

# **Explanatory Materials for Financial Results**

## **(For the 1st Quarter of Fiscal Year Ending March 31, 2026)**

**August 5, 2025**



**SUMITOMO OSAKA CEMENT**

Note: This document has been translated from the Japanese original for reference purposes only.  
In the event of any discrepancy between this translated document and the Japanese original,  
the original shall prevail.

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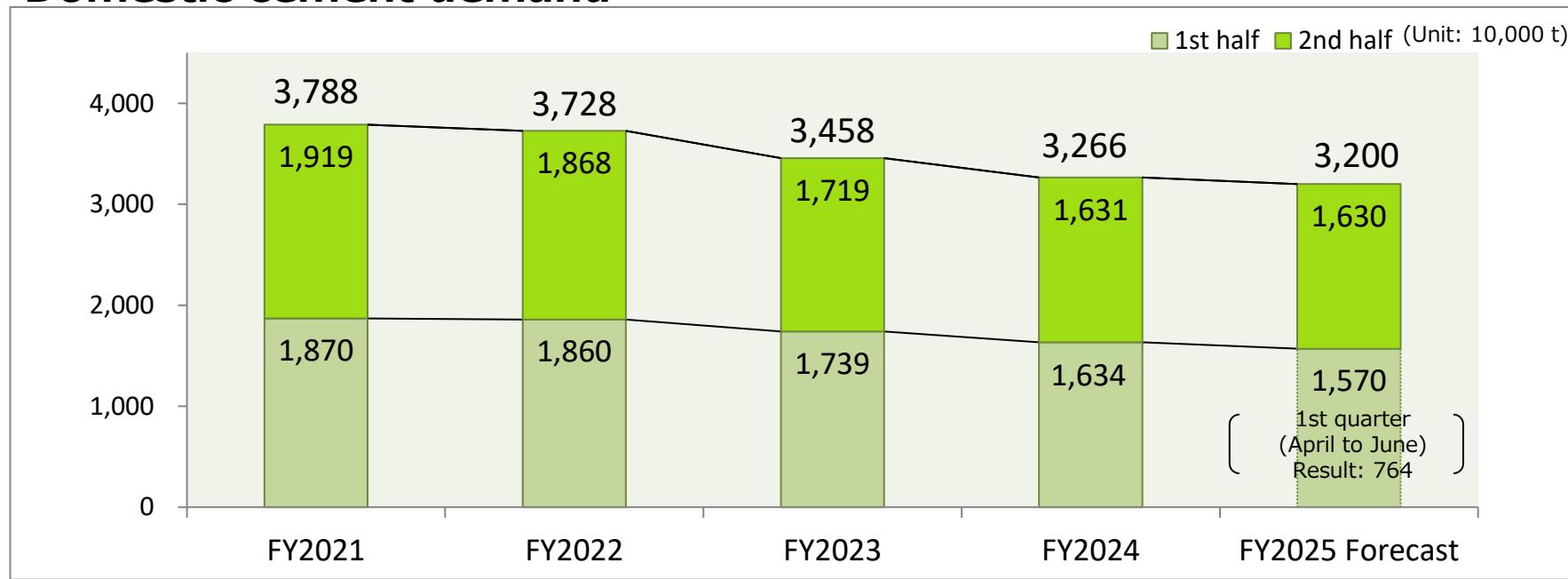
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# 1. Domestic Cement Demand/Our Sales Volume

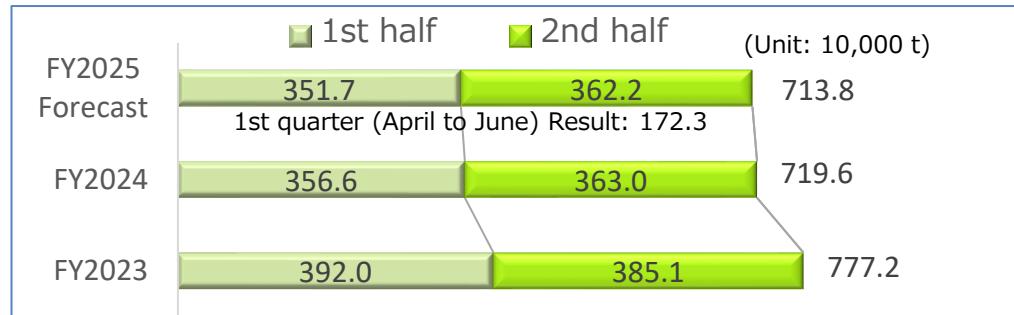
 SUMITOMO  
OSAKA CEMENT

Note: First-half and full-year forecasts remain unchanged

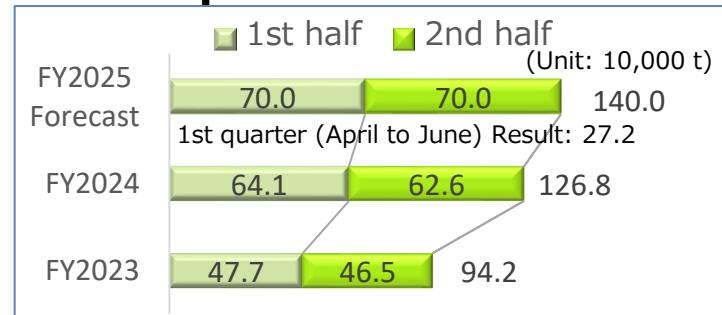
## Domestic cement demand



## Our domestic sales volume



## Our export volume



## 2. FY2025 1st Quarter Financial Summary

- The Cement business saw improvements in profits owing to the decline of coal prices and the impact of price hikes, despite a decrease in the domestic sales volume of cement and an increase in manufacturing fixed costs.
- The Advanced Material business saw a higher operating profit owing to the ESC lineup etc.

### ① Net sales

- Revenue fell due to lower domestic sales volume of cement.

### ② Operating profit

- The Cement business saw an increase in operating profit due to the decline of coal prices and the impact of price hikes.
- The Advanced Materials business saw an increase in operating profit owing to the ESC lineup etc.

### ③ Non-operating income/exp., net

- Deterioration in foreign exchange gains/losses etc.

### ④ Extraordinary income/losses, net

- Increased due to the recording of a gain on sale of cross-shareholdings.

Unit: 100 million yen

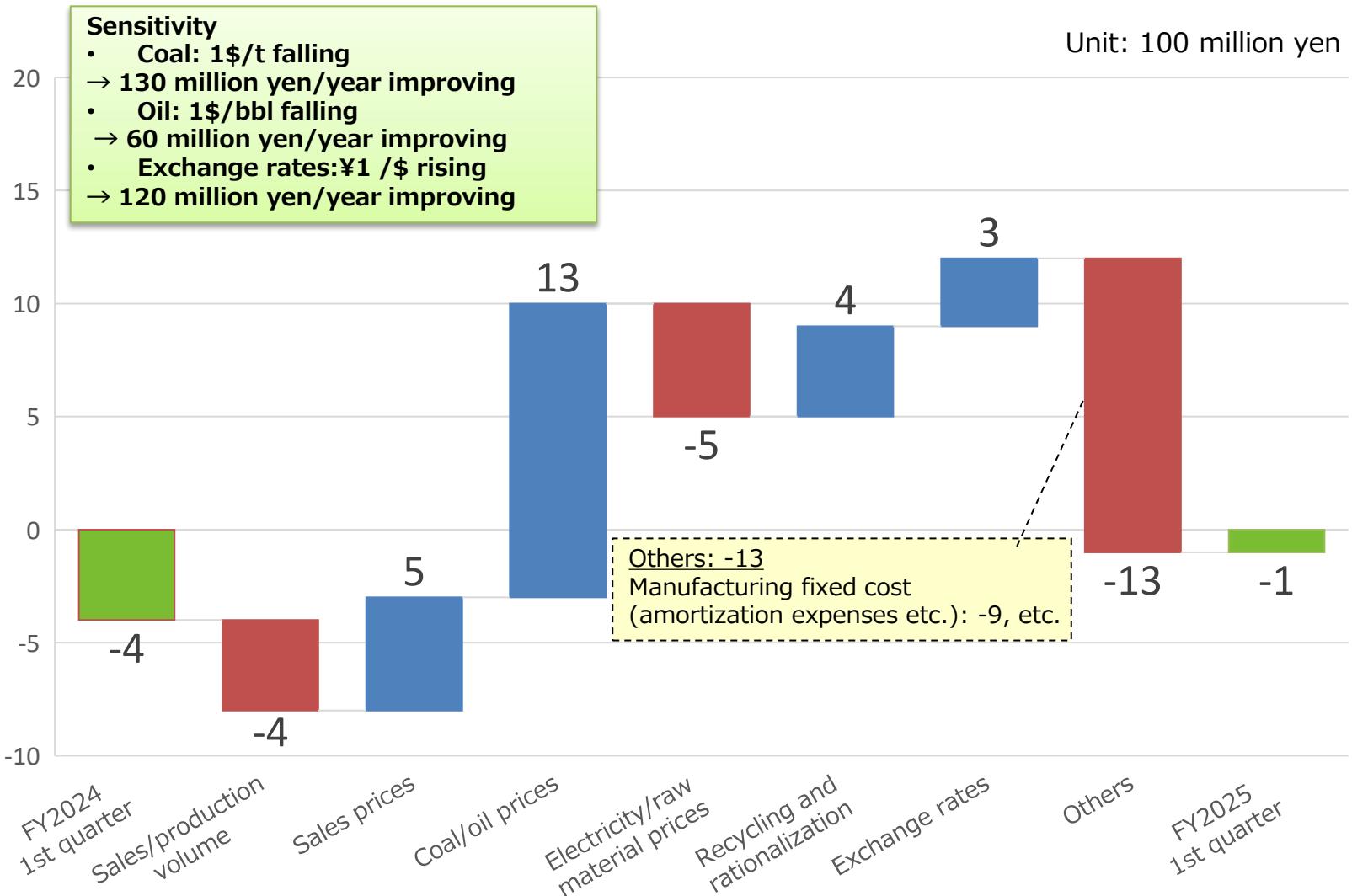
	FY2024 1st quarter	FY2025 1st quarter	YoY change
Net sales	532	515	- 17
Operating profit (Cement business only)	12.6 (- 3.7)	17.4 (- 0.7)	4.8 (3.0)
Non-operating income/expenses, net	7.2	1.8	- 5.4
Ordinary profit	19.8	19.2	- 0.6
Extraordinary income/losses, net	- 1.4	3.8	5.2
Profit attributable to owners of the parent	6.9	14.8	7.9

## 2. FY2025 1st Quarter Sales and Income by Segment (Year-on-year)

Unit: 100 million yen

	FY2024 1st quarter		FY2025 1st quarter		YoY change	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Cement	385	- 3.7	366	- 0.7	- 18	3.0
Mineral Resources	43	8.4	41	5.5	- 2	- 2.9
Cement-Related Products	54	2.0	47	- 0.6	- 8	- 2.6
Optoelectronics	6	- 1.5	7	- 0.1	0	1.4
Advanced Materials	34	3.8	46	9.1	11	5.2
Other	9	4.1	9	4.0	- 0	- 0.1
<b>Total</b>	<b>532</b>	<b>12.6</b>	<b>515</b>	<b>17.4</b>	<b>- 17</b>	<b>4.8</b>

## 2. FY2025 1st Quarter Breakdown of Changes in Operating Income from Cement Business (Year-on-year)



## 2. FY2025 1st Quarter Earnings of Non-cement Business Segments

Unit: 100 million yen

	FY2024 1st quarter	FY2025 1st quarter	YoY change	
<b>Mineral Resources</b>				<b>Lower revenue and income</b>
Net sales	43	41	- 2	<ul style="list-style-type: none"> <li>Lower revenue due to a lower sales volume of limestone for foreign countries; lower income due to increased mining costs</li> </ul>
Operating profit	8.4	5.5	- 2.9	
<b>Cement-Related Products</b>				<b>Lower revenue and income</b>
Net sales	54	47	- 8	<ul style="list-style-type: none"> <li>Lower revenue and income due to a decrease in the number of ground improvement works</li> </ul>
Operating profit	2.0	- 0.6	- 2.6	
<b>Optoelectronics</b>				<b>Lower deficit</b>
Net sales	6	7	0	<ul style="list-style-type: none"> <li>Lowered deficit due to cost reduction</li> </ul>
Operating profit	- 1.5	- 0.1	1.4	
<b>Advanced Materials</b>				<b>Higher revenue and income</b>
Net sales	34	46	11	<ul style="list-style-type: none"> <li>Higher revenue and income due to the ESC lineup etc.</li> </ul>
Operating profit	3.8	9.1	5.2	

### 3. FY2025 Full-Year Earnings Forecast

- Forecasts announced at the beginning of the year (May 13) remain unchanged.
- For the Cement business, continue to take cost-cutting measures including raising cement prices and coal procurement. For the other businesses, create more profits after the second quarter.

Unit: 100 million yen

	FY2025 Forecast			YoY change		
	1st half	2nd half	Full year	1st half	2nd half	Full year
<b>Net sales</b>	<b>1,114</b>	<b>1,236</b>	<b>2,350</b>	<b>28</b>	<b>127</b>	<b>155</b>
<b>Operating profit (Cement business only)</b>	<b>48.0</b> (9.0)	<b>142.0</b> (91.0)	<b>190.0</b> (100.0)	<b>25.2</b> (25.7)	<b>71.3</b> (65.6)	<b>96.5</b> (91.2)
<b>Non-operating income/expenses, net</b>	<b>- 8.0</b>	<b>- 6.0</b>	<b>- 14.0</b>	<b>- 6.4</b>	<b>- 7.7</b>	<b>- 14.2</b>
<b>Ordinary profit</b>	<b>40.0</b>	<b>136.0</b>	<b>176.0</b>	<b>18.8</b>	<b>63.6</b>	<b>82.3</b>
<b>Extraordinary income/losses, net</b>	<b>12.0</b>	<b>- 5.0</b>	<b>7.0</b>	<b>14.2</b>	<b>- 41.2</b>	<b>- 27.1</b>
<b>Profit attributable to owners of the parent</b>	<b>50.0</b>	<b>90.0</b>	<b>140.0</b>	<b>40.6</b>	<b>9.3</b>	<b>49.9</b>
<b>Dividend per share</b>	<b>60 yen</b>	<b>60 yen</b>	<b>120 yen</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*FY25 Forecast, Exchange rate: ¥145/\$ (FY24 Average: ¥152/\$), Coal (CIF): \$135/t (FY24: \$155/t)

### 3. FY2025 First-Half Earnings Forecast: Sales and Income by Segment

- Forecasts announced at the beginning of the fiscal year (May 13) remain unchanged. Note: 2nd quarter = 1st half forecast - 1st quarter results
- Make efforts to achieve the first half forecasts made at the beginning of the fiscal year, although there are variations in the quarterly results by segment. Unit: 100 million yen

	FY2024 1st half results			FY2025 1st half forecast			Change			
	1st quarter (Apr.-Jun.)	2nd quarter (Jul.-Sep.)	1st half	1st quarter (Apr.-Jun.) results	2nd quarter (Jul. -Sep.) forecast	1st half forecast	1st quarter (Apr.-Jun.)	2nd quarter (Jul.-Sep.)	1st half	
Net sales	Cement	385	391	776	366	408	774	- 18	16	- 2
	Mineral resources	43	45	88	41	49	90	- 2	4	2
	Cement-related products	54	64	119	47	73	120	- 8	9	1
	Optoelectronics	6	5	11	7	7	14	0	2	3
	Advanced materials	34	39	73	46	51	97	11	12	24
	Other	9	10	19	9	10	19	- 0	0	0
Total		532	554	1,086	515	599	1,114	- 17	45	28

Operating profit	Cement	- 3.7	- 12.9	- 16.7	- 0.7	9.7	9.0	3.0	22.6	25.7
	Mineral resources	8.4	7.8	16.2	5.5	7.5	13.0	- 2.9	- 0.3	- 3.2
	Cement-related products	2.0	5.9	7.8	- 0.6	7.6	7.0	- 2.6	1.7	- 0.8
	Optoelectronics	- 1.5	- 1.0	- 2.5	- 0.1	- 0.9	- 1.0	1.4	0.1	1.5
	Advanced materials	3.8	6.0	9.8	9.1	3.9	13.0	5.2	- 2.0	3.2
	Other	4.1	3.3	7.5	4.0	3.0	7.0	- 0.1	- 0.3	- 0.5
	Total	12.6	10.2	22.8	17.4	30.6	48.0	4.8	20.4	25.2

### 3. FY2025 Earnings Forecast: Sales and Income by Segment (Semiannual)

- Forecasts announced at the beginning of the year (May 13) remain unchanged.

Unit: 100 million yen

		FY2024 Results			FY2025 Forecast			Change		
		1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year
Net sales	Cement	776	788	1,564	774	865	1,639	- 2	77	75
	Mineral resources	88	86	174	90	93	183	2	7	9
	Cement-related products	119	117	236	120	135	255	1	18	19
	Optoelectronics	11	14	25	14	18	32	3	4	7
	Advanced materials	73	83	157	97	105	202	24	22	45
	Other	19	20	39	19	20	39	0	0	0
Total		1,086	1,109	2,195	1,114	1,236	2,350	28	127	155
Operating profit	Cement	- 16.7	25.4	8.8	9.0	91.0	100.0	25.7	65.6	91.2
	Mineral resources	16.2	15.3	31.5	13.0	15.0	28.0	- 3.2	- 0.3	- 3.5
	Cement-related products	7.8	10.6	18.4	7.0	9.0	16.0	- 0.8	- 1.6	- 2.4
	Optoelectronics	- 2.5	- 1.0	- 3.6	- 1.0	0.0	- 1.0	1.5	1.0	2.6
	Advanced materials	9.8	12.8	22.6	13.0	20.0	33.0	3.2	7.2	10.4
	Other	7.5	8.7	16.2	7.0	7.0	14.0	- 0.5	- 1.7	- 2.2
Total		22.8	70.7	93.5	48.0	142.0	190.0	25.2	71.3	96.5

# 4. Supplementary Materials

## Status of Assets and Liabilities

Unit: 100 million yen

(Reference)  
Initial forecast

	As of March 31, 2025	As of June 30, 2025	Change
<b>Cash and deposits</b>	<b>166</b>	<b>154</b>	<b>- 11</b>
<b>Property, plant and equipment</b>	<b>1,918</b>	<b>1,940</b>	<b>22</b>
<b>Investment securities</b>	<b>394</b>	<b>420</b>	<b>26</b>
<b>Other assets</b>	<b>1,052</b>	<b>1,066</b>	<b>13</b>
<b>Total assets</b>	<b>3,530</b>	<b>3,580</b>	<b>50</b>

As of March 31, 2026(Forecast)
<b>145</b>
<b>1,993</b>
<b>403</b>
<b>1,084</b>
<b>3,625</b>

<b>Interest-bearing liabilities</b>	<b>833</b>	<b>867</b>	<b>34</b>
<b>Other liabilities</b>	<b>761</b>	<b>784</b>	<b>24</b>
<b>Total liabilities</b>	<b>1,594</b>	<b>1,651</b>	<b>58</b>
<b>Net assets</b>	<b>1,937</b>	<b>1,928</b>	<b>- 8</b>
<b>Total liabilities and net assets</b>	<b>3,530</b>	<b>3,580</b>	<b>50</b>

<b>900</b>
<b>750</b>
<b>1,650</b>
<b>1,975</b>
<b>3,625</b>

# Caution

## About Forward-looking Statements

- This document contains forward-looking statements that reflect Sumitomo Osaka Cement Co., Ltd.'s current views and judgements with respect to current plans, strategies and beliefs. They are based upon currently available information, and do not constitute promises, commitments or guarantees.
- The forward-looking statements involve both real and potential risks and uncertainties that can cause actual events and results to differ materially from those anticipated in these statements.



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