

## Summary of Consolidated Business Results for the Nine Months Ended December 31, 2013 [Japanese GAAP]

February 6, 2014

**Company name** : Sumitomo Bakelite Co., Ltd.      Stock exchanges : Tokyo  
**Securities code** : 4203      URL : <http://www.sumibe.co.jp/english>  
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**Date of the submission of Quarterly Securities Report** : February 7, 2014  
**Date of the start of dividend payment** : -  
**Quarterly results supplementary documents** : Yes  
**Quarterly 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 Nine Months Ended December 31, 2013

(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 2013 - December 2013	141,477	3.9	6,119	0.0	6,906	0.8	4,515	40.3
April 2012 - December 2012	136,227	( 3.6)	6,118	14.5	6,848	7.3	3,218	( 16.0)

(Note) Comprehensive income April 2013 - December 2013 : 18,083 millions of yen 318.7%, April 2012 - December 2012: 4,318 millions of yen -%

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
April 2013 - December 2013	18.74	-
April 2012 - December 2012	13.36	-

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2013	236,311	146,977	61.6
As of March 31, 2013	213,826	131,311	60.8

(Reference) Equity (net assets less minority interests) December 31, 2013: 145,492 millions of yen, March 31, 2013: 130,044 millions of yen

### 2. Dividends

	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
	Yen	Yen	Yen	Yen	Yen
April 2012 - March 2013	-	5.00	-	5.00	10.00
April 2013 - March 2014	-	5.00	-		
April 2013 - March 2014 (Forecasts)				5.00	10.00

(Note) Revisions of the latest dividend forecasts: None

### 3. Consolidated Financial Forecasts for the Year Ending March 31, 2014

(% 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 2013 - March 2014	200,000	9.1	10,000	25.7	10,600	24.0	6,400	85.9	26.57

(Note) Revisions of the latest financial forecasts: None

[Notes]

- (1) Changes in significant subsidiaries (changes in "Specified Subsidiaries" accompanying changes in scope of consolidation) during this period : None
- (2) Adoption of special accounting methods for quarterly financial statements : None
- (3) 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

(4) Number of outstanding stocks

(shares)

- a) Number of outstanding stocks (including treasury stocks)
- b) Number of treasury stocks
- c) Average number of outstanding stocks during the period (excluding treasury stocks)

As of December 31, 2013	262,952,394	As of March 31, 2013	262,952,394
As of December 31, 2013	22,059,728	As of March 31, 2013	22,042,713
April 2013 - December 2013	240,902,587	April 2012 - December 2012	240,915,209

(Information on implementation status of quarterly review)

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

(Information on appropriate use of forecasts)

The forecasts in this summary are based on information which is available to Sumitomo Bakelite Co., Ltd. at the time of preparation and definite assumptions deemed to be reasonable. The Company's intention is not to assure realization of the forecasts. Moreover, actual results may differ due to 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.

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

	March 31, 2013	December 31, 2013
<b>Assets</b>		
Current assets		
Cash and deposits	32,056	35,651
Notes and accounts receivable-trade	40,673	44,465
Merchandise and finished goods	10,950	11,856
Semi-finished goods	3,107	3,373
Work in process	559	735
Raw materials and supplies	10,459	10,725
Others	7,140	7,414
Allowance for doubtful accounts	( 70)	( 58)
<b>Total current assets</b>	<b>104,877</b>	<b>114,163</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,774	30,243
Machinery, equipment and vehicles, net	27,254	28,941
Others, net	23,257	27,322
<b>Total property, plant and equipment</b>	<b>80,286</b>	<b>86,507</b>
Intangible assets		
Goodwill	4,557	4,519
Others	1,523	1,523
<b>Total intangible assets</b>	<b>6,080</b>	<b>6,042</b>
Investments and other assets	22,582	29,598
<b>Total non-current assets</b>	<b>108,949</b>	<b>122,148</b>
<b>Total assets</b>	<b>213,826</b>	<b>236,311</b>

(Millions of yen)

	March 31, 2013	December 31, 2013
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	28,649	30,629
Short-term loans payable	9,853	10,268
Commercial paper	12,000	19,000
Income taxes payable	813	737
Provision for bonuses	2,558	1,264
Provision for cost of business restructuring	207	16
Others	12,953	10,849
Total current liabilities	67,035	72,766
Non-current liabilities		
Long-term loans payable	7,700	7,250
Provision for retirement benefits	5,399	4,774
Other provisions	177	124
Negative goodwill	52	13
Others	2,149	4,406
Total non-current liabilities	15,479	16,568
Total liabilities	82,515	89,334
<b>Net assets</b>		
Shareholders' equity		
Capital stock	37,143	37,143
Capital surplus	35,358	35,358
Retained earnings	79,085	81,191
Treasury stock	( 11,932)	( 11,938)
Total shareholders' equity	139,654	141,754
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,226	8,219
Foreign currency translation adjustments	( 12,672)	( 3,167)
Postretirement liability adjustments for foreign consolidated subsidiaries	( 1,163)	( 1,313)
Total accumulated other comprehensive income	( 9,609)	3,738
Minority interests	1,266	1,484
Total net assets	131,311	146,977
Total liabilities and net assets	213,826	236,311

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income  
(Quarterly consolidated statements of income)

(Millions of yen)

	Nine months ended December 31, 2012 (From April 1, 2012 to December 31, 2012)	Nine months ended December 31, 2013 (From April 1, 2013 to December 31, 2013)
Net sales	136,227	141,477
Cost of sales	97,371	102,721
Gross profit	38,855	38,755
Selling, general and administrative expenses	32,737	32,636
Operating income	6,118	6,119
Non-operating income		
Interest income	82	100
Dividends income	343	367
Amortization of negative goodwill	143	39
Equity in earnings of affiliates	13	68
Foreign exchange gains	368	465
Others	264	196
Total non-operating income	1,216	1,237
Non-operating expenses		
Interest expenses	238	209
Others	247	241
Total non-operating expenses	486	450
Ordinary income	6,848	6,906
Extraordinary income		
Gain on sales of non-current assets	593	4
Gain on sales of investment securities	-	4
Insurance income	58	40
Reversal of provision for retirement benefits	113	-
Others	-	1
Total extraordinary income	766	51
Extraordinary loss		
Loss on sales and retirement of non-current assets	678	298
Loss on valuation of investment securities	163	1
Cost of business restructuring	74	8
Impairment loss	593	30
Environmental expenses	413	-
Others	89	58
Total extraordinary loss	2,012	398
Income before income taxes and minority interests	5,602	6,558
Income taxes-current	1,531	1,300
Income taxes-deferred	691	676
Total income taxes	2,223	1,976
Income before minority interests	3,379	4,581
Minority interests in income	161	66
Net income	3,218	4,515

(Quarterly consolidated statements of comprehensive income)

(Millions of yen)

	Nine months ended December 31, 2012 (From April 1, 2012 to December 31, 2012)	Nine months ended December 31, 2013 (From April 1, 2013 to December 31, 2013)
Income before minority interests	3,379	4,581
Other comprehensive income		
Valuation difference on available-for-sale securities	524	3,992
Foreign currency translation adjustments	79	9,673
Postretirement liability adjustments for foreign consolidated subsidiaries	344	( 150)
Share of other comprehensive income of associates accounted for using equity method	( 8)	( 14)
Total other comprehensive income	939	13,501
Comprehensive income	4,318	18,083
(Comprehensive income attributable to)		
Owners of the parent	4,122	17,863
Minority interests	196	220

## Segment Information

I Nine months ended December 31, 2012 (From April 1, 2012 to December 31, 2012)

(Millions of yen)

	Reportable segments				Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products	Subtotal				
Sales								
Outside customers	34,344	51,825	47,472	133,642	2,584	136,227	-	136,227
Inter-segment	-	133	28	162	-	162	( 162)	-
Total sales	34,344	51,959	47,501	133,805	2,584	136,389	( 162)	136,227
Segment income	3,145	2,723	3,198	9,067	44	9,111	( 2,993)	6,118

II Nine months ended December 31, 2013 (From April 1, 2013 to December 31, 2013)

(Millions of yen)

	Reportable segments				Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products	Subtotal				
Sales								
Outside customers	34,945	58,131	47,876	140,952	524	141,477	-	141,477
Inter-segment	-	300	0	300	-	300	( 300)	-
Total sales	34,945	58,431	47,876	141,253	524	141,777	( 300)	141,477
Segment income (loss)	3,853	2,725	2,397	8,976	( 27)	8,949	( 2,830)	6,119

Major products and services categorized in each reportable segment are as follows:

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, Semiconductor substrate materials
High-performance plastics	Phenolic molding compounds, Phenolic resins for industrial use, Molded parts and molding dies, Synthetic resin adhesive, Phenolic resin copper-clad laminates, Epoxy resin copper-clad laminates
Quality of life products	Medical devices, Melamine resin decorative and fireproof laminates, Polyvinyl chloride sheets and multilayered films, Freshness preserving films, Polycarbonate resin plates, Polyvinyl chloride plates, Design and construction of sheet waterproof system, Biotechnology related products