Quarterly Results for FY2025

(Six-month period ended September 30, 2025)

October 31, 2025
Sumitomo Corporation

Cautionary Statement Concerning Forward-looking Statements

This report includes forward-looking statements relating to our future plans, forecasts, objectives, expectations and intentions. The forward-looking statements reflect management's current assumptions and expectations of future events, and accordingly, they are inherently susceptible to uncertainties and changes in circumstances and are not guarantees of future performance. Actual results may differ materially, for a wide range of possible reasons, including general industry and market conditions and general international economic conditions. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements. The management forecasts included in this report are not projections, and do not represent management's current estimates of future performance. Rather, they represent forecasts that management strives to achieve through the successful implementation of the Company's business strategies. The Company may be unsuccessful in implementing its business strategies, and management may fail to achieve its forecasts. The Company is under no obligation -- and expressly disclaims any such obligation -- to update or alter its forward-looking statements.

1. Summary of FY2025 Q1-2 Results

FY2025 Q1-2 Results and FY2025 Full-year Forecast	• Profit for FY2025 Q1-2 attributable to owners of the parent totaled **¥301.2 bil.**, a **¥47.3 bil. increase** compared to the same period of the previous fiscal year. • The full-year forecast of **¥570.0 bil.*** **remains unchanged.** Progress rate was **53%**. The full-year forecast by segment has been updated, and the loss buffer set at the beginning of the fiscal year has been reduced from ¥-40.0 bil. to ¥-20.0 bil.
Annual Dividend and share repurchase	• The planned annual dividend of ¥140 per share remains **unchanged from the initial forecast.** (Interim dividend: ¥70 per share) • Of the ¥80.0 bil. share repurchase resolved in May 2025, approx.¥24.1 bil. had been repurchased as of the end of Sep. 2025. (Deadline: End of Mar. 2026)

(Unit: billions of yen)

	FY2024 Q1-2 Results	FY2025 Q1-2 Results		FY2025 full-year Forecasts (announced in Oct. 2025)	
Profit for the Period (attributable to owners of the parent)	254.0	**301.2**	+47.3 (YoY)	**570.0***	53% (Progress)

* including a loss buffer of ¥-20.0 bil.

Actual results for Q2 were JPY301.2 billion. Profits increased by JPY47.3 billion YoY.

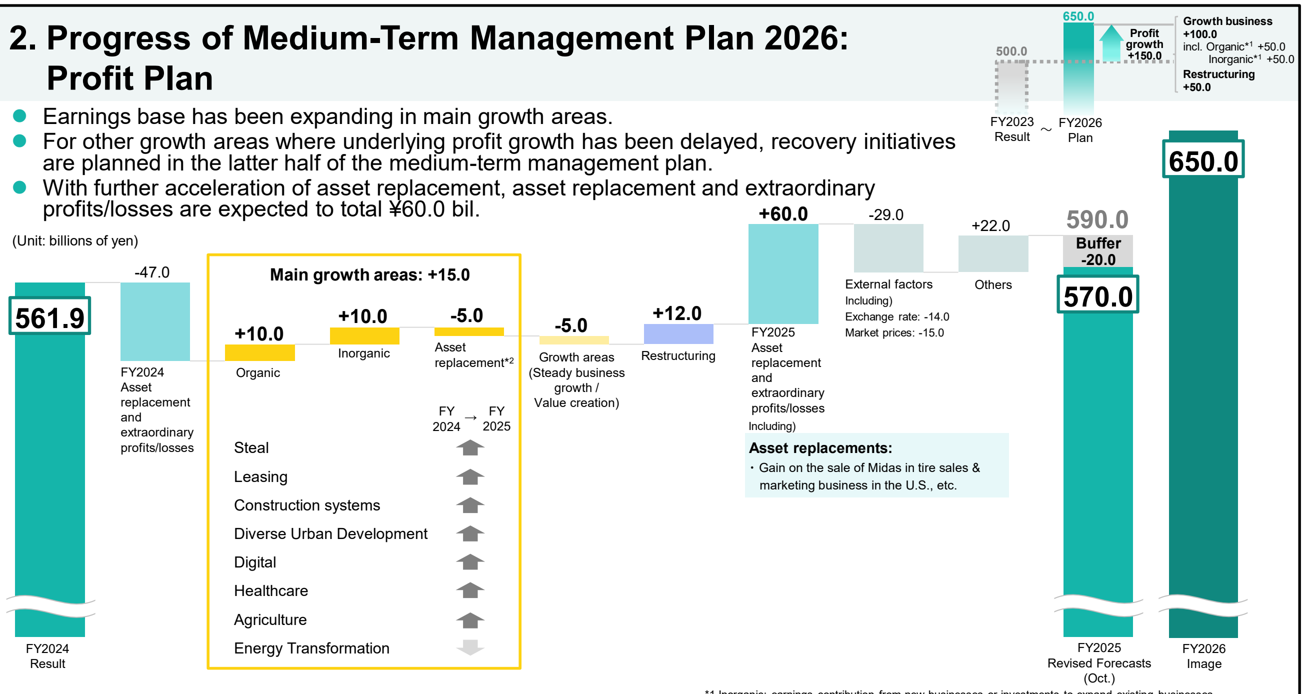
The full-year forecast remains unchanged at JPY570.0 billion, but we have partially revised the full-year forecast by segment, reducing the buffer set at the beginning of the fiscal year from negative JPY40.0 billion to negative JPY20.0 billion.

Details will be explained later.

The annual dividend forecast for FY2025 remains unchanged from the initial forecast of JPY140, with an interim dividend of JPY70.

2. Progress of Medium-Term Management Plan 2026: Profit Plan

- Earnings base has been expanding in main growth areas.
- For other growth areas where underlying profit growth has been delayed, recovery initiatives are planned in the latter half of the medium-term management plan.
- With further acceleration of asset replacement, asset replacement and extraordinary profits/losses are expected to total ¥60.0 bil.



*1 Inorganic: earnings contribution from new businesses or investments to expand existing businesses
Organic: profit growth of existing businesses other than "Inorganic"
*2 Decrease in equity earnings resulting from asset replacement in main growth areas, etc.

This waterfall shows the growth image from the FY2024 actuals to the FY2025 full-year forecast.

In the eight main growth areas circled by yellow square, while equity in earnings from affiliates decreased due to asset replacements, both organic and inorganic are expanding their earnings bases.

In the other growth areas to the right of the eight main growth areas, there are some businesses that are lagging behind in underlying profit growth due to intensifying competition in the automotive sales & marketing business and a review of the timing of new investments by the Mineral Resources Group.

The blue line shows asset replacement and extraordinary profits/losses, which are expected to amount to JPY60.0 billion due to accelerated replacement.

Inorganic initiatives such as making SCSK a wholly owned subsidiary and acquiring a U.S.-based aircraft leasing company are underway to achieve the profit target of JPY650.0 billion for FY2026.

At the same time, we will catch up with businesses that are lagging behind in growth.

3. Progress of Medium-Term Management Plan 2026: Growth areas with strengths and competitive advantages

Main growth areas	Current situation	Action
Steel	• Investment in EEW, a manufacturing business for “Monopiles”, used for the foundation of offshore wind power generation • Asset replacement strengthened and expanded in low-growth businesses	• Enhance customers services, expand the products portfolio, and strengthen the supply chain foundation • Revise regional strategies and shift resources to growth markets
Construction Systems	• Sales & service business: Investment in BIA Group, a distributor of construction equipment • A Construction equipment rental business in North America: Recovery measures, such as personnel cost controls and sales of used equipment, were implemented to address a profit shortfall caused by a slowdown in construction demand growth	• To further improve profitability and capital efficiency while strengthening the earnings base through regional market share expansion and product lineup enhancement • Construction equipment rental business in North America: cultivate national account business, strengthen specialty rentals such as trenches, and enhance cost competitiveness
Leasing	• Expanded existing businesses through the agreement to acquire a U.S.-based aircraft leasing company, full acquisition of KENEDIX by SMFL(Oct.), and acquisition of a helicopter leasing company, etc. • Entered the container leasing business at SMFL, achieving expansion of business areas and diversification of the business portfolio	• Improve profitability and asset efficiency by strengthening asset management business in real estate, aircraft, etc.
Diverse Urban Development	• Steady progress driven by the promotion of asset turnover, mainly in Japan • Strong performance in the U.S. housing business	• Promote asset turnover of domestic and overseas real estate and enhance profitability from businesses such as industrial parks and overseas real estate • Develop and expand high-quality projects globally and continue steady efforts to realize diverse urban development by leveraging the strengths of each SBU
Digital	• SCSK completed the consolidation of Net One Systems • Entered the GPU as a Service business and strengthened the AI solution business • Announcement of commencement of tender offer for SCSK shares, etc. (Oct.)	• Build the No.1 digital business platform in the Asia-Pacific region • From upstream consulting to downstream BPO, and from core system development to data-driven management support, leverage Sumitomo Corporation's customer base and knowledge of industry issues to address DX/IT needs both domestically and internationally
Healthcare	• Value enhancement progressing through operational efficiency improvements in existing businesses • Business base expanding in North America and other regions, while progress has been delayed due to the withdrawal of new investments in Japan and overseas	• Further enhance the value of existing businesses • To expand the business base through acquisitions in Japan and overseas
Agriculture	• Brazil: implemented measures such as tightened credit control to address potential bad debt expense, steadily increasing orders in FY2025 in preparation for demand season in the second half • Investments were steadily proceeded in the areas of agriculture inputs distributor in Vietnam/Romania and biocontrol manufacturing business in Chile/the U.S.	• Brazil: continue to focus on improving profitability and strengthening resilience of existing businesses • Strengthen sales of high value-added products such as bio-pesticides, and reinforce our earnings base and build downside resilience through collaboration with leading partners
Energy Transformation	• Stable performance in overseas IPP/IWPP business, and other businesses • Investment in city gas business in India, entry into India’s corporate PPA market supplying power derived from renewable sources	• Provide one-stop decarbonization solution capturing regional needs by overseeing the entire value chain of each industrial sector, shift to decarbonization business, increase trading, and expand new revenue bases

For the eight main growth areas, this slide summarizes the current situations of efforts and future actions for growth.

In the leasing business, in addition to expanding existing businesses, such as the acquisition of a U.S.-based aircraft leasing company, we are also expanding our business domain by entering the container leasing business, etc.

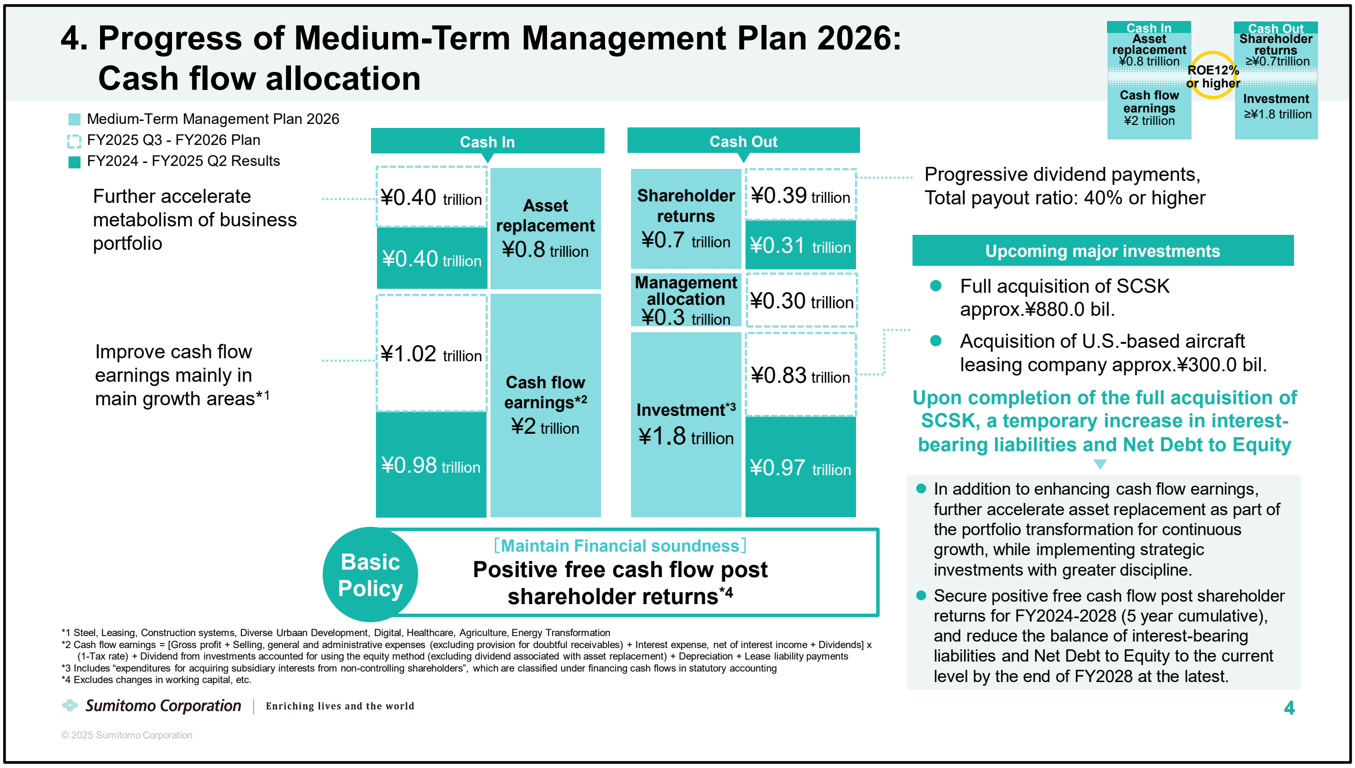
We will continue to diversify our business portfolio to improve profitability and asset efficiency.

In the digital business, Net One Systems’ consolidation into SCSK has created a solid management foundation that combines the capabilities of both a system integrator and a network integrator.

On the other hand, I would like to mention a few initiatives for improvement in projects where progress has been slow. In steel, we are working to replace assets in low-growth businesses.

We will review regional strategies and shift resources to growth markets.

In healthcare, although there are delays in progress due to the postponement of new investments in Japan and overseas, we aim to expand our business base by further increasing the value of existing businesses and continuing to make business acquisitions.

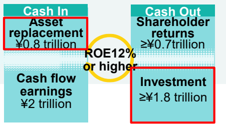


Cash flow allocations have so far progressed steadily against the plan set forth in the Medium-Term Management Plan.

If the announced large investments are completed, interest-bearing liabilities and Net DER will temporarily increase, but we intend to reduce interest-bearing liabilities and Net DER to the current level by the end of FY2028 at the latest.

In addition to expanding cash flow earnings, we will further accelerate asset replacements and make more selective strategic investments to ensure positive free cash flow after post shareholder returns for the five-year cumulative period through FY2028.

5. Progress of Medium-Term Management Plan 2026: Investment and Asset replacement



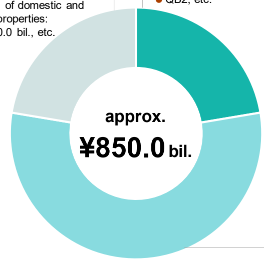
● **Total investment (Apr. 2024 - Sep. 2025) ¥970.0 bil.**

in Steady business growth / Value creation: approx.¥850.0 bil.

- Sustaining CAPEX
- Investments contribute to earnings during MTMP2026
- Investments contribute to earnings from FY2027 onward

approx.¥180.0 bil.
- Investment in city gas business in India: approx.¥20.0 bil.
- Acquisition of domestic and overseas properties: approx.¥80.0 bil., etc.

approx.¥180.0 bil.
- Construction equipment rental business in North America
- SCSK
- QB2, etc.



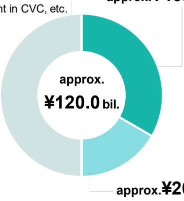
Investments contribute to earnings during MTMP2026	approx.¥490.0 bil.
Acquisition of domestic and overseas properties	approx.¥20.0 bil.
Investment in the manufacturing business for the foundation of offshore wind power generation	Confidential
Assets increase in construction equipment rental business in North America	approx.¥20.0 bil.
Investment in Net One Systems by SCSK	approx.¥330.0 bil. ,etc.
Subtotal (excluding domestic and overseas properties)	**approx.¥470.0 bil.***1 *2

Earnings Contribution (FY2026 Forecast) **approx.¥+15.0 bil.** *1 *2

in Nurture / Restructuring: approx.¥120.0 bil.

approx.¥60.0 bil.
- Capital increase in Telecommunications business in Ethiopia
- Investment in CVC, etc.

approx.¥40.0 bil.



approx.¥20.0 bil.

● **Asset replacement (Apr. 2024 - Sep. 2025) ¥400.0 bil.**

- Progress in the sale of cross-shareholdings: approx.¥+100.0 bil.
- Sale of T-Gaia: approx.¥+50.0 bil.

*1 In addition, an investment of approx. ¥300.0 bil. for the acquisition of a U.S.-based aircraft leasing company is expected to contribute to earnings in FY2026.
*2 Excludes earnings contribution from properties. Forecasted earnings contribution from new investments in growth areas under the three-year MTMP2026: +¥50.0 bil.

The actual investment in the 18 months through Q2 of FY2025 is JPY970.0 billion, of which JPY15.0 billion is expected to be contributed to profits in FY2026 from inorganic investments belonging to the steady business growth/value creation categories shown on the left-hand side of the slide.

On the other hand, the impact of the acquisition of the U.S.-based aircraft leasing company or SCSK becoming a wholly owned subsidiary has not been factored into this forecast.

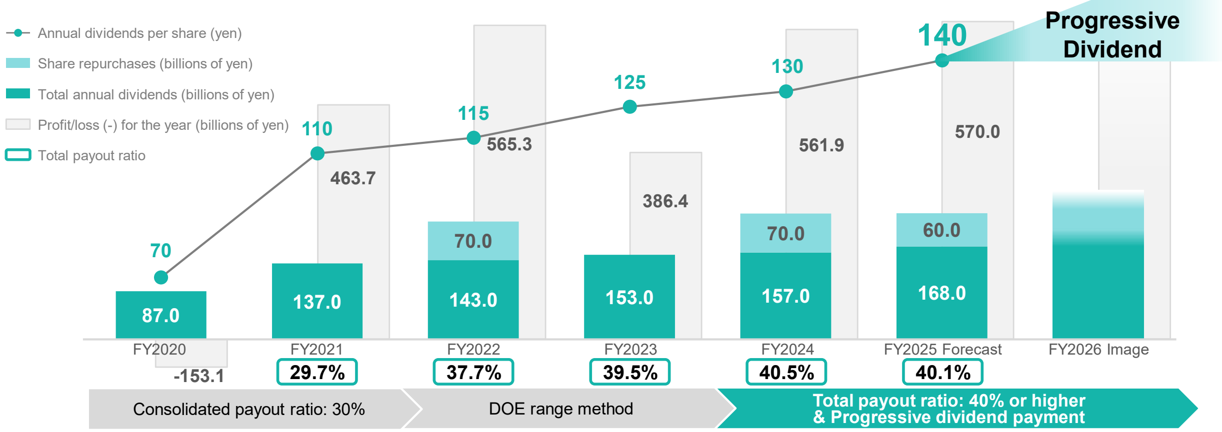
Asset replacements have progressed to JPY400.0 billion, exactly half of the planned amount. In order to further promote business portfolio transformation, we will continue to consider further asset replacements.

6. Shareholder Return

- The planned annual dividend of ¥140 per share remains unchanged from the initial forecast. (Interim dividend: ¥70 per share)
- Of the ¥80.0 bil.*1 share repurchase resolved in May 2025, approx.¥24.1 bil. had been repurchased as of the end of Sep. 2025. (Deadline: End of Mar. 2026)

Shareholder return policy **Total payout ratio of 40% or higher & Progressive dividend payments***2

Pursuing sustainable profit growth and further strengthening our earnings base to enhance shareholder returns and increase shareholder value

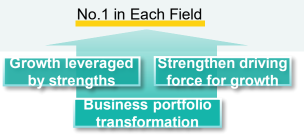


*1 Breakdown: Shareholder return for FY2024 ¥20.0 bil., Shareholder return for FY2025 ¥60.0 bil.
*2 Dividends to be maintained or increased

There is no change in our basic policy of aiming to increase shareholder value by enhancing shareholder returns along with sustainable profit growth.

We will continue our shareholder return policy of a total return ratio of 40% or more and progressive dividends, as set forth in the current Medium-Term Management Plan.

7. Progress Overview of Medium-Term Management Plan 2026



Business portfolio transformation accelerated through major acquisitions and promotion of asset replacement

Business portfolio transformation

- Executed investments to **strengthen competitive advantages**, with a focus on main growth areas. (Upcoming major investments are planned as below.)
  - ・Acquisition of U.S.-based aircraft leasing company: To be completed in FY2026 Q1
  - ・Commencement of the tender offer for SCSK: Tender offer period ends in FY2025 Q3, etc.
- Steady progress in asset replacement. Actions are also taken to **resolve struggling businesses** from the previous Medium-Term Management Plan.
  - ・Sale of T-Gaia and Midas in the U.S. tire sales & marketing business
  - ・Sale of the melon production and sales business in North America (Oct. 2025)

Growth leveraged by strengths

- **Profit growth** mainly in main growth areas. (Leasing, Diverse Urban Development, Digital)
- Promoting our “Digital/AI strategy,” and accelerate it through the full acquisition of SCSK.
- For certain growth areas where underlying profit growth has been delayed, recovery initiatives are planned in the latter half of the medium-term management plan.

Strengthen driving force for growth

- **Synergy enhancement** driven by group reorganization.
  - ・Diverse Urban Development has been expanding its overseas property projects by leveraging expertise and know-how gained from its infrastructure business.

Finally, I would like to summarize the first year and a half of the Medium-Term Management Plan.

In transforming our business portfolio, we have accumulated investments to strengthen our competitive advantage, focusing on major growth areas.

In particular, the acquisition of a U.S.-based aircraft leasing company and SCSK becoming a wholly owned subsidiary are investments right in the middle of our knowledge base.

In addition to the sale of T-Gaia and Midas, progress has also been made in asset replacements to address issues from the previous Medium-Term Management Plan.

In terms of growth based on core strengths, earnings expanded mainly in major growth areas such as leasing, diverse urban development, and digital.

We will also accelerate the promotion of our digital and AI strategies by making SCSK a wholly owned subsidiary.

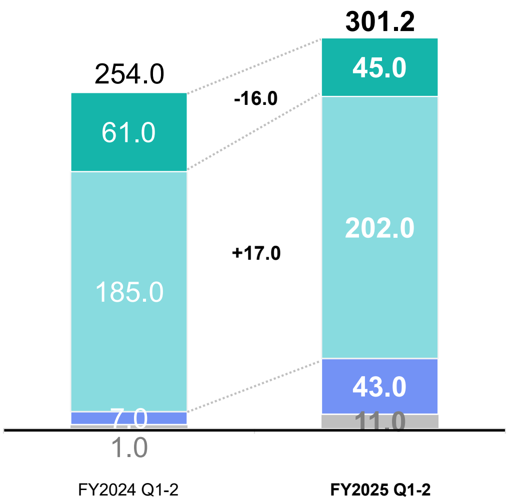
On the other hand, there are some businesses that are lagging behind in underlying profit growth in some of the growth areas, such as automotive, construction systems, and agriculture, and we will work to catch up in the second half of the Medium-Term Management Plan.

FY2025 Q1-2 Results / Full-year Forecasts

8. Operating Results (Profit for FY2025 Q1-2 (Attributable to Owners of the Parent))

Quarterly Results (YoY)

(Unit: billions of yen)



Mineral resources *1 *3 (¥-16.0 bil.)

Coal business in Australia and Iron ore mining business in South Africa: decline in prices among others

Non-mineral resources *2 *3 (¥+17.0 bil.)

Ship business: steady performance with profit increase
Real estate: delivery of large-scale properties in FY2025 Q1-2
Digital: profit increase from Net One Systems' consolidation into SCSK
Automotive sales & marketing business: profit declined due to intensified competition in key markets
Overseas IPP/IWPP business: absence of gains from asset sales in FY2024 Q1-2

Asset replacement and extraordinary profits/losses

Gain from the sale of Midas in tire sales & marketing business in the U.S.

Corporate and Eliminations *3

-

Impact of the appreciation of the yen

Average exchange rate (JPY/US$): FY2024 Q1-2 152.76
FY2025 Q1-2 146.02

*1 Mineral resources is a sum of Mineral Resources Group, and Gas Value Chain SBU within Energy Transformation Business Group
*2 Non-mineral resources is calculated by subtracting "Mineral resources" and "Corporate and Eliminations" from the total.
*3 The results of Mineral resources, Non-mineral resources, and Corporate and Eliminations represents profits/losses excl. "asset replacement and extraordinary profits/losses".

I would like to reiterate our explanation of the results for Q2 of the current fiscal year.

Actual results for Q2 were JPY301.2 billion. The bar graphs show YoY changes in profit attributable to owners of the parent, which are divided into mineral resources, non-mineral resources, asset replacement and extraordinary profits/losses, and corporate and eliminations.

The mineral resources businesses recorded JPY45.0 billion, a decrease of JPY16.0 billion. This was mainly due to price declines in the coal business in Australia and the iron ore mining business in South Africa.

The non-mineral resources businesses amounted to JPY202.0 billion, an increase of JPY17.0 billion.

Although the automotive sales & marketing business was affected by intensified competition in its main market and the overseas IPP/IWPP business was affected by a reactionary decline from gains on the sale of assets and other factors, the ship business remained strong, a major project was delivered in the real estate business, and in the digital business, Net One Systems' consolidation into SCSK led to an increase in profits.

In addition, asset replacement and extraordinary profits/losses contributed significantly to earnings as a result of enhanced revenue gains from asset replacements, including the sale of Midas in tire sales & marketing business in the U.S.

9. Profit for the Period by Segment

(Unit: billions of yen)

Segment	Profit (Upper: FY2024 Q1-2 Results / Lower: FY2025 Q1-2 Results)	Increase/ Decrease	Main factors for the increase/decrease
Steel	35.2 34.1	-1.1	• Tubular products: demand declined in North America due to falling oil prices • Steel sheets: start of earnings contribution from monopile manufacturing business
Automotive	23.4 53.4	+30.0	• Automotive sales & marketing: profit declined due to intensified competition in key markets • Gain from the sale of Midas in tire sales & marketing business in the U.S. • Gain from the sale of SML Isuzu shares
Transportation & Construction Systems	38.8 40.3	+1.5	• Transportation: stable in leasing business and profit increase due to vessel sales in the ship business • Construction & mining systems: profit declined due to continued softness in construction demand
Diverse Urban Development	20.5 44.1	+23.6	• Real estate: delivery of large-scale properties
Media & Digital	8.2 21.6	+13.4	• Digital: profit increased from Net One Systems' consolidation into SCSK and gain from the sale of ARGO GRAPHICS by SCSK • Overseas telecommunication business: decrease in foreign exchange valuation losses due to the devaluation of the local currency in Ethiopia
Lifestyle Business	2.6 2.3	-0.3	• Fresh produce business in Europe and the Americas: despite strong performance in the banana and pineapple businesses, profit declined due to the weak performance of the melon business • Domestic supermarket business: profit increased driven by the opening and renovation of stores
Mineral Resources	50.4 31.6	-18.8	• Coal business in Australia: profit declined due to a drop in coal prices and a decrease in coking coal sales volume • Iron ore mining business in South Africa: decline in prices • Copper business: profit increased due to higher prices
Chemical Solutions	14.8 14.8	0.0	• Agribusiness: recovery from the impact of unusual weather conditions in the prior year in Brazil • Absence of divestment-related gain in FY2024 Q1-2
Energy Transformation Business	58.9 48.1	-10.8	• Overseas IPP/IWPP business: absence of gains from asset sales in FY2024 Q1-2
Corporate and Eliminations	1.1 10.9	+9.7	-

Page 10 shows YoY changes in quarterly profit by segment.

The contents are as described, so we will omit the explanation.

10. Operating Results (Cash Flows)

(Unit: billions of yen)

	Medium-Term Management Plan 2026 3-year Total Plan*1 (Apr. 2024-Mar. 2027)	Medium-Term Management Plan 2026 Total Results (Apr. 2024-Sep. 2025)	FY2024 Results (Apr. 2024-Mar. 2025)	FY2025 Q1-2 Results (Apr. 2025-Sep. 2025)
Cash In				
Cash flow earnings*2	**+2,000.0**	**+979.3**	**+647.6**	**+331.6**
Asset replacement	**+800.0**	**+400.0**	**+240.0**	**+160.0**
Cash Out				
Investment*3	**≤ -1,800.0**	**-970.0**	**-730.0**	**-240.0**
(Steady business growth / Value creation)	(≤ -1,400.0)	(-850.0)	(-630.0)	(-220.0)
(Nurture / Restructuring)	(≤ -400.0)	(-120.0)	(-100.0)	(-20.0)
Shareholder return	**≤ -700.0**	**-307.8**	**-205.0**	**-102.7**
Free cash flow (post-shareholder return) (Changes in working capital, etc. excluded)	**Positive**	**+100.0**	**-40.0**	**+140.0**

*1 Cash flow allocation policy on "Medium-Term Management Plan 2026" is as follows.
・Positive free cash flow post shareholder returns (changes in working capital, etc. excluded)
・Allocate funds to shareholder returns and growth investments considering investment opportunities, business environment, cash flow conditions, etc., to improve ROE
*2 Cash flow earnings = (Gross profit + Selling, general and administrative expenses (excluding provision for doubtful receivables) + Interest expense, net of interest income + dividends) × (1-tax rate) + dividend from investments accounted for using the equity method (excluding dividend associated with asset replacement) + Depreciation + Lease liability payments
*3 Includes "expenditures for acquiring subsidiary interests from non-controlling shareholders", which are classified under financing cash flows in statutory accounting

Cash flow earnings
- Steady cash generation by core businesses

Asset replacement
- Sale of Midas in tire sales & marketing business in the U.S.
- Sale of domestic and overseas properties
- Sale of T-Gaia
- Sale of ARGO GRAPHICS by SCSK
- Sale of cross-shareholdings

Investment
- Acquisition of domestic and overseas properties
- Acquisition of shares in Net One Systems by SCSK
- Investment in ActivStyle, a healthcare company in the U.S.

Shareholder return
- Dividend paid, share repurchased

Next, I will explain the cash flow situation.

First, in terms of cash in, cash flow earnings generated JPY331.6 billion in cash due to steady growth in core businesses. In the asset replacement, JPY160.0 billion of cash was recovered through the sale of the businesses and assets listed here.

On the other hand, cash outflows included JPY240.0 billion in investments, including the acquisition of real estate in Japan and overseas. Free cash flow post-shareholder return was positive JPY140.0 billion.

11. Operating Results (Financial Position)

(Unit: billions of yen)	As of Mar. 31, 2025	As of Sep. 30, 2025	Increase/ Decrease
Current assets	5,074.1	**5,409.6**	+335.4
Non-current assets	6,557.0	**6,567.0**	+10.0
Total assets	11,631.2	**11,976.6**	+345.4
Other liabilities	3,490.9	**3,552.7**	+61.9
Interest-bearing liabilities*1	3,254.7 (2,672.5)	**3,283.1 (2,666.9)**	+28.3 (-5.6)
Total liabilities	6,745.6	**6,835.8**	+90.2
Shareholders' equity*2	4,648.5	**4,884.2**	+235.7
Total liabilities and equity	11,631.2	**11,976.6**	+345.4
D/E Ratio (Net)	0.57	**0.55**	-0.03pt
Exchange rate (JPY/US$)	149.52	**148.88**	-0.64

*1 "Interest-bearing liabilities" is sum of bonds and borrowings (current and non- current), excluding lease liabilities.
Figures in parenthesis in "interest-bearing liabilities" show "interest-bearing liabilities, net".
*2 "Shareholders' equity" is equivalent to "equity attributable to owners of the parent" in consolidated statements of financial position.

Total assets (Increase/Decrease: ¥+345.4 bil.)

- Increase in operating assets

Shareholders' equity (Increase/Decrease: ¥+235.7 bil.)

- Increase from profit for the period
- Dividend paid, share repurchased

Next, I will explain our financial condition.

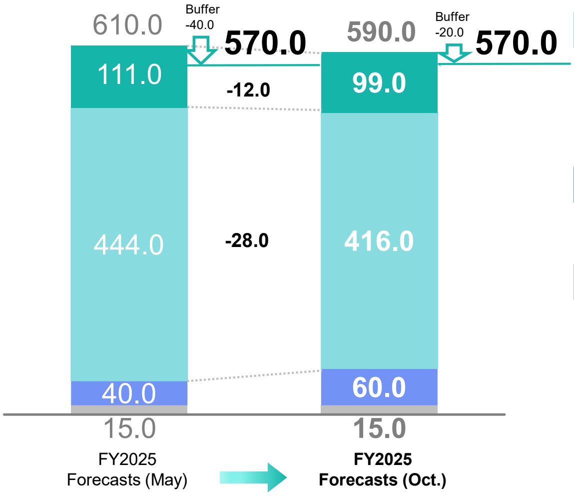
Total assets increased approximately JPY350.0 billion from the end of the previous fiscal year to JPY11,980.0 billion due to an increase in operating assets.

Shareholders' equity increased approximately JPY240.0 billion to JPY4,880.0 billion, mainly due to the recording of profit for the period. Net DER was 0.55x.

12. Forecasts for FY2025 (Profit for the Year (Attributable to Owners of the Parent))

Compared to the Initial Forecasts

(Unit: billions of yen)



Mineral resources *1 *3 (¥-12.0 bil.)

New investments not carried out

Non-mineral resources *2 *3 (¥-28.0 bil.)

Tubular products business in North America	: sluggish demand due to falling oil prices
Automotive sales & marketing	: intensified competition in key markets
Telecommunication business in overseas	: increased impact from local currency depreciation in Ethiopia, and other factors
Healthcare	: new investments not carried out
Basic Chemicals	: sales decrease due to weakening demand

Asset replacement and extraordinary profits/losses (¥+20.0 bil.)

Profits from asset replacement in several transactions

Corporate and Eliminations *3

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Buffer Forecasts (May) : ¥-40.0 bil.
Forecasts (Oct.) : ¥-20.0 bil.

*1 Mineral resources is a sum of Mineral Resources Group, and Gas Value Chain SBU within Energy Transformation Business Group
*2 Non-mineral resources is calculated by subtracting "Mineral resources" and "Corporate and Eliminations" from the total.
*3 The results of Mineral resources, Non-mineral resources, and Corporate and Eliminations represents profits/losses excl. "asset replacement and extraordinary profits/losses".

As explained at the beginning of this presentation, we have maintained our full-year forecast for FY2025 at JPY570.0 billion.

In addition to factors such as the impact of U.S. tariff measures, deterioration in commodity markets, and unrealized new investments, which were assumed as buffers at the beginning of the period, the impact of changes in the business environment that materialized in H1 and an increase in profits due to accelerated asset replacements are reflected in the full-year forecasts by segment.

The resulting figure is JPY590.0 billion before buffer considerations. This leaves a buffer of negative JPY20.0 billion as a conservative provision for H2, leaving the full-year forecast of JPY570.0 billion unchanged.

13. Forecasts for FY2025 (Profit for the Year by Segment)

(Unit: billions of yen)

	FY2025 Forecasts (announced in May 2025)	FY2025 Forecasts (announced in Oct. 2025) (A)	FY2025 Q1-2 Results (B)	Progress (B)/(A)	Progress and outlook by segment
Steel	76.0	76.0	34.1	45%	・Tubular products: market prices expected to rise in North America, other areas are expected to progress as planned ・Steel sheets: monopile manufacturing business remains stable; other businesses are also expected to progress as planned.
Automotive	82.0	77.0	53.4	69%	・Automotive sales & marketing: tough competitive environment in key markets expected to continue ・Domestic auto leasing business: stable
Transportation & Construction Systems	88.0	88.0	40.3	46%	・Transportation: stable mainly in leasing business and ship business ・Construction & mining systems: higher sales driven by used equipment sales and personnel and other cost reductions
Diverse Urban Development	78.0	78.0	44.1	57%	・Real estate: property deliveries expected as planned, driven by active asset turnover
Media & Digital	40.0	40.0	21.6	54%	・Major domestic businesses: in line with initial forecasts ・Telecommunications in Ethiopia: weakening due to increasing impact from local currency depreciation, despite growth in customer acquisition
Lifestyle Business	15.0	11.0	2.3	21%	・Fresh produce business in Europe and the Americas: strong performance expected to continue, primarily in banana and pineapple business, and loss on the sale of the melon production and sales business ・Healthcare: inherently weighted toward Q3-4, profit growth expected from business expansion among others
Mineral Resources	83.0	71.0	31.6	45%	・Copper business: stable ・Aluminum: expect margin improvement ・Trade business: expect profit improvement
Chemical Solutions	35.0	33.0	14.8	45%	・Agribusiness: sales volume increase expected during the high-demand season and profitability improvement driven by high value-added products ・Electronics & Life Science: stable
Energy Transformation Business	95.0	95.0	48.1	51%	・Overall progress expected to remain in line with initial forecasts, including asset replacement
Corporate and Eliminations	18.0	21.0	10.9	52%	–
Total (excluding a loss buffer)	**610.0**	**590.0**	**301.2**	**51%**	–
Buffer	-40.0	-20.0	–	–	–
Full-year Forecast (including a loss buffer)	**570.0**	**570.0**	**301.2**	**53%**	–

As for Steel, we expect commodity prices for North American tubular products to rise in H2. In steel sheets, the monopile manufacturing business is expected to remain stable.

Automotive reflects increased competition in the main market for automotive sales & marketing. The domestic auto leasing business is expected to remain stable.

In Transportation and Construction Systems, sales of transportation equipment are expected to remain stable, while in construction & mining systems, sales are expected to increase and labor and other costs are expected to be controlled.

Diverse Urban Development expects to deliver projects as planned by promoting asset replacements.

Media & Digital expects its main domestic business to progress as planned, although telecommunications in Ethiopia is expected to be affected by the depreciation of the currency.

Lifestyle and Mineral Resources reflected unrealized new investments expected at the beginning of the period. In Lifestyle, we expect an increase in revenues due to a H2 bias and expansion of the scale of existing businesses in healthcare.

In Mineral Resources, the copper business is expected to remain stable, and the aluminum and trade businesses are expected to improve in H2.

Chemical Solutions reflect softening demand in basic chemicals. On the other hand, agribusiness expects increased sales and improved gross margins in H2, which is the demand season.

Energy Transformation is expected to remain solid overall and progress as planned, including asset replacements. This concludes my explanation.

[END]