

[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, 2021	49,590,478	As of March 31, 2021	49,590,478
b) Number of treasury shares	As of June 30, 2021	2,533,128	As of March 31, 2021	2,532,997
c) Average number of outstanding shares during the period (excluding treasury shares)	April 2021 - June 2021	47,057,420	April 2020 - June 2020	47,058,909

(Information on implementation status of quarterly review)

This "Summary of Consolidated Business Results" is not subject to quarterly review procedures 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.

Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	March 31, 2021	June 30, 2021
Assets		
Current assets		
Cash and cash equivalents	103,175	102,230
Trade and other receivables	52,594	53,508
Other financial assets	49	35
Inventories	39,566	41,250
Other current assets	3,764	3,918
Total current assets	199,149	200,941
Non-current assets		
Property, plant and equipment	98,507	99,553
Right-of-use assets	6,641	6,749
Goodwill	1,197	1,213
Other intangible assets	2,652	2,609
Other financial assets	30,600	28,879
Retirement benefit asset	4,207	4,145
Deferred tax assets	2,622	2,673
Other non-current assets	190	203
Total non-current assets	146,615	146,024
Total assets	345,763	346,965

(Millions of yen)

	March 31, 2021	June 30, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	46,358	44,395
Trade and other payables	47,621	48,952
Other financial liabilities	1,615	1,484
Income taxes payable	2,878	2,385
Provisions	404	287
Other current liabilities	564	622
Total current liabilities	99,440	98,126
Non-current liabilities		
Borrowings	25,507	25,502
Other financial liabilities	3,529	3,622
Retirement benefit liability	4,611	4,638
Provisions	1,330	1,330
Deferred tax liabilities	8,682	8,320
Other non-current liabilities	522	523
Total non-current liabilities	44,182	43,934
Total liabilities	143,622	142,060
Equity		
Share capital	37,143	37,143
Capital surplus	35,137	35,137
Treasury shares	(6,785)	(6,786)
Other components of equity	10,658	10,186
Retained earnings	124,052	127,325
Total equity attributable to owners of parent	200,205	203,006
Non-controlling interests	1,936	1,900
Total equity	202,141	204,905
Total liabilities and equity	345,763	346,965

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

(Millions of yen)

	Three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	Three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Revenue	43,681	62,662
Cost of sales	(30,936)	(42,966)
Gross profit	12,745	19,695
Selling, general and administrative expenses	(10,365)	(13,027)
Business profit	2,380	6,668
Other income	43	21
Other expenses	(568)	(110)
Operating profit	1,855	6,580
Finance income	536	405
Finance costs	(63)	(81)
Share of profit (loss) of investments accounted for using equity method	88	-
Profit before tax	2,417	6,903
Income tax expenses	(550)	(1,568)
Profit	1,867	5,335
Profit attributable to:		
Owners of parent	1,854	5,244
Non-controlling interests	13	91
Profit	1,867	5,335
Earnings per share		
Basic earnings per share (Yen)	39.40	111.43
Diluted earnings per share (Yen)	-	-

(Condensed quarterly consolidated statements of comprehensive income)

	(Millions of yen)	
	Three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	Three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Profit	1,867	5,335
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1,000	(889)
Remeasurements of defined benefit plans	2	(2)
Share of other comprehensive income of investments accounted for using equity method	19	-
Total items that will not be reclassified to profit or loss	1,021	(891)
Items that may be reclassified to profit or loss		
Cash flow hedges	36	15
Exchange differences on translation of foreign operations	(433)	581
Share of other comprehensive income of investments accounted for using equity method	(130)	-
Total items that may be reclassified to profit or loss	(528)	596
Other comprehensive income, net of tax	493	(295)
Comprehensive income	2,360	5,041
Comprehensive income attributable to:		
Owners of parent	2,327	4,919
Non-controlling interests	33	122
Comprehensive income	2,360	5,041

(3) Condensed Quarterly Consolidated Statements of Changes in Equity
For the three months ended June 30, 2020 (From April 1, 2020 to June 30, 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						
					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	(6,780)	110,967	7,222	-	(203)	(6,570)	449	2,016	179,154
Profit	-	-	-	1,854	-	-	-	-	-	13	1,867
Other comprehensive income	-	-	-	-	1,033	(12)	36	(583)	473	19	493
Comprehensive income	-	-	-	1,854	1,033	(12)	36	(583)	473	33	2,360
Dividends from surplus	-	-	-	(1,412)	-	-	-	-	-	(96)	(1,508)
Purchase of treasury shares	-	-	(1)	-	-	-	-	-	-	-	(1)
Transfer from other components of equity to retained earnings	-	-	-	(12)	-	12	-	-	12	-	-
Total transactions with owners	-	-	(1)	(1,424)	-	12	-	-	12	(96)	(1,509)
Balance at end of current period	37,143	35,359	(6,781)	111,397	8,254	-	(167)	(7,153)	934	1,952	180,005

For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 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						
					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	35,137	(6,785)	124,052	10,431	-	(111)	338	10,658	1,936	202,141
Profit	-	-	-	5,244	-	-	-	-	-	91	5,335
Other comprehensive income	-	-	-	-	(889)	(2)	15	551	(325)	30	(295)
Comprehensive income	-	-	-	5,244	(889)	(2)	15	551	(325)	122	5,041
Dividends from surplus	-	-	-	(2,118)	-	-	-	-	-	(159)	(2,276)
Purchase of treasury shares	-	-	(1)	-	-	-	-	-	-	-	(1)
Transfer from other components of equity to retained earnings	-	-	-	147	(149)	2	-	-	(147)	-	-
Total transactions with owners	-	-	(1)	(1,970)	(149)	2	-	-	(147)	(159)	(2,277)
Balance at end of current period	37,143	35,137	(6,786)	127,325	9,393	-	(96)	889	10,186	1,900	204,905

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	Three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Cash flows from operating activities		
Profit before tax	2,417	6,903
Depreciation and amortization	2,796	3,313
Interest and dividend income	(408)	(353)
Interest expenses	63	81
Decrease (increase) in trade and other receivables	4,585	(761)
Increase (decrease) in trade and other payables	(3,994)	768
Decrease (increase) in inventories	(616)	(1,601)
Others, net	(12)	(274)
Subtotal	4,831	8,076
Interest received	138	79
Dividends received	345	267
Interest paid	(43)	(70)
Income taxes paid	(760)	(2,080)
Net cash provided by (used in) operating activities	4,511	6,274
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,824)	(3,191)
Proceeds from sale of property, plant and equipment	175	3
Purchase of investment securities	(4)	(4)
Proceeds from sale of investment securities	-	447
Others, net	(351)	(154)
Net cash provided by (used in) investing activities	(2,003)	(2,900)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	59	36
Increase (decrease) in commercial papers	4,500	(2,000)
Repayments of lease liabilities	(230)	(268)
Dividends paid	(1,412)	(2,118)
Dividends paid to non-controlling interests	(96)	(159)
Others, net	(1)	(1)
Net cash provided by (used in) financing activities	2,820	(4,509)
Effect of exchange rate changes on cash and cash equivalents	(285)	190
Net increase (decrease) in cash and cash equivalents	5,043	(945)
Cash and cash equivalents at beginning of period	65,771	103,175
Cash and cash equivalents at end of period	70,814	102,230

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 three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	12,623	14,629	16,304	125	43,681	-	43,681
Intersegment	-	36	0	-	36	(36)	-
Total revenue	12,623	14,665	16,305	125	43,717	(36)	43,681
Segment profit (loss)	2,016	(346)	1,434	(9)	3,095	(715)	2,380

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

For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	17,477	23,113	21,926	146	62,662	-	62,662
Intersegment	-	38	0	-	38	(38)	-
Total revenue	17,477	23,151	21,926	146	62,700	(38)	62,662
Segment profit (loss)	3,704	2,011	1,828	(2)	7,541	(873)	6,668

(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 three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Segment profit (loss)	2,380	6,668
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Other expenses	(568)	(110)
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