

October 27, 2021

To whom it may concern:

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 (Securities Code: 4203)
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Notice of Revision of Consolidated Financial Forecasts and Dividend Forecast

Sumitomo Bakelite Co., Ltd. (hereinafter, referred to as "the Company") announces the revision of consolidated financial forecasts for the fiscal year ending March 31, 2022, which was announced on May 17, 2021, and dividend forecast along with the Company's recent business performance.

1. Revision of Consolidated Financial Forecasts

(1) Revised consolidated financial forecasts for the fiscal year ending March 31, 2022

(April 1, 2021 to March 31, 2022)

	Revenue (Millions of yen)	Business profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Basic earnings per share (Yen)
Previous forecasts (A)	230,000	19,000	14,500	308.13
Revised forecasts (B)	250,000	25,000	17,600	374.02
Amount of change (B-A)	20,000	6,000	3,100	
Rate of change (%)	8.7	31.6	21.4	
(Reference) Actual results for the fiscal year ended March 31, 2021	209,002	16,642	13,198	280.46

[Notes] "Business profit" is calculated by deducting "Cost of sales" and "Selling, general and administrative expenses" from "Revenue."

(2) Reason for the revision

In the first half of the fiscal year, revenues of Semiconductor materials sector have exceeded initial expectations, reflecting strong demand for semiconductors due to brisk sales of 5G smartphones, data center-related equipment, PCs and tablets. In addition, revenues of High performance plastics sector have also increased due to the recovery of the automotive market from COVID-19 pandemic and the strong sales for electronic components.

In the second half of the fiscal year, although there are concerns about the future, such as the impact of the shortage of semiconductors in the automotive market and soaring raw material prices, revenues and profits for this fiscal year are expected to significantly exceed the previous forecast.

2. Revision of Dividend Forecast

(1) Dividend forecast for the fiscal year ending March 31, 2022

	Annual dividends per share (yen)		
	2nd-quarter	Year-end	Total
Previous forecast	45.00	45.00	90.00
Revised forecast	50.00	50.00	100.00
Actual results for the fiscal year ending March 31, 2022			
(Reference) Actual results for the fiscal year ended March 31, 2021	30.00	45.00	75.00

(2) Reason for the revision

To return to the Company's shareholders a portion of surplus by actively enhancing corporate value is one of the most important management priorities of the Company. As for the appropriation of surplus, the Company has the policy to pay dividends continuously according to the consolidated financial performance, in consideration of the balance with necessary internal reserves for the future development, such as R&D expenditures, capital investment, and M&A.

The Company has revised both the interim and year-end dividends forecasts from 45.00 yen per share to 50.00 yen per share up by 5.00 yen due to the upward revision of consolidated financial forecasts for the fiscal year ending March 31, 2022 shown as "1. Revision of Consolidated Financial Forecasts" above.

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