

## Summary of Consolidated Financial Results of Sumitomo Osaka Cement Co., Ltd. for the Third Quarter of Fiscal 2010, Ending March 31, 2010

February 10, 2010

Company:	Sumitomo Osaka Cement Co., Ltd.	Fiscal 2009 3Q	April 1, 2008–December 31, 2008
Stock code:	5232	Fiscal 2009:	April 1, 2008–March 31, 2009
URL:	<a href="http://www.soc.co.jp/">http://www.soc.co.jp/</a>	Fiscal 2010 3Q	April 1, 2009–December 31, 2009
		Fiscal 2010:	April 1, 2009–March 31, 2010

The accompanying consolidated financial results of the Company are prepared on the basis of accounting principles generally accepted in Japan and are not intended to conform with accounting principles and practices generally accepted in other countries and jurisdictions.

\*Figures are rounded down to the nearest million.

### 1. Consolidated Results for the Third Quarter of Fiscal 2010, Ending March 31, 2010 (April 1, 2009 - December 31, 2009)

\* Percent figures for net sales, operating income, ordinary income and net income express percentage change from the same period of the previous fiscal year.

#### (1) Consolidated Results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3Q of FY 2010	<b>145,148</b>	<b>(10.3)</b>	<b>1,828</b>	<b>(66.3)</b>	<b>617</b>	<b>(86.9)</b>	<b>(871)</b>	-
3Q of FY 2009	161,897	-	5,421	-	4,698	-	1,019	-
	EPS		Diluted EPS					
		Yen		Yen				
3Q of FY 2010		<b>(2.09)</b>		-				
3Q of FY 2009		2.44		-				

#### (2) Consolidated Financial Position

	Total Assets	Net Assets	Total Equity to Total Assets	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
3Q of FY 2010	<b>306,985</b>	<b>124,337</b>	<b>40.0</b>	<b>294.72</b>
FY 2009	309,465	121,682	38.9	288.62

(Reference) Total Equity 3Q of FY 2010: 122,754 millions of yen FY 2009: 120,227 millions of yen

### 2. Dividends

(Date of Record)	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-End	Annual
	Yen	Yen	Yen	Yen	Yen
FY2009		2.00		2.00	4.00
FY2010		0.00			
FY2010 (Planned)				4.00	4.00

### 3. Forecast of Consolidated Financial Results for Fiscal 2010 (April 1, 2009–March 31, 2010)

\*Percent figures for net sales, operating income, ordinary income and net income express percentage change from the same period of the previous fiscal year.

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	199,000	(7.6)	4,500	(24.7)	2,500	(42.7)	500	11.1	1.20

Note1: Revision of consolidated earnings estimates in the first Half: No

Note2: Explanation regarding the appropriate use of the forecast of financial results and other special considerations.

The above forecast figures are based on assumptions and beliefs in light of information available to management at the time of document preparation. Readers are advised that actual results may differ materially from the forecast due to a variety of factors.

4.Consolidated Financial Statement for the Third Quarter of Fiscal 2010  
(1)Consolidated Balance Sheets

(Millions of Yen)

	End Third Quarter of Fiscal 2010 (as of December 31, 2009)	End Fiscal Year 2009, Condensed Consolidated Balance Sheet (as of March 31, 2009)
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	21,365	26,258
Notes and accounts receivable-trade	41,788	42,237
Short-term investment securities	0	0
Merchandise and finished goods	7,155	7,480
Work in process	3,202	3,006
Raw materials and supplies	9,720	11,580
Deferred tax assets	2,309	1,533
Short-term loans receivable	298	377
Other	2,331	2,062
Less: Allowance for doubtful accounts	(279)	(230)
<b>Total current assets</b>	<b>87,893</b>	<b>94,306</b>
<b>Noncurrent assets:</b>		
Property, plant and equipment		
Buildings and structures	148,956	143,316
Accumulated depreciation	(95,247)	(91,865)
Buildings and structures, net	53,708	51,450
Machinery, equipment and vehicles	363,070	346,349
Accumulated depreciation	(301,852)	(290,459)
Machinery, equipment and vehicles, net	61,217	55,889
Land	40,169	39,137
Construction in progress	3,461	15,891
Other	31,620	27,258
Accumulated depreciation	(16,353)	(15,190)
Other(Net)	15,267	12,067
<b>Property, plant and equipment, net</b>	<b>173,825</b>	<b>174,438</b>
Intangible assets		
Goodwill	157	405
Other	3,997	5,740
<b>Total of intangible fixed assets</b>	<b>4,155</b>	<b>6,145</b>
Investments and other assets		
Investment securities	32,550	25,433
Long-term loans receivable	1,369	1,453
Deferred tax assets	1,052	1,015
Other	6,664	7,287
Less: Allowance for Doubtful accounts	(524)	(615)
<b>Total of investments and other assets</b>	<b>41,111</b>	<b>34,575</b>
<b>Total noncurrent assets</b>	<b>219,092</b>	<b>215,159</b>
<b>Total assets</b>	<b>306,985</b>	<b>309,465</b>

(Millions of Yen)

	End Third Quarter of Fiscal 2010 (as of December 31, 2009)	End Fiscal Year 2009, Condensed Consolidated Balance Sheet (as of March 31, 2009)
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	22,858	27,487
Short-term loans payable	32,998	33,116
Current portion of long-term loans payable	8,249	7,613
Current portion of corporate bonds	—	10,000
Income taxes payable	633	856
Deferred tax liabilities	12	13
Provision for bonuses	1,003	2,056
Other	11,591	13,758
Total current liabilities	77,348	94,902
<b>Noncurrent liabilities:</b>		
Bonds payable	27,000	22,000
Long-term loans payable	59,729	54,767
Deferred tax liabilities	8,090	5,399
Provision for retirement benefits	1,085	828
Provision for directors' retirement benefits	273	315
Other	9,121	9,570
Total long-term liabilities	105,299	92,881
Total liabilities	182,648	187,783
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital Stock	41,654	41,654
Capital surplus	31,084	31,084
Retained earnings	43,716	45,426
Treasury stock	(1,939)	(1,926)
Total shareholders' equity	114,515	116,238
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	8,275	4,025
Foreign currency translation adjustment	(36)	(35)
Total valuation and conversions	8,238	3,989
<b>Minority interests</b>	1,583	1,454
Total net assets	124,337	121,682
<b>Total liabilities, net assets</b>	306,985	309,465

(2) Consolidated Profit and Loss Statement  
(Through Third Quarter of, Fiscal Year 2010)

(Millions of Yen)

	Through Third Quarter of, Fiscal 2009 (April 1, 2008 to December 31, 2008)	Through Third Quarter of, Fiscal 2010 (April 1, 2009 to December 31, 2009)
Net sales	161,897	145,148
Cost of sales	128,967	117,616
Gross profit	32,929	27,531
Selling, general and administrative expenses	27,507	25,702
Operating income	5,421	1,828
Other income:		
Interest income	73	57
Dividend income	1,254	621
Equity in earnings of affiliates	6	5
Other	435	568
Total of other income	1,769	1,253
Other expenses:		
Interest expenses	1,651	1,628
Other	840	836
Total of other expenses	2,492	2,465
Ordinary income or losses	4,698	617
Extraordinary gains:		
Gain on sales and disposal of fixed assets, net	181	222
Gain on sales of securities, net	17	314
Reversal of allowance for doubtful accounts	82	25
Other	16	1
Total of extraordinary gains	297	563
Extraordinary losses:		
Loss on disposal of fixed assets	965	569
Loss on sales of fixed assets	1	2
Write-down of investments in common stock	1,128	87
Provision for doubtful accounts and loan losses	72	—
Loss on impairment long-lived assets	68	12
Loss on closing of the ready-mixed concrete plant for rent	—	1,829
Other	10	2
Total of extraordinary losses	2,248	2,503
Income (loss) before income taxes	2,748	(1,322)
Income taxes    current	1,383	543
Income taxes    deferred	307	(992)
Total of income taxes	1,690	(449)
Minority interests in net income (loss) of consolidated subsidiaries	38	(1)
Net income (loss)	1,019	(871)

(2) Consolidated Profit and Loss Statement  
(Third Quarter of, Fiscal Year 2010)

(Millions of Yen)

	Third Quarter of, Fiscal 2009 (October 1, 2008 to December 31, 2008)	Third Quarter of, Fiscal 2010 (October 1, 2009 to December 31, 2009)
Net sales	57,199	49,471
Cost of sales	44,664	39,365
Gross profit	12,534	10,106
Selling, general and administrative expenses	9,198	8,871
Operating income	3,336	1,234
Other income:		
Interest income	28	13
Dividend income	872	171
Equity in earnings of affiliates	9	14
Other	149	236
Total of other income	1,060	435
Other expenses:		
Interest expenses	560	546
Foreign exchange loss	320	—
Other	215	286
Total of other expenses	1,095	832
Ordinary income or losses	3,300	837
Extraordinary gains:		
Gain on sales and disposal of fixed assets, net	156	195
Gain on sales of securities, net	—	258
Reversal of allowance for doubtful accounts	14	5
Other	0	0
Total of extraordinary gains	172	458
Extraordinary losses:		
Loss on disposal of fixed assets	574	108
Loss on sales of fixed assets	—	0
Write-down of investments in common stock	995	32
Provision for doubtful accounts and loan losses	27	—
Loss on closing of the ready-mixed concrete plant for rent	—	1,829
Other	6	0
Total of extraordinary losses	1,603	1,970
Income (losses) before income taxes	1,869	(674)
Income taxes    current	373	157
Income taxes    deferred	514	(305)
Total of income taxes	888	(147)
Minority interests in net income (loss) of consolidated subsidiaries	28	(19)
Net income (loss)	952	(507)

## (3) Consolidated Statements of Cash Flows

(Millions of Yen)

	Through Third Quarter of, Fiscal 2009 (April 1, 2008 to December 31, 2008)	Through Third Quarter of, Fiscal 2010 (April 1, 2009 to December 31, 2009)
<b>Net cash provided by operating activities:</b>		
Income (losses) before income taxes	2,748	(1,322)
Depreciation and amortization	14,988	15,263
Impairment loss	68	12
Loss on closing of the ready-mixed concrete plant for rent	—	1,352
Amortization of goodwill	103	122
Increase (decrease) in allowance for doubtful accounts	29	(6)
Interest and dividend income	(1,327)	(679)
Interest expenses	1,651	1,628
Foreign exchange (gain) loss	186	91
Equity in (earnings) losses of affiliates	(6)	(5)
Loss (gain) on sales of property, plant and equipment	(179)	(220)
Decrease (increase) in notes and trade receivables	(4,808)	1,712
Decrease (increase) in inventories	(3,931)	2,850
Increase (decrease) in notes and trade payables	970	(5,613)
Others	1,501	(246)
Subtotal	11,996	14,940
Interest and dividends received	1,309	668
Interest expenses paid	(1,556)	(1,510)
Income taxes paid	(1,843)	(996)
<b>Net cash provided by (used in) operating activities</b>	<b>9,905</b>	<b>13,102</b>
<b>Net cash provided by (used in) investing activities:</b>		
Purchase of property, plant and equipment	(16,636)	(15,833)
Proceeds from sales of property, plant and equipment	232	353
Purchases of investment securities	(218)	(295)
Proceeds from sales of investment securities	38	599
Cash expenditure in conjunction with the purchases of consolidated subsidiaries	—	(1,170)
Cash received in conjunction with the purchases of consolidated subsidiaries	—	225
Payments of loans receivable	(506)	(2,304)
Collection of loans receivable	237	198
Other	(69)	349
<b>Net cash provided by (used in) investment activities</b>	<b>(16,922)</b>	<b>(17,878)</b>
<b>Net cash used in financing activities:</b>		
Increase (decrease) in short-term bank loans	1,923	189
Proceeds from long-term loans payable	10,938	9,854

Repayment of long-term loans payable	(3,206)	(4,257)
Proceeds from issuance of bonds	—	5,000
Redemption of bonds	(5,000)	(10,000)
Proceeds from sales of treasury stock	41	2
Purchase of treasury stock	(232)	(14)
Cash dividends paid	(2,295)	(833)
Cash dividends paid to minority shareholders	(8)	(6)
Other	(40)	(42)
<b>Net cash provided by (used in) financing activities</b>	<b>2,120</b>	<b>(106)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(0)</b>	<b>(13)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(4,896)</b>	<b>(4,895)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>22,825</b>	<b>25,988</b>
<b>Cash and cash equivalents at the end of period</b>	<b>17,929</b>	<b>21,092</b>

**(4)Segment Information****Business segments****Consolidated Third Quarter of, Fiscal 2009 (October 1, 2008 to December 31, 2008)****(Millions of Yen)**

	Cement	Mineral Resources	Cement-Related Products	Optoelectronics and Advanced Materials	Real Estate and Other	Total	Eliminations and Adjustments	Consolidated
Net sales and operating income (loss)								
Net sales:								
(1) Outside customers	47,081	2,380	3,014	3,449	1,274	57,199	—	57,199
(2) Intersegment sales	794	1,116	487	8	1,574	3,981	(3,981)	—
Total	47,875	3,496	3,501	3,458	2,848	61,180	(3,981)	57,199
Operating income (loss)	2,997	127	83	(94)	198	3,312	24	3,336

**Consolidated Third Quarter of, Fiscal 2010 (October 1, 2009 to December 31, 2009)****(Millions of Yen)**

	Cement	Mineral Resources	Cement-Related Products	Optoelectronics and Advanced Materials	Real Estate and Other	Total	Eliminations and Adjustments	Consolidated
Net sales and operating income (loss)								
Net sales:								
(1) Outside customers	40,870	2,011	2,958	2,242	1,388	49,471	—	49,471
(2) Intersegment sales	793	963	907	3	819	3,486	(3,486)	—
Total	41,664	2,974	3,865	2,245	2,207	52,957	(3,486)	49,471
Operating income (loss)	1,364	(15)	(3)	(362)	268	1,250	(16)	1,234

**Consolidated Through Third Quarter of, Fiscal 2009 (April 1, 2008 to December 31, 2008)****(Millions of Yen)**

	Cement	Mineral Resources	Cement-Related Products	Optoelectronics and Advanced Materials	Real Estate and Other	Total	Eliminations and Adjustments	Consolidated
Net sales and operating income (loss)								
Net sales:								
(1) Outside customers	132,091	7,037	8,549	9,707	4,511	161,897	—	161,897
(2) Intersegment sales	2,524	3,021	1,640	15	5,143	12,345	(12,345)	—
Total	134,615	10,058	10,190	9,722	9,655	174,242	(12,345)	161,897
Operating income (loss)	5,022	293	58	(1,011)	1,061	5,423	(1)	5,421

**Consolidated Through Third Quarter of, Fiscal 2010 (April 1, 2009 to December 31, 2009)****(Millions of Yen)**

	Cement	Mineral Resources	Cement-Related Products	Optoelectronics and Advanced Materials	Real Estate and Other	Total	Eliminations and Adjustments	Consolidated
Net sales and operating income (loss)								
Net sales:								
(1) Outside customers	116,996	5,632	8,692	9,670	4,157	145,148	—	145,148
(2) Intersegment sales	2,221	2,765	2,052	6	3,553	10,598	(10,598)	—
Total	119,218	8,398	10,744	9,676	7,710	155,747	(10,598)	145,148
Operating income (loss)	2,079	(220)	(37)	(890)	913	1,844	(16)	1,828