



February 8, 2024

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 Code: 5713  
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**Notice regarding Changes to the Policy for Dividends (Introduction of DOE) as well as Revisions Made to Year-end Dividend Forecast for the 99th Fiscal Year Ending March 31, 2024**

Sumitomo Metal Mining Co., Ltd. announces that, at the Board of Directors' meeting held today, a resolution was passed to make the following changes to the dividend policy, and to make revisions to the forecast for the year-end dividend per share.

1. Changes to the policy for dividends

(1) Details of changes

The Company has set forth its dividend policy in the 2021 3-Year Business Plan (hereinafter "21 3-Year Plan"), namely "consolidated payout ratio to be 35% or more in principle," with a basic financial strategy of maintaining the consolidated equity ratio of over 50%. The Board has resolved that DOE (dividend on equity ratio\*) of 1.5% shall be added as a minimum indicator, and that the dividend policy shall be 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 1.5% in principle."

This new dividend policy will take effect from the year-end dividend for the fiscal year ending March 31, 2024.

\* DOE (dividend on equity ratio) = Annual total dividends / Consolidated net assets attributable to owners of parent

(2) Reasons for changes

Due to the nature of the business, the SMM 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, DOE has been added as a minimum indicator to mitigate the impact on dividends if the Group's business performance deteriorates due to factors such as market prices.

Going forward, the Company will continue to implement the strategies set forth in 21 3-Year Plan, based on the concept that steadily implementing growth strategies will contribute to the enhancement of medium- to long-term corporate value.

2. Revisions to year-end dividend forecast

(1) Details of revisions to dividend forecast

	Dividend per share (Yen)		
	Second quarter-end	Year-end	Total
Previous forecast (November 8, 2023)	/	36.00	71.00
Revised forecast	/	63.00	98.00
Current year (FY2023) result	35.00	/	/
(Reference) Previous fiscal year (FY2022) (actual)	90.00	115.00	205.00

(2) Reasons behind revisions

In conjunction with the above changes to the dividend policy, the forecast for the year-end dividend will be increased by 27 yen to 63 yen per share, compared to the previously announced forecast of 36 yen per share. As a result, the annual dividend per share is expected to be 98 yen.

*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.*