

April 25, 2022

To whom it may concern:

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 President and Representative Director  
 (Code: 4203 The Prime Market of the Tokyo Stock Exchange)  
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## Notice of Revision of Consolidated Financial Forecasts and Dividend Forecast, and Standalone Financial Forecasts

Sumitomo Bakelite Co., Ltd. (hereinafter, referred to as "the Company") announces the revision of consolidated financial forecasts for the fiscal year ended March 31, 2022, which was announced on October 27, 2021, and dividend forecast along with the Company's recent business performance.

This announcement also includes the disclosure of the standalone financial forecasts due to the expectation of the gap from the actual results of the previous fiscal year.

### 1. Revision of Consolidated Financial Forecasts

#### (1) Revised consolidated financial forecasts for the fiscal year ended March 31, 2022

(April 1, 2021 to March 31, 2022)

	Revenue (Millions of yen)	Business profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Basic earnings per share (Yen)
Previous forecasts (A)	250,000	25,000	17,600	374.02
Revised forecasts (B)	263,000	26,200	18,000	382.52
Amount of change (B-A)	13,000	1,200	400	
Rate of change (%)	5.2	4.8	2.3	
(Reference) Actual results for the fiscal year ended March 31, 2021	209,002	16,642	13,198	280.46

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

#### (2) Reason for the revision

In Semiconductor materials sector, sales have increased due to the increasing global demand in various uses with the acceleration of digitalization and the accompanying expansion of infrastructure, and expanding sales of automotive applications. Additionally, sales in High performance plastics have been steady in automotive and electronics uses. As a result, both revenues and profits for this fiscal year are expected to exceed the previous forecasts.

In addition, while profit before tax was not disclosed in consolidated financial forecasts for the fiscal year ended March 31, 2022, announced on October 27, 2021, the actual result for this fiscal year is expected to be 25,600 million yen, an increase of 9,461 million yen (up by 58.6%) from the previous fiscal year, which is more than 30% up compared to the previous fiscal year. This is mainly because of the significant increase in sales of Semiconductor materials and High performance plastics from the previous fiscal year.

## 2. Revision of Dividend Forecast

### (1) Dividend forecast for the fiscal year ended March 31, 2022

	Annual dividends per share (yen)		
	2nd-quarter	Year-end	Total
Previous forecast	—	50.00	100.00
Revised forecast	—	60.00	110.00
Actual results for the fiscal year ended March 31, 2022	50.00	—	—
(Reference) Actual results for the fiscal year ended March 31, 2021	30.00	45.00	75.00

### (2) Reason for the revision

To return to the Company's shareholders a portion of surplus by actively enhancing corporate value is one of the most important management priorities of the Company. As for the appropriation of surplus, the Company has the policy to pay dividends continuously according to the consolidated financial performance, in consideration of the balance with necessary internal reserves for the future development, such as R&D expenditures, capital investment, and M&A.

The Company has revised the year-end dividend forecast from 50.00 yen to 60.00 yen up by 10.00 yen due to the upward revision of consolidated financial forecasts for the fiscal year ended March 31, 2022 shown as above "1. Revision of Consolidated Financial Forecasts."

## 3. Standalone Financial Forecasts

### (1) Standalone financial forecasts for the fiscal year ended March 31, 2022

(April 1, 2021 to March 31, 2022)

	Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Net income per share (Yen)
Actual results for the fiscal year ended March 31, 2021 (A)	89,968	10,117	10,864	(11,702)	(248.69)
Forecasts for the fiscal year ended March 31, 2022 (B)	99,737	10,515	11,507	7,627	162.08
Amount of change (B-A)	9,769	398	643	19,329	
Rate of change (%)	10.9	3.9	5.9	—	

### (2) Reason for the forecasts

Net sales, operating income, and ordinary income are expected to be exceeded the previous fiscal year because of the increase in sales of High performance plastics due to the recovery of the automotive market as well as the increasing sales in Semiconductor materials sector. Furthermore, while the Company had recognised 20,030 million yen of loss on valuation of securities of affiliates in the previous fiscal year, there was no serious extraordinary loss in this fiscal year. Accordingly, net income for this fiscal year is expected to be significantly higher than the previous fiscal year.

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