

Explanatory Materials for Financial Results

(For the 3rd Quarter of Fiscal Year Ending March 31, 2026)

February 10, 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.

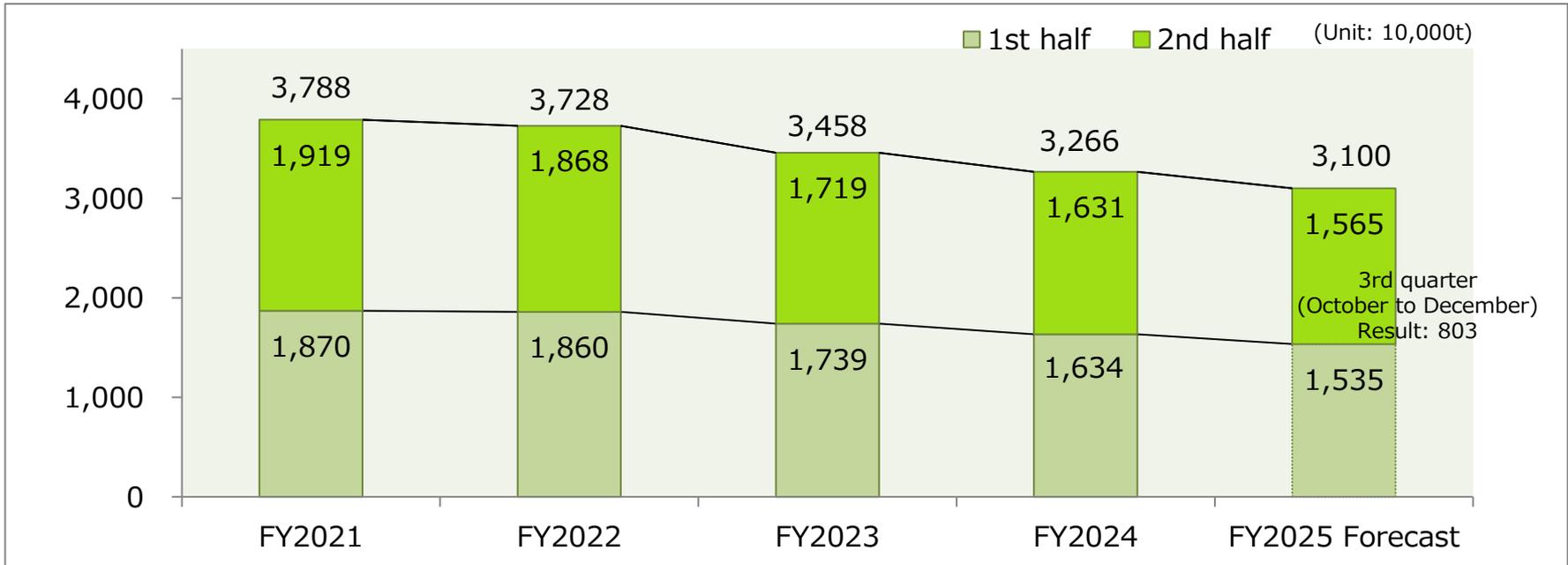
Table of Contents

- 1. Domestic Cement Demand / Our Sales Volume**
- 2. FY2025 3rd Quarter Financial Summary**
- 3. FY2025 Earnings Forecast**
- 4. Supplementary Materials**

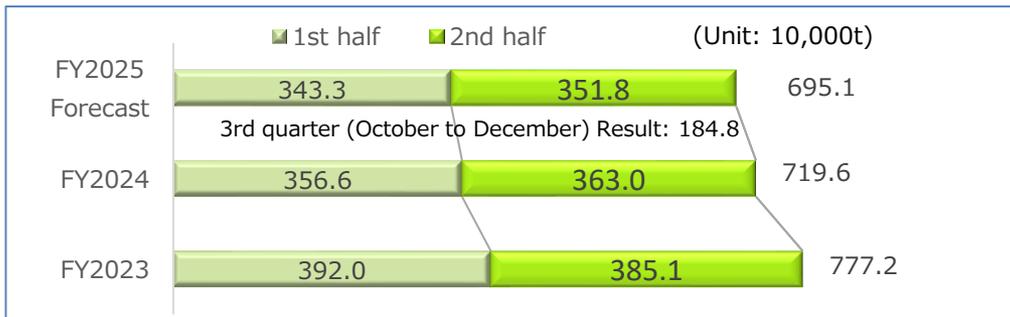
1. Domestic Cement Demand / Our Sales Volume

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

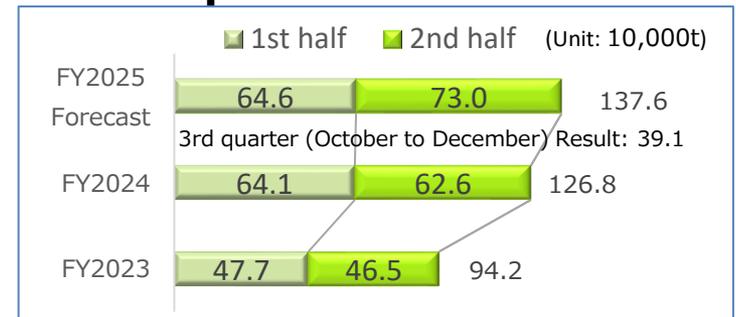
Domestic cement demand



Our domestic sales volume



Our export volume



2. FY2025 3rd Quarter Financial Summary

- The Cement business saw a higher operating profit and ordinary profit year on year owing to the impact of domestic selling price hikes and a decline of coal prices.
- Profit attributable to owners of the parent was largely flat year on year, due to the recording of impairment losses and other factors.

Unit: 100 million yen

① Net sales

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

② Operating profit

- Increased due to the impact of price hikes and the decline of coal prices

③ Non-operating income/expenses, net

- Increased due to improved foreign exchange gains/losses and other factors

④ Extraordinary income/losses, net

- Decreased due to the recording of impairment losses associated with the decision to close the Ako power plant, among other factors

	FY2024 3rd Quarter	Fy2025 3rd Quarter	YoY Change
Net sales	1,662	1,643	-18
Operating profit (Cement business only)	66.1 (4.5)	85.3 (27.4)	19.2 (22.8)
Non-operating income/expenses, net	2.3	8.1	5.7
Ordinary profit	68.5	93.4	24.9
Extraordinary income/losses, net	27.7	6.0	-21.6
Profit attributable to owners of the parent	66.8	62.5	-4.2

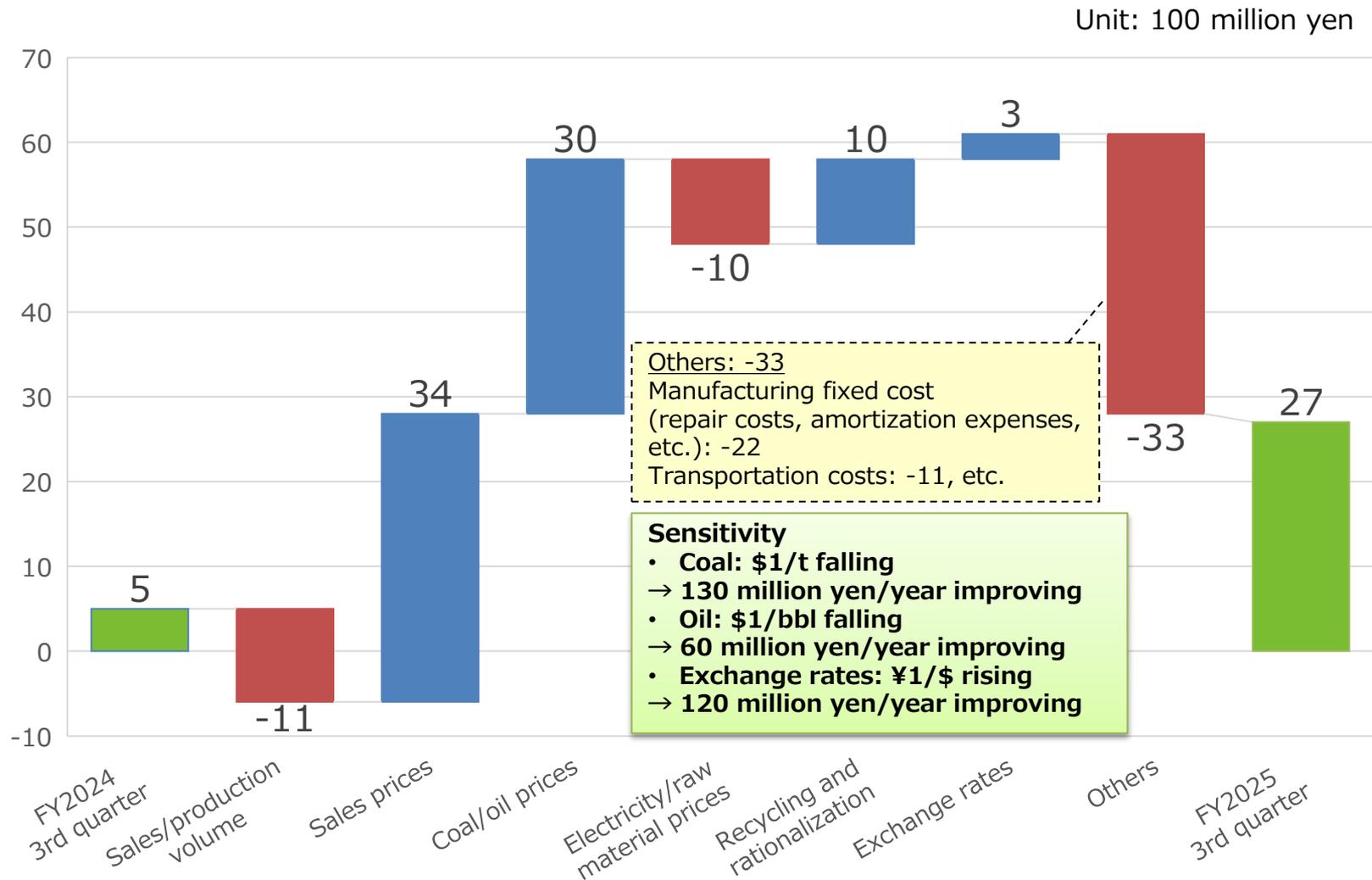
2. FY2025 3rd Quarter Sales and Income by Segment (Year-on-year)

Unit: 100 million yen

	FY2024 3rd Quarter		FY2025 3rd Quarter		YoY Change	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Cement	1,186	4.5	1,178	27.4	-9	22.8
Mineral Resources	133	25.0	131	22.2	-1	-2.8
Cement-Related Products	180	11.6	164	8.4	-16	-3.2
Optoelectronics	18	-3.1	19	-0.7	1	2.3
Advanced Materials	116	16.5	126	17.6	10	1.1
Other	28	11.2	25	10.3	-3	-0.8
Total	1,662	66.1	1,643	85.3	-18	19.2

2. FY2025 3rd Quarter

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



2. FY2025 3rd Quarter Earnings of Non-cement Business Segments

Unit: 100 million yen

	Fy2024 3rd Quarter	FY2025 3rd Quarter	YoY Change	
Mineral Resources				Lower revenue and income
Net sales	133	131	-1	<ul style="list-style-type: none"> Lower revenue due to a lower sales volume of limestone for foreign and domestic steel markets; lower income due to increased mining costs
Operating profit	25.0	22.2	-2.8	
Cement-Rated Products				Lower revenue and income
Net sales	180	164	-16	<ul style="list-style-type: none"> Lower revenue and income due to decreases in sales volume of concrete structure repair/reinforcement materials and in the number of repair works
Operating profit	11.6	8.4	-3.2	
Optoelectronics				Lower deficit
Net sales	18	19	1	<ul style="list-style-type: none"> High revenue due to an increase in the sales volume of optoelectronic devices Lowered deficit due to cost reduction
Operating profit	-3.1	-0.7	2.3	
Advanced Materials				Higher revenue and income
Net sales	116	126	10	<ul style="list-style-type: none"> Higher revenue and income due to the ESC lineup, etc.
Operating profit	16.5	17.6	1.1	

3. FY2025 Full-Year Earnings Forecast (Year-on-year)

- Interim forecast (announced on Nov. 11) remains unchanged.
- Expect higher revenue and income, driven by factors including the impact of domestic selling price hikes and a decline of coal prices in the Cement business.

Unit: 100 million yen, unless otherwise noted

① Net sales

Revenue is expected to increase due to price hikes of cement and the impact of advanced materials/ESC lineups.

② Operating profit

Income of the Cement business is expected to increase due to the impact of cement's price hikes and a decline of coal prices.

③ Non-operating income/exp., net

Expected to deteriorate due to a decline of dividend income and an increase of interest expenses.

④ Extraordinary income/losses, net

Expected to deteriorate by recording the impairment losses of closing Ako power plant, despite proceeding with the sale of cross-shareholdings.

⑤ Dividend per share

Unchanged.

	FY2024 Results	FY2025 Forecast Note: Unchanged	Change
Net sales	2,195	2,252	57
Operating profit (Cement business only)	93.5 (8.8)	140.0 (50.0)	46.5 (41.2)
Non-operating income/expenses, net	0.2	-4.0	-4.2
Ordinary profit	93.7	136.0	42.3
Extraordinary income/losses, net	34.1	-5.0	-39.1
Profit attributable to owners of the parent	90.1	100.0	9.9
Dividend per share	120 yen	120 yen	-

*FY2025 Forecast

Exchange rate: ¥148/\$ (FY24 Average: ¥152/\$)

Coal (CIF): \$138/t (FY24 \$155/t)

3. FY2025 Full-Year Earnings Forecast: Sales and Income by Segment (Year-on-year)

*Interim forecast (announced on Nov. 11) remains unchanged.

Unit: 100 million yen

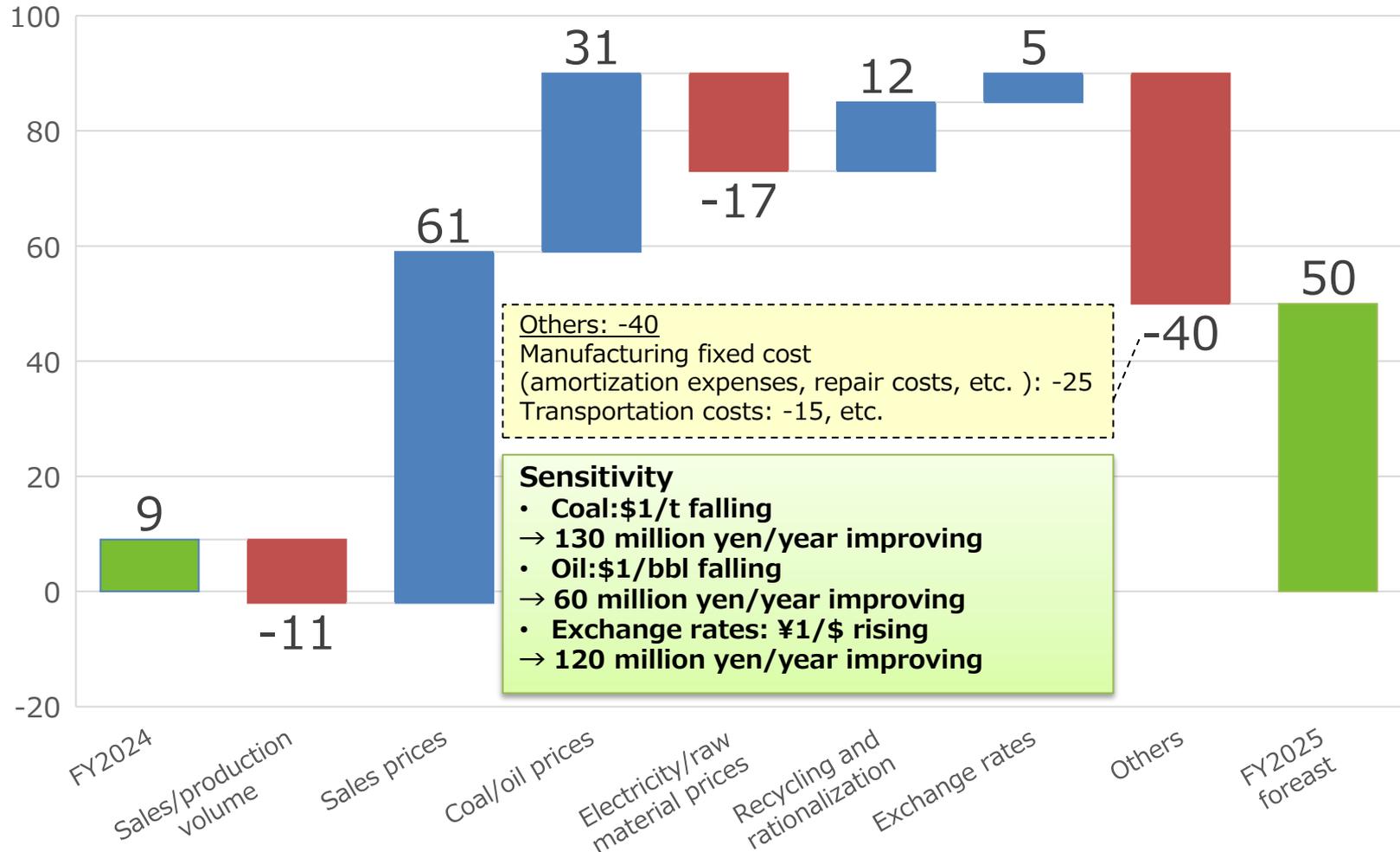
	FY2024 Results		FY2025 Forecast		Change	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Cement	1,564	8.8	1,577	50.0	13	41.2
Mineral Resources	174	31.5	179	30.0	5	-1.5
Cement-Related Products	236	18.4	254	16.0	18	-2.4
Optoelectronics	25	-3.6	29	-1.0	4	2.6
Advanced Materials	157	22.6	175	30.0	18	7.4
Other	39	16.2	38	14.0	-1	-2.2
Total	2,195	93.5	2,252	140.0	57	46.5

3. FY2025 Full-Year Earnings Forecast

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

*Interim forecast (announced on Nov. 11) remains unchanged.

Unit: 100 million yen



3. FY2025 Full Year Earnings Forecast

Sales and Income by Segment (Quarterly Changes)

- Interim forecast (announced on Nov. 11) remains unchanged. Note: 4th quarter = 2nd half forecast - 3rd quarter results
- In the 4th quarter, we expect the impact of cement price hikes and higher sales volumes driven by the recovery of demand for advanced materials (ESCs). We'll work to meet our forecast. Unit: 100 million yen

		Full-year forecast					Change (YoY)				
		1st quarter (Apr.-Jun.)	2nd quarter (Jul.-Sep.)	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	Full-year forecast	1st quarter (Apr.-Jun.)	2nd quarter (Jul.-Sep.)	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	Total change
Net sales	Cement	366	386	426	399	1,577	-18	-6	15	21	13
	Mineral Resources	41	45	45	48	179	-2	1	0	7	5
	Cement-Related Products	47	59	59	90	254	-8	-5	-3	34	18
	Optoelectronics	7	6	7	10	29	0	1	-0	3	4
	Advanced Materials	46	38	42	49	175	11	-1	-1	9	18
	Other	9	9	8	13	38	-0	-1	-2	2	-1
Total		515	542	586	609	2,252	-17	-12	10	76	57

Operating profit	Cement	-0.7	1.1	27.0	22.6	50.0	3.0	14.0	5.8	18.4	41.2
	Mineral Resources	5.5	9.3	7.4	7.8	30.0	-2.9	1.4	-1.4	1.3	-1.5
	Cement-Related Products	-0.6	4.9	4.0	7.6	16.0	-2.6	-1.0	0.3	0.9	-2.4
	Optoelectronics	-0.1	-0.5	-0.0	-0.3	-1.0	1.4	0.5	0.5	0.2	2.6
	Advanced Materials	9.1	5.2	3.3	12.4	30.0	5.2	-0.8	-3.3	6.3	7.4
	Other	4.0	3.4	2.9	3.7	14.0	-0.1	0.1	-0.8	-1.3	-2.2
Total		17.4	23.8	44.2	54.7	140.0	4.8	13.6	0.8	27.3	46.5

1. Domestic Cement Demand / Our Sales Volume
2. FY2025 3rd Quarter Financial Summary
3. FY2025 Full-year Earnings Forecast
- 4. Supplementary Materials**

4. FY2025 Earnings Forecast (Semiannual)

Note: Interim forecast (announced on Nov. 11) remains unchanged.

Unit:100 million yen, unless otherwise noted

	FY2024			FY2025			Change		
	1st half results	2nd half results	Full-year results	1st half results	2nd half forecast	Full-year forecast	1st half	2nd half	Full year
Net sales	1,086	1,109	2,195	1,058	1,194	2,252	-28	86	57
Operating profit (Cement business only)	22.8 (-16.7)	70.7 (25.4)	93.5 (8.8)	41.2 (0.4)	98.8 (49.6)	140.0 (50.0)	18.4 (17.0)	28.1 (24.2)	46.5 (41.2)
Non-operating income/expenses, net	-1.6	1.7	0.2	1.1	-5.1	-4.0	2.7	-6.9	-4.2
Ordinary profit	21.2	72.4	93.7	42.3	93.7	136.0	21.1	21.2	42.3
Extraordinary income/losses, net	-2.2	36.2	34.1	36.0	-41.0	-5.0	38.2	-77.3	-39.1
Profit attributable to owners of the parent	9.4	80.7	90.1	55.9	44.1	100.0	46.5	-36.6	9.9
Dividend per share	60 yen	60 yen	120 yen	60 yen	60 yen	120 yen	-	-	-

*FY2025 forecast

Exchange rate: 1st half ¥146/\$ 2nd half ¥150/\$ Full year ¥148/\$ (FY24 average ¥152/\$)
 Coal (CIF): 1st half \$135/t 2nd half \$140/t Full year \$138/t (FY24 \$155/t)

4. FY2025 Earnings Forecast

Sales and Income by Segment (Semiannual)

Note: Interim forecast (announced on Nov. 11) remains unchanged.

Unit: 100 million yen

		FY2024			FY2025			Change		
		1st half results	2nd half results	Full-year results	1st half results	2nd half forecast	Full-year forecast	1st half	2nd half	Full year
Net sales	Cement	776	788	1,564	752	825	1,577	-24	37	13
	Mineral Resources	88	86	174	86	93	179	-1	7	5
	Cement-Related Products	119	117	236	106	148	254	-13	31	18
	Optoelectronics	11	14	25	13	16	29	1	3	4
	Advanced Materials	73	83	157	83	92	175	10	8	18
	Other	19	20	39	18	20	38	-1	0	-1
Total		1,086	1,109	2,195	1,058	1,194	2,252	-28	86	57

Operating profit	Cement	-16.7	25.4	8.8	0.4	49.6	50.0	17.0	24.2	41.2
	Mineral Resources	16.2	15.3	31.5	14.8	15.2	30.0	-1.5	-0.0	-1.5
	Cement-Related Products	7.8	10.6	18.4	4.3	11.7	16.0	-3.5	1.1	-2.4
	Optoelectronics	-2.5	-1.0	-3.6	-0.7	-0.3	-1.0	1.8	0.7	2.6
	Advanced Materials	9.8	12.8	22.6	14.3	15.7	30.0	4.4	2.9	7.4
	Other	7.5	8.7	16.2	7.4	6.6	14.0	-0.1	-2.1	-2.2
Total		22.8	70.7	93.5	41.2	98.8	140.0	18.4	28.1	46.5

4. FY2025 2nd Half Earnings Forecast

Sales and Income by Segment

Unit: 100 million yen

		FY2024 2nd Half Results			FY2025 2nd Half Forecast			Change		
		3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	2nd half	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	2nd half	3rd quarter (Oct.-Dec.)	4th quarter (Jan.-Mar.)	2nd half
Net sales	Cement	410	378	788	426	399	825	15	21	37
	Mineral Resources	45	41	86	45	48	93	0	7	7
	Cement-Related Products	62	56	117	59	90	148	-3	34	31
	Optoelectronics	7	7	14	7	10	16	-0	3	3
	Advanced Materials	43	41	83	42	49	92	-1	9	8
	Other	9	11	20	8	13	20	-2	2	0
	Total	576	533	1,109	586	609	1,194	10	76	86
Operating profit	Cement	21.2	4.3	25.4	27.0	22.6	49.6	5.8	18.4	24.2
	Mineral Resources	8.8	6.4	15.3	7.4	7.8	15.2	-1.4	1.3	-0.0
	Cement-Related Products	3.8	6.8	10.6	4.0	7.6	11.7	0.3	0.9	1.1
	Optoelectronics	-0.6	-0.5	-1.0	-0.0	-0.3	-0.3	0.5	0.2	0.7
	Advanced Materials	6.7	6.1	12.8	3.3	12.4	15.7	-3.3	6.3	2.9
	Other	3.7	5.0	8.7	2.9	3.7	6.6	-0.8	-1.3	-2.1
	Total	43.3	27.4	70.7	44.2	54.7	98.8	0.8	27.3	28.1

Note: FY2025 4th quarter = 2nd half forecast - 3rd quarter results

4. FY2025 Breakdown of Changes in Operating Income from Cement Business (Semiannual)

* Interim forecast (announced on Nov. 11) remains unchanged.

Unit: 100 million yen

	FY2024 → FY2025		
	1st half	2nd half	Full year
Sales and production volume	-7	-4	-11
Sales prices	15	46	61
Coal and oil prices	23	8	31
Electricity and raw material prices	-9	-8	-17
Recycling and rationalization	7	5	12
Exchange rates	4	1	5
Others	-16	-24	-40
Cement operating profit change	17	24	41

Sensitivity	Coal	\$1/t falling	130 million yen/year improving
	Oil	\$1/bbl falling	60 million yen/year improving
	Exchange rates	¥1/\$ rising	120 million yen/year improving

4. Supplementary Materials

Status of Assets and Liabilities

Unit: 100 million yen

(Reference)
Interim forecast

	As of March 31, 2025	As of December 31, 2025	Change
Cash and deposits	166	194	29
Property, plant and equipment	1,918	1,914	-4
Investment securities	394	423	29
Other assets	1,052	1,093	40
Total assets	3,530	3,624	94

As of March 31, 2026 (Forecast)
145
1,957
425
1,075
3,602

Interest-bearing liabilities	833	927	93
Other liabilities	761	765	6
Total liabilities	1,594	1,692	99
Net assets	1,937	1,932	-5
Total liabilities and net assets	3,530	3,624	94

900
770
1,670
1,932
3,602

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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