Reference Translation

August 7, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 [Under Japanese GAAP]

Company name : SMC Corporation
Listing : Tokyo Stock Exchange, Prime Market
Securities code : 6273
URL : https://www.smcworld.com/ir/en-jp/
Representative : Yoshiki Takada, President
Inquiries : Kyoichi Miyazaki, Director and Executive Officer (disclosure.jp@smc.com)
Scheduled date to commence dividend payments : —
Preparation of supplementary material on financial results : Yes
Holding of financial results briefing : Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	270,987	35.4	73,986	66.4	91,790	86.9	67,863	95.9
June 30, 2025	200,180	(1.3)	44,456	(15.1)	49,115	(28.1)	34,641	(28.9)

Note: Comprehensive income For the three months ended June 30, 2026 : ¥ 88,841 million 258.3%
For the three months ended June 30, 2025 : ¥ 24,796 million (77.2%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	1,076.01	—
June 30, 2025	543.79	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	2,368,575	2,154,827	91.0
March 31, 2026	2,311,835	2,115,240	91.5

Reference: Equity As of June 30, 2026 : ¥ 2,154,577 million
As of March 31, 2026 : ¥ 2,115,090 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	500.00	—	500.00	1,000.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		500.00	—	500.00	1,000.00

Note: Revisions to the forecast of cash dividends most recently announced : None

3. Forecasts of consolidated operating results for the year ending March 31, 2027

(Percentages indicate ratio against previous fiscal year end.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2027	1,000,000	18.7	219,000	14.9	239,000	1.4	170,000	1.6	2,692.46

Note: Revisions to the forecast of operating results most recently announced : None

＊ Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1. Changes in accounting policies due to revisions to accounting standards and other regulations : None
2. Changes in accounting policies due to other reasons : None
3. Changes in accounting estimates : None
4. Restatement : None

(4) Number of issued shares (common shares)

1. Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	63,869,359 shares
As of March 31, 2026	63,869,359 shares

2. Number of treasury shares at the end of the period

As of June 30, 2026	1,000,581 shares
As of March 31, 2026	730,300 shares

3. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	63,068,904 shares
Three months ended June 30, 2025	63,703,798 shares

Note: The Company's shares held by the Board Benefit Trust (BBT) for the Directors' Stock Compensation Plan (11,200 shares) is included in the number of treasury shares, which is excluded in the calculation for the above : 2. Number of treasury shares at the end of the period and 3. Average number of shares outstanding during the period.

＊ Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm : None

＊ Proper use of earnings forecasts, and other special matters

1. Forecasts are based on information and certain premises that the Company considers to be reasonable at the time these consolidated financial results for the three months are released.
   Some factors could cause actual results to differ from expectations.
2. The Company is scheduled to hold a financial results briefing for institutional investors and analysts on August 7, 2026. Presentation material will be released on the Company's website on the day.

1. Qualitative information about the quarterly results

(1) Operating results

During the three months of this fiscal year (April 1, 2026 to June 30, 2026), appetite for capital investment recovered in each country, mainly in the semiconductor-related industry. However, business conditions including the Middle East situation, monetary policy in each country, and foreign exchange trends remained uncertain.

As for the demand for automatic control equipment, in the semiconductor and electrical machinery-related industries, capital investment increased in a wide range of industries in Greater China, including semiconductor, flat panel display, and secondary battery. In the regions including Japan, North America, and Asia, demand for AI and advanced semiconductors remained at a high level. In the automotive-related industry, even though EV battery-related demand was solid in Greater China, it remained sluggish in other regions, including Europe showing stagnation. Demand for machine tool-related industry was strong mainly in Japan and Greater China, supported by data center-related capital investment. Sales to medical equipment-related, food machinery-related, and other industries were solid overall, supported by demand for automation driven by labor shortages.

Under these circumstances, the SMC Group has continued to address issues such as securing product supply capability to meet growing demand, strengthening both direct sales and distributor sales channels, promoting diversification of products and customers, improving productivity in product development, and utilizing its global human resources.

Within the business environment described above, the summary of consolidated business results for the three months ended June 30, 2026 is as follows:

Net sales were 270,987 million yen (increased by 35.4%, yoy).

Operating profit was 73,986 million yen (increased by 66.4%, yoy). Although the Group recorded higher personnel expenses, depreciation, and other costs, operating profit increased significantly due to the increase in sales.

Ordinary profit was 91,790 million yen (increased by 86.9%, yoy), mainly due to the increases in foreign exchange gains and gain on sale of securities.

Profit before income taxes was 93,815 million yen (increased by 89.5%, yoy), and profit attributable to owners of parent was 67,863 million yen (increased by 95.9%, yoy).

(2) Financial position

Financial position as of the end of the three months of this fiscal year (June 30, 2026) is as follows:

Total assets were 2,368,575 million yen (a 56,739 million yen or 2.5% increase from the previous fiscal year end), mainly due to a 47,219 million yen increase in cash and deposits and a 36,103 million yen increase in trade receivables.

Total liabilities were 213,747 million yen (a 17,151 million yen or 8.7% increase from the previous fiscal year end), mainly due to a 10,299 million yen increase in trade payables.

Total net assets were 2,154,827 million yen (a 39,587 million yen or 1.9% increase from the previous fiscal year end), mainly due to a 36,288 million yen increase in retained earnings caused by recorded profit attributable to owners of parent and a 22,594 million yen increase in foreign currency translation adjustment.

(3) Consolidated forecasts and other forward-looking information

There is no change to the consolidated forecast for the fiscal year 2026, announced in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Under Japanese GAAP]" issued on May 14, 2026.

2. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	663,870	711,089
Notes and accounts receivable-trade	235,325	271,428
Securities	47,832	48,140
Merchandise and finished goods	198,419	195,225
Work in process	33,289	33,474
Raw materials and supplies	274,989	284,508
Other	51,524	42,418
Allowance for doubtful accounts	(959)	(1,003)
Total current assets	**1,504,291**	**1,585,282**
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	328,073	325,785
Machinery, equipment and vehicles, net	91,195	93,772
Land	110,110	107,857
Other, net	88,629	96,898
Total property, plant and equipment	**618,009**	**624,314**
Intangible assets		
Leasehold interests in land	11,432	12,902
Goodwill	–	7,147
Other	4,710	5,003
Total intangible assets	**16,142**	**25,053**
Investments and other assets		
Investment securities	121,714	78,977
Other	53,522	56,785
Allowance for doubtful accounts	(1,844)	(1,837)
Total investments and other assets	**173,392**	**133,924**
Total non-current assets	**807,544**	**783,292**
Total assets	**2,311,835**	**2,368,575**

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable-trade	31,822	42,121
Short-term borrowings	5,092	5,000
Income taxes payable	35,645	29,890
Provision for bonuses	5,799	10,212
Other	67,310	75,851
Total current liabilities	**145,670**	**163,076**
Non-current liabilities		
Provision for retirement benefits for directors	1,130	1,226
Provision for share awards for directors	630	657
Retirement benefit liability	8,075	7,948
Other	41,088	40,838
Total non-current liabilities	**50,925**	**50,670**
Total liabilities	**196,595**	**213,747**
Net assets		
Shareholders' equity		
Share capital	61,005	61,005
Capital surplus	73,779	73,779
Retained earnings	1,709,936	1,746,224
Treasury shares	(38,513)	(56,405)
Total shareholders' equity	**1,806,207**	**1,824,604**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,030	19,143
Foreign currency translation adjustment	271,634	294,228
Remeasurements of defined benefit plans	17,218	16,601
Total accumulated other comprehensive income	**308,883**	**329,973**
Non-controlling interests	**149**	**249**
Total net assets	**2,115,240**	**2,154,827**
Total liabilities and net assets	**2,311,835**	**2,368,575**

(2) Quarterly consolidated statement of income and Quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2025 From April 1, 2025 to June 30, 2025	Three months ended June 30, 2026 From April 1, 2026 to June 30, 2026
Net sales	**200,180**	**270,987**
Cost of sales	**111,527**	**144,060**
Gross profit	**88,652**	**126,927**
Selling, general and administrative expenses	**44,195**	**52,940**
Operating profit	**44,456**	**73,986**
Non-operating income		
Interest income	3,951	4,610
Foreign exchange gains	–	6,013
Gain on sale of securities	1,283	6,436
Other	871	872
Total non-operating income	**6,106**	**17,933**
Non-operating expenses		
Interest expenses	39	64
Foreign exchange losses	1,382	–
Other	25	64
Total non-operating expenses	**1,447**	**129**
Ordinary profit	**49,115**	**91,790**
Extraordinary income		
Gain on sale of non-current assets	153	69
Gain on sale of investment securities	279	730
Gain on step acquisitions	–	1,282
Total extraordinary income	**433**	**2,082**
Extraordinary losses		
Loss on sale of non-current assets	7	18
Loss on retirement of non-current assets	28	38
Other	0	–
Total extraordinary losses	**36**	**57**
Profit before income taxes	**49,512**	**93,815**
Income taxes	**14,868**	**25,949**
Profit	**34,644**	**67,866**
Profit attributable to non-controlling interests	**2**	**2**
Profit attributable to owners of parent	**34,641**	**67,863**

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025 From April 1, 2025 to June 30, 2025	Three months ended June 30, 2026 From April 1, 2026 to June 30, 2026
Profit	**34,644**	**67,866**
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,213)	(887)
Foreign currency translation adjustment	(6,441)	22,479
Remeasurements of defined benefit plans, net of tax	(193)	(616)
Total other comprehensive income	**(9,847)**	**20,975**
Comprehensive income	**24,796**	**88,841**
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	24,793	88,953
Comprehensive income attributable to non-controlling interests	2	(112)

(3) Notes to quarterly consolidated financial statements

(Notes on changes in scope of consolidation or equity method)

(Changes in scope of consolidation)

From the three months ended June 30, 2026, the Group has consolidated SMC Nederland B.V., which newly became a subsidiary of the Company due to the additional acquisition of shares.

As the deemed acquisition date was set to June 30, 2026, only the balance sheet of the acquiree has been included and its operating results have not been included in the Company's consolidated financial results for the three months ended June 30, 2026.

(Notes on special accounting methods for presenting quarterly consolidated financial statements)

(Calculation of tax expenses)

Tax expenses were calculated by multiplying profit before income taxes by the estimated effective tax rates (effective tax rates were calculated by reasonably estimating effective tax rate of profit before income taxes of consolidated fiscal year, including the consolidated three months of this fiscal year, after the application of tax effect accounting).

Tax expenses for some subsidiaries were calculated with effective statutory tax rates instead of the estimated effective tax rates. Recoverable amount for deferred tax assets was reasonably estimated.

(Notes on segment information)

The Company and its consolidated subsidiaries are composed of a single business segment, Automatic control equipment business. The disclosure of segment information is thereby omitted.

(Notes in the event of significant changes in shareholders' equity)

N/A

(Notes on going-concern assumption)

N/A

(Notes on quarterly consolidated statement of cash flows)

There is no quarterly consolidated statement of cash flows for the three months ended June 30, 2026.

Depreciation for the three months ended June 30, 2026 is as follows:

(Millions of yen)

	Three months ended June 30, 2025 From April 1, 2025 to June 30, 2025	**Three months ended June 30, 2026** From April 1, 2026 to June 30, 2026
Depreciation	9,495	13,164

3. Supplementary information

(1) Sales by region - Customer location

(Millions of yen)

Japan	U.S.	China	Asia (excl. China)	Europe	Other	Total
46,322	25,627	87,909	54,043	44,285	12,799	270,987

Note: Net sales of Japan, U.S., and China (including Hong Kong) are individually disclosed since they are roughly at a level of 10% or above the consolidated net sales respectively.

(2) Sales by region - Group company location

(Millions of yen)

Japan	North America	Greater China	Other Asia	Europe	Other	Total
47,759	31,284	96,710	44,397	43,821	7,014	270,987

Note: Net sales of "North America" includes U.S., Canada, and Mexico, and "Greater China" includes China, Hong Kong, and Taiwan.

(3) Consolidated Capital expenditures, Depreciation and R&D expenses

(Millions of yen)

	Three months ended June 30, 2026 (cumulative)		Year ending March 31, 2027 (Forecast)	
	(amount)	(YoY)	(amount)	(vs FY25)
Capital expenditures	18,812	(60.0%)	100,000	(33.4%)
Depreciation	13,164	38.6%	62,300	38.9%
R&D expenses	11,867	30.9%	47,000	17.5%

(4) Foreign currency exchange rates

	Three months ended June 30, 2026		Year ending March 31, 2027 (Forecast)
	(average)	(at end)	(average)
U S D	¥ 159.56	¥ 162.45	¥ 155.00
E U R	¥ 185.40	¥ 185.44	¥ 183.00
C N Y	¥ 23.44	¥ 23.88	¥ 22.70

(5) Consolidated Full-time employees and Temporary employees

(Number of personnel)

	Three months ended June 30, 2026	Difference from previous fiscal year end
Full-time employees (at end)	25,774	1,001
Temporary employees (average)	5,864	248