Explanatory Materials
(For 3rd Quarter of Fiscal Year Ending March 31, 2025)

February 13, 2025

SUMITOMO OSAKA CEMENT

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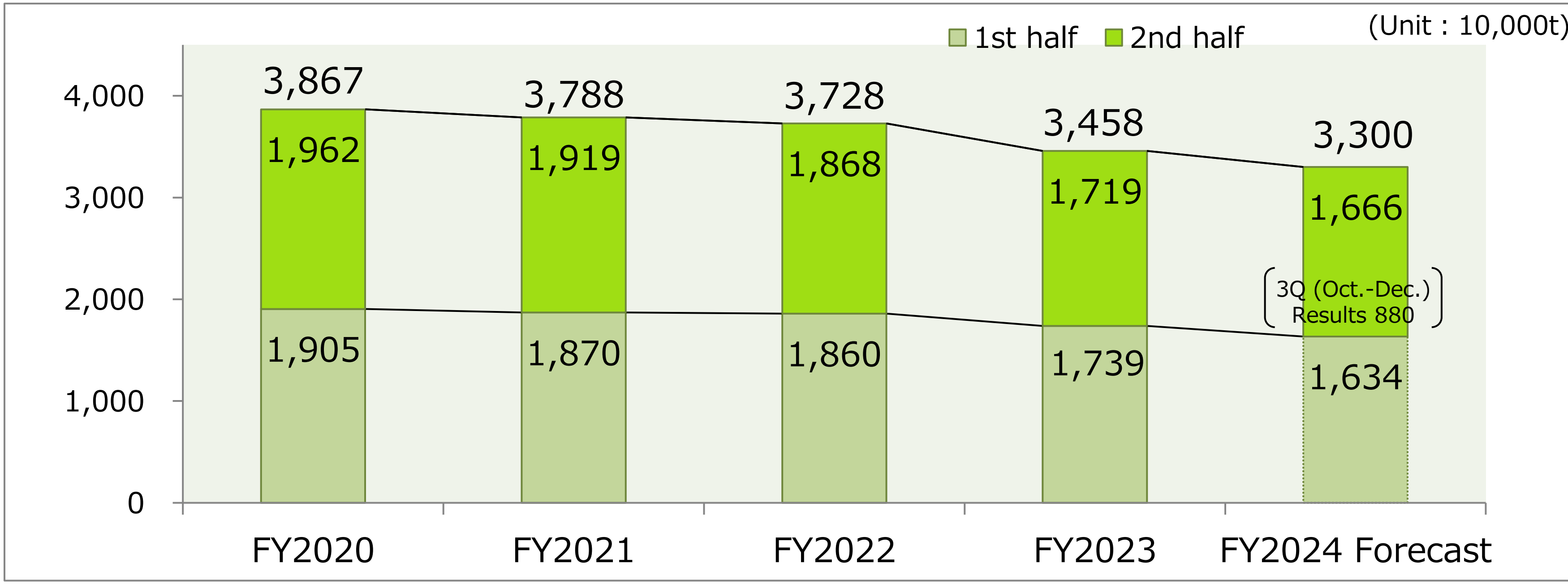
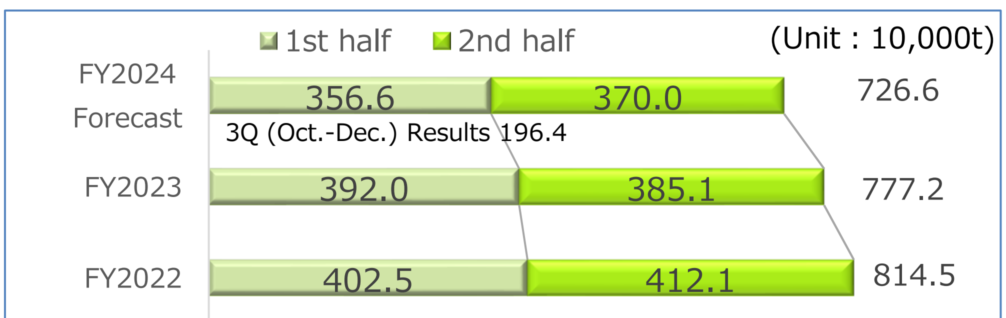
1. Domestic Cement Demand / Our Sales Volume

*** Forecasts for 2nd half and full year remain unchanged**

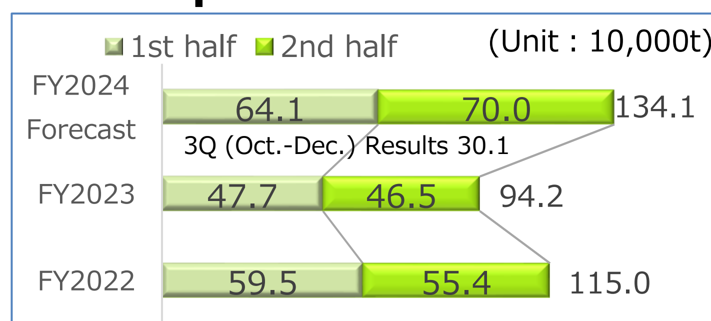
Domestic cement demand



Our domestic sales volume



Our export volume



2. FY2024 3rd Quarter Financial Results

- **Operating income in the cement business returned to profitability due to an impact of price hikes and a coal price decline**
- **Operating income increased year-on-year due to profit improvement in the cement business, etc.**

① **Sales**
- Almost the same level as the previous year

② **Operating income**
- Operating income increased due to an impact of price hikes of the cement business and a coal price decline, etc.

③ **Non-operating income/loss**
- Deterioration in foreign exchange gains/losses, etc.

④ **Extraordinary income/loss**
- Decreased due to a negative backlash following the recording of a gain on sale of cross-shareholdings in the previous period

Unit: 100 million yen

	FY2024 3rd Quarter	FY2023 3rd Quarter	Increase/ decrease
Sales	1,662	1,675	- 13
Operating income (Cement business only)	66.1 (4.5)	47.8 (-20.8)	18.3 (25.3)
Non-operating income/loss	2.3	11.4	- 9.0
Ordinary income	68.5	59.2	9.3
Extraordinary income/loss	27.7	70.3	- 42.6
Net income	66.8	106.0	- 39.3

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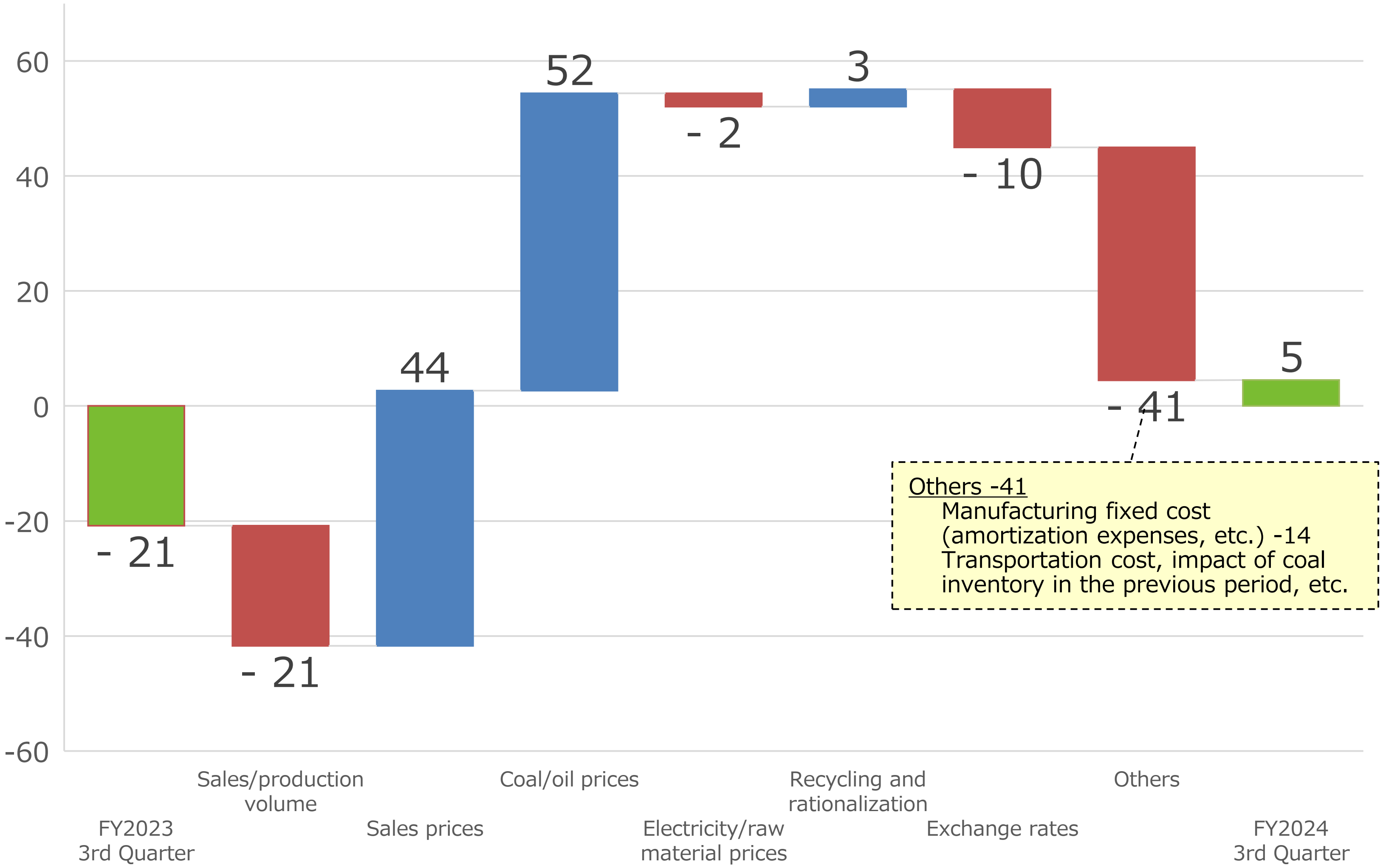
2. FY2024 3rd Quarter Breakdown of Change in Cement Operating Income (Year on Year)

Unit: 100 million yen



2. FY2024 3rd Quarter Sales and Income by Segment (Year on Year)

Unit: 100 million yen

	FY2024 3rd Quarter		FY2023 3rd Quarter		Increase/decrease	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Cement	1,186	4.5	1,218	- 20.8	- 31	25.3
Mineral Resources	133	25.0	110	25.6	23	- 0.6
Cement-Related Products	180	11.6	154	7.8	26	3.8
Optoelectronics	18	- 3.1	16	- 3.3	3	0.2
Advanced Materials	116	16.5	150	25.0	- 34	- 8.5
Others	28	11.2	28	12.2	0	- 1.0
Total	1,662	66.1	1,675	47.8	- 13	18.3

2. FY2024 3rd Quarter Sales and Income by Segment (Quarterly Changes)

- **Operating income in the third quarter (Oct.-Dec.) strengthened in the cement and advanced materials businesses, etc.**

Unit: 100 million yen

		3rd quarter results				Year on year			
		1st quarter (Apr.-Jun.)	2nd quarter (Jul.-Sep.)	3rd quarter (Oct.-Dec.)	3rd quarter cumulative total	1st quarter (Apr.-Jun.)	2nd quarter (Jul.-Sep.)	3rd quarter (Oct.-Dec.)	3rd quarter cumulative total
Sales	Cement	385	391	410	1,186	9	- 16	- 24	- 31
	Mineral Resources	43	45	45	133	8	7	7	23
	Cement-Related Products	54	64	62	180	6	7	13	26
	Optoelectronics	6	5	7	18	1	- 1	3	3
	Advanced Materials	34	39	43	116	- 20	- 13	- 1	- 34
	Others	9	10	9	28	- 0	- 0	0	0
Total		532	554	576	1,662	5	- 16	- 1	- 13
Operating income	Cement	- 3.7	- 12.9	21.2	4.5	17.0	- 3.2	11.6	25.3
	Mineral Resources	8.4	7.8	8.8	25.0	1.3	- 1.4	- 0.5	- 0.6
	Cement-Related Products	2.0	5.9	3.8	11.6	0.8	1.2	1.9	3.8
	Optoelectronics	- 1.5	- 1.0	- 0.6	- 3.1	- 0.7	- 0.2	1.0	0.2
	Advanced Materials	3.8	6.0	6.7	16.5	- 5.9	- 3.0	0.3	- 8.5
	Others	4.1	3.3	3.7	11.2	0.2	- 1.1	- 0.1	- 1.0
Total		12.6	10.2	43.3	66.1	11.4	- 6.9	13.9	18.3

3. FY2024 Full-year Earnings Forecast

- **Interim forecast (announced on November 12) remained unchanged**
- **Operating income is expected to increase year on year due to an impact of cement price hikes and a coal price decline, etc.**

① **Net sales**
- Revenue grew due to increased sales of the mineral resources business and cement-related products business, despite lower sales of the cement business and advanced materials business

② **Operating income**
- Operating income increased due to an impact of price hikes of the cement business and a coal price decline, etc.

③ **Non-operating income/loss**
- Deterioration in foreign exchange gains/losses, etc.

④ **Extraordinary income/loss**
- Gains on sale of cross-shareholdings are expected again in the current period

⑤ **Dividend**
- Unchanged

Unit: 100 million yen

	FY2024 Forecast *Unchanged	FY2023 Results	Increase/ decrease
Sales	2,238	2,225	13
Operating income (Cement business only)	84.0 (6.6)	72.5 (-14.4)	11.5 (21.0)
Non-operating income/loss	- 1.0	12.3	- 13.3
Ordinary income	83.0	84.8	- 1.8
Extraordinary income/loss	22.0	101.6	- 79.6
Net income	78.0	153.4	- 75.4
Dividend per share	120 yen	120 yen	-

4. Supplementary Material Status of Assets and Liabilities

Unit: 100 million yen

(Reference)
Interim forecast

	End of March 2024	End of December 2024	Increase/ decrease	End of March 2025 Forecast
Cash and deposits	187	189	2	145
Tangible fixed assets	1,845	1,906	61	1,945
Investment securities	449	399	- 49	396
Other assets	1,082	1,088	6	1,090
Total of assets	3,563	3,582	20	3,576
Interest-bearing debt	795	891	96	858
Other liabilities	800	776	- 24	790
Total of liabilities	1,595	1,667	72	1,648
Net assets	1,968	1,915	- 52	1,928
Total liabilities and net assets	3,563	3,582	20	3,576

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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