Presentation of Financial Results for the year ended March 31, 2026

May 14, 2026

SMC Corporation

Yoshiki Takada, President



FY2025 Summary

Orders have recovered since the latter half of the third quarter in Japan, North America, and South Korea. Results exceeded the revised guidance, supported in part by the positive impact of yen depreciation.

By industry, semiconductor-related demand remained strong across all regions. In Greater China, a broad range of industries, including electrical equipment and EV-related industry, remained strong. In automotive-related industry excluding Greater China, capital expenditure continued to be deferred amid geopolitical risks. Machine tool-related industry showed strength mainly in Greater China and Japan.

Capex: 150.2 billion yen vs. planned 180.0 billion yen

The year-end dividend is set at 500 yen per share, and the annual dividend totals 1,000 yen.

Together with a share buyback of approximately 30.0 billion yen, we will maintain a total payout ratio of 50% or higher.

(Billions of Yen)

	FY24 Result		FY25 Result		YoY (FY24 vs FY25)		FY25 Forecast	
	Amount	vs net sales	Amount	vs net sales	Amount	%	Amount	vs net sales
Net sales	792.1		842.5		50.4	6.4%	816.0	
Cost of sales	429.0	54.2%	461.0	54.7%	32.0	7.5%	449.0	55.0%
Gross profit	363.0	45.8%	381.4	45.3%	18.4	5.1%	367.0	45.0%
Selling, general & administrative expenses	172.7	21.8%	190.8	22.7%	18.0	10.5%	184.0	22.5%
Operating profit	190.2	24.0%	190.5	22.6%	0.3	0.2%	183.0	22.4%
Ordinary profit	209.9	26.5%	235.5	28.0%	25.6	12.2%	209.0	25.6%
Net profit	156.3	19.7%	167.3	19.9%	10.9	7.0%	153.0	18.8%
Average exchange rate								
USD	152.59		150.64		-1.95	-1.3%	147.10	
EUR	163.86		174.60		+10.74	6.6%	172.00	
CNY	21.10		21.21		+0.11	0.5%	20.60	
								(Progress)
Depreciation	34.3		44.8		10.5	30.7%	42.3	106.0%
R&D expenses	33.3		39.9		6.6	19.9%	37.0	108.1%

FY2026 Guidance

We plan to achieve our medium-term target of 1 trillion yen in sales. The assumed exchange rate is 155 yen per USD.

Demand in semiconductor-related sector has been recovering rapidly across all regions, while demand in automotive-related industry is expected to increase, driven by investments in HVs. By region, investments in automation are expected across a broad range of manufacturing industries in Greater China.

Operating profit is expected to increase, supported by higher sales volumes, price revisions, and productivity improvements, despite higher personnel expenses due to the increase in sales staff and rising depreciation costs.

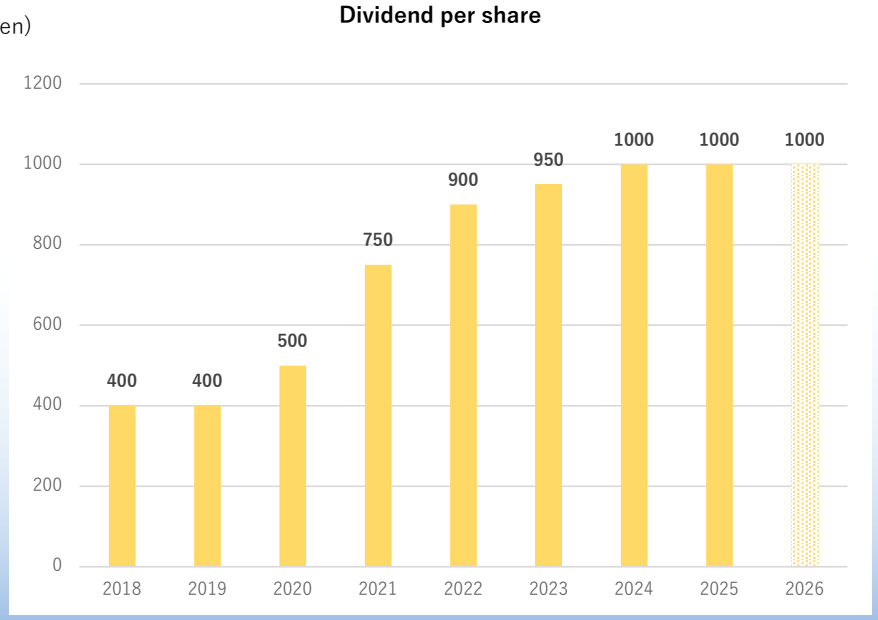
Capex for capacity expansion and BCP-related investments have peaked out; however, we plan capex of 100.0 billion yen, including approximately 30.0 billion yen carried over from the previous year, with investments in the Vietnam plant and overseas sales bases.

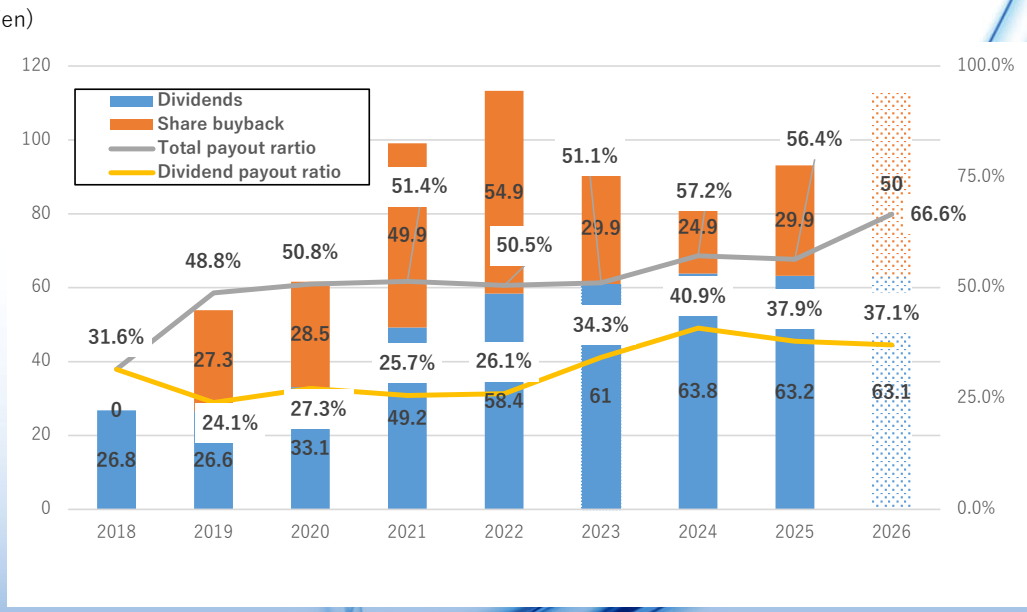
(Billions of Yen)

	FY24 Result		FY25 Result		FY26 Forecast		YoY (FY25 vs FY26)	
	Amount	vs net sales	Amount	vs net sales	Amount	vs net sales	Amount	%
Net sales	792.1		842.5		1,000.0		157.4	18.7%
Cost of sales	429.0	54.2%	461.0	54.7%	551.0	55.1%	89.9	19.5%
Gross profit	363.0	45.8%	381.4	45.3%	449.0	44.9%	67.5	17.7%
Selling, general & administrative expenses	172.7	21.8%	190.8	22.7%	230.0	23.0%	39.1	20.5%
Operating profit	190.2	24.0%	190.5	22.6%	219.0	21.9%	28.4	14.9%
Ordinary profit	209.9	26.5%	235.5	28.0%	239.0	23.9%	3.4	1.4%
Net profit	156.3	19.7%	167.3	19.9%	170.0	17.0%	2.6	1.6%
Average exchange rate								
USD	152.59		150.64		155.00		+4.36	2.9%
EUR	163.86		174.60		183.00		+8.40	4.8%
CNY	21.10		21.21		22.70		+1.49	7.0%
Capital expenditure	107.8		150.2		100.0		-50.2	-33.4%
Depreciation	34.3		44.8		62.3		17.4	38.9%
R&D expenses	33.3		39.9		47.0		7.0	17.5%
Dividend per share (Yen)	1,000		1,000		1,000		0	

Shareholder Returns Policy

We aim to enhance returns by maintaining stable dividends as our core policy, while flexibly implementing share buybacks in response to circumstances. Regarding share buybacks, we will repurchase our own shares up to 50 billion yen, compared with 30 billion yen in the previous year.





Mid-Long term Priority Measures

1．Sales Strategies based on Our Strengths → Sales Growth and Market Share Expansion

・Wide global footprint : Comprehensive coverage of global markets, full utilization of distributed and stable sales force and customer base.

・Wide product lineup and Short delivery lead time system : “One-stop shop” services to meet a wide range of customers’ needs, selling products as a package, not as a single item.

2．Aggressive Capex → Differentiation from Competitors and Improving Competitiveness

・Product supply capability : To make necessary investments steadily regardless of business conditions

・Production diversification : Sustainable and resilient product supply system

・Human capital investment : To secure talented human resources in global and to increase productivity

3．Establish a System for Developing Products that Meet the Performance Required by Customers

・Never miss sales opportunities through rapid product development in response to customer requests

・Continue to enhance compact and lightweight product lineups and environmentally friendly products

・Social contribution to the prevention of global warming through sales of energy-saving products

Measures for FY2026 (Sales・Production・Development)

<Sales>

1. Deeper Penetration (customer proposal capabilities & relationship enhancement)

・Taking full advantage of BCP, Global Footprint, JTC, and 4BAR factory Solutions
・Enhancing customer relationships by ensuring stable product supply and developing products that meet customer needs

2. Building and Strengthening a Market-leading Competitive Force

・Expanding global direct sales personnel, providing training through the Sales Academy, and deploying human resources to new markets
・Increasing the use and share of distributors, thereby enabling direct sales personnel to allocate more resources to developing new customers and industries

3. Strengthening Supply Capabilities

・Based on sales information, we prepare production in advance and establish a supply system capable of responding to orders
・Ensuring an optimal product lineup and adequate inventory volume by region and industry, enabling differentiation through short lead times

<Production>

1. Production Strategy for Innovation and Business Expansion

Building an optimized global production system and accelerating efficiency improvements and cost reductions

2. Contribution to a Sustainable Society

Promoting the adoption of SMC products featuring lower pressure, energy efficiency, compact design, and lightweight construction

3. Enhancement of BCP framework

Further promoting BCP initiatives and establishing a system capable of supplying products globally under any circumstances

<Development>

1. Acceleration of Product Development

・Focused investment in product development initiatives that directly drive sales growth
・Deploying cross-functional resources to key initiatives and promoting collaboration with overseas Technical Centers (TCs)

2. Cost reduction of products

・For low-volume user products, expanding and optimizing sales channels, and rationalizing products and components

3. Global collaboration and talent acquisition

・Expanding innovative talent globally
・Strengthening technical backup systems at overseas TCs, enhancing collaboration, and reinforcing local customization capabilities

Reinforcement of the Sales Organization

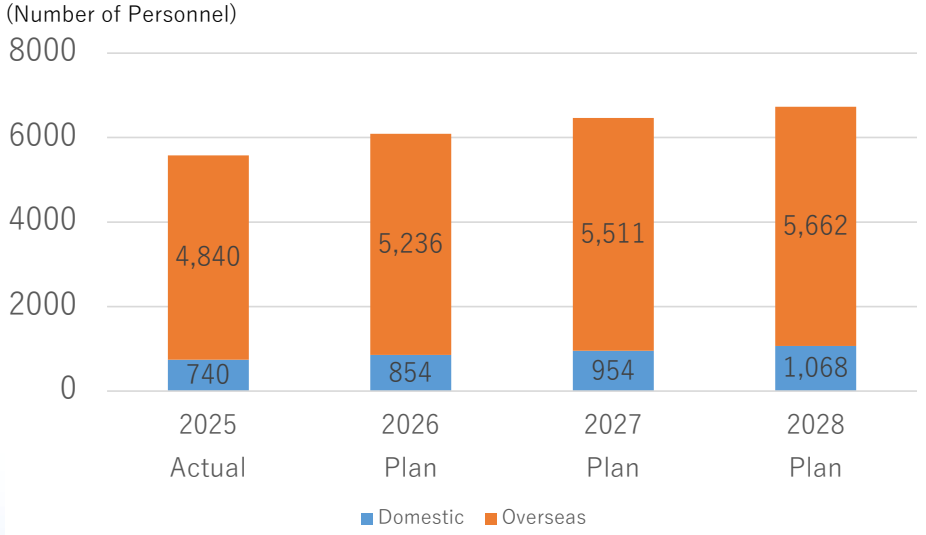
Driven by technological innovations such as AI, data centers, and humanoid robots, SMC's market—supporting global manufacturing automation—is expanding rapidly. As a components manufacturer, it is essential to identify winning segments and pursue breakthrough growth.

To achieve this, strong and competitive sales capabilities are essential. We will increase direct sales personnel to expand market share in regions and industries with significant growth potentials, strengthen direct engagement with end users, and drive industry diversification.

Due to the need to replenish personnel affected by declines during the COVID-19 pandemic, as well as the retirement of experienced sales personnel, we aim to increase our global workforce by approximately 2,000 employees over the next three years.

Rolling out the "Sales Academy" globally to rapidly develop newly hired sales personnel into effective contributors and enhance their capabilities.

<Outside Sales Personnel: Actual and Plan>



	2025 Actual	2026 Plan	2027 Plan	2028 Plan
Domestic	740	854	954	1,068
Overseas	4,840	5,236	5,511	5,662
Total	5,580	6,090	6,465	6,730

China Market Situation and Strategies

<China Market Situation>

In 2025, overall growth remained stable. In the semiconductor industry, localization is advancing, with demand expanding from front-end to back-end equipment. In the electrical industry, including FPDs and home appliances, growth remained steady, supported by subsidy policies. In the automotive sector, EV-related investment, including batteries, is recovering. Overall, localization is accelerating, and price competition with competitors continues.

<Strategy and FY2026 Outlook>

China is the center of global manufacturing and will continue to be one of the most important markets. China's government-led efforts to promote the manufacturing sector and its proactive investments in automation are expected to continue, and we will closely align with these trends.

・Capital investment in solar power generation and battery-related industry has recovered, with some major North American customers placing orders with Chinese equipment manufacturers.

・In the data center sector, demand is expanding for printed circuit board (PCB) processing equipment, a range of sensors, and optical fiber-related products.

・Rising crude oil prices are driving increased demand for energy efficiency, and we will further strengthen our 4BAR factory solutions.

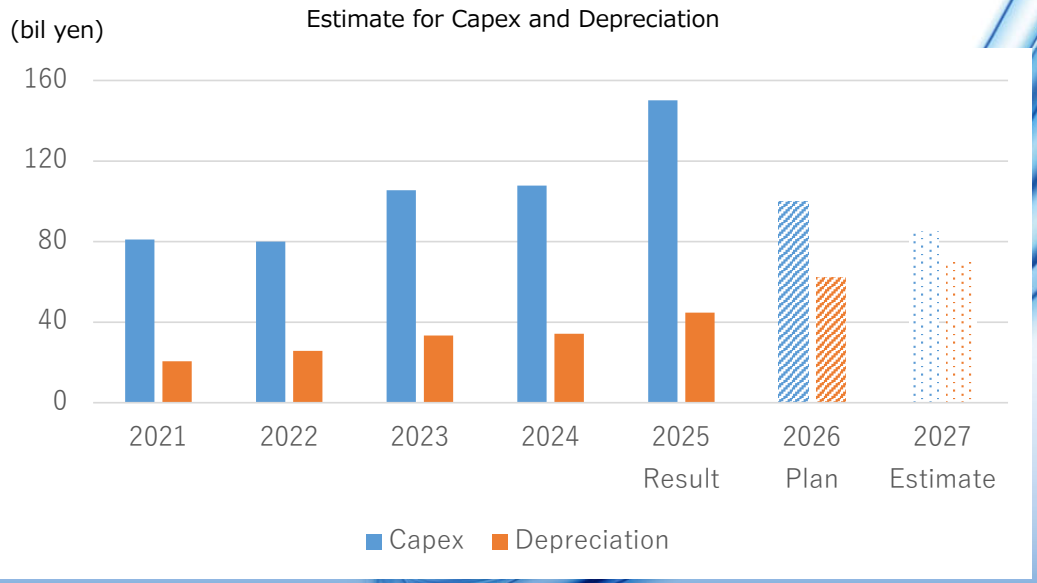
・On the production side, increasing local procurement ratio and advancing cost reductions through in-house production in response to the prioritization of domestically produced products.

CAPEX Plan

FY2025 capex reached a record high of 150.2 billion yen, driven by the completion of JTC and the Tono Supplier Park. In FY2026, capital expenditures are expected to peak out and are planned at 100 billion yen, with investments in Vietnam plant and overseas sales bases. Depreciation expenses are projected to reach a record high of approximately 62.0 billion yen.

(Billions of Yen)

Function	Place	FY25 Result Amount	FY25 Result Item	FY26 Plan Amount	FY26 Plan Item
PRD	Japan	35.6	Tono Fac. SP. Tsukuba Fac. Shimotsuma Fac. Kamaishi Fac. Others	34.7	Soka Fac. Shimotsuma Fac. Tsukuba Fac. Tono Fac. SP. Others
	Overseas	28.5	Vietnam Mfg China Mfg(s) SMC US Others	29.6	Vietnam Mfg China Mfg(s) Singapore Mfg Others
Admin. R&D Sales Logistics	Japan	74.3	New Technical Center Others	6.6	New Technical Center Others
	Overseas	11.8	SMC Taiwan SMC Australia SMC China (Sales) SMC Malaysia SMC Korea European Warehouse SMC Germany Others	29.1	SMC China (Sales) SMC Taiwan SMC Australia SMC Germany European Warehouse SMC Romania Others
Total		150.2		100.0	

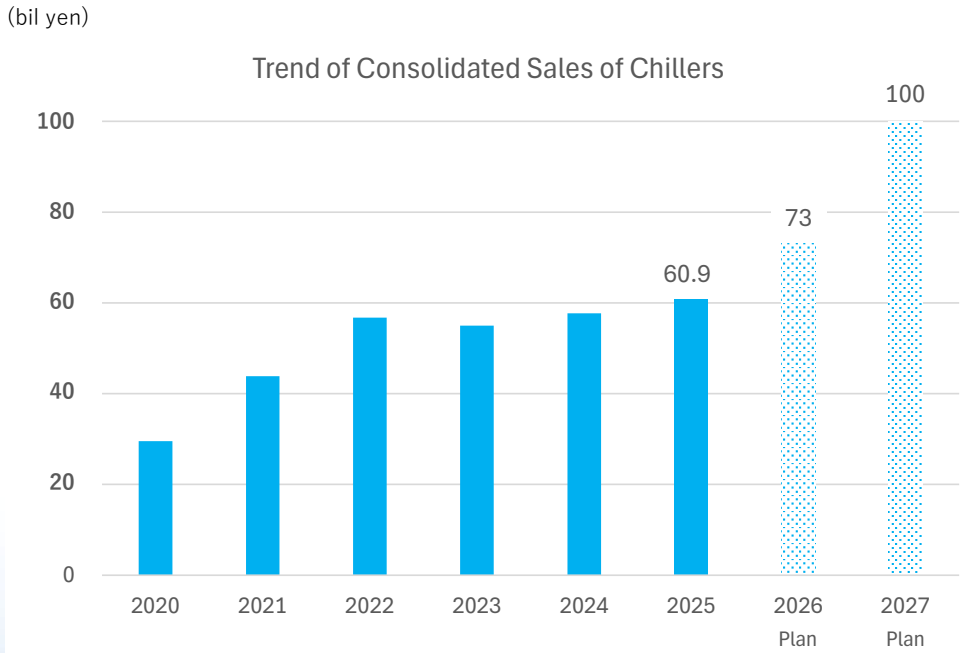


Chiller Strategy

Chillers for the semiconductor industry, which require precise temperature control functions and energy-saving performance, both of which are our strengths, are in high demand for high-performance products with technological innovation due to the progress of miniaturization of semiconductor chips, and we will continue to develop technologies to meet customer requirements and increase sales.

In the general industrial segment, we will advance product development by benchmarking against competing products, focus on expanding sales of environmentally friendly chillers, and increase market share through customized solutions and diversification. In development and manufacturing, we will promote cost reductions through in-house production.

Sales Plan:
FY2026 73.0 billion yen / FY2027 100.0 billion yen



New Product（Membrane Nitrogen Generator）

Developed and launched a nitrogen generator achieving a nitrogen concentration of 99.9% or more with only compressed air supply. Compared to conventional nitrogen gas cylinders, this product reduces costs by approximately 94%, eliminates the need for cylinder replacement, gas level checks, and refilling, thereby reducing labor requirements and helping address labor shortages, and is expected to meet a wide range of needs across industries including food, machine tools, and semiconductors.



Application Examples

Molding machine

Hopper, oxidation prevention and suppression of black spots in injection area



Outlet nitrogen-enriched air flow rate [L/min (ANR)]*1	
Double membrane manifold 800 type x 2	Double membrane module 1300 + 800 type
40	44

Filling machine

UV laser, gas injection for filling (N_2, CO_2)



Outlet nitrogen-enriched air flow rate [L/min (ANR)]*1	
Single membrane module 800 type	Double membrane module 1300 + 1300 type
20	56

Vertical pillow packaging machine

For oxidation prevention



Outlet nitrogen-enriched air flow rate [L/min (ANR)]*1	
Single membrane module 800 type	Double membrane module 1300 + 1300 type
20	56

Transition to a Company with an Audit & Supervisory Committee

Subject to the approval of amendments to the Articles of Incorporation at the annual general meeting of shareholders scheduled for June 26, 2026, SMC will transfer to a Company with an Audit and Supervisory Committee.
The purpose of this transition is to strengthen the supervisory function of the Board of Directors, to clearly separate supervisory functions from executive functions, and thereby to enable more agile and efficient decision-making.

【Current Composition of the Board】
"Internal" Executive Directors 7 persons
Independent Directors 4 persons
"Internal" Corporate Auditor 1 person
Independent Corporate Auditors 2 persons



【Composition of the Board after AGM】
"Internal" Executive Directors 7 persons
Independent Directors 4 persons
Independent Directors (Members of Audit & Supervisory Committee) 3 persons

- To equal the number of "internal" directors and independent directors to strengthen its supervisory functions.
- Delegate operational authority to representative directors to streamline decision-making.
- Delegate the authority to determine dividends to the Board of Directors.
  (This does not preclude the authority of the shareholders' meeting.)

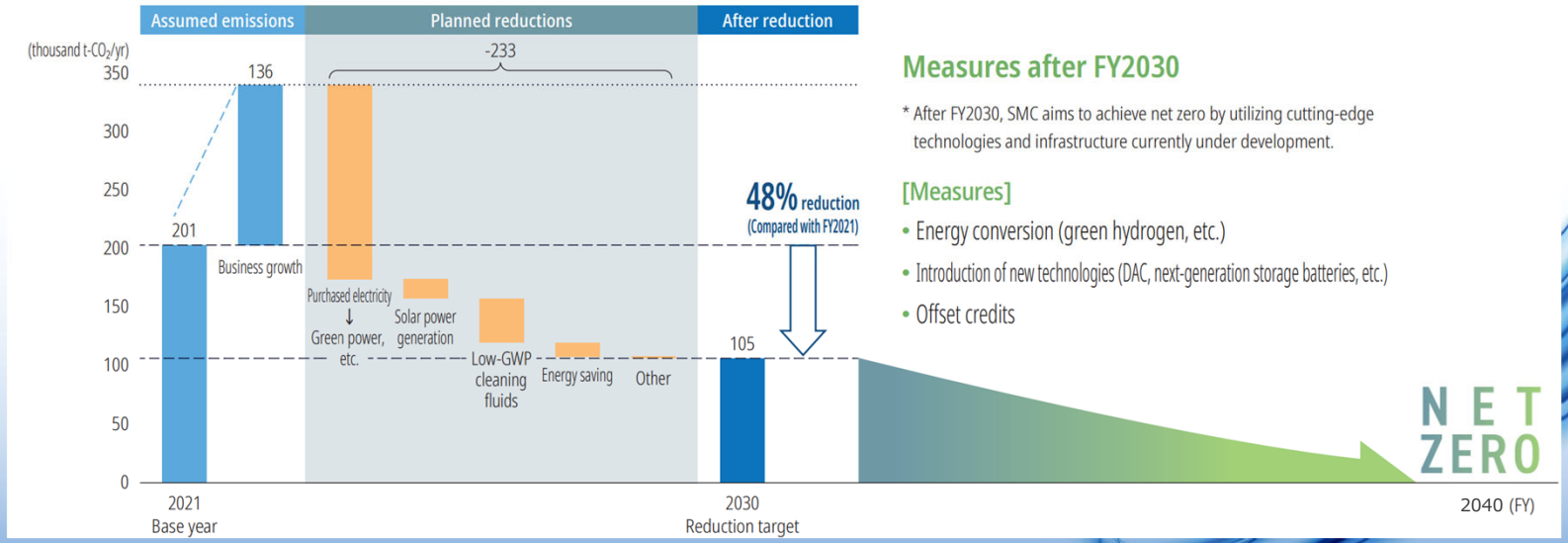
Progression of ESG Disclosure

	FY2023	FY2024	FY2025
SBTi	—	**Obtained certification for :** **Scope1 and 2 Short- and Long-term Targets** **Scope3 Short-term Target** ☐Scope1 and 2(Compared with FY2021) Short-term target: 48% reduction by FY2030 Long-term target: Net zero achieved by FY2050 ☐Scope3(Compared with FY2021) Short-term target: 33% reduction by FY2030	**Obtained certification for :** **Scope1,2 and 3 Long-term(Net-zero) Target** ☐Scope1 and 2 Long-term target: Net-zero achieved by FY2040 ☐Scope3 Long-term target: Net-zero achieved by FY2050
CDP	Climate Change/D Water Security/D	Climate Change/B Water Security/B	Climate Change/A Water Security/A **Selected for the "A List," the highest rating in both "Climate Change" and "Water Security" of CDP 2025**
ecovadis	56/100(Bronze)	59/100(Bronze)	67/100(Bronze)
MSCI	BBB	BBB	A → BBB (due to a change in evaluation criteria in March 2026)
Other	Signatory to the United Nations Global Compact	—	Kurumin Certification (FY2025 criteria) by the Ministry of Health, Labour and Welfare
Disclosure	TCFD disclosure (June 2023) Sustainability Report → Integrated Report	—	TNFD disclosure (June 2025)

GHG Emissions Reduction Target (Scope1 + Scope2)

Received certification from the Science Based Targets (SBT) initiative, an international certification body for climate change, for our "**net-zero target**" to reduce GHG emissions for Scope 1 and 2 by **FY2040**.
*We have been certified by SBT in June 2024 for our short-term target to reduce GHG emissions by FY2030 and "net-zero target" for FY2050. We have now been certified by SBT for our "net-zero target" for FY2040.

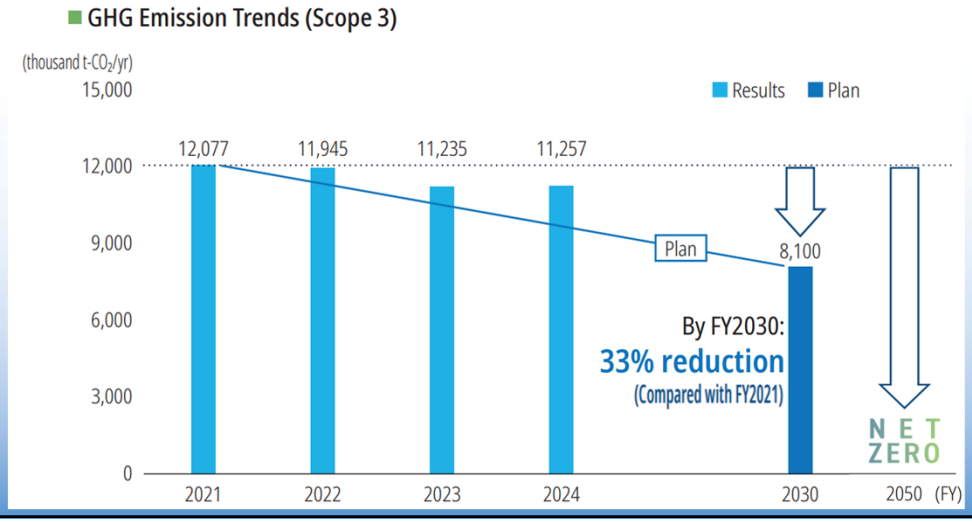
Scope 1 + Scope 2 Details of SBT Certification
Short-term target: 48% reduction by FY2030 (Compared with FY2021)
Long-term target : **Net-zero** achieved by FY2040



GHG Emissions Reduction Target (Scope3)

Received certification from the SBT for our "**net-zero target**" to reduce GHG emissions for Scope 3 by **FY2050**.
*We have been certified by SBT in June 2024 for our short-term target to reduce GHG emissions by FY2030. We have now been certified by SBT for our "net-zero target" for FY2050.
*We have established an internal Scope 3 CO_2 Reduction Project to reduce GHG emissions under Scope 3 and is working toward decarbonization across the entire supply chain. Among the 15 Scope 3 categories, SMC has identified Categories 1, 4, and 11 as priority areas (hot spots) and is promoting category-specific initiatives by building cooperative frameworks with suppliers to achieve reduction targets.

Scope 3 Details of SBT Certification
Short-term target: 33% reduction by FY2030 (Compared with FY2021)
Long-term target : Net-zero achieved by FY2050



Category	FY2024 emissions
1. Purchased goods and services	1,156
2. Capital goods	370
3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	25
4. Upstream transportation and distribution	137
5. Waste generated in operations	4
6. Business travel	3
7. Employee commuting	9
8. Upstream leased assets	0
9. Downstream transportation and distribution	3
10. Processing of sold products	0
11. Use of sold products	9,528
12. End-of-life treatment of sold products	18
13. Downstream leased assets	0
14. Franchises	0
15. Investments	0
Total Scope 3 emissions	11,257

Improvement of ESG Ratings

In FY2025, SMC's CDP and Ecovadis improved among its ESG ratings.

In particular, **we have been selected for the "A List," the highest rating in both "Climate Change" and "Water Security" of CDP 2025.**

CDP

2025 Climate Change/A
Water Security/A
2024 Climate Change/B
Water Security/B
2023 Climate Change/D
Water Security/D

「Carbon Disclosure Project」
An international non-profit organization dedicated to addressing climate change and environmental issues.
Provides a platform for companies and municipalities to disclose their environmental impacts, and rates companies on their transparency and commitment to the environment through CDP scores.



ecovadis

2025 67/100(Bronze)
2024 59/100(Bronze)
2023 56/100(Bronze)

Ecovadis is a private evaluation agency that assesses the sustainability of companies.
Companies are evaluated based on submitted materials related to the environment, labor and human rights, ethics, and sustainable procurement. It focuses on supply chain sustainability assessments.
(Improving our ecovadis rating is also a requirement from key European customers and is therefore a priority in our sales strategy.)






SMC®
Supporting Automation

Presentation of Financial Results for the Fiscal Year Ended March 31, 2026

SMC Corporation

Masahiro Ota,
Director and Executive Officer
General Manager of Finance & Accounting Division

May 14, 2026



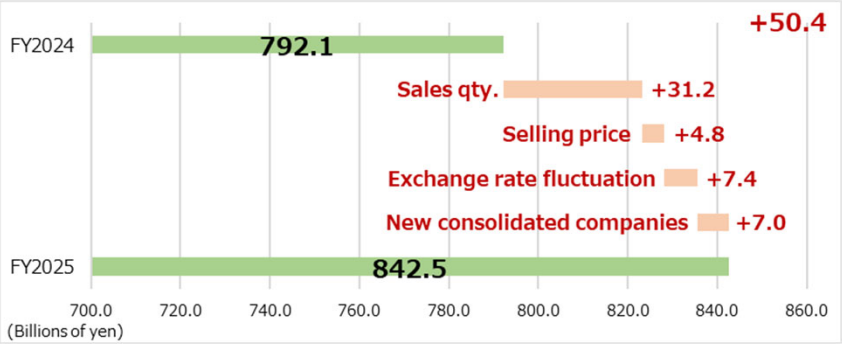
Consolidated Statement of Income

(Billions of Yen)

	FY24 Result		FY25 Result		YoY (FY24 vs FY25)		FY25 Forecast		FY25 3Q		FY25 4Q		QoQ (25/3Q vs 25/4Q)	
	Amount	vs net sales	Amount	vs net sales	Amount	%	Amount	vs net sales	Amount	vs net sales	Amount	vs net sales	Amount	%
Net sales	792.1		842.5		50.4	6.4%	816.0		209.6		232.6		22.9	10.9%
Cost of sales	429.0	54.2%	461.0	54.7%	32.0	7.5%	449.0	55.0%	114.1	54.5%	127.6	54.9%	13.5	11.8%
Gross profit	363.0	45.8%	381.4	45.3%	18.4	5.1%	367.0	45.0%	95.4	45.5%	104.9	45.1%	9.4	9.9%
Selling, general & administrative expenses	172.7	21.8%	190.8	22.7%	18.0	10.5%	184.0	22.5%	48.7	23.2%	51.9	22.3%	3.2	6.6%
Operating profit	190.2	24.0%	190.5	22.6%	0.3	0.2%	183.0	22.4%	46.7	22.3%	52.9	22.8%	6.2	13.3%
Ordinary profit	209.9	26.5%	235.5	28.0%	25.6	12.2%	209.0	25.6%	61.2	29.2%	66.4	28.6%	5.1	8.4%
Net profit	156.3	19.7%	167.3	19.9%	10.9	7.0%	153.0	18.8%	42.4	20.2%	45.6	19.6%	3.2	7.6%
Average exchange rate														
USD	152.59		150.64		-1.95	-1.3%	147.10		154.04		156.95		+2.91	1.9%
EUR	163.86		174.60		+10.74	6.6%	172.00		179.31		183.64		+4.33	2.4%
CNY	21.10		21.21		+0.11	0.5%	20.60		21.71		22.67		+0.96	4.4%
								(Progress)						
Depreciation	34.3		44.8		10.5	30.7%	42.3	106.0%						
R&D expenses	33.3		39.9		6.6	19.9%	37.0	108.1%						

[YoY] Factors of Change of Net Sales and Operating Profit

①Net Sales



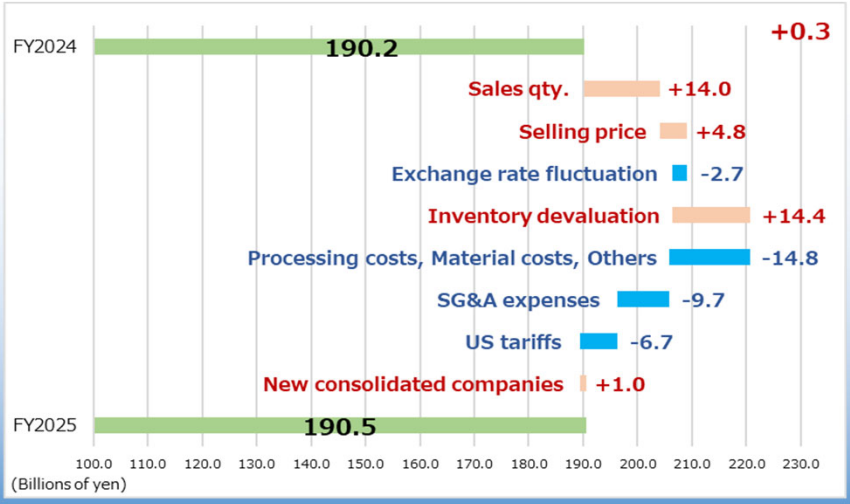
(Billions of yen)

< Sales qty. > 3.9% Increase
Japan -4.1 (-2%), North America -12.3 (-10%), Europe +6.7 (+4%),
Greater China +34.5 (+15%), Other Asia +7.0 (+5%)

< Selling price > 0.6% Increase
Japan +7.1, Overseas -2.3

< Exchange rate fluctuation > 0.9% Increase
North America (mainly USD) -0.9
Europe (mainly EUR) +7.7
Greater China (mainly CNY) +1.9

②Operating Profit



< Exchange rate fluctuation >
From transaction (Foreign currency export & import) +2.4
From conversion (Overseas subs P&L conversion) -5.1

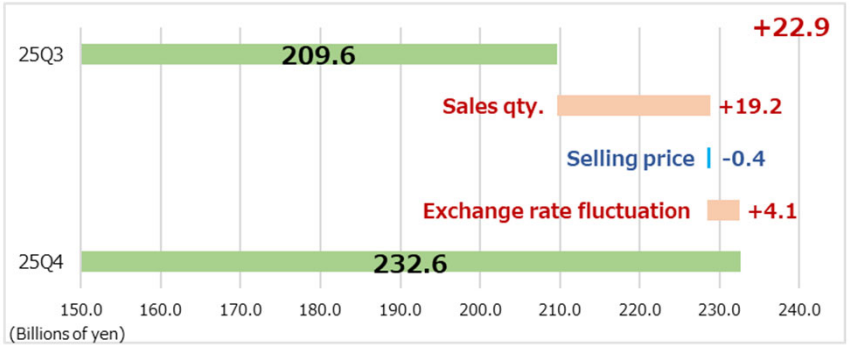
< Inventory devaluation >
FY24 Devaluation -10.3 → FY25 Devaluation +4.1 = Change +14.4

< Processing costs, Material costs, Others >
Processing costs increased

< SG&A expenses >
Personnel -3.8, Depreciation -1.5, R&D -1.1, Freight expenses -0.5

[QoQ] Factors of Change of Net Sales and Operating Profit

①Net Sales



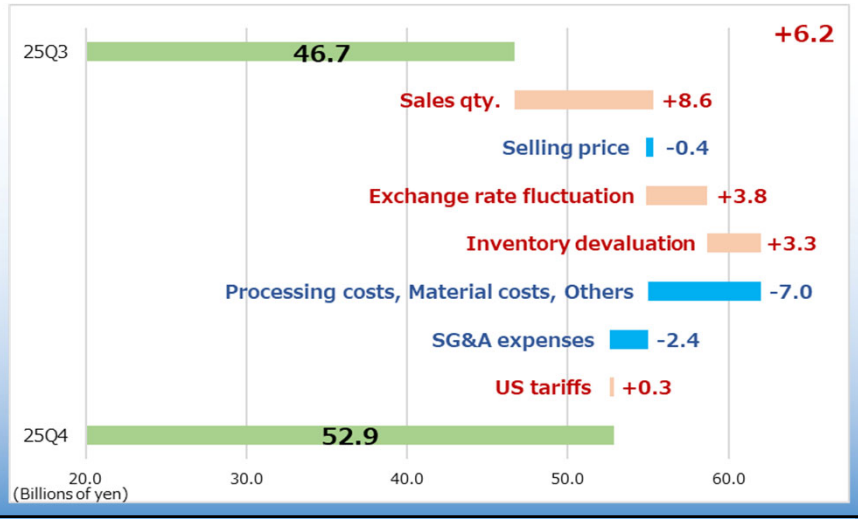
(Billions of yen)

< Sales qty. > 9.1% Increase
Japan +5.9 (+15%), North America +2.8 (+11%),
Europe +4.2 (+11%), Greater China +1.1 (+2%),
Other Asia +5.4 (+16%)

< Selling price > 0.2% Decrease
Japan -0.4, Overseas ±0

< Exchange rate fluctuation > 2.0% Increase
North America (mainly USD) +0.5
Europe (mainly EUR) +0.7
Greater China (mainly CNY) +2.1

②Operating Profit



< Exchange rate fluctuation >
From transaction (Foreign currency export & import) +1.5
From conversion (Overseas subs P&L conversion) +2.3

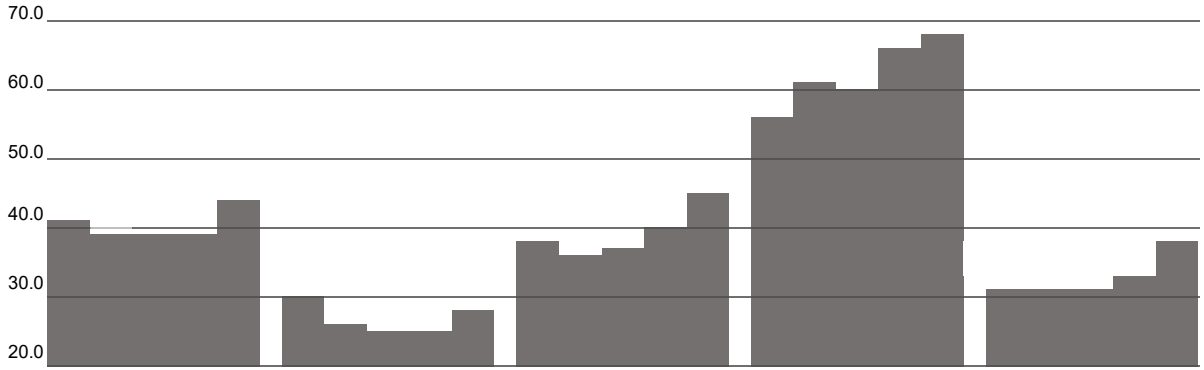
< Inventory devaluation >
25/3Q Devaluation -0.2 → 25/4Q Devaluation +3.1 = Change +3.3

< Processing costs, Material costs, Others >
Processing costs increased

< SG&A expenses >
Personnel -0.9, Allowance for doubtful accounts -0.5, R&D -0.4

[Quarterly] Consolidated Net Sales by Location

	Consolidated	Japan	North America	Europe	Greater China	Other Asia
Sales Ratio		19%	13%	19%	30%	16%



		FY24	FY25				FY24	FY25				FY24	FY25				FY24	FY25				FY24	FY25			
		4Q	1Q	2Q	3Q	4Q	4Q	1Q	2Q	3Q	4Q	4Q	1Q	2Q	3Q	4Q	4Q	1Q	2Q	3Q	4Q	4Q	1Q	2Q	3Q	4Q
Net Sales (Bil. of Yen)		40.5	39.2	39.5	39.3	44.8	30.2	26.4	25.9	25.1	28.6	38.0	36.5	37.7	39.9	45.4	56.8	61.3	59.5	65.8	68.9	31.3	30.8	31.0	33.0	38.2
Ratio of Sales by Industry (Cumulative)	Semiconductor	20%	22%				13%					9%					23%					35%				
	Electric	12%	10%				4%					4%					24%					14%				
	Automobile	17%	17%				20%					11%					22%					15%				
	Machine tools	10%	10%				7%					12%					11%					12%				
	Food	7%	6%				12%					13%					4%					3%				
	Medical	6%	5%				9%					11%					4%					2%				
	Other	28%	30%				35%					40%					12%					19%				
Production Base			Soka and etc., total of 6 factories				USA, Indiana					Czech					Beijing・Tianjin					Vietnam・Singapore・India				
R&D Base			Kashiwa City				USA					UK・Germany					Beijing					–				
Foreign Exchange Sensitivity (1 %)*		3.33 bil. yen	–				USD 0.27 bil. yen					EUR 0.77 bil. yen					CNY 1.19 bil. yen					KRW 0.36 bil. yen				

*Impact to operating profit from 1% exchange rate change

Consolidated Balance Sheet

(Billions of Yen)

	FY24	FY25	Change	
Assets	2,100.7	2,311.8	211.0	10.0%
Current assets	1,421.8	1,504.2	82.4	5.8%
(①Cash and deposits)	(655.7)	**(663.8)**	(8.0)	(1.2%)
(Trade receivables)	(207.9)	(235.3)	(27.3)	(13.2%)
(②Securities)	(29.7)	**(47.8)**	(18.0)	(60.7%)
(Inventories)	(489.6)	(506.6)	(17.0)	(3.5%)
Non-current assets	678.9	807.5	128.6	18.9%
(③Investment securities with fair value)	(127.3)	**(121.1)**	(-6.2)	(-4.9%)
*Cashable Financial Assets ①+②+③-④	807.9	827.8	19.9	2.5%
Liabilities	172.4	196.5	24.1	14.0%
Current liabilities	135.6	145.6	10.0	7.4%
(Trade payables)	(46.8)	(31.8)	(-15.0)	(-32.1%)
(④Borrowings)	(5.0)	(5.0)	(0.0)	(1.0%)
Non-current liabilities	36.8	50.9	14.1	38.3%
Net assets	1,928.3	2,115.2	186.9	9.7%
Equity ratio	91.8%	91.5%	-0.3	
Net assets per share (yen)	30,255	33,498	+3,243	
ROE	8.2%	8.3%		

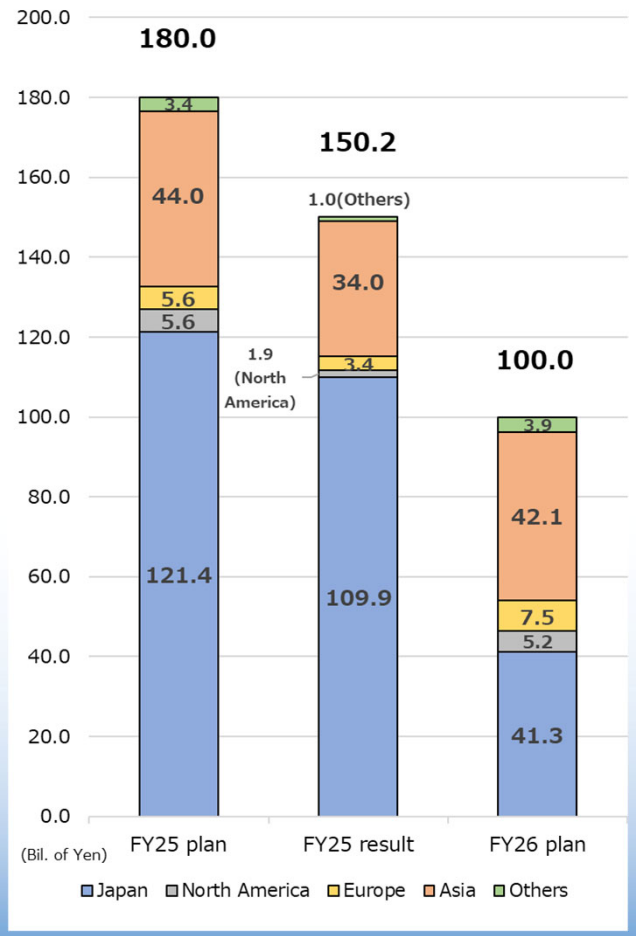
(Billions of Yen)

	FY24	FY25	Change
Total inventory	489.6	506.6	17.0
Merchandise and finished goods	173.9	198.4	24.4
Work in process	31.2	33.2	2.0
Raw materials and supplies	284.4	274.9	-9.4

Impact due to consolidation expansion	3.1
Impact due to exchange rate fluctuation	21.2
Impact due to inventory devaluation	4.1
Actual change	**-11.5**

FY average monthly sales ratio	7.4	7.2	-0.2
Closing month sales ratio	7.4	5.9	-1.5
Closing exchange rate			
USD	149.53	159.93	+10.40
EUR	162.03	183.44	+21.41
CNY	20.59	23.12	+2.53

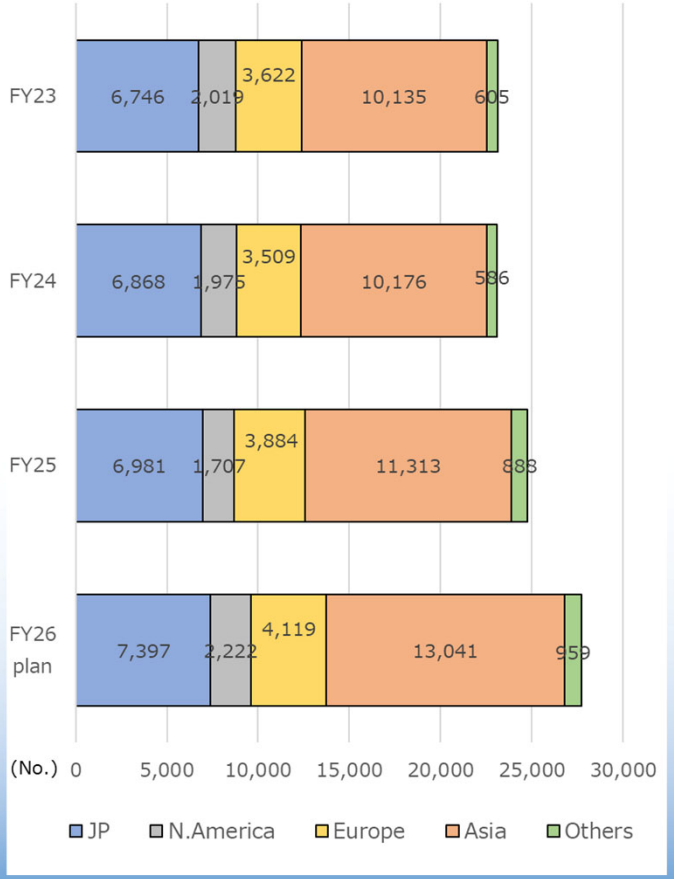
Capital Expenditure



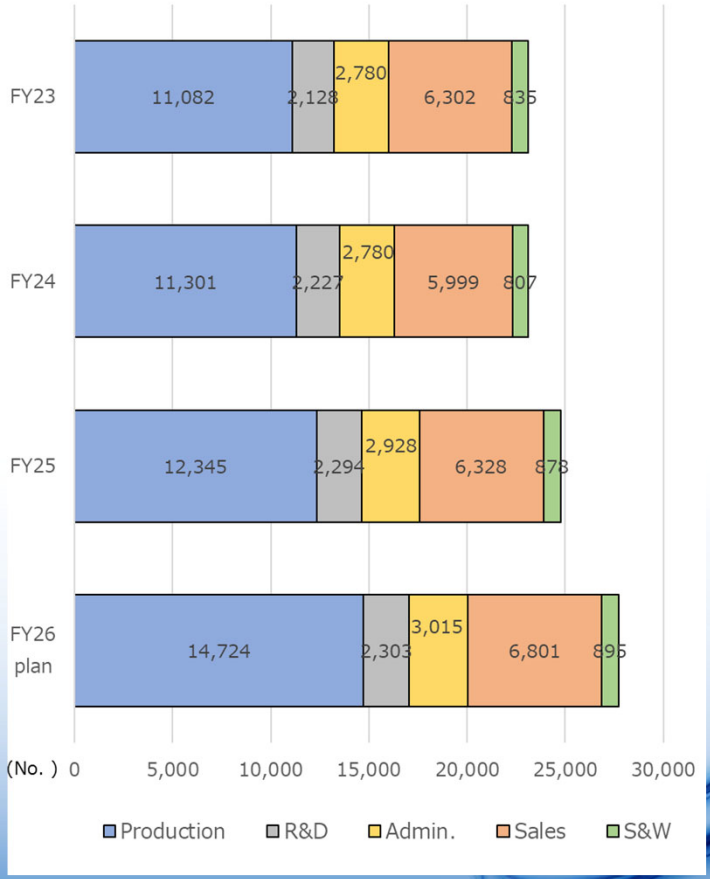
(Billions of Yen)		FY25 Result		FY26 Plan	
Function	Region	Amount	Item	Amount	Item
PRD	Japan	35.6	Tono Fac & SP. Tsukuba Fac. Shimotsuma Fac. Kamaishi Fac. Others	34.7	Soka Fac. Shimotsuma Fac. Tsukuba Fac. Tono Fac & SP. Others
	Overseas	28.5	Vietnam Mfg China Mfg(s) SMC US Others	29.6	Vietnam Mfg China Mfg(s) Singapore Mfg Others
Admin. R&D Sales Logistics	Japan	74.3	New Technical Center Others	6.6	New Technical Center Others
	Overseas	11.8	SMC Taiwan SMC Australia SMC China (Sales) SMC Malaysia SMC Korea European Warehouse SMC Germany Others	29.1	SMC China (Sales) SMC Taiwan SMC Australia SMC Germany European Warehouse SMC Romania Others
Total		150.2		100.0	

[Yearly] Number of Employees

① By Region



② By Division



23,127
Overseas Employees
Ratio 71%

23,114
Overseas Employees
Ratio 70%

24,773
Overseas Employees
Ratio 72%

27,738
Overseas Employees
Ratio 73%

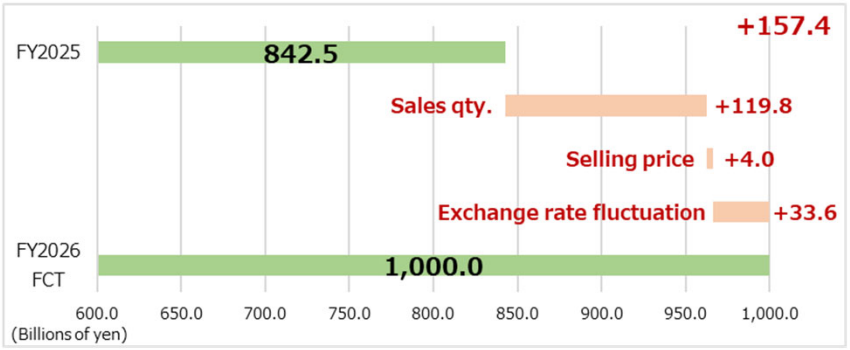
FY2026 Consolidated Financial Forecast

(Billions of Yen)

	FY24 Result		FY25 Result		FY26 Forecast		YoY (FY25 vs FY26)	
	Amount	vs net sales	Amount	vs net sales	Amount	vs net sales	Amount	%
Net sales	792.1		842.5		1,000.0		157.4	18.7%
Cost of sales	429.0	54.2%	461.0	54.7%	551.0	55.1%	89.9	19.5%
Gross profit	363.0	45.8%	381.4	45.3%	449.0	44.9%	67.5	17.7%
Selling, general & administrative expenses	172.7	21.8%	190.8	22.7%	230.0	23.0%	39.1	20.5%
Operating profit	190.2	24.0%	190.5	22.6%	219.0	21.9%	28.4	14.9%
Ordinary profit	209.9	26.5%	235.5	28.0%	239.0	23.9%	3.4	1.4%
Net profit	156.3	19.7%	167.3	19.9%	170.0	17.0%	2.6	1.6%
Average exchange rate								
USD	152.59		150.64		155.00		+4.36	2.9%
EUR	163.86		174.60		183.00		+8.40	4.8%
CNY	21.10		21.21		22.70		+1.49	7.0%
Capital expenditure	107.8		150.2		100.0		-50.2	-33.4%
Depreciation	34.3		44.8		62.3		17.4	38.9%
R&D expenses	33.3		39.9		47.0		7.0	17.5%
Dividend per share (Yen)	1,000		1,000		1,000		0	

[FY25 vs FY26FCT] Factors of Change of Net Sales and Operating Profit

①Net Sales



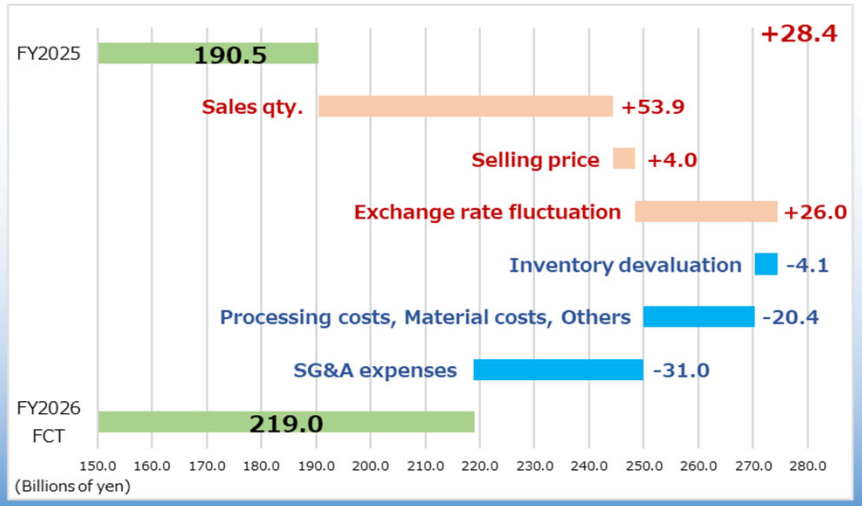
(Billions of yen)

< Sales qty. >
Japan +27.7 (+17%), North America +3.8 (+14%),
Europe +20.6 (+13%), Greater China +40.4 (+16%),
Other Asia +14.8 (+11%)

< Selling price >
Japan +4.0

< Exchange rate fluctuation >
North America (mainly USD) +4.0
Europe (mainly EUR) +8.2
Greater China (mainly CNY) +18.7

②Operating Profit



< Exchange rate fluctuation >
From transaction (Foreign currency export & import) +15.0
From conversion (Overseas subs P&L conversion) +11.0

< Inventory devaluation >
FY25 Devaluation +4.1 → FY26 Devaluation 0 = Change -4.1

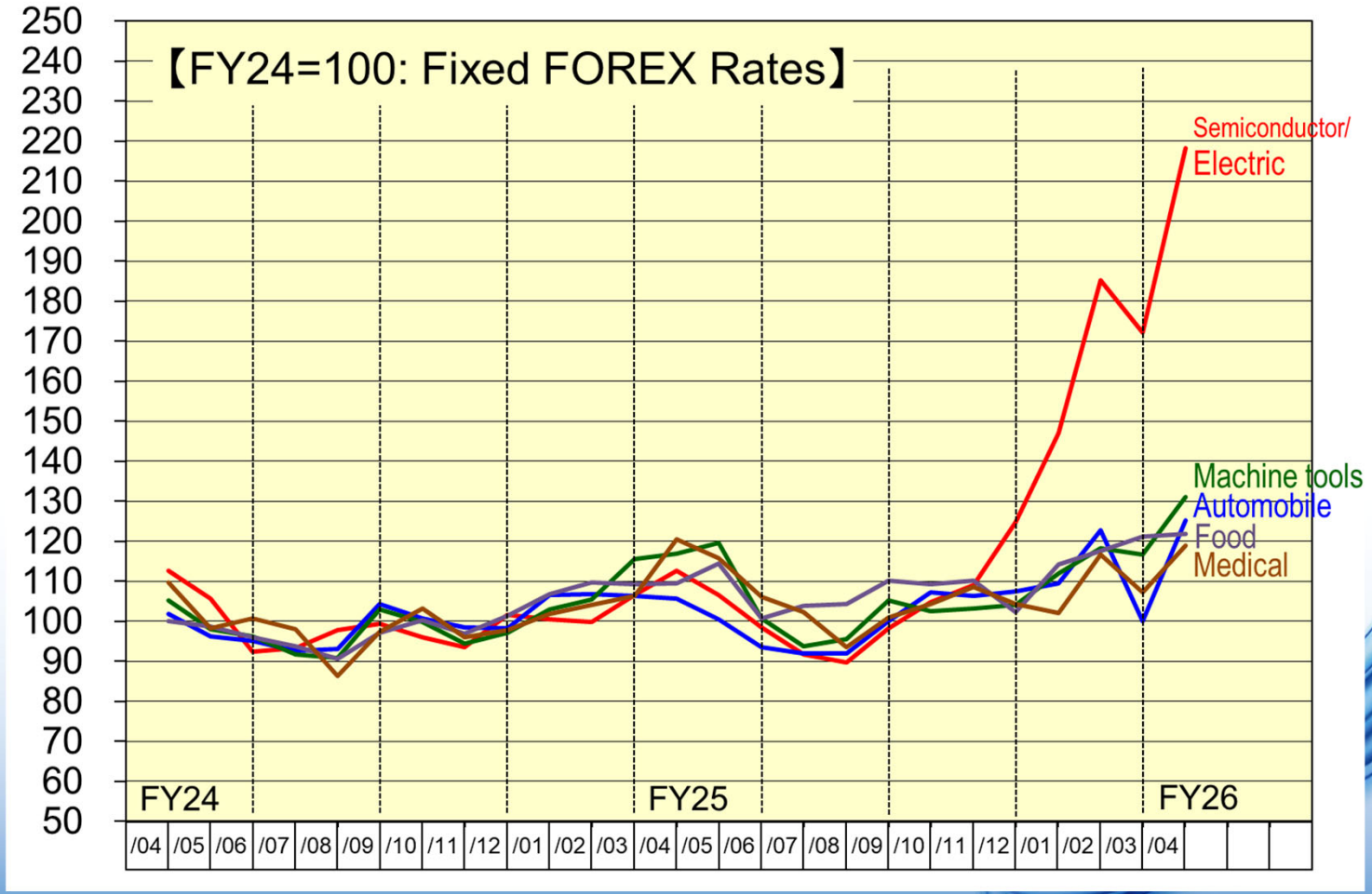
< Processing costs, Material costs, Others >
Processing costs increased

< SG&A expenses >
Personnel, welfare -16.2, Depreciation -6.0, R&D -2.1,
Selling expenses -1.6

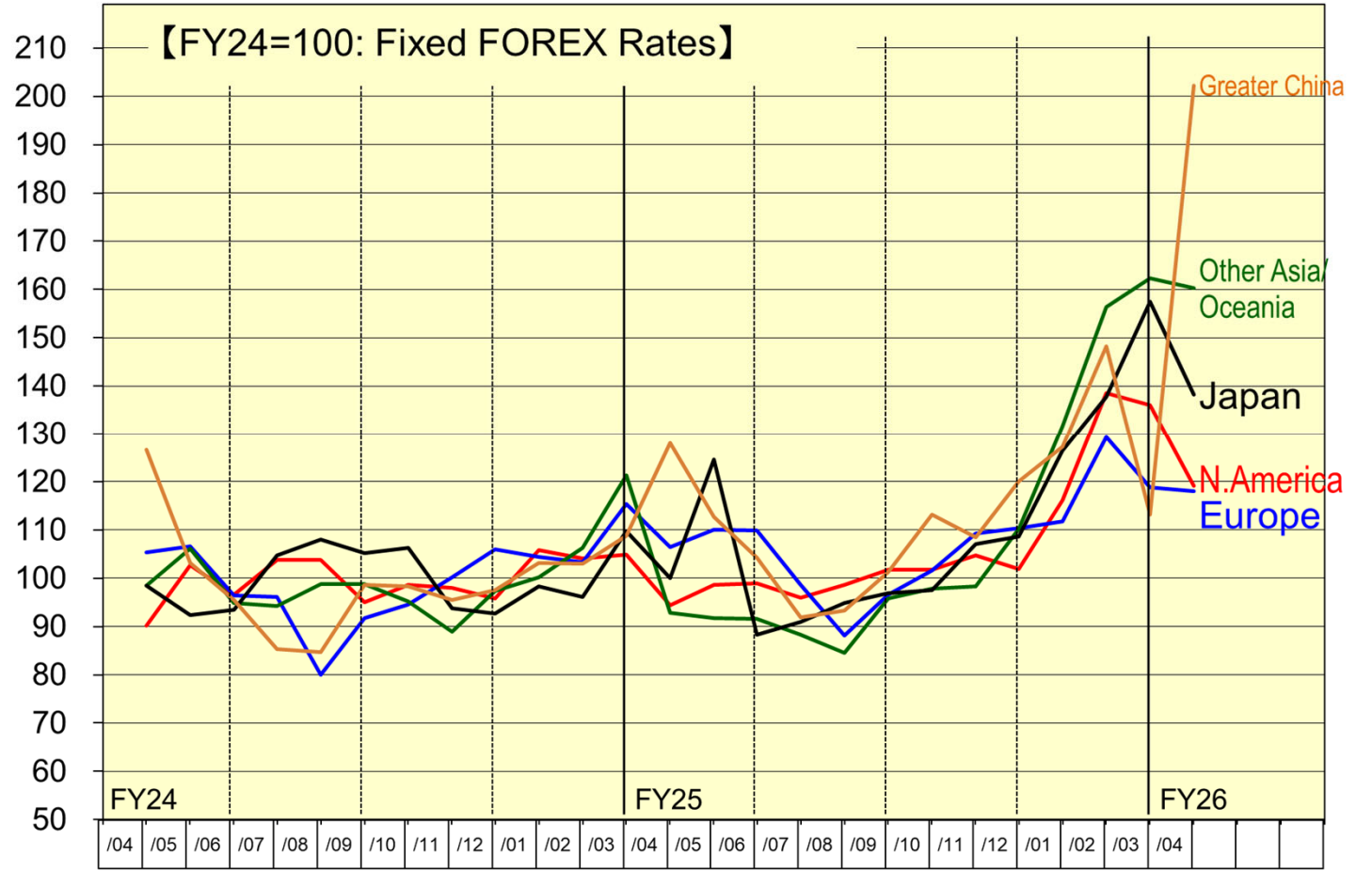
Current Order Situation (FY24=100)

		FY25	'25/3Q	'25/4Q	'26/04	26/04 Situation
Consolidated	Semiconductor/Electric	120	113	168	218	[Increase] Japan, Greater China [Pause] North America
	Automobile	103	107	110	125	[Increase] Greater China [Slowdown] Japan, North America
	Machine tools	107	103	116	131	[Increase] Greater China [Slowdown] Japan, Europe
	Food	110	107	118	122	[Increase] Greater China [Slowdown] Europe
	Medical	107	106	108	119	[Increase] Europe, Greater China
	Other	105	101	120	116	
Japan		111	104	141	138	[Stable at High Level] Semiconductor [Slowdown] Other than Semiconductor
North America		107	103	130	119	[Pause] Semiconductor [Slowdown] Automobile
Europe		107	107	120	118	[Stable at High Level] Semiconductor [Slowdown] Machine Tools
Greater China		113	114	129	202	[Increase] All Industries mainly Semiconductor
Other Asia/Oceania		108	102	150	160	[Pause] Semiconductor [Flat] Other
Consolidated		110	107	133	155	

Consolidated Orders Trend By Industry



Consolidated Orders Trend By Region



This document contains projections concerning future performance estimates of SMC. These statements are information available at the time of the compiling of this report and may include potential risks and unforeseen factors. Accordingly, please be aware that actual results may change considerably according to multiple factors that influence the industrial market.

Thank you for your time and attention

