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Summary of Consolidated Business Results for the Six Months Ended September 30, 2025 [IFRS]

November 4, 2025

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Date of the submission of semi-annual securities report : November 6, 2025
Date of the start of dividend payment : December 1, 2025
Preparation of supplementary material on financial results : Yes
Holding of financial 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 Six Months Ended September 30, 2025

(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 2025 - September 2025	156,528	2.2	17,118	8.2	16,462	5.1	18,109	4.6	13,291	4.3
April 2024 - September 2024	153,134	7.9	15,824	23.7	15,661	24.3	17,316	17.6	12,741	15.1

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
April 2025 - September 2025	151.65	-
April 2024 - September 2024	136.80	-

(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	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
As of September 30, 2025	442,239	311,675	308,509	69.8
As of March 31, 2025	417,778	293,568	290,672	69.6

2. Dividends

	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
	Yen	Yen	Yen	Yen	Yen
April 2024 - March 2025	-	45.00	-	50.00	95.00
April 2025 - March 2026	-	50.00	-	-	-
April 2025 - March 2026 (Forecasts)	-	-	-	55.00	105.00

(Note) Revisions of the latest dividend forecasts: None

The breakdown of the year-end dividend for the fiscal year ending March 31, 2025 : Ordinary dividend 45.00 yen, Commemorative dividend 5.00 yen.

3. Consolidated Financial Forecasts for the Year Ending March 31, 2026

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

	Revenue		Business profit		Operating profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
April 2025 - March 2026	310,000	1.7	32,500	5.4	31,000	25.0	23,500	21.9	268.16

(Note) Revisions of the latest consolidated financial forecasts: None

[Notes]

- (1) Significant changes in the scope of consolidation during the 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, 2025	93,757,956	As of March 31, 2025	93,757,956
b) Number of treasury shares	As of September 30, 2025	6,100,865	As of March 31, 2025	6,122,450
c) Average number of outstanding shares during the period (excluding treasury shares)	April 2025 - September 2025	87,644,770	April 2024 - September 2024	93,135,718

(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.

[Index of the Attachment]

1. Summary of Operating Results for Second Quarter Fiscal Year 2025.....	2
(1) Operating Results.....	2
(2) Consolidated Financial Position.....	4
(3) Consolidated Forecast and Other Forward-Looking Information.....	4
2. Consolidated Financial Statements and Major Notes.....	5
(1) Consolidated Statements of Financial Position.....	5
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income.....	7
(3) Consolidated Statements of Changes in Equity.....	9
(4) Consolidated Statements of Cash Flows.....	10
(5) Notes to Consolidated Financial Statements.....	11
Going Concern Assumption.....	11
Significant accounting policies.....	11
Segment Information.....	11

1. Summary of Operating Results for Second Quarter Fiscal Year 2025

(1) Operating Results

Our group's Revenue increased 2.2% year on year to ¥156,528 million due to strong demand for semiconductor applications, despite sluggish overseas demand for automotive mechanical components. Business profit increased 8.2% year on year to ¥17,118 million because of an improvement in the profit structure, such as a shift to high-value-added products and price revisions, alongside a decrease in depreciation expenses as a result of impairment charges recognized in the previous fiscal year, despite an increase in personnel expenses, mainly overseas. Operating profit increased 5.1% year on year to ¥16,462 million. Profit attributable to owners of parent increased 4.3% year on year to ¥13,291 million.

The financial results by business segment for Q2 FY2025 are as follows:

1. Semiconductor materials

[Revenue ¥51,256 million (up 11.1% year on year), Business profit ¥10,196 million (up 8.5% year on year)]

In Epoxy resin molding compounds for encapsulation of semiconductor devices, Revenue increased due to continued robust demand for semiconductors in China and demand expansion for AI-related applications.

In Photosensitive materials for semiconductor devices, Revenue increased due to recovery in the memory market from Q2.

In Bonding pastes for semiconductor devices, Revenue increased due to continued strong demand and new sales expansion in China and an increase in sales for high-density packaging applications in Southeast Asia.

In "LαZ[®]" series of Semiconductor substrate materials, Revenue increased due to growth in sales for mobile devices as well as expanded use in power devices for AI servers.

2. High-performance plastics

[Revenue ¥51,169 million (down 4.2% year on year), Business profit ¥2,575 million (up 1.4% year on year)]

In Resins for industrial use, Revenue decreased due to the implementation of various structural reform measures including withdrawal from unprofitable products in North America despite an increase in sales for semiconductor applications in Japan.

In Molding compounds, Revenue decreased due to sluggish demand in the North American automobile market due to the impact of U.S. tariff policies and other factors, as well as a decrease in demand related to the electrical and electronics industry in China.

In Laminates, Revenue decreased due to continued sluggish demand for automotive and air-conditioning applications.

In Aerospace components, Revenue increased due to a recovery trend in customer production volumes.

3. Quality of life products

[Revenue ¥53,787 million (up 1.0% year on year), Business profit ¥6,715 million (up 11.6% year on year)]

In Medical devices and pharmaceuticals, Revenue decreased due to the elimination of unprofitable products in North America despite an increase in overseas sales of blood container bags, products related to enteral nutrition and microcatheter used in minimally invasive endovascular repair, as well as domestic sales of thoracic stent grafts.

In In vitro diagnostics and Biotechnology-related products, Revenue decreased because demand for In vitro diagnostics in Japan and for regenerative medicine in North America decreased.

In Films and sheets, in Electrical and Electronic Equipment packaging, Revenue remained firm due to inventory adjustments for dicing films despite an expanding market share of cover tapes. However, in Pharmaceutical packaging applications, Revenue increased due to the launch of generic drugs and higher inventory levels of existing products. In Food packaging applications, Revenue increased due to sales of cut vegetables and portion remained firm.

In Industrial functional materials, Revenue remained firm due to decreased demand for eyewear applications, although demand of Optical sheet and film products for automotive applications grew significantly, and sales of Sheet material for architectural and interior decoration for stores remained firm.

In Waterproof business, Revenue increased due to passing on higher material prices and construction costs to sales prices, as well as sales expansion of low-energy house (ZEH) materials, although demand for mass-produced housing declined due to a decrease in the number of housings start.

(2) Consolidated Financial Position

(2.1) Assets, Liabilities and Equity

1. Assets

Total assets increased ¥24,461 million from the end of the previous fiscal year to ¥442,239 million. The main increases were due to Cash and cash equivalents, Other financial assets and Property, plant and equipment.

2. Liabilities

Total liabilities increased ¥6,355 million from the end of the previous fiscal year to ¥130,565 million. The main increases were due to Trade and other payables and Deferred tax liabilities.

3. Equity

Total equity increased ¥18,107 million from the end of the previous fiscal year to ¥311,675 million. The main changes were due to Profit and increase in Other components of equity and decrease due to Dividends from surplus.

(2.2) Cash Flows

Cash and cash equivalents (hereinafter referred to as Cash) at the end of the period under review increased ¥8,482 million from the end of the previous fiscal year to ¥112,015 million.

1. Cash flows from operating activities

Cash provided by operating activities was ¥18,228 million.

This was mainly a result of income from Profit before tax and Depreciation and amortization and expenditure on Income taxes paid. Compared with Q2 FY2024, income decreased by ¥6,298 million.

2. Cash flows from investing activities

Cash used in investing activities was ¥6,539 million.

This was mainly a result of Purchase of property, plant and equipment. Compared with Q2 FY2024, expenditures decreased ¥3,206 million.

3. Cash flows from financing activities

Cash used in financing activities was ¥4,146 million.

This was mainly a result of income from issuance of commercial paper and expenditure on Dividends paid and Repayments of long-term borrowings. Compared with Q2 FY2024, expenditures decreased ¥15,149 million.

(3) Consolidated Forecast and Other Forward-Looking Information

There is no change from the consolidated financial forecasts announced on May 12, 2025.

Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	March 31, 2025	September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	103,533	112,015
Trade and other receivables	59,722	61,991
Other financial assets	2,050	2,272
Inventories	62,231	63,045
Other current assets	4,319	5,183
Total current assets	231,856	244,505
Non-current assets		
Property, plant and equipment	122,951	127,835
Right-of-use assets	7,056	6,820
Goodwill	1,494	1,608
Other intangible assets	2,162	2,127
Other financial assets	42,173	48,723
Retirement benefit asset	6,684	6,749
Deferred tax assets	2,437	2,301
Other non-current assets	966	1,570
Total non-current assets	185,922	197,734
Total assets	417,778	442,239

(Millions of yen)

	March 31, 2025	September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	17,407	18,885
Trade and other payables	56,669	60,248
Other financial liabilities	1,427	1,437
Income taxes payable	4,875	4,036
Provisions	783	1,013
Other current liabilities	1,460	1,044
Total current liabilities	82,621	86,664
Non-current liabilities		
Borrowings	13,273	12,893
Other financial liabilities	3,397	3,443
Retirement benefit liability	4,073	4,387
Provisions	1,455	1,476
Deferred tax liabilities	18,846	21,094
Other non-current liabilities	545	608
Total non-current liabilities	41,589	43,901
Total liabilities	124,210	130,565
Equity		
Share capital	37,143	37,143
Capital surplus	35,178	35,189
Treasury shares	(21,002)	(20,928)
Other components of equity	59,948	68,469
Retained earnings	179,404	188,636
Total equity attributable to owners of parent	290,672	308,509
Non-controlling interests	2,896	3,166
Total equity	293,568	311,675
Total liabilities and equity	417,778	442,239

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

	(Millions of yen)	
	Six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Revenue	153,134	156,528
Cost of sales	(106,133)	(107,632)
Gross profit	47,001	48,896
Selling, general and administrative expenses	(31,177)	(31,777)
Business profit	15,824	17,118
Other income	554	198
Other expenses	(717)	(854)
Operating profit	15,661	16,462
Finance income	2,155	1,893
Finance costs	(500)	(247)
Profit before tax	17,316	18,109
Income tax expenses	(4,453)	(4,674)
Profit	12,863	13,435
Profit attributable to:		
Owners of parent	12,741	13,291
Non-controlling interests	122	144
Profit	12,863	13,435
Earnings per share		
Basic earnings per share (Yen)	136.80	151.65
Diluted earnings per share (Yen)	-	-

(Condensed quarterly consolidated statements of comprehensive income)

	Six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Profit	12,863	13,435
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1,138	4,988
Remeasurements of defined benefit plans	(4)	5
Total items that will not be reclassified to profit or loss	1,134	4,993
Items that may be reclassified to profit or loss		
Cash flow hedges	27	-
Exchange differences on translation of foreign operations	(7,112)	4,041
Total items that may be reclassified to profit or loss	(7,085)	4,041
Other comprehensive income, net of tax	(5,950)	9,034
Comprehensive income	6,913	22,469
Comprehensive income attributable to:		
Owners of parent	6,907	22,135
Non-controlling interests	5	334
Comprehensive income	6,913	22,469

(3) Condensed Quarterly Consolidated Statements of Changes in Equity
For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

(Millions of yen)

	Total equity attributable to owners of parent										
					Other components of equity						
	Share capital	Capital surplus	Treasury shares	Retained earnings	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	Non-controlling interests	Total equity
Balance at beginning of current period	37,143	35,137	(1,020)	166,454	18,403	-	(27)	45,072	63,448	2,566	303,727
Profit	-	-	-	12,741	-	-	-	-	-	122	12,863
Other comprehensive income	-	-	-	-	1,139	(3)	27	(6,996)	(5,834)	(117)	(5,950)
Comprehensive income	-	-	-	12,741	1,139	(3)	27	(6,996)	(5,834)	5	6,913
Dividends from surplus	-	-	-	(3,725)	-	-	-	-	-	(31)	(3,756)
Purchase of treasury shares	-	-	(5)	-	-	-	-	-	-	-	(5)
Disposal of treasury shares	-	0	0	-	-	-	-	-	-	-	0
Share-based payment transactions	-	48	26	-	-	-	-	-	-	-	74
Change in scope of consolidation	-	-	-	-	-	-	-	-	-	250	250
Transfer from other components of equity to retained earnings	-	-	-	613	(616)	3	-	-	(613)	-	-
Total transactions with owners	-	49	21	(3,113)	(616)	3	-	-	(613)	219	(3,437)
Balance at end of current period	37,143	35,185	(999)	176,082	18,925	-	-	38,076	57,002	2,790	307,203

For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

(Millions of yen)

	Total equity attributable to owners of parent										
	Other components of equity									Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	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	35,178	(21,002)	179,404	16,926	-	-	43,022	59,948	2,896	293,568
Profit	-	-	-	13,291	-	-	-	-	-	144	13,435
Other comprehensive income	-	-	-	-	4,988	4	-	3,852	8,844	190	9,034
Comprehensive income	-	-	-	13,291	4,988	4	-	3,852	8,844	334	22,469
Dividends from surplus	-	-	-	(4,382)	-	-	-	-	-	(65)	(4,447)
Purchase of treasury shares	-	-	(4)	-	-	-	-	-	-	-	(4)
Disposal of treasury shares	-	0	0	-	-	-	-	-	-	-	0
Share-based payment transactions	-	11	77	-	-	-	-	-	-	-	87
Change in scope of consolidation	-	-	-	-	-	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	322	(319)	(4)	-	-	(322)	-	-
Total transactions with owners	-	11	73	(4,060)	(319)	(4)	-	-	(322)	(65)	(4,363)
Balance at end of current period	37,143	35,189	(20,928)	188,636	21,595	-	-	46,874	68,469	3,166	311,675

(4) Condensed Quarterly Consolidated Statements of Cash Flows

	(Millions of yen)	
	Six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Cash flows from operating activities		
Profit before tax	17,316	18,109
Depreciation and amortization	6,902	6,923
Interest and dividend income	(2,155)	(1,893)
Interest expenses	147	175
Decrease (increase) in trade and other receivables	3,055	(1,588)
Increase (decrease) in trade and other payables	159	949
Decrease (increase) in inventories	(278)	92
Others, net	932	(647)
Subtotal	26,079	22,118
Interest received	1,552	1,024
Dividends received	584	860
Interest paid	(144)	(175)
Income taxes paid	(3,546)	(5,600)
Net cash provided by (used in) operating activities	24,526	18,228
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,384)	(6,684)
Proceeds from sale of property, plant and equipment	27	197
Purchase of investment securities	(333)	(94)
Proceeds from sale of investment securities	804	814
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,802)	-
Others, net	(56)	(772)
Net cash provided by (used in) investing activities	(9,745)	(6,539)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(60)	6
Increase (decrease) in commercial papers	(8,000)	3,000
Proceeds from long-term borrowings	355	123
Repayments of long-term borrowings	(7,223)	(2,264)
Repayments of lease liabilities	(606)	(561)
Purchase of treasury shares	(5)	(4)
Dividends paid	(3,725)	(4,382)
Dividends paid to non-controlling interests	(31)	(65)
Others, net	0	0
Net cash provided by (used in) financing activities	(19,295)	(4,146)
Effect of exchange rate changes on cash and cash equivalents	(3,768)	939
Net increase (decrease) in cash and cash equivalents	(8,283)	8,482
Cash and cash equivalents at beginning of period	121,635	103,533
Cash and cash equivalents at end of period	113,353	112,015

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Significant Accounting Policies

The Group applies the same significant accounting policies that were applied to the Consolidated Financial Statements of the previous fiscal year.

Corporate income tax for this quarter of the current fiscal year is calculated based on the estimated annual effective tax rate.

Segment Information

1. Reportable Segments

The reportable segments of the Group refer to business units for which separate financial information is available and that are reviewed regularly at the Board of Directors meeting in order to determine the allocation of management resources and evaluate the business performance of each business unit.

The Group divides its operations into business sectors identified by products and services, which manage manufacturing, sales, and research in an integrated manner. Each business sector is responsible for developing comprehensive domestic and overseas strategies with respect to its products and services, and operates its business activities.

Accordingly, the Group has three reportable segments based on its products and services in accordance with its business sectors, including "Semiconductor materials", "High-performance plastics", and "Quality of life products".

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, Photosensitive materials for semiconductor devices, Bonding pastes for semiconductor devices, Semiconductor substrate materials
High-performance plastics	Resins for industrial use, Molding compounds, Molded parts and molding dies, Laminates, Aerospace components
Quality of life products	Medical devices and pharmaceuticals, In vitro diagnostics and Biotechnology-related products, Films and sheets, Industrial functional materials, Waterproof business

2. Reportable Segment Information

For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

(Millions of yen)

	Reportable segments			Others (Note 2)	Total	Adjustment (Note 3)	Consolidated
	Semiconductor materials	High- performance plastics	Quality of life products				
Revenue							
External customers	46,130	53,408	53,233	362	153,134	-	153,134
Intersegment	-	70	1	1	71	(71)	-
Total revenue	46,130	53,478	53,233	363	153,205	(71)	153,134
Segment profit (loss) (Business profit) (Note 1)	9,398	2,541	6,017	32	17,988	(2,164)	15,824

(Note)

1. "Segment profit (loss)" is "Business Profit" which is defined as "Revenue" less "Cost of sales" and "Selling, general and administrative expenses".
2. "Others" includes entrusted research and testing, land leasing, and other activities.
3. ¥(2,164) million for segment profit (loss) in "Adjustment" includes inter-segment elimination of ¥(7) million and corporate expenses of ¥(2,156) million unallocated to each reportable segment. Corporate expenses are mainly research and development expenses for basic research, which are not attributed to reportable segments.

For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

(Millions of yen)

	Reportable segments			Others (Note 2)	Total	Adjustment (Note 3)	Consolidated
	Semiconductor materials	High- performance plastics	Quality of life products				
Revenue							
External customers	51,256	51,169	53,787	317	156,528	-	156,528
Intersegment	-	108	1	-	109	(109)	-
Total revenue	51,256	51,276	53,788	317	156,637	(109)	156,528
Segment profit (loss) (Business profit) (Note 1)	10,196	2,575	6,715	5	19,491	(2,373)	17,118

(Note)

1. "Segment profit (loss)" is "Business Profit" which is defined as "Revenue" less "Cost of sales" and "Selling, general and administrative expenses".
2. "Others" includes entrusted research and testing, land leasing, and other activities.
3. ¥(2,373) million for segment profit (loss) in "Adjustment" includes inter-segment elimination of ¥8 million and corporate expenses of ¥(2,381) million unallocated to each reportable segment. Corporate expenses are mainly research and development expenses for basic research, which are not attributed to reportable segments.

Reconciliation from "Segment profit (loss)" to "Profit before tax"

(Millions of yen)

	For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Segment profit (loss)	15,824	17,118
Other income	554	198
Other expenses	(717)	(854)
Operating profit	15,661	16,462
Finance income	2,155	1,893
Finance costs	(500)	(247)
Profit before tax	17,316	18,109