

Briefing on Q3 Financial Results for the Fiscal Year Ending March 31, 2023  
Sumitomo Bakelite Co., Ltd.

## Q&A Summary

Date: February 6, 2023 (Monday) 3:00 p.m. - 4:00 p.m.

Presenter: Takashi Nakamura, Director and Senior Managing Executive Officer

### [Question about company-wide matters]

Q: Due to the downward revision of the full-year forecast, business profit for Q4 is expected to decrease by 2.8 billion yen from Q3. Please tell us the breakdown.

A: About 600 million yen is due to property taxes. Of the remaining around 2 billion yen deterioration, nearly half is Semiconductor Materials segment and the rest is mainly Quality of Life Products segment.

### [Questions about Semiconductor Materials segment]

Q: Please tell us about the outlook for the semiconductor encapsulation materials.

A: Sales volume in Q4 is expected to remain flat from Q3. While sales of low value-added products are recovering, sales of high value-added products for smartphones and other devices will remain in a difficult situation. We expect sales volume to bottom out in Q4.

Q: Please tell us about the current status of the three strategic mobility products.

A: Sales are coming along to some extent smoothly, reaching around 4 billion yen by the end of Q3.

### [Questions about the High Performance Plastics Segment]

Q: What are the factors leading to a higher business profit in Q3 than in Q2?

A: The main factors were volume increase and better terms of trade. However, the recovery in the automotive and electronic component applications has not been smooth and is at a standstill.

Q: Please tell us about the current status of aircraft related products business.

A: The number of aircraft delivered by our customer has been steadily increasing, and the number of aircraft to be produced will also grow in the future. Due to the effects of rationalization and volume growth, we achieved profitability in Q3. We expect that the coming fiscal year will be a year to establish profitability.

**[Question about Quality of Life Products Segment]**

Q: What are the factors causing the downward revision of 900 million yen in business profit in the revised forecast?

A: This is mainly due to continued declines in sales volumes of the industrial functional materials such as construction materials and optical products.

End