

To whom it may concern:

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**Notice of Differences between Consolidated Financial Forecasts and Actual Results for the First Half
 of the Fiscal Year ending March 31, 2026, Revisions to the Full-Year Consolidated Financial Forecasts
 and Revision to Dividend Forecast**

Sumitomo Electric Industries, Ltd. ("the Company") hereby announces the differences between the consolidated financial forecasts for the first half of the fiscal year ending March 31, 2026 announced on July 31, 2025 and the actual results that were announced today, as shown below:

Also, based on the latest trend of business performance, etc. the Company announces the revisions to the full-year consolidated financial forecasts and the revision to dividend forecast for the fiscal year ending March 31, 2026, as shown below:

1. Differences between Consolidated Financial Forecasts and Actual Results for the First Half of the Fiscal Year ending March 31, 2026 and Revisions to the Full-Year Consolidated Financial Forecasts

(1) Differences between the consolidated financial forecasts and the actual results for the first half of the fiscal year ending March 31, 2026 (from April 1, 2025 to September 30, 2025)

(Millions of yen, except per share figures)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share (yen)
Previous forecasts (A) (announced on July 31, 2025)	2,260,000	123,000	126,000	75,000	96.16
Actual results (B)	2,373,461	153,021	155,516	97,938	125.57
Difference (B-A)	113,461	30,021	29,516	22,938	—
Increase/decrease (%)	5.0	24.4	23.4	30.6	—
(For reference) Actual results for the first half of the previous fiscal year ended March 31, 2025	2,247,778	119,315	121,704	75,755	97.14

(2) Revisions to the full-year consolidated financial forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen, except per share figures)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share (yen)
Previous forecasts (A) (announced on July 31, 2025)	4,600,000	295,000	304,000	205,000	262.85
Revised forecasts (B)	4,750,000	340,000	346,000	230,000	294.90
Difference (B-A)	150,000	45,000	42,000	25,000	—
Increase/decrease (%)	3.3	15.3	13.8	12.2	—
(For reference) Actual results for the previous fiscal year ended March 31, 2025	4,679,789	320,663	309,496	193,771	248.47

(3) Reason for the differences and the revisions

The consolidated financial results for the first half of the fiscal year ending March 31, 2026 have exceeded the previous forecasts announced on July 31, 2025 due to continued steady demand in the Automotive sector, the Environment and Energy sector and the Infocommunications sector as well as thorough cost reduction and improvement of selling prices in addition to lower impact of the U.S. additional tariffs than expected.

Based on the latest business circumstances and the situation regarding the U.S. additional tariffs in addition to the actual results for the first half of the fiscal year ending March 31, 2026, the Company has revised up the full-year consolidated financial forecasts for the fiscal year ending March 31, 2026.

2. Revision to Dividend Forecast

(1) Details of revision

Record date	Dividend per share (yen)		
	Interim	Year-end	Total
Previous forecast (announced on May 13, 2025)	50.00	50.00	100.00
Revised forecast	—	68.00	118.00
Results for current period	50.00	—	—
Results for previous period (ended March 31, 2025)	36.00	61.00	97.00

(2) Reason for revision

Our basic policy for dividend is to maintain stable dividend payout and make comprehensive judgement based on consolidated financial results, dividend payout ratio, level of retained earnings, etc.

The Company has revised the forecast of the year-end dividend for the fiscal year ending March 31, 2026 to 68 yen per share from 50 yen per share of the previous forecast, taking into consideration the revisions to the full-year consolidated financial forecasts for the fiscal year ending March 31, 2026 announced today, which would result in an annual dividend of 118 yen per share.

3. Impact of Reorganization of Listed subsidiaries

On October 30, 2025, the Company announced the tender offer for shares of Sumitomo Riko Company Ltd. ("Sumitomo Riko") and the transfer of shares of Sumitomo Densetsu Co., Ltd. ("Sumitomo Densetsu") held by the Company. However, the details regarding the impact of these transactions on the Company's consolidated financial results are still under review. Therefore, they have not been factored into the full-year consolidated financial forecasts announced today, which is based on the current capital relationship.

Following the successful completion of the transfer of Sumitomo Densetsu shares held by the Company, the Company expects to record approximately 70 billion yen as extraordinary income in the consolidated financial statements. However, the proceeds from this transfer are intended to be used to fund the tender offer for Sumitomo Riko shares. Therefore, regarding dividends after recording the aforementioned extraordinary income, the Company plans to pay dividends based on profits generated from normal business activities, excluding this extraordinary income.

※ This material contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. Therefore, the final results might be different from the forecast due to various factors.