

[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)	As of September 30, 2022	49,590,478	As of March 31, 2022	49,590,478
b) Number of treasury shares	As of September 30, 2022	2,535,320	As of March 31, 2022	2,534,727
c) Average number of outstanding shares during the period (excluding treasury shares)	April 2022 - September 2022	47,055,385	April 2021 - September 2021	47,057,171

(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	September 30, 2022
Assets		
Current assets		
Cash and cash equivalents	109,217	100,137
Trade and other receivables	59,414	61,896
Other financial assets	47	1,911
Inventories	50,276	59,568
Other current assets	4,337	3,880
Total current assets	223,291	227,392
Non-current assets		
Property, plant and equipment	101,456	107,450
Right-of-use assets	6,963	8,482
Goodwill	1,260	1,312
Other intangible assets	2,488	2,406
Other financial assets	27,539	27,263
Retirement benefit asset	5,500	5,485
Deferred tax assets	2,211	2,325
Other non-current assets	128	279
Total non-current assets	147,546	155,002
Total assets	370,836	382,394

(Millions of yen)

	March 31, 2022	September 30, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	35,155	22,213
Trade and other payables	56,316	57,911
Other financial liabilities	1,422	1,726
Income taxes payable	3,241	2,533
Provisions	200	171
Other current liabilities	776	833
Total current liabilities	97,110	85,387
Non-current liabilities		
Borrowings	23,467	21,865
Other financial liabilities	3,578	4,532
Retirement benefit liability	4,148	4,394
Provisions	1,235	1,308
Deferred tax liabilities	8,592	8,280
Other non-current liabilities	571	531
Total non-current liabilities	41,591	40,910
Total liabilities	138,701	126,298
Equity		
Share capital	37,143	37,143
Capital surplus	35,137	35,137
Treasury shares	(6,794)	(6,797)
Other components of equity	24,915	42,504
Retained earnings	139,383	145,790
Total equity attributable to owners of parent	229,784	253,777
Non-controlling interests	2,352	2,319
Total equity	232,136	256,096
Total liabilities and equity	370,836	382,394

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

(Millions of yen)

	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Revenue	128,315	143,470
Cost of sales	(88,220)	(102,502)
Gross profit	40,096	40,967
Selling, general and administrative expenses	(26,433)	(28,310)
Business profit	13,662	12,657
Other income	64	116
Other expenses	(205)	(291)
Operating profit	13,522	12,482
Finance income	596	833
Finance costs	(160)	(837)
Profit before tax	13,957	12,479
Income tax expenses	(3,509)	(3,056)
Profit	10,448	9,422
Profit attributable to:		
Owners of parent	10,277	9,230
Non-controlling interests	171	192
Profit	10,448	9,422
Earnings per share		
Basic earnings per share (Yen)	218.38	196.16
Diluted earnings per share (Yen)	-	-

(Condensed quarterly consolidated statements of comprehensive income)

(Millions of yen)

	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Profit	10,448	9,422
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(267)	(984)
Remeasurements of defined benefit plans	26	-
Total items that will not be reclassified to profit or loss	(241)	(984)
Items that may be reclassified to profit or loss		
Cash flow hedges	51	(6)
Exchange differences on translation of foreign operations	1,157	18,752
Total items that may be reclassified to profit or loss	1,208	18,746
Other comprehensive income, net of tax	967	17,762
Comprehensive income	11,415	27,185
Comprehensive income attributable to:		
Owners of parent	11,180	26,819
Non-controlling interests	235	365
Comprehensive income	11,415	27,185

(3) Condensed Quarterly Consolidated Statements of Changes in Equity
For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 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	-	-	-	10,277	-	-	-	-	-	171	10,448
Other comprehensive income	-	-	-	-	(267)	19	51	1,100	903	64	967
Comprehensive income	-	-	-	10,277	(267)	19	51	1,100	903	235	11,415
Dividends from surplus	-	-	-	(2,118)	-	-	-	-	-	(159)	(2,276)
Purchase of treasury shares	-	-	(5)	-	-	-	-	-	-	-	(5)
Transfer from other components of equity to retained earnings	-	-	-	(102)	121	(19)	-	-	102	-	-
Total transactions with owners	-	-	(5)	(2,219)	121	(19)	-	-	102	(159)	(2,281)
Balance at end of current period	37,143	35,137	(6,790)	132,109	10,285	-	(60)	1,439	11,663	2,013	211,276

For the six months ended September 30, 2022 (From April 1, 2022 to September 30, 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	-	-	-	9,230	-	-	-	-	-	192	9,422
Other comprehensive income	-	-	-	-	(984)	-	(6)	18,579	17,589	173	17,762
Comprehensive income	-	-	-	9,230	(984)	-	(6)	18,579	17,589	365	27,185
Dividends from surplus	-	-	-	(2,823)	-	-	-	-	-	(399)	(3,222)
Purchase of treasury shares	-	-	(3)	-	-	-	-	-	-	-	(3)
Transfer from other components of equity to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	(3)	(2,823)	-	-	-	-	-	(399)	(3,225)
Balance at end of current period	37,143	35,137	(6,797)	145,790	8,868	-	(57)	33,694	42,504	2,319	256,096

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Cash flows from operating activities		
Profit before tax	13,957	12,479
Depreciation and amortization	6,637	6,936
Interest and dividend income	(486)	(833)
Interest expenses	160	156
Decrease (increase) in trade and other receivables	(3,326)	30
Increase (decrease) in trade and other payables	3,228	(632)
Decrease (increase) in inventories	(3,061)	(5,771)
Others, net	(138)	204
Subtotal	16,972	12,568
Interest received	168	421
Dividends received	309	611
Interest paid	(163)	(157)
Income taxes paid	(2,874)	(3,166)
Net cash provided by (used in) operating activities	14,412	10,277
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,515)	(7,861)
Proceeds from sale of property, plant and equipment	9	18
Purchase of investment securities	(8)	(8)
Proceeds from sale of investment securities	2,194	-
Payments into time deposits	-	(1,813)
Others, net	(423)	(248)
Net cash provided by (used in) investing activities	(3,743)	(9,912)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	57	(114)
Increase (decrease) in commercial papers	14,000	(13,000)
Repayments of long-term borrowings	(22,185)	(2,504)
Repayments of lease liabilities	(459)	(493)
Dividends paid	(2,118)	(2,823)
Dividends paid to non-controlling interests	(159)	(399)
Others, net	(5)	(3)
Net cash provided by (used in) financing activities	(10,869)	(19,335)
Effect of exchange rate changes on cash and cash equivalents	613	9,890
Net increase (decrease) in cash and cash equivalents	414	(9,080)
Cash and cash equivalents at beginning of period	103,175	109,217
Cash and cash equivalents at end of period	103,589	100,137

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 six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	36,530	45,304	46,181	300	128,315	-	128,315
Intersegment	-	68	0	-	68	(68)	-
Total revenue	36,530	45,372	46,181	300	128,384	(68)	128,315
Segment profit (loss)	8,129	3,323	3,918	15	15,385	(1,722)	13,662

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

For the six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	41,840	50,817	50,474	339	143,470	-	143,470
Intersegment	-	75	0	-	75	(75)	-
Total revenue	41,840	50,892	50,474	339	143,545	(75)	143,470
Segment profit (loss)	8,793	1,152	4,491	88	14,524	(1,867)	12,657

(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 six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	For the six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Segment profit (loss)	13,662	12,657
Other income	64	116
Other expenses	(205)	(291)
Operating profit	13,522	12,482
Finance income	596	833
Finance costs	(160)	(837)
Profit before tax	13,957	12,479