

[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)
- b) Number of treasury shares
- c) Average number of outstanding shares during the period (excluding treasury shares)

As of December 31, 2022	49,590,478	As of March 31, 2022	49,590,478
As of December 31, 2022	2,535,593	As of March 31, 2022	2,534,727
April 2022 - December 2022	47,055,274	April 2021 - December 2021	47,056,921

(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	December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	109,217	90,598
Trade and other receivables	59,414	65,162
Other financial assets	47	1,619
Inventories	50,276	57,601
Other current assets	4,337	4,194
Total current assets	223,291	219,175
Non-current assets		
Property, plant and equipment	101,456	105,529
Right-of-use assets	6,963	7,674
Goodwill	1,260	1,304
Other intangible assets	2,488	2,383
Other financial assets	27,539	26,804
Retirement benefit asset	5,500	5,372
Deferred tax assets	2,211	2,181
Other non-current assets	128	280
Total non-current assets	147,546	151,526
Total assets	370,836	370,701

(Millions of yen)

	March 31, 2022	December 31, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	35,155	22,169
Trade and other payables	56,316	54,236
Other financial liabilities	1,422	1,425
Income taxes payable	3,241	2,790
Provisions	200	187
Other current liabilities	776	708
Total current liabilities	97,110	81,515
Non-current liabilities		
Borrowings	23,467	21,381
Other financial liabilities	3,578	4,114
Retirement benefit liability	4,148	4,297
Provisions	1,235	1,270
Deferred tax liabilities	8,592	8,252
Other non-current liabilities	571	527
Total non-current liabilities	41,591	39,840
Total liabilities	138,701	121,355
Equity		
Share capital	37,143	37,143
Capital surplus	35,137	35,137
Treasury shares	(6,794)	(6,798)
Other components of equity	24,915	31,421
Retained earnings	139,383	150,166
Total equity attributable to owners of parent	229,784	247,069
Non-controlling interests	2,352	2,277
Total equity	232,136	249,346
Total liabilities and equity	370,836	370,701

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

(Millions of yen)

	Nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)	Nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)
Revenue	195,928	216,649
Cost of sales	(134,699)	(154,120)
Gross profit	61,228	62,529
Selling, general and administrative expenses	(40,022)	(42,221)
Business profit	21,207	20,308
Other income	114	211
Other expenses	(336)	(506)
Operating profit	20,984	20,013
Finance income	1,034	1,524
Finance costs	(232)	(284)
Profit before tax	21,786	21,253
Income tax expenses	(5,406)	(4,821)
Profit	16,381	16,432
Profit attributable to:		
Owners of parent	16,137	16,155
Non-controlling interests	243	277
Profit	16,381	16,432
Earnings per share		
Basic earnings per share (Yen)	342.93	343.32
Diluted earnings per share (Yen)	-	-

(Condensed quarterly consolidated statements of comprehensive income)

	Nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)	Nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)
Profit	16,381	16,432
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(1,062)	(472)
Remeasurements of defined benefit plans	34	(1)
Total items that will not be reclassified to profit or loss	(1,028)	(473)
Items that may be reclassified to profit or loss		
Cash flow hedges	53	14
Exchange differences on translation of foreign operations	5,516	7,286
Total items that may be reclassified to profit or loss	5,569	7,300
Other comprehensive income, net of tax	4,541	6,827
Comprehensive income	20,921	23,260
Comprehensive income attributable to:		
Owners of parent	20,544	22,936
Non-controlling interests	377	324
Comprehensive income	20,921	23,260

(3) Condensed Quarterly Consolidated Statements of Changes in Equity
For the nine months ended December 31, 2021 (From April 1, 2021 to December 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	35,137	(6,785)	124,052	10,431	-	(111)	338	10,658	1,936	202,141
Profit	-	-	-	16,137	-	-	-	-	-	243	16,381
Other comprehensive income	-	-	-	-	(1,062)	25	53	5,391	4,407	134	4,541
Comprehensive income	-	-	-	16,137	(1,062)	25	53	5,391	4,407	377	20,921
Dividends from surplus	-	-	-	(4,470)	-	-	-	-	-	(159)	(4,629)
Purchase of treasury shares	-	-	(6)	-	-	-	-	-	-	-	(6)
Transfer from other components of equity to retained earnings	-	-	-	(145)	171	(25)	-	-	145	-	-
Total transactions with owners	-	-	(6)	(4,616)	171	(25)	-	-	145	(159)	(4,636)
Balance at end of current period	37,143	35,137	(6,792)	135,573	9,540	-	(58)	5,729	15,210	2,155	218,427

For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 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	-	-	-	16,155	-	-	-	-	-	277	16,432
Other comprehensive income	-	-	-	-	(472)	(0)	14	7,239	6,781	47	6,827
Comprehensive income	-	-	-	16,155	(472)	(0)	14	7,239	6,781	324	23,260
Dividends from surplus	-	-	-	(5,647)	-	-	-	-	-	(399)	(6,045)
Purchase of treasury shares	-	-	(4)	-	-	-	-	-	-	-	(4)
Transfer from other components of equity to retained earnings	-	-	-	274	(275)	0	-	-	(274)	-	-
Total transactions with owners	-	-	(4)	(5,372)	(275)	0	-	-	(274)	(399)	(6,049)
Balance at end of current period	37,143	35,137	(6,798)	150,166	9,105	-	(37)	22,353	31,421	2,277	249,346

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)	Nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)
Cash flows from operating activities		
Profit before tax	21,786	21,253
Depreciation and amortization	10,009	10,356
Interest and dividend income	(840)	(1,524)
Interest expenses	232	248
Decrease (increase) in trade and other receivables	(7,329)	(4,749)
Increase (decrease) in trade and other payables	3,839	(3,512)
Decrease (increase) in inventories	(5,361)	(6,009)
Others, net	(367)	(1,060)
Subtotal	21,969	15,004
Interest received	255	756
Dividends received	565	904
Interest paid	(221)	(237)
Income taxes paid	(5,815)	(4,577)
Net cash provided by (used in) operating activities	16,753	11,850
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,435)	(11,453)
Proceeds from sale of property, plant and equipment	40	30
Purchase of investment securities	(14)	(15)
Proceeds from sale of investment securities	2,619	442
Payments into time deposits	(0)	(1,835)
Proceeds from withdrawal of time deposits	-	431
Others, net	(480)	(315)
Net cash provided by (used in) investing activities	(7,269)	(12,715)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	77	(52)
Increase (decrease) in commercial papers	9,000	(13,000)
Repayments of long-term borrowings	(22,187)	(2,506)
Repayments of lease liabilities	(736)	(677)
Dividends paid	(4,470)	(5,647)
Dividends paid to non-controlling interests	(159)	(399)
Others, net	(6)	(4)
Net cash provided by (used in) financing activities	(18,482)	(22,285)
Effect of exchange rate changes on cash and cash equivalents	2,991	4,531
Net increase (decrease) in cash and cash equivalents	(6,007)	(18,619)
Cash and cash equivalents at beginning of period	103,175	109,217
Cash and cash equivalents at end of period	97,168	90,598

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 nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	56,453	68,080	70,962	433	195,928	-	195,928
Intersegment	-	111	0	-	112	(112)	-
Total revenue	56,453	68,191	70,963	433	196,039	(112)	195,928
Segment profit (loss)	12,731	4,715	6,306	35	23,787	(2,581)	21,207

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

For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	61,534	77,040	77,548	527	216,649	-	216,649
Intersegment	-	136	0	-	137	(137)	-
Total revenue	61,534	77,176	77,548	527	216,785	(137)	216,649
Segment profit (loss)	12,688	2,889	7,455	134	23,167	(2,859)	20,308

(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 nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)	For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)
Segment profit (loss)	21,207	20,308
Other income	114	211
Other expenses	(336)	(506)
Operating profit	20,984	20,013
Finance income	1,034	1,524
Finance costs	(232)	(284)
Profit before tax	21,786	21,253