

Consolidated Business Results for FY2013

April 24, 2013

Name of listed company: JSR Corporation

Stock Exchange: Tokyo and Osaka

Code # 4185

 URL <http://www.jsr.co.jp>

Representative: Mitsunobu Koshiba, President

Inquiry to: Masano Kojima, Corporate Communications Department

TEL: (03)6218-3517

Expected date of the shareholders' meeting: June 21, 2013

Expected date of the release of Asset Security Report: June 21, 2013

Expected date of dividend payment: June 24, 2013

(Figures are rounded down to the nearest million)

1. Consolidated Business Results for FY2013 (April 1, 2012 to March 31, 2013)

(1) Consolidated Operating Results (% implies the rate of increase/decrease year-on-year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2013	371,487	6.2	35,206	-2.1	43,476	4.6	30,278	14.7
FY2012	349,946	2.7	35,964	-8.0	41,573	-2.4	26,407	-4.2

Note: Comprehensive Income: 42,366 million yen (62.7%) for FY2013, 26,037 million yen (2.3%) for FY2012

	Net income per share	Net income per share after latent share adjustment	Net income /capital equity	Ordinary income/total assets	Operating income /net sales
	Yen	Yen	%	%	%
FY2013	126.13	125.86	10.3	9.5	9.5
FY2012	109.46	109.27	9.7	10.1	10.3

Note: Equity in earnings of affiliated companies: 4,731 million yen for FY2013; 4,729million yen for FY2012.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
FY2013	482,935	315,733	63.9	1,299.77
FY2012	430,692	282,357	65.2	1,164.63

Note: Equity capital: 308,641 million yen for FY2013, 280,955 million yen for FY2012

(3) Consolidated Statement of Cash Flows

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalent at end of year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2013	47,719	-58,696	-10,159	53,818
FY2012	28,980	-21,130	-7,692	67,198

2. Status of Distribution

	Dividend per share			Total dividend (Year)	Dividend ratio (Consolidated)	Net asset dividend rate (Consolidated)
	Term end	Full year				
	Yen	Yen	Yen	Millions of	%	%
FY2012	16.00	16.00	32.00	7,719	29.2	2.8
FY2013	17.00	17.00	34.00	8,138	27.0	2.8
FY2014 (Expected)	19.00	19.00	38.00		28.6	

3. Forecast results for FY2014 (April 1, 2013 to March 31, 2014)

(Note: % for full year and interim term implies the rate of increase/decrease year-on-year and term-on-term, respectively)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
1 st half, FY2014	195,000	6.8	18,500	8.5	20,500	3.8	13,500	-0.9	56.85
Full FY2014	415,000	11.7	43,000	22.1	47,000	8.1	31,500	4.0	132.66

4. Notes

(1) Changes to major subsidiaries during the current fiscal year (changes to subsidiaries during the current fiscal year, accompanied by the scope of consolidation): Yes

Newly added: one company (JSR BST Elastomer Co., Ltd.)

(2) Changes in accounting policy, changes in accounting estimates, and restatements

1) Changes due to revisions of accounting policy, etc. : Yes

2) Changes in policy other than 1) : No

3) Changes in accounting estimates : Yes

4) Restatements : No

(3) Number of shares issued (common shares)

1) The number of shares issued at the end of the fiscal year (including treasury stocks)

FY2013	237,973,205 shares	FY2012	255,885,166 shares
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2) The number of treasury stocks

FY2013	515,440 shares	FY2012	14,645,692 shares
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3) The average number of shares issued within the fiscal year

FY2013	240,058,752 shares	FY2012	241,239,914 shares
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(Reference) Summary of non-consolidated business results

1. Non-consolidated business results for FY2013 (April 1, 2012 to March 31, 2013)

(1) Non-consolidated operating results

(Note: % refers to the rate of increase/decrease year-on-year)

	Sales		Operating income		Ordinary income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2013	258,819	7.4	26,578	1.7	33,755	4.2	21,870	10.6
FY2012	241,076	3.3	26,121	-11.2	32,406	-10.0	19,765	-14.6

	Net income per share	After latent share adjustment (Net income per share)
	Yen	Yen
FY2013	91.10	90.91
FY2012	81.93	81.79

(2) Non-consolidated financial position

	Total assets	Net assets	Capital equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
FY2013	394,902	250,395	63.2	1,051.42
FY2012	373,661	238,167	63.6	984.55

(Reference) Equity capital 249,667 million yen for FY2013, 237,511 million yen for FY2012

* Implementation status about the audit procedure

These financial statements are exempt from audit procedure as required by the Financial Instruments and Exchange Act. A part of audit based on Financial Instruments and Exchange Act were not completed at the time of the disclosure of these financial statements.

* Statement regarding appropriate use of forward-looking statements and other notes

The preceding descriptions of projections and plans are "forward-looking statements," which involve known and unknown risks and uncertainties. These variables could cause the JSR Group's actual performance and financial results to differ substantially from management's projections and plans.

3. Financial Statement for FY2013

(1) Consolidated balance sheets for FY2013

(Unit: Millions of Yen)

	Full FY2012 (As of March 31, 2012)	Full FY2013 (As of March 31, 2013)
Consolidated balance sheets		
Assets		
Current assets		
Cash and deposits	20,490	32,190
Notes and accounts receivable-trade, net	89,193	91,511
Securities	69,496	79,412
Inventories	64,946	74,687
Accounts receivable-other	24,953	28,882
Deferred tax assets	3,669	4,190
Other	19,673	9,543
Total current assets	292,423	320,419
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	27,513	27,824
Machinery, equipment and vehicles, net	27,398	25,800
Land	18,452	18,685
Construction in progress	4,075	15,540
Other, net	3,063	5,354
Total property, plant and equipment	80,504	93,205
Intangible assets	5,166	6,309
Investments and other assets		
Investment securities	37,129	50,531
Deferred tax assets	3,840	1,806
Other	11,628	10,662
Total investments and other assets	52,597	63,001
Total noncurrent assets	138,269	162,516
Total assets	430,692	482,935
Liabilities		
Current liabilities		
Notes and accounts payable-trade	83,077	97,225
Short-term loans payable	15,183	14,210
Income taxes payable	6,330	6,888
Other	25,286	23,521
Total current liabilities	129,877	141,846
Noncurrent liabilities		
Long-term loans payable	500	6,625
Provision for retirement benefits	13,966	15,211
Provision for environmental measures	2,700	2,101
Other	1,289	1,417
Total noncurrent liabilities	18,457	25,355
Total liabilities	148,335	167,201
Net assets		
Shareholders' equity		
Common stock	23,320	23,320
Capital surplus	25,179	25,179
Retained earnings	263,100	253,009
Treasury stock	-27,321	-930
Total shareholders' equity	284,279	300,577
Accumulated other comprehensive income		
Unrealized gains on securities, net of taxes	4,217	8,470
Foreign currency translation adjustment	-7,541	-407
Total accumulated other comprehensive income	-3,323	8,063
Subscription rights to shares	655	728
Minority interests	746	6,364
Total net assets	282,357	315,733
Total liabilities and net assets	430,692	482,935

(2) Consolidated statements of comprehensive income and comprehensive income

(Unit: Millions of Yen)

	FY2012 (April 1, 2011 to March 31, 2012)	FY2013 (April 1, 2012 to March 31, 2013)
Net sales	349,946	371,487
Cost of sales	260,486	279,161
Gross profit	89,460	92,325
Selling, general and administrative expenses		
Selling expenses	15,055	16,362
General and administrative expenses	38,440	40,756
Total selling, general and administrative expenses	53,496	57,119
Operating income	35,964	35,206
Non-operating income		
Interest income	247	370
Dividends income	386	438
Foreign exchange gains	359	2,975
Equity in earnings of affiliates	4,729	4,731
Other	1,160	892
Total non-operating income	6,883	9,409
Non-operating expenses		
Interest expenses	146	125
Depreciation	261	141
Other	865	871
Total non-operating expenses	1,274	1,138
Ordinary income	41,573	43,476
Extraordinary income		
Gain on sales of noncurrent assets	4,287	—
Gain on sales of investment securities	—	214
Total extraordinary income	4,287	214
Extraordinary loss		
Impairment loss	1,919	—
Loss on abandonment of noncurrent assets	1,182	—
Loss on disaster	816	—
Loss on abandonment of inventories	533	741
Other	164	102
Total extraordinary losses	4,616	844
Income before income taxes and minority interests	41,244	42,847
Income taxes-current	12,297	12,948
Income taxes-deferred	2,489	-391
Total income taxes	14,786	12,556
Income before minority interests	26,457	30,290
Minority interests in income	50	12
Net income	26,407	30,278

(Unit: Millions of Yen)

	FY2012 (April 1, 2011 to March 31, 2012)	FY2013 (April 1, 2012 to March 31, 2013)
Consolidated statements of comprehensive income		
Income before minority interests	26,457	30,290
Other comprehensive income		
Unrealized gains on securities, net of taxes	653	4,273
Foreign currency translation adjustment	-619	5,755
Share of other comprehensive income of associates accounted for using equity method	-454	2,045
Total other comprehensive income	-419	12,075
Comprehensive income	26,037	42,366
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	25,997	41,484
Comprehensive income attributable to minority interests	40	882

(3) Consolidated Statements of Changes in Net Assets

(Unit: Millions of Yen)

	FY2012 (April 1, 2011 to March 31, 2012)	FY2013 (April 1, 2012 to March 31, 2013)
Consolidated statements of changes in net assets		
Shareholders' equity		
Common stock		
Balance at the beginning of current period	23,320	23,320
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	23,320	23,320
Capital surplus		
Balance at the beginning of current period	25,179	25,179
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	25,179	25,179
Retained earnings		
Balance at the beginning of current period	244,413	263,100
Changes of items during the period		
Dividends from surplus	-7,719	-7,961
Net income	26,407	30,278
Disposal of treasury stock	—	-4
Retirement of treasury stock	—	-32,352
Change of scope of consolidation	—	-51
Total changes of items during the period	18,687	-10,091
Balance at the end of current period	263,100	253,009
Treasury stock		
Balance at the beginning of current period	-27,320	-27,321
Changes of items during the period		
Purchase of treasury stock	-1	-6,000
Disposal of treasury stock	—	38
Retirement of treasury stock	—	32,352
Total changes of items during the period	-1	26,390
Balance at the end of current period	-27,321	-930
Total shareholders' equity		
Balance at the beginning of current period	265,592	284,279
Changes of items during the period		
Dividends from surplus	-7,719	-7,961
Net income	26,407	30,278
Purchase of treasury stock	-1	-6,000
Disposal of treasury stock	—	34
Change of scope of consolidation	—	-51
Total changes of items during the period	18,686	16,298
Balance at the end of current period	284,279	300,577

Accumulated other comprehensive income		
Unrealized gains on securities, net of taxes		
Balance at the beginning of current period	3,606	4,217
Changes of items during the period		
Net changes of items other than shareholders' equity	611	4,252
Total changes of items during the period	611	4,252
Balance at the end of current period	4,217	8,470
Foreign currency translation adjustment		
Balance at the beginning of current period	-6,519	-7,541
Changes of items during the period		
Net changes of items other than shareholders' equity	-1,021	7,134
Total changes of items during the period	-1,021	7,134
Balance at the end of current period	-7,541	-407
Total accumulated other comprehensive income		
Balance at the beginning of current period	-2,913	-3,323
Changes of items during the period		
Net changes of items other than shareholders' equity	-410	11,386
Total changes of items during the period	-410	11,386
Balance at the end of current period	-3,323	8,063
Subscription rights to shares		
Balance at the beginning of current period	545	655
Changes of items during the period		
Net changes of items other than shareholders' equity	110	72
Total changes of items during the period	110	72
Balance at the end of current period	655	728
Minority interests		
Balance at the beginning of current period	892	746
Changes of items during the period		
Net changes of items other than shareholders' equity	-145	5,618
Total changes of items during the period	-145	5,618
Balance at the end of current period	746	6,364
Total net assets		
Balance at the beginning of current period	264,116	282,357
Changes of items during the period		
Dividends from surplus	-7,719	-7,961
Net income	26,407	30,278
Purchase of treasury stock	-1	-6,000
Disposal of treasury stock	—	34
Change of scope of consolidation	—	-51
Net changes of items other than shareholders' equity	-445	17,077
Total changes of items during the period	18,241	33,376
Balance at the end of current period	282,357	315,733

(4) Consolidated Statements of Cash Flows

(Unit : Millions of Yen)

	FY2012 (April 1, 2011 to March 31, 2012)	FY2013 (April 1, 2012 to March 31, 2013)
Consolidated statements of cash flows		
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	41,244	42,847
Depreciation and amortization	17,783	19,232
Interest and dividends income	-633	-808
Interest expenses	146	125
Equity in (earnings) losses of affiliates	-4,729	-4,731
Loss (gain) on sales of noncurrent assets	-4,287	-
Impairment loss	1,919	-
Loss on abandonment of noncurrent assets	1,182	-
Loss on disaster	816	-
Decrease (increase) in notes and accounts receivable-trade	-16,249	202
Decrease (increase) in inventories	-7,628	-7,951
Increase (decrease) in notes and accounts payable-trade	18,509	11,688
Other, net	-6,274	-2,885
Subtotal	41,799	57,718
Interest and dividends income received	2,218	2,566
Interest expenses paid	-146	-124
Income taxes paid	-14,891	-12,440
Net cash provided by (used in) operating activities	28,980	47,719
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	8,491	1,000
Purchase of securities	-12,000	-26,000
Purchase of noncurrent assets	-16,564	-27,869
Proceeds from sales of noncurrent assets	4,400	-
Purchase of investment securities	-318	-2,092
Purchase of stocks of subsidiaries and affiliates	-4,850	-4,499
Payments of loans receivable	-2,538	-2,007
Collection of loans receivable	2,276	2,914
Other, net	-26	-142
Net cash provided by (used in) investing activities	-21,130	-58,696
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	107	-1,112
Repayment of long-term loans payable	-55	-1,000
Proceeds from long-term loans payable	-	5,416
Proceeds from stock issuance to minority shareholders	-	540
Purchase of treasury stock	-1	-6,000
Cash dividends paid	-7,720	-7,960
Cash dividends paid to minority shareholders	-10	-18
Other, net	-12	-23
Net cash provided by (used in) financing activities	-7,692	-10,159
Effect of exchange rate change on cash and cash equivalents	-421	1,772
Net increase (decrease) in cash and cash equivalents	-263	-19,363
Cash and cash equivalents at beginning of period	67,461	67,198
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	-	5,983
Cash and cash equivalents at end of period	67,198	53,818