

## Summary of Consolidated Business Results for the Year Ended March 31, 2023 [IFRS]

May 15, 2023

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Date of the ordinary general meeting of shareholders : June 22, 2023 Date of the start of dividend payment : June 23, 2023 Date of the submission of Annual Securities Report : June 22, 2023 Annual results supplementary documents : Yes Annual results briefing : Yes (For analysts and institutional investors)	

(All amounts presented in million yen are rounded to the nearest million yen.)

### 1. Consolidated Business Results for the Year Ended March 31, 2023

#### (1) Consolidated Financial Results

(% represents year-over-year increase (decrease).)

	Revenue		Business profit		Operating profit		Profit before tax		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 2022 - March 2023	284,939	8.3	25,448	( 3.9)	24,823	( 0.3)	26,736	3.3	20,289	10.9
April 2021 - March 2022	263,114	25.9	26,489	59.2	24,887	25.0	25,880	60.4	18,299	38.6

  

	Basic earnings per share	Profit to equity attributable to owners of parent ratio	Profit before tax to total assets ratio	Business profit to revenue ratio
	Yen	%	%	%
April 2022 - March 2023	431.19	8.4	7.1	8.9
April 2021 - March 2022	388.86	8.5	7.2	10.1

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

#### (2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	378,457	257,692	255,358	67.5	5,426.86
As of March 31, 2022	370,836	232,136	229,784	62.0	4,883.23

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
April 2022 - March 2023	23,618	( 15,648)	( 22,954)	99,620
April 2021 - March 2022	27,920	( 10,468)	( 19,308)	109,217

### 2. Dividends

	Dividend per share					Total dividend paid	Dividend payout ratio (consolidated)	Dividend on equity attributable to owners of parent (consolidated)
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
April 2021 - March 2022	-	50.00	-	60.00	110.00	5,176	28.3	2.4
April 2022 - March 2023	-	60.00	-	70.00	130.00	6,117	30.1	2.5
April 2023 - March 2024 (Forecast)	-	70.00	-	70.00	140.00		30.4	

### 3. Consolidated Financial Forecasts for the Year Ending March 31, 2024

(% represents year-over-year increase (decrease).)

	Revenue		Business profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
April 2023 - March 2024	295,000	3.5	28,500	12.0	21,500	6.0	459.84

[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 March 31, 2023	49,590,478	As of March 31, 2022	49,590,478
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b) Number of treasury shares

As of March 31, 2023	2,535,917	As of March 31, 2022	2,534,727
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c) Average number of outstanding shares during the period (excluding treasury shares)

April 2022 - March 2023	47,055,134	April 2021 - March 2022	47,056,677
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(Reference) Standalone Business Results for the Year Ended March 31, 2023

(All amounts presented in million yen are rounded down to the nearest million yen in this section.)

(1) Standalone financial results

(% represents year-over-year increase (decrease).)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 2022 - March 2023	99,672	(0.1)	7,744	(26.4)	16,002	39.1	14,685	92.5
April 2021 - March 2022	99,737	10.9	10,515	3.9	11,507	5.9	7,627	-

	Net income per share (basic)
	Yen
April 2022 - March 2023	312.09
April 2021 - March 2022	162.10

(2) Standalone financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	217,223	126,283	58.1	2,683.78
As of March 31, 2022	214,566	117,693	54.9	2,501.15

(Reference) Equity March 31, 2023: 126,283 millions of yen, March 31, 2022: 117,693 millions of yen

(Note) Standalone financial figures were prepared in accordance with accounting standards generally accepted in Japan.

"Summary of Consolidated Business Results" is not subject to audit 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.

Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(Millions of yen)

	March 31, 2022	March 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	109,217	99,620
Trade and other receivables	59,414	60,954
Other financial assets	47	1,133
Inventories	50,276	57,708
Other current assets	4,337	3,801
Total current assets	223,291	223,216
Non-current assets		
Property, plant and equipment	101,456	107,479
Right-of-use assets	6,963	7,603
Goodwill	1,260	1,343
Other intangible assets	2,488	2,528
Other financial assets	27,539	27,132
Retirement benefit asset	5,500	6,777
Deferred tax assets	2,211	2,134
Other non-current assets	128	246
Total non-current assets	147,546	155,242
<b>Total assets</b>	<b>370,836</b>	<b>378,457</b>

(Millions of yen)

	March 31, 2022	March 31, 2023
<b>Liabilities and equity</b>		
Liabilities		
Current liabilities		
Borrowings	35,155	21,824
Trade and other payables	56,316	52,826
Other financial liabilities	1,422	1,359
Income taxes payable	3,241	2,458
Provisions	200	194
Other current liabilities	776	1,107
Total current liabilities	97,110	79,767
Non-current liabilities		
Borrowings	23,467	21,407
Other financial liabilities	3,578	4,031
Retirement benefit liability	4,148	4,031
Provisions	1,235	1,229
Deferred tax liabilities	8,592	9,773
Other non-current liabilities	571	527
Total non-current liabilities	41,591	40,999
Total liabilities	138,701	120,766
Equity		
Share capital	37,143	37,143
Capital surplus	35,137	35,137
Treasury shares	( 6,794)	( 6,799)
Other components of equity	24,915	34,475
Retained earnings	139,383	155,403
Total equity attributable to owners of parent	229,784	255,358
Non-controlling interests	2,352	2,333
Total equity	232,136	257,692
<b>Total liabilities and equity</b>	<b>370,836</b>	<b>378,457</b>

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Consolidated statements of income)

(Millions of yen)

	The Year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)	The Year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)
Revenue	263,114	284,939
Cost of sales	( 182,708)	( 203,587)
Gross profit	80,406	81,353
Selling, general and administrative expenses	( 53,917)	( 55,905)
Business profit	26,489	25,448
Other income	150	243
Other expenses	( 1,753)	( 868)
Operating profit	24,887	24,823
Finance income	1,291	2,388
Finance costs	( 298)	( 475)
Profit before tax	25,880	26,736
Income tax expenses	( 7,220)	( 6,142)
Profit	18,660	20,595
Profit attributable to:		
Owners of parent	18,299	20,289
Non-controlling interests	361	305
Profit	18,660	20,595
Earnings per share		
Basic earnings per share (Yen)	388.86	431.19
Diluted earnings per share (Yen)	-	-

(Consolidated statements of comprehensive income)

	The Year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)	The Year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)
Profit	18,660	20,595
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	( 750)	( 84)
Remeasurements of defined benefit plans	1,683	1,073
Total items that will not be reclassified to profit or loss	932	989
Items that may be reclassified to profit or loss		
Cash flow hedges	60	10
Exchange differences on translation of foreign operations	14,980	10,013
Total items that may be reclassified to profit or loss	15,040	10,023
Other comprehensive income, net of tax	15,973	11,013
Comprehensive income	34,632	31,608
Comprehensive income attributable to:		
Owners of parent	34,058	31,227
Non-controlling interests	574	381
Comprehensive income	34,632	31,608

(3) Consolidated Statements of Changes in Equity  
For the year ended March 31, 2022 (From April 1, 2021 to March 31, 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						
					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			Total
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	-	-	-	18,299	-	-	-	-	-	361	18,660
Other comprehensive income	-	-	-	-	(750)	1,674	60	14,776	15,759	213	15,973
Comprehensive income	-	-	-	18,299	(750)	1,674	60	14,776	15,759	574	34,632
Dividends from surplus	-	-	-	(4,470)	-	-	-	-	-	(159)	(4,629)
Purchase of treasury shares	-	-	(9)	-	-	-	-	-	-	-	(9)
Transfer from other components of equity to retained earnings	-	-	-	1,503	171	(1,674)	-	-	(1,503)	-	-
Total transactions with owners	-	-	(9)	(2,968)	171	(1,674)	-	-	(1,503)	(159)	(4,638)
Balance at end of current period	37,143	35,137	(6,794)	139,383	9,852	-	(52)	15,114	24,915	2,352	232,136

For the year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)

(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						
					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			Total
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	-	-	-	20,289	-	-	-	-	-	305	20,595
Other comprehensive income	-	-	-	-	(84)	1,072	10	9,939	10,937	76	11,013
Comprehensive income	-	-	-	20,289	(84)	1,072	10	9,939	10,937	381	31,608
Dividends from surplus	-	-	-	(5,647)	-	-	-	-	-	(400)	(6,047)
Purchase of treasury shares	-	-	(5)	-	-	-	-	-	-	-	(5)
Transfer from other components of equity to retained earnings	-	-	-	1,377	(305)	(1,072)	-	-	(1,377)	-	-
Total transactions with owners	-	-	(5)	(4,270)	(305)	(1,072)	-	-	(1,377)	(400)	(6,052)
Balance at end of current period	37,143	35,137	(6,799)	155,403	9,463	-	(41)	25,053	34,475	2,333	257,692

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	The Year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)	The Year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)
<b>Cash flows from operating activities</b>		
Profit before tax	25,880	26,736
Depreciation and amortization	13,221	13,774
Impairment losses	1,295	-
Interest and dividend income	( 1,186)	( 2,388)
Interest expenses	298	331
Decrease (increase) in trade and other receivables	( 4,441)	( 123)
Increase (decrease) in trade and other payables	7,207	( 5,646)
Decrease (increase) in inventories	( 8,089)	( 5,581)
Others, net	( 108)	( 62)
Subtotal	34,076	27,041
Interest received	344	1,251
Dividends received	625	1,244
Interest paid	( 300)	( 332)
Income taxes paid	( 6,825)	( 5,586)
Net cash provided by (used in) operating activities	27,920	23,618
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	( 12,409)	( 14,971)
Proceeds from sale of property, plant and equipment	43	118
Purchase of investment securities	( 16)	( 17)
Proceeds from sale of investment securities	2,619	625
Payments into time deposits	( 0)	( 1,845)
Proceeds from withdrawal of time deposits	-	857
Others, net	( 705)	( 415)
Net cash provided by (used in) investing activities	( 10,468)	( 15,648)
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings	91	( 411)
Increase (decrease) in commercial papers	9,000	( 13,000)
Repayments of long-term borrowings	( 22,689)	( 2,507)
Repayments of lease liabilities	( 1,072)	( 985)
Dividends paid	( 4,470)	( 5,647)
Dividends paid to non-controlling interests	( 159)	( 400)
Others, net	( 9)	( 5)
Net cash provided by (used in) financing activities	( 19,308)	( 22,954)
Effect of exchange rate changes on cash and cash equivalents	7,897	5,387
Net increase (decrease) in cash and cash equivalents	6,042	( 9,597)
Cash and cash equivalents at beginning of period	103,175	109,217
Cash and cash equivalents at end of period	109,217	99,620



## 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 year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	75,787	92,244	94,444	639	263,114	-	263,114
Intersegment	-	158	1	-	159	( 159)	-
Total revenue	75,787	92,402	94,445	639	263,273	( 159)	263,114
Segment profit (loss) (Business profit)	16,506	5,934	7,427	110	29,976	( 3,487)	26,489
Segment assets	116,669	119,551	115,135	1,093	352,448	18,388	370,836
Other items							
Depreciation and amortization	3,103	4,602	4,816	30	12,552	670	13,221
Impairment losses	-	392	17	886	1,295	-	1,295
Capital expenditures	4,630	3,952	5,151	49	13,783	280	14,063

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

For the year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments			Others	Total	Adjustment	Consolidated
	Semiconductor materials	High-performance plastics	Quality of life products				
Revenue							
External customers	79,540	102,351	102,273	775	284,939	-	284,939
Intersegment	-	179	1	-	179	( 179)	-
Total revenue	79,540	102,530	102,274	775	285,119	( 179)	284,939
Segment profit (loss) (Business profit)	15,323	4,637	9,210	219	29,389	( 3,941)	25,448
Segment assets	118,389	120,988	118,801	1,169	359,347	19,111	378,457
Other items							
Depreciation and amortization	3,559	4,921	4,595	36	13,110	663	13,774
Impairment losses	-	-	-	-	-	-	-
Capital expenditures	6,525	7,122	3,988	56	17,691	621	18,313

(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 year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)	For the year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)
Segment profit (loss)	26,489	25,448
Other income	150	243
Other expenses	( 1,753)	( 868)
Operating profit	24,887	24,823
Finance income	1,291	2,388
Finance costs	( 298)	( 475)
Profit before tax	25,880	26,736

(Related information)

Information about geographical areas

(Revenue)

For the year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)

(Millions of yen)

Japan	Asia		North America	Europe and others	Total
	China	Others			
102,599	52,324	58,128	25,312	24,752	263,114

(Note) Revenues are classified into areas based on the location of customers.

For the year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

Japan	Asia		North America	Europe and others	Total
	China	Others			
108,677	49,095	63,872	33,583	29,713	284,939

(Note) Revenues are classified into areas based on the location of customers.