Job Training, this is a method of training for the acquisition of knowledge and skills through the performance of actual work in the workplace under the guidance of superiors or senior colleagues. Its aim is the fast acquisition of work execution capabilities.	▶ P.22-23,76,78
Off-JT	A method of training conducted away from the workplace or separate from normal work. Its aim is the acquisition of advanced work capabilities or other knowledge and skills not directly connected to normal work based on systematic knowledge and theory.	▶ P.23

Term	Explanation	Pages
Pyrometallurgical smelting	A smelting method in which raw ore is melted in a high-temperature furnace and the metal is separated in the molten state. While it is possible to treat a large amount at one time, it requires periodic repair of heat-resistant equipment.	▶ P.5,49,65,72
Secondary battery cathode materials	Materials used in the cathodes of batteries (secondary batteries) that can be charged and reused. The constituent components of secondary batteries break down roughly into cathode material, anode material, a separator, and electrolytic solution. The SMM Group produces the secondary battery cathode materials used in electric and hybrid automobiles.	▶ P.65,67,95
Silicon carbide (SiC)	SiC is a power semiconductor material used mainly in electric power control applications. Its use is expanding as a material capable of reducing energy loss in high-capacity fields (high current and high withstand voltage) demanded for drive control devices, particularly in hybrid vehicles and electric vehicles.	▶ P.13,41,44-45,49,68-70,94
Smelting & Refining	This refers to the extraction of valuable metals from ore and other raw materials, and is mainly divided into pyrometallurgical smelting and hydrometallurgical refining. The SMM Group's Toyo Smelter & Refinery in Saijo, Ehime Prefecture uses pyrometallurgical smelting in its upstream processes (treatment processes), while Niihama Nickel Refinery in Niihama, Ehime Prefecture uses only hydrometallurgical refining throughout.	▶ P.2-10,14,20-25,28,40-42,44,49,51-52,54-57,62-66,72-73,79,85,90-92,99,106,113,127,148-149
Sustainable procurement	Sustainable procurement ensures that there is no complicity in negative effects such as infringement on human rights, environmental destruction, or corruption in the procurement of parts, services, etc. It affirms that companies in the supply chain do not cause such negative effects, requests corrections when necessary, and enhances transparency in the supply chain.	▶ P.23,37,89,98,122
TCFD	An acronym for the Task Force on Climate-related Financial Disclosures. Established by the Financial Stability Board (FSB) to examine the disclosure of climate-related information and how financial institutions should respond. It recommends the disclosure of information concerning governance, strategy, risk management, and metrics and targets concerning climate change-related risks and opportunities.	▶ P.11,39,69,95
Taganito HPAL Nickel Corporation (THPAL)	The SMM Group's second HPAL plant. Located in the Province of Surigao del Norte in the Philippines, THPAL produces mixed nickel- cobalt sulfides (MS) using HPAL technology for export to the Group's Niihama Nickel Refinery and Harima Refinery.	▶ P.4,9,44,56,62-64,96,99
xEV	Electric vehicles. Types of electrification are diverse, differing by method of supplying electricity. Types include BEVs that carry batteries, plug-in hybrids (PHEVs), hybrids (HEVs/MHVs), and fuel cell electric vehicles (FCEVs/FCVs).	▶ P.66-67

System for Value Creation

Vision for the SMM Group

Medium-to-Long-Term Strategy for Value Creation

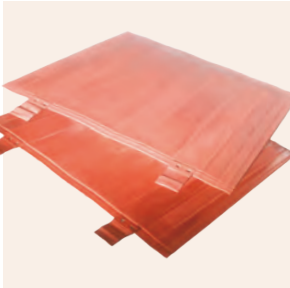
Foundations Supporting Value Creation

Data Section

The Global Non-Ferrous Metal Industry and the SMM Group

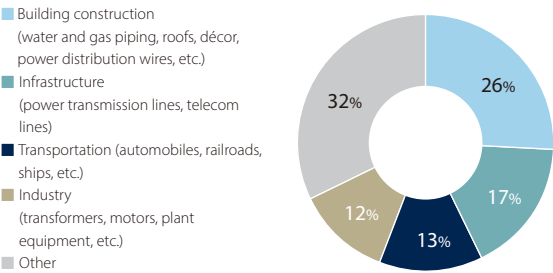
The Business Environment Surrounding Copper

Copper is thought to be the first metal used in human history. It offers high heat and electrical conductivity, is relatively inexpensive, and has superior workability. This has resulted in it becoming an indispensable base metal for electrical wiring and copper alloy fabricated products in a wide range of industries.



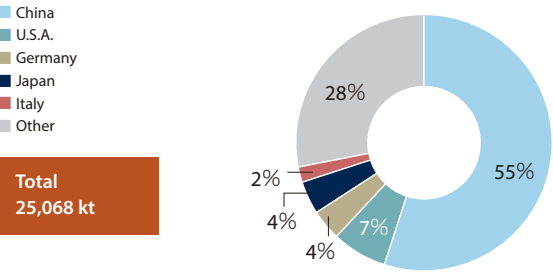
Statistical Data Regarding Copper

Copper End-Use (2022 results)



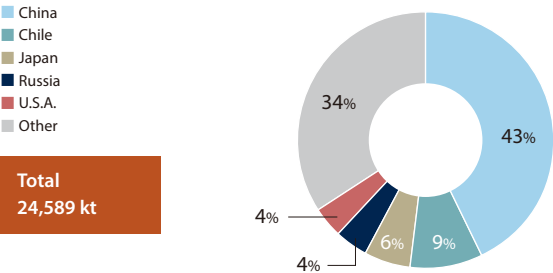
Source: The International Wrought Copper Council (IWCC) and the International Copper Association (ICA)

Copper Metal Production by Country (2021 results)



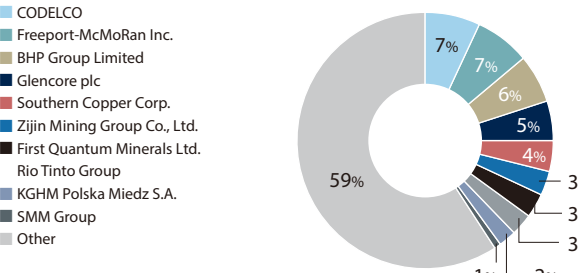
Source: JOGMEC Mineral Resource Material Flows 2022

Copper Metal Consumption by Country (2021 results)



Source: JOGMEC Mineral Resource Material Flows 2022

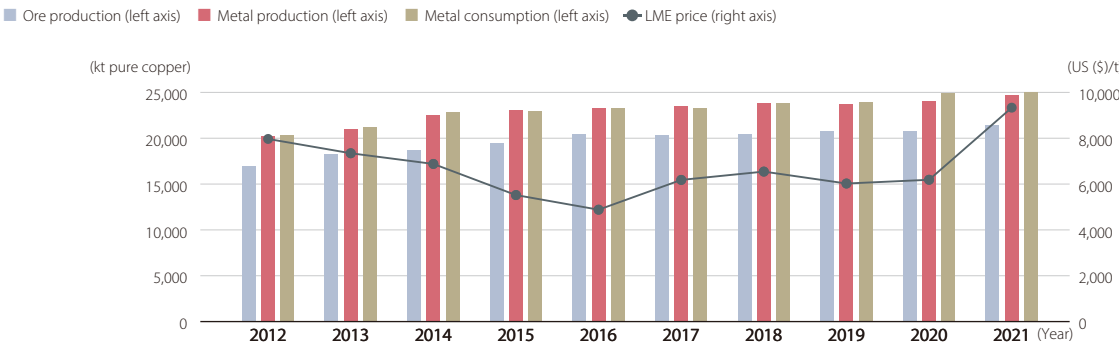
Global Copper Interest Production (2022 results)



Source: S&P Global Market Intelligence

The size of the global copper market is about 22,080 kt
The SMM Group ranks 23rd in the world for global copper interest production (FY2022: 200 kt)

Global Copper Supply and Demand



Source: JOGMEC Mineral Resource Material Flows 2022

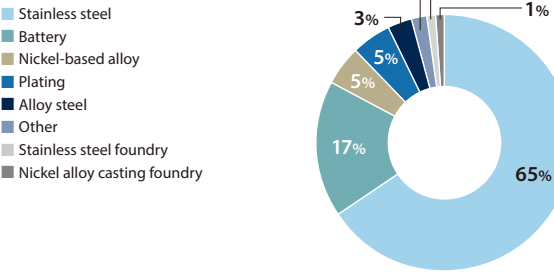
The Business Environment Surrounding Nickel

The main end-use of nickel is in stainless steel and a certain amount of increase in demand is expected. In addition to this, the electrification of the automotive sector has accelerated globally in recent years and an increase in demand for nickel for use in cathode materials for lithium-ion secondary batteries is expected to accompany this.



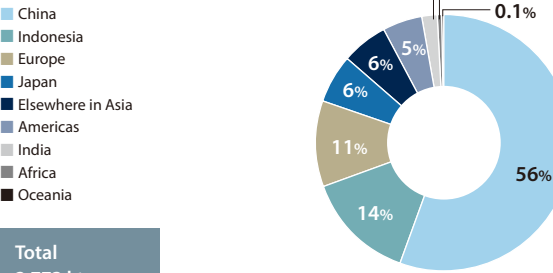
Statistical Data Regarding Nickel

Nickel End-Use (2022 results)



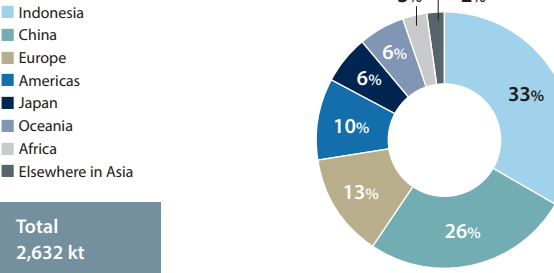
Source: Nickel Institute, SMR–Steel & Metals Market Research GmbH (June 10, 2024)

Nickel Consumption by Country/Region (2021 results)



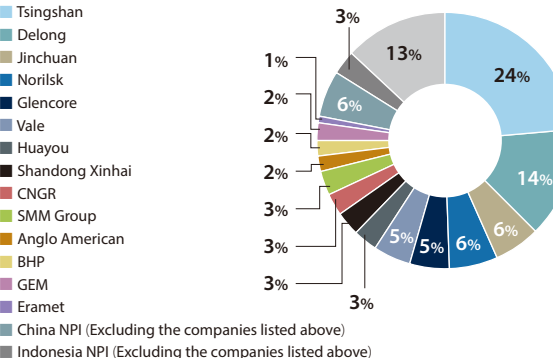
Source: JOGMEC Mineral Resource Material Flows 2022

Nickel Production by Country/Region (2021 results)



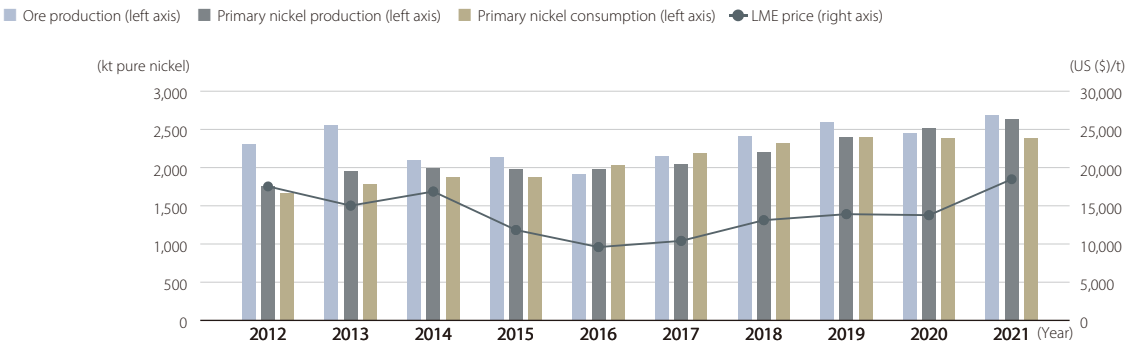
Source: JOGMEC Mineral Resource Material Flows 2022

Global Nickel Supply (2023 results)



Source: Research by SMM

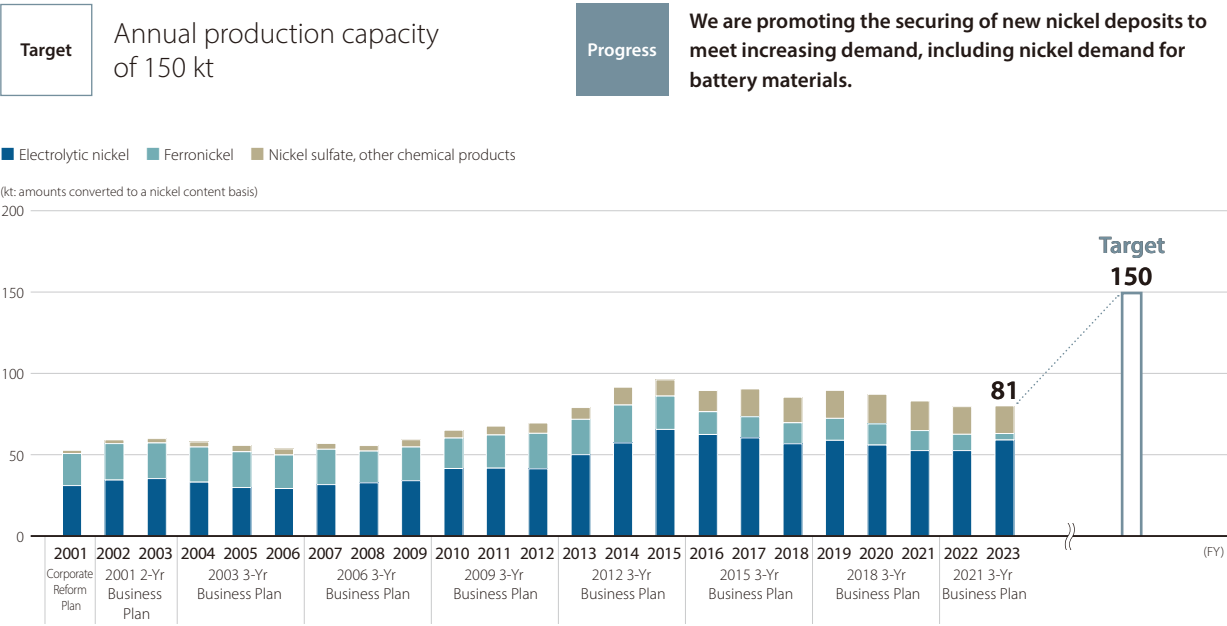
Global Nickel Supply and Demand



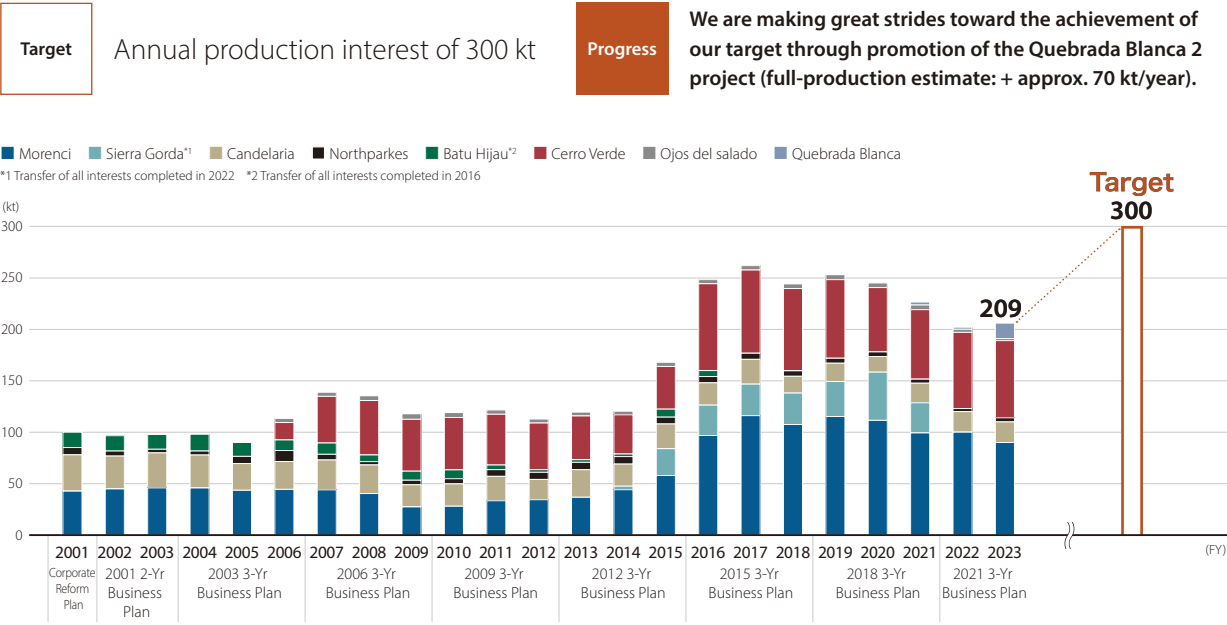
Source: JOGMEC Mineral Resource Material Flows 2022

Targets and Progress of Our Long-Term Vision

Nickel



Copper

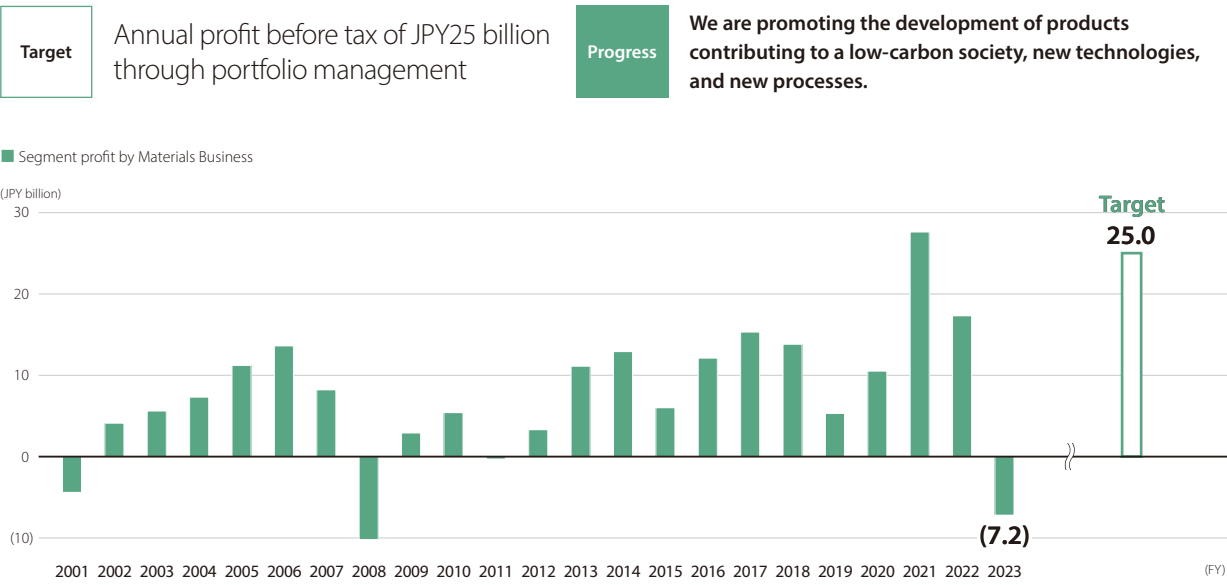


^{*1} Transfer of all interests completed in 2022 ^{*2} Transfer of all interests completed in 2016

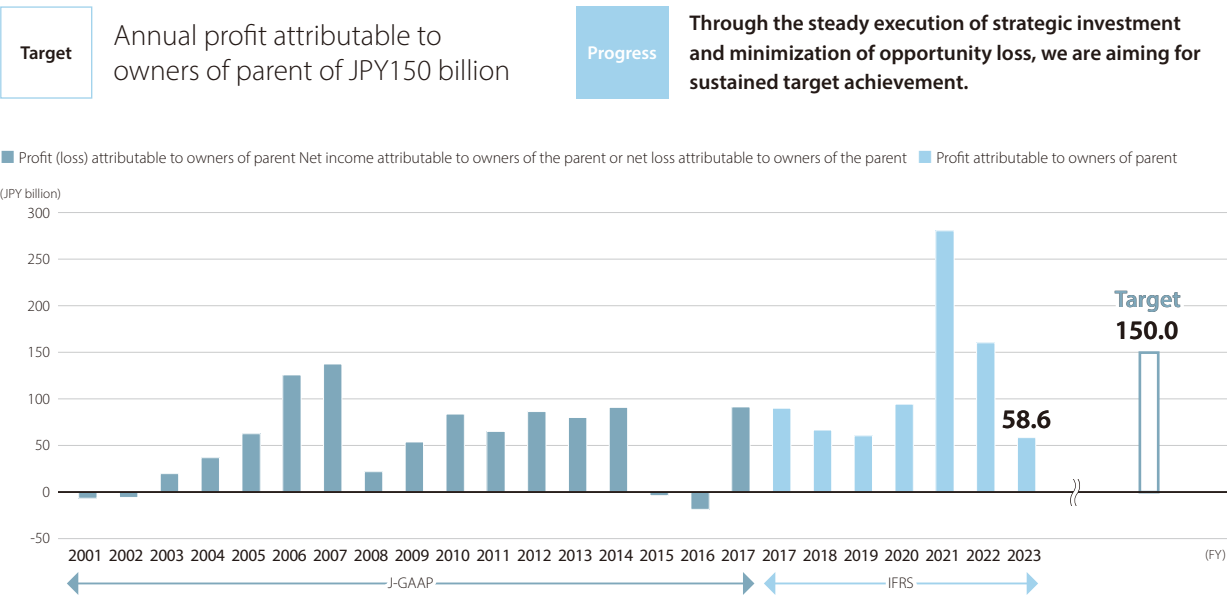
Gold



Materials Business



Profit



Eleven-Year Financial Summary

IFRS

Years ended March 31	2024	2023	2022	2021	2020	2019	2018
Results for the year:							
Net sales ^{*3}	1,445,388	1,422,989	1,259,091	926,122	851,946	912,208	929,746
Gross profit	166,133	250,106	257,794	150,876	109,471	126,637	149,015
Profit before tax	95,795	229,910	357,434	123,379	79,035	89,371	108,286
Profit attributable to owners of parent	58,601	160,585	281,037	94,604	60,600	66,790	90,227
Capital expenditures	149,923	140,845	64,539	35,059	50,689	47,445	74,675
Depreciation	56,224	53,310	46,455	45,729	45,355	43,541	46,762
Net cash provided by (used in) operating activities	210,675	120,382	159,489	91,522	136,545	114,744	78,552
Net cash provided by (used in) investing activities	(298,887)	(185,503)	9,796	(32,393)	(70,334)	(142,354)	(22,787)
Net cash provided by (used in) financing activities	7,090	49,336	(129,618)	(55,758)	9,149	(29,047)	(89,797)
Free cash flows	(88,212)	(65,121)	169,285	59,129	66,211	(27,610)	55,765
Financial position at year-end:							
Total assets	3,027,714	2,707,899	2,268,756	1,885,999	1,719,690	1,797,701	1,732,333
Equity	1,973,380	1,789,296	1,557,418	1,222,983	1,110,860	1,151,280	1,113,349
Non-current liabilities	590,724	447,340	326,547	337,694	402,520	388,943	378,438
Interest-bearing liabilities	530,289	457,257	301,355	330,678	367,882	349,798	361,775
Amounts per share (JPY) ^{*2} :							
Equity attributable to owners of parent per share	6,497	5,938	5,260	4,054	3,646	3,812	3,746
Basic earnings per share	213	584	1,023	344	221	243	327
Diluted earnings per share	213	584	1,023	344	221	243	295
Dividends	98	205	301	121	78	73	100
Key ratios:							
ROA(%)	2.0	6.5	13.5	5.3	3.5	3.8	5.2
ROE(%)	3.4	10.4	22.0	8.9	5.9	6.4	9.1
Equity ratio (%)	59.0	60.3	63.7	59.1	58.3	58.3	59.4
Debt-to-equity ratio (times)	0.30	0.28	0.21	0.30	0.37	0.33	0.35
Current ratio (times)	2.0	2.2	2.4	2.1	2.7	2.1	2.6

*1 Shareholders' equity is defined by the following equation. Shareholders' equity = Total shareholders' equity + Accumulated other comprehensive income
*2 The Company consolidated its shares at a rate of one share for every two shares of its common stock with October 1, 2017 as the effective date.
"Amounts per share" is calculated on the assumption that the consolidation of its shares was conducted at the beginning of the fiscal year ended March 31, 2018.
*3 Effective from the fiscal year ended March 31, 2021, the Company has changed its accounting policy for non-free supplied materials received from customers.
This change in accounting policy was applied retrospectively to the figure for the fiscal year ended March 31, 2020.

J-GAAP

JPY millions (except per share amounts and key ratios)

Years ended March 31	2018	2017	2016	2015	2014
Results for the year:					
Net sales	933,517	786,146	855,407	921,334	830,546
Gross profit	157,089	122,296	113,862	174,257	124,822
Operating income	110,203	76,390	59,720	125,779	75,418
Other income (expenses)	124,853	(1,565)	(12,764)	174,226	114,352
Profit (loss) before income taxes	105,795	(5,999)	559	123,261	111,006
Profit (loss) attributable to owners of parent	91,648	(18,540)	(309)	91,113	80,258
Capital expenditures	74,589	125,950	51,013	55,232	66,441
Depreciation	46,865	44,232	46,141	38,125	32,426
Financial revenue (expenses)	10,804	10,546	8,927	6,250	3,530
Net cash provided by (used in) operating activities	79,405	43,796	119,704	120,003	80,014
Net cash provided by (used in) investing activities	(22,994)	(143,219)	(92,876)	(105,024)	(126,937)
Net cash provided by (used in) financing activities	(90,095)	70,392	(4,003)	(39,047)	81
Free cash flows	56,411	(99,423)	26,828	14,979	(46,923)
Financial position at year-end:					
Total assets	1,699,037	1,685,018	1,630,800	1,740,246	1,572,367
Net assets	1,120,008	1,024,121	1,075,995	1,158,945	1,019,053
Long-term loans payable after one year	257,409	358,564	248,036	245,000	243,130
Interest-bearing liabilities	362,297	495,504	400,559	394,094	383,580
Working capital	369,668	382,810	313,812	307,436	314,198
Amounts per share (JPY) ^{*2} :					
Net income (loss)					
—Basic	332.42	(33.61)	(0.56)	165.11	145.35
—Diluted	299.94	—	—	149.44	129.71
Shareholders' equity ^{*1}	3,771.69	1,743.46	1,781.91	1,905.50	1,653.83
Cash dividends	100.0	11.0	31.0	48.0	37.0
Key ratios:					
ROA(%)	5.42	(1.12)	(0.02)	5.50	5.49
ROE(%) ^{*1}	9.17	(1.93)	(0.03)	9.28	9.54
Equity ratio (%) ^{*1}	61.0	57.1	60.3	60.4	58.1
Debt-to-equity ratio (times) ^{*1}	0.35	0.52	0.41	0.37	0.42
Current ratio (times)	2.70	2.82	2.39	2.29	2.40

Financial Performance by Business Segment

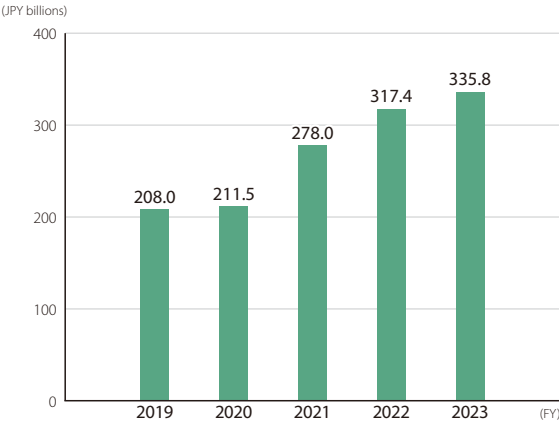
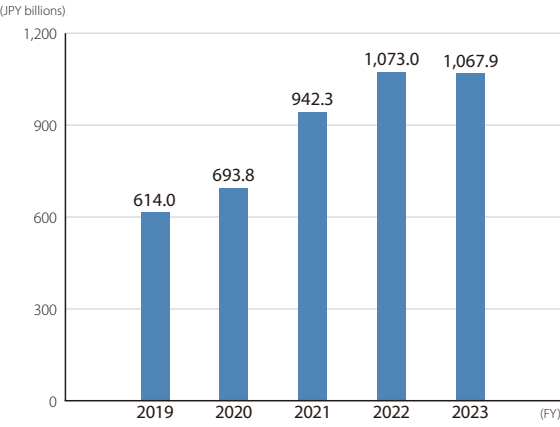
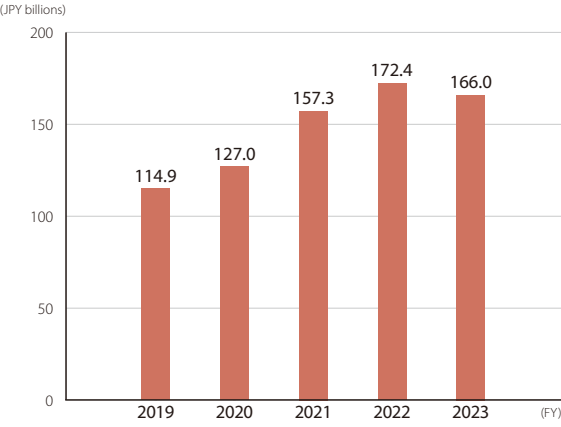
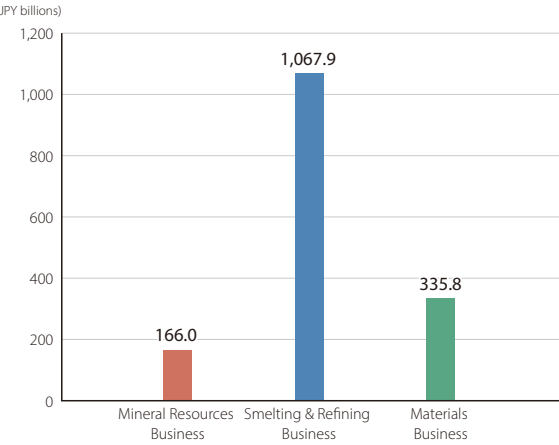
Total for Three Business (FY2023)

Mineral Resources Business

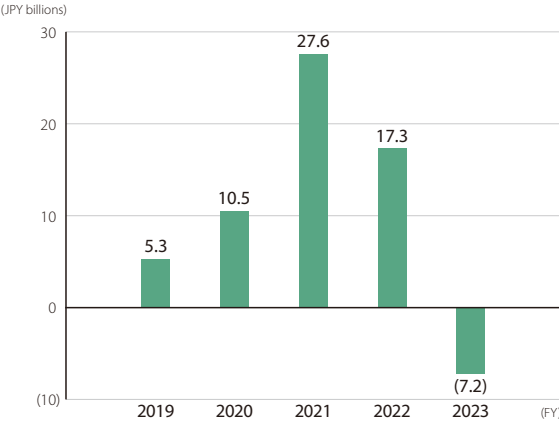
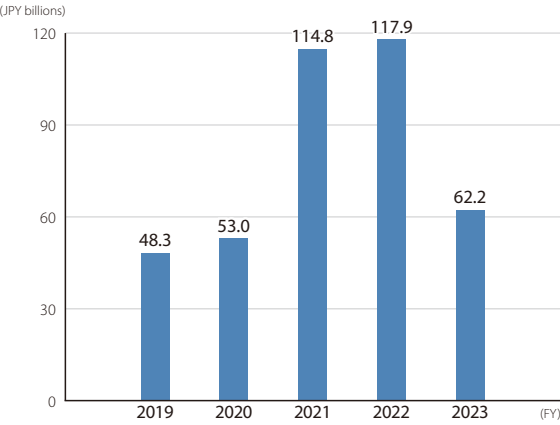
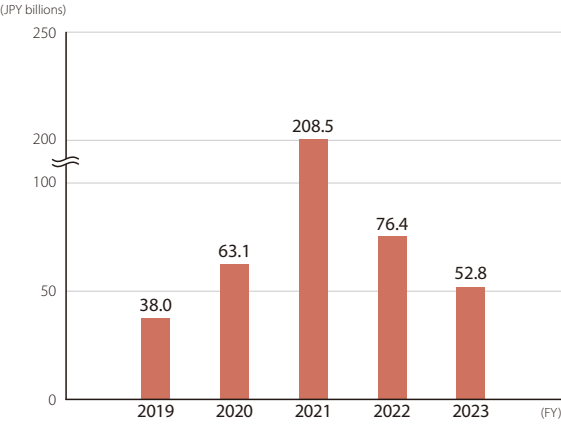
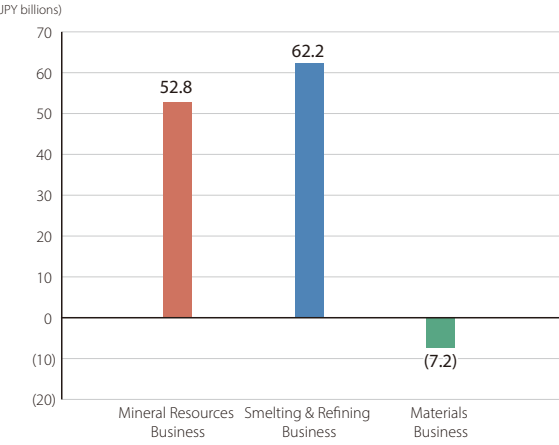
Smelting & Refining Business

Materials Business

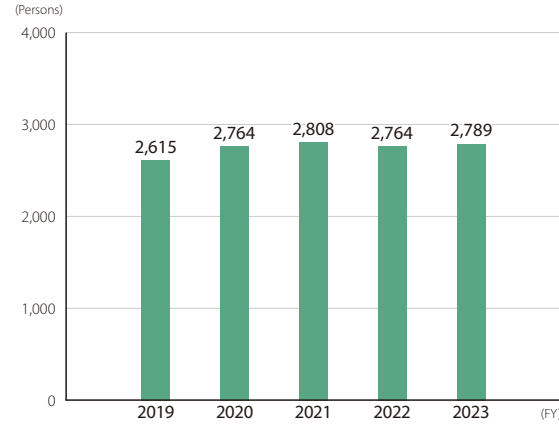
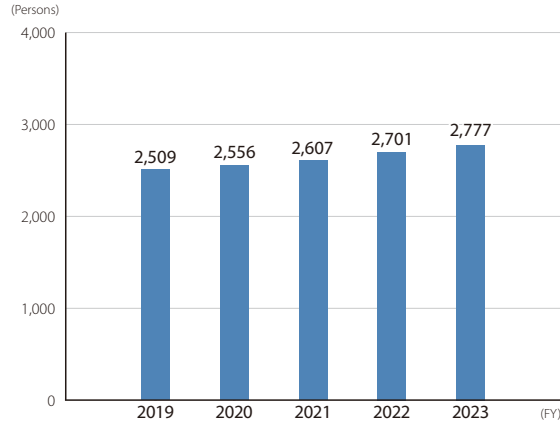
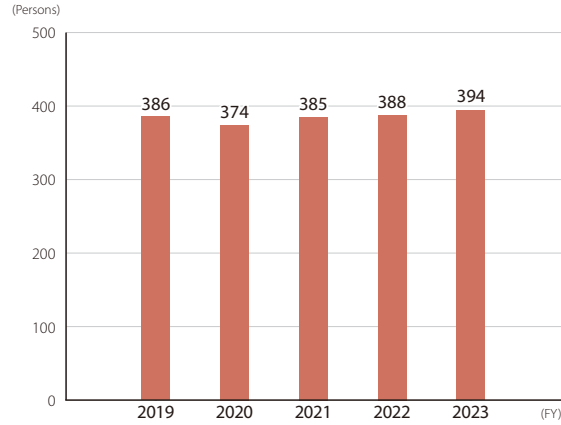
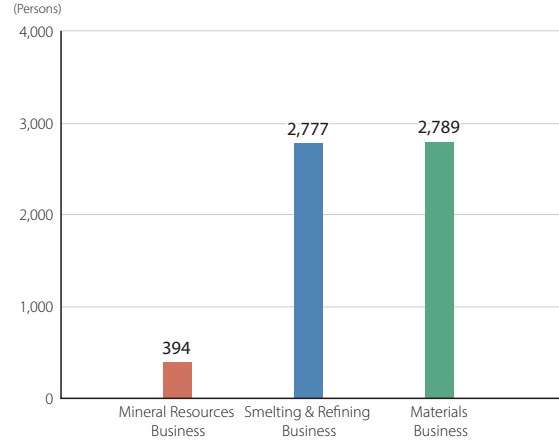
FY2023 Net Sales



FY2023 Segment Profit



FY2023 Employees




1 Consolidated Financial Statements

(1) Consolidated Financial Statements

1) Consolidated Statement of Financial Position

	Notes	FY2022 (As of March 31, 2023)	FY2023 (As of March 31, 2024)		Notes	FY2022 (As of March 31, 2023)	FY2023 (As of March 31, 2024)	
		Millions of yen	Millions of yen	Thousands of U.S. dollars		Millions of yen	Millions of yen	Thousands of U.S. dollars
Assets								
Current assets								
Cash and cash equivalents	8	215,007	151,022	997,965				
Trade and other receivables	9, 35	189,199	185,238	1,224,067				
Other financial assets	17, 35	6,273	9,054	59,830				
Inventories	10	555,941	516,014	3,409,859				
Other current assets	18	56,423	43,611	288,185				
Subtotal		1,022,843	904,939	5,979,905				
Assets held for sale	11	–	19,482	128,739				
Total current assets		1,022,843	924,421	6,108,643				
Non-current assets								
Property, plant and equipment	12, 22	629,451	759,484	5,018,727				
Intangible assets and goodwill	13	68,217	72,468	478,874				
Investment property	15	3,477	3,477	22,976				
Investments accounted for using equity method	16	450,512	499,097	3,298,070				
Other financial assets	17, 35	497,496	722,250	4,772,682				
Deferred tax assets	19	1,822	1,828	12,080				
Other non-current assets	18, 24	34,081	44,689	295,308				
Total non-current assets		1,685,056	2,103,293	13,898,718				
Total assets	6	2,707,899	3,027,714	20,007,361				
Liabilities and equity								
Liabilities								
Current liabilities								
Trade and other payables	20, 35	251,696	263,054	1,738,281				
Bonds and borrowings	21, 35	158,409	133,610	882,905				
Other financial liabilities	21, 22, 35	10,337	16,961	112,080				
Income taxes payable		24,968	11,168	73,799				
Provisions	23	8,663	8,387	55,422				
Other current liabilities	25	17,190	26,015	171,909				
Subtotal		471,263	459,195	3,034,395				
Liabilities directly associated with assets held for sale	11	–	4,415	29,175				
Total current liabilities		471,263	463,610	3,063,570				
Non-current liabilities								
Bonds and borrowings	21, 35	298,848	396,679	2,621,285				
Other financial liabilities	21, 22, 35	8,816	14,354	94,852				
Provisions	23	40,361	42,997	284,127				
Retirement benefit liability	24	4,396	3,223	21,298				
Deferred tax liabilities	19	94,041	128,808	851,173				
Other non-current liabilities	25	878	4,663	30,813				
Total non-current liabilities		447,340	590,724	3,903,549				
Total liabilities		918,603	1,054,334	6,967,118				
Equity								
Share capital	26	93,242	93,242	616,150				
Capital surplus	7, 26	89,800	89,800	593,405				
Treasury shares	26	(38,076)	(38,099)	(251,761)				
Other components of equity		220,383	344,241	2,274,770				
Retained earnings	26	1,266,322	1,295,920	8,563,537				
Total equity attributable to owners of parent		1,631,671	1,785,104	11,796,101				
Non-controlling interests		157,625	188,276	1,244,142				
Total equity		1,789,296	1,973,380	13,040,243				
Total liabilities and equity		2,707,899	3,027,714	20,007,361				

As to the pages indicated in "NOTES," please refer to the Consolidated Financial Statements at the following address.

 https://www.smm.co.jp/en/ir/library/consolidated_financial_statement/pdf/Consolidated_Financial_Statement_2024.pdf

2) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income


Consolidated Statement of Profit or Loss

	Notes	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)	
		Millions of yen	Millions of yen	Thousands of U.S. dollars
Net sales	28	1,422,989	1,445,388	9,551,232
Cost of sales	29	(1,172,883)	(1,279,255)	(8,453,413)
Gross profit		250,106	166,133	1,097,819
Selling, general and administrative expenses	29	(63,997)	(67,647)	(447,016)
Finance income	30	29,389	18,819	124,357
Finance costs	30	(8,596)	(18,295)	(120,895)
Share of profit of investments accounted for using equity method	16	36,536	33,117	218,840
Other income	31	4,672	3,575	23,624
Other expenses	31	(18,200)	(39,907)	(263,708)
Profit before tax	6	229,910	95,795	633,021
Income tax expense	19	(59,469)	(34,992)	(231,230)
Profit		170,441	60,803	401,791
Profit attributable to:				
Owners of parent		160,585	58,601	387,240
Non-controlling interests		9,856	2,202	14,551
Profit		170,441	60,803	401,791
Earnings per share		Yen	Yen	U.S. dollars
Basic earnings per share	33	584.44	213.28	1.41
Diluted earnings per share	33	584.44	213.28	1.41

Consolidated Statement of Comprehensive Income

	Notes	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)	
		Millions of yen	Millions of yen	Thousands of U.S. dollars
Profit		170,441	60,803	401,791
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Financial assets measured at fair value through other comprehensive income	32	8,810	63,162	417,379
Remeasurements of defined benefit plans	32	2,852	7,948	52,521
Share of other comprehensive income of investments accounted for using equity method	16, 32	75	471	3,112
Total of items that will not be reclassified to profit or loss		11,737	71,581	473,013
Items that will be reclassified to profit or loss:				
Cash flow hedges	32	1,662	(837)	(5,531)
Exchange differences on translation of foreign operations	32	58,729	50,185	331,626
Share of other comprehensive income of investments accounted for using equity method	16, 32	44,579	27,603	182,403
Total of items that will be reclassified to profit or loss		104,970	76,951	508,498
Other comprehensive income, net of tax		116,707	148,532	981,511
Comprehensive income		287,148	209,335	1,383,301
Comprehensive income attributable to:				
Owners of parent		263,161	194,671	1,286,401
Non-controlling interests		23,987	14,664	96,901
Comprehensive income		287,148	209,335	1,383,301

As to the pages indicated in "NOTES," please refer to the Consolidated Financial Statements at the following address.

 https://www.smm.co.jp/en/ir/library/consolidated_financial_statement/pdf/Consolidated_Financial_Statement_2024.pdf

3) Consolidated Statement of Changes in Equity

FY2022 (From April 1, 2022 to March 31, 2023)


Notes	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of April 1, 2022	93,242	90,213	(38,056)	16,406	(944)	108,842
Profit	—	—	—	—	—	—
Other comprehensive income	32	—	—	89,196	1,669	8,812
Total comprehensive income		—	—	89,196	1,669	8,812
Purchase of treasury shares	26	—	(21)	—	—	—
Disposal of treasury shares	26	—	0	—	—	—
Dividends	27	—	—	—	—	—
Changes in ownership interest in subsidiaries	7	—	(413)	—	—	—
Transfer to retained earnings	17	—	—	—	—	(3,598)
Transactions with owners - total		(413)	(20)	—	—	(3,598)
As of March 31, 2023	93,242	89,800	(38,076)	105,602	725	114,056

		Equity attributable to owners of parent					
		Other components of equity					
Notes	Remeasurements of defined benefit plans	Total	Retained earnings	Total	Non-controlling interests	Total equity	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
As of April 1, 2022	–	124,304	1,175,626	1,445,329	112,089	1,557,418	
Profit	–	–	160,585	160,585	9,856	170,441	
Other comprehensive income	32	2,899	102,576	–	102,576	14,131	
Total comprehensive income		2,899	102,576	160,585	263,161	23,987	
Purchase of treasury shares	26	–	–	–	(21)	–	
Disposal of treasury shares	26	–	–	–	1	–	
Dividends	27	–	–	(76,386)	(76,386)	(7,155)	
Changes in ownership interest in subsidiaries	7	–	–	–	(413)	28,704	
Transfer to retained earnings	17	(2,899)	(6,497)	6,497	–	–	
Transactions with owners - total		(2,899)	(6,497)	(69,889)	(76,819)	21,549	
As of March 31, 2023		–	220,383	1,266,322	1,631,671	157,625	
						1,789,296	

FY2023 (From April 1, 2023 to March 31, 2024)

Notes	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of April 1, 2023	93,242	89,800	(38,076)	105,602	725	114,056
Profit	—	—	—	—	—	—
Other comprehensive income	32	—	—	65,298	(832)	63,187
Total comprehensive income		—	—	65,298	(832)	63,187
Purchase of treasury shares	26	—	(23)	—	—	—
Disposal of treasury shares	26	—	0	—	—	—
Dividends	27	—	—	—	—	—
Changes in ownership interest in subsidiaries		—	—	—	—	—
Transfer to retained earnings	17	—	—	—	—	(3,795)
Transactions with owners - total		0	(23)	—	—	(3,795)
As of March 31, 2024	93,242	89,800	(38,099)	170,900	(107)	173,448


		Equity attributable to owners of parent					
		Other components of equity				Non-	
Notes	Remeasurements of defined benefit plans	Total	Retained earnings	Total		controlling interests	Total equity
	Millions of yen	Millions of yen	Millions of yen	Millions of yen		Millions of yen	Millions of yen
As of April 1, 2023	—	220,383	1,266,322	1,631,671		157,625	1,789,296
Profit	—	—	58,601	58,601		2,202	60,803
Other comprehensive income	32	8,417	136,070	—	136,070	12,462	148,532
Total comprehensive income		8,417	136,070	58,601	194,671	14,664	209,335
Purchase of treasury shares	26	—	—	—	(23)	—	(23)
Disposal of treasury shares	26	—	—	—	0	—	0
Dividends	27	—	—	(41,215)	(41,215)	(6,248)	(47,463)
Changes in ownership interest in subsidiaries		—	—	—	—	22,235	22,235
Transfer to retained earnings	17	(8,417)	(12,212)	12,212	—	—	—
Transactions with owners - total		(8,417)	(12,212)	(29,003)	(41,238)	15,987	(25,251)
As of March 31, 2024		—	344,241	1,295,920	1,785,104	188,276	1,973,380

As to the pages indicated in "NOTES," please refer to the Consolidated Financial Statements at the following address.
 https://www.smm.co.jp/en/ir/library/consolidated_financial_statement/pdf/Consolidated_Financial_Statement_2024.pdf

Notes	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income
	Thousands of U.S. dollars	Thousands of U.S. dollars	Thousands of U.S. dollars	Thousands of U.S. dollars	Thousands of U.S. dollars	Thousands of U.S. dollars
As of April 1, 2023	616,150	593,405	(251,609)	697,826	4,791	753,691
Profit	—	—	—	—	—	—
Other comprehensive income	32	—	—	431,494	(5,498)	417,544
Total comprehensive income	—	—	—	431,494	(5,498)	417,544
Purchase of treasury shares	26	—	(152)	—	—	—
Disposal of treasury shares	26	—	0	—	—	—
Dividends	27	—	—	—	—	—
Changes in ownership interest in subsidiaries	—	—	—	—	—	—
Transfer to retained earnings	17	—	—	—	—	(25,078)
Transactions with owners - total	—	0	(152)	—	—	(25,078)
As of March 31, 2024	616,150	593,405	(251,761)	1,129,320	(707)	1,146,157

Notes	Equity attributable to owners of parent					
	Other components of equity				Non-controlling interests	Total equity
	Remeasurements of defined benefit plans	Total	Retained earnings	Total		
	Thousands of U.S. dollars	Thousands of U.S. dollars	Thousands of U.S. dollars	Thousands of U.S. dollars	Thousands of U.S. dollars	Thousands of U.S. dollars
As of April 1, 2023	—	1,456,307	8,367,951	10,782,204	1,041,598	11,823,802
Profit	—	—	387,240	387,240	14,551	401,791
Other comprehensive income	32	55,620	899,161	899,161	82,350	981,511
Total comprehensive income	—	55,620	899,161	1,286,401	96,901	1,383,301
Purchase of treasury shares	26	—	—	(152)	—	(152)
Disposal of treasury shares	26	—	—	0	—	0
Dividends	27	—	—	(272,352)	(41,287)	(313,639)
Changes in ownership interest in subsidiaries	—	—	—	—	146,931	146,931
Transfer to retained earnings	17	(55,620)	(80,698)	80,698	—	—
Transactions with owners - total	—	(55,620)	(80,698)	(191,654)	105,643	(166,861)
As of March 31, 2024	—	2,274,770	8,563,537	11,796,101	1,244,142	13,040,243

As to the pages indicated in "NOTES," please refer to the Consolidated Financial Statements at the following address.


 https://www.smm.co.jp/en/ir/library/consolidated_financial_statement/pdf/Consolidated_Financial_Statement_2024.pdf

4) Consolidated Statement of Cash Flows

Notes	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)	
	Millions of yen	Millions of yen	Thousands of U.S. dollars
Cash flows from operating activities			
Profit before tax	229,910	95,795	633,021
Depreciation and amortization	53,310	56,224	371,532
Loss (gain) on sale of fixed assets	(1,428)	(1,162)	(7,679)
Impairment losses	3,444	761	5,029
Impairment losses on assets held for sale	2	2,249	42,404
Share of loss (profit) of investments accounted for using equity method	(36,536)	(33,117)	(218,840)
Increase or decrease in retirement benefit asset or liability	(4,642)	(11,861)	(78,378)
Increase (decrease) in provisions	4,257	1,877	12,403
Finance income	(29,389)	(18,819)	(124,357)
Finance costs	8,596	18,295	120,895
Decrease (increase) in trade and other receivables	113	(3,698)	(24,437)
Decrease (increase) in inventories	(133,712)	43,851	289,771
Increase (decrease) in trade and other payables	38,689	1,538	10,163
Decrease (increase) in advance payments to suppliers	1,861	2,433	16,077
Increase (decrease) in accrued consumption taxes	(11,154)	14,197	93,815
Other	2	11,546	178,828
Subtotal	137,114	199,793	1,320,247
Interest received	11,056	31,927	210,976
Dividends received	28,657	36,447	240,845
Interest paid	(5,927)	(18,601)	(122,917)
Income taxes paid	(50,662)	(39,541)	(261,290)
Income taxes refund	144	650	4,295
Net cash provided by (used in) operating activities	120,382	210,675	1,392,156
Cash flows from investing activities			
Payments into time deposits	(387)	(281)	(1,857)
Proceeds from withdrawal of time deposits	50,848	313	2,068
Purchase of securities	(6,279)	—	—
Proceeds from redemption of securities	6,911	—	—
Purchase of property, plant and equipment	(123,823)	(125,275)	(827,827)
Proceeds from sale of property, plant and equipment	565	3,097	20,465
Purchase of intangible assets	(7,087)	(2,803)	(18,522)
Purchase of investment securities	2	(81)	(12,291)
Proceeds from sale of investment securities	10,053	8,689	57,418
Purchase of shares of subsidiaries and associates	(30,403)	(45,396)	(299,980)
Collection of short-term loans receivable	3,033	395	2,610
Payments for long-term loans receivable	(90,983)	(136,317)	(900,793)
Proceeds from sale of interests in subsidiaries resulting in change in scope of consolidation	34	1,592	—
Other	2	538	3,641
Net cash provided by (used in) investing activities	(185,503)	(298,887)	(1,975,068)

	Notes	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)	
		Millions of yen	Millions of yen	Thousands of U.S. dollars
Cash flows from financing activities				
Proceeds from short-term borrowings	34	406,013	415,905	2,748,331
Repayments of short-term borrowings	34	(351,158)	(485,070)	(3,205,379)
Proceeds from long-term borrowings	34	110,061	130,668	863,464
Repayments of long-term borrowings	34	(42,928)	(52,065)	(344,049)
Proceeds from issuance of bonds	34	89,925	99,938	660,398
Redemption of bonds	34	(105,000)	(74,999)	(495,599)
Proceeds from share issuance to non-controlling shareholders		24,073	22,235	146,931
Dividends paid	27	(76,386)	(41,215)	(272,352)
Dividends paid to non-controlling shareholders		(7,155)	(6,248)	(41,287)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	7	3,746	–	–
Other	34	(1,855)	(2,059)	(13,606)
Net cash provided by (used in) financing activities		49,336	7,090	46,851
Net increase (decrease) in cash and cash equivalents		(15,785)	(81,122)	(536,060)
Cash and cash equivalents at beginning of period	8	213,977	215,007	1,420,782
Effect of exchange rate changes on cash and cash equivalents		16,815	17,137	113,243
Cash and cash equivalents at end of period	8	215,007	151,022	997,965

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Corporate Data and Investor Information (As of March 31, 2024)

Corporate Data

Company name	Sumitomo Metal Mining Co., Ltd.
President & Representative Director	Nobuhiro Matsumoto (As of June 26, 2024)
Founded	1590
Incorporated	1950
Capital	JPY93.2 billion
Listing	Prime Market
No. of subsidiaries (consolidated)	52 (including the money held in trust which is deemed to be a consolidated company)
No. of equity-method affiliates	13
Net sales (consolidated)	JPY1,445.4 billion (for the year ended March 31, 2024)
Profit before tax (consolidated)	JPY95.8 billion (for the year ended March 31, 2024)

Number of Employees	7,496 (Consolidated)
Head Office	1-3, Shimbashi 5-chome, Minato-ku, Tokyo 105-8716, Japan
Main Branch	Osaka Branch
Branch	Nagoya Branch
Research centers	Niihama Research Laboratories (Ehime Prefecture) Battery Research Laboratories (Ehime Prefecture) Materials Laboratories (Tokyo) Ichikawa Research Center (Chiba Prefecture)

Investor Information

Closing Date	March 31	
Ordinary General Meeting of Shareholders	June	
Common Stock	Number of authorized shares	500,000,000
	Number of issued and outstanding shares	290,814,015
	Number of shareholders	57,422
	Listing of shares	Tokyo
	Stock transaction unit	100 shares

Note: SMM consolidated its common stock at a rate of one share for every two shares with October 1, 2017 as the effective date.

Registrar of Shareholders

Sumitomo Mitsui Trust Bank, Limited
4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8233, Japan

Stock Transfer Agency Department:
Sumitomo Mitsui Trust Bank, Limited,
Stock Transfer Agency Business Planning Department
4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8233, Japan

Method of Public Notice

Electronic notification (However, if electronic notification is not available due to unavoidable circumstances, notice will be published in the Nihon Keizai Shimbun newspaper.)

Independent Public Accountant

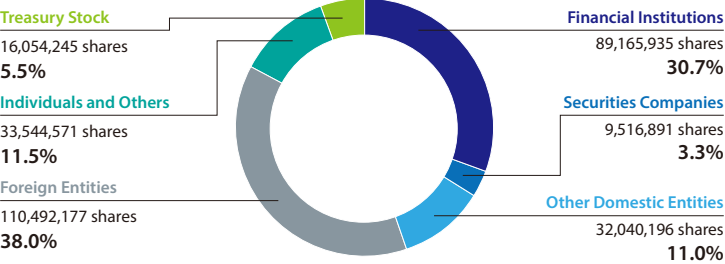
KPMG AZSA LLC 1-2, Tsukudo-cho, Shinjuku-ku, Tokyo 162-0821, Japan

Major Shareholders

Name of Shareholders	Number of shares held	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	43,895,900	15.98
Custody Bank of Japan, Ltd. (Trust Account)	18,682,600	6.80
Toyota Motor Corporation	11,058,000	4.02
STATE STREET BANK WEST CLIENT–TREATY 505234	5,406,815	1.97
STATE STREET BANK AND TRUST COMPANY 505001	4,543,393	1.65
Sumitomo Realty & Development Co., Ltd.	3,745,055	1.36
SUMITOMO LIFE INSURANCE COMPANY	3,737,000	1.36
BNYM AS AGT/CLTS NON TREATY JASDEC	3,402,989	1.24
GOVERNMENT OF NORWAY	3,319,482	1.21
JP MORGAN CHASE BANK 385781	3,246,596	1.18

Notes: 1 We own 16,054,245 shares of treasury stock.
2 The shareholding ratios were calculated based on the total number of issued shares less treasury stock.

Stock Distribution (by shareholders)



Attestation of Validity

On the issuance of the Sumitomo Metal Mining Co., Ltd. Integrated Report 2024



The SMM Group has been producing the Integrated Report since 2016, so the Integrated Report 2024 is the ninth edition. In this report, we explain our value creation through fusion of the SMM Group's business and sustainability and give a detailed account of the progress made in the four challenges laid out in the 2021 3-Year Business Plan.

As the officer ultimately responsible for the production of this report, I attest that the process of creating the report is legitimate and that its content is accurate.

I hope that this Integrated Report will help our diverse stakeholders, including shareholders and investors, understand our Group's efforts toward sustained growth and the realization of a sustainable society. We will continue to strive to appropriately disclose information.

Mihoko Yano
Executive Officer
General Manager of Sustainability Dept.
In charge of General Affairs Dept.,
Public Relations & Investor Relations Dept., and Osaka Branch