

[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 : None

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, 2022	49,590,478	As of March 31, 2022	49,590,478
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b) Number of treasury shares

As of June 30, 2022	2,535,178	As of March 31, 2022	2,534,727
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c) Average number of outstanding shares during the period
(excluding treasury shares)

April 2022 - June 2022	47,055,512	April 2021 - June 2021	47,057,420
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(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, 2022	June 30, 2022
Assets		
Current assets		
Cash and cash equivalents	109,217	99,673
Trade and other receivables	59,414	62,239
Other financial assets	47	1,883
Inventories	50,276	56,294
Other current assets	4,337	5,499
Total current assets	223,291	225,589
Non-current assets		
Property, plant and equipment	101,456	104,494
Right-of-use assets	6,963	8,323
Goodwill	1,260	1,315
Other intangible assets	2,488	2,440
Other financial assets	27,539	27,319
Retirement benefit asset	5,500	5,514
Deferred tax assets	2,211	2,199
Other non-current assets	128	101
Total non-current assets	147,546	151,706
Total assets	370,836	377,295

(Millions of yen)

	March 31, 2022	June 30, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	35,155	24,233
Trade and other payables	56,316	57,094
Other financial liabilities	1,422	1,903
Income taxes payable	3,241	3,258
Provisions	200	194
Other current liabilities	776	529
Total current liabilities	97,110	87,212
Non-current liabilities		
Borrowings	23,467	24,040
Other financial liabilities	3,578	4,515
Retirement benefit liability	4,148	4,394
Provisions	1,235	1,281
Deferred tax liabilities	8,592	8,352
Other non-current liabilities	571	532
Total non-current liabilities	41,591	43,114
Total liabilities	138,701	130,326
Equity		
Share capital	37,143	37,143
Capital surplus	35,137	35,137
Treasury shares	(6,794)	(6,796)
Other components of equity	24,915	37,971
Retained earnings	139,383	141,270
Total equity attributable to owners of parent	229,784	244,726
Non-controlling interests	2,352	2,244
Total equity	232,136	246,969
Total liabilities and equity	370,836	377,295

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

(Millions of yen)

	Three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	Three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Revenue	62,662	71,733
Cost of sales	(42,966)	(51,046)
Gross profit	19,695	20,687
Selling, general and administrative expenses	(13,027)	(13,832)
Business profit	6,668	6,855
Other income	21	82
Other expenses	(110)	(205)
Operating profit	6,580	6,732
Finance income	405	493
Finance costs	(81)	(877)
Profit before tax	6,903	6,348
Income tax expenses	(1,568)	(1,522)
Profit	5,335	4,826
Profit attributable to:		
Owners of parent	5,244	4,711
Non-controlling interests	91	115
Profit	5,335	4,826
Earnings per share		
Basic earnings per share (Yen)	111.43	100.11
Diluted earnings per share (Yen)	-	-

(Condensed quarterly consolidated statements of comprehensive income)

	(Millions of yen)	
	Three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	Three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Profit	5,335	4,826
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(889)	(625)
Remeasurements of defined benefit plans	(2)	-
Total items that will not be reclassified to profit or loss	(891)	(625)
Items that may be reclassified to profit or loss		
Cash flow hedges	15	(22)
Exchange differences on translation of foreign operations	581	13,879
Total items that may be reclassified to profit or loss	596	13,857
Other comprehensive income, net of tax	(295)	13,232
Comprehensive income	5,041	18,058
Comprehensive income attributable to:		
Owners of parent	4,919	17,767
Non-controlling interests	122	290
Comprehensive income	5,041	18,058

(3) Condensed Quarterly Consolidated Statements of Changes in Equity
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						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	35,137	(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

For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)

(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	35,137	(6,794)	139,383	9,852	-	(52)	15,114	24,915	2,352	232,136
Profit	-	-	-	4,711	-	-	-	-	-	115	4,826
Other comprehensive income	-	-	-	-	(625)	-	(22)	13,704	13,057	175	13,232
Comprehensive income	-	-	-	4,711	(625)	-	(22)	13,704	13,057	290	18,058
Dividends from surplus	-	-	-	(2,823)	-	-	-	-	-	(399)	(3,222)
Purchase of treasury shares	-	-	(2)	-	-	-	-	-	-	-	(2)
Transfer from other components of equity to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	(2)	(2,823)	-	-	-	-	-	(399)	(3,224)
Balance at end of current period	37,143	35,137	(6,796)	141,270	9,227	-	(74)	28,818	37,971	2,244	246,969

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	Three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Cash flows from operating activities		
Profit before tax	6,903	6,348
Depreciation and amortization	3,313	3,494
Interest and dividend income	(353)	(493)
Interest expenses	81	83
Decrease (increase) in trade and other receivables	(761)	(1,024)
Increase (decrease) in trade and other payables	768	(457)
Decrease (increase) in inventories	(1,601)	(3,404)
Others, net	(274)	(264)
Subtotal	8,076	4,284
Interest received	79	189
Dividends received	267	531
Interest paid	(70)	(70)
Income taxes paid	(2,080)	(1,873)
Net cash provided by (used in) operating activities	6,274	3,060
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,191)	(3,223)
Proceeds from sale of property, plant and equipment	3	2
Purchase of investment securities	(4)	(4)
Proceeds from sale of investment securities	447	-
Payments into time deposits	-	(1,806)
Others, net	(154)	(16)
Net cash provided by (used in) investing activities	(2,900)	(5,046)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	36	(36)
Increase (decrease) in commercial papers	(2,000)	(11,000)
Repayments of long-term borrowings	-	(2)
Repayments of lease liabilities	(268)	(247)
Dividends paid	(2,118)	(2,823)
Dividends paid to non-controlling interests	(159)	(399)
Others, net	(1)	(2)
Net cash provided by (used in) financing activities	(4,509)	(14,510)
Effect of exchange rate changes on cash and cash equivalents	190	6,952
Net increase (decrease) in cash and cash equivalents	(945)	(9,543)
Cash and cash equivalents at beginning of period	103,175	109,217
Cash and cash equivalents at end of period	102,230	99,673

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, 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".

For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	21,248	25,889	24,424	171	71,733	-	71,733
Intersegment	-	40	0	-	40	(40)	-
Total revenue	21,248	25,929	24,425	171	71,772	(40)	71,733
Segment profit (loss)	4,539	1,127	2,042	49	7,757	(902)	6,855

(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, 2021 (From April 1, 2021 to June 30, 2021)	For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Segment profit (loss)	6,668	6,855
Other income	21	82
Other expenses	(110)	(205)
Operating profit	6,580	6,732
Finance income	405	493
Finance costs	(81)	(877)
Profit before tax	6,903	6,348