Summary of Consolidated Business Results for the Nine Months Ended December 31, 2018 [IFRS]

			February 8, 2019
Company name	: Sumitomo Bakelite Co., Ltd.	Stock exchanges	: Tokyo
Securities code	: 4203	URL	: http://www.sumibe.co.jp/english
Representative	: Kazuhiko Fujiwara, President		
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Date of the submissio	n of Quarterly Securities Report	: February 13, 2019	
Date of the start of div	vidend payment	: -	
Quarterly results supp	lementary documents	: Yes	
Quarterly results brief	ing	: Yes (For analysts and instit	utional investors)

(All amounts presented in million yen are rounded to the nearest million yen.) 1. Consolidated Business Results for the Nine Months Ended December 31, 2018 (1) Consolidated Financial Results (% represents year-over-year increase (decrease).)

	Revenue		Business profit		Operating profit		Profit before tax		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 2018 - December 2018	163,112	2.8	14,486	(6.8)	14,041	(7.2)	14,839	(6.2)	10,785	(8.7)
April 2017 - December 2017	158,659	-	15,550	-	15,133	-	15,822	-	11,816	-
	Basic earnings		Diluted earnings]					
	per sha	re	per share							
	Yen		Yen							
April 2018 - December 2018	229.16			-						
April 2017 - December 2017	251.05			-						

(Note) "Business profit" is calculated by deducting "Cost of sales" and "Selling, general and administrative expenses" from "Revenue."

As the share consolidation of each 5 shares of common shares into 1 share was exercised effective on October 1, 2018, basic earnings per share is calculated on the assumption that the share consolidation had been exercised on April 1, 2017.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
As of December 31, 2018	276,669	176,803	175,009	63.3
As of March 31, 2018	272,247	170,262	168,450	61.9

2. Dividends

		Annual dividends per share						
	1st quarter	1st quarter 2nd quarter 3rd quarter 4th quarter Total						
	Yen	Yen	Yen	Yen	Yen			
April 2017 - March 2018	-	6.00	-	6.00	12.00			
April 2018 - March 2019	-	7.50	-					
April 2018 - March 2019				37.50	_			
(Forecasts)				57.50	_			

(Note) Revisions of the latest dividend forecasts: None

As the share consolidation of each 5 shares of common shares into 1 share was exercised effective on October 1, 2018, 4th quarter-end cash dividends for the fiscal year ending March 31, 2019 (forecasts) account for the share consolidation. Assuming that the share consolidation had not been exercised, 4th quarter-end cash dividends and annual cash dividends per share for the fiscal year ending March 31, 2019 (forecasts) would be ¥7.50 and ¥15.00 respectively.

3. Consolidated Financial Forecasts for the Year Ending March 31, 2019

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

	Revenue		Business profit		Profit attributat owners of par		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
April 2018 - March 2019	220,000	3.9	20,000	3.9	14,500	(3.8)	308.10

(Note) Revisions of the latest consolidated financial forecasts: None

Annual basic earnings per share for the fiscal year ending March 31, 2019 account for the share consolidation. Assuming that the share consolidation had not been exercised, annual basic earnings per share for the fiscal year ending March 31, 2019 would be ¥61.62.

[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 and changes in accounting estimates		
a) Changes in accounting policies required by IFRS	: Yes	
b) Changes in accounting policies other than a)	: None	e
c) Changes in accounting estimates	: None	e
(3) Number of outstanding shares		

3) Number of outstanding shares				(Shares)
a) Number of outstanding shares (including treasury shares)	As of December 31, 2018	49,590,478	As of March 31, 2018	49,590,478
b) Number of treasury shares	As of December 31, 2018	2,529,842	As of March 31, 2018	2,526,719
c) Average number of outstanding shares during the period	April 2018 - December 2018	47,062,265	April 2017 - December 2017	47,066,299
(excluding treasury shares)				

(Note) As the share consolidation of each 5 shares of common shares into 1 share was exercised effective on October 1, 2018, number of outstanding shares, number of treaesury shares, and average number of outstanding shares during the period are calculated on the assumption that the share consolidation had been exercised on April 1, 2017.

(Information on implementation status of quarterly review)

This "Summary of Consolidated Business Results" is not subject to quarterly review procedures by certificated public accountants or audit firm.

(Information on appropriate use of forecasts)

The forecasts stated in this summary are based on information which is 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 due to various factors.

Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	March 31, 2018	December 31, 2018
Assets		
Current assets		
Cash and cash equivalents	56,559	56,144
Trade and other receivables	48,643	50,603
Other financial assets	579	1,189
Inventories	30,943	33,326
Other current assets	2,630	2,865
Total current assets	139,355	144,126
Non-current assets		
Property, plant and equipment	94,760	95,414
Goodwill	4,809	4,880
Other intangible assets	1,580	1,486
Investments accounted for using equity method	412	350
Other financial assets	27,272	26,356
Retirement benefit asset	1,633	1,853
Deferred tax assets	860	742
Other non-current assets	1,566	1,460
Total non-current assets	132,893	132,542
Total assets	272,247	276,669

(Millions of yen)

	March 31, 2018	December 31, 2018
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	10,408	15,084
Trade and other payables	45,494	45,758
Other financial liabilities	33	32
Income taxes payable	2,478	2,111
Other current liabilities	613	582
Total current liabilities	59,027	63,567
Non-current liabilities		
Borrowings	33,286	27,144
Other financial liabilities	246	109
Retirement benefit liability	2,906	2,970
Provisions	568	570
Deferred tax liabilities	5,686	5,273
Other non-current liabilities	267	232
Total non-current liabilities	42,958	36,299
Total liabilities	101,985	99,865
Equity		
Share capital	37,143	37,143
Capital surplus	35,358	35,359
Treasury shares	(6,758)	(6,773)
Other components of equity	7,171	6,119
Retained earnings	95,536	103,161
Total equity attributable to owners of parent	168,450	175,009
Non-controlling interests	1,812	1,794
Total equity	170,262	176,803
Total liabilities and equity	272,247	276,669

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income	
(Condensed quarterly consolidated statements of income)	

(condensed quartery consolidated statements of income)		(Millions of yen)
	Nine months ended	Nine months ended
	December 31, 2017	December 31, 2018
	(From April 1, 2017	(From April 1, 2018
	to December 31, 2017)	to December 31, 2018)
Revenue	158,659	163,112
Cost of sales	(108,413)	(114,120)
Gross profit	50,246	48,992
Selling, general and administrative expenses	(34,696)	(34,506)
Business profit	15,550	14,486
Other income	192	255
Other expenses	(610)	(700)
Operating profit	15,133	14,041
Finance income	824	1,059
Finance costs	(163)	(246)
Share of profit (loss) of investments accounted for	29	(14)
using equity method	23	(14)
Profit before tax	15,822	14,839
Income tax expenses	(3,827)	(3,913)
Profit	11,995	10,926
Profit attributable to:		
Owners of parent	11,816	10,785
Non-controlling interests	179	141
Profit	11,995	10,926
Earnings per share		
Basic earnings per share (Yen)	251.05	229.16
Diluted earnings per share (Yen)	-	-

(Condensed quarterly consolidated statements of comprehensive income)

		(Millions of yen)
	Nine months ended	Nine months ended
	December 31, 2017	December 31, 2018
	(From April 1, 2017	(From April 1, 2018
	to December 31, 2017)	to December 31, 2018)
Profit	11,995	10,926
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other	3,156	(1,672)
comprehensive income	3,130	(1,072)
Remeasurements of defined benefit plans	61	-
Share of other comprehensive income of investments	(12)	(2)
accounted for using equity method		
Total items that will not be reclassified to profit or loss	3,205	(1,674)
Items that may be reclassified to profit or loss		
Cash flow hedges	84	3
Exchange differences on translation of foreign operations	4,332	670
Share of other comprehensive income of investments	(15)	(38)
accounted for using equity method	(13)	(50)
Total items that may be reclassified to profit or loss	4,401	634
Other comprehensive income, net of tax	7,607	(1,040)
Comprehensive income	19,601	9,886
Comprehensive income attributable to:		
Owners of parent	19,379	9,750
Non-controlling interests	222	136
Comprehensive income	19,601	9,886

(3) Condensed Quarterly Consolidated Statements of Changes in Equity For the nine months ended December 31, 2017 (From April 1, 2017 to December 31, 2017)

Total equity attributable to owners of parent Other components of equity Financial assets Non-Exchange differences on measured at fair value controlling Total equity Remeasurements Capital Retained Cash flow Treasury interests Share capital Total of defined translation of through other surplus shares earnings hedges benefit plans foreign comprehensive operations income Balance at beginning of 37,143 35,358 (6,742) 82,352 9,164 -(368) (2,685) 6,110 1,815 156,037 current period 11.816 _ _ _ _ 179 11,995 Profit _ _ Other comprehensive 3,156 49 84 4,274 7,563 43 7,607 income 11,816 3,156 49 84 4,274 7,563 222 19,601 Comprehensive income (2,775) Dividends from surplus _ (2,589) (187) Purchase of treasury shares (11) (11) _ Transfer from other 119 (49) (119) (70) components of equity to _ _ . retained earnings Total transactions with (119) (11) (2,470) (70) (49) _ (187) (2,787) owners Balance at end of current 37,143 35,358 (6,753) 91,698 12,250 _ (283) 1,588 13,555 1,851 172,852 period

For the nine months ended December 31, 2018 (From April 1, 2018 to December 31, 2018)

(Millions of yen)

				Total equity a	attributable to o	wners of parent					
						Other c	omponents of e	equity			
	Share capital	Capital surplus	Treasury shares	Retained earnings	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Cash flow hedges	Exchange differences on translation of foreign operations	Total	Non- controlling To interests	Total equity
Balance at beginning of current period	37,143	35,358	(6,758)	95,536	10,734	-	(242)	(3,321)	7,171	1,812	170,262
Profit	-	-	-	10,785	-	-	-	-	-	141	10,926
Other comprehensive income	-	-	-	-	(1,672)	(2)	3	636	(1,034)	(5)	(1,040)
Comprehensive income	-	-	-	10,785	(1,672)	(2)	3	636	(1,034)	136	9,886
Dividends from surplus	-	-	-	(3,177)	-	-	-	-	-	(154)	(3,330)
Purchase of treasury shares	-	-	(17)	-	-	-	-	-	-	-	(17)
Disposal of treasury shares	-	1	1	-	-	-	-	-	-	-	2
Transfer from other components of equity to retained earnings	-	-	-	17	(19)	2	-	-	(17)	-	-
Total transactions with owners	-	1	(15)	(3,160)	(19)	2	-	-	(17)	(154)	(3,345)
Balance at end of current period	37,143	35,359	(6,773)	103,161	9,043	-	(239)	(2,685)	6,119	1,794	176,803

5

(Millions of yen)

(4) Condensed Quarterly Consolidated Statements of Cash Flows

		(Millions of yen)
	Nine months ended	Nine months ended
	December 31, 2017	December 31, 2018
	(From April 1, 2017	(From April 1, 2018
	to December 31, 2017)	to December 31, 2018)
Cash flows from operating activities		
Profit before tax	15,822	14,839
Depreciation and amortization	7,358	7,571
Interest and dividend income	(745)	(1,059)
Interest expenses	163	174
Decrease (increase) in trade and other receivables	(5,051)	(1,721)
Increase (decrease) in trade and other payables	125	(992)
Decrease (increase) in inventories	(1,391)	(2,206)
Others, net	(37)	(260)
Subtotal	16,244	16,347
Interest received	265	512
Dividends received	483	538
Interest paid	(139)	(152)
Income taxes paid	(2,676)	(3,375)
Net cash provided by (used in) operating activities	14,177	13,869
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,658)	(7,705)
Proceeds from sale of property, plant and equipment	103	173
Purchase of investment securities	(170)	(1,142)
Proceed from sale of investment securities	273	34
Others, net	(1,012)	(822)
Net cash provided by (used in) investing activities	(8,463)	(9,462)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(4)	225
Increase (decrease) in commercial papers	2,000	(2,000)
Repayment of long-term borrowings	(240)	(241)
Dividends paid	(2,589)	(3,177)
Dividends paid to non-controlling interests	(187)	(154)
Others, net	(46)	(41)
Net cash provided by (used in) financing activities	(1,065)	(5,387)
Effect of exchange rate changes on cash and cash equivalents	1,260	564
Net increase (decrease) in cash and cash equivalents	5,908	(415)
Cash and cash equivalents at beginning of period	49,498	56,559
Cash and cash equivalents at end of period	55,406	56,144

Segment Information

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 laminates 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			

For the nine months ended December 31, 2017 (From April 1, 2017 to December 31, 2017)

Tor the nine months chucu be		(-, ,	(M	illions of yen)
	Reportable segments						
	Semiconductor materials	High- performance plastics	Quality of life products	Others	Total	Adjustment	Consolidated
Revenue							
External customers	38,880	68,602	50,674	503	158,659	-	158,659
Intersegment	-	116	0	-	116	(116)	-
Total revenue	38,880	68,718	50,674	503	158,776	(116)	158,659
Segment profit (Business profit)	7,179	6,073	4,430	168	17,849	(2,298)	15,550

For the nine months ended December 31, 2018 (From April 1, 2018 to December 31, 2018)

	_					(inions or yen)
	Reportable segments						
	Semiconductor materials	High- performance plastics	Quality of life products	Others	Total	Adjustment	Consolidated
Revenue							
External customers	38,305	71,252	52,986	569	163,112	-	163,112
Intersegment	-	125	1	-	126	(126)	-
Total revenue	38,305	71,377	52,986	569	163,238	(126)	163,112
Segment profit (business profit)	6,820	5,272	4,462	165	16,719	(2,234)	14,486

(Millions of ven)

Reconciliation from "Segment profit" to "Profit before tax"

	For the nine months ended	For the nine months ended		
	December 31, 2017	December 31, 2018		
	(From April 1, 2017 to December 31,	(From April 1, 2018 to December 31,		
	2017)	2018)		
Segment profit	15,550	14,486		
Other income	192	255		
Other expenses	(610)	(700)		
Operating profit	15,133	14,041		
Finance income	824	1,059		
Finance costs	(163)	(246)		
Share of profit (loss) of investments accounted for using equity method	29	(14)		
Profit before tax	15,822	14,839		