Supplemental Data of Business Results for FY March 2016

(April 1, 2015 to June 30, 2015)

Materials Innovation

JSR

JSR Corporation

With chemistry, we can.

公益財団法人 財務会計基準機構 会員

FASF

FY ended March 31 JSR's accounting period (fiscal year) is defined as the period from April 1 to March 31 of the following year.

When noted "FY March 2016", this indicates the period from April 1, 2015 to March 31, 2016.

NB: The forecasts, future plans and strategies made in this document contain a variety of uncertain factors since it has been prepared based on judgments from information that is currently available. Actual business results may differ from those projected, depending on factors such as the economic status of the market surrounding the company.

Highlights of Consolidated Results

JSR Corporation

- Overall, the business results for the 1st quarter of FY Mar. 2016 progressed in line with the 1st half earnings guidance, however, the results were varied by business segments.

- In the Petrochemical Products Business, the net sales of S-SBR surged from the previous year supported by the contribution of our new S-SBR plant in Thailand. However, the earnings of the Petrochemical Products Business decreased sharply from the previous year due to stagnation in demand of tires and automobiles, especially in Japan, and the continued weaken market.

- In the Fine chemicals and other businesses, despite the steady market conditions and weaker yen to dollar, the operating income of the Fine Chemicals and Other Product Business declined due to the slowdown in demand of semiconductor materials during transition period toward new generation process at our customers.

- For the 2nd quarter of the FY March 2016, we expect modest improvement in the earning of the Petrochemical Products Business, thanks to recovery of the butadiene market. For the Fine Chemicals and Other Products Business, we also expect demand recovery mainly in cutting-edge semiconductor materials used for the new generation process.

(Consolidated) Overall Income Statements

JSR Corporation

(Unit:¥mm)

	FY Mar. 2015 1Q	FY Mar. 2016 1Q	Year-on-year comparison	
Net sales	96,069	95,435	△ 634	99%
Cost of sales	71,685	70,081	△ 1,604	98%
SGA	16,253	17,947	+1,693	110%
Operating income	8,131	7,407	△ 724	91%
Non operating income/expenses	241	△ 337	△ 579	△ 140%
Ordinary income	8,372	7,069	△ 1,303	84%
Extraordinary income/losses	-	△ 344	△ 344	-
Net income before tax	8,372	6,724	△ 1,648	80%
Corporate tax and others	3,257	2,526	△ 730	78%
Loss attributable to non-controlling interests	△ 257	△ 752	△ 494	-
Profit attributable to owners of parent	5,373	4,950	△ 422	92%
Comprehensive income	4,915	5,436	+522	111%
EPS(Yen)	22.86	21.51	△ 1.35	94%

Exchange rate (Yen/US $)	102.16	121.36		
Butadiene price (US $/Ton)	1,243	1,124		
MOPJ($/Ton)	951	564		
Naphtha price (Yen/kl)	69,900	*48,500*		

***Butadiene Price : Platts S.E Asia(MEAN)**

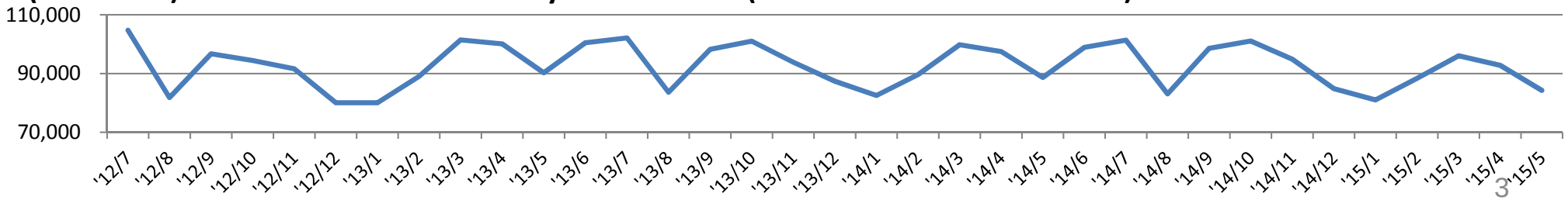
(Consolidated) Segment Data (Petrochemical Products)

JSR Corporation

(Unit:¥mm)

		FY Mar. 2015 1Q	FY Mar. 2016 1Q	Year-on-year comparison	
Reference: Sales volume of Elastomers (Tons) (non-consolidated & JSR BST Elastomer)		146,865	151,403	+4,538	103%
Net sales	Elastomers	46,221	43,559	△ 2,661	94%
	Plastics	13,244	13,332	+88	101%
	Petrochemicals Total	59,465	56,891	△ 2,573	96%
Operating income	Elastomers	2,223	842	△ 1,381	38%
	Plastics	430	1,369	+938	318%
	Petrochemicals Total	2,654	2,211	△ 442	83%
Operating income to sales	Elastomers	4.8%	1.9%		
	Plastics	3.3%	10.3%		
	Petrochemicals Total	4.5%	3.9%		

(Reference) Production of automobile tyres and tubes (Unit: Tons. Source：JATMA)



(Consolidated) Segment Data (Fine Chemicals and Other Products)

JSR Corporation

(Unit:¥mm)

			FY Mar. 2015 1Q	FY Mar. 2016 1Q	Year-on-year comparison	
Net sales	Reference	Semiconductor Materials	15,653	15,574	△ 79	99%
		Display Materials	16,504	17,163	+658	104%
		Strategic Businesses and Others	4,445	5,806	+1,360	131%
	Fine Chemicals and Other Products Total		36,604	38,543	+1,939	105%
Operating income			5,476	5,195	△ 281	95%
Operating income to Sales			15.0%	13.5%		

(Reference : Sales growth by product of Fine Chemicals and Other Products)

Semiconductor Materials

	FY Mar. 2016 Q1 YoY
ArF Photoresists	Approx. 105%
Multilayer Materials	Approx. 85%
Other Lithography Materials	Slightly under 105%
CMP Materials	Slightly under 125%
Packaging Materials	Approx. 150%

Display Materials

	FY Mar. 2016 Q1 YoY
Alignment Films	Approx. 105%
Color Pigmented Resists	Slightly over 105%
Other LCD Materials	Flat

Strategic Businesses and Others

	FY Mar. 2016 Q1 YoY
OFC	Slightly under 115%
ARTON	Flat

(Consolidated) Segment Data (Quarterly Trends)

JSR Corporation

(Unit:¥mm)

		FY Mar. 2015 Apr-Jun.2014	FY Mar. 2015 Jul-Sep.2014	FY Mar. 2015 Oct-Dec.2014	FY Mar. 2015 Jan-Mar.2015	FY Mar. 2016 Apr-Jun.2015	Quarter-on-quarter comparison	
Reference: Sales volume of Elastomers (Tons) (non-consolidated & JSR BST Elastomer)		146,865	169,475	174,221	161,828	151,403	△ 10,425	94%
Net sales	Elastomers	46,221	51,980	52,587	48,168	43,559	△ 4,609	90%
	Plastics	13,244	13,724	14,552	13,640	13,332	△ 308	98%
	Fine Chemicals and Others	36,604	38,125	38,748	36,474	38,543	+2,069	106%
	Total	96,069	103,830	105,888	98,284	95,435	△ 2,848	97%
Operating income	Elastomers	2,223	2,769	3,917	1,825	842	△ 982	46%
	Plastics	430	380	1,099	930	1,369	+438	147%
	Fine Chemicals and Others	5,476	6,652	7,429	4,932	5,195	+262	105%
	Total	8,131	9,802	12,446	7,688	7,407	△ 281	96%
Exchange rate (Yen/US $)		102.16	103.92	114.54	119.09	121.36		
Butadiene price (US $/Ton)		1,243	1,437	1,065	706	1,124		
MOPJ ($/Ton)		951	913	647	494	*564*		
Naphtha price (yen/kl)		69,900	70,900	66,000	47,000	*48,500*		

(Reference : Sales breakdown of Fine Chemicals and Other Products)

***Butadiene price : Platts S.E Asia(MEAN)**

(Unit:¥bn)

	FY Mar. 2015 Apr-Jun.2014	FY Mar. 2015 Jul-Sep.2014	FY Mar. 2015 Oct-Dec.2014	FY Mar. 2015 Jan-Mar.2015	FY Mar. 2016 Apr-Jun.2015	Quarter-on-quarter comparison	
Semiconductor Materials	15.7	16.8	15.9	15.9	15.6	△ 0.3	98%
Display Materials	16.5	16.8	18.7	16.5	17.2	+0.7	104%
Strategic Businesses and Others	4.4	4.5	4.2	4.1	5.8	+1.7	143%

Non operating income/expenses

(Unit:¥mm)

	FY Mar. 2015 1Q	FY Mar. 2016 1Q	Year-on-year comparison
Interest and dividends income	213	313	+100
Equity in earnings of affiliates	75	299	+223
Others	452	246	△206
Total non operating income	741	859	+117
Interest expenses	85	123	+38
Foreign exchange losses	164	614	+449
Others	250	460	+209
Total non operating expenses	500	1,197	+697
Non operating income/expenses	241	△ 337	△579

Extraordinary income/losses

(Unit:¥mm)

	FY Mar. 2015 1Q	FY Mar. 2016 1Q	Year-on-year comparison
Total extraordinary income	-	–	–
Loss on sales of investments in capital of subsidiaries and associates	-	344	+344
Total extraordinary losses	-	344	+344
Extraordinary income/losses	-	△344	△344

(Consolidated) Balance Sheets

（Unit：¥mm）

	2015/3E	2015/6E	Year-on-year comparison
(Assets)			
Current assets	319,396	300,568	△ 18,828
Cash, deposits and marketable securities	115,981	113,032	△ 2,949
Notes and accounts receivable	83,122	77,647	△ 5,475
Inventories	79,320	80,310	+989
Others	40,971	29,579	△ 11,392
Non-current assets	215,195	219,577	+4,381
Tangible and intangible assets	130,211	132,460	+2,248
Investments and other assets	84,983	87,116	+2,133
Total assets	534,592	520,145	△ 14,446
(Liabilities)			
Current liabilities	126,327	110,172	△ 16,154
Notes and accounts payable	72,441	61,045	△ 11,396
Others	53,885	49,127	△ 4,757
Non-current liabilities	43,591	44,805	+1,213
Total liabilities	169,918	154,978	△ 14,940
(Net assets)			
shareholder's equity	324,321	324,911	+590
Accumulated other comprehensive income	33,981	34,992	+1,011
Others	6,371	5,263	△ 1,107
Total net assets	364,673	365,167	+493
Liabilities and net assets	534,592	520,145	△ 14,446

Equity capital ratio
2015/6E ：69.2%
2015/3E ：67.0%

Reference Data Projections for FY March 2016 (Unchanged)

JSR Corporation

(Unit:¥bn)

	FY Mar.2015			FY Mar.2016			Increase/decrease		
	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year
Net sales	199.9	204.2	404.1	*200.0*	*220.0*	*420.0*	+0.1	+15.8	+15.9
Operating income	17.9	20.1	38.1	*16.0*	*25.0*	*41.0*	△ 1.9	+4.9	+2.9
Ordinary income	19.4	22.2	41.6	*16.5*	*25.5*	*42.0*	△ 2.9	+3.3	+0.4
Profit attributable to owners of parent	13.0	16.9	29.9	*12.0*	*19.0*	*31.0*	△ 1.0	+2.1	+1.1
Depreciation	8.1	9.3	17.4	*9.0*	*11.0*	*20.0*	+0.9	+1.7	+2.6
Capital expenditures	15.6	19.6	35.2	*18.0*	*15.0*	*33.0*	+2.4	△ 4.6	△ 2.2
R&D expenses	10.8	11.7	22.5	*11.0*	*12.0*	*23.0*	+0.2	+0.3	+0.5
Exchange rate (yen/US $)	103.04	116.82	109.93	*115.00*	*115.00*	*115.00*			
Naphtha price (yen/kl)	70,400	57,000	63,700	*50,000*	*50,000*	*50,000*			

(Reference： Sales by segment)

(Unit:¥bn)

	FY Mar.2015			FY Mar.2016			Increase/decrease		
	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year
Elastomers	98.2	100.8	199.0	95.0	100.0	195.0	△ 3.2	△ 0.8	△ 4.0
Plastics	27.0	28.2	55.2	25.0	25.0	50.0	△ 2.0	△ 3.2	△ 5.2
Fine Chemicals and Others	74.7	75.2	150.0	80.0	95.0	175.0	+5.3	+19.8	+25.0
Total	199.9	204.2	404.1	200.0	220.0	420.0	+0.1	+15.8	+15.9

Announcement of Earnings Results

FY Mar. 2016 Q2	October 26th 2015
FY Mar. 2016 Q3	January 25th 2016

*Please note that the above is subject to change.