# Financial Results for 2nd Quarter of FY2026

November 4, 2026

Sumitomo Bakelite Co., Ltd.

Shinichi Kajiya, President and Representative Director

SUMITOMO BAKELITE CO.,LTD.

# Outline of Financial Results for 2nd Quarter of FY2026

# Financial Results for 2nd Quarter of FY2026 (Y/Y)

[Unit: Billion yen]

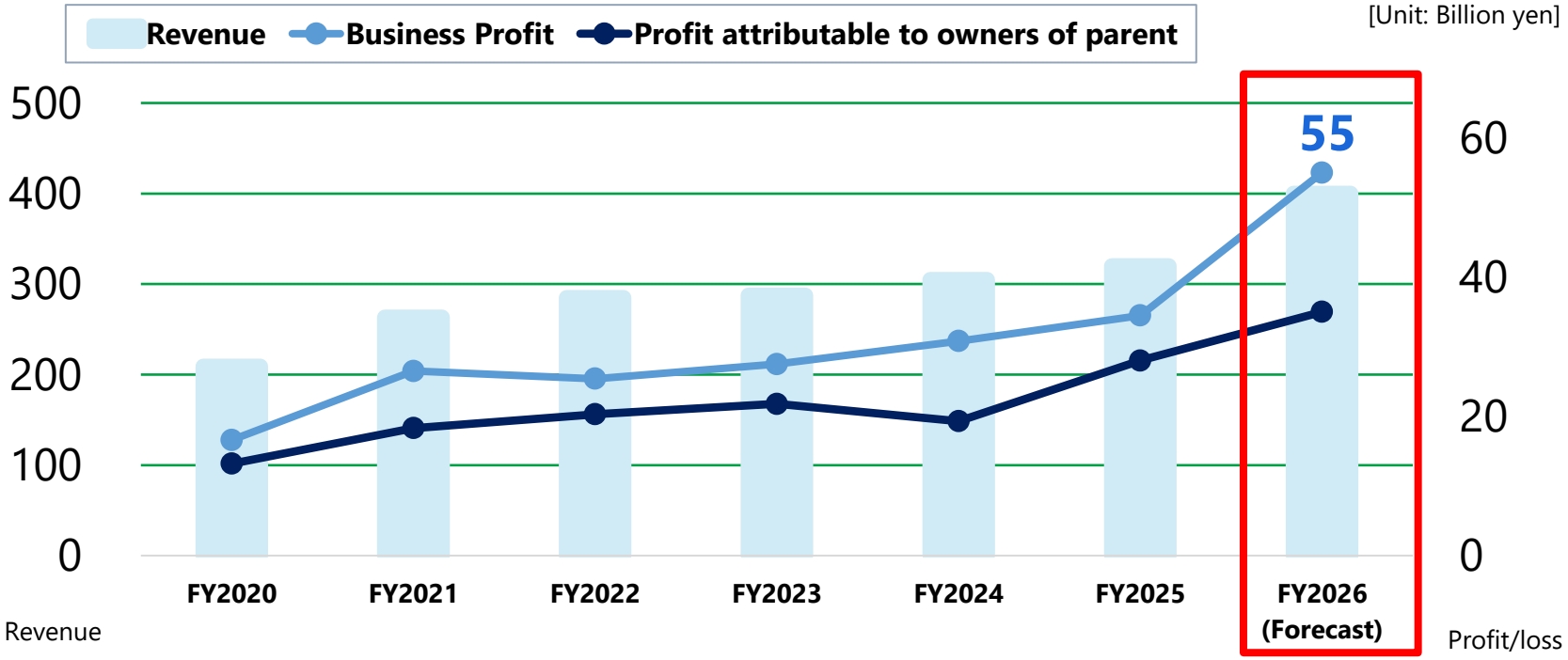
| | 2Q of FY2025 (1) | 2Q of FY2026 (2) | Variance (Y/Y) | |
|---|---|---|---|---|
| | | | (2)-(1) | Ratio |
| Revenue | 156.5 | 192.0 | 35.5 | 22.7% |
| Business Profit* | 17.1 | 28.1 | 11.0 | 64.1% |
| Operating Profit | 16.5 | 26.0 | 9.5 | 57.9% |
| Profit attributable to owners of parent | 13.3 | 19.6 | 6.3 | 47.2% |

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

| FOREX | 2Q - FY2025 | 2Q - FY2026 |
|---|---|---|
| JPY / USD | 146.57 | 160.02 |
| JPY / EUR | 167.74 | 184.39 |

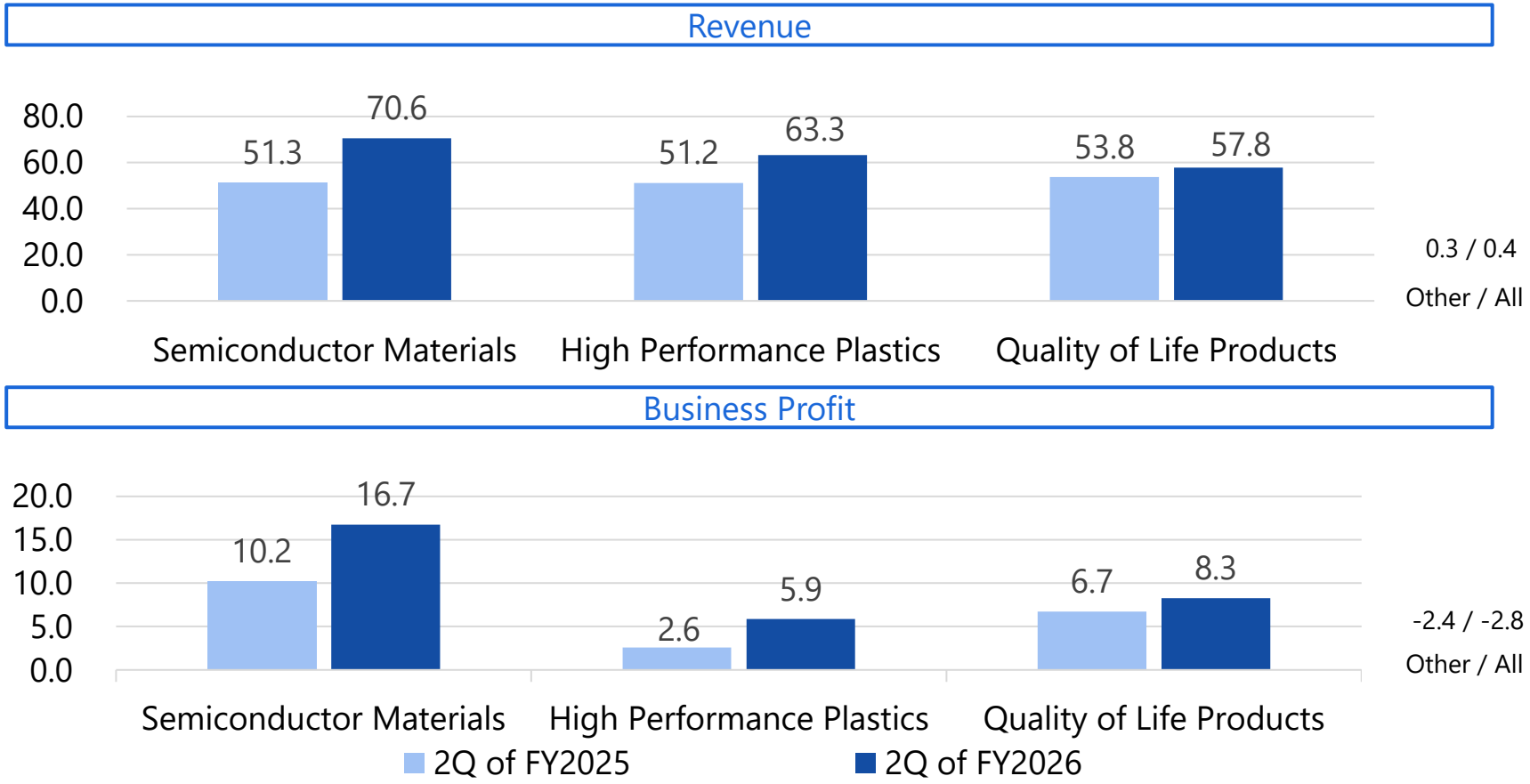
# Revenue and Profit/loss (Fiscal Year Trends)

**On track to achieve the ¥55 billion business profit target in Vision 2030, four years ahead of schedule**



# Revenue and Business Profit by Business Segment (Y/Y)

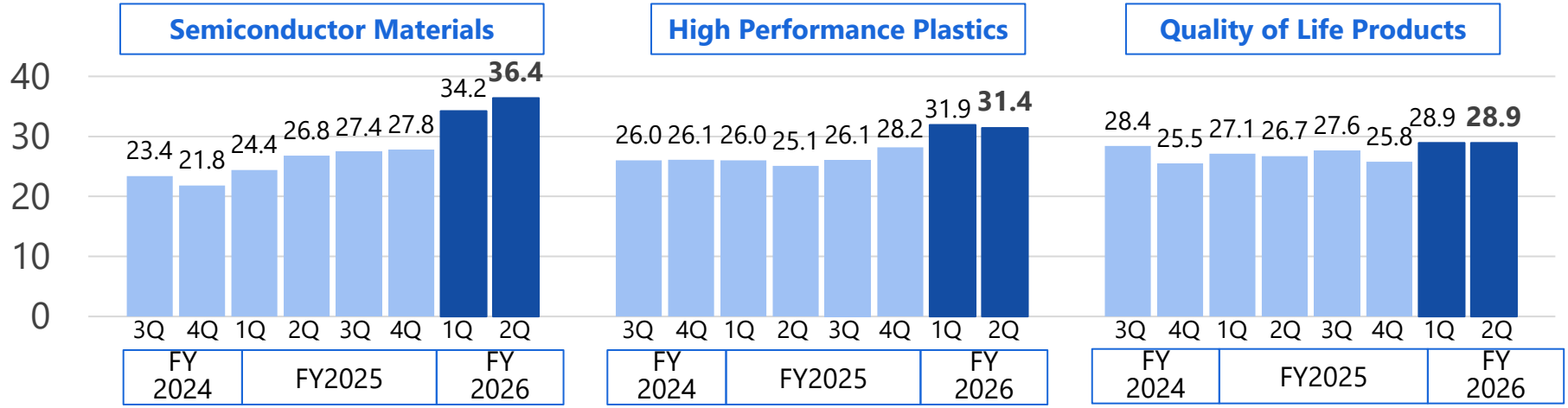
[Unit: Billion yen]



# Quarterly Revenue by Business Segment

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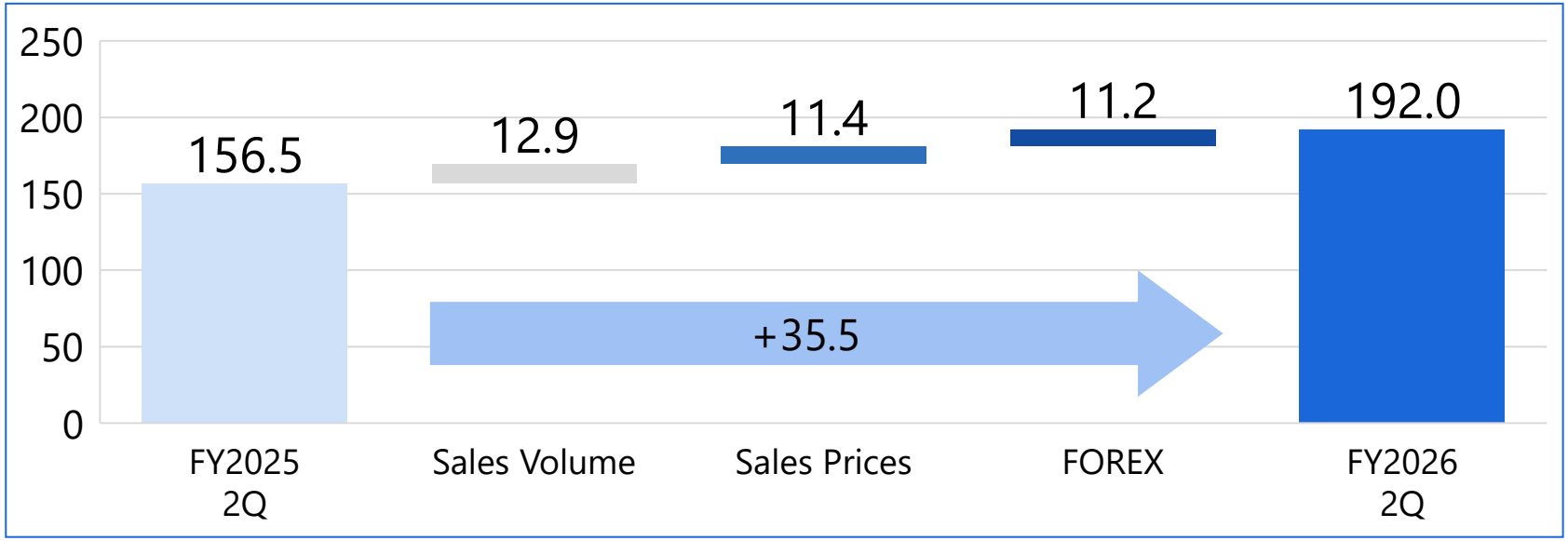
[Unit: Billion yen]




- Semiconductor Materials : Continued expansion driven mainly by AI server applications (power and memory).
  Sales of granular encapsulants for PLP in Low Earth Orbit(LEO) applications also started to ramp up.
- High Performance Plastics : Continued to perform strongly, particularly in Asia.
  Sales of high-value-added new products such as COPLUS™ and heat dissipation sheets continued to expand.
- Quality of Life Products : Solid performance, driven mainly by films and sheets for industrial and pharmaceutical packaging, supported by strong semiconductor market conditions and increased production and inventory buildup by pharmaceutical customers.

# Analysis of Revenue (Y/Y)

[Unit: Billion yen]

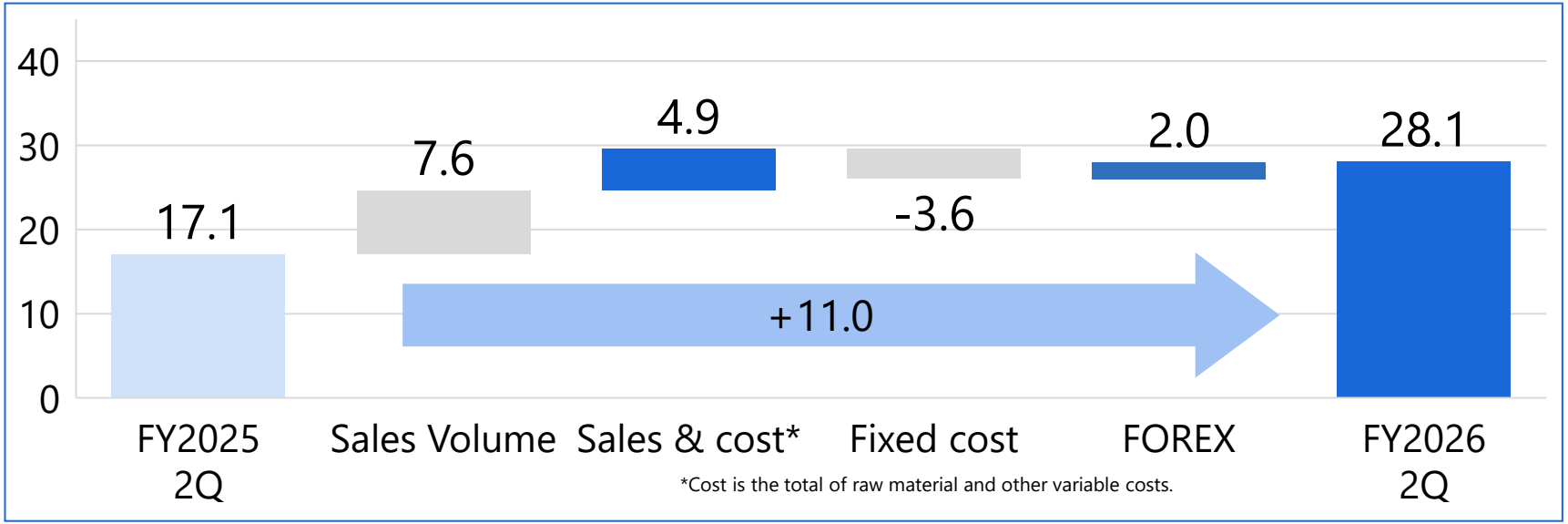



| Segment | Sales Volume | Sales Prices | FOREX | Total |
|---|---|---|---|---|
| Semiconductor Materials | +9.0 | +4.4 | +6.0 | +19.3 |
| High Performance Plastics | +3.2 | +4.5 | +4.4 | +12.2 |
| Quality of Life Products | +0.6 | +2.5 | +0.8 | +4.0 |

# Analysis of Business Profit (Y/Y)

SUMITOMO BAKELITE CO., LTD.

[Unit: Billion yen]




| Segment | Sales Volume | Sales & cost* | Fixed cost | FOREX | Total |
|---|---|---|---|---|---|
| Semiconductor Materials | +5.6 | +1.5 | -2.0 | +1.4 | +6.5 |
| High Performance Plastics | +1.9 | +1.9 | -0.9 | +0.5 | +3.3 |
| Quality of Life Products | +0.1 | +1.6 | -0.2 | +0.1 | +1.6 |
| Others | +0.1 | 0.0 | -0.5 | +0.0 | -0.4 |

# Financial Forecasts for FY2026

***Same as announced on October 30, 2026**

# Financial Forecasts for FY2025 (Revised)

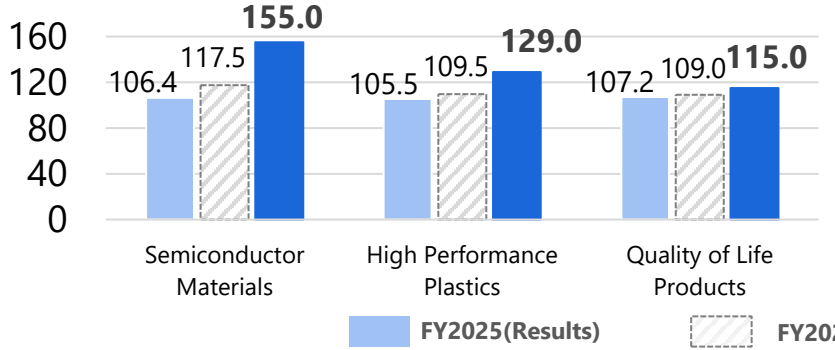
SUMITOMO BAKELITE CO., LTD.

[Unit: Billion yen]

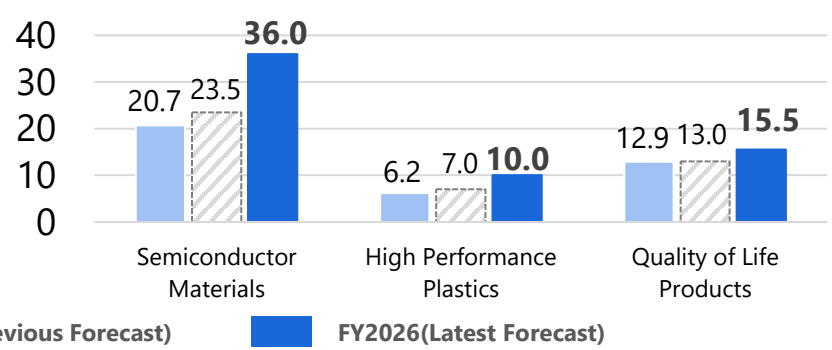
| | FY2025 Results | FY2026 Previous Forecast (1) Announced on May 11th, 2026 | FY2026 Latest Forecast (2) Announced on October 30, 2026 | Variance (2)-(1) | Variance Ratio |
|---|---|---|---|---|---|
| Forex (JPY / USD) | 150.97 | 155.00 | 160.00 | — | — |
| Revenue | 319.9 | 337.0 | **400.0** | 63.0 | 18.7% |
| Amount attributable to SBCS | - | - | **12.0** | 12.0 | |
| Business Profit | 34.5 | 38.0 | **55.0** | 17.0 | 44.7% |
| Amount attributable to SBCS | - | - | **1.0** | 1.0 | |
| Operating Profit | 35.5 | 37.5 | **50.0** | 12.5 | 33.3% |
| Profit attributable to owners of the parent | 28.0 | 28.5 | **35.0** | 6.5 | 22.8% |

* "SBCS" refers to Sumitomo Bakelite Chemical Solution Co., Ltd., a newly established company formed to succeed to part of Kyocera Corporation's chemical business.
* "Business profit" is calculated by deducting "Cost of sales" and "Selling, general and administrative expenses" from "Revenue".

Revenue




Business Profit




FY2025(Results) FY2026(Previous Forecast) FY2026(Latest Forecast)

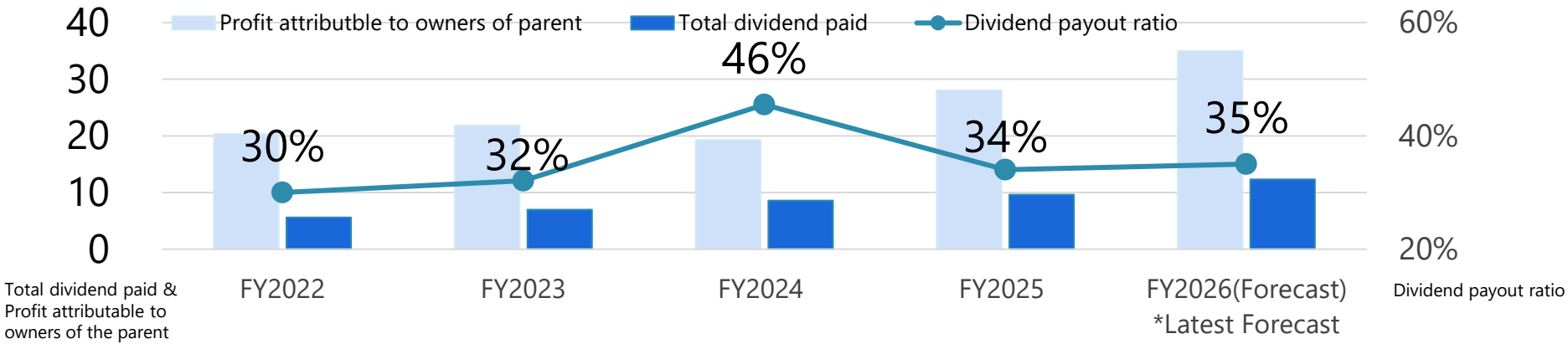
# Shareholder Returns



■ Dividends Forecast : 140.00 yen per share (Interim 70 yen / Year-end 70 yen)

**The forecast dividend per share is up ¥20 from the initial forecast and ¥30 from the previous fiscal year**

[Unit: Billion yen]




**Stable and continuous distribution of profits to shareholders**

| Dividends*1 (yen) /share | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 (Initial Forecast) | FY2026 (Latest Forecast) |
|---|---|---|---|---|---|---|
| Interim | 30.00 | 35.00 | 45.00 | 50.00 | **60.00** | **70.00** |
| Year-end | 35.00 | 40.00 | 50.00*2 | 60.00 | **60.00** | **70.00** |
| **Total** | **65.00** | **75.00** | **95.00** | **110.0** | **120.00** | **140.00** |

*1: A two-for-one common stock split was issued on April 1, 2024. The above dividend (yen/share) is calculated assuming the stock split occurred at the beginning of FY2022.
*2: 5.00 yen of Commemorative Dividend for 70th Anniversary of Founding on March 1, 2025 is included.

# Summary of 1st Half, Outlook and Initiatives for 2nd Half in Each Segment

# Semiconductor Materials (1st Half Summary & 2nd Half Outlook and Initiatives)



Unit: Billion yen

| | Business profit | Revenue |
|---|---|---|
| 1st half result | 16.7 | 70.6 |
| Progress rate | 46% | 46% |
| Full-year forecast | 36.0 | 155.0 |

## 1st half summary

- Demand for AI servers (power, memory, etc.) is rising rapidly.
- Addressing growing demand in China and Southeast Asia.
  - China: Decision made to add a new line to meet further demand growth. (Operations start :End of 2028)
  - Southeast Asia: Responding to automotive recovery and AI-related growth with a dual-hub strategy. (Singapore and Taiwan)
- AI semiconductors: Customer evaluation of liquid encapsulant started



Left：Granular encapsulant / Right: MUF

## 2nd half outlook and initiatives

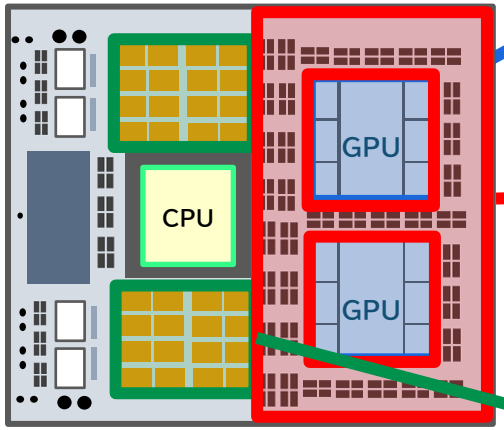
- Create synergies with the business acquired from Kyocera.
- Respond to expanding demand in AI and satellite applications by strengthening the global supply network for MUF and granular encapsulants.
  - Leverage Kyocera production lines and add new lines in Suzhou (from FY2028) and Singapore (from FY2030)
- Expanding sales of high thermal conductivity materials to meet thermal management needs.
- Develop global sales channels for encapsulants for humanoid robots.

# Semiconductor Materials: Topics



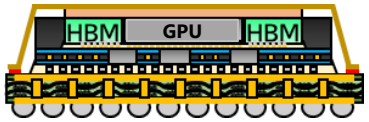
**Acquisition of Kyocera's Chemical Business:**

- Transaction completed at the end of October
- New company, Sumitomo Bakelite Chemical Solution Co.,Ltd. launched
- Consolidated from November, contributing to earnings



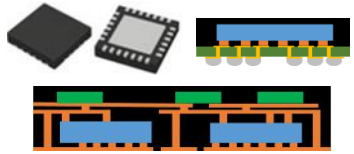

## State-of-the-Art Packages

SYNERGY




High thermal conductive Granular/MUF/Paste

## Power Devices



High thermal conductive Granular/MUF/Paste

## Memory



High thermal conductive Granular/MUF

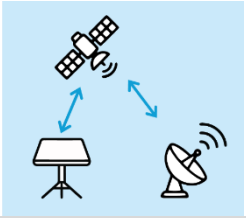
**Accelerating AI server materials development through the integration of Kyocera's high thermal conductivity technologies**

# Semiconductor Materials: Topics

## The Dawn of the Space × AI Era: 300 trillion yen market in 2035

**Explosive Increase in LEO (Low Earth Orbit Communications Satellites)**
30,000–40,000 satellites by 2030
Infrastructure demand for ground antennas and other related equipment

**State-of-the-art communications and AI chips**
1 satellite with more than 20,000 chips
→ Thousands of tons/year of leading-edge encapsulants



Communication satellites and receiving antennas

The LEO internet market is expanding rapidly: Receiving antenna volumes are projected to grow 4x from 2025 to 2030

**Customer Needs for RF Devices***
- Efficient communication with high-speed satellites
- Efficient processing of high-frequency signals
- Low-cost, high-volume manufacturing

*RF device: A device that transmits and processes high-frequency signals for wireless communications

**Solution**
Mass production of Fan-In/Fan-Out packaging using large-panel PLP technology

*Fan-In/Out packaging enables shorter transmission distances and lower dielectric loss

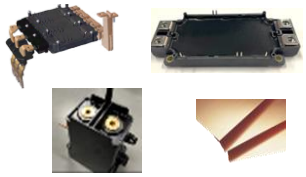
- Our proven granular encapsulant has been adopted as the de facto standard, with full-scale sales commencing in 2H
- Our customer signed a long-term agreement with a leading U.S. aerospace company

**Establishing global standards in a huge new market**

# High Performance Plastics
# (1st Half Summary & 2nd Half Outlook and Initiatives)

Unit: Billion yen

| | Business profit | Revenue |
|---|---|---|
| 1st half result | 5.9 | 63.3 |
| Progress rate | 59% | 49% |
| Full-year forecast | 10.0 | 129.0 |



Examples of high heat- and tracking-resistant materials for the high-voltage trend



Fire resistant materials for EV batteries

## 1st half summary

- Promoted global restructuring, primarily focused on North America.
- Solid demand continued in Asia, despite some pull-forward demand driven by Middle East geopolitical concerns.
- COPLUS™continued to grow steadily in advanced semiconductor and display applications.
- Demand recovery for aircraft components continued to progress, accompanied by expanded sales in the maintenance products market.

## 2nd half outlook and initiatives

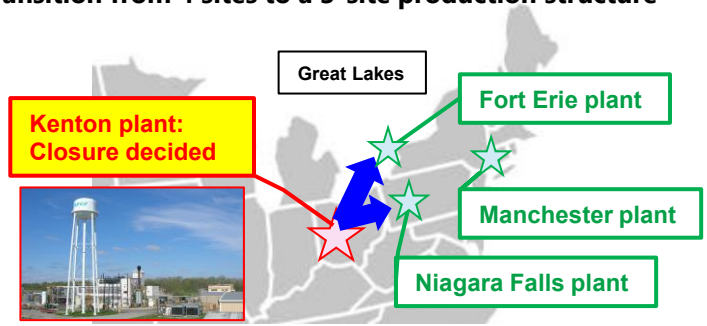
- Continue to promote further profitability improvements on a global basis.
  - Consolidation of North American sites: decision made to close the Kenton plant.
- Inventory adjustments are expected due to the rebound from front-loaded demand in the first half.
- Drive broader adoption of high-value-added new products and sales expansion.
  - Thermal conductive insulation sheets, AQNOA™, high heat- & tracking-resistant materials, fire-resistant materials, etc.

# High Performance Plastics: Topics

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## Structural reform of the North American phenol-related business

**Consolidation of North American sites:**
**Transition from 4 sites to a 3-site production structure**




**From FY2024:**
Improve productivity, reduce fixed costs, and implement portfolio reforms, including price increases and withdrawal from unprofitable products

**FY2026:**
- **Clear path to full-year profitability for the North American phenol-related business**
- **Kenton plant closure decision**
  Production will be gradually transferred to other sites in North America

**FY2029:**
Plant closure scheduled to be completed

**Establish long-term competitiveness and a sustainable business foundation in the North American market**

## Two Innovative Polymers That Break Through Existing Barriers

**For Semiconductors:**
**COPLUS™**

**Targeting 5 billion Yen in Sales Revenue in FY2030**

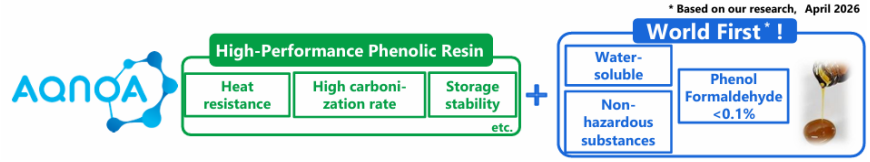
COPLUS

**A high-heat-resistant and transparent resin leveraging proprietary monomer technology, offering high flexibility in molecular design and enabling the addition of various functionalities (PLUS).**

- **Steady sales growth driven by advanced semiconductor applications**
- **Stable supply structure established through capacity expansion**

**Environmentally Friendly Material :**
**AQNOA™**

**Targeting 1.5 billion Yen in Sales Revenue in FY2030**




- **Expansion across Europe, the U.S., and Asia**
- **Broader applications through lineup enhancement (including construction materials, water-based paints and adhesives, and semiconductor-related applications)**

# Quality of Life Products (1st Half Summary & 2nd Half Outlook and Initiatives)



Unit: Billion yen

| | Business profit | Revenue |
|---|---|---|
| 1st half result | 8.3 | 57.8 |
| Progress rate | 53% | 50% |
| Full-year forecast | 15.5 | 115.0 |



Steering Microcatheter



Cover Tape



Flame-Retardant Polycarbonate Insulating Sheet



Solar Anchor Integrated Waterproofing Sheet

## 1st half summary

**■ Healthcare**

Accelerate sales expansion of minimally invasive medical devices and enhance production capacity.
- Gastrointestinal stents, steering microcatheters.

**■ Films and Sheets**

Sales in industrial applications expanded, while pharmaceutical packaging benefited from increased production by generic drug manufacturers and a partial pull-forward of demand.

**■ Industrial Functional Materials**

Strong performance continued in automotive optical and insulation applications.

**■ Waterproofing**

Renovation demand for major house builders continued to grow.

## 2nd half outlook and initiatives

**■ Healthcare**

Further strengthen sales expansion of gastrointestinal stents for the colon and duodenum through collaboration with Olympus.

**■ Films and Sheets**

Despite an expected rebound decline, performance is expected to remain firm across each application.

**■ Industrial Functional Materials**

Accelerating sales growth in high-performance fields through AGC synergies.

**■ Waterproofing**

Expand sales of environmentally friendly products for general building applications.
(Including high-durability products and solar anchors)

# Quality of Life Products : Topics

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## Healthcare

**Preparing to launch the world's first* Y-shaped biliary stent (already listed for reimbursement)**

* Based on our research, as of September 2026

Contributes to shorter surgery times and higher surgical success rates.



Y-shaped biliary stent

## Industrial Functional Materials

**The transfer of AGC's optical sheet production line has been completed, generating synergies through AGC's process technology**

Accelerate sales expansion of optical sheets for HUD applications and become the world's No. 1 supplier

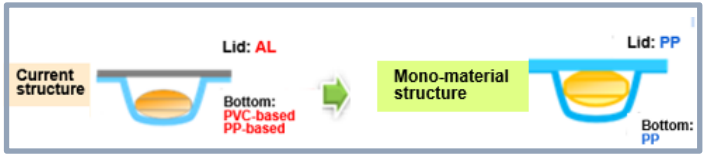


Optical Sheets for Automotive HUDs

## Films and Sheets

**Accelerate sample deployment to customers in the European market to expand adoption of mono-material PTP**

Expand globally with environmentally friendly products






Mono-material PTP

## Waterproofing

**Established sales and production structures to respond to growing renovation demand**



High-durability waterproofing system

Contributing to longer service life and CO2 reduction through the standardization of highly durable waterproofing systems

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