Supplemental Data of Business Results for FY ended March 2017

(April 1, 2016 to March 31, 2017)

Materials Innovation

JSR

JSR Corporation

With chemistry, we can.

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 ended March 2017", this indicates the period from April 1, 2016 to March 31, 2017.

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

The FY ended March 2017's Results

- The operating profit of the FY ended March 2017 decreased YoY mainly due to the negative impact of the stronger yen compared to the previous year. However, it was significantly higher than our revised target which we announced in October thanks to the recovery in the Petrochemicals market.
- **Petrochemicals Business:** Both the sales and the profit of the Elastomer business increased YoY. The earnings jumped up in the second half of the fiscal year because of the recovery in the market condition and expansion in sales. The second phase of our SSBR plant in Thailand began full-scale operation.
- **Fine Chemicals and other Businesses:** The profit decreased YoY due to the negative impact of the stronger yen even though the sales exceeded the previous year. In the Semiconductor materials business, the sales of the materials for cutting-edge processes grew steadily. In the Display materials business, the sales increased YoY in rapidly growing Chinese market even with intensified competition.

The FY ending March 2018's Projection

- We forecast that earnings of FY ending March 2018 will exceed the results of FY ended March 2017. Sales: 405.0 billion yen, Operating Profit: 35.0 billion yen.
- **Petrochemicals Business:** We aim to gain benefits from the wider margin spread thanks to the recovery in the market condition and increase sales volume by full-scale operation in our SSBR plant in Thailand.
- **Fine Chemicals and other Businesses:** In the Semiconductor materials business, we aim to expand sales of the materials for cutting-edge processes. In the Display materials business, we aim for further increase in our Chinese market share. In the Life Sciences business, we expect further growth in the fields related to antibody drugs.
- The new medium-term management plan "JSR20i9" starts from FY ending March 2018. There will be unforeseeable business condition for the time being, however, we aim for solid future growth.

(Consolidated) Overall Income Statements

JSR Corporation

(Unit:¥mm)

	FY ended Mar. 2016	FY ended Mar. 2017	Year-on-year comparison	
Net sales	386,709	390,599	+3,889	101%
Cost of sales	280,175	274,614	△ 5,562	98%
SGA	72,125	83,615	+11,489	116%
Operating income	34,408	32,370	△ 2,038	94%
Non operating income/expenses	△ 774	3,894	+4,669	–
Ordinary income	33,633	36,264	+2,631	108%
Extraordinary income/losses	△ 6,267	2,063	+8,330	–
Net income before tax	27,366	38,327	+10,961	140%
Corporate tax and others	5,036	8,037	+3,001	160%
Income/Loss attributable to non-controlling interests	△ 1,738	213	+1,951	–
Profit attributable to owners of parent	24,068	30,078	+6,010	125%
Comprehensive income	11,925	32,165	+20,240	270%
EPS(Yen)	105.87	134.43	+28.56	–
ROE	6.8%	8.4%	1.6%	–
Exchange rate (Yen/US $)	120.14	108.38	△ 11.76	90%
Butadiene price (US $/Ton)	925	1,551	626	168%
MOPJ (US $/Ton)	453	*437*	*△ 16*	*96%*
Naphtha price (Yen/kl)	42,800	*34,650*	*△ 8,150*	*81%*

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

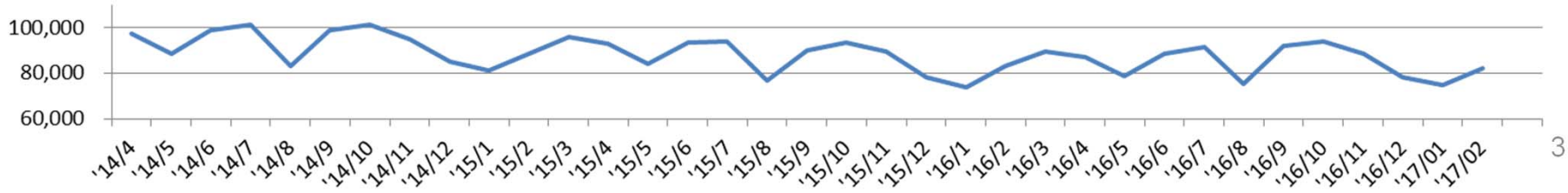
(Consolidated) Segment Data (Petrochemical Products)

JSR Corporation

(Unit:¥mm)

		FY ended Mar. 2016	FY ended Mar. 2017	Year-on-year comparison	
Reference: Sales volume of Elastomers (Ton) (non-consolidated & JSR BST Elastomer)		639,606	695,988	+56,382	109%
Net sales	Elastomers	179,252	185,345	+6,093	103%
	Plastics	52,206	46,035	△ 6,172	88%
	Petrochemicals Total	231,459	231,380	△ 79	100%
Operating income	Elastomers	7,491	8,340	+848	111%
	Plastics	5,113	3,773	△ 1,341	74%
	Petrochemicals Total	12,605	12,113	△ 493	96%
Operating income to sales	Elastomers	4.2%	4.5%		
	Plastics	9.8%	8.2%		
	Petrochemicals Total	5.4%	5.2%		

(Reference) Production of automobile tires and tubes (Unit: Ton, Source: JATMA)



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

JSR Corporation

(Unit:¥mm)

			FY ended Mar. 2016	FY ended Mar. 2017	Year-on-year comparison	
Net sales	Reference	Semiconductor Materials	62,605	62,149	△ 457	99%
		Display Materials	62,194	56,805	△ 5,390	91%
		Others	30,450	40,265	+9,815	132%
	Fine Chemicals and Other Products Total		155,249	159,218	+3,968	103%
Operating income			21,802	20,257	△ 1,545	93%
Operating income to Sales			14.0%	12.7%		

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

Semiconductor Materials

	FY ended Mar. 2017 YoY (Apr – Mar)
ArF Photoresists	Slightly under 105%
Multilayer Materials	Slight decrease
Other Lithography Materials	Approx. 95%
CMP Materials	Approx. 110%
Packaging Materials	Approx. 90%

Display Materials

	FY ended Mar. 2017 YoY (Apr – Mar)
Alignment Films	Approx. 95%
Color Pigmented Resists	Slightly under 85%
Other LCD Materials	Slightly over 95%

Others

	FY ended Mar. 2017 YoY (Apr – Mar)
OFC	Slight increase
ARTON	Approx. 95%
Life Sciences	Slightly under 165%

(Consolidated) Segment Data (Quarterly Trends)

JSR Corporation

(Unit:¥mm)		FY ended Mar. 2016 Jan-Mar.2016	FY ended Mar. 2017 Apr-Jun.2016	FY ended Mar. 2017 Jul-Sep.2016	FY ended Mar. 2017 Oct-Dec.2016	FY ended Mar. 2017 Jan-Mar.2017	Year-on-year comparison	
Reference: Sales volume of Elastomers (Ton) (non-consolidated & JSR BST Elastomer)		162,084	155,451	171,845	189,258	179,434	△ 9,824	95%
Net sales	Elastomers	44,004	40,528	42,754	48,008	54,055	+6,047	113%
	Plastics	11,596	11,251	10,859	11,328	12,596	+1,268	111%
	Fine Chemicals and Others	36,628	37,007	39,467	39,172	43,573	+4,400	111%
	Total	92,230	88,786	93,080	98,509	110,224	+11,716	112%
Operating income	Elastomers	657	903	862	2,974	3,601	+628	121%
	Plastics	1,087	451	962	1,310	1,050	△ 259	80%
	Fine Chemicals and Others	3,196	4,283	4,837	4,414	6,724	+2,310	152%
	Total	4,941	5,637	6,661	8,697	11,375	+2,678	131%

Exchange rate (Yen/US $)	115.48	108.14	102.43	109.30	113.64		
Butadiene price (US $/Ton)	891	998	1,073	1,572	2,602		
MOPJ ($/Ton)	344	411	389	450	*499*		
Naphtha price (yen/kl)	34,300	31,600	31,300	34,100	*41,600*		

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

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

(Unit:¥bn)	FY ended Mar. 2016 Jan-Mar.2016	FY ended Mar. 2017 Apr-Jun.2016	FY ended Mar. 2017 Jul-Sep.2016	FY ended Mar. 2017 Oct-Dec.2016	FY ended Mar. 2017 Jan-Mar.2017	Quarter-on-quarter	
Semiconductor Materials	14.5	14.7	15.5	15.7	16.3	0.6	104%
Display Materials	13.5	14.0	14.4	14.3	14.1	△ 0.2	98%
Others	8.6	8.4	9.5	9.2	13.2	4.0	144%

Non operating income/expenses

(Unit:¥mm)

	FY ended Mar. 2016	FY ended Mar. 2017	Year-on-year comparison
Interest and dividends income	1,379	1,369	△11
Equity in earnings of affiliates	1,848	714	△1,134
Foreign exchange gains	–	1,676	+1,676
Gain on investments in partnership	322	1,188	+865
Others	1,242	1,454	+211
Total non operating income	4,794	6,400	+1,606
Interest expenses	526	699	+172
Foreign exchange losses	3,036	–	△3,036
Loss on abandoment of non-current assets	254	283	+28
Others	2,005	1,808	△198
Total non operating expenses	5,568	2,506	△3,063
Non operating income/expenses	△ 774	3,894	+4,669

Extraordinary income/losses

(Unit:¥mm)

	FY ended Mar. 2016	FY ended Mar. 2017	Year-on-year comparison
Gain on sales of non-current assets	–	630	+630
Gain on sales of investment securities	633	2,868	+2,235
Gain on sales of shares of subsidiaries and associates	–	939	+939
Gain on transfer of business	–	749	+749
Others	1,757	–	△1,758
Total extraordinary income	2,391	5,187	+2,796
Loss on valuation of shares of subsidiaries and associates	–	598	+598
Loss on valuation of investment securities	52	415	+362
Impairment loss	7,539	2,111	△5,428
Others	1,066	–	△1,066
Total extraordinary losses	8,658	3,124	△5,534
Extraordinary income/losses	△6,267	+2,063	+8,330

(Consolidated) Balance Sheets

JSR Corporation

(Unit:¥mm)

	2016/3E	2017/3E	Year-on-year comparison
(Assets)			
Current assets	300,532	348,212	+47,680
Cash, deposits and marketable securities	112,091	140,933	+28,841
Notes and accounts receivable	77,878	90,695	+12,816
Inventories	77,458	81,918	+4,460
Others	33,104	34,667	+1,562
Non-current assets	215,827	227,805	+11,977
Tangible and intangible assets	129,357	147,346	+17,989
Investments and other assets	86,470	80,459	△ 6,012
Total assets	516,359	576,016	+59,657
(Liabilities)			
Current liabilities	109,322	139,663	+30,340
Notes and accounts payable	53,836	75,026	+21,190
Others	55,486	64,636	+9,150
Non-current liabilities	44,683	59,639	+14,956
Total liabilities	154,005	199,302	+45,296
(Net assets)			
shareholder's equity	154,005	199,302	+45,296
Accumulated other comprehensive income	329,420	335,940	+6,519
Others	23,724	25,454	+1,730
Total net assets	362,353	376,715	+14,361
Liabilities and net assets	516,359	576,016	+59,657

Capital-to-Asset ratio
2017/3E :62.7%
2016/3E :68.4%

(Consolidated) Statements of Cash Flows

JSR Corporation

(Unit:¥mm)

	FY ended Mar.2016	FY ended Mar.2017	Year-on-year comparison
Cash flows from operating activities	48,128	47,506	△622
Income before income taxes	27,366	38,327	+10,961
Depreciation and amortization	18,508	14,676	△3,833
Increase(decrease) in working capital	△ 10,651	3,781	+14,433
Others	12,904	△ 9,278	△22,183
Cash flows from investment activities	△ 19,038	△ 41,807	△22,769
Purchase of tangible and intangible assets	△ 27,052	△ 33,727	△6,674
Changes in investments for cash management purposes *	11,497	△ 15,214	△26,711
Others	△ 3,483	7,133	+10,617
Free cash flows	29,090	5,699	△23,391
Adjusted free cash flows (excluding " * ")	17,592	20,913	+3,320
Cash flows from financing activities	△ 16,260	△ 3,510	+12,750
Decrease(increase) in treasury stock	△ 8,997	△ 4,526	+4,472
Cash dividends paid	△ 10,241	△ 11,200	△958
Others	2,979	12,215	+9,236
Effect of exchange rate change on cash and cash equivalents	△ 1,341	△ 1,755	△413
Net increase (decrease) in cash and cash equivalents	11,488	434	△11,054
Others	–	7,587	+7,587
Cash and cash equivalents at end of period	89,394	97,416	+8,021

* Changes in investments for cash management purposes were derived from purchases and redemption at maturity of financial instruments held for cash management purposes with original maturities of longer than three months.

Reference Data Projections for FY ending March 2018

JSR Corporation

Results for FY ended March 2017 (Japanese Standard)

(Unit:¥bn)

	FY ended Mar.2017		
	1st half	2nd half	Full year
Net sales	181.9	208.7	390.6
Operating income	12.3	20.1	32.4
Ordinary income	13.8	22.5	36.3
Profit attributable to owners of parent	10.9	19.2	30.1
Depreciation	6.7	8.0	14.7
Capital expenditures	16.5	15.3	31.8
R&D expenses	9.7	10.1	19.7
Exchange rate (yen/US$)	105.29	111.47	108.38
Naphtha price (yen/kl)	31,450	*37,850*	*34,650*

(Reference: Sales by segment)

	FY ended Mar.2017		
	1st half	2nd half	Full year
Elastomers	83.3	102.1	185.3
Plastics	22.1	23.9	46.0
Fine Chemicals and Others	76.5	82.7	159.2
Total	181.9	208.7	390.6

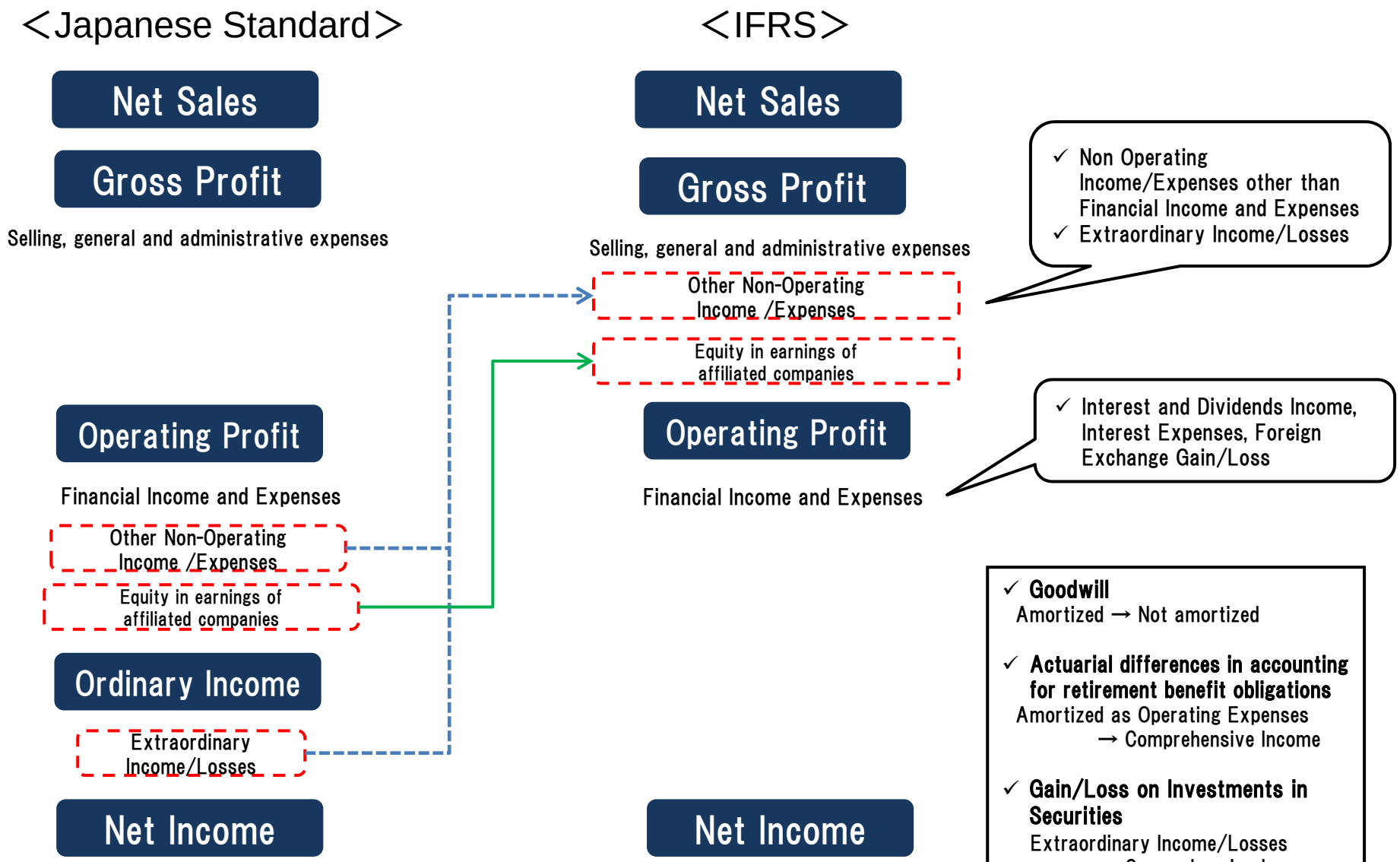
Projections for FY ending March 2018 (IFRS)

(Unit:¥bn)

	FY ending Mar.2018		
	1st half	2nd half	Full year
Net sales	*195.0*	*210.0*	*405.0*
Operating income	*15.0*	*20.0*	*35.0*
Net income attributable to owners of the parent	*11.5*	*15.0*	*26.5*
Depreciation	*8.0*	*9.0*	*17.0*
Capital expenditures	*24.0*	*23.0*	*47.0*
R&D expenses	*10.5*	*10.5*	*21.0*
Exchange rate (yen/US$)	*110.00*	*110.00*	*110.00*
Naphtha price (yen/kl)	*40,000*	*40,000*	*40,000*

(Reference: Sales by segment)

	FY ending Mar.2018		
	1st half	2nd half	Full year
Elastomers	*95.0*	*100.0*	*195.0*
Plastics	*25.0*	*25.0*	*50.0*
Fine Chemicals and Others	*75.0*	*85.0*	*160.0*
Total	*195.0*	*210.0*	*405.0*


<Japanese Standard>
Net Sales
Gross Profit
Selling, general and administrative expenses
Operating Profit
Financial Income and Expenses
Other Non-Operating Income /Expenses
Equity in earnings of affiliated companies
Ordinary Income
Extraordinary Income/Losses
Net Income
<IFRS>
Net Sales
Gross Profit
Selling, general and administrative expenses
Other Non-Operating Income /Expenses
Equity in earnings of affiliated companies
Operating Profit
Financial Income and Expenses
Net Income
✓ Non Operating Income/Expenses other than Financial Income and Expenses
✓ Extraordinary Income/Losses
✓ Interest and Dividends Income, Interest Expenses, Foreign Exchange Gain/Loss
✓ Goodwill
Amortized → Not amortized
✓ Actuarial differences in accounting for retirement benefit obligations
Amortized as Operating Expenses → Comprehensive Income
✓ Gain/Loss on Investments in Securities
Extraordinary Income/Losses → Comprehensive Income

(Reference) IR Calendar

Announcement of Earnings Results

FY ending Mar.2018 Q1	July 31th 2017
FY ending Mar.2018 Q2	October 30th 2017

*Please note that the above is subject to change.