

Summary of Consolidated Business Results for the Year Ended March 31, 2012 [Japanese GAAP]

May 11, 2012

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Date of the ordinary general meeting of shareholders : June 28, 2012
 Date of the start of dividend payment : June 29, 2012
 Date of the submission of Annual Securities Report : June 28, 2012
 Annual results supplementary documents : Yes
 Annual results briefing : Yes (For analysts and institutional investors)

(All amounts presented in million yen are rounded down to the nearest million yen.)

1. Consolidated Business Results for the Year Ended March 31, 2012

(1) Consolidated financial results (% represents year-over-year increase (decrease).)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 2011 - March 2012	185,237	(3.0)	4,726	(57.7)	5,931	(52.6)	2,525	(51.0)
April 2010 - March 2011	190,971	11.8	11,181	48.3	12,507	44.7	5,154	55.9

(Note) Comprehensive income April 2011 - March 2012 : 736 millions of yen -%, April 2010 - March 2011: (3,338) millions of yen -%

	Net income per share (basic)	Net income per share (diluted)	Return on equity	Return on assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
April 2011 - March 2012	10.48	-	2.1	2.9	2.6
April 2010 - March 2011	21.39	-	4.2	6.1	5.9

(Reference) Equity in earnings of affiliates April 2011 - March 2012: 9 millions of yen, April 2010 - March 2011: 64 millions of yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2012	201,315	119,023	58.6	489.78
As of March 31, 2011	205,090	122,025	59.0	501.95

(Reference) Equity (net assets less minority interests) March 31, 2012 : 117,997 millions of yen March 31, 2011 : 120,933 millions of yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
April 2011 - March 2012	6,730	(13,340)	(3,942)	26,834
April 2010 - March 2011	16,292	(10,691)	2,151	37,834

2. Dividends

	Dividend per share					Total dividend paid	Dividend payout ratio (consolidated)	Dividend per net assets (consolidated)
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
April 2010 - March 2011	-	7.50	-	7.50	15.00	3,614	70.1	2.9
April 2011 - March 2012	-	7.50	-	5.00	12.50	3,011	119.3	2.5
April 2012 - March 2013 (Forecast)	-	7.50	-	7.50	15.00		45.2	

3. Consolidated Financial Forecasts for the Year Ending March 31, 2013

(% represents year-over-year increase (decrease).)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
April 2012 - September 2012	96,000	0.7	5,000	17.2	5,300	2.1	3,300	(8.7)	13.70
April 2012 - March 2013	200,000	8.0	12,000	153.9	12,500	110.7	8,000	216.8	33.21

[Notes]

(1) Changes in significant subsidiaries (changes in "Specified Subsidiaries" accompanying changes in scope of consolidation) during this period : None

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatements

- a) Changes in accounting policies by revision of accounting standards : None
- b) Changes in accounting policies other than a) : None
- c) Changes in accounting estimates : None
- d) Retrospective restatements : None

(3) Number of outstanding stocks

(shares)

a) Number of outstanding stocks (including treasury stocks)	As of March 31, 2012	262,952,394	As of March 31, 2011	262,952,394
b) Number of treasury stocks	As of March 31, 2012	22,034,107	As of March 31, 2011	22,024,150
c) Average number of outstanding stocks during the period	April 2011 - March 2012	240,923,148	April 2010 - March 2011	240,941,845

(Reference) Non-consolidated Business Results for the Year Ended March 31, 2012

(1) Non-consolidated financial results

(% represents year-over-year increase (decrease).)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 2011 - March 2012	96,628	(7.8)	(1,381)	-	4,576	(43.5)	1,387	(54.9)
April 2010 - March 2011	104,828	6.0	3,419	14.4	8,096	14.0	3,079	35.4

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
April 2011 - March 2012	5.76	-
April 2010 - March 2011	12.78	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2012	180,664	109,966	60.9	456.45
As of March 31, 2011	179,939	111,312	61.9	462.01

(Reference) Equity March 31, 2012: 109,966 millions of yen, March 31, 2011: 111,312 millions of yen

(Information on implementation status of audit)

This "Summary of Consolidated Business Results" is not subject to audit procedures based on "Financial Instruments and Exchange Act". The audit procedures for the financial statements have not been completed when this summary is disclosed.

(Information on appropriate use of forecasts)

The forecasts stated in this summary are based on information which are currently available to Sumitomo Bakelite Co., Ltd. and certain assumptions regarded to be reasonable. Since they do not guarantee future performance, there are possibilities that actual results may differ caused by various factors.

(Information on this "Summary of Consolidated Business Results")

This "Summary of Consolidated Business Results" is extracted and translated, solely for readers' convenience, from a Japanese version which is prepared in accordance with accounting policies and practices generally accepted in Japan ("Japanese GAAP"). Japanese GAAP are different from International Financial Reporting Standards and standards in other countries in certain respects.

Consolidated Financial Statements

(1) Consolidated balance sheets

(Millions of yen)

	March 31, 2011	March 31, 2012
Assets		
Current assets		
Cash and deposits	38,774	26,957
Notes and accounts receivable-trade	40,560	42,309
Merchandise and finished goods	8,709	9,842
Semi-finished goods	2,573	2,690
Work in process	582	687
Raw materials and supplies	9,128	9,932
Deferred tax assets	3,712	4,314
Others	2,630	3,481
Allowance for doubtful accounts	(179)	(63)
Total current assets	106,492	100,152
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	30,245	29,047
Machinery, equipment and vehicles, net	24,172	23,772
Land	10,686	10,467
Construction in progress	6,264	9,530
Others, net	1,822	1,926
Total property, plant and equipment	73,191	74,745
Intangible assets		
Goodwill	5,255	4,787
Others	1,131	1,556
Total intangible assets	6,387	6,343
Investments and other assets		
Investment securities	12,576	14,683
Long-term loans receivable	5,320	4,884
Deferred tax assets	1,559	1,312
Others	3,365	2,876
Allowance for doubtful accounts	(3,803)	(3,683)
Total investments and other assets	19,019	20,073
Total non-current assets	98,597	101,162
Total assets	205,090	201,315

(Millions of yen)

	March 31, 2011	March 31, 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	28,681	27,353
Short-term loans payable	5,157	4,833
Commercial papers	11,000	12,000
Income taxes payable	1,199	971
Provision for bonuses	2,670	2,475
Provision for cost of business restructuring	-	2,198
Provision for loss on disaster	1,034	-
Others	10,832	11,637
Total current liabilities	60,574	61,470
Non-current liabilities		
Long-term loans payable	11,501	10,600
Deferred tax liabilities	1,222	1,121
Provision for retirement benefits	6,702	6,996
Provision for directors' retirement benefits	17	11
Provision for environmental measures	180	177
Provision for loss on business liquidation	172	164
Provision for cost of business restructuring	363	-
Negative goodwill	790	208
Others	1,539	1,539
Total non-current liabilities	22,490	20,820
Total liabilities	83,064	82,291
Net assets		
Shareholders' equity		
Capital stock	37,143	37,143
Capital surplus	35,358	35,358
Retained earnings	79,140	78,051
Treasury stock	(11,925)	(11,930)
Total shareholders' equity	139,716	138,622
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,287	2,171
Foreign currency translation adjustment	(18,570)	(20,850)
Postretirement liability adjustment for foreign consolidated subsidiaries	(1,499)	(1,945)
Total accumulated other comprehensive income	(18,782)	(20,624)
Minority interests	1,092	1,025
Total net assets	122,025	119,023
Total liabilities and net assets	205,090	201,315

(2) Consolidated statements of income and consolidated statements of comprehensive income
(Consolidated statements of income)

(Millions of yen)

	The year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	The year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)
Net sales	190,971	185,237
Cost of sales	136,090	135,140
Gross profit	54,881	50,096
Selling, general and administrative expenses	43,699	45,370
Operating income	11,181	4,726
Non-operating income		
Interest income	108	144
Dividends income	614	508
Amortization of negative goodwill	820	581
Equity in earnings of affiliates	64	9
Foreign exchange gains	228	398
Others	325	251
Total non-operating income	2,161	1,894
Non-operating expenses		
Interest expenses	340	328
Others	496	361
Total non-operating expenses	836	689
Ordinary income	12,507	5,931
Extraordinary income		
Gain on sales of non-current assets	246	821
Gain on sales of investment securities	-	372
Insurance income	-	342
Reversal of provision for retirement benefits	-	302
Reversal of provision for loss on disaster	-	208
Others	8	-
Total extraordinary income	255	2,048
Extraordinary loss		
Loss on sales and retirement of non-current assets	713	510
Loss on valuation of investment securities	317	587
Cost of business restructuring	692	2,217
Impairment loss	514	122
Settlement	592	681
Loss on disaster	1,344	-
Loss on provision for environmental measures	73	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	79	-
Others	111	171
Total extraordinary loss	4,440	4,290
Income before income taxes and minority interests	8,321	3,689
Income taxes-current	1,952	1,657
Income taxes-deferred	1,051	(632)
Total income taxes	3,003	1,025
Income before minority interests	5,317	2,663
Minority interests in income	163	138
Net income	5,154	2,525

(Consolidated statements of comprehensive income)

(Millions of yen)

	The year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	The year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)
Income before minority interests	5,317	2,663
Other comprehensive income		
Valuation difference on available-for-sale securities	(819)	884
Foreign currency translation adjustment	(7,530)	(2,357)
Postretirement liability adjustment for foreign consolidated subsidiaries	(297)	(446)
Share of other comprehensive income of associates accounted for using equity method	(9)	(7)
Total other comprehensive income	(8,656)	(1,926)
Comprehensive income	(3,338)	736
(Comprehensive income attributable to)		
Owners of the parent	(3,449)	683
Minority interests	110	53

(3) Consolidated statements of changes in net assets

(Millions of yen)

	The year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	The year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)
Shareholders' equity		
Capital stock		
Balance at beginning of current period	37,143	37,143
Changes of items during the period		
Total changes of items during the period	-	-
Balance at end of current period	37,143	37,143
Capital surplus		
Balance at beginning of current period	35,358	35,358
Changes of items during the period		
Total changes of items during the period	-	-
Balance at end of current period	35,358	35,358
Retained earnings		
Balance at beginning of current period	75,845	79,140
Transfer to postretirement liability adjustments from retained earnings	1,201	-
Changes of items during the period		
Dividends from surplus	(3,011)	(3,613)
Net income	5,154	2,525
Disposal of treasury stock	(0)	(0)
Other	(48)	-
Total changes of items during the period	2,093	(1,088)
Balance at end of current period	79,140	78,051
Treasury stock		
Balance at beginning of current period	(11,915)	(11,925)
Changes of items during the period		
Purchase of treasury stock	(11)	(5)
Disposal of treasury stock	1	1
Total changes of items during the period	(10)	(4)
Balance at end of current period	(11,925)	(11,930)
Total shareholders' equity		
Balance at beginning of current period	136,431	139,716
Transfer to postretirement liability adjustments from retained earnings	1,201	-
Changes of items during the period		
Dividends from surplus	(3,011)	(3,613)
Net income	5,154	2,525
Purchase of treasury stock	(11)	(5)
Disposal of treasury stock	1	0
Other	(48)	-
Total changes of items during the period	2,083	(1,093)
Balance at end of current period	139,716	138,622

(Millions of yen)

	The year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	The year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at beginning of current period	2,106	1,287
Changes of items during the period		
Net changes of items other than shareholders' equity	(819)	884
Total changes of items during the period	(819)	884
Balance at end of current period	1,287	2,171
Foreign currency translation adjustment		
Balance at beginning of current period	(11,084)	(18,570)
Changes of items during the period		
Net changes of items other than shareholders' equity	(7,486)	(2,279)
Total changes of items during the period	(7,486)	(2,279)
Balance at end of current period	(18,570)	(20,850)
Postretirement liability adjustments for foreign consolidated subsidiaries		
Balance at beginning of current period	-	(1,499)
Transfer to postretirement liability adjustments from retained earnings	(1,201)	-
Changes of items during the period		
Net changes of items other than shareholders' equity	(297)	(446)
Total changes of items during the period	(297)	(446)
Balance at end of current period	(1,499)	(1,945)
Total accumulated other comprehensive income		
Balance at beginning of current period	(8,977)	(18,782)
Transfer to postretirement liability adjustments from retained earnings	(1,201)	-
Changes of items during the period		
Net changes of items other than shareholders' equity	(8,603)	(1,842)
Total changes of items during the period	(8,603)	(1,842)
Balance at end of current period	(18,782)	(20,624)
Minority interests		
Balance at beginning of current period	1,120	1,092
Changes of items during the period		
Net changes of items other than shareholders' equity	(27)	(66)
Total changes of items during the period	(27)	(66)
Balance at end of current period	1,092	1,025
Total net assets		
Balance at beginning of current period	128,573	122,025
Transfer to postretirement liability adjustments from retained earnings	-	-
Changes of items during the period		
Dividends from surplus	(3,011)	(3,613)
Net income	5,154	2,525
Purchase of treasury stock	(11)	(5)
Disposal of treasury stock	1	0
Other	(48)	-
Net changes of items other than shareholders' equity	(8,631)	(1,908)
Total changes of items during the period	(6,547)	(3,001)
Balance at end of current period	122,025	119,023

(4) Consolidated statements of cash flows

(Millions of yen)

	The year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	The year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)
Cash flows from operating activities		
Income before income taxes and minority interests	8,321	3,689
Depreciation and amortization	11,014	10,465
Impairment loss	514	122
Increase (decrease) in provision for retirement benefits	(1,322)	(83)
Loss (gain) on sales and retirement of non-current assets	467	(311)
Interest and dividends income	(723)	(653)
Interest expenses	340	328
Loss (gain) on valuation of investment securities	317	587
Cost of business restructuring	295	2,160
Loss on disaster	1,093	(685)
Decrease (increase) in notes and accounts receivable-trade	(207)	(2,471)
Decrease (increase) in inventories	(3,409)	(2,834)
Decrease (increase) in other current assets	414	(377)
Increase (decrease) in notes and accounts payable-trade	1,287	(1,051)
Increase (decrease) in other current liabilities	359	46
Others, net	(1,050)	(740)
Subtotal	17,715	8,192
Interest and dividends income received	722	653
Interest expenses paid	(411)	(331)
Income taxes paid	(1,733)	(1,783)
Net cash provided by (used in) operating activities	16,292	6,730
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,889)	(12,652)
Proceeds from sales of property, plant and equipment	318	746
Purchase of investment securities	(13)	(1,580)
Others, net	(1,108)	146
Net cash provided by (used in) investing activities	(10,691)	(13,340)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(174)	(273)
Increase (decrease) in commercial papers	8,000	1,000
Repayment of long-term loans payable	(2,501)	(900)
Cash dividends paid	(3,011)	(3,613)
Cash dividends paid to minority shareholders	(138)	(120)
Others, net	(21)	(34)
Net cash provided by (used in) financing activities	2,151	(3,942)
Effect of exchange rate changes on cash and cash equivalents	(2,323)	(448)
Net increase (decrease) in cash and cash equivalents	5,429	(11,000)
Cash and cash equivalents at beginning of period	32,405	37,834
Cash and cash equivalents at end of period	37,834	26,834

Segment Information

1. General information about reportable segments

Reportable segments of the Company include items in the constituent units of our business, for which separate financial information is available, and those items to be reviewed regularly by the Board of Directors to determine the distribution of management resources and evaluate business results.

Taking into consideration the major applications of our products in the market and the similarities of our businesses, the Company's segments consist of the four segments; "Semiconductor materials," "Circuit products," "High performance plastics" and "Quality of life products."

The major products and services categorized in each reportable segment

Reportable segments	Major products and services
Semiconductor materials	Epoxy resin molding compounds for encapsulation of semiconductor devices, Positive-type photosensitive coating resins for semiconductor wafers, Pastes for die bonding, Carrier and cover tapes for surface-mounting semiconductors and electronic components, Adhesive tapes for assembling semiconductors, Semiconductor substrate materials
Circuit products	Flexible printed circuits, Phenolic resin copper-clad laminates, Epoxy resin copper-clad laminates
High performance plastics	Phenolic molding compounds, Phenolic resins for industrial use, Precision molded products, Synthetic resin adhesive
Quality of life products	Medical devices, Melamine resin decorative laminates, Fireproof melamine decorative laminates, Polyvinyl chloride sheets, Multilayered films and sheets, Freshness preserving films, Polycarbonate resin sheets, Design and construction of sheet waterproof system, Biotechnology related products

2. Basis of measurement about reported segment sales, segment income (loss), segment assets and other material items

Segment income (loss) is operating income (loss) of consolidated statements of income. Inter-segment sales are calculated based on market prices.

The year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reportable segments					Others	Total	Adjustment	Consolidated
	Semiconductor materials	Circuit products	High performance plastics	Quality of life products	Subtotal				
Sales									
Outside customers	53,199	18,801	59,745	58,517	190,264	707	190,971	-	190,971
Inter-segment	-	-	360	206	566	-	566	(566)	-
Total sales	53,199	18,801	60,105	58,723	190,830	707	191,537	(566)	190,971
Segment income (loss)	6,815	(1,662)	6,451	3,121	14,726	9	14,735	(3,553)	11,181
Segment assets	52,865	19,845	62,652	56,299	191,663	874	192,538	12,552	205,090
Other items									
Depreciation and amortization	2,812	1,125	3,156	2,945	10,040	148	10,188	304	10,493
Amortization of goodwill	-	-	385	-	385	-	385	-	385
Increase in property, plant and equipment and intangible assets	3,342	1,261	3,541	2,284	10,428	24	10,453	203	10,656

The year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reportable segments					Others	Total	Adjustment	Consolidated
	Semiconductor materials	Circuit products	High performance plastics	Quality of life products	Subtotal				
Sales									
Outside customers	50,024	15,592	60,014	58,871	184,502	735	185,237	-	185,237
Inter-segment	-	-	322	73	396	-	396	(396)	-
Total sales	50,024	15,592	60,336	58,944	184,898	735	185,633	(396)	185,237
Segment income (loss)	2,259	(874)	4,930	2,275	8,590	32	8,623	(3,896)	4,726
Segment assets	53,933	17,944	63,971	52,453	188,302	919	189,222	12,093	201,315
Other items									
Depreciation and amortization	3,189	922	3,007	2,711	9,831	130	9,961	257	10,219
Amortization of goodwill	-	-	377	-	377	-	377	-	377
Increase in property, plant and equipment and intangible assets	6,142	158	5,856	2,077	14,235	120	14,356	209	14,565

(Related information)

Information about geographical areas

(Sales)

The year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(Millions of yen)

Japan	Asia		North America	Europe and others	Total
	China	Others			
92,303	26,576	45,230	12,854	14,006	190,971

The year ended March 31, 2012 (From April 1, 2011 to March 31, 2012)

(Millions of yen)

Japan	Asia		North America	Europe and others	Total
	China	Others			
92,462	23,682	40,847	12,956	15,289	185,237