

## Summary of Consolidated Business Results for the Year Ended March 31, 2021 [IFRS]

May 17, 2021

<b>Company name</b>	: Sumitomo Bakelite Co., Ltd.	Stock exchanges	: Tokyo
Securities code	: 4203	URL	: <a href="http://www.sumibe.co.jp/english">http://www.sumibe.co.jp/english</a>
Representative	: Kazuhiko Fujiwara, President		
Contact person	: Katsuhisa Shiramoto, Manager of Corporate Communications Dept., Corporate General Affairs Div. TEL +81-3-5462-4111		
Date of the ordinary general meeting of shareholders	: June 24, 2021		
Date of the start of dividend payment	: June 25, 2021		
Date of the submission of Annual Securities Report	: June 24, 2021		
Annual results supplementary documents	: Yes		
Annual results briefing	: Yes (For analysts and institutional investors)		

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

### 1. Consolidated Business Results for the Year Ended March 31, 2021

#### (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 2020 - March 2021	209,002	1.2	16,642	16.0	19,914	93.6	16,139	40.4	13,198	46.9
April 2019 - March 2020	206,620	(3.0)	14,346	(17.0)	10,285	(24.3)	11,499	(41.2)	8,986	(40.4)

  

	Basic earnings per share	Profit to equity attributable to owners of parent ratio	Profit before tax to total assets ratio	Business profit to revenue ratio
	Yen	%	%	%
April 2020 - March 2021	280.46	7.0	5.1	8.0
April 2019 - March 2020	190.96	5.0	4.0	6.9

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

#### (2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	345,763	202,141	200,205	57.9	4,254.48
As of March 31, 2020	283,322	179,154	177,138	62.5	3,764.17

#### (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 2020 - March 2021	27,405	(14,993)	21,768	103,175
April 2019 - March 2020	22,206	(10,377)	(4,041)	65,771

### 2. Dividends

	Dividend per share					Total dividend paid	Dividend payout ratio (consolidated)	Dividend on equity attributable to owners of parent (consolidated)
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
April 2019 - March 2020	-	45.00	-	30.00	75.00	3,529	39.3	2.0
April 2020 - March 2021	-	30.00	-	45.00	75.00	3,529	26.7	1.9
April 2021 - March 2022 (Forecast)	-	45.00	-	45.00	90.00		29.2	

### 3. Consolidated Financial Forecasts for the Year Ending March 31, 2022

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

	Revenue		Business profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
April 2021 - March 2022	230,000	10.0	19,000	14.2	14,500	9.9	308.13

[Notes]

(1) Changes in significant subsidiaries (changes in "Specified Subsidiaries" accompanying changes in scope of consolidation) during this period : Yes

New: 1 Company(Company name: KAWASUMI LABORATORIES, INC.) , Exempt: - (Company name: - )

(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 March 31, 2021	49,590,478	As of March 31, 2020	49,590,478
b) Number of treasury shares	As of March 31, 2021	2,532,997	As of March 31, 2020	2,531,481
c) Average number of outstanding shares during the period (excluding treasury shares)	April 2020 - March 2021	47,058,347	April 2019 - March 2020	47,059,647

(Reference) Standalone Business Results for the Year Ended March 31, 2021

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

(1) Standalone 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 2020 - March 2021	89,968	1.0	10,117	128.9	10,864	113.4	( 11,702)	-
April 2019 - March 2020	89,054	( 2.1)	4,419	6.2	5,090	6.9	3,327	( 6.3)

	Net income per share (basic)
	Yen
April 2020 - March 2021	( 248.69)
April 2019 - March 2020	70.70

(2) Standalone financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	222,862	115,829	52.0	2,461.44
As of March 31, 2020	203,044	127,073	62.6	2,700.30

(Reference) Equity March 31, 2021: 115,829 millions of yen, March 31, 2020: 127,073 millions of yen

(Note) Standalone financial figures were prepared in accordance with accounting standards generally accepted in Japan.

The "Summary of Consolidated Business Results" is not subject to audit by certified 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.

Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(Millions of yen)

	March 31, 2020	March 31, 2021
<b>Assets</b>		
Current assets		
Cash and cash equivalents	65,771	103,175
Trade and other receivables	44,828	52,594
Other financial assets	38	49
Inventories	36,478	39,566
Other current assets	3,417	3,764
Total current assets	150,533	199,149
Non-current assets		
Property, plant and equipment	90,388	98,507
Right-of-use assets	3,944	6,641
Goodwill	2,205	1,197
Other intangible assets	2,534	2,652
Investments accounted for using equity method	9,203	-
Other financial assets	21,264	30,600
Retirement benefit asset	1,094	4,207
Deferred tax assets	1,553	2,622
Other non-current assets	604	190
Total non-current assets	132,790	146,615
Total assets	283,322	345,763

(Millions of yen)

	March 31, 2020	March 31, 2021
<b>Liabilities and equity</b>		
Liabilities		
Current liabilities		
Borrowings	24,368	46,358
Trade and other payables	42,892	47,621
Other financial liabilities	1,013	1,615
Income taxes payable	1,710	2,878
Provisions	1,008	404
Other current liabilities	689	564
Total current liabilities	71,680	99,440
Non-current liabilities		
Borrowings	21,256	25,507
Other financial liabilities	2,026	3,529
Retirement benefit liability	2,719	4,611
Provisions	550	1,330
Deferred tax liabilities	5,726	8,682
Other non-current liabilities	212	522
Total non-current liabilities	32,489	44,182
Total liabilities	104,168	143,622
Equity		
Share capital	37,143	37,143
Capital surplus	35,359	35,137
Treasury shares	( 6,780)	( 6,785)
Other components of equity	449	10,658
Retained earnings	110,967	124,052
Total equity attributable to owners of parent	177,138	200,205
Non-controlling interests	2,016	1,936
Total equity	179,154	202,141
<b>Total liabilities and equity</b>	<b>283,322</b>	<b>345,763</b>

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Consolidated statements of income)

(Millions of yen)

	The Year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	The Year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Revenue	206,620	209,002
Cost of sales	( 145,984)	( 145,639)
Gross profit	60,636	63,363
Selling, general and administrative expenses	( 46,290)	( 46,721)
Business profit	14,346	16,642
Other income	352	8,308
Other expenses	( 4,414)	( 5,036)
Operating profit	10,285	19,914
Finance income	1,418	1,393
Finance costs	( 522)	( 5,132)
Share of profit (loss) of investments accounted for using equity method	318	( 37)
Profit before tax	11,499	16,139
Income tax expenses	( 2,530)	( 2,871)
Profit	8,969	13,268
Profit attributable to:		
Owners of parent	8,986	13,198
Non-controlling interests	( 17)	70
Profit	8,969	13,268
Earnings per share		
Basic earnings per share (Yen)	190.96	280.46
Diluted earnings per share (Yen)	-	-

(Consolidated statements of comprehensive income)

	The Year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	The Year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Profit	8,969	13,268
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(2,751)	3,531
Remeasurements of defined benefit plans	(76)	2,374
Share of other comprehensive income of investments accounted for using equity method	151	17
Total items that will not be reclassified to profit or loss	(2,676)	5,922
Items that may be reclassified to profit or loss		
Cash flow hedges	36	91
Exchange differences on translation of foreign operations	(4,123)	6,951
Share of other comprehensive income of investments accounted for using equity method	(27)	77
Total items that may be reclassified to profit or loss	(4,114)	7,120
Other comprehensive income, net of tax	(6,790)	13,042
Comprehensive income	2,180	26,310
Comprehensive income attributable to:		
Owners of parent	2,207	26,119
Non-controlling interests	(28)	191
Comprehensive income	2,180	26,310

(3) Consolidated Statements of Changes in Equity  
For the year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

(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						Total
					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			
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	-	-	-	8,986	-	-	-	-	-	(17)	8,969
Other comprehensive income	-	-	-	-	(2,615)	(61)	36	(4,139)	(6,779)	(11)	(6,790)
Comprehensive income	-	-	-	8,986	(2,615)	(61)	36	(4,139)	(6,779)	(28)	2,180
Dividends from surplus	-	-	-	(3,882)	-	-	-	-	-	(125)	(4,007)
Purchase of treasury shares	-	-	(6)	-	-	-	-	-	-	-	(6)
Disposal of treasury shares	-	0	0	-	-	-	-	-	-	-	0
Change due to new consolidation of subsidiaries	-	-	-	-	-	-	-	-	-	352	352
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	(535)	475	61	-	-	535	-	-
Total transactions with owners	-	0	(5)	(4,418)	475	61	-	-	535	227	(3,660)
Balance at end of current period	37,143	35,359	(6,780)	110,967	7,222	-	(203)	(6,570)	449	2,016	179,154

For the year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(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						Total
					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			
Balance at beginning of current period	37,143	35,359	(6,780)	110,967	7,222	-	(203)	(6,570)	449	2,016	179,154
Profit	-	-	-	13,198	-	-	-	-	-	70	13,268
Other comprehensive income	-	-	-	-	3,568	2,353	91	6,908	12,921	121	13,042
Comprehensive income	-	-	-	13,198	3,568	2,353	91	6,908	12,921	191	26,310
Dividends from surplus	-	-	-	(2,824)	-	-	-	-	-	(96)	(2,920)
Purchase of treasury shares	-	-	(5)	-	-	-	-	-	-	-	(5)
Disposal of treasury shares	-	0	0	-	-	-	-	-	-	-	0
Change due to new consolidation of subsidiaries	-	-	-	-	-	-	-	-	-	61	61
Acquisition of non-controlling interests	-	(222)	-	-	-	(1)	-	(0)	(2)	(235)	(458)
Transfer from other components of equity to retained earnings	-	-	-	2,710	(358)	(2,352)	-	-	(2,710)	-	-
Total transactions with owners	-	(222)	(5)	(113)	(358)	(2,353)	-	(0)	(2,712)	(271)	(3,323)
Balance at end of current period	37,143	35,137	(6,785)	124,052	10,431	-	(111)	338	10,658	1,936	202,141

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	The Year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	The Year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
<b>Cash flows from operating activities</b>		
Profit before tax	11,499	16,139
Depreciation and amortization	11,278	12,259
Impairment losses	2,523	3,100
Gain on bargain purchase	-	( 8,101)
Interest and dividend income	( 1,418)	( 1,051)
Interest expenses	336	363
Loss (gain) on step acquisition	-	4,598
Decrease (increase) in trade and other receivables	2,868	( 1,814)
Increase (decrease) in trade and other payables	( 2,053)	695
Decrease (increase) in inventories	( 1,174)	2,493
Others, net	510	573
Subtotal	24,370	29,254
Interest received	829	377
Dividends received	671	749
Interest paid	( 329)	( 362)
Income taxes paid	( 3,336)	( 2,613)
Net cash provided by (used in) operating activities	22,206	27,405
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	( 9,916)	( 8,956)
Proceeds from sale of property, plant and equipment	176	308
Purchase of investment securities	( 121)	( 333)
Proceeds from sale of investment securities	220	348
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	( 5,708)
Others, net	( 736)	( 651)
Net cash provided by (used in) investing activities	( 10,377)	( 14,993)
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings	( 644)	18
Increase (decrease) in commercial papers	8,000	4,500
Proceeds from long-term borrowings	-	27,026
Repayments of long-term borrowings	( 6,666)	( 5,489)
Repayments of lease liabilities	( 718)	( 904)
Dividends paid	( 3,882)	( 2,824)
Dividends paid to non-controlling interests	( 125)	( 96)
Others, net	( 5)	( 464)
Net cash provided by (used in) financing activities	( 4,041)	21,768
Effect of exchange rate changes on cash and cash equivalents	( 1,657)	3,224
Net increase (decrease) in cash and cash equivalents	6,131	37,404
Cash and cash equivalents at beginning of period	59,640	65,771
Cash and cash equivalents at end of period	65,771	103,175



## 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 and pharmaceuticals, 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 year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	49,824	84,882	71,207	707	206,620	-	206,620
Intersegment	-	127	0	-	127	(127)	-
Total revenue	49,824	85,009	71,207	707	206,748	(127)	206,620
Segment profit (loss) (Business profit)	7,684	4,065	5,567	152	17,468	(3,122)	14,346
Segment assets	82,871	105,092	79,044	1,935	268,942	14,380	283,322
Other items							
Depreciation and amortization	2,740	4,443	3,335	27	10,546	732	11,278
Impairment losses	-	2,168	355	-	2,523	-	2,523
Investments accounted for using equity method	-	463	8,740	-	9,203	-	9,203
Capital expenditures	2,083	4,765	3,567	8	10,423	350	10,773

(Note) "Segment profit (loss)" is "Business Profit" which is defined as "Revenue" less "Cost of sales" and "Selling, general and administrative expenses".

For the year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	57,266	72,559	78,583	594	209,002	-	209,002
Intersegment	-	155	0	-	156	(156)	-
Total revenue	57,266	72,714	78,583	594	209,158	(156)	209,002
Segment profit (loss) (Business profit)	9,439	3,491	6,613	10	19,552	(2,910)	16,642
Segment assets	96,525	108,520	119,481	1,999	326,525	19,238	345,763
Other items							
Depreciation and amortization	2,973	4,423	4,117	28	11,541	718	12,259
Impairment losses	-	1,138	1,962	-	3,100	-	3,100
Investments accounted for using equity method	-	-	-	-	-	-	-
Capital expenditures	1,836	3,786	3,745	18	9,385	1,753	11,138

(Note) "Segment profit (loss)" is "Business Profit" which is defined as "Revenue" less "Cost of sales" and "Selling, general and administrative expenses".

Reconciliation from "Segment profit (loss)" to "Profit before tax"

	For the year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	For the year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Segment profit (loss)	14,346	16,642
Other income	352	8,308
Other expenses	(4,414)	(5,036)
Operating profit	10,285	19,914
Finance income	1,418	1,393
Finance costs	(522)	(5,132)
Share of profit (loss) of investments accounted for using equity method	318	(37)
Profit before tax	11,499	16,139

(Related information)

Information about geographical areas

(Revenue)

For the year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

(Millions of yen)

Japan	Asia		North America	Europe and others	Total
	China	Others			
85,791	33,916	42,238	24,581	20,095	206,620

(Note) Revenues are classified into areas based on the location of customers.

For the year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(Millions of yen)

Japan	Asia		North America	Europe and others	Total
	China	Others			
87,364	40,057	45,910	18,765	16,907	209,002

(Note) Revenues are classified into areas based on the location of customers.