

[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) : Yes
 - 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, 2016	247,952,394	As of March 31, 2016	262,952,394
As of December 31, 2016	12,610,879	As of March 31, 2016	27,600,108
April 2016 - December 2016	235,347,636	April 2015 - December 2015	240,275,889

(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, 2016	December 31, 2016
Assets		
Current assets		
Cash and deposits	44,876	47,903
Notes and accounts receivable-trade	41,783	45,956
Merchandise and finished goods	12,529	11,858
Semi-finished goods	3,754	3,524
Work in process	1,367	1,512
Raw materials and supplies	11,438	11,455
Others	7,819	7,115
Allowance for doubtful accounts	(55)	(58)
Total current assets	123,514	129,269
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	31,967	32,109
Machinery, equipment and vehicles, net	39,072	37,440
Others, net	16,285	17,279
Total property, plant and equipment	87,325	86,830
Intangible assets		
Goodwill	24,318	23,838
Others	2,128	1,791
Total intangible assets	26,446	25,629
Investments and other assets	22,836	24,538
Total non-current assets	136,607	136,998
Total assets	260,122	266,267

(Millions of yen)

	March 31, 2016	December 31, 2016
Liabilities		
Current liabilities		
Notes and accounts payable-trade	26,115	27,579
Short-term loans payable	4,879	5,379
Commercial paper	9,000	4,000
Income taxes payable	2,870	2,481
Provision for bonuses	2,730	1,547
Provision for cost of business restructuring	1,088	228
Others	9,384	12,544
Total current liabilities	56,068	53,761
Non-current liabilities		
Long-term loans payable	37,018	36,782
Net defined benefit liability	4,333	4,269
Other provisions	82	192
Others	3,710	4,679
Total non-current liabilities	45,145	45,924
Total liabilities	101,213	99,685
Net assets		
Shareholders' equity		
Capital stock	37,143	37,143
Capital surplus	35,358	35,358
Retained earnings	88,548	85,132
Treasury stock	(14,748)	(6,738)
Total shareholders' equity	146,300	150,895
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,206	7,231
Foreign currency translation adjustments	6,551	7,459
Remeasurements of defined benefit plans	(739)	(754)
Total accumulated other comprehensive income	11,018	13,936
Non-controlling interests	1,589	1,751
Total net assets	158,908	166,582
Total liabilities and net assets	260,122	266,267

(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, 2015 (From April 1, 2015 to December 31, 2015)	Nine months ended December 31, 2016 (From April 1, 2016 to December 31, 2016)
Net sales	156,947	147,773
Cost of sales	111,115	100,929
Gross profit	45,831	46,843
Selling, general and administrative expenses	37,357	35,280
Operating income	8,473	11,562
Non-operating income		
Interest income	196	150
Dividends income	388	389
Equity in earnings of affiliates	172	116
Foreign exchange gains	227	27
Others	144	247
Total non-operating income	1,129	931
Non-operating expenses		
Interest expenses	231	186
Taxes and dues	228	-
Others	255	275
Total non-operating expenses	715	462
Ordinary income	8,887	12,032
Extraordinary income		
Gain on sales of non-current assets	11	4
Gain on sales of investment securities	1,232	252
Insurance income	401	-
Total extraordinary income	1,644	256
Extraordinary loss		
Loss on sales and retirement of non-current assets	167	227
Loss on sales of shares of subsidiaries	-	14
Loss on valuation of investment securities	-	10
Cost of business restructuring	2,255	1,590
Provision for environmental measures	-	110
Loss on disaster	230	-
Impairment loss	1,302	-
Others	7	1
Total extraordinary loss	3,963	1,955
Profit before income taxes and non-controlling interests	6,569	10,333
Income taxes-current	2,704	2,435
Income taxes-deferred	458	745
Total income taxes	3,163	3,181
Profit	3,405	7,152
Profit attributable to non-controlling interests	120	199
Profit attributable to owners of parent	3,285	6,953

(Quarterly consolidated statements of comprehensive income)

	(Millions of yen)	
	Nine months ended December 31, 2015 (From April 1, 2015 to December 31, 2015)	Nine months ended December 31, 2016 (From April 1, 2016 to December 31, 2016)
Profit	3,405	7,152
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,306)	2,024
Foreign currency translation adjustments	(988)	1,004
Remeasurements of defined benefit plans	(2)	(14)
Share of other comprehensive income of associates accounted for using equity method	(55)	(44)
Total other comprehensive income	(2,353)	2,969
Comprehensive income	1,052	10,122
(Comprehensive income attributable to)		
Owners of parent	985	9,871
Non-controlling interests	66	251

Segment Information

I Nine months ended December 31, 2015 (From April 1, 2015 to December 31, 2015)

(Millions of yen)

	Reportable segments				Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products	Subtotal				
Sales								
Outside customers	34,782	69,324	52,312	156,419	527	156,947	-	156,947
Inter-segment	-	203	0	204	-	204	(204)	-
Total sales	34,782	69,528	52,312	156,623	527	157,151	(204)	156,947
Segment income	4,536	3,436	2,789	10,761	120	10,882	(2,408)	8,473

II Nine months ended December 31, 2016 (From April 1, 2016 to December 31, 2016)

(Millions of yen)

	Reportable segments				Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products	Subtotal				
Sales								
Outside customers	35,391	62,919	48,922	147,232	540	147,773	-	147,773
Inter-segment	-	97	0	98	-	98	(98)	-
Total sales	35,391	63,016	48,922	147,330	540	147,871	(98)	147,773
Segment income	5,772	4,676	3,114	13,563	147	13,710	(2,147)	11,562

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, Aerospace interior components
Quality of life products	Medical devices, Melamine resin decorative plates and sheets, 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