

Supplemental Data of Business Results for FY ending March 2018 (April 1, 2017 to September 30, 2017)



JSR Corporation



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.

From this FY, IFRS (International Accounting Standard) has been applied. The comparative year figures are also replaced by IFRS from JGAPP (Japanese standard).

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Summary of the Consolidated Financial Results

JSR Corporation

Unit: Million yen

		FY ended March 2017 1H	FY ending March 2018 1Q	FY ending March 2018 2Q	FY ending March 2018 1H	YoY	QoQ
Revenue		182,229	101,128	102,410	203,538	112%	101%
	Elastomers	83,282	47,853	46,766	94,619	114%	98%
	Plastics	22,111	12,409	12,735	25,144	114%	103%
	Fine Chemicals and Other Products	76,836	40,866	42,909	83,775	109%	105%
Operating profit (OP margin)		14,953 (8%)	12,706 (13%)	10,658 (10%)	23,365 (12%)	156%	84%
	Elastomers (OP margin)	2,300 (3%)	5,765 (12%)	2,812 (6%)	8,577 (9%)	373%	49%
	Plastics (OP margin)	1,485 (7%)	1,418 (11%)	1,752 (14%)	3,170 (13%)	214%	124%
	Fine Chemicals and Other Products (OP margin)	11,169 (15%)	5,523 (14%)	6,095 (14%)	11,618 (14%)	104%	110%
Profit attributable to owners of parent		11,696	9,449	8,521	17,970	154%	90%

a b	Exchange rate (JPY/US\$)	105	111	111	111
	Naphtha price (JPY/KL)	31,450	39,100	36,200	37,650
	Butadiene Price (US\$/Ton)	1,037	1,072	1,198	1,135
	MOPJ (US\$/Ton)	400	446	468	457
	Spread (a-b)	637	626	730	678

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

➤ **The 1st half of FY ending March 2018's results**

Both sales and operating profit (OP) increased sharply YoY.

➤ **Petrochemical Products Business: Both sales and OP increased YoY.**

Both sales and OP of the Elastomer business increased sharply YoY. That was because the improvement of the spread between sales price and raw material price and the expansion of the profits in our subsidiary in Thailand. In QoQ, sales volume grew steadily but the profits decreased because the spread shrunk caused by worsening market condition.

Both sales and OP of the Plastic business also increased YoY mainly because of export sales increase and the spread improvement.

➤ **Fine Chemicals and Other Products Business: Both sales and OP increased YoY.**

The sales of the Semiconductor materials business grew significantly YoY. That was attributed to the sales growth of the materials for cutting-edge processes in our major customers and strong demand in the semiconductor industry.

In the Display materials business, the profits were steady thanks to sales increases in the growing Chinese market.

In the Life Sciences business we made progress in launching the business related to antibody drugs especially in the 2nd quarter.

➤ We have announced the upward revision of the annual earnings guidance.

Sales:410 billion yen, OP:43 billion yen. Basically we have not changed the assumption for the 2nd half business environment from the original guidance. We will make continuing progress in all businesses.

(Consolidated) Overall Statement of Profit or Loss JSR Corporation

Unit: Million yen

	FY ended March 2017 1H	FY ending March 2018 1H	YoY	
Revenue	182,229	203,538	+21,310	112%
Cost of sales	128,904	139,940	+11,036	109%
Gross profit (Sales ratio)	53,324 (29%)	63,598 (31%)	+10,274	119%
Selling, general and administrative expenses (Sales ratio)	40,173 (22%)	41,659 (21%)	+1,487	104%
Other operating income & expenses	1,266	954	△ 312	75%
Share of profit of investments accounted for using equity method	535	472	△ 63	88%
Operating profit (Sales ratio)	14,953 (8%)	23,365 (12%)	+8,412	156%
Finance income	680	1,894	+1,214	279%
Of the above, Foreign exchange gains	-	1,198	+1,198	-
Finance costs	1,086	429	△ 658	39%
Of the above, Foreign exchange losses	833	-	△ 833	-
Income taxes	2,669	5,646	+2,977	212%
Profit (Sales ratio)	11,877 (7%)	19,183 (9%)	+7,306	162%
Profit, attributable to owners of parent (Sales ratio)	11,696 (6%)	17,970 (9%)	+6,274	154%
Profit, attributable to non-controlling interests	181	1,214	+1,033	670%

	Exchange rate (JPY/US\$)	105	111
	Naphtha price (JPY/KL)	31,450	37,650
a	Butadiene Price (US\$/Ton)	1,037	1,135
b	MOPJ (US\$/Ton)	400	457
	Spread (a-b)	637	678

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

(Consolidated) Overall Statement of Financial position JSR Corporation

	2017/3E	2017/9E	Unit: Million yen comparison
(Assets)			
Current assets	344,128	335,993	△ 8,135
Cash and cash equivalents	97,416	82,441	△ 14,975
Trade and other receivables	111,130	117,085	+5,955
Inventories	81,918	86,353	+4,435
Others	53,665	50,115	△ 3,550
Non-current assets	234,355	273,017	+38,662
Property, plant and equipment	131,748	144,826	+13,078
Goodwill	9,331	19,996	+10,665
Other intangible assets	9,190	10,181	+991
Others	84,087	98,015	+13,928
Total Assets	578,484	609,011	+30,527
(Liabilities)			
Current liabilities	139,120	140,610	+1,489
Trade and other payables	95,037	96,845	+1,808
Borrowings	23,740	26,653	+2,913
Others	20,342	17,111	△ 3,231
Non-current liabilities	63,000	68,988	+5,988
Borrowings	38,381	41,477	+3,096
Others	24,619	27,511	+2,892
Total Liabilities	202,120	209,597	+7,477
(Equity)			
Equity attributable to owners of parent	361,889	382,907	+21,018
Non-controlling interests	14,475	16,506	+2,031
Equity	376,364	399,413	+23,049
Total Liabilities & Equity	578,484	609,011	+30,527

Capital-to-Asset ratio
2017/3E : 62.6%
2017/9E : 62.9%

Segment Data: Petrochemical Products

JSR Corporation

Unit: Million yen

	FY ended March 2017 1H	FY ending March 2018 1Q	FY ending March 2018 2Q	FY ending March 2018 1H
Sales volume of Elastomers (Ton) (non-consolidated & JSR BST Elastomer)	327,296	156,913	166,036	322,949
Revenue of Petrochemicals	105,393	60,262	59,501	119,764
Elastomers	83,282	47,853	46,766	94,619
Plastics	22,111	12,409	12,735	25,144
Operating profit of Petrochemicals (OP margin)	3,784 (4%)	7,183 (12%)	4,564 (8%)	11,747 (10%)
Elastomers (OP margin)	2,300 (3%)	5,765 (12%)	2,812 (6%)	8,577 (9%)
Plastics (OP margin)	1,485 (7%)	1,418 (11%)	1,752 (14%)	3,170 (13%)

YoY		QoQ	
△ 4,347	99%	+9,122	106%
+14,371	114%	△ 761	99%
+11,337	114%	△ 1,086	98%
+3,034	114%	+326	103%
+7,962	310%	△ 2,619	64%
+6,277	373%	△ 2,953	49%
+1,686	214%	+334	124%

a	Exchange rate (JPY/US\$)	105	111	111	111
b	Naphtha price (JPY/KL)	31,450	39,100	36,200	37,650
	Butadiene Price (US\$/Ton)	1,037	1,072	1,198	1,135
	MOPJ (US\$/Ton)	400	446	468	457
	Spread (a-b)	637	626	730	678

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

YoY OP Analysis (Billion yen)

Elastomers	Volume △0.5 Price +5.5 Others +1.3
Plastics	Volume +0.4 Price +0.8 Others +0.5

QoQ OP Analysis (Billion yen)

Elastomers	Volume +0.4 Price △3.6 Others +0.2
Plastics	Volume +0.2 Price +0.5 Others △0.4

Segment Data: Fine Chemicals and Other Products

JSR Corporation

Unit: Million yen

	FY ended March 2017 1H	FY ending March 2018 1Q	FY ending March 2018 2Q	FY ending March 2018 1H
Revenue of Fine Chemicals and Other Products	76,836	40,866	42,909	83,775
Semiconductor materials	30,243	17,617	19,268	36,885
Display materials	28,373	13,669	13,854	27,523
Others	18,221	9,580	9,786	19,366
Operating profit of Fine Chemicals and Other Products	11,169	5,523	6,095	11,618
(OP margin)	(15%)	(14%)	(14%)	(14%)

Exchange rate (JPY/US\$)	105	111	111	111
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YoY	
+6,939	109%
+6,643	122%
△ 849	97%
+1,145	106%
+449	104%

QoQ	
+2,042	105%
+1,651	109%
+185	101%
+206	102%
+571	110%

YoY OP Analysis (Billion yen)

Fine Chemicals and Other Products	Volume +3.4
	Price +1.4
	Others △4.4

QoQ OP Analysis (Billion yen)

Fine Chemicals and Other Products	Volume +1.9
	Price △0.4
	Others △0.9

Sales growth by product of Fine Chemicals and Other Products :

Semiconductor Materials

1H YoY

ArF Photoresists	Approx. 120%
Multilayer Materials	Approx. 105%
Other Lithography Materials	Approx. 125%
CMP Materials	Approx. 135%
Packaging Materials	Approx. 125%

Display Materials

1H YoY

Alignment Films	Slight increase
Color Pigmented Resists	Approx. 90%
Other LCD Materials	Slightly under 110%

Others

1H YoY

OFC	Flat
ARTON	Approx. 120%
Life Sciences	Slightly over 105%

Projections for FY ending March 2018 <Changed in frame>

JSR Corporation

Unit:Billion yen

	FY ended March 2017 (IFRS)	Projection for FY ending March 2018 (IFRS)		
	Full year	1st half	2nd half	Full year
Revenue	388.5	203.5	206.5	410.0
Elastomers	185.3	94.6	95.4	190.0
Plastics	46.0	25.1	24.9	50.0
Fine Chemicals and Other Products	157.1	83.8	86.2	170.0
Operating profit	35.9	23.4	19.6	43.0
(OP margin)	(9%)	(12%)	(9%)	(11%)
Profit attributable to owners of parent	30.2	18.0	13.5	31.5
(Profit margin)	(8%)	(9%)	(7%)	(8%)

Depreciation expenses	14.7	8.0	9.0	17.0
Capital expenditures	31.8	20.9	26.1	47.0
R&D expenses	19.7	9.8	11.2	21.0

Exchange rate (JPY/US\$)	108	111	110	111
Naphtha price (JPY/KL)	34,725	37,650	40,000	38,825
Butadiene price (US\$/Ton)	1,551	1,135	1,200	1,168

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

Cf: Quarterly Revenue & Operating Profit Trends by Segments JSR Corporation

Unit: Million yen

	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	FY ending Mar. 2018 Apr–Jun.2017	FY ending Mar. 2018 Jul–Sep.2017	QoQ	
Sales volume of Elastomers (Ton) (non-consolidated & JSR BST Elastomer)	155,451	171,845	189,258	179,434	156,913	166,036	+9,122	106%
Revenue	89,238	92,991	98,894	107,333	101,128	102,410	+1,282	101%
Elastomers	40,528	42,754	48,008	54,055	47,853	46,766	△ 1,086	98%
Plastics	11,251	10,860	11,329	12,594	12,409	12,735	+326	103%
Fine Chemicals and Other Products	37,459	39,377	39,557	40,684	40,866	42,909	+2,042	105%
Semiconductor materials	14,697	15,545	15,663	16,246	17,617	19,268	+1,651	109%
Display materials	13,960	14,413	14,325	14,104	13,669	13,854	+185	101%
Others	8,802	9,419	9,570	10,334	9,580	9,786	+206	102%
Operating profit (OP margin)	6,873 (8%)	8,080 (9%)	10,756 (11%)	10,234 (10%)	12,706 (13%)	10,658 (10%)	△ 2,048	84%
Elastomers (OP margin)	1,246 (3%)	1,053 (2%)	3,161 (7%)	3,339 (6%)	5,765 (12%)	2,812 (6%)	△ 2,953	49%
Plastics (OP margin)	488 (4%)	996 (9%)	1,285 (11%)	1,081 (9%)	1,418 (11%)	1,752 (14%)	+334	124%
Fine Chemicals and Other Products (OP margin)	5,138 (14%)	6,030 (15%)	6,311 (16%)	5,814 (14%)	5,523 (14%)	6,095 (14%)	+571	110%

	Exchange rate (JPY/US\$)	108	102	109	114	111	111
	Naphtha price (JPY/KL)	31,600	31,300	34,100	41,900	39,100	36,200
a	Butadiene Price (US\$/Ton)	998	1,073	1,572	2,602	1,072	1,198
b	MOPJ (US\$/Ton)	411	389	450	499	446	468
	Spread (a-b)	587	684	1,122	2,103	626	730

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

<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>

Revenue

Gross Profit

Selling, general and administrative expenses

Other Non-Operating
Income / Expenses

Share of profit of investments accounted
for using equity method

Operating Profit

Financial Income and Expenses

Profit

Unit: Billion yen

	FY ended March 2017 1H JGAPP	Changes of accounting closing period	Share of profit of investments accounted for using equity method	Others	FY ended March 2017 1H IFRS
Revenue	181.9	+0.4	-	-	182.2
Operating profit	12.3	+0.2	+0.5	+1.9	15.0
Profit	11.0	+0.2	-	+0.7	11.9

Unit: Billion yen

	FY ended March 2017 JGAPP	Changes of accounting closing period	Share of profit of investments accounted for using equity method	Others	FY ended March 2017 IFRS
Revenue	390.6	△ 2.1	-	-	388.5
Operating profit	32.4	+0.2	+0.7	+2.6	35.9
Profit	30.3	+0.2	-	-	30.5

Announcement of Earnings Results

FY ending Mar.2018 Q3	January 29th 2018
FY ending Mar.2018 Q4	April 25th 2018

*Please note that the above is subject to change.