Sumitomo Corporation

Enriching lives and the world

FY2026 Q2 Earnings Presentation (Six-month period ended September 30, 2026)

Sumitomo Corporation | November 2, 2026

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.

Progress Overview of Medium-Term Management Plan 2026

01. Summary of FY2026 Q2 Results/FY2026 Forecasts

	FY2025 Q2 Results ①	FY2026 Q2 Results ②	Change ②-①	FY2026 full-year Forecasts ③	Change ③-④	Initial FY2026 full-year Forecasts ④	Progress ②/③
Profit[*1] Top: After loss buffer	301.2 bn	**347.9 bn**	+46.6	**670.0 bn**	+40.0 bn	**630.0 bn**	**52%**
Bottom: Before loss buffer				700.0 bn	+40.0 bn	660.0 bn	50%
Of which, Underlying profit[*2*3]	259.0 bn	334.0 bn	+75.0	670.0 bn	+50.0 bn	620.0 bn	50%
Asset replacement and extraordinary profits/losses[*2]	43.0 bn	13.0 bn	-30.0	30.0 bn	-10.0 bn	40.0 bn	
Annual Dividend				**¥44 /share**	¥+4 /share	¥40 /share	
ROE				**around 14 %**		around 13 %	

FY2026 Q2 Results and FY2026 full-year Revised Forecasts	• Profit for FY2026 Q2 was **¥347.9 bn**, an increase of **¥46.6 bn** YoY. • **Revised** the full-year forecasts **upward** to **¥670.0 bn**, with ROE expected to be **around 14%**. The upward revision reflects favorable impacts from FX, energy and mineral resource prices, and the situation in the Middle East compared with the initial forecast, as well as generally strong growth in underlying profit. • A -¥30.0 bn loss buffer has been factored into the forecast, considering potential downside to earnings associated with asset replacement and possible fiscal year-end valuation loss impacts due to changes in the business environment. The forecast before factoring in the loss buffer is **¥700.0 bn.**
FY2026 Shareholder Return	• The annual dividend forecast for FY2026 has been increased by ¥4 per share from the initial forecast of ¥40 per share to **¥44 per share**.
Financial Soundness	• Net D/E Ratio was **0.81x** at the end of FY2026 Q2 and is expected to improve to **around 0.6x** by the end of the fiscal year through profit accumulation and accelerated asset replacement.

*1 Unless otherwise stated, "Profit attributable to owners of the parent" is shown as "Profit" in this material.
*2 Unless otherwise stated, amounts for underlying profit and asset replacement and extraordinary profits/losses are rounded to the nearest ¥1.0 bn in this material.
*3 Underlying profit is the profit excluding asset replacement and extraordinary profits/losses.

This is a summary of consolidated results for Q2 of FY2026 and full-year forecasts.

Profit for FY26 Q2 was JPY347.9 billion, an increase of JPY46.6 billion YoY. Based on our performance in Q1-2 and the current business environment, we have revised our full-year profit forecast for FY2026 upward from the initial forecast of JPY630.0 billion to JPY670.0 billion. We anticipate ROE of around 14%.

This upward revision reflects not only an increase in profits due to exchange rates and resource prices, but also a reduction in the negative impact of the situation in the Middle East, which was factored into our initial forecast, and growth in underlying profit due to initiatives at each of our business locations.

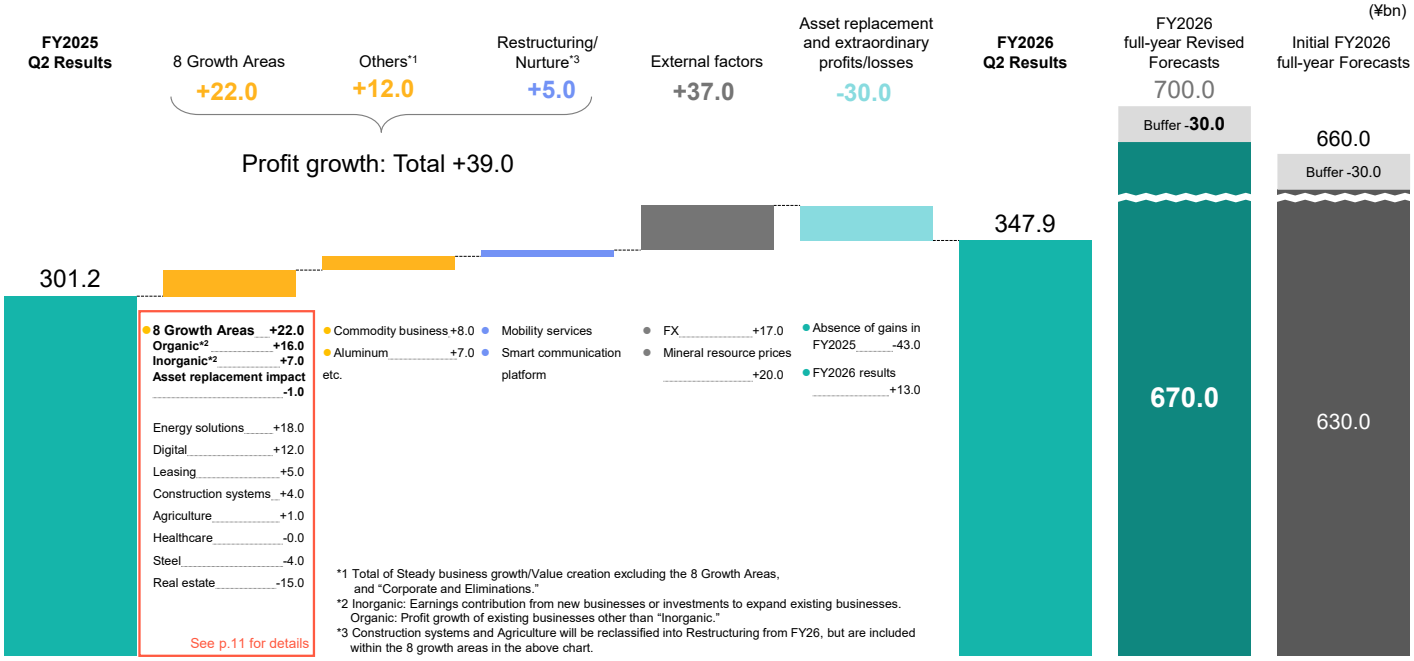
Based on cumulative profit for the year, the full-year profit forecast is JPY700.0 billion. Here, we have set aside a buffer of JPY30.0 billion to prepare for potential losses due to downsides in profit and loss related to asset replacement and changes in the business environment. After considering this buffer, our full-year forecast is JPY670.0 billion.

Based on the upward revision of our full-year forecast, we will raise our annual dividend forecast for FY2026 by JPY4 per share from our initial forecast to JPY44.

02. Results for FY2026 Q2 (Factors for YoY changes)

- Underlying profit increased by ¥39.0 bn in FY2026 Q2, excluding the positive impact of factors such as FX and mineral resource prices.
- Although profit decreased in the Steel and Real Estate, the 8 Growth Areas as a whole strengthened their earnings base, delivering a ¥22.0 bn increase in profit.

(¥bn)



- **8 Growth Areas +22.0**
  - **Organic*2 +16.0**
  - **Inorganic*2 +7.0**
  - **Asset replacement impact -1.0**
  - Energy solutions +18.0
  - Digital +12.0
  - Leasing +5.0
  - Construction systems +4.0
  - Agriculture +1.0
  - Healthcare -0.0
  - Steel -4.0
  - Real estate -15.0

See p.11 for details

- Commodity business +8.0
- Aluminum +7.0
- Mobility services
- Smart communication platform

etc.

- FX +17.0
- Mineral resource prices +20.0
- Absence of gains in FY2025 -43.0
- FY2026 results +13.0

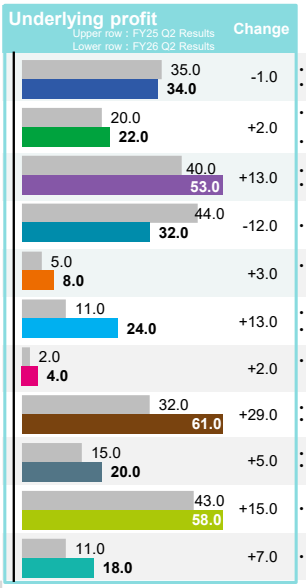
*1 Total of Steady business growth/Value creation excluding the 8 Growth Areas, and "Corporate and Eliminations."
*2 Inorganic: Earnings contribution from new businesses or investments to expand existing businesses. Organic: Profit growth of existing businesses other than "Inorganic."
*3 Construction systems and Agriculture will be reclassified into Restructuring from FY26, but are included within the 8 growth areas in the above chart.

This material shows the factors for the change compared to FY25 Q1-2.

03. Results for FY2026 Q2 by Segment

(¥bn)

Profit	FY25 Q2 Results*3	FY26 Q2 Results	Change
Steel	34.1	38.9	+4.8
Automotive	53.4	23.5	-29.9
Transportation & Construction Systems	40.3	49.9	+9.6
Diverse Urban Development	44.1	32.0	-12.1
Communication Services	6.5	9.2	+2.8
Digital AI	15.1	23.6	+8.5
Lifestyle Business	2.3	4.1	+1.9
Mineral Resources	31.6	54.4	+22.8
Chemical Solutions	14.8	21.4	+6.6
Energy Transformation Business	48.1	58.2	+10.0
Corporate and Eliminations	10.9	32.7	+21.8
Total	**301.2**	**347.9**	**+46.6**
Underlying profit	259.0	334.0	+75.0
Asset replacement and extraordinary profits/losses	43.0	13.0	-30.0



Main factors for the changes of Underlying profit

- Energy Tubular: Shipments to the Middle East declined
- Steel Products: Overseas railway-related business stable
- Automotive sales & marketing: secured profit at the previous-year level despite the impact of the Middle East situation, supported by steady performance in other regions
- Domestic auto leasing business: steady
- Transportation: start of earnings contribution from Sumisho Air Lease in leasing business
- Construction & Mining Systems: improvements in utilization rates and operations in rental business
- Decreased due to delivery of large-scale properties in FY25 Q1-2
- Telecommunication business in Ethiopia: decrease in foreign exchange valuation losses due to a slowdown in the continued local currency depreciation, increase in the number of active customers over 90 days and ARPU*4
- SCSK: Impact from increased stake
- Steady growth supported by strong domestic demand for IT investment
- Fresh Produce Business in Europe and the Americas: Increase due to rebound from melon business weakness in FY25
- Copper Business: Higher prices • Aluminum business: Margin expansion
- Commodity business: strong performance in precious metals trading
- Basic chemicals: increase in profits from petrochemical products trading
- Agribusiness: profit improvement in the South American crop protection distribution business
- Overseas Power Generation Business: Increase due to asset turnover*5 of multiple projects
- Increase in internal interest income from business groups due to higher interest rates

Breakdown of Underlying profit	FY25 Q2 Results*3	FY26 Q2 Results	Change
Mineral resources*1	44.0	70.0	+26.0
Non-mineral resources*2	204.0	247.0	+43.0
Corporate and Eliminations	11.0	18.0	+7.0

*1 A sum of Mineral Resources Group, and Gas Value Chain SBU within Energy Transformation Business Group.
*2 Calculated by subtracting "Mineral resources" and "Corporate and Eliminations" from the total.
*3 Reclassified following the organizational restructuring effective Apr. 1 2026.
*4 ARPU: Average Revenue Per User
*5 As the transition of our business model from a long-term asset-holding model to a turnover-based model has progressed, asset replacement-related and extraordinary gains and losses in our domestic and overseas IPP/IWPP businesses have been reclassified as underlying profit starting in FY26.

This materials shows the underlying profits by segment.

04. Forecasts for FY2026 by Segment (Details of Revisions)

(¥bn)	FY26 Forecasts (May 2026) ① Profit	Asset replacement and extraordinary profits/losses	Underlying profit	FY26 Forecasts (Nov. 2026) ② Profit	Asset replacement and extraordinary profits/losses	Underlying profit	②-①	Main factors for the changes
Steel	72.0	4.0	68.0	72.0	4.0	68.0	-	Revised impact of the situation in the Middle East
Automotive	34.0	1.0	33.0	48.0	12.0	36.0	+14.0	Revision due to the increase of asset replacement and extraordinary profits/losses and the Middle East situation
Transportation & Construction Systems	104.0	-5.0	109.0	107.0	-5.0	112.0	+3.0	Strong market conditions in ship business
Diverse Urban Development	95.0	17.0	78.0	95.0	17.0	78.0	-	
Communication Services	15.0	-	15.0	15.0	1.0	14.0	-	
Digital AI	53.0	-	53.0	54.0	-	54.0	+1.0	
Lifestyle Business	17.0	-	17.0	15.0	4.0	11.0	-2.0	Revision due to soaring logistics costs (incl. fuel costs) and costs due to severe weather in production area in Fresh Produce Business in Europe and the Americas
Mineral Resources	95.0	-	95.0	108.0	-6.0	114.0	+13.0	Aluminum and commodity businesses: strong performance
Chemical Solutions	33.0	1.0	32.0	37.0	2.0	35.0	+4.0	Revised impact of the situation in the Middle East Strong performance in petrochemical products trading, semiconductor materials business, and pet care business
Energy Transformation Business	115.0	-	115.0	133.0	-	133.0	+18.0	Global natural gas and power trading business: Remain strong Overseas IPP/IWPP business: Increase profit in asset turnover
Group Total	**633.0**	**18.0**	**615.0**	**684.0**	**29.0**	**655.0**	**+51.0**	
Corporate and Eliminations	27.0	22.0	5.0	16.0	1.0	15.0	-11.0	
Total	**660.0**	**40.0**	**620.0**	**700.0**	**30.0**	**670.0**	**+40.0**	
Buffer	-30.0			-30.0				
Consolidated	**630.0**			**670.0**				

The revised full-year forecast is summarized by segment.

Regarding the situation in the Middle East, our initial assumptions were that the blockade of the Strait of Hormuz would continue until the end of June 2026, and we had factored in the negative impact on our performance into our segment forecasts.

In this revised full-year forecast, we have incorporated the anticipated impact into the performance forecasts for each segment, based on the assumption that this situation will continue until the end of March 2027.

Although we extended the assumed duration of the impact, some businesses are not as affected as initially anticipated, and the total amount of negative impact is expected to be smaller than initially projected.

04. Forecasts for FY2026 by Segment (Details of Revisions)

(¥bn)	FY26 Forecasts (May 2026) ① Profit	Asset replacement and extraordinary profits/losses	Underlying profit	FY26 Forecasts (Nov. 2026) ② Profit	Asset replacement and extraordinary profits/losses	Underlying profit	②-①	Main factors for the changes
Steel	72.0	4.0	68.0	72.0	4.0	68.0	-	Revised impact of the situation in the Middle East
Automotive	34.0	1.0	33.0	48.0	12.0	36.0	+14.0	Revision due to the increase of asset replacement and extraordinary profits/losses and the Middle East situation
Transportation & Construction Systems	104.0	-5.0	109.0	107.0	-5.0	112.0	+3.0	Strong market conditions in ship business
Diverse Urban Development	95.0	17.0	78.0	95.0	17.0	78.0	-	
Communication Services	15.0	-	15.0	15.0	1.0	14.0	-	
Digital AI	53.0	-	53.0	54.0	-	54.0	+1.0	
Lifestyle Business	17.0	-	17.0	15.0	4.0	11.0	-2.0	Revision due to soaring logistics costs (incl. fuel costs) and costs due to severe weather in production area in Fresh Produce Business in Europe and the Americas
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Chemical Solutions	33.0	1.0	32.0	37.0	2.0	35.0	+4.0	Revised impact of the situation in the Middle East Strong performance in petrochemical products trading, semiconductor materials business, and pet care business
Energy Transformation Business	115.0	-	115.0	133.0	-	133.0	+18.0	Global natural gas and power trading business: Remain strong Overseas IPP/IWPP business: Increase profit in asset turnover
Group Total	**633.0**	**18.0**	**615.0**	**684.0**	**29.0**	**655.0**	**+51.0**	
Corporate and Eliminations	27.0	22.0	5.0	16.0	1.0	15.0	-11.0	
Total	**660.0**	**40.0**	**620.0**	**700.0**	**30.0**	**670.0**	**+40.0**	
Buffer	-30.0			-30.0				
Consolidated	**630.0**			**670.0**				

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(Continued)

Looking at the forecast changes by segment, at the top, Steel, the prolonged turmoil in the Middle East will have a widening negative impact on business with the Middle East, but this will be offset by increased revenue in other regions, so overall, we expect progress to be in line with the initial plan.

In Automotive, we have revised our forecast upward by JPY14.0 billion, taking into account improvements in asset replacement and extraordinary profits and losses, as well as a reduction in the negative impact of the situation in the Middle East.

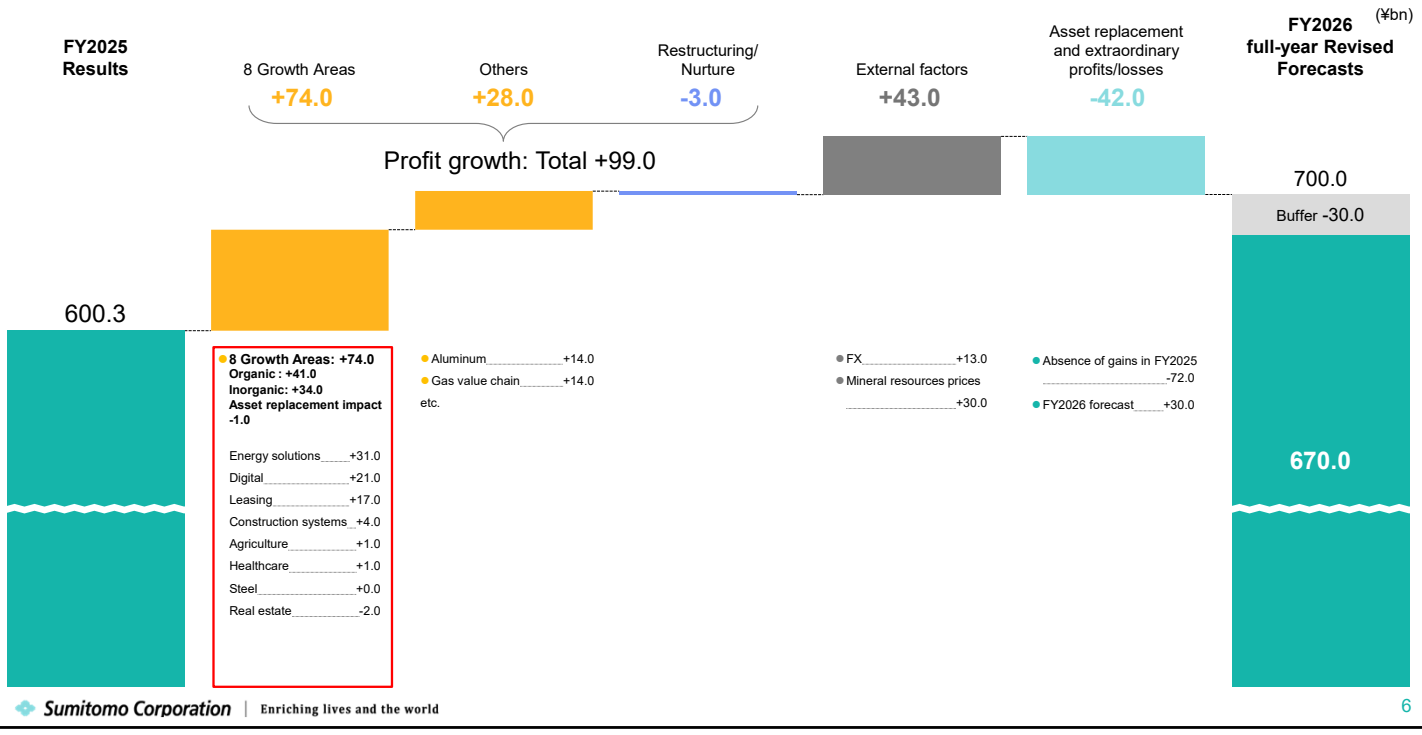
In Lifestyle, we have revised our forecast downwards, considering the impact of rising fuel costs and unfavorable weather conditions.

In Mineral Resources, we anticipate an improvement of JPY13.0 billion, taking into account the tailwind of rising resource prices as well as increased profits from our aluminum and commodities businesses.

At the bottom of the table, Energy Transformation Business, we have revised our forecast upward by JPY18.0 billion, based on the strong performance of our overseas IPP/IWPP business due to asset turnover, and gas and electricity trading business.

As explained above, our overall performance is showing strong growth.

05. Factors for the Changes in FY2025 and FY2026



We show a graph that breaks down the components of the full-year forecast for profit growth compared to actual results for FY2025.

Even excluding the positive impact of exchange rates and resource prices on profits, we anticipate profit growth of JPY99.0 billion in FY2026.

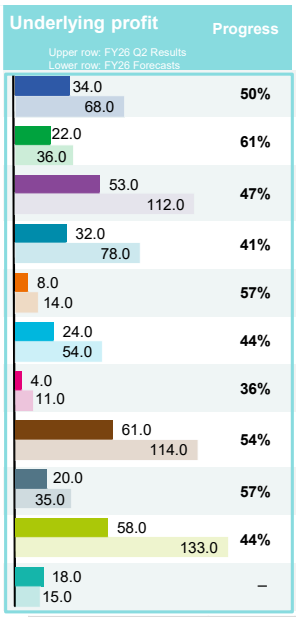
In our 8 growth areas, we anticipate profit growth of JPY74.0 billion, driven by digital and leasing businesses, where we have made significant investments, as well as Energy solutions and other areas.

In other areas as well, we anticipate increased profits in resource and energy mid-to-downstream businesses such as aluminum and gas value chains.

06. Forecasts for FY2026 by Segment (Progress)

(¥bn)

Profit	FY26 Q2 Results	FY26 Forecasts (Nov. 2026)	Progress
Steel	38.9	72.0	54%
Automotive	23.5	48.0	49%
Transportation & Construction Systems	49.9	107.0	47%
Diverse Urban Development	32.0	95.0	34%
Communication Services	9.2	15.0	61%
Digital AI	23.6	54.0	44%
Lifestyle Business	4.1	15.0	28%
Mineral Resources	54.4	108.0	50%
Chemical Solutions	21.4	37.0	58%
Energy Transformation Business	58.2	133.0	44%
Corporate and Eliminations	32.7	16.0	–
Total	**347.9**	**700.0**[*1]	**50%**
Underlying profit	334.0	670.0	50%
Asset replacement and extraordinary profits/losses	13.0	30.0	–



Forecasts

- Energy Tubular: Supply-demand conditions to improve in North America, the decline in shipments to the Middle East to continue
- Steel Products: Overseas railway-related business remains stable

- Automotive sales & marketing: full impact of the Middle East
- Domestic auto leasing business: increase in cost
- Tire: advance operational improvements

- Transportation: steady in aircraft leasing business, planned aircraft sales in the second half
- Construction & Mining Systems: capturing resilient demand as operational improvements continue in rental business

- Property deliveries expected as planned.

- Major domestic group companies: largely in-line with FY26 forecasts
- Telecommunication business in Ethiopia: steady growth in the number of active customers over 90 days etc. expected, while factoring in the impact of local currency depreciation

- SCSK: Inherently weighted toward Q3-4, steady growth supported by strong domestic demand for IT investment

- Group-wide: Q3-4 weighted earnings profile, resulting in slower FY26 Q1-2 progress against plan

- Copper business: stable
- Aluminum: stable
- Commodity Business: solid despite normalization from strong FY26 Q1-2 performance

- Basic chemicals: impact of market normalization, despite steady performance in petrochemical products trading
- Agribusiness: sales increase during the high-demand season

- Asset turnover in Overseas IPP/IWPP business
- Gas trading business in the U.S. remains strong

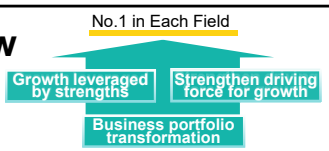
- Tax costs are expected to increase from FY26 Q3 onward.

Breakdown of Underlying profit	FY26 Q2 Results	FY26 Forecasts	Progress
Mineral resources[*2]	70.0	154.0	46%
Non-mineral resources[*3]	247.0	501.0	49%
Corporate and Eliminations	18.0	15.0	–

*1 Before factoring in the ¥-30.0 bn loss buffer.
*2 A sum of Mineral Resources Group, and Gas Value Chain SBU within Energy Transformation Business Group.
*3 Calculated by subtracting "Mineral resources" and "Corporate and Eliminations" from the total.

This summarizes the progress rate and forecasts for each segment against the full-year forecast.

07. Progress of Medium-Term Management Plan 2026: Overview



Progress in Profit Growth and Business Portfolio Transformation through Major Investments and Accelerated Asset Replacement

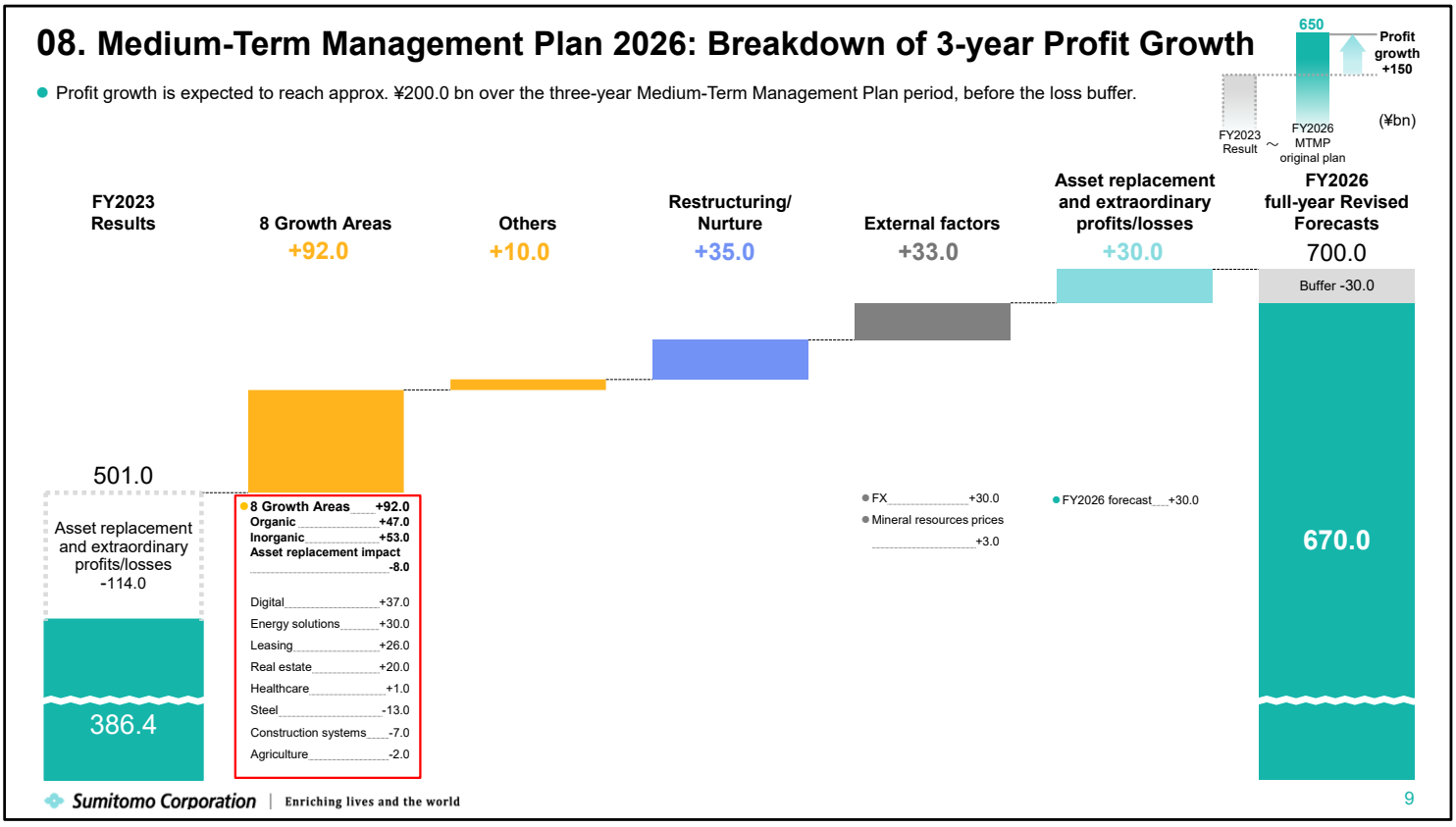
Growth leveraged by strengths	● **Growth of No.1 in Each Field** • Underlying profit CAGR for the 8 Growth Areas (FY2023 to FY2026 forecast) is approx. +15%. • Digital & Lease: Initiatives for further growth are steadily progressing following the major investments. ● **Promotion of DAIS (Digital & AI Strategy)** • The initiative is being advanced based on 3 Pillars: Growth of SCSK; Growth of Our Group through DAIS; Growth through collaboration between Our Group and SCSK.
Business portfolio transformation	● **The quality of the overall business portfolio is improving through major investments and accelerated asset replacement** • Asset replacement of Ambatovy, T-Gaia, Midas, the Melon production and sales business in North America. • Asset replacement aimed at improving financial soundness is also progressing as planned (estimated cumulative cash-in amount for FY2026-FY2028: approx. ¥1.2 tn). • Accelerating resource reallocation to growth areas and business portfolio renewal through capital allocation management based on the 4 Strategic Quadrants.
Strengthen driving force for growth	● **Empowering people and organization** • Progress in initiatives such as developing management talent and line managers, appointing diverse talent, fostering self-directed career development, and driving business reform. Employee engagement has continuously improved. • Progress in projects such as overseas urban development leveraging expertise and know-how gained from its infrastructure business in Diverse Urban Development Group.

We will explain the progress made over the past two and a half years regarding the Medium-Term Management Plan 2026.

This slide outlines our main initiatives aimed at achieving the No.1 in each field, which is the theme of our current Medium-Term Management Plan.

In our "growth leveraged by strengths," we are driving profit growth primarily through eight growth areas. We are making significant investments in digital and leasing. Our group's digital and AI strategy, "DAIS," which we formulated last year, promotes growth initiatives based on three pillars.

In our "business portfolio transformation," we are accelerating the shift of management resources to growth areas and the reshaping of our business portfolio by implementing asset replacements, including the transfer of the Ambatovy Nickel business.



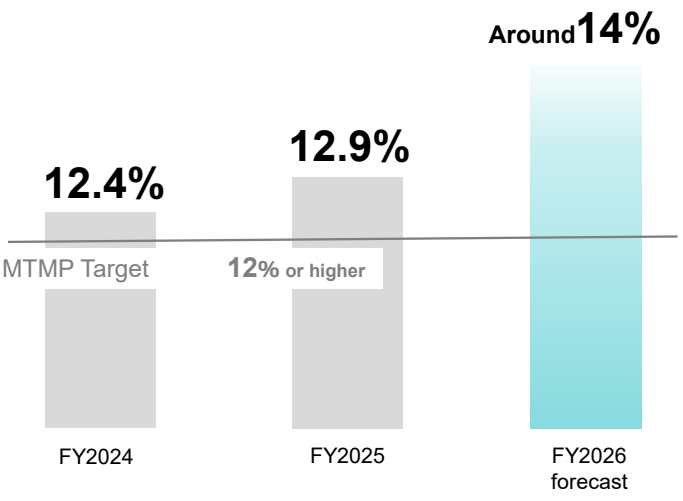
This show the breakdown of profit growth over the three-year period outlined in the Medium-Term Management Plan 2026.

Starting with profits of JPY501.0 billion in FY2023, we anticipate an increase in profits of approximately JPY200.0 billion before considering buffers, driven by profit growth in our eight growth areas.

09. Capital Efficiency

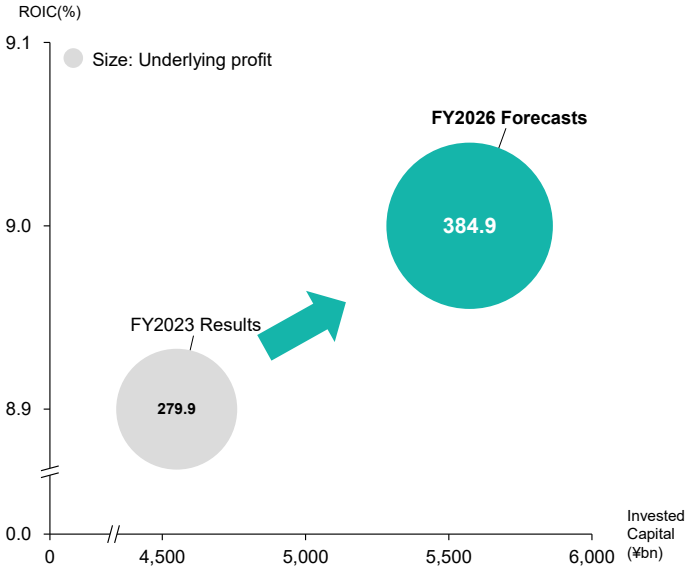
ROE: Results and Forecast

- **ROE expected to exceed the 12% target throughout the Medium-term Management Plan 2026 period.**



8 Growth Areas/ROIC/Underlying profit

- **Portfolio transformation progressing, driven by increased invested capital and improved capital efficiency in the 8 growth areas.**



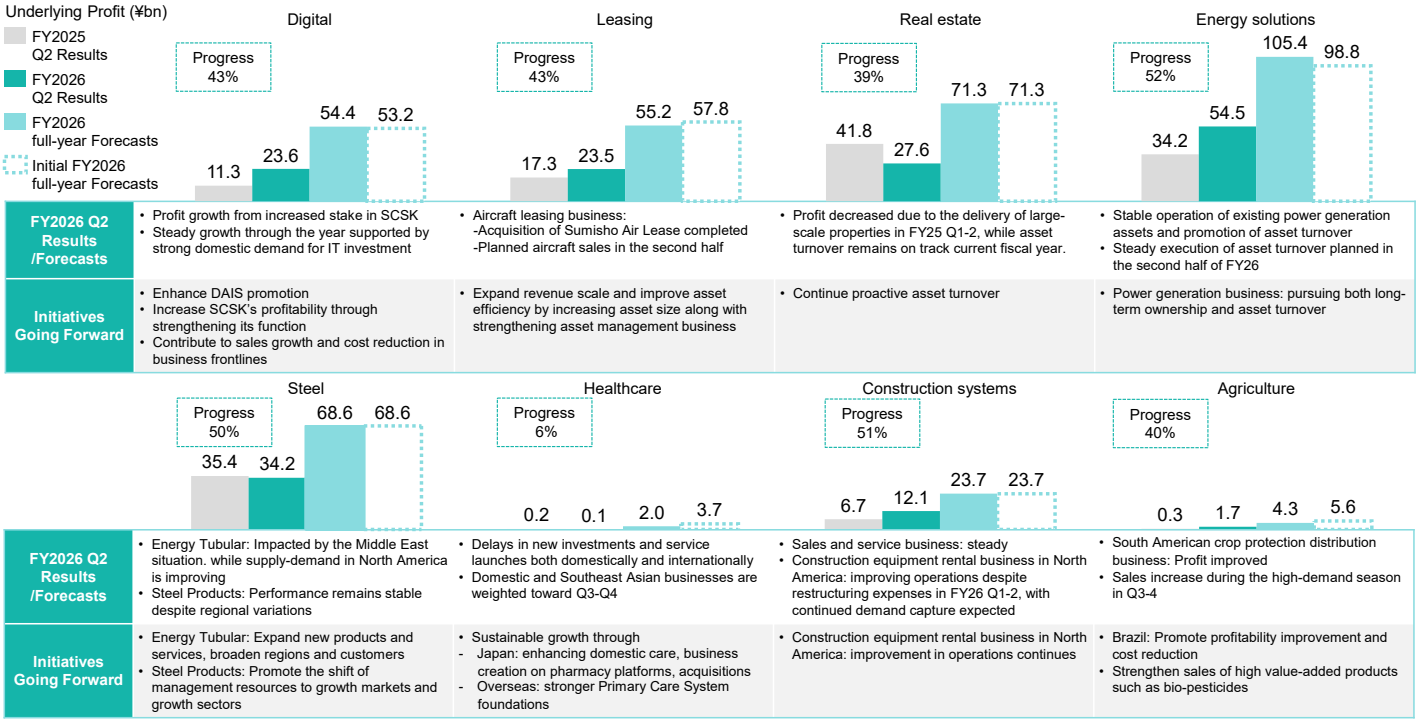
This slide shows our capital efficiency.

Our ROE has exceeded our quantitative target of 12% throughout the Medium-Term Management Plan period, and we expect it to reach around 14% this fiscal year.

As indicated on the right, the concentrated allocation of management resources to growth areas where we can demonstrate our strengths and competitive advantages, including the eight growth areas, is expected to lead to an expansion of underlying profits and an improvement in ROIC.

We will continue to improve the quality of our business portfolio and enhance capital efficiency through these initiatives.

10. 8 Growth Areas with Strengths and Competitive Advantages



	Digital	Leasing	Real estate	Energy solutions
FY2026 Q2 Results /Forecasts	• Profit growth from increased stake in SCSK • Steady growth through the year supported by strong domestic demand for IT investment	• Aircraft leasing business: -Acquisition of Sumisho Air Lease completed -Planned aircraft sales in the second half	• Profit decreased due to the delivery of large-scale properties in FY25 Q1-2, while asset turnover remains on track current fiscal year.	• Stable operation of existing power generation assets and promotion of asset turnover • Steady execution of asset turnover planned in the second half of FY26
Initiatives Going Forward	• Enhance DAIS promotion • Increase SCSK's profitability through strengthening its function • Contribute to sales growth and cost reduction in business frontlines	• Expand revenue scale and improve asset efficiency by increasing asset size along with strengthening asset management business	• Continue proactive asset turnover	• Power generation business: pursuing both long-term ownership and asset turnover

	Steel	Healthcare	Construction systems	Agriculture
FY2026 Q2 Results /Forecasts	• Energy Tubular: Impacted by the Middle East situation. while supply-demand in North America is improving • Steel Products: Performance remains stable despite regional variations	• Delays in new investments and service launches both domestically and internationally • Domestic and Southeast Asian businesses are weighted toward Q3-Q4	• Sales and service business: steady • Construction equipment rental business in North America: improving operations despite restructuring expenses in FY26 Q1-2, with continued demand capture expected	• South American crop protection distribution business: Profit improved • Sales increase during the high-demand season in Q3-4
Initiatives Going Forward	• Energy Tubular: Expand new products and services, broaden regions and customers • Steel Products: Promote the shift of management resources to growth markets and growth sectors	• Sustainable growth through - Japan: enhancing domestic care, business creation on pharmacy platforms, acquisitions - Overseas: stronger Primary Care System foundations	• Construction equipment rental business in North America: improvement in operations continues	• Brazil: Promote profitability improvement and cost reduction • Strengthen sales of high value-added products such as bio-pesticides

Note: The trend in Underlying profit shown on this slide includes the impact of foreign exchange rates

We have summarized the trends in underlying profit for each of the eight growth areas, as well as the status and initiatives of each business.

11. Progress of Medium-Term Management Plan 2026: Topics

Progress of Major Investments and DAIS

Promotion of DAIS

- Initiatives for growth are steadily progressing in line with the following 3 pillars.

Pillar 1: Growth of SCSK
- Establishment of SCSK Consulting
- Comprehensive business partnership with Sakana AI

Pillar 2: Growth of Sumitomo Corporation Group
- 20% YoY increase in the number of projects
- Railway and airport infrastructure maintenance × AI, etc.

Pillar 3: Growth through collaboration
- Expansion of collaboration in the mobility sector

Aircraft Leasing

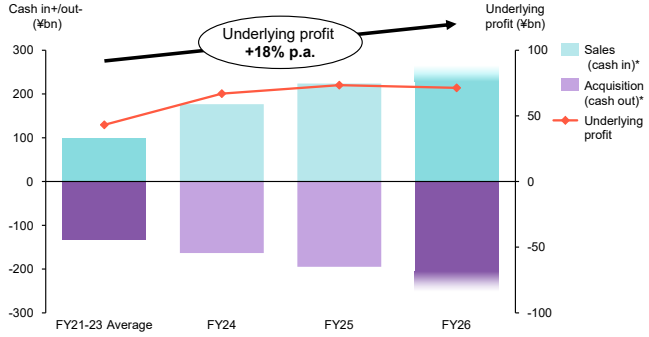
SMBC AVIATION CAPITAL Sumisho Air Lease

- Acquisition of Sumisho Air Lease completed, establishing the world's second-largest aircraft leasing platform.
- Pursue further growth by leveraging scale-based competitive advantages, including aircraft procurement capabilities, transaction execution capabilities, and customer and investor networks, while accelerating asset-turnover.
- Signed aircraft purchase agreements with Boeing and Airbus for a total of 200 aircraft in Jul. 2026.

Promotion of Asset-turnover-based Businesses

Real Estate

- Steadily strengthening earnings capacity by accelerating asset-turnover.



Energy Solutions

- Asset-turnover in the power generation business is progressing through a combination of development and partial divestments following the achievement of milestones, while taking market characteristics into account.
  - ✓ Divestments of equity stakes in the Belgian offshore wind power and Thai gas-fired power generation businesses, etc.

* Figures are for the domestic real estate business.

This summarizes the main topics regarding the progress of the Medium-Term Management Plan 2026.

In Digital, we are making progress in initiatives aligned with the three pillars of DAIS.

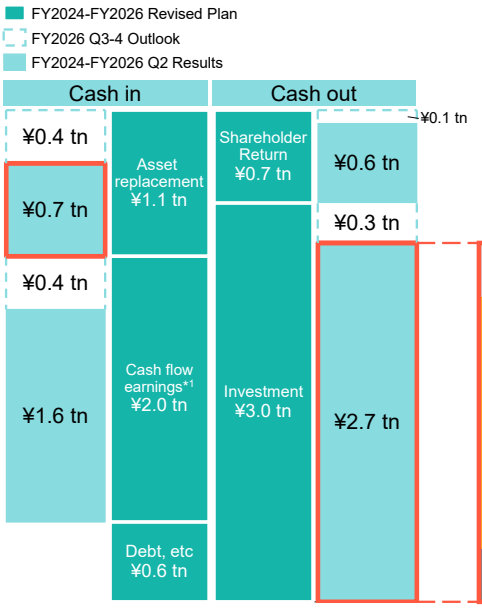
In the aircraft leasing business, we have completed the acquisition of Sumisho Air Lease, establishing the world's second-largest business base. We are leveraging the strengths and competitive advantages that this scale brings to our business as we move forward with initiatives aimed at further growth.

In the Real estate and Energy solutions, we are steadily strengthening our profitability by promoting asset turnover.

12. Cash Flow Allocation (FY2024-FY2026 Q2)

- Asset replacement totaled ¥0.7 tn on a cumulative basis through FY2026 Q2. The asset replacement plan through FY2028 is progressing on track.
- Investment focused on the 8 Growth Areas. Many investments already made have begun contributing to profit, with ¥90.0 bn expected in FY2026.

Cash Flow Plan and Results





Asset Replacement (FY2024-FY2026 Q2: ¥0.7 tn)

Of which, executed in FY2026 Q1-2: ¥0.2 tn (main items below)

- Sale of the Belgian offshore wind power projects
- Sale of domestic and overseas properties
- Sale of cross-shareholdings, etc.

Investment (FY2024-FY2026 Q2: ¥2.7 tn)

Of which, executed in FY2026 Q1-2: ¥0.8 tn (main items below)

- Acquisition of Sumisho Air Lease
- Acquisition of SCSK (squeeze out portion)
- Acquisition of domestic and overseas properties, etc.

<Timing of Earnings Contribution by Key Projects>

- Investment in city gas business in India — approx. ¥20.0 bn
- Acquisition of domestic and overseas properties — approx. ¥110.0 bn — etc.

- Investment in the manufacturing business for the foundation of offshore wind power generation — Confidential
- Acquisition of Sumisho Air Lease — approx. ¥330.0 bn
- Investment in the Belgian construction and mining equipment distributor — Confidential
- Acquisition of domestic and overseas properties — approx. ¥100.0 bn
- Full acquisition of SCSK — approx. ¥880.0 bn
- Investment in Net One Systems by SCSK — approx. ¥330.0 bn

Earnings Contribution (FY2026 Forecast)
Approx. ¥+90.0 bn*2

- Construction equipment rental business in the U.S.
- SCSK
- QB2

etc.

*1 See p.24 for the calculation of Cash flow earnings
*2 Exclude earnings contribution from real estate business.

This is about cash flow allocation.

The graph on the left shows the cash flow plan for the current Medium-Term Management Plan and the cumulative results for the two and a half years up to Q2 of FY2026.

Including the JPY0.2 trillion implemented this fiscal year, we have implemented a total of JPY0.7 trillion in asset replacement over the past two and a half years of our Medium-Term Management Plan.

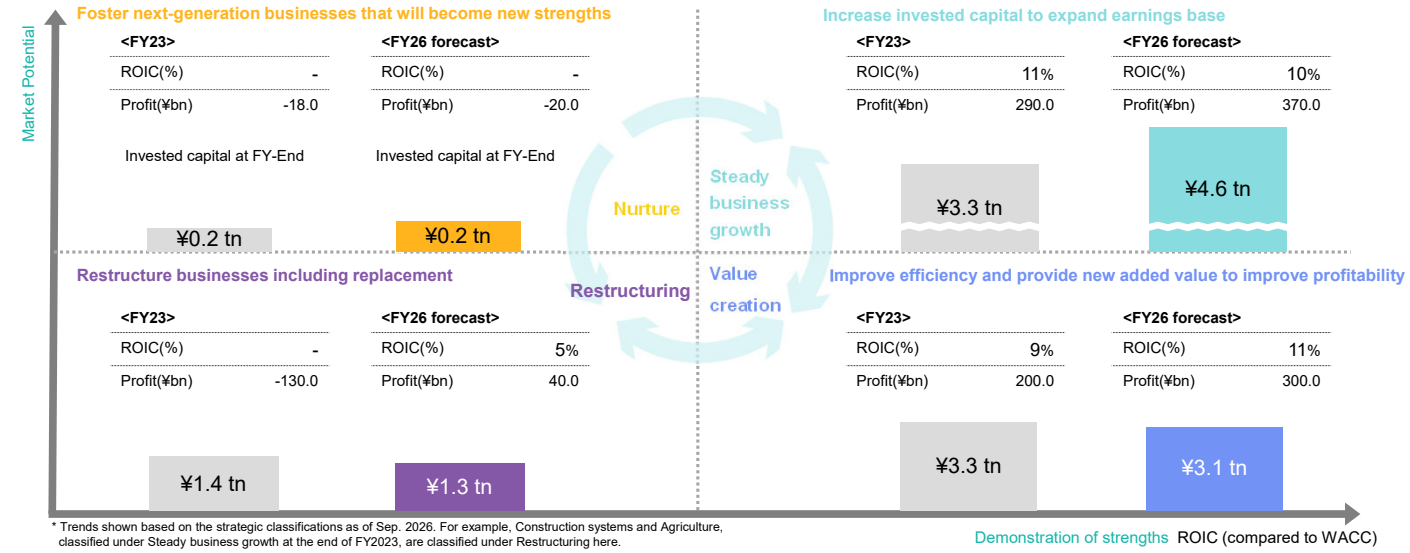
In Q1-2 of the fiscal year, we executed investments totaling JPY0.8 trillion, primarily focused on the acquisition of Sumisho Air Lease, the squeeze-out related to the complete acquisition of SCSK, and the acquisition of domestic and overseas' real estate. The total investment amount for the Medium-Term Management Plan period is JPY2.7 trillion.

We anticipate that new investments already made under the current Medium-Term Management Plan will contribute approximately JPY90.0 billion to profits in FY2026.

13. Improving the Quality of the Business Portfolio

- **Steady business growth:** Invested capital has increased by ¥1.3 tn compared with FY2023 results, driven by major investments and other investments.
- **Value creation:** ROIC is expected to improve by 2pt compared with FY2023.
- **Restructuring:** Reduced invested capital through asset replacement and other measures; ROIC also expected to improve significantly; **Nurture:** Invested to seed businesses that will become future core businesses.

Invested Capital Allocation Management based on the 4 Strategic Quadrants* (FY2023→FY2026 forecasts)



* Trends shown based on the strategic classifications as of Sep. 2026. For example, Construction systems and Agriculture, classified under Steady business growth at the end of FY2023, are classified under Restructuring here.

This diagram shows the trends in invested capital, ROIC, and profit for the year for each of the four strategic quadrants, from the start of the Medium-Term Management Plan to the forecast for the end of FY2026.

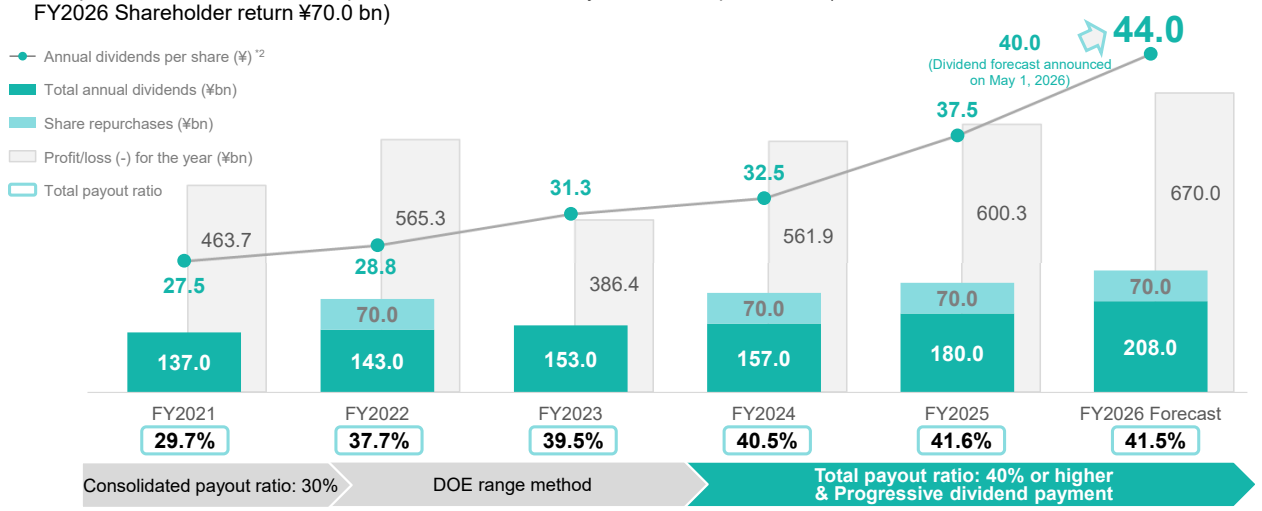
We will further enhance the quality of our business portfolio by implementing investments and asset replacement in the quadrants of Steady business growth and Value creation shown on the right side.

14. Shareholder Return

Shareholder return policy **Total payout ratio of 40% or higher & Progressive dividend payments**[*1]

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

- Raised annual dividend forecast to **¥44/share** (interim dividend: ¥22/share), up **¥4/share** from the ¥40/share forecast announced on May 1, 2026, reflecting the upward revision of full-year forecasts to ¥670.0 bn.
- Completed the ¥80.0 bn share repurchase, resolved in May 2026, on September 3. (Breakdown: FY2025 Shareholder return ¥10.0bn, FY2026 Shareholder return ¥70.0 bn)



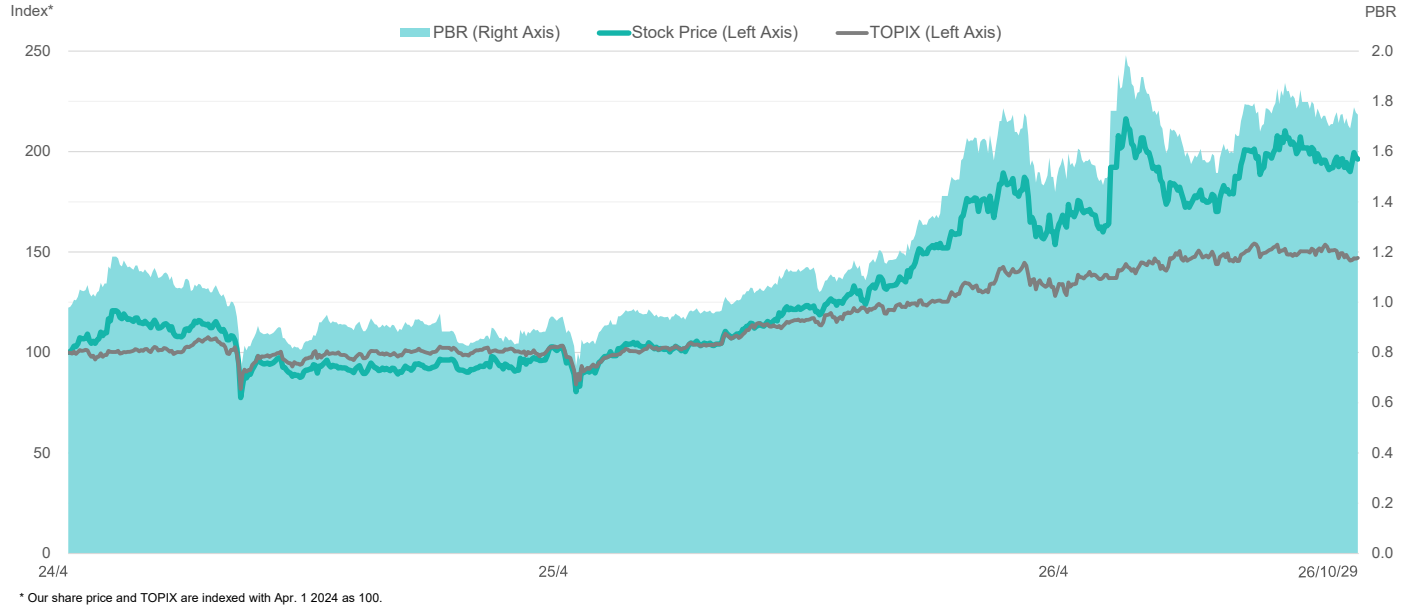
*1 Dividends to be maintained or increased
*2 Dividend per share has been retroactively adjusted to reflect the share split on Jul. 1, 2026 (at a ratio of 4 shares for each share of common stock). The amounts are calculated as pre-split dividend ×1/4 (rounded to one decimal place).

Regarding shareholder returns,
Based on the upward revision of our profits forecast for FY2026, we plan to increase the annual dividend per share by JPY4 from the initial forecast of JPYP40 to JPY44.

Compared to the FY2025 results, this represents an increase of JPY6.5 per share in dividends. Under our progressive dividend policy, we will continue to enhance shareholder returns through sustainable profit growth.

15. Stock Price/PBR Trend

- Since Apr. 2025, the share price has risen significantly, outperforming TOPIX.
- In addition to advancing the initiatives set forth in the MTMP 2026, we will continue to pursue higher ROE and lower cost of capital through constructive dialogue with the market.



* Our share price and TOPIX are indexed with Apr. 1 2024 as 100.

We show information about stock prices and PBR.

Since April 2025, our stock price has significantly outperformed the TOPIX, and our PBR has risen to approximately 1.7 times. We will continue to accelerate the transformation of our business portfolio and aim to increase our stock price by demonstrating stable growth in the medium to long term.

[END]