

Supplemental Data of Business Results for 1H FY March 2016 (April 1, 2015 to September 30, 2015)



JSR Corporation
With chemistry, we can.



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.

- The business results of the 1st half of FY March 2016 exceeded its earnings guidance presented earlier. The progress of each business segments was varied.
- In the Elastomers Business, the operating income decreased from the previous year due to stagnation in demand of tires and automobiles, especially in Japan, and the continuous weak market. However, the net sales of S-SBR surged from the previous year supported by further contribution of our S-SBR plant in Thailand.
- In the Fine Chemicals and Other Product Businesses, in spite of positive impact from weaker yen, the operating income resulted in a marginal increase due to the following factors. For semiconductor materials, the demands at our advanced customers slowed down due to transition period toward new generation process. For display materials, the demands were also weakened by a decline in capacity utilization rate of our customers.
- For the FY March 2016, we expect to reach the full year OP guidance. S-SBR will continuously push up the earnings of Petrochemical Products Business despite continuous sluggish market conditions. In addition, cutting-edge semiconductor materials will grow further to give positive impact on the Fine Chemical and Other Products Business even with the uncertain market conditions.

(Consolidated) Overall Income Statements

JSR Corporation

(Unit:¥mm)

| | FY Mar. 2015 1H | FY Mar. 2016 1H | Year-on-year comparison | |
|--|--------------------|--------------------|-------------------------|------|
| Net sales | 199,900 | 195,133 | △ 4,766 | 98% |
| Cost of sales | 149,740 | 141,121 | △ 8,618 | 94% |
| SGA | 32,226 | 34,892 | +2,666 | 108% |
| Operating income | 17,933 | 19,119 | +1,186 | 107% |
| Non operating income/expenses | 1,437 | △ 2,302 | △ 3,740 | — |
| Ordinary income | 19,370 | 16,816 | △ 2,554 | 87% |
| Extraordinary income/losses | △ 509 | △ 586 | △ 76 | — |
| Net income before tax | 18,861 | 16,230 | △ 2,631 | 86% |
| Corporate tax and others | 6,285 | 5,670 | △ 614 | 90% |
| Loss attributable to non-controlling interests | △ 431 | △ 1,955 | △ 1,524 | — |
| Profit attributable to owners of parent | 13,007 | 12,514 | △ 492 | 96% |
| Comprehensive income | 16,451 | 5,437 | △ 11,014 | 33% |
| EPS(Yen) | 55.35 | 54.68 | △ 0.67 | 99% |
| Exchange rate (Yen/US \$) | 103.04 | 121.80 | 18.76 | 118% |
| Butadiene price (US \$ /Ton) | 1,340 | 1,051 | △ 289 | 78% |
| MOPJ(\$/Ton) | 932 | 512 | △ 420 | 55% |
| Naphtha price (Yen/kl) | 70,400 | 48,000 | △ 22,400 | 68% |

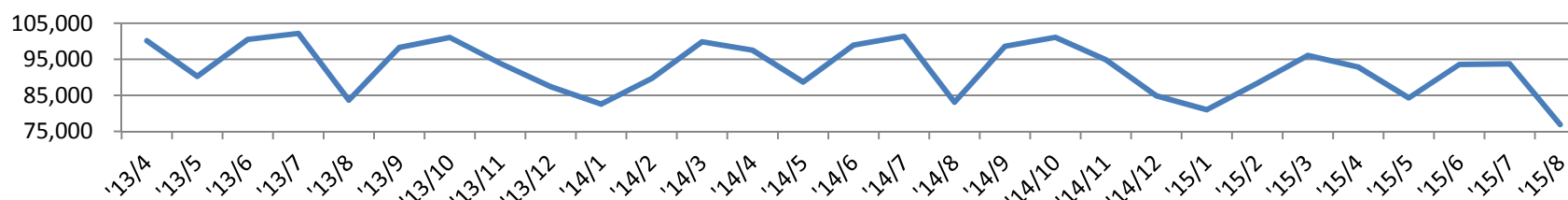
*Butadiene Price : Platts S.E Asia(MEAN)

(Consolidated) Segment Data (Petrochemical Products) JSR Corporation

(Unit:¥mm)

| | | FY Mar. 2015 1H | FY Mar. 2016 1H | Year-on-year comparison | |
|--|----------------------|--------------------|--------------------|----------------------------|------|
| Reference: Sales volume of Elastomers (Tons) (non-consolidated & JSR BST Elastomer) | | 316,340 | 311,621 | △ 4,719 | 99% |
| Net sales | Elastomers | 98,201 | 90,287 | △ 7,914 | 92% |
| | Plastics | 26,968 | 26,938 | △ 29 | 100% |
| | Petrochemicals Total | 125,170 | 117,226 | △ 7,943 | 94% |
| Operating income | Elastomers | 4,992 | 3,903 | △ 1,088 | 78% |
| | Plastics | 811 | 2,777 | +1,965 | 342% |
| | Petrochemicals Total | 5,803 | 6,681 | +877 | 115% |
| Operating income to sales | Elastomers | 5.1% | 4.3% | | |
| | Plastics | 3.0% | 10.3% | | |
| | Petrochemicals Total | 4.6% | 5.7% | | |

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



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

JSR Corporation

(Unit:¥mm)

| | | | FY Mar. 2015 1H | FY Mar. 2016 1H | Year-on-year comparison | |
|---------------------------|---|---------------------------------|--------------------|--------------------|----------------------------|------|
| Net sales | Reference | Semiconductor Materials | 32,470 | 31,964 | △ 505 | 98% |
| | | Display Materials | 33,353 | 33,810 | +456 | 101% |
| | | Strategic Businesses and Others | 8,906 | 12,132 | +3,226 | 136% |
| | Fine Chemicals and Other Products Total | | 74,730 | 77,907 | +3,177 | 104% |
| Operating income | | | 12,129 | 12,438 | +308 | 103% |
| Operating income to Sales | | | 16.2% | 16.0% | | |

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

Semiconductor Materials

FY Mar. 2016 1H YoY

| | |
|-----------------------------|--------------------|
| ArF Photoresists | Slightly over 105% |
| Multilayer Materials | Approx. 85% |
| Other Lithography Materials | Flat |
| CMP Materials | Slightly over 105% |
| Packaging Materials | Approx. 140% |

Display Materials

FY Mar. 2016 1H YoY

| | |
|-------------------------|--------------|
| Alignment Films | Flat |
| Color Pigmented Resists | Approx. 105% |
| Other LCD Materials | Flat |

Strategic Businesses and Others

FY Mar. 2016 1H YoY

| | |
|-------|--------------|
| OFC | Approx. 105% |
| ARTON | Approx. 110% |

(Consolidated) Segment Data (Quarterly Trends)

JSR Corporation

(Unit:¥mm)

| | | FY Mar. 2015 Jul-Sep.2014 | FY Mar. 2015 Oct-Dec.2014 | FY Mar. 2015 Jan-Mar.2015 | FY Mar. 2016 Apr-Jun.2015 | FY Mar. 2016 Jul-Sep.2015 | Quarter-on-quarter comparison | |
|---|---------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|----------------------------------|------|
| Reference: Sales volume of Elastomers (Tons) (non-consolidated & JSR BST Elastomer) | | 169,475 | 174,221 | 161,828 | 151,403 | 160,218 | +8,815 | 106% |
| Net sales | Elastomers | 51,980 | 52,587 | 48,168 | 43,559 | 46,728 | +3,168 | 107% |
| | Plastics | 13,724 | 14,552 | 13,640 | 13,332 | 13,606 | +273 | 102% |
| | Fine Chemicals and Others | 38,125 | 38,748 | 36,474 | 38,543 | 39,363 | +819 | 102% |
| | Total | 103,830 | 105,888 | 98,284 | 95,435 | 99,698 | +4,262 | 104% |
| Operating income | Elastomers | 2,769 | 3,917 | 1,825 | 842 | 3,061 | +2,219 | 363% |
| | Plastics | 380 | 1,099 | 930 | 1,369 | 1,407 | +37 | 103% |
| | Fine Chemicals and Others | 6,652 | 7,429 | 4,932 | 5,195 | 7,243 | +2,047 | 139% |
| | Total | 9,802 | 12,446 | 7,688 | 7,407 | 11,712 | +4,305 | 158% |
| Exchange rate (Yen/US \$) | | 103.92 | 114.54 | 119.09 | 121.36 | 122.23 | | |
| Butadiene price (US \$ /Ton) | | 1,437 | 1,065 | 706 | 1,124 | 978 | | |
| MOPJ (\$/Ton) | | 913 | 647 | 494 | 564 | 461 | | |
| Naphtha price (yen/kl) | | 70,900 | 66,000 | 47,000 | 48,800 | 47,200 | | |

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

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

(Unit:¥bn)

| | FY Mar. 2015 Jul-Sep.2014 | FY Mar. 2015 Oct-Dec.2014 | FY Mar. 2015 Jan-Mar.2015 | FY Mar. 2016 Apr-Jun.2015 | FY Mar. 2016 Jul-Sep.2015 | Quarter-on-quarter comparison | |
|---------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|----------------------------------|------|
| Semiconductor Materials | 16.8 | 15.9 | 15.9 | 15.6 | 16.4 | +0.8 | 105% |
| Display Materials | 16.8 | 18.7 | 16.5 | 17.2 | 16.6 | △ 0.5 | 97% |
| Strategic Businesses and Others | 4.5 | 4.2 | 4.1 | 5.8 | 6.3 | +0.5 | 109% |

JSR Corporation

(Consolidated) Non Operating Income/Expenses, Extraordinary Income / Losses

Non operating income/expenses

(Unit: ¥mm)

| | FY Mar. 2015 1H | FY Mar. 2016 1H | Year-on-year comparison |
|----------------------------------|--------------------|--------------------|----------------------------|
| Interest and dividends income | 581 | 705 | +124 |
| Equity in earnings of affiliates | – | 618 | +618 |
| Foreign exchange gains | 1,188 | – | △1,188 |
| Others | 587 | 344 | △242 |
| Total non operating income | 2,356 | 1,669 | △687 |
| Interest expenses | 164 | 246 | +81 |
| Equity in losses of affiliates | 77 | – | △77 |
| Foreign exchange losses | – | 2,777 | +2,777 |
| Others | 677 | 947 | +270 |
| Total non operating expenses | 919 | 3,972 | +3,052 |
| Non operating income/expenses | 1,437 | △ 2,302 | △3,740 |

Extraordinary income/losses

(Unit: ¥mm)

| | FY Mar. 2015 1H | FY Mar. 2016 1H | Year-on-year comparison |
|--|--------------------|--------------------|----------------------------|
| Total extraordinary income | – | – | – |
| Restructuring loss | – | 223 | +223 |
| Loss on sales of investments in capital of subsidiaries and associates | – | 363 | +363 |
| Loss on valuation of investment securities | 509 | – | △509 |
| Total extraordinary losses | 509 | 586 | +76 |
| Extraordinary income/losses | △509 | △586 | △76 |

(Consolidated) Balance Sheets

JSR Corporation

(Unit: ¥mm)

| | 2015/3E | 2015/9E | Year-on-year comparison |
|--|---------|---------|-------------------------|
| (Assets) | | | |
| Current assets | 319,396 | 301,394 | △ 18,001 |
| Cash, deposits and marketable securities | 115,981 | 113,584 | △ 2,396 |
| Notes and accounts receivable | 83,122 | 80,105 | △ 3,017 |
| Inventories | 79,320 | 81,048 | +1,727 |
| Others | 40,971 | 26,655 | △ 14,315 |
| Non-current assets | 215,195 | 214,506 | △ 688 |
| Tangible and intangible assets | 130,211 | 128,694 | △ 1,516 |
| Investments and other assets | 84,983 | 85,811 | +827 |
| Total assets | 534,592 | 515,901 | △ 18,690 |
| (Liabilities) | | | |
| Current liabilities | 126,327 | 116,629 | △ 9,697 |
| Notes and accounts payable | 72,441 | 64,996 | △ 7,445 |
| Others | 53,885 | 51,633 | △ 2,251 |
| Non-current liabilities | 43,591 | 42,994 | △ 596 |
| Total liabilities | 169,918 | 159,624 | △ 10,293 |
| (Net assets) | | | |
| shareholder's equity | 324,321 | 323,486 | △ 834 |
| Accumulated other comprehensive income | 33,981 | 28,957 | △ 5,024 |
| Others | 6,371 | 3,832 | △ 2,538 |
| Total net assets | 364,673 | 356,276 | △ 8,396 |
| Liabilities and net assets | 534,592 | 515,901 | △ 18,690 |

Capital-to-Asset ratio
2015/9E : 68.3%
2015/3E : 67.0%

Reference Data Projections for FY March 2016

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 | 195.1 | 204.9 | 400.0 | △ 4.8 | +0.7 | △ 4.1 |
| Operating income | 17.9 | 20.1 | 38.1 | 19.1 | 21.9 | 41.0 | +1.2 | +1.7 | +2.9 |
| Ordinary income | 19.4 | 22.2 | 41.6 | 16.8 | 22.7 | 39.5 | △ 2.6 | +0.4 | △ 2.1 |
| Profit attributable to owners of parent | 13.0 | 16.9 | 29.9 | 12.5 | 17.5 | 30.0 | △ 0.5 | +0.6 | +0.1 |
| Depreciation | 8.1 | 9.3 | 17.4 | 8.9 | 11.1 | 20.0 | +0.8 | +1.8 | +2.6 |
| Capital expenditures | 15.6 | 19.6 | 35.2 | 13.1 | 12.9 | 26.0 | △ 2.4 | △ 6.7 | △ 9.2 |
| R&D expenses | 10.8 | 11.7 | 22.5 | 10.4 | 12.6 | 23.0 | △ 0.4 | +0.9 | +0.5 |
| Exchange rate (yen/US \$) | 103.04 | 116.82 | 109.93 | 121.80 | 120.00 | 120.90 | | | |
| Naphtha price (yen/kl) | 70,400 | 56,500 | 63,450 | 48,000 | 42,000 | 45,000 | | | |

(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 | 90.3 | 99.7 | 190.0 | △ 7.9 | △ 1.0 | △ 9.0 |
| Plastics | 27.0 | 28.2 | 55.2 | 26.9 | 23.1 | 50.0 | △ 0.0 | △ 5.1 | △ 5.2 |
| Fine Chemicals and Others | 74.7 | 75.2 | 150.0 | 77.9 | 82.1 | 160.0 | +3.2 | +6.9 | +10.0 |
| Total | 199.9 | 204.2 | 404.1 | 195.1 | 204.9 | 400.0 | △ 4.8 | +0.7 | △ 4.1 |

Announcement of Earnings Results

| | |
|------------------------|-------------------------|
| FY Mar. 2016 Q3 | January 25, 2016 |
| FY Mar. 2016 | April 25, 2016 |

*Please note that the above is subject to change.