Explanatory Materials for Financial Results (For the 1st Quarter of Fiscal Year Ending March 31, 2025)

August 6, 2024

SUMITOMO OSAKA CEMENT CO., LTD.

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SUMITOMO OSAKA CEMENT

1． FY2024 1st Quarter Consolidated Financial Results

SUMITOMO OSAKA CEMENT

(1) Outline of Consolidated Financial Results

Unit : 100 million yen

	FY2024 1st quarter	FY2023 1st quarter	Year-on-year
Sales	532	528	5
Operating income (Cement business only*)	12.6 (▲3.7)	1.3 (▲20.7)	11.4 (17.0)
Non-operating profit/loss	7.2	12.4	▲5.2
Ordinary income	19.8	13.6	6.2
Extraordinary profit/loss	▲1.4	40.8	▲42.2
Quarterly net profit	6.9	51.8	▲45.0

1．FY2024 1st Quarter Consolidated Financial Results

SUMITOMO OSAKA CEMENT

(2) Sales & Operating Income by Segment

Unit : 100 million yen

	FY2024 1st quarter		FY2023 1st quarter		Year-on-year	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Cement	385	▲3.7	376	▲20.7	9	17.0
Mineral resources	43	8.4	35	7.1	8	1.3
Cement-related products	54	2.0	48	1.2	6	0.8
Optoelectronics	6	▲1.5	5	▲0.8	1	▲0.7
Advanced materials	34	3.8	54	9.7	▲20	▲5.9
Others	9	4.1	9	4.0	▲0	0.2
Total	532	12.6	528	1.3	178	11.4

*From the 1st quarter of FY2024, the segment of consolidated subsidiary Chiyoda Engineering. Co., Ltd. was changed from 'Others' to 'Cement', and the figures for the first quarter of FY2023 have been compared with figures restated to reflect the new segment.

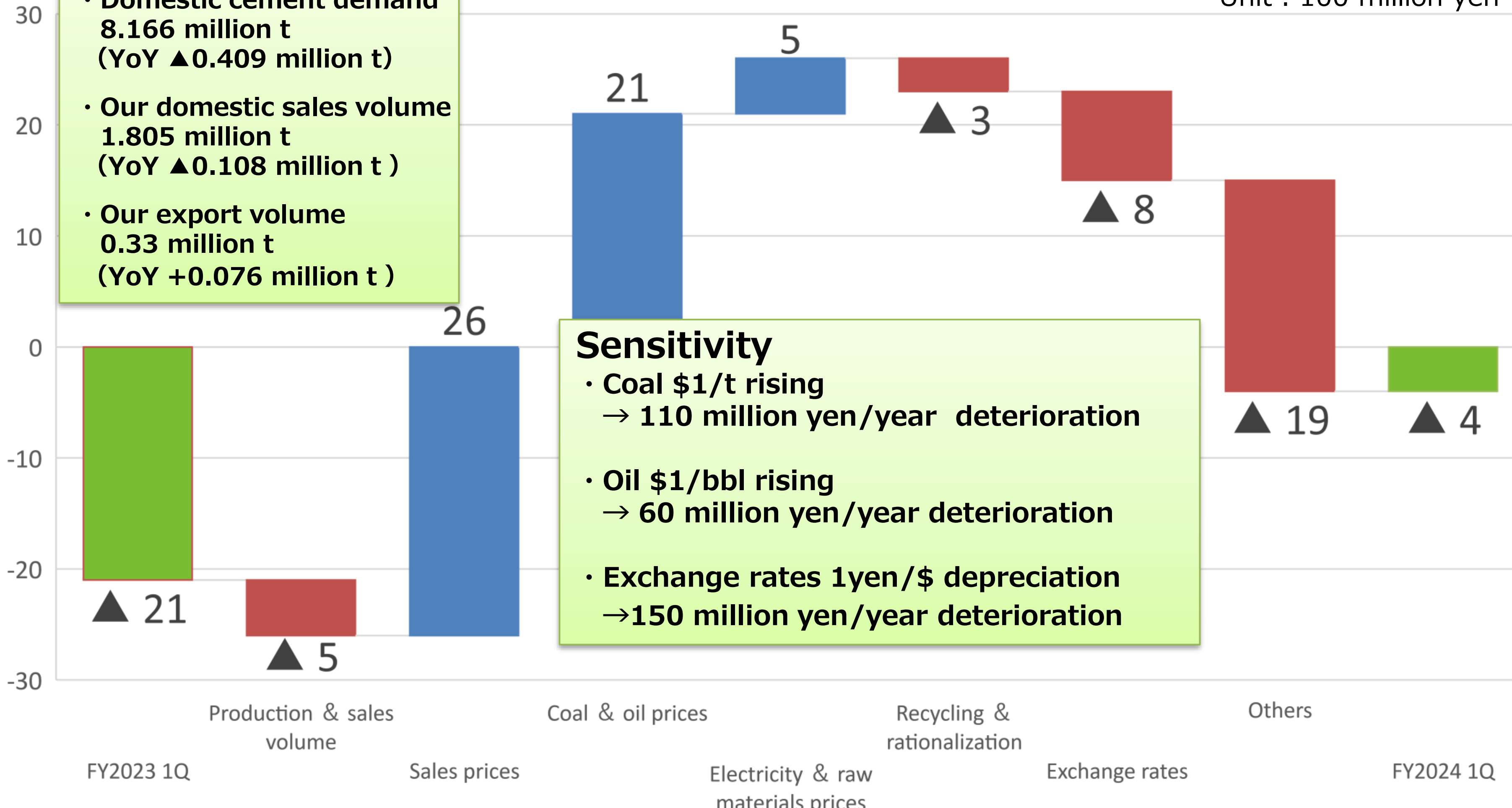
1. FY2024 1st Quarter Consolidated Financial Results

SUMITOMO OSAKA CEMENT

(2) Sales & Operating Income by Segment
ー Breakdown of Change in Cement Operating Income

FY2024 1st quarter
- **Domestic cement demand 8.166 million t (YoY ▲0.409 million t)**
- **Our domestic sales volume 1.805 million t (YoY ▲0.108 million t)**
- **Our export volume 0.33 million t (YoY +0.076 million t)**

Unit : 100 million yen



Sensitivity
- **Coal $1/t rising → 110 million yen/year deterioration**
- **Oil $1/bbl rising → 60 million yen/year deterioration**
- **Exchange rates 1yen/$ depreciation →150 million yen/year deterioration**

2. Supplementary Materials

(1) End of June 2024 Consolidated B/S
–Statue of Assets and Liabilities

Unit : 100 million yen

	End of March 2024	End of June 2024	Change
Cash and deposits	187	167	▲20
Tangible non-current assets	1,845	1,857	12
Investment securities	449	454	5
Other assets	1,082	1,108	26
Total of assets	3,563	3,586	23
Interest-bearing debt	795	892	96
Other liabilities	800	762	▲38
Total of liabilities	1,595	1,654	58
Net assets	1,968	1,933	▲35
Total liabilities and net assets	3,563	3,586	23

2. Supplementary Materials

(2) FY2024 Consolidated Earnings Forecast

Forecasts announced at the beginning of the year（May, 14） remain unchanged.

Unit : 100 million yen

	FY2024 forecast			Year-on-year		
	1st half	2nd half	Full year	1st half	2nd half	Full year
Sales	1,118	1,177	2,296	20	50	70
Operating income (Cement business only*)	36.0 (▲1.6)	75.0 (31.6)	111.0 (30.0)	17.6 (28.8)	20.9 (18.7)	38.5 (47.5)
Non-operating profit/loss	1.0	1.0	2.0	▲7.4	▲2.9	▲10.3
Ordinary income	37.0	76.0	113.0	10.2	18.0	28.2
Extraordinary profit/loss	▲5.4	30.4	25.0	▲45.0	▲31.6	▲76.6
Net income	24.0	79.0	103.0	▲34.7	▲15.7	▲50.4
Dividend per share	60yen	60yen	120yen	-	-	-

2. Supplementary Materials

(2) FY2024 Consolidated Earnings Forecast– Sales/Operating Income by Segment

Unit : 100 million yen

		FY2024 Forecast			Year-on-Year			Compared to forecast for beginning of the year		
		1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year
Sales	Cement	802	838	1,640	19	5	24	▲7	-	▲7
	Mineral resources	90	92	183	18	19	37	2	-	2
	Cement-related products	123	132	254	17	20	37	5	-	5
	Optoelectronics	11	11	23	▲0	2	2	3	-	3
	Advanced materials	73	82	155	▲34	2	▲32	▲2	-	▲2
	Others	19	21	40	0	2	2	▲1	-	▲1
Total		1,118	1,177	2,295	20	50	70	-	-	-
Operating income	Cement	▲1.6	31.6	30.0	28.8	15.5	44.3	▲5.2	-	▲5.2
	Mineral resources	17.8	18.3	36.2	1.6	3.2	4.8	2.6	-	2.6
	Cement-related products	6.6	10.2	16.8	0.7	1.0	1.7	▲0.1	-	▲0.1
	Optoelectronics	▲3.1	▲2.0	▲5.0	▲1.4	3.1	1.7	0.3	-	0.3
	Advanced materials	8.9	9.2	18.1	▲9.8	▲1.1	▲10.9	1.9	-	1.9
	Others	7.8	7.7	15.5	▲0.6	▲0.5	▲1.1	0.9	-	0.9
Total		36.0	75.0	111.0	17.6	20.9	38.5	-	-	-

*From the 1st quarter of FY2024, the segment of consolidated subsidiary Chiyoda Engineering. Co., Ltd. was changed from 'Others' to 'Cement', and comparisons for FY2023 are based on figures restated for the changed segment.

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 CO., LTD.