Financial Results of FY2025

May 11, 2026

Sumitomo Bakelite Co., Ltd.

Representative Director, President **Shinichi Kajiya**

Outline of Financial Results of FY2025

Financial Results of FY2025 (Y/Y)

[Unit: Billion yen]

	FY2024 (1)	FY2025 (2)	Variance (Y/Y)	
			(2)-(1)	Ratio
Revenue	304.8	319.9	15.1	5.0%
Business Profit *1	30.8	34.5	3.7	11.8%
Operating Profit	24.8	35.5	10.7	43.1%
Profit attributable to owners of parent	19.3	28.0	8.7	45.3%
ROE	6.5%	8.8%	-	-

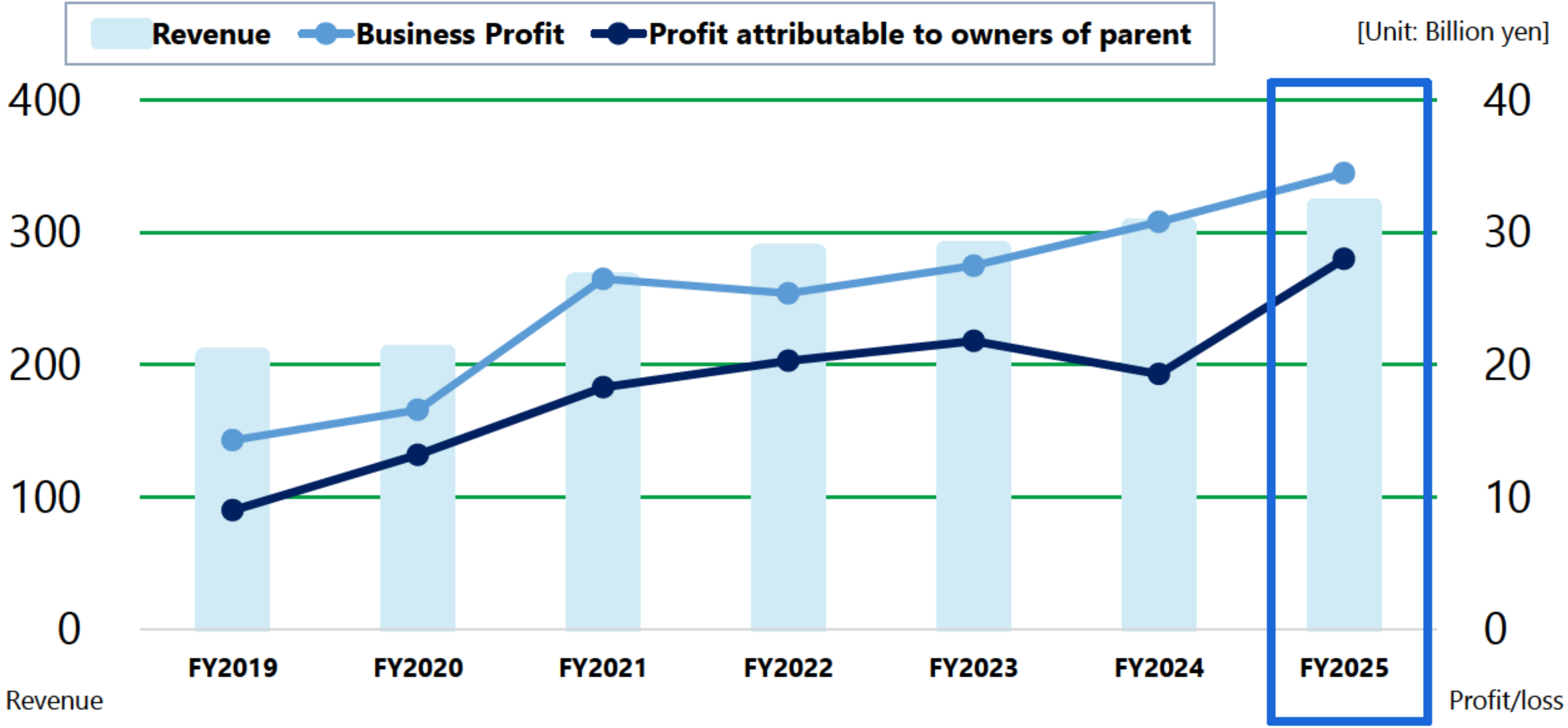
*1 "Business profit" is calculated by deducting "Cost of sales" and "Selling, general and administrative expenses" from "Revenue".

FOREX	FY2024	FY2025
JPY / USD	152.48	150.97
JPY / EUR	163.62	174.54

Revenue and Profit/loss (Fiscal Year Trends)

SUMITOMO BAKELITE CO., LTD.

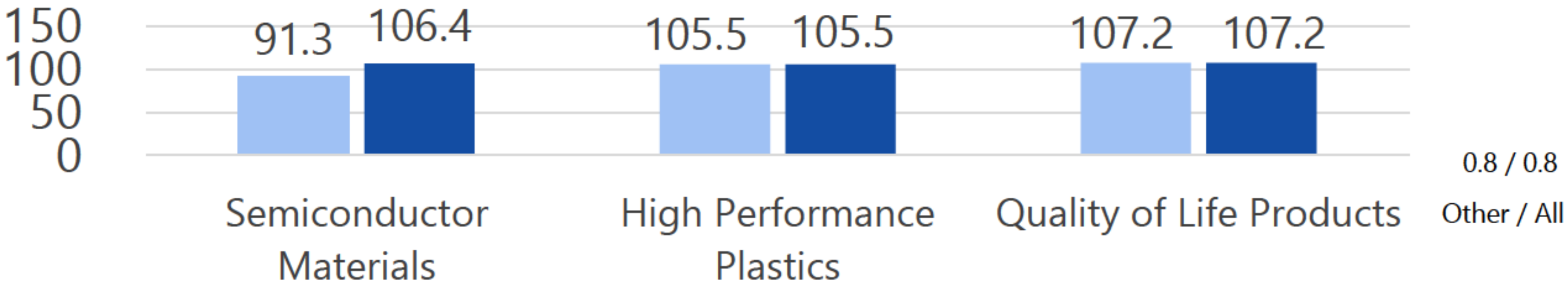
Both revenue and business profits have grown steadily, achieving record high results



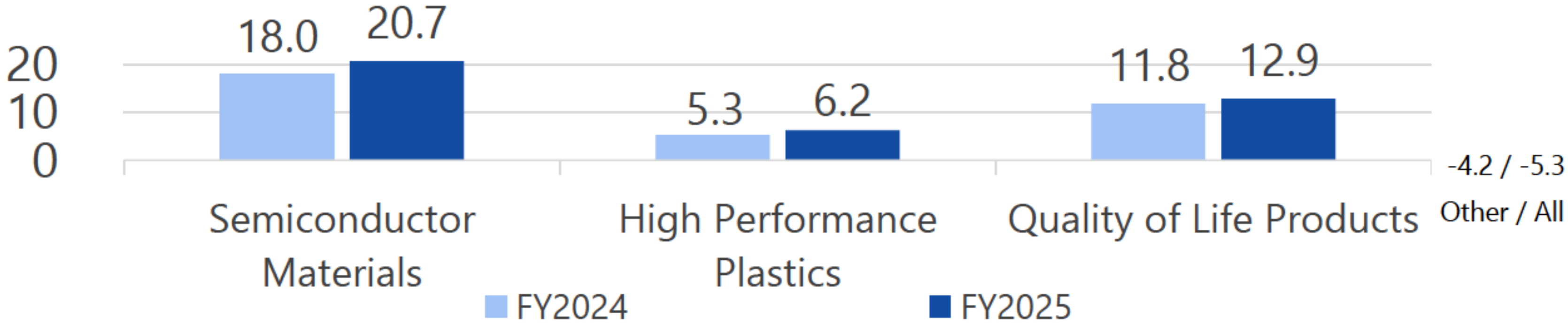
Revenue and Business Profit by Business Segment (Y/Y)

[Unit: Billion yen]

Revenue

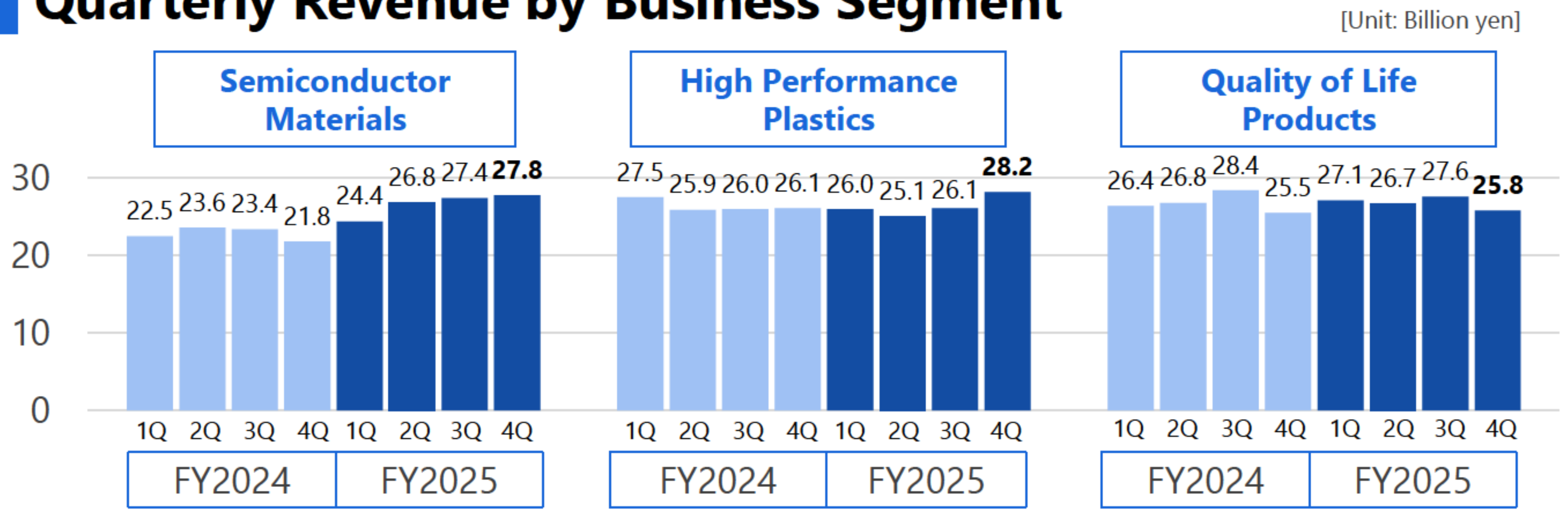


Business Profit



Quarterly Revenue by Business Segment

SUMITOMO BAKELITE CO., LTD.



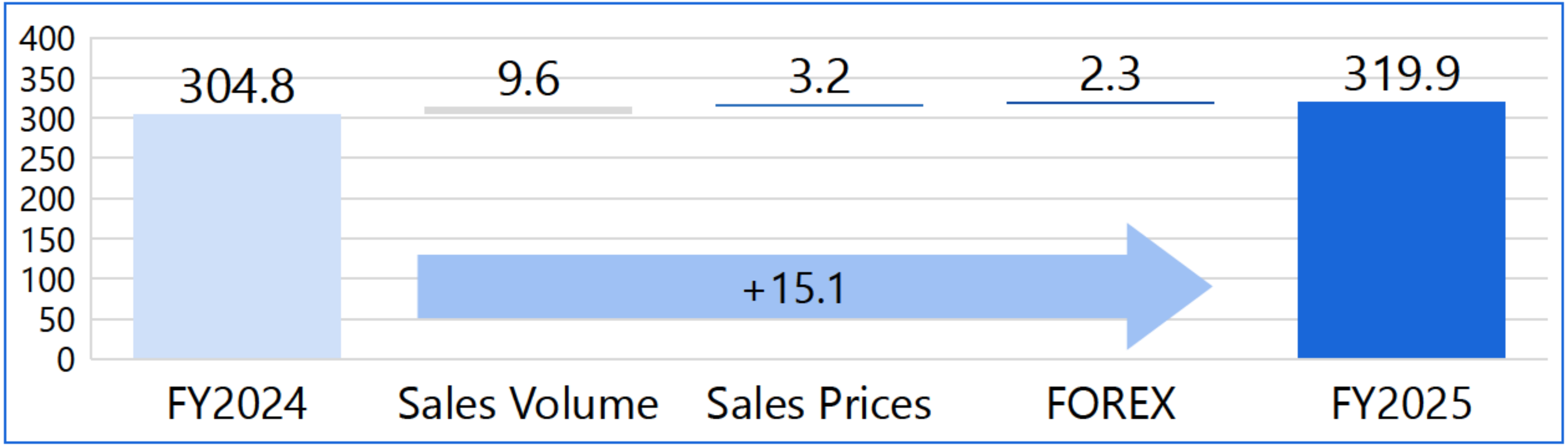
■ Semiconductor Materials : Strong performance driven by China and AI power application.
The automotive applications in Southeast Asia are showing strong signs of recovery.
Expanding demand for memory applications.

■ High Performance Plastics : Recovery in demand for aircraft.
Semiconductor applications have been performing well.

■ Quality of Life Products : Stable performance centered on pharmaceutical packaging despite seasonal declines.

Analysis of Revenue (Y/Y)

[Unit: Billion yen]

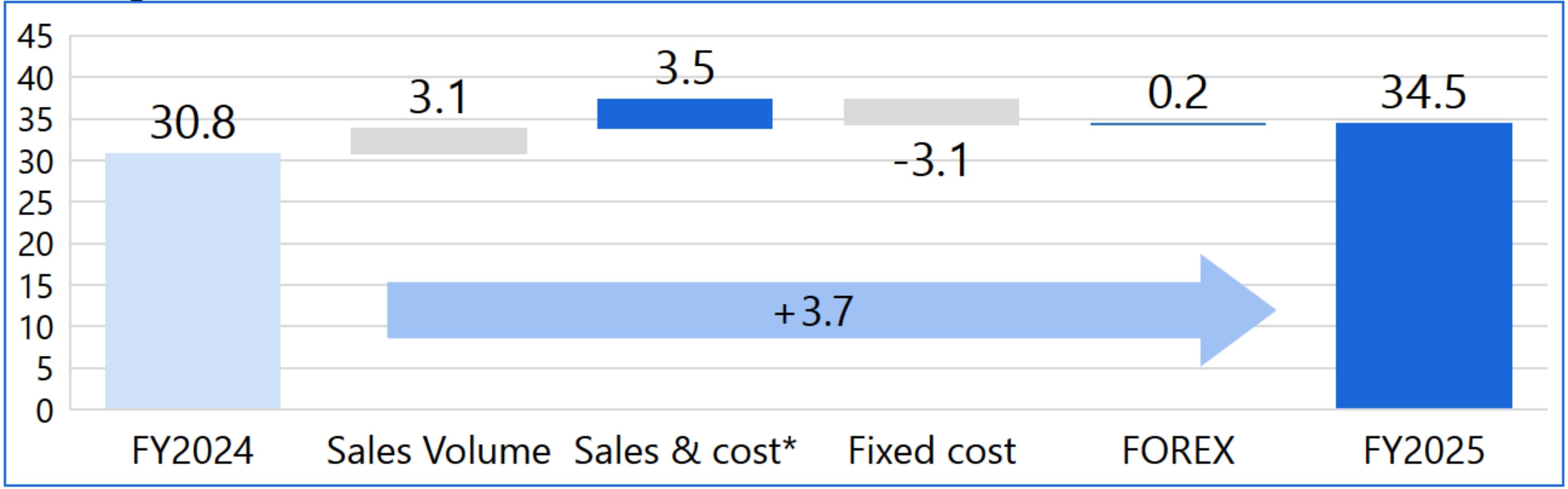


Segment	Sales Volume	Sales Prices	FOREX	Total
Semiconductor Materials	+12.2	+2.0	+0.9	+15.1
High Performance Plastics	-1.2	-0.2	+1.4	+0
Quality of Life Products	-1.4	+1.4	+0	-0

Analysis of Business Profit (Y/Y)

SUMITOMO BAKELITE CO., LTD.

[Unit: Billion yen]



*Cost is the total of raw material and other variable costs.

Segment	Sales Volume	Sales & cost*	Fixed cost	FOREX	Total
Semiconductor Materials	+4.5	-0.1	-1.6	-0	+2.7
High Performance Plastics	-0.1	+2.2	-1.3	+0.1	. +1.0
Quality of Life Products	-1.3	+1.4	+1.0	+0	+1.1
Others	+0.1	+0	-1.2	-0	-1.2

Financial Forecast for FY2026

Financial Forecasts for FY2026 (Y/Y)

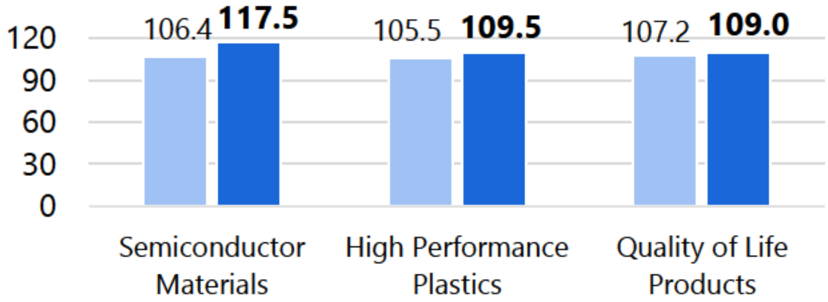
SUMITOMO BAKELITE CO., LTD.

[Unit: Billion yen]

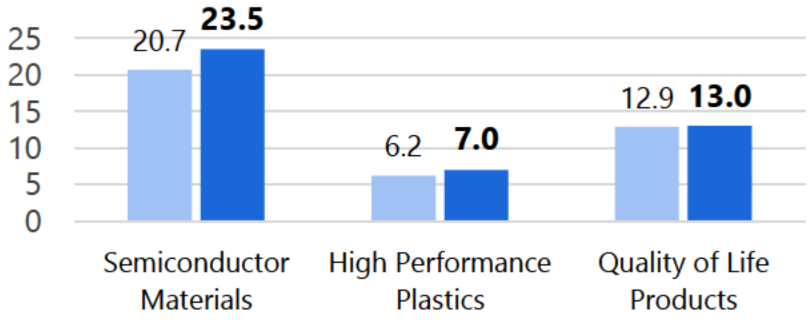
	FY2025 Result (1)	FY2026 Forecast (2)	Variance (2)-(1)	Variance Ratio
Forex (JPY / USD)	150.97	155.00	-	-
Revenue	319.9	**337.0**	17.1	5.4%
Business Profit	34.5	**38.0**	3.5	10.2%
Operating Profit	35.5	**37.5**	2.0	5.7%
Profit attributable to owners of the parent	28.0	**28.5**	0.5	1.7%

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

Revenue



Business Profit

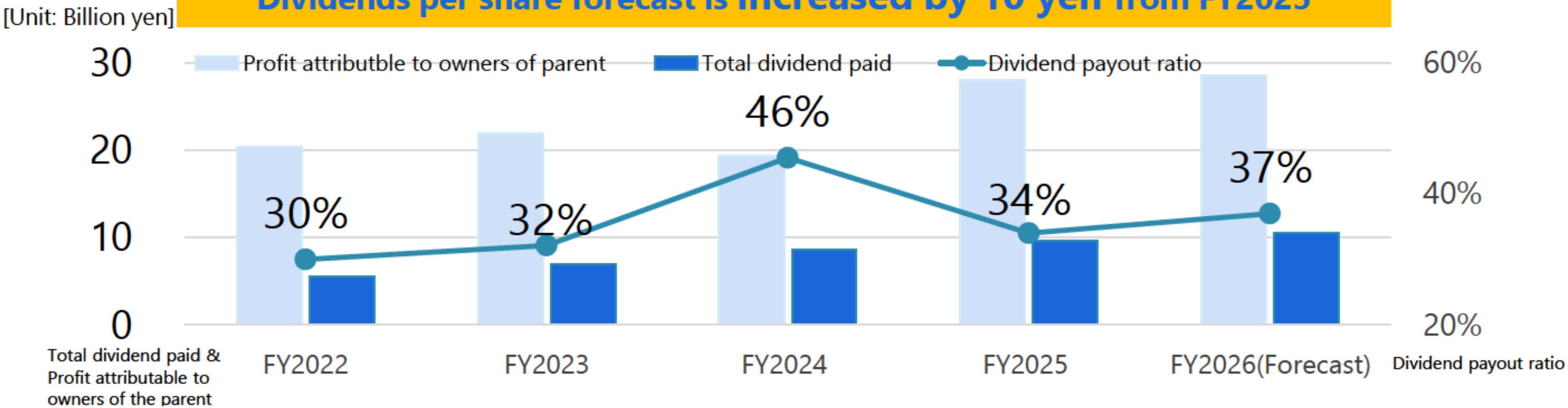


FY2025 (Result) FY2026 (Forecast)

Shareholder Returns

■ Dividends Forecast (FY2026) : 120.00 yen per share (Interim 60 yen / Year-end 60 yen)

Dividends per share forecast is increased by 10 yen from FY2025



Stable and continuous distribution of profits to shareholders

Dividends*1 (yen) /share	FY2022	FY2023	FY2024	FY2025	FY2026 (Forecast)
Interim	30.00	35.00	45.00	**50.00**	**60.00**
Year-end	35.00	40.00	50.00*2	**60.00**	**60.00**
Total	**65.00**	**75.00**	**95.00**	**110.0**	**120.00**

*1: A two-for-one common stock split was issued on April 1, 2024. The above dividend (yen/share) is calculated assuming the stock split occurred at the beginning of FY2022.
*2: 5.00 yen of Commemorative Dividend for 70th Anniversary of Founding on March 1, 2025 is included.

Progress of Medium-Term Business Plan

Cash Allocation

SUMITOMO BAKELITE CO., LTD.

Our Vision for 2030

Business Profit :JPY 55billion **Business Profit Margin: 13%** **ROE: 10%**

Allocation of management resources based on capital costs (FY 2024 – 26)

Capital investments
JPY 50 billion

Growth investments
JPY 20 billion
- **Promotion of DX**
- **Capability Enhancement**

Strategic investments
JPY 50 billion
- **Execution of M&A (Kyocera, AGC, etc.)**

Shareholder returns
JPY 30 billion

Shareholder return policy (FY 2024 – 26)

Stable and continuous return of profits

Dividend payout ratio: **Aim for approximately 40%**

➡ **Progressing as planned in the medium-term plan**

Materiality Issues

SUMITOMO BAKELITE CO., LTD.

To achieve Vision 2030, we address 12 materiality issues

Materiality Issues

Creation of environmental and social values

Carbon Neutral Initiatives
- Technology and product development
- Reduction of GHG emissions

GHG Emissions
2030 Reduction Target: 48% reduction (Compared to FY2021)

FY2025 Estimate: 52% Reduction

***FY2026 Target: 54% Reduction**

Contribution to SDGs

Set on "6+1"priority areas and promote SDGs contribution

Sales revenue ratio of SDG-contributing Products
FY2030 Target : 70%

FY2025 Estimate: 68.7%

Value creation accelerators

- Co-creation with customers
- Innovation
- Human capital
- Digital transformation

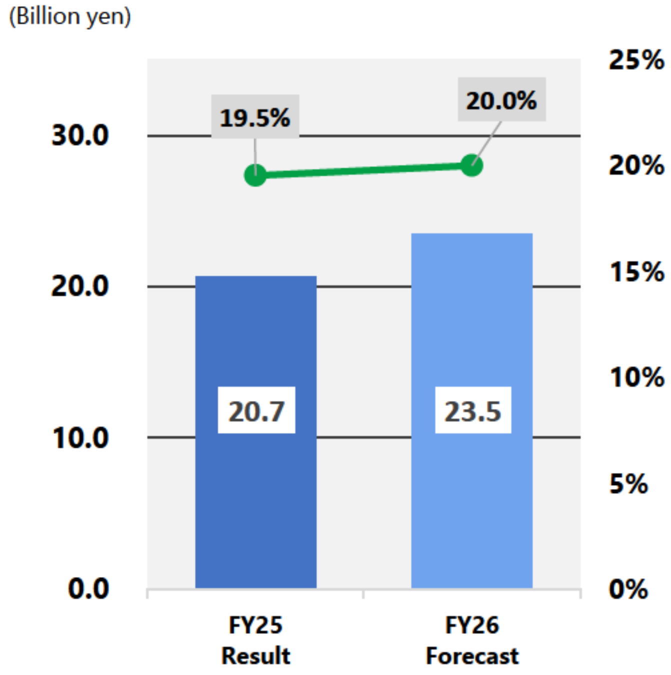
Foundation for business continuity

- Health and Safety
- Cybersecurity
- Product liability
- Respect for human rights
- Compliance
- Sustainable procurement
- Corporate governance

Review of FY2025 and Initiatives for FY2026 in Each Segment

Semiconductor Materials

FY2026 Forecast
Business profit: 23.5 billion yen
Business profit margin: 20%
(Sales revenue: 117.5 billion yen)



Business profit/Business profit margin

Summary of FY2025

■China continues to drive growth through promoting domestic semiconductor manufacturing.

■AI Server :
Demand for high thermal conductivity materials (encapsulants, bonding paste, LαZ) for power and encapsulants and photosensitive materials for memory is expanding.

■Edge AI: MUF and granules are performing well.

■Mobility 3 products:
Strong performance of Japanese HEVs in the North American market and growing sales in China.

FY2026 Outlook and Initiatives

■Growth is driven primarily by increasing demand for AI servers (power and memory).

■AI Semiconductors: Customer evaluations of liquid encapsulants have begun.

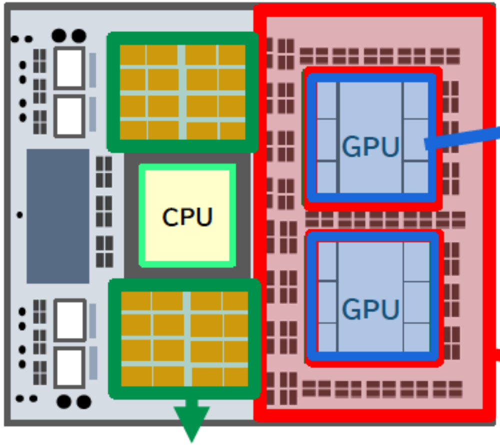
■In China, where expansion continues, certification of the new factory has been completed, establishing a solid foundation.

■Creating synergies with the business acquired from Kyocera (AI and high thermal conductivity).

■Mass production of stator encapsulants for humanoid robots has begun.

Semiconductor Materials: Topics

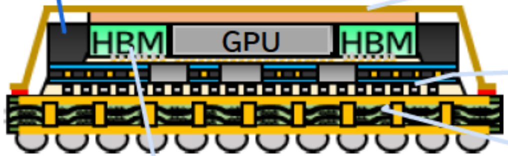
Accelerating the development of semiconductor materials for AI servers through synergy with Kyocera technology



Advanced Packaging

Encapsulants for Overmolding & HBM (Liquid, Granule, and MUF)

High Thermal Conductivity TIM Materials



RDL Materials

Organic Hybrid Bonding Materials

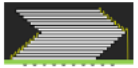
Buildup Materials

Memory

BOC

FC BGA

Flash-Stack



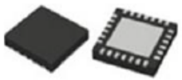
High Thermal Conductivity Grade

Encapsulants (MUF), Bonding Paste, and Buffer Coat

Power Devices

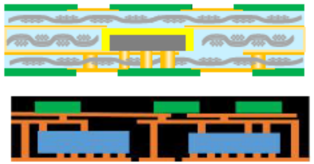
Surface Mounting

pQFN



FC BGA

Embedded Components



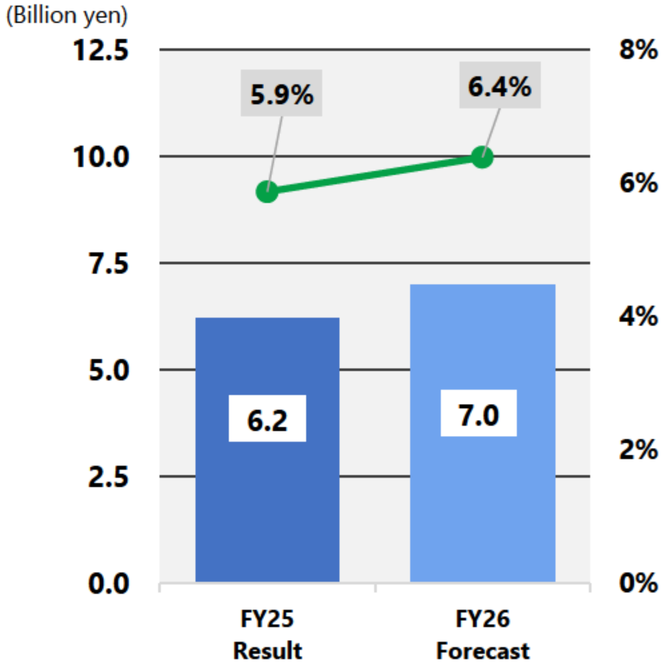
High Thermal Conductivity Grade

Encapsulants (MUF, Granule), Bonding Paste, and LαZ

Supporting the evolution of AI semiconductors with a diverse product lineup

High Performance Plastics

FY2026 Forecast
Business profit: 7.0 billion yen
Business profit margin: 6.4%
(Revenue: 109.5 billion yen)



Business profit/Business profit margin

Summary of FY2025

- Progress in structural reforms centered on North America; Improving profitability in North American phenol-related businesses and reallocating production bases in Asia.
- Business in Asia is performing well, while Europe and the Americas are impacted by the automotive market slowdown.
- Demand for aircraft components is recovering.
- High-value-added new products in the focus areas are steadily expanding; Mass production of Heat-dissipating insulating sheets for automotive power modules has started.

2026 Outlook and Initiatives

- Global structural reforms continue, with a focus on the phenolic resin business in North America.
- Customer production trends in aircraft components remain on the rise, and the evaluation of bio-based PFA resin is expanding.
- COPLUS™ : Expanding production capacity to meet strong demand.
- Increasing adoption and expanding sales of high-value-added new products; AQNOA™, Heat-dissipating insulating sheets, and materials for power modules.

High Performance Plastics: Topics

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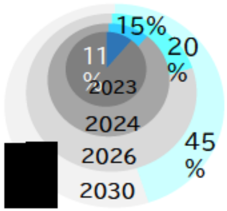
Portfolio Transformation towards High-Value-Added Products



Mid-term Plan
Revenue Ratio of Focus Areas

The sales ratio of focus areas (semiconductors, mobility, etc.) is steadily increasing.

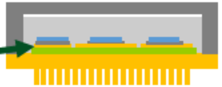
Result for FY2025: 17%

Target for FY2026:
Aiming to achieve 20% of the mid-term target

Heat Dissipating Insulation Sheet Materials

Alternative to Ceramic Substrates
⇒ Enhanced design flexibility for module structures

Heat Dissipating Insulation Sheet Materials



World's first adoption of resin-based Heat-Dissipation Substrate for EVs
- Expanding global sales
- Expansion into new applications (Infrastructure, Industrial Machinery, etc.)

Targeting 5 Billion Yen in Sales Revenue by FY2030

Two Innovative Polymers That Break Through Existing Barriers

For Semiconductors: COPLUS™

COPLUS

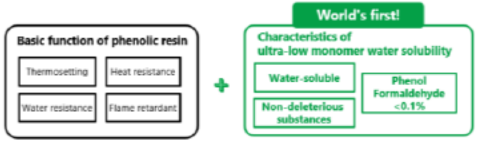
A high-heat-resistant and transparent resin leveraging proprietary monomer technology, offering high flexibility in molecular design and enabling the addition of various functionalities (PLUS).

- Achieving steady progress in AI semiconductors and next-generation displays
- Strong inquiries across a wide range of applications, with plans to expand production capacity by FY2026.

Targeting 5 billion Yen in Sales Revenue by FY2030

Environmentally Friendly Material : AQNOA™

AQNOA

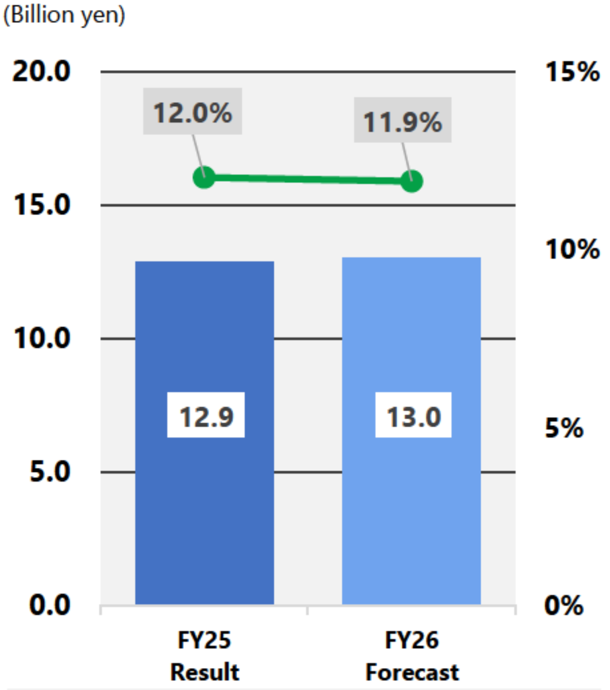


- Commencing sales in FY2025.
- Expanding globally through the development of new applications and an enhanced product lineup.
(Targeting construction, coatings, fuel cells, and semiconductor-related fields)

Targeting 1.5 billion Yen in Sales Revenue by FY2030

Quality of Life Products

FY2026 Forecast
Business profit: 13.0 billion yen
Business profit margin: 11.9%
(Revenue: 109.0 billion yen)



Business profit/Business profit margin

Summary of FY2025

■【Healthcare】
Driving structural reforms and product portfolio optimization.
(Initiatives such as factory closures and integrations in North America and Thailand, withdrawal from unprofitable products, and expansion of the minimally invasive product lineup)

■【Films & Sheets】
Continued strong performance in pharmaceutical packaging for generic medications.

■【Industrial Functional Materials】
Steady growth in optical sheets for automotive HUDs in Europe.

■【Waterproofing】
Productivity improvement through robotics and increased demand for renovations.

FY 2026 Outlook and Initiatives

■【Healthcare】
Expanding the lineup and enhancing capabilities in the field of minimally invasive treatments.
Promoting One Healthcare through medical devices and S-Bio.

■【Films & Sheets】
Expansion of industrial films in China and Southeast Asia.

■【Industrial Functional Materials】
Accelerating portfolio transformation through synergy with business acquired from AGC.

■【Waterproofing】
Offsetting the decline in new construction demand with residential renovation and environmentally friendly products.

Quality of Life Products: Topics

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【Healthcare】

Steering Microcatheter

A new type of microcatheter with a movable tip.
Expanding markets primarily in North America and China.
Enhancing domestic production capacity by FY2026 to establish a stable supply system.

Gastrointestinal Stents
(Colorectal, Stomach and Duodenum, Biliary)

Colorectal, Stomach and Duodenum Stents

Leveraging Olympus collaboration and its sales channels to capture market share in the domestic gastrointestinal stent market dominated by foreign companies.

Biliary Stent

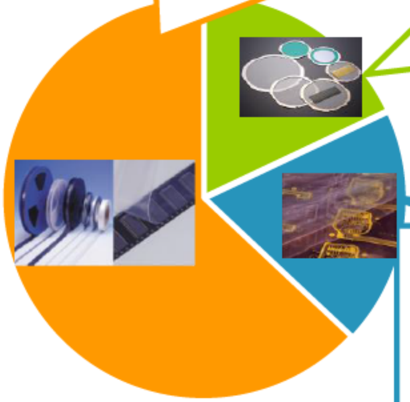
Expanding sales with a tailored lineup, featuring one-of-a-kind stents like valve-equipped models for specific use cases.

【Films & Sheets】

Leveraging performance superiority, industrial films accelerate profit growth by expanding application fields and increasing sales in growing markets

Cover Tape
- Introduction of high-value-added products for ultra-small electronic components.
- Expansion of market share in China and Southeast Asia.

Dicing Tape
- Expansion into advanced semiconductor fields.
- Development of applications for CIS.



Sales Breakdown of Industrial Films

Release Film
(FPC* Release Cushion Film)
- With excellent cushioning and release properties, designed for high-end applications.

*FPC: Flexible Printed Circuits (Flexible Printed Boards)

Quality of Life Products: Topics

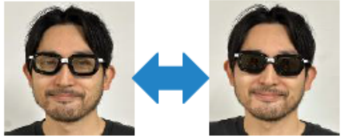
【Industrial Functional Materials】

Automotive Optical Products

Automotive HUD with Optical Sheets

Leveraging synergies with AGC's proprietary optical technologies to become the world's No.1 supplier of optical sheets for HUD applications.

Electronic dimming devices (Electrochromic)



The World's First Prescription-Compatible Resin Electronic Dimming Eyewear

- Seamless and wide-range transparency
- Energy efficiency
- Memory effect
- Compatibility with 3D shapes

■ **Progressing towards product commercialization for branded sunglasses applications**

- Upgrade to the Development Department in FY2026
- Targeting mass production beginning in FY2027

【Waterproofing】

Expanding environmental products to advance differentiation and accelerating portfolio transformation

Solar system installed on high-durability waterproof sheets

◆ **High-Durability Waterproof Sheets (NSJ)**

Reducing life cycle costs and expanding into the growing renovation market

Integrated sheet waterproofing anchor component

◆ **Integrated sheet waterproofing anchor component**

◆ **Waterproof sheet integrated with power generation element**

Enhancing value superiority through further lightweight design

Waterproof sheet integrated with power generation element

◆ **Recycled Waterproof Sheets**

- Waterproofing system for a circular society
- Establishing a mass production system in FY2026

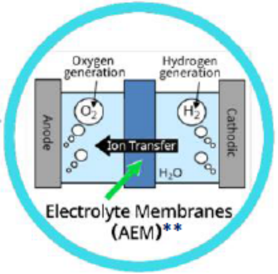
Examples of New Products Enhancing Social and Corporate Value

SUMITOMO BAKELITE CO., LTD.

Functional Membrane for Hydrogen Production

PFAS-free compatible anion exchange membranes enable low-cost green hydrogen production and contribute to a decarbonized society.

- Evaluation is progressing smoothly at the water electrolysis equipment manufacturer.
- Aiming for mass production in FY2027



**Anion Exchange Membrane

Anion Exchange Membrane (AEM) for Hydrogen Production Equipment

Brainwave Detection-Based BMI* Device

*Brain Machine Interface

A non-invasive BMI device enabling long-term EGG measurement with simple and comfortable wearability.

- Aiming for social implementation targeting epilepsy patients in FY2027
- Expanding into non-medical fields (such as caregiving, automotive, and emotion recognition)

Carefully designed, easy-to-use at-home EEG

Resin-based flexible dry electrode

Suckling Ability Sensor System

A device that quantifies and visualizes suction force through a baby's tongue movements, helping to reduce breastfeeding struggles after childbirth.

- Pilot implementation at multiple facilities.
- Promoting utilization across the entire medical and welfare fields, expanding into vital sensing applications.

A device utilizing our proprietary material

Awarded the Grand Prize in the Lactation and Dietary Section the BabyTech® Awards 2025-26

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