

Briefing on Q1 Financial Results for the Fiscal Year Ending March 31, 2024
Sumitomo Bakelite Co., Ltd.

Q&A Summary

Date: August 7, 2023 (Monday) 3:00 p.m. - 4:00 p.m.

Presenter: Toshiya Hirai, Director and Managing Executive Officer

[Company-wide matters]

Q: What are factors for the increase in the financial balance?

A: This is mainly due to an increase in interest income received at overseas subsidiaries affected by rising interest rates.

[Semiconductor Materials segment]

Q: Please tell us about the recent trends in the sales volume of the semiconductor encapsulation materials.

A: Although there was a slight decrease compared to the same period last year, there was an increase of about 10% from the previous quarter. We see that consumer applications have bottomed out and are in recovery trend.

Q: Please tell us about the progress on the three strategic mobility products.

A: Sales are growing steadily in line with the forecast mainly due to the stabilization of automobile production.

[High Performance Plastics Segment]

Q: What are factors for the decline in sales and profit compared to the previous quarter?

A: Sales volumes of phenolic resins and molding compounds, the main products in the segment, decreased due to the impact of stagnation in consumer electronics in Asia, and also for tire applications in North America and insulation materials applications in Europe.

[Quality of Life Products Segment]

Q: How is the progress toward the annual operating profit forecast?

A: Pharmaceutical packaging applications, the mainstay of Films and Sheets, is performing very well, and in Healthcare-related materials, although there are some inventory adjustments, as a whole there are no problems. If industrial applications in Films & Sheets and general-purpose building material applications in Industrial Functional Materials, which have been

weak recently, come to recovery, we believe it is possible to achieve and even exceed the annual forecast.

End