



[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
- c) Changes in accounting estimates : None

(3) Number of outstanding shares

(Shares)

a) Number of outstanding shares (including treasury shares)	As of June 30, 2019	49,590,478	As of March 31, 2019	49,590,478
b) Number of treasury shares	As of June 30, 2019	2,530,408	As of March 31, 2019	2,530,175
c) Average number of outstanding shares during the period (excluding treasury shares)	April 2019 - June 2019	47,060,175	April 2018 - June 2018	47,063,335

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

(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, 2019	June 30, 2019
<b>Assets</b>		
Current assets		
Cash and cash equivalents	59,640	61,393
Trade and other receivables	47,858	48,471
Other financial assets	1,174	41
Inventories	34,825	35,816
Other current assets	3,274	3,074
Total current assets	146,771	148,795
Non-current assets		
Property, plant and equipment	95,488	94,350
Right-of-use assets	-	4,444
Goodwill	2,557	2,497
Other intangible assets	1,489	1,962
Investments accounted for using equity method	8,829	8,915
Other financial assets	26,059	23,353
Retirement benefit asset	1,175	1,293
Deferred tax assets	1,085	1,206
Other non-current assets	1,444	166
Total non-current assets	138,126	138,186
Total assets	284,898	286,981

(Millions of yen)

March 31, 2019

June 30, 2019

Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	18,499	22,457
Trade and other payables	45,492	43,407
Other financial liabilities	60	1,059
Income taxes payable	1,739	1,824
Provisions	1,114	1,106
Other current liabilities	351	368
Total current liabilities	67,256	70,221
Non-current liabilities		
Borrowings	26,902	26,660
Other financial liabilities	102	2,265
Retirement benefit liability	2,774	2,736
Provisions	566	558
Deferred tax liabilities	6,433	6,061
Other non-current liabilities	230	227
Total non-current liabilities	37,006	38,507
Total liabilities	104,263	108,728
Equity		
Share capital	37,143	37,143
Capital surplus	35,359	35,359
Treasury shares	( 6,775)	( 6,776)
Other components of equity	6,692	2,273
Retained earnings	106,399	108,259
Total equity attributable to owners of parent	178,818	176,259
Non-controlling interests	1,816	1,994
Total equity	180,635	178,253
Total liabilities and equity	284,898	286,981

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

(Millions of yen)

	Three months ended June 30, 2018 (From April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (From April 1, 2019 to June 30, 2019)
Revenue	54,459	52,320
Cost of sales	( 37,718)	( 36,352)
Gross profit	16,741	15,968
Selling, general and administrative expenses	( 11,453)	( 11,588)
Business profit	5,288	4,380
Other income	135	109
Other expenses	( 190)	( 92)
Operating profit	5,234	4,397
Finance income	422	521
Finance costs	( 68)	( 116)
Share of profit (loss) of investments accounted for using equity method	( 5)	77
Profit before tax	5,582	4,880
Income tax expenses	( 1,429)	( 931)
Profit	4,153	3,949
Profit attributable to:		
Owners of parent	4,082	3,935
Non-controlling interests	71	13
Profit	4,153	3,949
Earnings per share		
Basic earnings per share (Yen)	86.73	83.63
Diluted earnings per share (Yen)	-	-

(Condensed quarterly consolidated statements of comprehensive income)

	(Millions of yen)	
	Three months ended June 30, 2018 (From April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (From April 1, 2019 to June 30, 2019)
Profit	4,153	3,949
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	220	( 1,115)
Remeasurements of defined benefit plans	-	( 0)
Share of other comprehensive income of investments accounted for using equity method	( 2)	61
Total items that will not be reclassified to profit or loss	217	(1,054)
Items that may be reclassified to profit or loss		
Cash flow hedges	6	(15)
Exchange differences on translation of foreign operations	1,457	( 3,704)
Share of other comprehensive income of investments accounted for using equity method	( 29)	( 20)
Total items that may be reclassified to profit or loss	1,434	( 3,738)
Other comprehensive income, net of tax	1,652	( 4,792)
Comprehensive income	5,805	( 844)
Comprehensive income attributable to:		
Owners of parent	5,735	( 794)
Non-controlling interests	70	( 50)
Comprehensive income	5,805	( 844)

(3) Condensed Quarterly Consolidated Statements of Changes in Equity  
For the three months ended June 30, 2018 (From April 1, 2018 to June 30, 2018)

(Millions of yen)

	Total equity attributable to owners of parent								Non-controlling interests	Total equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity						
					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
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	-	-	-	4,082	-	-	-	-	-	71	4,153
Other comprehensive income	-	-	-	-	220	(2)	6	1,429	1,653	(1)	1,652
Comprehensive income	-	-	-	4,082	220	(2)	6	1,429	1,653	70	5,805
Dividends from surplus	-	-	-	(1,412)	-	-	-	-	-	(149)	(1,561)
Purchase of treasury shares	-	-	(4)	-	-	-	-	-	-	-	(4)
Change due to new consolidation of subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	17	(19)	2	-	-	(17)	-	-
Total transactions with owners	-	-	(4)	(1,395)	(19)	2	-	-	(17)	(149)	(1,565)
Balance at end of current period	37,143	35,358	(6,762)	98,223	10,934	-	(236)	(1,892)	8,806	1,733	174,502

For the three months ended June 30, 2019 (From April 1, 2019 to June 30, 2019)

(Millions of yen)

	Total equity attributable to owners of parent								Non-controlling interests	Total equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity						
					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
Balance at beginning of current period	37,143	35,359	(6,775)	106,399	9,362	-	(239)	(2,431)	6,692	1,816	180,635
Profit	-	-	-	3,935	-	-	-	-	-	13	3,949
Other comprehensive income	-	-	-	-	(1,057)	3	(15)	(3,661)	(4,729)	(63)	(4,792)
Comprehensive income	-	-	-	3,935	(1,057)	3	(15)	(3,661)	(4,729)	(50)	(844)
Dividends from surplus	-	-	-	(1,765)	-	-	-	-	-	(125)	(1,889)
Purchase of treasury shares	-	-	(1)	-	-	-	-	-	-	-	(1)
Change due to new consolidation of subsidiaries	-	-	-	-	-	-	-	-	-	352	352
Transfer from other components of equity to retained earnings	-	-	-	(310)	313	(3)	-	-	310	-	-
Total transactions with owners	-	-	(1)	(2,075)	313	(3)	-	-	310	227	(1,538)
Balance at end of current period	37,143	35,359	(6,776)	108,259	8,618	-	(254)	(6,092)	2,273	1,994	178,253

## (4) Condensed Quarterly Consolidated Statements of Cash Flows

	(Millions of yen)	
	Three months ended June 30, 2018 (From April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (From April 1, 2019 to June 30, 2019)
<b>Cash flows from operating activities</b>		
Profit before tax	5,582	4,880
Depreciation and amortization	2,492	2,757
Interest and dividend income	( 422)	( 521)
Interest expenses	50	81
Decrease (increase) in trade and other receivables	( 1,729)	( 730)
Increase (decrease) in trade and other payables	( 1,484)	( 2,223)
Decrease (increase) in inventories	( 283)	( 461)
Others, net	( 286)	15
Subtotal	3,921	3,798
Interest received	154	218
Dividends received	276	340
Interest paid	( 29)	( 60)
Income taxes paid	( 1,066)	( 613)
Net cash provided by (used in) operating activities	3,257	3,684
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	( 2,374)	( 2,929)
Proceeds from sale of property, plant and equipment	169	19
Purchase of investment securities	( 4)	( 4)
Proceed from sale of investment securities	34	96
Others, net	( 383)	460
Net cash provided by (used in) investing activities	( 2,558)	( 2,358)
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings	( 8)	102
Increase (decrease) in commercial papers	( 1,000)	4,000
Repayments of lease obligations	-	( 195)
Dividends paid	( 1,412)	( 1,765)
Dividends paid to non-controlling interests	( 149)	( 125)
Others, net	( 12)	( 1)
Net cash provided by (used in) financing activities	( 2,581)	2,017
Effect of exchange rate changes on cash and cash equivalents	807	( 1,589)
Net increase (decrease) in cash and cash equivalents	( 1,076)	1,753
Cash and cash equivalents at beginning of period	56,559	59,640
Cash and cash equivalents at end of period	55,484	61,393



## 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 three months ended June 30, 2018 (From April 1, 2018 to June 30, 2018)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	13,078	24,231	16,994	156	54,459	-	54,459
Intersegment	-	38	0	-	38	( 38)	-
Total revenue	13,078	24,268	16,994	156	54,497	( 38)	54,459
Segment profit (Business profit)	2,498	2,223	1,281	36	6,038	( 750)	5,288

For the three months ended June 30, 2019 (From April 1, 2019 to June 30, 2019)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	12,081	22,116	17,963	160	52,320	-	52,320
Intersegment	-	30	0	-	30	( 30)	-
Total revenue	12,081	22,146	17,964	160	52,350	( 30)	52,320
Segment profit (business profit)	2,018	1,520	1,591	27	5,156	( 776)	4,380

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

	For the three months ended June 30, 2018 (From April 1, 2018 to June 30, 2018)	For the three months ended June 30, 2019 (From April 1, 2019 to June 30, 2019)
Segment profit	5,288	4,380
Other income	135	109
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