Explanatory Materials for Financial Results (For the 2nd Quarter (Interim) of Fiscal Year Ending March 31, 2027)

November 11, 2026

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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1. FY2026 2nd Quarter (Interim) Key Points of Financial Results

- ▶ **Despite tough conditions in domestic cement demand, profit increased partly due to the impact of price hikes implemented in the previous period.**
- ▶ **The High-Performance Products business saw an increase in profit partly due to higher sales volume of electrostatic chucks, despite a rise in costs, including one-time relocation expenses, equipment depreciation, and development expenses.**

Net sales	Operating profit	Cement operating profit	High-Performance Products operating profit
(2nd quarter results)	(2nd quarter results)	(2nd quarter results)	(2nd quarter results)
115,100mn yen **+9,300mn yen YoY** **+8.8% YoY**	**6,150mn yen** **+2,030mn yen YoY** **+49.2% YoY**	**1,530mn yen** **+1,490mn yen YoY** *** FY2025 2Q: 40mn yen**	**1,560mn yen** **+200mn yen YoY** **+14.8% YoY**
Full-year earnings forecast 241,000mn yen +17,300mn yen YoY +7.7% YoY	Full-year earnings forecast 15,000mn yen +1,350mn yen YoY +9.9% YoY	Full-year earnings forecast 4,200mn yen -1,300mn yen YoY -23.6% YoY	Full-year earnings forecast 4,500mn yen +2,080mn yen YoY +85.7% YoY

Key points

・The Cement business saw higher profit year on year mainly owing to the impact of domestic selling price hikes, despite sluggish domestic demand, rising energy prices, and other factors.
・The High-Performance Products business saw a profit increase of 200 million yen due to higher sales volume of electrostatic chucks and improved profitability of the Optical business, despite rising costs including one-time expenses for relocation to new production facility, equipment depreciation, and development expenses.

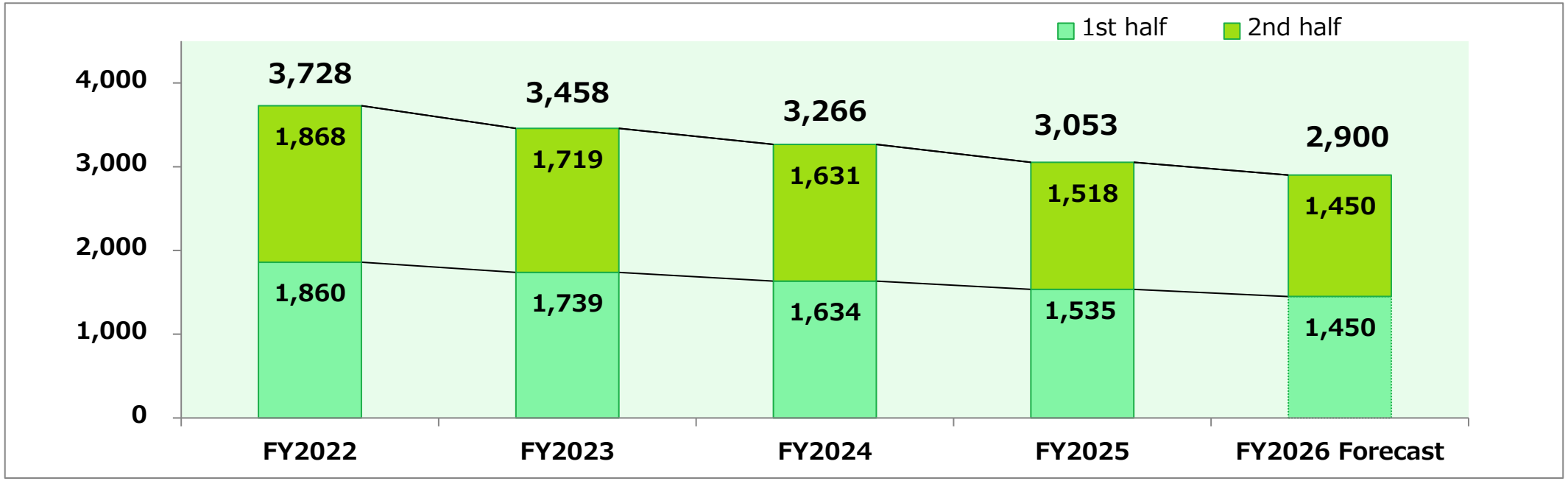
[Reference Information] The new production facility for electrostatic chucks was completed on July 9 as scheduled, and shipments have begun.

2. Domestic Cement Demand / Our Sales Volume

*FY2026 domestic demand forecast: Revised downward by 1 million tons

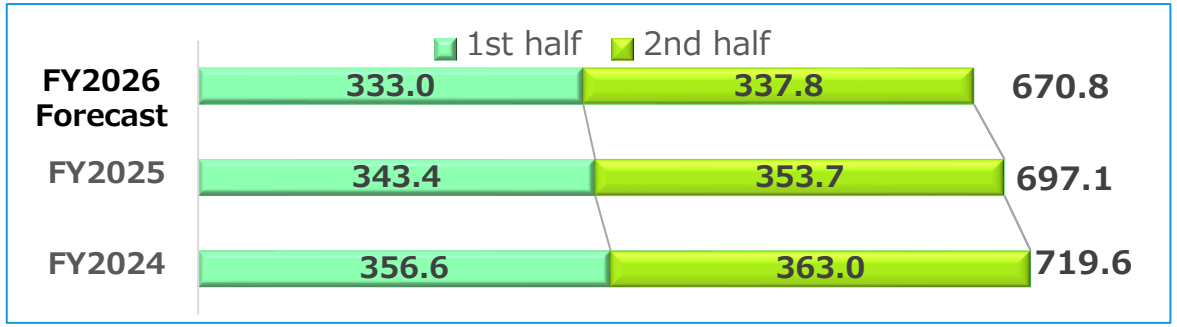
Domestic cement demand

(Unit: 10,000t)



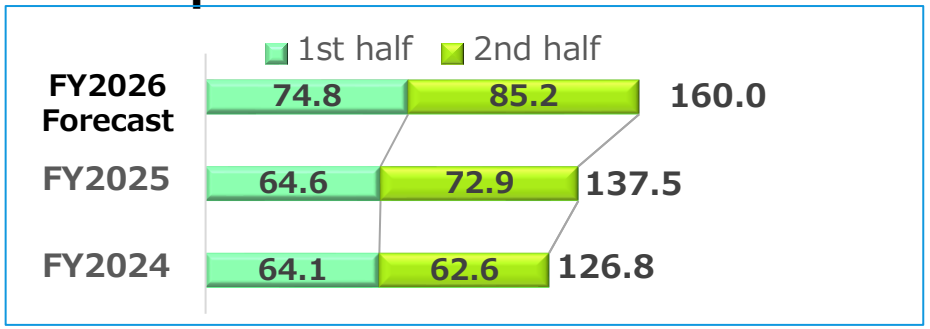
Our domestic sales volume

(Unit: 10,000t)



Our export volume

(Unit: 10,000t)



3. FY2026 2nd Quarter (Interim) Financial Summary

- **The Cement business saw an increase in both revenue and income mainly due to the impact of domestic selling price hikes implemented in the previous period.**
- **The High-Performance Products business saw higher revenue due to an increase in sales volume of electrostatic chucks. Profit also increased due mainly to higher sales volume of electrostatic chucks, despite rising costs, including one-time relocation expenses and depreciation expenses.**

Year on year

① Net sales
- Increased mainly due to domestic cement selling price hikes and increased sales volume of electrostatic chucks in the High-Performance Products business.

② Operating profit
- Increased mainly due to the impact of cement price hikes implemented in the previous period.

③ Profit (loss) attributable to owners of the parent
- Decreased slightly, mainly due to the absence of the gain on sale of cross-shareholdings recorded in the previous period.

Unit: 100 million yen

	FY2025 1st Half	FY2026 1st Half	YoY Change	YoY Change Rate	Difference from Initial Forecast (May 13)
Net sales	**1,058**	**1,151**	**93**	8.8%	**41**
Operating profit **(Cement business only)**	**41.2** **(0.4)**	**61.5** **(15.3)**	**20.3** **(14.9)**	49.2% (－)	**16.5** **(10.3)**
Operating profit margin	3.9%	5.3%	1.4%		1.3%
Non-operating income/expenses, net	**1.1**	**2.5**	**1.3**	115.8%	**4.5**
Ordinary profit	**42.3**	**63.9**	**21.6**	51.0%	**20.9**
Extraordinary income/losses, net	**36.0**	**15.7**	**-20.3**	-56.3%	**14.7**
Profit attributable to owners of the parent	**55.9**	**54.2**	**-1.7**	-3.0%	**23.2**

3. FY2026 2nd Quarter (Interim)

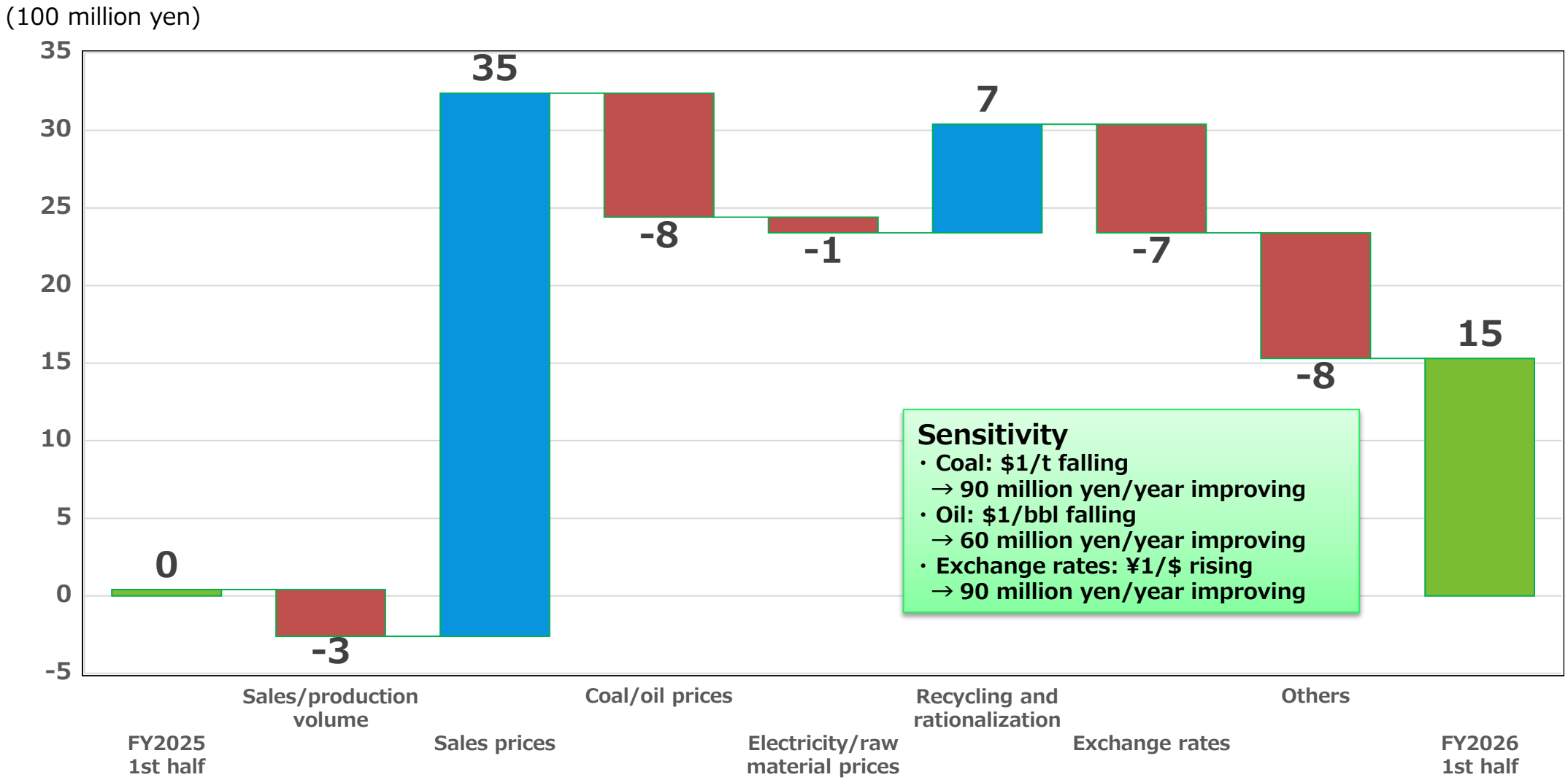
Sales and Income by Segment (Year-on-year)

Unit: 100 million yen

	FY2025 1st Half			FY2026 1st Half			YoY Change			
	Net sales	Operating profit	Operating profit margin	Net sales	Operating profit	Operating profit margin	Net sales	Change rate	Operating profit	Change rate
Cement	752	0.4	0.0%	793	15.3	1.9%	42	5.5%	14.9	–
Mineral Resources	86	14.8	17.1%	93	16.2	17.4%	7	7.6%	1.5	9.9%
Cement-Related Products	106	4.3	4.1%	112	4.6	4.1%	6	6.2%	0.3	7.5%
High-Performance Products	96	13.6	14.1%	133	15.6	11.7%	37	38.3%	2.0	14.8%
Advanced Materials	83	14.3	17.1%	116	13.7	11.8%	33	39.1%	-0.6	-4.2%
Optoelectronics	13	-0.7	-5.4%	17	1.9	11.3%	4	33.2%	2.6	–
Other	18	7.4	42.1%	20	7.7	39.3%	2	10.7%	0.2	3.1%
Total	1,058	41.2	3.9%	1,151	61.5	5.3%	93	8.8%	20.3	49.2%

3. FY2026 2nd Quarter (Interim)

Breakdown of Changes in Operating Profit from Cement Business (Year-on-year)



3. FY2026 2nd Quarter (Interim)

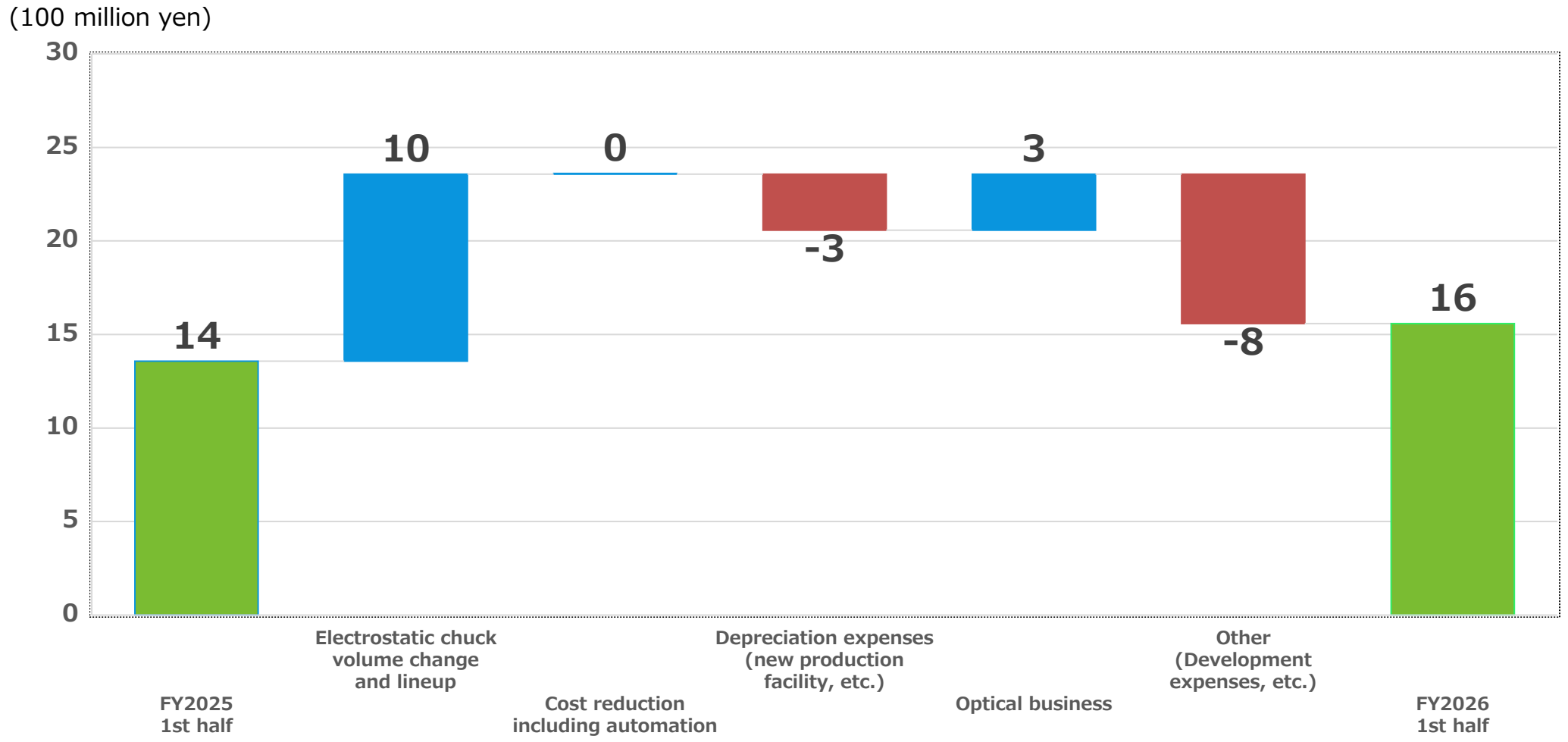
Earnings of Mineral Resources and Cement-Related Products

Unit: 100 million yen

		FY2025 1st Half	FY2026 1st Half	YoY Change	
Mineral Resources	Net sales	86	93	7	**Higher revenue and income** ・Higher revenue and income mainly due to higher sales volume of limestone
	Operating profit	14.8	16.2	1.5	
Cement-Related Products	Net sales	106	112	6	**Higher revenue and income** ・Higher revenue and income mainly due to an increase in the number of ground improvement works
	Operating profit	4.3	4.6	0.3	

3. FY2026 2nd Quarter (Interim)

Breakdown of Changes in Operating Profit from High-Performance Products Business (Year-on-year)



4. FY2026 (Fiscal Year Ending March 31, 2027) Key Points of Full-Year Earnings Forecast

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- ▶ **The Cement business is expected to see a year-on-year decline in profit mainly due to the impact of energy and raw material prices and the weakening of the yen, in addition to a decrease in domestic demand, despite the positive impact of the cement price hikes implemented in the previous period.**
- ▶ **The High-Performance Products business is expected to see a year-on-year increase in profit mainly due to higher sales volume of electrostatic chucks. We will continue to maximize the benefits of the new production facility for expanding production capacity.**

Net sales	**Operating profit**	**ROE**	**ROIC**	**Total return ratio**
(FY2026 Forecast)	(FY2026 Forecast)	(FY2026 Forecast)	(FY2026 Forecast)	(FY2026 Forecast)
241,000mn yen	**15,000mn yen**	**5.8%**	**3.4%**	**77%**
+7.7% YoY	**+9.9% YoY**	**+0.0pts YoY**	**+0.1pts YoY**	
Medium-term Management Plan (FY2028 Target) 255,500mn yen	Medium-term Management Plan (FY2028 Target) 27,000mn yen	Medium-term Management Plan (FY2028 Target) 9.0% or higher	Medium-term Management Plan (FY2028 Target) 6.0% or higher	Medium-term Management Plan (FY26-28 Average) 50% or higher

Key points

- Although the challenging environment surrounding the Cement business continues, we endeavor to increase profit by expanding recycling and maximizing the benefits of investment.
- In the High-Performance Products business, the new production facility for electrostatic chucks commenced operations. We strive to increase profit further by increasing the sales volume.
- While both ROE and ROIC are expected to be in line with the previous fiscal year, we strive to further improve them toward the targets set out in the Medium-Term Management Plan.

4. FY2026 Full-Year Earnings Forecast (Year-on-year)

- **The Cement business is expected to see a decline in profit mainly due to lower domestic sales volume and the impact of energy and raw material prices and the weakening of the yen, despite the impact of the cement price hikes implemented in the previous period.**
- **The High-Performance Products business is expected to see an increase in profit mainly due to higher sales volume of electrostatic chucks.**

① Net sales
- Expected to increase mainly due to the impact of domestic cement selling price hikes and higher sales volumes of high-performance products and electrostatic chucks.

② Operating profit
- The Cement business is expected to see a decline in profit mainly due to lower domestic sales volume and the impact of energy and raw material prices and the weakening of the yen.
- The High-Performance Products business is expected to see an increase in profit mainly due to higher sales volume of electrostatic chucks.

③ Non-operating income/expenses, net
- Deterioration of financial balance due to rising interest rates, etc.

④ Extraordinary income/losses, net
- Increase in gain on sale of cross-shareholdings.

[Shareholder returns]
- Dividend per share is expected to be unchanged.
- Purchase of treasury shares (up to 5,000mn yen).

Unit: 100 million yen

	FY2025 Results	FY2026 Forecast	YoY Change	YoY Change Rate
Net sales	**2,237**	**2,410**	**173**	7.7%
Operating profit **(Cement business only)**	**136.5** **(55.0)**	**150.0** **(42.0)**	**13.5** **(-13.0)**	9.9% (-23.6%)
Operating profit margin	6.1%	6.2%	0.1%	
Non-operating income/expenses, net	**7.6**	**-2.0**	**-9.6**	–
Ordinary profit	**144.1**	**148.0**	**3.9**	2.7%
Extraordinary income/losses, net	**16.4**	**25.0**	**8.6**	52.8%
Profit attributable to owners of the parent	**112.1**	**115.0**	**2.9**	2.5%

4. FY2026 Full-Year Earnings Forecast (Year-on-year)

Unit: 100 million yen

	FY2025 Results			FY2026 Forecast			YoY Change					
	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	YoY Change	2nd half	YoY Change	Full year	YoY Change
Net sales	**1,058**	**1,179**	**2,237**	**1,151**	**1,259**	**2,410**	**93**	8.8%	**80**	6.8%	**173**	7.7%
Operating profit	**41.2**	**95.3**	**136.5**	**61.5**	**88.5**	**150.0**	**20.3**	49.2%	**-6.8**	-7.1%	**13.5**	9.9%
(Cement business only)	**(0.4)**	**(54.6)**	**(55.0)**	**(15.3)**	**(26.7)**	**(42.0)**	**(14.9)**	–	**(-27.9)**	(-51.1%)	**(-13.0)**	(-23.6%)
Operating profit margin	3.9%	8.1%	6.1%	5.3%	7.0%	6.2%	1.4%		-1.0%		0.1%	
Non-operating income/expenses, net	**1.1**	**6.4**	**7.6**	**2.5**	**-4.5**	**-2.0**	**1.3**	115.8%	**-10.9**	–	**-9.6**	–
Ordinary profit	**42.3**	**101.7**	**144.1**	**63.9**	**84.1**	**148.0**	**21.6**	51.0%	**-17.7**	-17.4%	**3.9**	2.7%
Extraordinary income/losses, net	**36.0**	**-19.7**	**16.4**	**15.7**	**9.3**	**25.0**	**-20.3**	-56.3%	**28.9**	–	**8.6**	52.8%
Profit attributable to owners of the parent	**55.9**	**56.2**	**112.1**	**54.2**	**60.8**	**115.0**	**-1.7**	-3.0%	**4.5**	8.1%	**2.9**	2.5%
Dividend per share	**60 yen**	**60 yen**	**120 yen**	**60 yen**	***20 yen**	**-**	**-**		**-**		**-**	

*FY26 Forecast, Exchange rate: ¥160/$ (1st half: ¥160/$, 2nd half: ¥160/$), Coal (CIF): $143/t (1st half: $135/t, 2nd half: $150/t), Oil: $97/bbl (1st half: $94/bbl, 2nd half: $100/bbl)

*We implemented a three-for-one stock split of the common shares, effective October 1, 2026.
The dividend per share for the second half (year-end) of FY2026 reflects the impact of this stock split.
If this stock split is not taken into account, the year-end dividend would be 60.00 yen, and the total annual dividend would be 120.00 yen.

4. FY2026 Full-Year Earnings Forecast

Sales and Income by Segment (Year-on-year)

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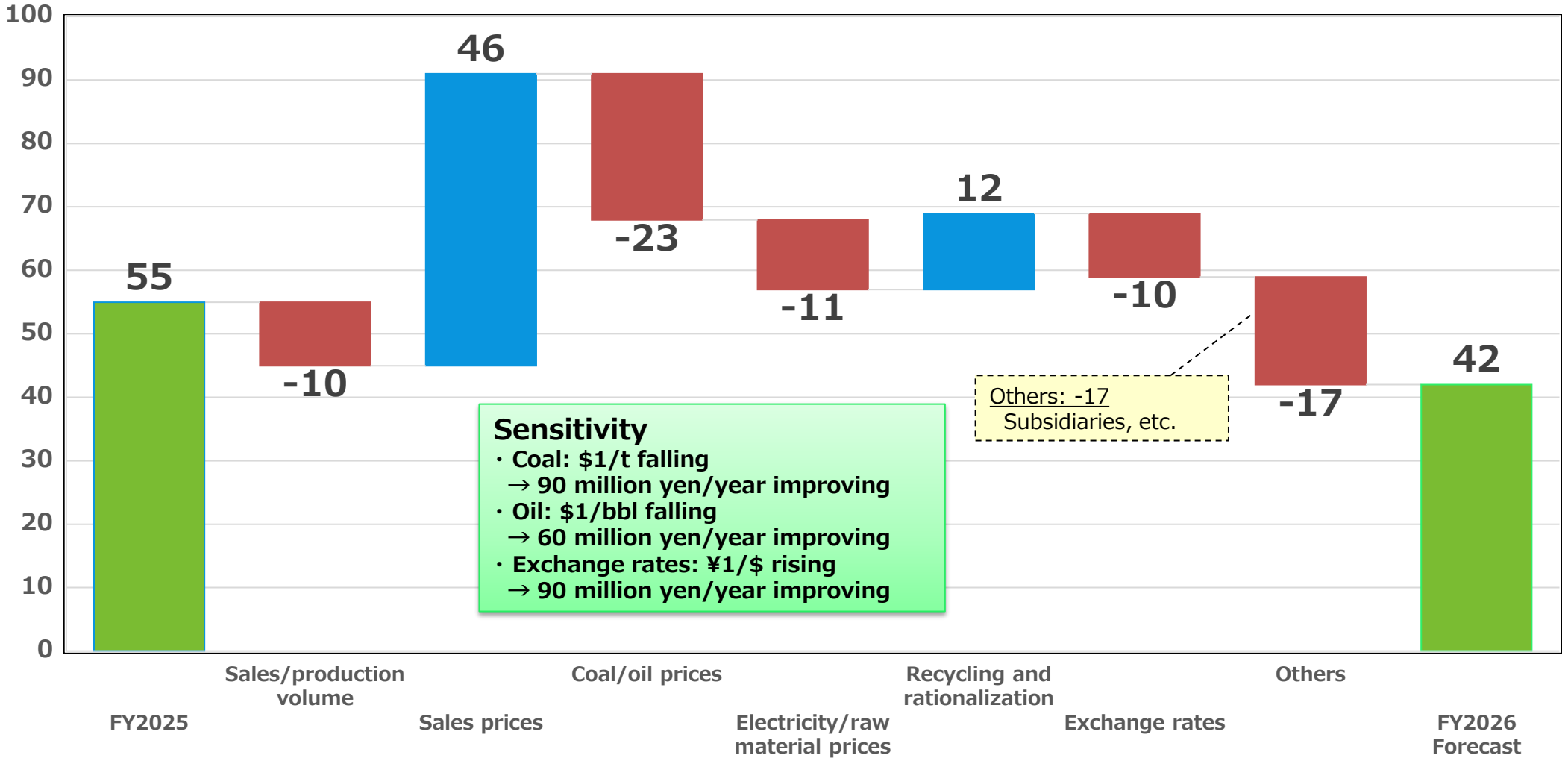
Unit: 100 million yen

	FY2025 Results			FY2026 Forecast			Change			
	Net sales	Operating profit	Operating profit margin	Net sales	Operating profit	Operating profit margin	Net sales	Change rate	Operating profit	Change rate
Cement	**1,588**	**55.0**	3.5%	**1,620**	**42.0**	2.6%	**32**	2.0%	**-13.0**	-23.6%
Mineral Resources	**175**	**29.9**	17.1%	**191**	**31.0**	16.2%	**16**	9.1%	**1.1**	3.8%
Cement-Related Products	**230**	**14.8**	6.4%	**242**	**16.0**	6.6%	**12**	5.1%	**1.2**	8.1%
High-Performance Products	**208**	**24.2**	11.6%	**316**	**45.0**	14.2%	**108**	51.9%	**20.8**	85.7%
Advanced Materials	**181**	**24.8**	13.7%	**282**	**43.0**	15.2%	**101**	56.0%	**18.2**	73.4%
Optoelectronics	**27**	**-0.6**	-2.1%	**34**	**2.0**	5.9%	**7**	24.4%	**2.6**	–
Other	**36**	**13.9**	39.2%	**41**	**14.0**	34.1%	**5**	15.4%	**0.1**	0.4%
Total	**2,237**	**136.5**	6.1%	**2,410**	**150.0**	6.2%	**173**	7.7%	**13.5**	9.9%

4. FY2026 Full-Year Earnings Forecast

Breakdown of Changes in Operating Profit from Cement Business (Year-on-year)

(100 million yen)



4. FY2026 Full-Year Earnings Forecast

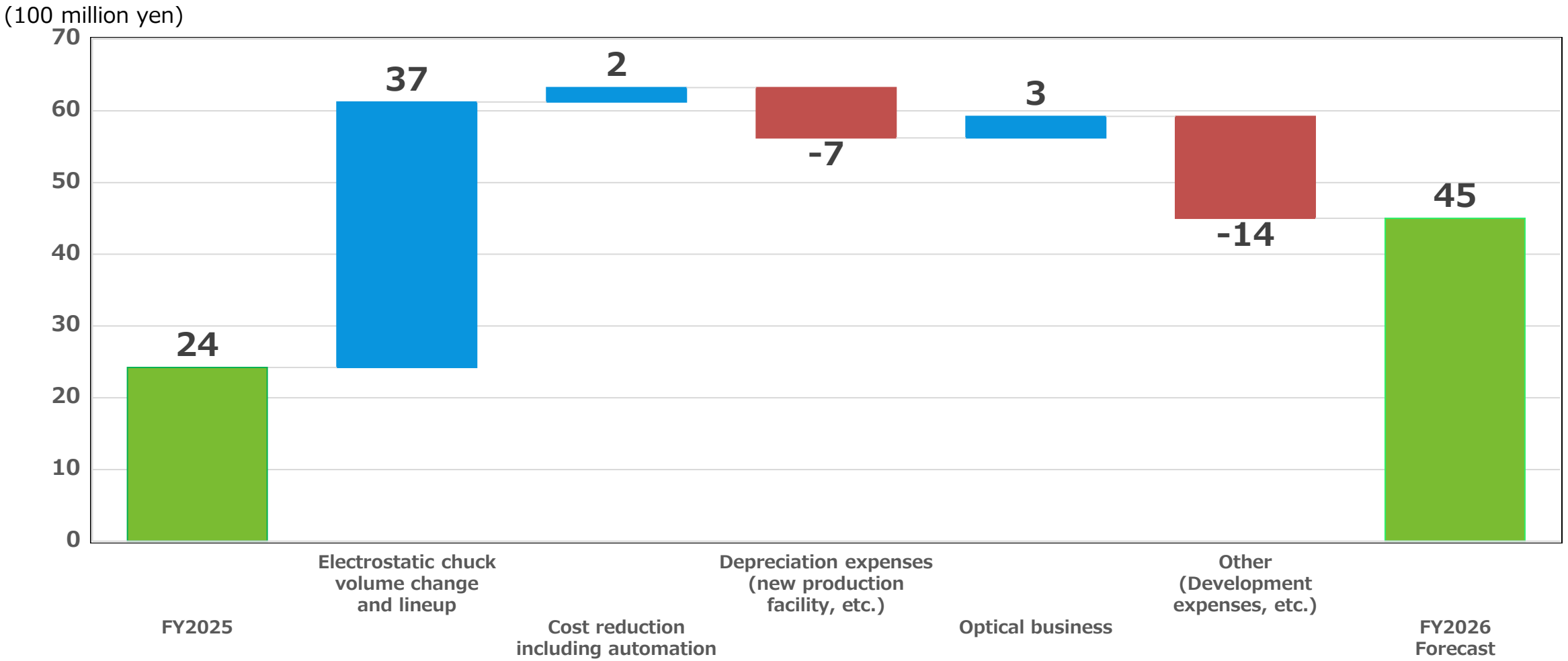
Mineral Resources and Cement-Related Products

Unit: 100 million yen

		FY2025 Results	FY2026 Forecast	YoY Change	
Mineral Resources	**Net sales**	**175**	**191**	**16**	**Higher revenue and income** ・Higher revenue and income mainly due to higher sales volume of limestone
	Operating profit	**29.9**	**31.0**	**1.1**	
Cement-Related Products	**Net sales**	**230**	**242**	**12**	**Higher revenue and income** ・Higher revenue and income mainly due to an increase in the number of ground improvement works
	Operating profit	**14.8**	**16.0**	**1.2**	

4. FY2026 Full-Year Earnings Forecast

Breakdown of Changes in Operating Profit from High-Performance Products Business (Year-on-year)



4. FY2026 Full-Year Earnings Forecast
(From the Initial Forecast)

- **The Cement business is expected to see a decline in profit mainly due to the impact of energy and raw material prices and the weakening of the yen, while the High-Performance Products business is expected to see an increase in profit mainly driven by higher sales volume of electrostatic chucks. As a result, operating profit is expected to be broadly in line with the initial forecast, but we will seek to achieve further gains.**
- **Profit attributable to owners of the parent is expected to exceed the initial forecast mainly due to the recording of a gain on sale of cross-shareholdings under extraordinary income.**

① Net sales
- Expected to increase mainly due to an increase in sales volume of electrostatic chucks in the High-Performance Products business.

② Operating profit
- Company-wide earnings are expected to be in line with the initial forecast, as the Cement business is expected to see lower profit mainly due to the impact of energy and raw material prices and the weakening of the yen, while the High-Performance Products business is expected to see higher profit mainly driven by an increase in sales volume of electrostatic chucks.

③ Profit attributable to owners of the parent
- Expected to increase mainly due to the recording of a gain on sale of cross-shareholdings under extraordinary income.

Unit: 100 million yen

	Initial Forecast (Announced on May 13 2026)	Revised Forecast (Announced on Nov. 11, 2026)	Change	Change Rate
Net sales	**2,345**	**2,410**	**65**	2.8%
Operating profit	**150.0**	**150.0**	**–**	–
(Cement business only)	**(50.0)**	**(42.0)**	**(-8.0)**	(-16.0%)
Operating profit margin	6.4%	6.2%	-0.2%	
Non-operating income/expenses, net	**-5.0**	**-2.0**	**3.0**	–
Ordinary profit	**145.0**	**148.0**	**3.0**	2.1%
Extraordinary income/losses, net	**-4.0**	**25.0**	**29.0**	–
Profit attributable to owners of the parent	**100.0**	**115.0**	**15.0**	15.0%

4. FY2026 Full-Year Earnings Forecast

Sales and Income by Segment (From the Initial Forecast)

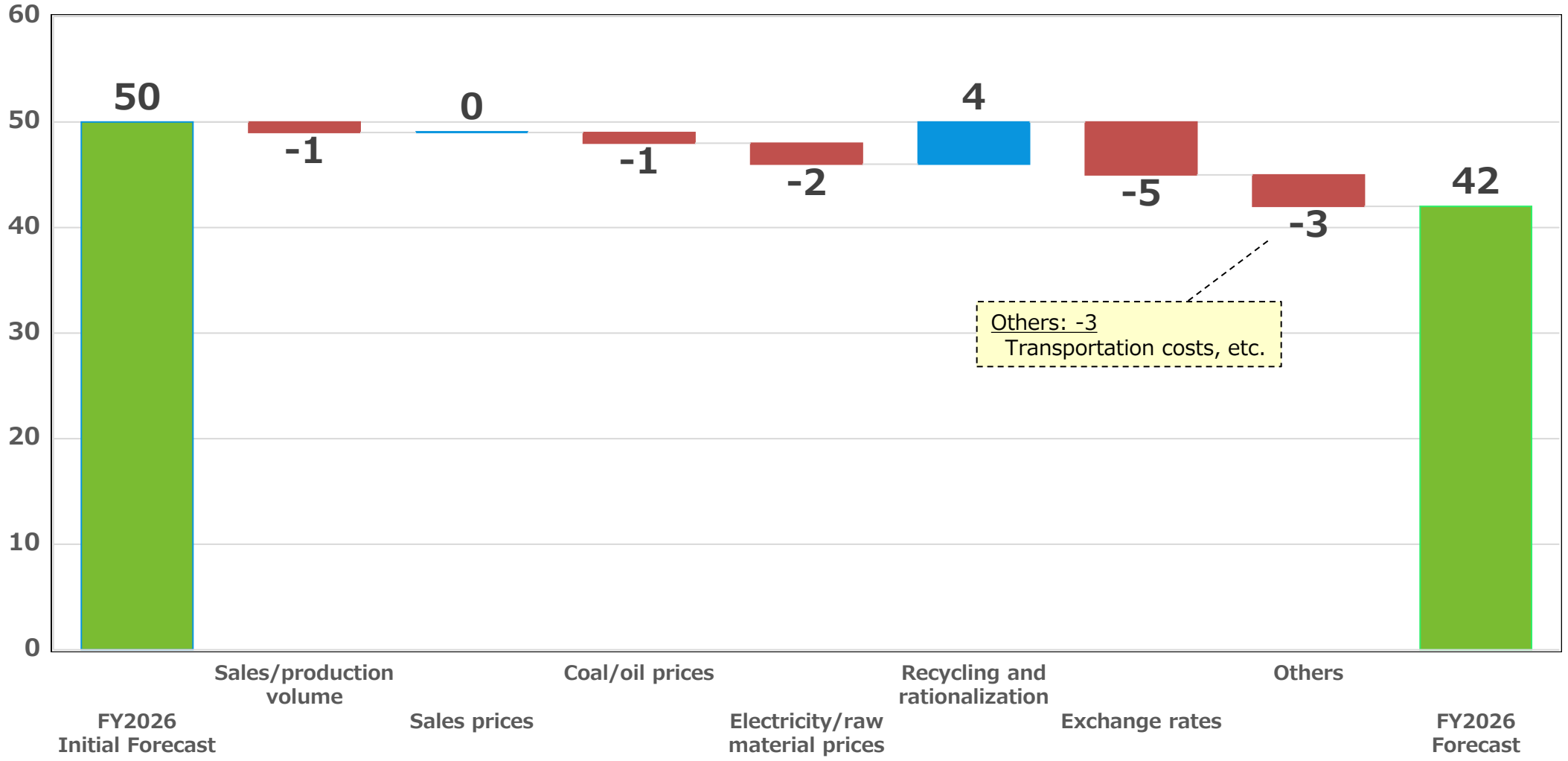
Unit: 100 million yen

	Initial Forecast (Announced on May 13, 2026)			Revised Forecast (Announced on Nov. 11, 2026)			Change			
	Net sales	Operating profit	Operating profit margin	Net sales	Operating profit	Operating profit margin	Net sales	Change rate	Operating profit	Change rate
Cement	**1,590**	**50.0**	3.1%	**1,620**	**42.0**	2.6%	**30**	1.9%	**-8.0**	-16.0%
Mineral Resources	**190**	**30.0**	15.8%	**191**	**31.0**	16.2%	**1**	0.5%	**1.0**	3.3%
Cement-Related Products	**240**	**15.0**	6.3%	**242**	**16.0**	6.6%	**2**	0.8%	**1.0**	6.7%
High-Performance Products	**283**	**42.0**	14.8%	**316**	**45.0**	14.2%	**33**	11.7%	**3.0**	7.1%
Advanced Materials	**255**	**42.0**	16.5%	**282**	**43.0**	15.2%	**27**	10.6%	**1.0**	2.4%
Optoelectronics	**28**	**0.0**	–	**34**	**2.0**	5.9%	**6**	21.4%	**2.0**	–
Other	**42**	**13.0**	31.0%	**41**	**14.0**	34.1%	**-1**	-2.4%	**1.0**	7.7%
Total	**2,345**	**150.0**	6.4%	**2,410**	**150.0**	6.2%	**65**	2.8%	**–**	–

4. FY2026 Full-Year Earnings Forecast

Breakdown of Changes in Operating Profit from Cement Business (From the Initial Forecast)

(100 million yen)



4. FY2026 Full-Year Earnings Forecast

Breakdown of Changes in Operating Profit from High-Performance Products Business (From the Initial Forecast)

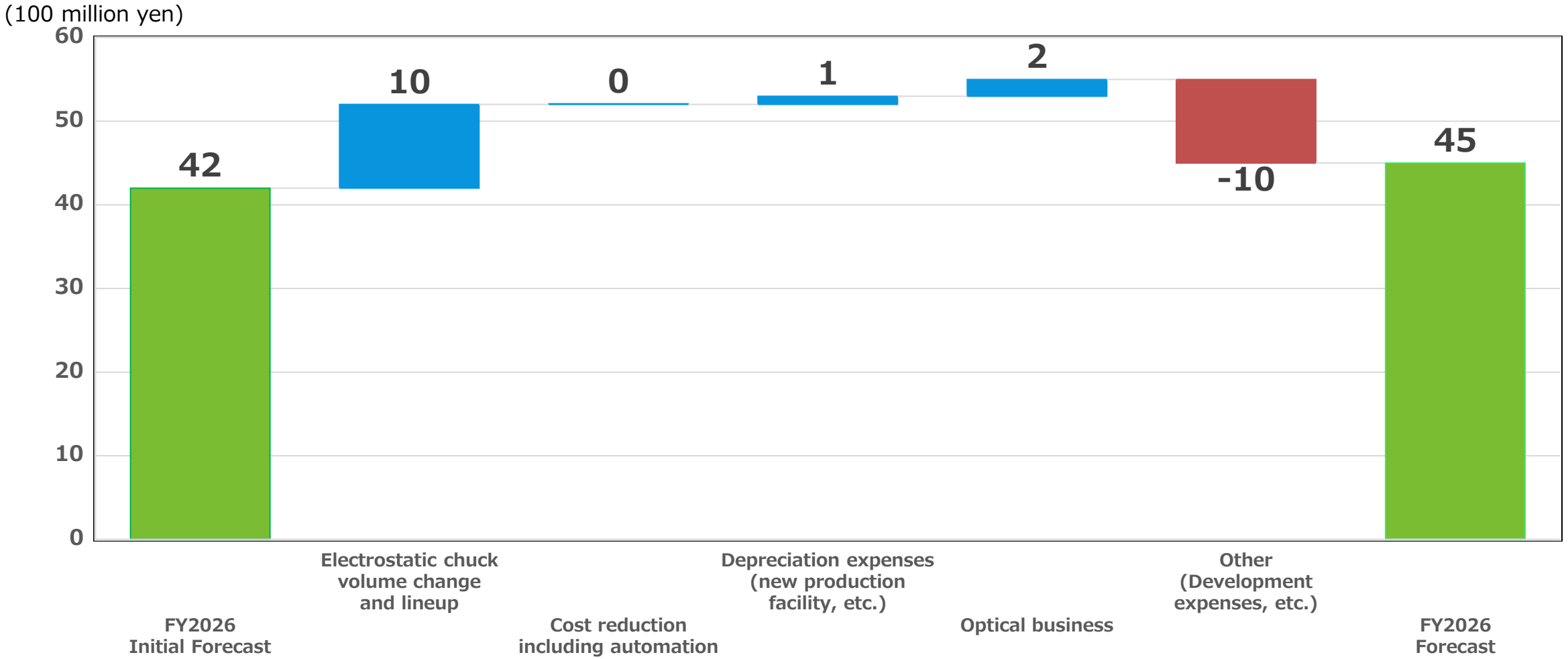


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5. FY2026 2nd Quarter (Interim)

Sales and Income by Segment (By Quarter)

SUMITOMO OSAKA CEMENT

Unit: 100 million yen

		FY2025 1st Half			FY2026 1st Half			YoY Change		
		1st quarter (Apr. –Jun.)	2nd quarter (Jul.–Sep.)	1st half	1st quarter (Apr. –Jun.)	2nd quarter (Jul.–Sep.)	1st half	1st quarter (Apr. –Jun.)	2nd quarter (Jul.–Sep.)	1st half
Net sales	Cement	366	386	752	395	399	793	28	13	42
	Mineral Resources	41	45	86	46	47	93	5	2	7
	Cement-Related Products	47	59	106	49	64	112	2	4	6
	High-Performance Products	52	44	96	62	71	133	10	27	37
	Advanced Materials	46	38	83	54	62	116	8	25	33
	Optoelectronics	7	6	13	8	9	17	2	3	4
	Other	9	9	18	10	10	20	1	1	2
Total		515	542	1,058	561	590	1,151	45	48	93
Operating profit	Cement	-0.7	1.1	0.4	15.7	-0.4	15.3	16.4	-1.5	14.9
	Mineral Resources	5.5	9.3	14.8	7.6	8.6	16.2	2.1	-0.6	1.5
	Cement-Related Products	-0.6	4.9	4.3	-0.2	4.9	4.6	0.4	-0.0	0.3
	High-Performance Products	8.9	4.7	13.6	7.4	8.2	15.6	-1.5	3.5	2.0
	Advanced Materials	9.1	5.2	14.3	6.4	7.2	13.7	-2.6	2.0	-0.6
	Optoelectronics	-0.1	-0.5	-0.7	1.0	1.0	1.9	1.1	1.5	2.6
	Other	4.0	3.4	7.4	3.7	3.9	7.7	-0.3	0.5	0.2
Total		17.4	23.8	41.2	34.6	26.8	61.5	17.2	3.0	20.3

5. FY2026 Full-Year Earnings Forecast

Sales and Income by Segment (Semiannual)

SUMITOMO OSAKA CEMENT

Unit: 100 million yen

		FY2025 Results			FY2026 Forcast			Change		
		1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year
Net sales	Cement	752	836	1,588	793	827	1,620	42	-10	32
	Mineral Resources	86	89	175	93	98	191	7	9	16
	Cement-Related Products	106	125	230	112	130	242	6	5	12
	High-Performance Products	96	112	208	133	183	316	37	71	108
	Advance Materials	83	97	181	116	166	282	33	69	101
	Optoelectronics	13	15	27	17	17	34	4	2	7
	Other	18	18	36	20	21	41	2	4	5
Total		1,058	1,179	2,237	1,151	1,259	2,410	93	80	173
Operating profit	Cement	0.4	54.6	55.0	15.3	26.7	42.0	14.9	-27.9	-13.0
	Mineral Resources	14.8	15.1	29.9	16.2	14.8	31.0	1.5	-0.3	1.1
	Cement-Related Products	4.3	10.5	14.8	4.6	11.4	16.0	0.3	0.9	1.2
	High-Performance Products	13.6	10.7	24.2	15.6	29.4	45.0	2.0	18.8	20.8
	Advanced Minerals	14.3	10.5	24.8	13.7	29.3	43.0	-0.6	18.8	18.2
	Optoelectronics	-0.7	0.1	-0.6	1.9	0.1	2.0	2.6	-0.1	2.6
	Other	7.4	6.5	13.9	7.7	6.3	14.0	0.2	-0.2	0.1
Total		41.2	95.3	136.5	61.5	88.5	150.0	20.3	-6.8	13.5

*FY26 Forecast, Exchange rate: ¥160/$ (FY25 Average: ¥150/$), Coal (CIF): 143$/t (FY25: $135/t), Oil: $97/bbl (FY25: $72/bbl)

5. FY2026

Breakdown of Changes in Operating Profit from Cement Business (Semiannual)

Unit: 100 million yen

	FY2025→FY2026		
	1st half	2nd half	Full year
Sales and production volume	-3	-7	-10
Sales prices	35	11	46
Coal and oil prices	-8	-15	-23
Electricity and raw material prices	-1	-10	-11
Recycling and rationalization	7	5	12
Exchange rates	-7	-3	-10
Others	-8	-9	-17
Cement operating profit change	15	-28	-13

Sensitivity	Coal	$1/t falling	90 million yen/year improving
	Oil	$1/bbl falling	60 million yen/year improving
	Exchange rates	¥1/$ rising	90 million yen/year improving

5. FY2026

Breakdown of Changes in Operating Profit from High-Performance Products Business (Semiannual)

Unit: 100 million yen

	FY2025→FY2026		
	1st half	2nd half	Full year
Electrostatic chuck volume change and lineup	10	27	37
Cost reduction including automation	0	2	2
Depreciation expenses (new production facility, etc.)	-3	-4	-7
Optical business	3	0	3
Other (Development expenses, etc.)	-8	-6	-14
High-performance products operating profit change	2	19	21

5. Supplementary Materials

Status of Assets and Liabilities

Unit: 100 million yen

	As of March 31, 2026	As of September 30, 2026	Change	As of March 31, 2027 (Forecast)
Cash and deposits	166	274	108	150
Property, plant and equipment	1,944	1,931	-13	1,929
Investment securities	437	460	23	450
Other assets	1,073	1,099	26	1,496
Total assets	3,620	3,764	144	4,025
Interest-bearing liabilities	864	925	61	990
Other liabilities	776	807	31	1,004
Total liabilities	1,640	1,732	92	1,994
Net assets	1,979	2,032	52	2,031
Total liabilities and net assets	3,620	3,764	144	4,025

5. Supplementary Materials

Status of Cash Flow

Unit: 100 million yen

	FY2025 1st Half	FY2026 1st Half	Change	FY2026 Forecast
Profit before income taxes	78	80	1	173
Depreciation (including amortization of goodwill)	112	114	2	246
Receivables, debt increase/decrease corporate tax, etc.	-35	-21	15	-109
Cash flow from operating activities	155	173	18	310
Purchase of non-current assets	-141	-130	11	-262
Proceeds from sales of assets etc.	47	22	-25	71
Others	-0	0	0	-112
Cash flow from investing activities	-94	-108	-14	-303
Free cash flow	61	65	5	7
Change in interest-bearing liabilities	-5	61	65	64
Purchase of treasury shares	-50	0	50	-50
Dividends paid etc.	-21	-19	3	-38
Cash flow from financing activities	-76	42	118	-24
Net increase (decrease) in cash and cash equivalents	-16	108	123	-16

5. Supplementary Materials

Changes in Performance etc.

			FY2022	FY2023	FY2024	FY2025	FY2026 Forecast
Net sales		100 million yen	2,047	2,225	2,195	2,237	2,410
Operating profit		100 million yen	-85.6	72.5	93.5	136.5	150.0
Ordinary profit		100 million yen	-78.5	84.8	93.7	144.1	148.0
Profit attributable to owners of the parent		100 million yen	-57.2	153.4	90.1	112.1	115.0
Total assets		100 million yen	3,566	3,563	3,530	3,620	4,025
Interest-bearing liabilities		100 million yen	997	795	833	864	990
Net assets		100 million yen	1,846	1,968	1,937	1,979	2,031
Return on assets	(ROA)	%	-2.3	2.4	2.6	4.0	3.9
Return on equity	(ROE)	%	-3.0	8.1	4.7	5.8	5.8
Return on invested capital	(ROIC)	%	-2.1	1.8	2.4	3.3	3.4
Debt/equity	(D/E)	%	54	40	43	44	49
Free cash flow	(FCF)	100 million yen	-360	284	31	60	7
Net asset ratio of cross-shareholdings		%	22.6	19.6	16.9	17.0	15.1

5. Supplementary Materials

Changes in Performance etc.

		FY2022	FY2023	FY2024	FY2025	FY2026 Forecast
Capital investment	100 million yen	297	294	308	315	266
Depreciation	100 million yen	202	217	226	236	240
R&D expenses	100 million yen	31	35	36	36	43
Financial balance	100 million yen	13	6	4	-1	-8
Number of employees at the end of the period	Persons	2,896	2,886	2,952	3,045	–

Domestic demand for cement	10,000 t	3,728	3,458	3,266	3,053	2,900
Average exchange rate	yen/US$	135	144	152	150	160
Coal procurement price (CIF)	US$/t (approximate)	280	210	155	135	143
Oil	US$/bbl	96	82	79	72	97

[Topic 1] Stock split

We implemented a stock split to expand the investor base and improve share liquidity

Purpose of the stock split

- ✓ To lower the investment unit
- ✓ To expand the investor base
- ✓ To improve share liquidity

Overview of the stock split

Split ratio: 3-for-1

Record date: September 30, 2026

Effective date: October 1, 2026

Number of shares issued:
32.06 million→96.20 million

Effects of the stock split

- ✓ More accessible share price
- ✓ Expanded investor base
- ✓ Improved share liquidity
- ✓ Expanded shareholder base

Lower the investment unit → Expand the investor base → Improve share liquidity → Expand shareholder base

While maintaining the shareholder return policy set forth in the Medium-Term Management Plan, we will seek to expand the investor base and improve share liquidity by lowering the investment unit, with the aim of expanding shareholder base.

[Impact on shareholders] A stock split does not affect the total market value of a shareholder's holdings.
The revision to the dividend forecast stated in the Summary of Consolidated Financial Results reflects an adjustment based on the stock split ratio, not a substantive change.

[Topic 2] Disclosure of Integrated Report 2026

We have disclosed the Integrated Report 2026 (in Japanese) that outlines the medium- to long-term value creation story. The English version is scheduled to be disclosed in late November 2026.



We have introduced a more user-friendly layout for online viewing!

Main contents of the Integrated Report 2026

・FY2026-28 Medium-Term Management Plan

・SOCN2050 Version2.0
(2050 Carbon Neutral Vision)

・Message from the President
» The Group's Vision
» The thinking behind "Cementing Growth"
» Initiatives to drive sustainable growth and enhance corporate value

For details, please see our website
https://www.soc.co.jp/ir/document/document06/

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.

SUMITOMO OSAKA CEMENT