Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Summary of Consolidated Business Results for the Three Months Ended June 30, 2026 [IFRS]

August 3, 2026

Company name : **Sumitomo Bakelite Co., Ltd.**
Stock exchanges : Tokyo
Securities code : 4203
URL : https://www.sumibe.co.jp/english/
Representative : Shinichi Kajiya, President and Representative Director
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Date of the start of dividend payment : -
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 Three Months Ended June 30, 2026

(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 2026 - June 2026	95,211	22.6	13,625	51.2	14,218	65.4	15,414	60.0	10,933	46.8
April 2025 - June 2025	77,668	1.3	9,009	13.9	8,596	5.2	9,634	2.0	7,448	6.4

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
April 2026 - June 2026	124.61	-
April 2025 - June 2025	84.99	-

(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 June 30, 2026	503,479	362,796	359,468	71.4
As of March 31, 2026	484,167	350,646	347,186	71.7

2. Dividends

	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
	Yen	Yen	Yen	Yen	Yen
April 2025 - March 2026	-	50.00	-	60.00	110.00
April 2026 - March 2027	-				
April 2026 - March 2027 (Forecasts)		60.00	-	60.00	120.00

(Note) Revisions of the latest dividend forecasts: None

3. Consolidated Financial Forecasts for the Year Ending March 31, 2027

(% 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 2026 - March 2027	337,000	5.4	38,000	10.2	37,500	5.7	28,500	1.7	324.84

(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 June 30, 2026	88,249,856	As of March 31, 2026	88,249,856
b) Number of treasury shares	As of June 30, 2026	514,439	As of March 31, 2026	514,319
c) Average number of outstanding shares during the period (excluding treasury shares)	April 2026 - June 2026	87,735,462	April 2025 - June 2025	87,635,371

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm : Yes (voluntary)

(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 First Quarter Fiscal Year 2026

(1) Operating Results

Our group's Revenue increased by 22.6% year over year (all percentages below are calculated based on this figure) to ¥95,211 million, driven by factors such as an increase in sales volume primarily due to growing demand for semiconductors, the optimization of sales prices, and the depreciation of the yen compared to Q1 FY2025. Business profit increased by 51.2% to ¥13,625 million, driven by improved profitability resulting from increased sales volume and the optimization of sales prices, despite a surge in raw material prices due to the situation in the Middle East. Operating profit increased by 65.4% to ¥14,218 million. Profit attributable to owners of parent increased by 46.8% to ¥10,933 million.

The financial results by business segment for Q1 FY2026 are as follows:

1. Semiconductor materials

[Revenue ¥34,210 million (up 40.0% year over year), Business profit ¥8,014 million (up 66.3% year over year)]

In the Semiconductor materials segment, Revenue increased significantly, driven by demand related to AI data centers, with particularly strong growth in power device applications. Business profit also increased substantially.

By product category, in Epoxy resin molding compounds for encapsulation of semiconductor devices, demand remained strong not only in power device applications but also in high-end smartphones, telecommunications, and automotive semiconductors. In the Chinese market, demand is expanding against the backdrop of policies promoting the domestic production of semiconductors. In the mobility sector, demand for magnet-fixing applications for HEV (hybrid electric vehicles) increased.

In Photosensitive materials for semiconductor devices, growing demand for memory applications contributed to the results.

In Bonding pastes for semiconductor devices, demand increased particularly for power device applications, including power management ICs. In addition, high-reliability pastes for automotive applications sustained strong performance.

In the “LαZ®” series of Semiconductor substrate materials, Revenue grew for embedded component substrates used in power device applications.

2. High-performance plastics

[Revenue ¥31,931 million (up 22.7% year over year), Business profit ¥3,194 million (up 83.8% year over year)]

In the High-performance plastics segment, Revenue increased greatly, driven by an increase in sales volume and sales prices improved as we appropriately passed on the cost of rising raw material prices. Furthermore, the impact of depreciation of the yen against the U.S. dollar and the euro also helped boost sales. As a result, Business profit also increased substantially.

By product category, in Resins for industrial use, sales increased mainly in the domestic market for semiconductor devices, building materials, and abrasive applications, while sales for tire applications grew against the backdrop of rising demand in the ASEAN region.

In Molding compounds, shipment volumes for electrical component applications increased in China and other parts of Asia. Demand from the North American automotive industry is also on a recovery trend.

In Laminates, Revenue increased due to the optimization of sales prices for copper-clad laminates and higher shipment volumes of heat-dissipating insulating sheets for automotive applications.

In Aerospace components, Revenue increased, driven not only by increased demand from European and North American customers but also by the growing contribution of expanded sales to the repair parts market.

3. Quality of life products

[Revenue ¥28,870 million (up 6.7% year over year), Business profit ¥3,794 million (up 2.9% year over year)]

In the Quality of life products segment, Revenue increased. Business profit also increased.

By product category, in Medical devices and pharmaceuticals, sales grew in Asia for blood container bags, as well as for steering microcatheters for endovascular repair in Japan and overseas, and for gastrointestinal stents in the domestic market. On the other hand, Revenue declined due to the impact of discontinuing the domestic hemodialysis blood circuit business, which was unprofitable. In In vitro diagnostics and Biotechnology-related products, sales of biomaterials for regenerative medicine and custom-made biomaterials for corporate clients remained strong.

In Films and sheets, sales volume increased significantly across the Pharmaceutical packaging, P-Plus, Food packaging, and Electrical and Electronic Equipment packaging sectors, driven by rising demand resulting from increased production and inventory buildup by customers. Contributing factors included an increase in market share for generic drugs through sales expansion efforts, as well as the development of new market segments such as Skin packaging and top sealing film of P-Plus.

In Industrial functional materials, sales of Sheet material for architectural and interior decoration for stores grew significantly due to customers' efforts to secure inventory, and sales of Hollow polycarbonate, which was acquired through a business transfer, also contributed. Sales of Optical sheet & film products and Flame retardant film & sheet for electrical insulation expanded in the automotive sector.

In Waterproof business, Revenue for rooftop waterproofing of buildings increased while prioritizing the stable supply of materials. Demand for residential renovations also remained strong.

(2) Consolidated Financial Position

(2.1) Assets, Liabilities and Equity

1. Assets

Total assets increased by ¥19,312 million from the end of the previous fiscal year to ¥503,479 million.
The main increases were due to Trade and other receivables, as well as Cash and cash equivalents.

2. Liabilities

Total liabilities increased by ¥7,162 million from the end of the previous fiscal year to ¥140,683 million.
The main increases were due to Trade and other payables, as well as Borrowings.

3. Equity

Total equity increased by ¥12,150 million from the end of the previous fiscal year to ¥362,796 million.
The main increase was due to Profit and decrease was due to Dividends paid.

(2.2) Cash Flows

Cash and cash equivalents (hereinafter referred to as Cash) at the end of the first quarter of the current fiscal period increased by ¥5,538 million from the end of the previous fiscal year to ¥130,290 million.

1. Cash flows from operating activities

Cash provided by operating activities was ¥5,300 million.
This was mainly result of income from Profit before tax and Depreciation and amortization, offset by expenditures from an increase in Trade and other receivables and Income taxes paid. Compared with Q1 FY2025, income decreased by ¥702 million.

2. Cash flows from investing activities

Cash provided by investing activities was ¥1,356 million.
This was mainly result of income from Proceeds from sale of investment securities, offset by expenditure from Purchase of property, plant and equipment.

3. Cash flows from financing activities

Cash used in financing activities was ¥3,025 million.
This was mainly result of income from issuance of commercial paper, offset by Dividends paid.

(3) Consolidated Forecasts and Other Forward-Looking Information

There is no change from the consolidated financial forecasts announced on May 11, 2026.

2. Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	March 31, 2026	June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	124,752	130,290
Trade and other receivables	64,225	73,022
Other financial assets	3,659	4,099
Inventories	68,552	72,356
Other current assets	5,772	7,079
Total current assets	266,961	286,845
Non-current assets		
Property, plant and equipment	132,579	132,784
Right-of-use assets	8,851	8,735
Goodwill	3,216	3,233
Other intangible assets	2,493	2,868
Other financial assets	53,407	51,695
Retirement benefit assets	11,235	11,338
Deferred tax assets	2,344	2,268
Other non-current assets	3,081	3,713
Total non-current assets	217,206	216,634
Total assets	484,167	503,479

(Millions of yen)

	March 31, 2026	June 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	20,066	23,089
Trade and other payables	60,012	65,187
Other financial liabilities	1,741	1,664
Income taxes payable	6,729	4,973
Provisions	754	626
Other current liabilities	1,727	1,076
Total current liabilities	91,029	96,614
Non-current liabilities		
Borrowings	7,292	7,119
Other financial liabilities	5,128	5,049
Retirement benefit liabilities	3,430	3,471
Provisions	1,509	1,774
Deferred tax liabilities	24,728	26,264
Other non-current liabilities	405	393
Total non-current liabilities	42,492	44,070
Total liabilities	133,521	140,683
Equity		
Share capital	37,143	37,143
Capital surplus	35,137	35,212
Treasury shares	(1,764)	(1,765)
Other components of equity	88,533	92,525
Retained earnings	188,138	196,352
Total equity attributable to owners of parent	347,186	359,468
Non-controlling interests	3,459	3,328
Total equity	350,646	362,796
Total liabilities and equity	484,167	503,479

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income

(Condensed quarterly consolidated statements of income)

(Millions of yen)

	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)
Revenue	77,668	95,211
Cost of sales	(53,150)	(63,518)
Gross profit	24,518	31,693
Selling, general and administrative expenses	(15,509)	(18,068)
Business profit	9,009	13,625
Other income	13	1,062
Other expenses	(426)	(469)
Operating profit	8,596	14,218
Finance income	1,202	1,344
Finance costs	(164)	(148)
Profit before tax	9,634	15,414
Income tax expenses	(2,117)	(4,325)
Profit	7,517	11,089
Profit attributable to:		
Owners of parent	7,448	10,933
Non-controlling interests	69	157
Profit	7,517	11,089
Earnings per share		
Basic earnings per share (Yen)	84.99	124.61
Diluted earnings per share (Yen)	-	-

(Condensed quarterly consolidated statements of comprehensive income)

(Millions of yen)

	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)
Profit	7,517	11,089
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1,462	1,877
Remeasurements of defined benefit plans	-	-
Total items that will not be reclassified to profit or loss	1,462	1,877
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(1,579)	4,724
Total items that may be reclassified to profit or loss	(1,579)	4,724
Other comprehensive income, net of tax	(117)	6,601
Comprehensive income	7,400	17,691
Comprehensive income attributable to:		
Owners of parent	7,113	17,470
Non-controlling interests	287	220
Comprehensive income	7,400	17,691

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(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	Exchange differences on translation of foreign operations	Total	Non-controlling interests	Total equity
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	-	-	-	7,448	-	-	-	-	69	7,517
Other comprehensive income	-	-	-	-	1,462	-	(1,797)	(336)	218	(117)
Comprehensive income	-	-	-	7,448	1,462	-	(1,797)	(336)	287	7,400
Dividends from surplus	-	-	-	(4,382)	-	-	-	-	(57)	(4,438)
Purchase of treasury shares	-	-	(1)	-	-	-	-	-	-	(1)
Disposal of treasury shares	-	0	0	-	-	-	-	-	-	0
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	(31)	31	-	-	31	-	-
Total transactions with owners	-	0	(1)	(4,413)	31	-	-	31	(57)	(4,439)
Balance at end of current period	37,143	35,178	(21,002)	182,440	18,419	-	41,224	59,643	3,127	296,529

For the three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)

(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	Exchange differences on translation of foreign operations	Total	Non-controlling interests	Total equity
Balance at beginning of current period	37,143	35,137	(1,764)	188,138	25,582	-	62,951	88,533	3,459	350,646
Profit	-	-	-	10,933	-	-	-	-	157	11,089
Other comprehensive income	-	-	-	-	1,877	-	4,660	6,538	64	6,601
Comprehensive income	-	-	-	10,933	1,877	-	4,660	6,538	220	17,691
Dividends from surplus	-	-	-	(5,264)	-	-	-	-	(75)	(5,340)
Purchase of treasury shares	-	-	(1)	-	-	-	-	-	-	(1)
Disposal of treasury shares	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	76	-	-	-	-	-	-	(276)	(200)
Transfer from other components of equity to retained earnings	-	-	-	2,546	(2,546)	-	-	(2,546)	-	-
Total transactions with owners	-	76	(1)	(2,719)	(2,546)	-	-	(2,546)	(351)	(5,541)
Balance at end of current period	37,143	35,212	(1,765)	196,352	24,914	-	67,611	92,525	3,328	362,796

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)
Cash flows from operating activities		
Profit before tax	9,634	15,414
Depreciation and amortization	3,446	3,808
Interest and dividend income	(1,202)	(1,329)
Interest expenses	88	148
Decrease (increase) in trade and other receivables	(2,390)	(8,105)
Increase (decrease) in trade and other payables	(861)	5,149
Decrease (increase) in inventories	936	(2,940)
Others, net	(1,422)	(2,652)
Subtotal	8,229	9,493
Interest received	506	518
Dividends received	703	801
Interest paid	(84)	(149)
Income taxes paid	(3,353)	(5,363)
Net cash provided by (used in) operating activities	6,002	5,300
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,313)	(3,554)
Proceeds from sale of property, plant and equipment	20	1,816
Purchase of investment securities	(3)	(0)
Proceeds from sale of investment securities	19	4,330
Purchase of long-term prepaid expenses	(304)	(662)
Others, net	36	(574)
Net cash provided by (used in) investing activities	(3,545)	1,356
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	2	-
Increase (decrease) in commercial papers	5,000	3,000
Proceeds from long-term borrowings	32	-
Repayments of long-term borrowings	(68)	(212)
Repayments of lease liabilities	(274)	(272)
Purchase of treasury shares	(1)	(1)
Dividends paid	(4,382)	(5,264)
Dividends paid to non-controlling interests	(57)	(75)
Others, net	0	(200)
Net cash provided by (used in) financing activities	254	(3,025)
Effect of exchange rate changes on cash and cash equivalents	(1,378)	1,907
Net increase (decrease) in cash and cash equivalents	1,333	5,538
Cash and cash equivalents at beginning of period	103,533	124,752
Cash and cash equivalents at end of period	104,866	130,290

(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.

Changes in presentation methods

Consolidated Statement of Cash Flows

"Purchase of long-term prepaid expenses," which was included in "Others, net" under "Cash flows from investing activities" for Q1 FY2025, has been listed separately due to the increased monetary significance of the item.

To reflect this change in presentation, the consolidated financial statements for Q1 FY2025 have been reclassified.

As a result, "Others, net" of ¥(267) million that was presented under "Cash flows from investing activities" in the consolidated statement of cash flows for Q1 FY2025, has been reclassified as "Purchase of long-term prepaid expenses" of ¥(304) million and "Others, net" of ¥36 million.

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 three months ended June 30, 2025 (From April 1, 2025 to June 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	24,428	26,029	27,050	160	77,668	-	77,668
Intersegment	-	48	1	-	49	(49)	-
Total revenue	24,428	26,078	27,051	160	77,717	(49)	77,668
Segment profit (loss) (Business profit) (Note 1)	4,818	1,738	3,689	(14)	10,230	(1,221)	9,009

(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. ¥(1,221) million for segment profit (loss) in "Adjustment" includes inter-segment elimination of ¥5 million and corporate expenses of ¥(1,226) 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 three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)

(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	34,210	31,931	28,870	200	95,211	-	95,211
Intersegment	-	52	0	1	54	(54)	-
Total revenue	34,210	31,983	28,871	202	95,265	(54)	95,211
Segment profit (loss) (Business profit) (Note 1)	8,014	3,194	3,794	(10)	14,992	(1,366)	13,625

(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. ¥(1,366) million for segment profit (loss) in "Adjustment" includes inter-segment elimination of ¥(0) million and corporate expenses of ¥(1,366) 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 three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)	For the three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)
Segment profit (loss)	9,009	13,625
Other income	13	1,062
Other expenses	(426)	(469)
Operating profit	8,596	14,218
Finance income	1,202	1,344
Finance costs	(164)	(148)
Profit before tax	9,634	15,414