May 9, 2025

Listed Company Name: Sumitomo Metal Mining Co., Ltd.
Code: 5713
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Notice regarding Changes to the Policy for Dividends

Sumitomo Metal Mining Co., Ltd. announces that, at the Board of Directors' meeting held today, resolutions were passed to make the following changes to the dividend policy, and for the dividend forecast for the fiscal year ending March 31, 2026 (FY2025).

1. Changes to the policy for dividends

(1) Details of changes

The Company's previous dividend policy of "dividends from surplus shall be paid out with a consolidated payout ratio to be 35% or more and a minimum indicator to be DOE[*1] of 1.5% in principle," has been changed to "dividends from surplus shall be paid out with a consolidated payout ratio to be 35% or more and a minimum indicator to be DOE of 2.5% in principle."

In addition, "consolidated net assets attributable to owners of parent" of the end of the relevant fiscal year was previously used for shareholders' equity to calculate the DOE in the calculation of the dividend amount for each fiscal year, but a change has made to use of this of the end of the previous fiscal year which is fixed amount. Also another change has been made to exclude items affected by such as exchange rate movements from "consolidated net assets attributable to owners of parent".[*2]

*1 DOE (dividend on equity ratio) = Annual total dividends / Shareholders' equity

*2 Other components of equity (exchange differences on translation of foreign operations, financial assets measured at fair value through other comprehensive income, cash flow hedges)

(2) Reasons for changes

Since the fiscal year ended March 31, 2010, the Company has paid a dividend that corresponds to its business performance, and from the fiscal year ended March 31, 2020, established the principle of a payout ratio of 35%. Nevertheless, due to the nature of the business, the Sumitomo Metal Mining Group's business performance is affected by prices of non-ferrous metals, exchange rate fluctuations, and other factors. Accordingly, dividends from surplus based on a consolidated payout ratio change significantly. As part of the Company's action to implement management that is conscious of cost of capital and stock price, from the year-end dividend for the fiscal year ended March 31, 2024, DOE was added as a minimum indicator to mitigate the impact on dividends if the Group's business performance deteriorates due to market prices and other factors.

Regarding DOE as the minimum indicator, to avoid uncertainty resulting from changes in consolidated operating results and consolidated net assets during and at the end of each fiscal year, the DOE is to be based on consolidated net assets as of the end of the previous fiscal year, excluding items affected by exchange rate movements, etc. This is to emphasize stability from the perspective of shareholders, and as a result the minimum indicator of DOE has been raised to 2.5%.

Going forward, the Company will continue to implement the strategies set forth in new 3-Year Business Plan covering the period from FY2025 to FY2027 and scheduled to be announced in mid-May 2025, based on the concept that steadily implementing growth strategies will contribute to the enhancement of medium- to long-term corporate value.

(3) Timing of change

The revised dividend policy will be applied from the fiscal year ending March 31, 2026.

2. Forecast of dividend for FY2025

	Dividend per share (Yen)		
	Second quarter-end	Year-end	Total
FY2025	65.00	66.00	131.00
(Reference) FY2024	49.00	55.00	104.00

Note: The above forecast of dividends is based on information available as of the date of this release. Actual results and disbursements may diverge from these forecasts, dependent on a variety of factors.