

# Supplemental Data of Business Results for FY ending March 2019 (April 1, 2018 to June 30, 2018)



# 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.

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# Summary 1

## 18.1Q Actual & FY18 Projection

Unit: 100 Million yen

		18.1Q
Consolidated	Sales	1,223
	Operating Profit	115
	Profit, attributable to owners of parent	89
Elastomers	Sales	497
	Operating Profit	25
ABS Plastics	Sales	264
	Operating Profit	22
Digital Solutions	Sales	354
	Operating Profit	82
Life Sciences	Sales	90
	Operating Profit	4
Others/Adjustment	Sales	18
	Operating Profit	-17

181H pro	182H pro	FY18 pro
2,400	2,500	4,900
220	260	480
150	185	335
970	980	1,950
45	55	100
500	500	1,000
45	50	95
730	770	1,500
155	175	330
180	220	400
5	10	15
20	30	50
-30	-30	-60

Exchange rate (JPY/USD)	109
Butadiene Price (USD/Ton) (a)	1,568
MOPJ (USD/Ton) (b)	641
Spread(a-b)	927

105	105	105
1,300	1,300	1,300
600	600	600
700	700	700

\*BD : Platts S.E Asia(MEAN)

- We made good progress toward our annual earnings guidance for FY ending March 2019.
- Customers industry were good. JPY was weak against USD. Raw materials prices went up and spread between our sales price and cost of raw materials was expanded.
- We expect the earnings will expand from FY2018 1H toward 2H because of the following factors;
  - Elastomers: Sales expansion of SSBR.
  - ABS plastics: Improvement of spread between our sales price and cost of materials.
  - Digital Solutions: Sales expansion of our cutting-edge materials.
  - Life Sciences: Acceleration of growth.

# Summary 2

Unit: Million yen

## YoY and QoQ

		17.1Q	17.4Q	18.1Q	YoY	QoQ
Consolidated	Sales	101,128	108,406	122,257	121%	113%
	Operating Profit	12,706	6,418	11,483	90%	179%
	Profit, attributable to owners of parent	9,449	5,571	8,939	95%	160%
Elastomers	Sales	47,438	51,521	49,653	105%	96%
	Operating Profit	5,764	1,712	2,452	43%	143%
ABS Plastics	Sales	12,824	13,792	26,400	206%	191%
	Operating Profit	1,419	618	2,171	153%	351%
Digital Solutions	Sales	34,584	34,084	35,398	102%	104%
	Operating Profit	8,077	6,106	8,199	102%	134%
Life Sciences	Sales	5,156	7,601	8,974	174%	118%
	Operating Profit	-1,430	-195	368	-	-
Others/Adjustment	Sales	1,126	1,408	1,831	163%	130%
	Operating Profit	-1,124	-1,823	-1,707	152%	94%

YoY : Sales increased but OP decreased. QoQ : Both sales and OP increased.

YoY : Decrease in Elastomers' OP (described later) affected total consolidated OP decline but other businesses especially Life Sciences business made great progress.

QoQ : Returned to the normal growth path from OP shrink in 17.4Q.

# Segment Data : Elastomers business

Unit: Million yen

	17.1Q	17.4Q	18.1Q	YoY		QoQ		181HPro	18.1Q/181H
Sales	47,438	51,521	49,653	+2,215	105%	△ 1,868	96%	97,000	51%
OP	5,764	1,712	2,452	△ 3,312	43%	+740	143%	4,500	54%
OP margin	12%	3%	5%						

Sales Volume(JSR+JBE,ton)	156,913	174,840	162,025	+5,112	103%	△ 12,815	93%	-
Exchange rate (JPY/USD)	111	108	109	△ 2	98%	+1	101%	105
Butadiene(BD,USD/Ton)	1,072	1,345	1,568	+496	146%	+223	117%	1,300
MOPJ(USD/Ton)	446	581	641	+195	144%	+60	110%	600
Spread (BD-MOPJ)	626	764	927	+301	148%	+163	121%	700

\*BD : Platts S.E Asia(MEAN)

## OP analysis(Unit:100 Million yen)

### YoY

- Volume +9 :Increase of Sales thanks to the expansion of SSBR sales volume.
- Price ▲32 :We experienced the expansion of spread between our sales price and cost of raw materials in 17.1Q caused by soaring raw material prices in 16.4Q.
- Others ▲10 :COGS in 17.1Q was reduced due to the inventories accumulation.  
Increase of SGA expenses and appraisal loss in 18.1Q.

### QoQ

- Volume▲8 :Decreased due to seasonal factors.
- Price +7 :We could transfer the rise of raw materials price of 17.4Q and a part of 18.1Q to our sales price in 18.1Q.
- Others +8 :Profit of affiliated companies accounted for using equity method improved.

# Segment Data : ABS Plastics business

Unit: Million yen

	17.1Q	17.4Q	18.1Q	YoY		QoQ		181HPro	18.1Q/181H
Sales	12,824	13,792	26,400	+13,576	206%	+12,608	191%	50,000	53%
OP	1,419	618	2,171	+752	153%	+1,553	351%	4,500	48%
OP margin	11%	4%	8%						

Exchange rate (JPY/USD)	111	108	109	△ 2	98%	+1	101%	105
Acrylonitrile(AN,USD/Ton)	1,516	1,895	2,035	+519	134%	+140	107%	-
Butadiene(BD,USD/Ton)	1,072	1,345	1,568	+496	146%	+223	117%	1,300
Styrene(SM,USD/Ton)	1,129	1,389	1,415	+286	125%	+26	102%	-

\*BD : Platts S.E Asia(MEAN), AN,SM : ICIS N.E Asia(MEAN)

## OP analysis(Unit:100 Million yen)

Techno-UMG was launched on April 1, 2018 and included in the consolidated financial statement from 18.1Q.

\*Former UMG's profit is included in OP analysis "Others" below.

### YoY

- Volume +5 : Steady sales increase.
- Price ▲1 : -
- Others +4 : Increase of regular repair expenses. Inclusion of former UMG's OP.

### QoQ

- Volume +1 : Steady sales increase.
- Price +4 : We could partially transfer the rise of raw materials price to our sales price in 18.1Q.
- Others +11 : Decline of COGS due to the inventories accumulation in 18.1Q.  
Inclusion of former UMG's OP.

# Segment Data : Digital Solutions business

Unit: Million yen

	17.1Q	17.4Q	18.1Q	YoY		QoQ		181HPro	18.1Q/181H
Sales	34,584	34,084	35,398	+814	102%	+1,314	104%	73,000	48%
Semiconductor materials	17,289	17,847	18,998	+1,709	110%	+1,150	106%	-	-
Display materials	13,880	12,985	13,258	△ 622	96%	+272	102%	-	-
Edge computing materials	3,416	3,251	3,143	△ 273	92%	△ 108	97%	-	-
OP	8,077	6,106	8,199	+122	102%	+2,093	134%	15,500	53%
OP margin	23%	18%	23%						

Exchange rate (JPY/USD)	111	108	109	△ 2	98%	+1	101%	105
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## OP analysis(Unit:100 Million yen)

### YoY

- Volume +20 :Great progress of the sales of Semiconductor materials and steady expansion of the sales of alignment films and dielectric films in Display materials.
- Price ▲9 :Sales price decline (FX effects:▲300 Million yen)
- Others ▲10 :Increase of RD and selling costs due to the sales expansion of Semiconductor materials .

### QoQ

- Volume +12 : Both Semiconductor and Display materials expanded.
- Price ▲1 : -
- Others +10 : Extraordinary loss such as the disposal of unnecessary facilities in 17.4Q

## Sales growth rate

Semiconductor Materials	YoY	QoQ	Display Materials	YoY	QoQ
ArF Photoresists	Slightly under 115%	Approx. 115%	Alignment Films	Slight decrease	Slightly under 105%
Multilayer Materials	Slightly over 105%	Slightly under 105%	Color Pigmented Resists	Approx. 80%	Approx. 95%
Other Lithography Materials	Approx. 105%	Slightly under 115%	Other LCD Materials	Slightly over 110%	Approx. 95%
CMP Materials	Slightly over 115%	flat	Edge computing	YoY	QoQ
Packaging Materials	Approx. 120%	Approx. 110%	OFC	Approx. 105%	flat
			ARTON	Slightly over 75%	Approx. 95%

# Segment Data : Life Sciences business

Unit: Million yen

	17.1Q	17.4Q	18.1Q	YoY		QoQ		181HPro	18.1Q/181H
Sales	5,156	7,601	8,974	+3,818	+174%	+1,373	+118%	18,000	50%
OP	-1,430	-195	368	+1,797	-	+563	-	500	74%
OP margin	-28%	-3%	4%						

Exchange rate (JPY/USD)	111	108	109	△ 2	98%	+1	101%	105
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## OP analysis

### YoY

- IVD, IVD materials : Steady sales increase.
- Bio process, Bio process materials : We achieved sharp sales growth in KBI's CDMO business though it bore initial investment costs last year.  
Sales of Amsphere A3 expanded.
- CRO : Acquisition of Crown Bio completed on May 31, 2018 and it will attribute to our LS business expansion in earnest after July 2018.

### QoQ

- IVD, IVD materials : Steady sales increase.
- Bio process, Bio process materials : KBI performed well and sales of Amsphere A3 expanded.
- CRO : Acquisition of Crown Bio completed on May 31, 2018.



# (Consolidated) Overall Statement of Profit or Loss

Unit: Million yen

	17.1Q	18.1Q	YoY	
Sales	101,128	122,257	+21,128	121%
Cost of sales	68,209	85,929	+17,720	126%
Gross profit	32,920	36,328	+3,408	110%
Selling, general and administrative expenses	20,391	25,210	+4,819	124%
Other operating income/expenses	24	12	△ 12	50%
Share of profit of investments accounted for using equity method	153	353	+200	231%
Operating Profit	12,706	11,483	△ 1,223	90%
Finance income/cost	782	111	△ 670	14%
Income taxes	3,441	2,752	△ 688	80%
Profit	10,047	8,842	△ 1,205	88%
Profit, attributable to owners of parent	9,449	8,939	△ 509	95%
Profit, attributable to non-controlling interests	599	-97	△ 696	-
EPS(JPY)	42.46	40.16	△ 2.30	
Exchange rate (JPY/USD)	111	109	△ 2	

# (Consolidated) Overall Statement of Financial position



Unit: 100 Million yen

	2018/3E	2018/6E	Variance
Current assets	3,579	3,284	△ 296
Cash and cash equivalents	1,250	857	△ 393
Trade and other receivables	1,225	1,303	+78
Inventories	876	981	+105
Others	229	143	△ 86
Non-current assets	2,898	3,500	+602
Property, plant and equipment	1,598	1,784	+185
Goodwill	194	599	+405
Other intangible assets	104	123	+19
Others	1,002	994	△ 8
<b>Total Assets</b>	<b>6,477</b>	<b>6,784</b>	<b>+307</b>
Current liabilities	1,540	1,619	+78
Trade and other payables	1,103	1,187	+84
Borrowings	259	277	+17
Others	178	154	△ 23
Non-current liabilities	821	842	+22
Borrowings	535	549	+15
Others	286	293	+7
<b>Total Liabilities</b>	<b>2,361</b>	<b>2,461</b>	<b>+100</b>
Equity attributable to owners of parent	3,935	3,960	+25
Non-controlling interests	181	362	+181
<b>Total Equity</b>	<b>4,116</b>	<b>4,323</b>	<b>+206</b>

Total Assets: +30.7Bn yen  
 -Goodwill increased due to acquisition of Crown Bio (Cash decreased)  
 -Effects of merger of former UMG

Total Liabilities: +10Bn yen  
 - Effects of merger of former UMG.

Equity: +20.6Bn yen  
 -Increase Non-controlling interests (effects of merger of former UMG) and retained earnings.

Equity ratio  
 (Equity attributable to owners of parents)  
 2018/3 E : 60.8%  
 2018/6 E : 58.4%

# 【APPENDIX】 Quarterly Sales & Operating Profit Trends by Segments

Unit: Million yen

		17.1Q	17.2Q	17.3Q	17.4Q	18.1Q
Consolidated	Sales	101,128	102,410	109,985	108,406	122,257
	Operating Profit	12,706	10,658	13,787	6,418	11,483
	Profit, attributable to owners of parent	9,449	8,521	9,690	5,571	8,939
Elastomers	Sales	47,438	46,360	50,374	51,521	49,653
	Operating Profit	5,764	2,811	4,580	1,712	2,452
ABS Plastics	Sales	12,824	13,142	14,084	13,792	26,400
	Operating Profit	1,419	1,753	1,789	618	2,171
Digital Solutions	Sales	34,584	35,290	36,437	34,084	35,398
	Semiconductor materials	17,289	18,160	19,202	17,847	18,998
	Display materials	13,880	13,730	13,668	12,985	13,258
	Edge computing materials	3,416	3,399	3,566	3,251	3,143
	Operating Profit	8,077	7,993	8,507	6,106	8,199
Life Sciences	Sales	5,156	6,020	7,648	7,601	8,974
	Operating Profit	-1,430	-621	442	-195	368
Others/Adjustment	Sales	1,126	1,599	1,444	1,408	1,831
	Operating Profit	-1,124	-1,278	-1,531	-1,823	-1,707
Exchange rate (JPY/USD)		111	111	113	108	109
Butadiene(BD,USD/Ton) (a)		1,072	1,198	1,054	1,345	1,568
MOPJ (USD/Ton) (b)		446	468	570	581	641
Spread(a-b)		626	730	484	764	927
BD-MOPJ (1Q delayed,USD/ton)		2,153	626	730	484	764
Acrylonitrile(AN,USD/Ton)		1,516	1,567	1,892	1,895	2,035
Styrene(SM,USD/Ton)		1,129	1,252	1,269	1,389	1,415

\*BD : Platts S.E Asia(MEAN), AN,SM : ICIS N.E Asia(MEAN)

# 【APPENDIX】 Projections for FY ending March 2019

There are no changes with projections for FY ending March 2019

Unit:100 Million yen

		18.1Q
<b>Consolidated</b>	<b>Sales</b>	<b>1,223</b>
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Elastomers	Sales	497
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Digital Solutions	Sales	354
	Operating Profit	82
Life Sciences	Sales	90
	Operating Profit	4
Others/Adjustment	Sales	18
	Operating Profit	-17

Depreciation	51
CAPEX	90
RD expenses	57

Exchange rate (JPY/USD)	109
Butadiene Price (USD/Ton) (a)	1,568
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Spread(a-b)	927

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-30	-30	-60

95	110	205
140	150	290
110	115	225

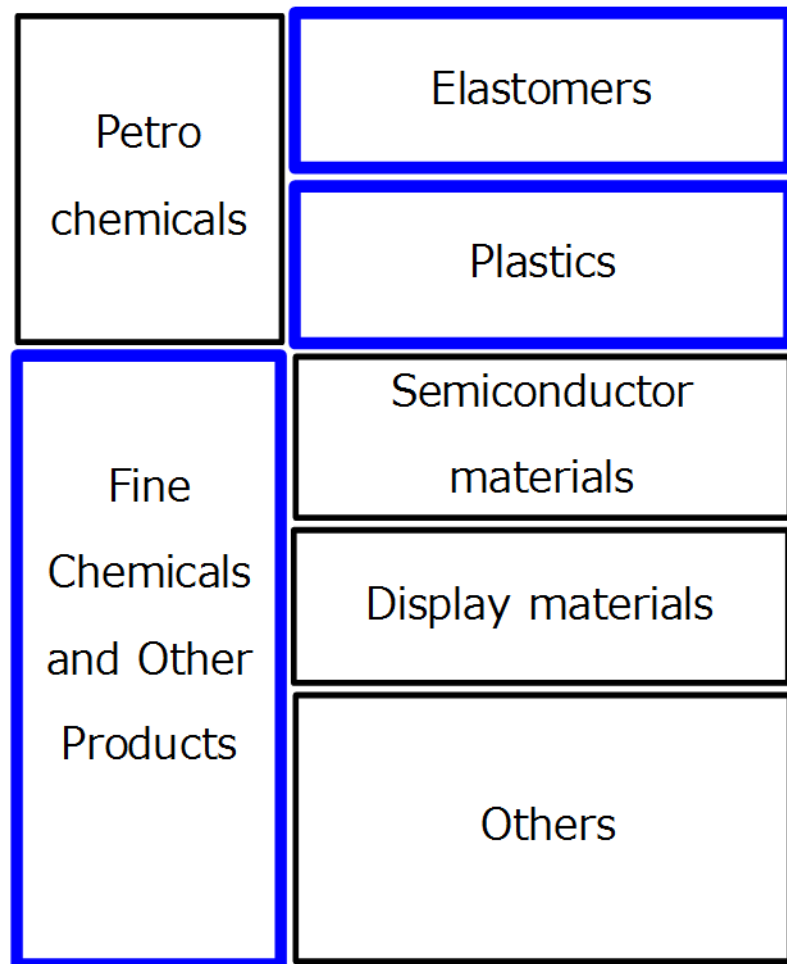
105	105	105
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\*BD : Platts S.E Asia(MEAN)

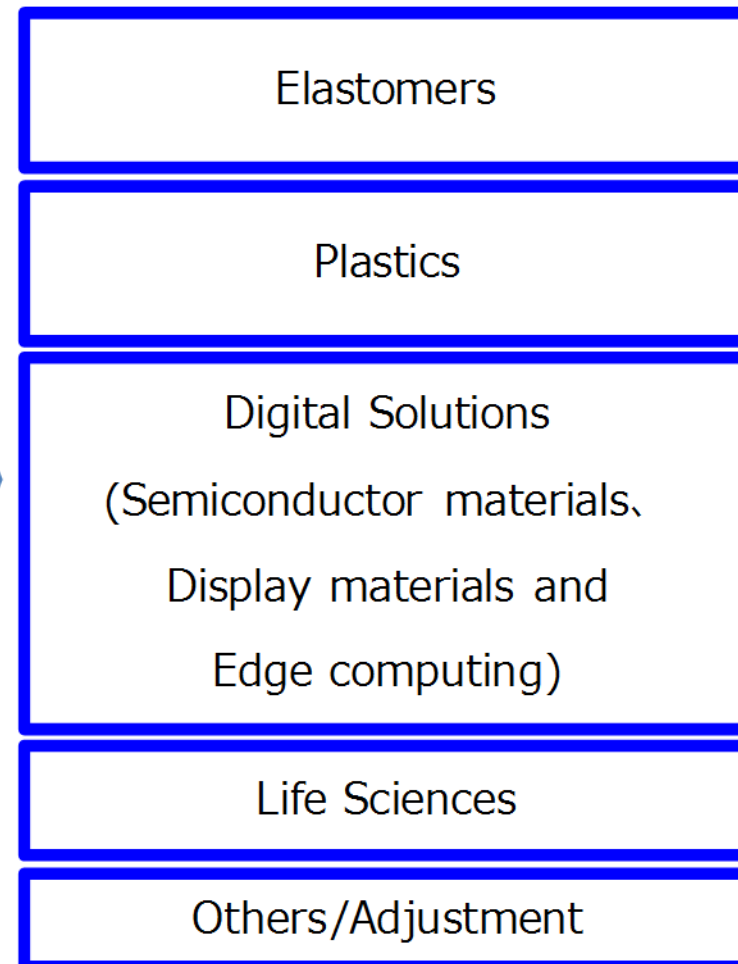
# 【APPENDIX】 New Segment classification

Changed disclosure segment classification from FY ending March 2019

by FY17



from FY18



## Announcement of Earnings Results

FY ending Mar.2019 Q2	October 29th 2018
FY ending Mar.2019 Q3	January 28th 2019
FY ending Mar.2019	April 24th 2019

\*Please note that the above is subject to change.