

Data Section



Ten-Year Summary

Million yen					Million yen										Thousands of U.S. dollars											
JGAAP For the year:					FY2013	FY2014	FY2015	FY2016	IFRS For the year:										FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2022
Net sales	¥	394,309	¥	404,073	¥	386,709	¥	390,599	Revenue	¥	388,455	¥	421,930	¥	495,354	¥	471,967	¥	312,000	¥	340,997	¥	408,880	\$	3,062,083	
Costs and expenses		(358,247)		(366,005)		(352,301)		(358,228)	Costs, other income and expenses		(352,512)		(378,360)		(450,093)		(439,083)		(277,767)		(297,237)		(379,510)		(2,842,133)	
Operating profit		36,062		38,068		34,408		32,370	Operating profit (loss)		35,943		43,569		45,261		32,884		34,233		43,760		29,370		219,951	
Interest and dividends income		916		1,390		1,380		1,369	Finance income		3,045		3,659		2,499		1,929		822		3,415		3,523		26,384	
Interest expenses		(142)		(345)		(527)		(699)	Finance costs		(694)		(1,022)		(1,352)		(2,184)		(1,744)		(1,655)		(3,047)		(22,819)	
Profit before income taxes		36,956		41,069		27,367		38,327	Profit (loss) before tax		38,294		46,206		46,408		32,629		33,310		45,521		29,846		223,515	
Profit attributable to owners of parent		25,173		29,919		24,069		30,078	Profit (loss) attributable to owners of parent		30,243		33,230		31,116		22,604		(55,155)		37,303		15,784		118,206	
Capital expenditures		21,499		35,157		24,276		31,785	Capital expenditures		31,377		42,408		35,981		45,880		40,188		41,851		44,218		331,147	
Depreciation		18,096		17,407		18,508		14,676	Depreciation		14,793		16,973		21,790		26,343		19,074		22,482		28,425		212,874	
Year-end financial position					Year-end financial position																					
Total assets		501,320		534,592		516,360		576,016	Total assets		578,484		647,699		691,435		677,713		672,773		809,371		715,959		5,361,782	
Long-term loans payable		11,069		20,387		22,249		38,381	Bonds and Borrowings (non-current liabilities)		38,381		53,456		50,777		52,684		81,406		48,737		95,683		716,566	
Total liabilities		164,060		169,918		154,006		199,302	Total liabilities		202,120		236,084		251,075		240,301		302,036		394,631		335,024		2,508,978	
Equity		331,284		358,303		353,145		361,394	Total equity attributable to owners of parent		361,889		393,499		401,998		396,793		333,995		376,011		355,526		2,662,518	
Current ratio (times)		2.5		2.5		2.7		2.5	Current ratio (times)		2.5		2.3		1.97		2.05		1.95		1.52		1.65		1.65	
Return on assets (%)		5.1		5.8		4.6		5.5	Return on assets (%)		5.5		5.4		4.7		3.3		(8.2)		2.1		3.9		3.9	
Return on equity (%)		7.9		8.7		6.8		8.4	Return on equity (%)		8.5		8.8		7.8		5.7		(15.1)		10.5		4.3		4.3	
Equity ratio (%)		66.1		67.0		68.4		62.7	Equity ratio (%)		62.6		60.8		58.1		58.5		49.6		46.5		49.7		49.7	
Per share of common stock (Yen)					Per share of common stock (Yen and U.S. Dollars)																					
Profit attributable to owners of parent	¥	106.10	¥	128.19	¥	105.87	¥	134.43	Profit (loss) attributable to owners of parent	¥	135.17	¥	149.32	¥	140.62	¥	104.38	¥	(256.73)	¥	173.49	¥	75.56	\$	0.57	
Cash dividends		38.00		40.00		50.00		50.00	Cash dividends		50.00		50.00		60.00		60.00		60.00		70.00		70.00		0.52	
Equity		1,409.06		1,557.08		1,565.45		1,624.14	Equity attributable to owners of parent		1,626.36		1,767.81		1,823.69		1,848.01		1,554.17		1,748.25		1,712.67		12.83	

(Notes) 1. Amounts in U.S. dollars are translated from yen, provided for convenience only, at the exchange rate of 1.00 U.S. dollar = 133.53 Japanese yen; the prevailing rate on March 31, 2023. 2. The Group has adopted International Financial Reporting Standards (IFRS) as from the fiscal year ended March 2018. 3. ROA = Under Japanese GAAP, return on total assets. Under IFRS, return on equity attributable to owners of parent. 4. ROE = Under Japanese GAAP, return on equity. Under IFRS, return on equity attributable to owners of parent. 5. The Elastomers Business has been categorized as a discontinued business from FY2021. Certain data for FY2020 is presented after reclassification.

Main Group Enterprises (As of July 1, 2023)

Head Office

JSR Corporation
Shiodome Sumitomo Bldg. 1-9-2, Higashi-Shimbashi,
Minato-ku, Tokyo 105-8640 Japan

Plants/Business Sites/Laboratories

Yokkaichi Plant
Fine Electronic Materials Development Center
Display Solution Development Center
Edge Device Materials Lab.
100, Kawajiricho, Yokkaichi-shi, Mie 510-8552 Japan

Tsukuba Site/Tsukuba Research Laboratories
25, Miyukigaoka, Tsukuba-shi, Ibaraki 305-0841 Japan

JSR-Keio University Medical and Chemical Innovation
Center
35, Shinanomachi, Shinjuku-ku, Tokyo 160-8582 Japan

JSR Bioscience and informatics R&D center
3-103-9, Tonomachi, Kawasaki-ku, Kawasaki, Kanagawa
210-0821 Japan

JAPAN

Digital Solutions Business

Emulsion Technology Co., Ltd.
Compounding and sales of crude latex

D-MEC Ltd.
3D model generation, analysis by CAE and sales of solid
modeling system and optically hardened resins

JSR Micro Kyushu Co., Ltd.
Production of semiconductor materials and display materials

JSR ARTON Manufacturing Co., Ltd.
Production of ARTON products

Life Sciences Business

MEDICAL & BIOLOGICAL LABORATORIES CO., LTD.
R&D, manufacture and sales of diagnostic and research
reagents and companion diagnostics development service

Crown Bioscience & MBL Co., Ltd.
Provision of non-clinical CRO services, sales of related
products, and non-clinical and clinical examination, analysis
and research

JSR Life Sciences Corporation
Manufacture of life sciences-related materials

Plastics Business

Techno-UMG Co., Ltd.
Production, sales and R&D of ABS resin

JAPAN COLORING CO., LTD.
Coloring and sales of synthetic resins

Other Businesses

JEY-TRANS CO., LTD.
Freight forwarding, warehousing, delivery management

JN System Partners Co., Ltd.
Computer system design, programming, operation and
maintenance

JSR Business Services Co., Ltd.
Human resources, payroll calculation, welfare, general affairs

JSR Logistics & Customer Center Co., Ltd.
Customer service agent and logistics management

JSR Active Innovation Fund, LLC
Investment for start-ups and support for developing
investees' businesses

Overseas

Digital Solutions Business

EUV Resist Manufacturing & Qualification Center N.V.
Production of EUV photoresists for semiconductors

Inpria Corporation
Development and production of EUV metal resist

JSR Electronic Materials Korea Co., Ltd.
Sales agency of products such as semiconductor materials

JSR Electronic Materials Singapore Pte. Ltd.
Sales agency of semiconductor materials

JSR Electronic Materials (Shanghai) Co., Ltd.
Sale, research and development of electronic materials

JSR Electronic Materials Taiwan Co., Ltd.
Sales activities for electronic materials, research and
development

JSR Micro (Changshu) Co., Ltd.
Production of display materials

JSR Micro, Inc.
Production and sales of semiconductor materials

JSR Micro Korea Co., Ltd.
Design, development, production and sales of display materials

JSR Micro N.V.
Production and sales of semiconductor materials and life
sciences-related materials

JSR Micro Taiwan Co., Ltd.
Design, development, production and sales of display materials

JSR North America Holdings, Inc.
Management and oversight of JSR's North America
operations and management of the Life Sciences Business

JSR (Shanghai) Co., Ltd.
Sales agency of products such as LCD materials and
performance chemicals

Life Sciences Business

Crown Bioscience International
Efficacy testing services for candidates of drugs against
oncology, inflammation, cardiovascular and metabolic
disease and development of antibodies for those diseases

JSR Life Sciences, LLC
JSR Life Sciences global business headquarters and
distribution of life sciences products in the North America region

JSR Micro N.V.
Production and sales of semiconductor materials and life
sciences related materials

JSR North America Holdings, Inc.
Management and oversight of JSR's North America
operations and management of the Life Sciences Business

KBI Biopharma BVBA
Contract analysis services in Europe

KBI Biopharma, Inc.
Analysis of biopharmaceutical development, process
development and contract manufacturing

KBI Biopharma, SA
Contract development and manufacturing of
biopharmaceuticals for mammals, clinical research, and
commercial applications

MBL Beijing Biotech Co., Ltd.
Manufacture of in vitro diagnostic raw material platforms and
provider of complete project solutions for in vitro diagnostic
industry

MBL International Corporation
Development, manufacturing and sales of solutions-based
products for both life science research and clinical diagnostics

MBL Shenzhen Biotech Co., Ltd.
Development, manufacture, and sale of diagnostic reagents
and their raw materials

Selexis SA
Cell-line development services

Plastics Business

Techno-UMG America, Inc.
Sales of plastics, technical services related to plastics in
North America

Techno-UMG Asia Co., Ltd.
Sales and technical services of synthetic resin in ASEAN region

Techno-UMG Europe GmbH
Sales and technical services of synthetic resin in Europe

Techno-UMG Guangzhou Co., Ltd.
Sales and technical services of synthetic resin in Guangzhou
and neighboring regions

Techno-UMG Hong Kong Co., Ltd.
Sales and technical services of synthetic resin in Hong Kong
and neighboring regions

Techno-UMG Shanghai Co., Ltd.
Sales and technical services of synthetic resin in China

Corporate Data (As of March 31, 2023)

JSR Corporation

JSR Corporation Established
December 10, 1957

Capital (Common Stock)
23,370 million yen

Employees
7,994

Closing date
JSR books are closed on
March 31 each year.

Shareholders Information

Stock Listing
Tokyo Stock Exchange

Number of Shareholders
17,294

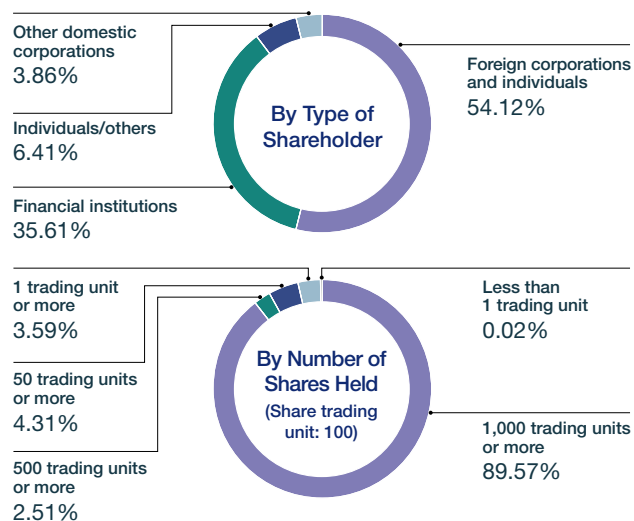
Number of Shares Issued
208,400,000 shares

Major Shareholders

Name of Shareholder	% of shares held/voting rights	Number of shares held (thousands)
The Master Trust Bank of Japan, Ltd. (trust account)	16.00	33,222
SSBTC CLIENT OMNIBUS ACCOUNT BRITISH VIRGIN ISLANDS/U.K.	9.00	18,687
SSBTC CLIENT OMNIBUS ACCOUNT	6.99	14,514
Custody Bank of Japan, Ltd. (trust account)	5.13	10,650
JP MORGAN CHASE BANK 385632	3.62	7,505
STATE STREET BANK AND TRUST COMPANY 510312	2.63	5,454
MSCO CUSTOMER SECURITIES	2.52	5,238
STATE STREET BANK AND TRUST COMPANY 510311	2.22	4,610
ML PRO SEGREGATION ACCOUNT	2.01	4,164
Nippon Life Insurance Company	1.79	3,717

Composition of Shareholders

	Shareholder	Shares held (thousands)
Individuals and others	16,343	13,310
Foreign corporations and individuals	638	112,329
Other domestic corporations	208	8,021
Financial institutions	104	73,925
Treasury stock	1	814
Total	17,294	208,400



Ordinary General Meeting of Shareholders

The annual General Meeting of Shareholders is held in June each year. The 2022 annual General Meeting was held on June 16, 2023.

Transfer Agent and Register

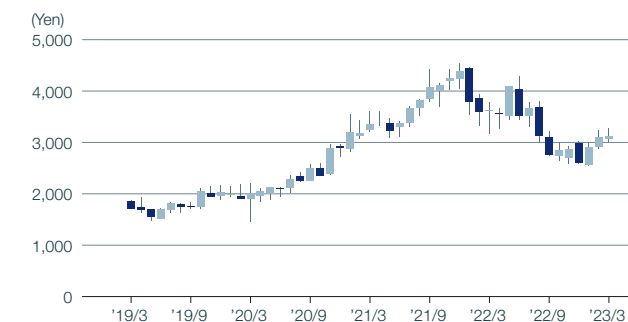
SUMITOMO MITSUI TRUST BANK, LIMITED

Independent Auditors

KPMG AZSA LLC

Common Stock Price Range (Yen/share: Tokyo Stock Exchange)

		1st Q	2nd Q	3rd Q	4th Q
FY2011	High	1,724	1,655	1,582	1,790
	Low	1,413	1,221	1,218	1,408
FY2012	High	1,695	1,455	1,644	1,994
	Low	1,255	1,274	1,224	1,670
FY2013	High	2,360	2,073	2,049	2,085
	Low	1,748	1,713	1,663	1,694
FY2014	High	1,933	1,975	2,229	2,205
	Low	1,622	1,681	1,711	1,893
FY2015	High	2,296	2,227	2,054	1,903
	Low	1,998	1,626	1,688	1,455
FY2016	High	1,682	1,635	1,872	2,115
	Low	1,292	1,287	1,437	1,835
FY2017	High	2,082	2,177	2,320	2,758
	Low	1,794	1,871	2,035	2,215
FY2018	High	2,425	2,229	2,177	1,909
	Low	1,803	1,824	1,530	1,526
FY2019	High	1,914	1,836	2,165	2,196
	Low	1,475	1,621	1,699	1,452
FY2020	High	2,127	2,557	2,959	3,600
	Low	1,840	2,004	2,346	2,809
FY2021	High	3,595	4,425	4,530	4,465
	Low	3,080	3,290	3,680	3,150
FY2022	High	4,285	3,210	3,010	3,280
	Low	3,430	2,727	2,566	3,010



*1 The numbers in the columns under "Number of shares held" are rounded to thousands of shares. *2 The Company holds 814,227 shares of treasury stock.

*3 The shareholding ratio is calculated by using 207,585,773 shares (calculated by deducting number of treasury shares from total number of issued shares 208,400,000 shares)

*4 The Company acquired 7,680,000 shares of treasury stock pursuant to the resolution passed by the Board of Directors at its meeting on April 25, 2022.

*5 The Company cancelled 17,726,145 shares of treasury stock on August 15, 2022 pursuant to the resolution passed by the Board of Directors at its meeting on August 1, 2022.

Management's Discussion and Analysis

Analysis of Operating Results

Overview of Operating Results for FY2022

In the FY2022, although restrictions on economic activities caused by COVID-19 were eased in many countries, skyrocketing resource prices sparked by the Russian invasion of Ukraine, worsening raw material and component shortages, and suppressed demand due to inflation mainly in the United States, have increased the uncertainty of the outlook for the global economy. As for the exchange rate, the yen depreciated against the dollar year-on-year. As for trends among the Group's main customer industries, the semiconductor market is expected to expand in the medium to long term for both memory and logic semiconductors due to growth in demand for 5th generation mobile communication systems (5G), PCs and data centers. On the other hand, at present, growth is slowing due to factors such as excess inventory and falling prices in the memory market. The flat-panel display market has continued to be sluggish due to the backlash from demand for nest eggs, resulting thanks to the promotion of telework and other factors. However, there are signs of a gradual recovery after bottoming out in the second quarter of the consolidated fiscal year due to the optimization of inventory levels. The biopharmaceutical market continued to see strong growth. Global automobile production has been on a gradual recovery track since the fourth quarter of the fiscal year, despite soft demand due to automakers' production cuts caused by semiconductor shortages and the lockdown in China.

To push its business forward amid these circumstances, JSR Group has been strengthening its business structure and management framework to realize a corporate structure imbued with sustainability and resilience, in line with the management policy for FY2024, and actively investing in R&D and businesses. As part of this, the Group has focused resources on medium and long-term growth in the Digital Solutions Business and Life Sciences Business, which are positioned as core businesses. In the Digital Solutions Business, which is focused on the Semiconductor Materials Business, we established a local subsidiary in China aimed at strengthening our Electronic Materials Business activities in the Asian market, increasing customer satisfaction, and providing the prompt delivery of services. In Korea, we finalized the acquisition of a sales agent for our Electronic Materials Business as a wholly owned subsidiary. In product development, we newly developed and launched packaging materials in response to the 5th generation (5G) and 6th generation (6G) mobile communication systems and the full-fledged adoption of autonomous driving. The Group will further clarify the selection and concentration of our businesses and build a resilient business foundation by aggressively investing in EUV photoresists and metal oxide resists, as well as by reviewing cost structures and promoting efficiency. In the Life Sciences Business, the Group advanced initiatives to launch a new plant and strengthen the profitability of the CDMO business (contract development and manufacturing of biopharmaceuticals) in Europe and the U.S. by Group

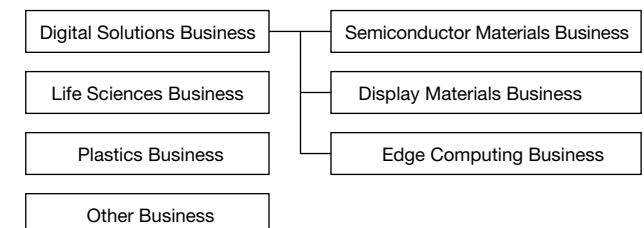
company KBI Biopharma, Inc. Also, in the provision and analysis of clinical biospecimens by Crown Bioscience International (Crown Bioscience), we acquired Individumed Services GmbH & Co. KG's IndivuServ Business Segment, an industry leader, and established Crown Bioscience & MBL to further expand preclinical services in Japan. We, therefore, ensured that measures for future business expansion were implemented.

As a result, the Group's business results posted revenue of 408,880 million yen (up 19.9% year-on-year), a year-on-year increase in revenue. Core operating profit amounted to 34,025 million yen, down 21.4% year-on-year. Operating profit amounted to 29,370 million yen (down 32.9% year-on-year). Total profit attributable to owners of parent amounted to 15,784 million yen (down 57.7% year-on-year).

Business Segment Overview

The JSR Group's business is classified into three reportable segments: Digital Solutions, Life Sciences, and Plastics. The reportable segments are positioned as shown below.

Positioning of Reportable Segments



Digital Solutions Business Segment

The Digital Solutions Business segment experienced an increase in revenue but suffered a decrease in profit compared to the previous fiscal year.

In the Semiconductor Materials Business, sales of cutting-edge photoresists were particularly strong due, in part, to advanced device launches by major customers, in addition to the impact of a weaker yen. In addition, smooth product launches were achieved for processing materials destined for major customers. In Asian markets, the Group established local subsidiaries in Taiwan and China aimed at strengthening its Electronic Materials Business activities, increasing customer satisfaction, and providing the prompt delivery of services. In Korea, a sales agent for our Electronic Materials Business became a wholly owned subsidiary. In product development, we newly developed and launched packaging materials in response to the 5th generation (5G) and 6th generation (6G) mobile communication systems and the full-fledged adoption of autonomous driving. On the other hand, both memory and logic semiconductor materials have experienced a slowdown in growth from the third quarter to the current quarter due to factors such as excess inventory and a decline in prices in the memory market. As for cleaning solutions, the business scale was significantly scaled down due to lower sales at our U.S. plant caused by declining demand. As a result, overall revenue increased from the previous fiscal year, while core operating profit was lower than in the previous fiscal year.

The Display Materials Business advanced sales,

focusing on competitive products in the China market, where continued growth is expected, such as alignment films and insulating films for wide-screen TV LCD panels, a focus point of the business. However, sales decreased due to significant inventory adjustments by panel makers. As a result of the above, overall revenue and core operating profit were lower than the previous fiscal year.

The Edge Computing Business suffered revenue and profit declines because of a sales decrease in near infrared (NIR) filters caused by the sluggish smartphone market and other factors.

As a result, the Digital Solutions Business segment posted a core operating profit of 27,790 million yen (down 28.7% year-on-year) on revenue of 170,439 million yen (up 3.3% year-on-year).

Life Sciences Business Segment

In the Life Sciences Business, overall revenue increased over the previous fiscal year mainly due to expanded sales in the CDMO business and contract research organization (CRO) business, strong performance in the diagnostics business, and the depreciation of the yen. Core operating profit increased over the previous fiscal year due to strong sales of COVID-19 virus antigen test kits at Medical & Biological Laboratories Co., Ltd. (MBL), despite increased expenses associated with the start-up of a new plant at the Group's KBI Biopharma, Inc., which is engaged in the CDMO business.

As a result, the Life Sciences Business segment posted a core operating profit of 8,450 million yen (up

166.7% year-on-year) on revenue of 126,478 million yen (up 74.6% year-on-year).

Plastics Business Segment

In the Plastics Business, sales volume was down from the previous fiscal year due to soft market conditions in the automotive industry, home appliances and electronics, etc. However, overall revenue increased from the previous fiscal year on the back of higher sales unit prices. Core operating profit decreased from the previous fiscal year due to a decline in sales volume.

As a result, the Plastics Business segment posted a core operating profit of 1,853 million yen (down 65.2% year on-year) on revenue of 95,802 million yen (up 5.7% year-on-year).

Business Outlook

Uncertainties are anticipated to continue in the consolidated FY ending March 2024, including changes in the international situation driven by geopolitical fluctuations, heightened tensions around the Ukraine situation, decoupling between the U.S. and China, suppressed demand in countries around the world due to broad price increases, and the impact on exchange rates of interest rate policies in various countries.

In the current situation, the semiconductor market, JSR's primary customer market, is experiencing a temporary operating adjustment, but is expected to be sustained by digital infrastructure demand and see growth over the long term as an essential industry for society.

Furthermore, the solid demand forecasts over the

medium-to-long term for the life sciences field remain unchanged. In the global automobile market, the Plastics Business's main customer market, the recovery trend in automobile production is predicted to continue.

Amid these business conditions, JSR will continue proactive R&D and business investments in the growing Semiconductor Materials Business and Life Sciences Business toward further strengthening of its business structure and management framework in order to build an organizational structure having both resilience and sustainability.

Analysis of Financial Position

Overview of Financial Position for FY2022

Total assets as of March 31, 2023 amounted to 715,959 million yen, down 93,412 million yen from a year earlier. This was mainly due to a decrease in assets related to the disposal group classified as held for sale in connection with the transfer of the Elastomers Business.

Liabilities amounted to 335,024 million yen, down 59,607 million yen from the previous fiscal year, mainly due to a decrease in liabilities related to the disposal group classified as held for sale following the transfer of the Elastomers Business.

Equity amounted to 380,935 million yen, down 33,804 million yen from the previous fiscal year, mainly due to the repurchase and cancellation of treasury stock and the payment of dividends.

Overview of Cash Flows for FY ended March 2023

Cash and cash equivalents ("funds") as of March 31,

2023 stood at 72,640 million yen, up 27,073 million yen from a year earlier.

Net cash provided by operating activities amounted to 29,270 million yen (18,271 million yen in the previous fiscal year). The main item was a profit before tax of 29,846 million yen.

Net cash used in investing activities totaled 4,046 million yen (63,117 million yen in the previous fiscal year). The main items were 31,202 million yen in payments for the purchase of property, plant and equipment, 23,116 million yen in payments for the purchase of shares of subsidiaries resulting in change in scope of consolidation, 51,160 million yen in proceeds from sale of investments in subsidiaries accompanied by a change in scope of consolidation.

Net cash provided by financing activities totaled 15,203 million yen (22,994 million yen in the previous fiscal year). The main items were 30,137 million yen for the purchase of treasury stock, 14,791 million yen in cash dividends paid, and 26,768 million yen in proceeds from long-term borrowings.

The Group formulates a funding plan based on the annual business plan and controls liquidity risk in consideration of an appropriate balance of direct and indirect funding, as well as short-term and long-term funding.

Financing and Capital Liquidity

The Group's need for capital includes working capital such as raw material costs; overhead costs; selling, general and administrative expenses; capital investment, business investment including M&As; and

repayment of interest-bearing debt related to manufacturing and sales. The Group meets such needs for capital mainly from operating cash flows and by borrowing from financial institutions, and the issuance of commercial paper and bonds.

The Group formulates a financial plan based on the annual business plan, and manages liquidity risks by ensuring an appropriate balance between direct and indirect financing and between short-term and long-term financing to prepare for these risks, while considering business expansion and enhancement of the financial position.

The Group registered for the issuance of up to 100 billion yen in corporate bonds and established a commercial paper issuance facility of up to 40 billion yen, to further diversify our methods for raising capital.

We are also introducing a cash management system for the purpose of efficient use of capital, and are seeking to centralize capital procurement and management within the Group.

Basic Approach to the Selection of Accounting Standards

JSR Group has voluntarily adopted International Financial Reporting Standards (IFRS) starting from FY ended March 2018 to improve convenience and the international comparability of financial information in the capital market.

Significant accounting policies, accounting estimates, and assumptions used in making such estimates adopted in the JSR Group's consolidated

financial statements are described in “5. Accounting Conditions, 1. Consolidated Financial Statements, (1) Consolidated Financial Statements Notes to Consolidated Financial Statements, 4. Significant Accounting Policies, 5. Judgments Involving Significant Accounting Estimates and Estimates.”

Basic Policy on Profit Allocation and Dividends for FY ended March 31, 2023

With respect to profit appropriation, the Company regards business growth over the long term as its top priority. To generate sustainable long-term growth, JSR strives to increase its competitiveness by developing new businesses through the reinforcement of research and development activities. The Company determines returns to shareholders by taking into account business performance and medium-term and long-term demand for funds, while giving consideration to a balance between returning profits to shareholders and retaining earnings necessary for future business advancement. The Company paid a year-end dividend of 35.00 yen per share in the interest of continuing stable dividends. Including the interim dividend already paid, the total annual dividend for FY ended March 2023 was 70.00 yen per share.

JSR Group Business and Other Risks

JSR Group is exposed to the following risks that may impact on operating results, financial position, cash flows, and other aspects of its business performance.

Forward-looking statements are based on the

Group’s judgments as of March 31, 2023, and the Group’s business and other risks are not limited to the following matters.

Geopolitical Risks

Damage to manufacturing facilities, prolonged suspension of production activities, logistical impediments, or raw material procurement impediments, and harm to our employees’ lives or property due to terrorism, war, or international trade restrictions (on raw materials, products, or information) could adversely affect JSR Group’s operating results.

Natural Disasters and Accidents

Constraints on economic activity caused by a major natural disaster or an accident at a manufacturing facility that damages a manufacturing facility or disrupts production could adversely affect JSR Group’s operating results.

Product Liability and Defect Warranty Liability

Bodily injury or property damage to others caused by a product manufactured by the JSR Group, or conducts a recall due to poor quality, could adversely affect JSR Group’s operating results.

Significant Violations of Law

In the event of a failure to comply with various laws and regulations involving business and investment permits, import and export activities, trade, labor relations, intellectual property, taxes, foreign exchange, and other

matters in the countries where the JSR Group operates, or if a law or regulation becomes stricter or is significantly altered, it could lead to limitations to the Group’s business activities or additional compliance costs. Any of these events could adversely affect the JSR Group’s operating results.

Human Rights Issues

If any human rights issues arise due to harassment, discrimination, or harsh labor practices against employees, this could lead to a loss of public trust, which could impede the JSR Group’s business activities, among other things.

Information Systems and Information Management

Unauthorized access due to cyber attacks, malicious or grossly negligent actions by employees or others, power outages, disasters, or other events, may result in the falsification or destruction of data, leakage of personal information, failure of information systems, which could, in turn, impede the JSR Group’s business activities.

Fluctuations in Material and Resource Prices

Fluctuations in market conditions due to geopolitical risks, inflation, supply and demand balance, and other factors may cause fluctuations in raw material and resource procurement prices and could adversely affect the JSR Group’s operating results.

Intellectual Property Disputes

Disputes over intellectual property with other companies,

infringements on JSR's intellectual property, or lawsuits against us by other companies could occur.

Fluctuations in Demand Due to Economic Trends

As a result of the impact of economic conditions in various countries or regions, industry demand in which JSR Group's products are sold, such as in automobiles and electronics markets, may decline and could adversely affect JSR Group's operating results.

Pandemic Outbreaks

If an infectious disease pandemic were to break out, economic activities were to be restricted, a temporary closure or reduced operation of offices and factories were to occur, it could adversely affect the JSR Group's business results.

Changing Technology Trends

If the development of new products or businesses is delayed in response to changes in technology trends, it could prevent the timely sales of new products and adversely affect JSR Group's operating results.

Impediments to Procurement of Raw Materials

An interruption in the supply of raw materials due to an accident at a raw materials manufacturer or a supply stoppage due to quality issues or bankruptcy, labor disputes, human rights issues, wars, terrorism, etc., could impede production activities and adversely affect JSR Group's operating results.

Logistical Impediments

If logistics impediments arise due to disasters, accidents, stricter regulations, or trade restrictions, it could adversely affect JSR Group's operating results.

Human Resource Outflow, Difficulty in Acquisition

If problems such as production stoppages or a decline in technology due to an outflow of human resources or difficulty in acquiring them arise, it could adversely affect JSR Group's operating results.

Climate Change Risks

If policies toward a decarbonized society are strengthened in countries and regions related to climate change risks, or if laws and regulations related to carbon emissions are revised or newly enacted at an unexpectedly rapid pace, the Group's sales capacity and reputation may decline due to delays in responding to customers and it could adversely affect JSR Group's operating results.

Consolidated Financial Statements

Consolidated Statement of Financial Position

Million yen

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and cash equivalents	¥ 45,567	¥ 72,640
Trade and other receivables	76,106	78,825
Inventories	104,934	118,437
Other financial assets	1,289	2,657
Other current assets	17,807	26,716
Subtotal	245,704	299,275
Assets related to disposal group classified as held for sale	191,298	–
Total current assets	437,002	299,275
Non-current assets		
Property, plant and equipment	159,539	169,621
Goodwill	117,640	147,874
Other intangible assets	24,571	34,202
Investments accounted for using equity method	2,984	2,479
Retirement benefit asset	5,192	5,674
Other financial assets	31,408	33,157
Other non-current assets	2,830	3,438
Deferred tax assets	28,205	20,240
Total non-current assets	372,369	416,684
Total assets	¥ 809,371	¥ 715,959

Million yen

	As of March 31, 2022	As of March 31, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	¥ 63,548	¥ 79,627
Contract liabilities	12,824	22,407
Bonds and borrowings	69,170	62,510
Income taxes payable	13,479	3,046
Provisions	2,718	1,474
Other financial liabilities	3,489	3,243
Other current liabilities	7,461	9,454
Subtotal	172,689	181,761
Liabilities related to disposal group classified as held for sale	115,576	–
Total current liabilities	288,265	181,761
Non-current liabilities		
Contract liabilities	11,582	5,062
Bonds and borrowings	48,737	95,683
Retirement benefit liability	10,278	10,485
Provisions	8,033	7,423
Other financial liabilities	17,795	23,514
Other non-current liabilities	4,809	4,373
Deferred tax liabilities	5,133	6,724
Total non-current liabilities	106,366	153,263
Total liabilities	394,631	335,024
Equity		
Equity attributable to owners of parent		
Share capital	23,370	23,370
Capital surplus	11,799	6,637
Retained earnings	333,335	288,919
Treasury shares	(18,874)	(2,109)
Other components of equity	26,381	38,709
Total equity attributable to owners of parent	376,011	355,526
Non-controlling interests	38,728	25,409
Total equity	414,739	380,935
Total liabilities and equity	¥ 809,371	¥ 715,959

Consolidated Statement of Profit or Loss

Million yen

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Continuing operations		
Revenue	¥ 340,997	¥ 408,880
Cost of sales	(214,937)	(265,792)
Gross profit	126,060	143,088
Selling, general and administrative expenses	(87,330)	(109,847)
Other operating income	10,819	7,071
Other operating expenses	(5,952)	(11,029)
Share of profit (loss) of investments accounted for using equity method	163	87
Operating profit	43,760	29,370
Finance income	3,415	3,523
Finance costs	(1,655)	(3,047)
Profit before tax	45,521	29,846
Income tax expense	(8,370)	(13,427)
Profit from continuing operations	37,151	16,419
Discontinued operations		
Profit from discontinued operations	2,289	–
Profit	39,440	16,419
Profit attributable to:		
Owners of parent	37,303	15,784
Non-controlling interests	2,136	634
Total	39,440	16,419

yen

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Earnings per share		
Basic earnings per share	¥ 173.49	¥ 75.56
Continuing operations	162.52	75.56
Discontinued operations	10.97	–
Diluted earnings per share	173.26	75.47
Continuing operations	162.30	75.47
Discontinued operations	10.96	–

Consolidated Statement of Comprehensive Income

Million yen

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	¥ 39,440	¥ 16,419
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	1,141	(118)
Remeasurements of defined benefit plans	281	734
Share of other comprehensive income of investments accounted for using equity method	(2)	–
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	34	5
Exchange differences on translation of foreign operations	17,573	12,035
Share of other comprehensive income of investments accounted for using equity method	640	414
Total other comprehensive income, net of tax	19,665	13,071
Total comprehensive income	59,105	29,489
Comprehensive income attributable to:		
Owners of parent	56,124	28,479
Non-controlling interests	2,981	1,010
Total	59,105	29,489

Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2022

Million yen

	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at April 1, 2021	¥ 23,370	¥ 11,562	¥ 302,916	¥ (19,202)	¥ 15,348	¥ 333,995	¥ 36,741	¥ 370,736
Profit			37,303			37,303	2,136	39,440
Other comprehensive income					18,821	18,821	845	19,665
Total comprehensive income	–	–	37,303	–	18,821	56,124	2,981	59,105
Share-based payment transactions		226		248	(32)	441		441
Dividends			(13,975)			(13,975)	(1,127)	(15,102)
Purchase and disposal of treasury shares		(17)		79		63		63
Transfer from other components of equity to retained earnings			7,663		(7,663)	–		–
Proceeds from sale of shares of subsidiaries		34				34	133	167
Changes in non-controlling interests						–		–
Other		(6)	(573)		(92)	(671)		(671)
Total transactions with owners, etc.	–	237	(6,884)	327	(7,788)	(14,108)	(994)	(15,102)
Balance at March 31, 2022	¥ 23,370	¥ 11,799	¥ 333,335	¥ (18,874)	¥ 26,381	¥ 376,011	¥ 38,728	¥ 414,739

Fiscal year ended March 31, 2023

Million yen

	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at April 1, 2022	¥ 23,370	¥ 11,799	¥ 333,335	¥ (18,874)	¥ 26,381	¥ 376,011	¥ 38,728	¥ 414,739
Profit			15,784			15,784	634	16,419
Other comprehensive income					12,695	12,695	376	13,071
Total comprehensive income	–	–	15,784	–	12,695	28,479	1,010	29,489
Share-based payment transactions		408		371	(0)	779		779
Dividends			(14,793)			(14,793)	(800)	(15,593)
Purchase and disposal of treasury shares		(549)	(45,913)	16,394		(30,067)		(30,067)
Transfer from other components of equity to retained earnings			477		(477)	–		–
Proceeds from sale of shares of subsidiaries						–	(13,518)	(13,518)
Changes in non-controlling interests		(5,021)			111	(4,911)	(11)	(4,922)
Other			28			28		28
Total transactions with owners, etc.	–	(5,162)	(60,200)	16,765	(367)	(48,964)	(14,329)	(63,294)
Balance at March 31, 2023	¥ 23,370	¥ 6,637	¥ 288,919	¥ (2,109)	¥ 38,709	¥ 355,526	¥ 25,409	¥ 380,935

Consolidated Statement of Cash Flows

Million yen

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	¥ 45,521	¥ 29,846
Profit before tax from discontinued operations	3,371	–
Depreciation and amortization	22,482	28,425
Interest and dividend income	(1,782)	(785)
Interest expenses	2,535	3,047
Share of loss (profit) of investments accounted for using equity method	(163)	(87)
Impairment losses	5,650	7,801
Loss (gain) on step acquisition	(7,467)	(3,429)
Decrease (increase) in trade and other receivables	(12,532)	2,274
Decrease (increase) in inventories	(46,454)	(4,761)
Increase in trade and other payables	10,066	(5,895)
Other	8,884	(563)
Dividends received	1,801	474
Interest received	367	349
Interest paid	(2,300)	(3,420)
Income taxes refund (paid)	(11,706)	(24,005)
Net cash provided by (used in) operating activities	18,271	29,270
Cash flows from investing activities		
Net decrease in time deposits	397	(1,211)
Purchase of property, plant and equipment	(47,614)	(31,202)
Proceeds from sale of property, plant and equipment	778	2,445
Purchase of investments	(1,652)	(1,745)
Proceeds from sale of investments	17,203	1,124
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(47,348)	(23,116)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	–	51,160
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	(45)	–
Proceeds from sale of investments in associates	15,224	–
Payments for loans receivable	(471)	(1,792)
Collection of loans receivable	811	16
Other	(400)	276
Net cash provided by (used in) investing activities	¥ (63,117)	¥ (4,046)

Million yen

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	¥ 39,338	¥ (13,183)
Net increase in commercial papers	10,003	9,995
Repayments of long-term borrowings	(15,338)	(9,543)
Proceeds from long-term borrowings	7,863	26,768
Proceeds from issuance of bonds	–	24,872
Purchase of treasury shares	(4)	(30,137)
Dividends paid	(13,972)	(14,791)
Dividends paid to non-controlling interests	(1,127)	(781)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(4,922)
Proceeds from sale of investments in subsidiaries not resulting in change in scope of consolidation	160	–
Repayments of lease liabilities	(4,348)	(3,744)
Other	419	262
Net cash provided by (used in) financing activities	22,994	(15,203)
Effect of exchange rate changes on cash and cash equivalents	(1,534)	628
Net increase (decrease) in cash and cash equivalents	(23,386)	10,649
Cash and cash equivalents at beginning of period	85,377	45,567
Cash and cash equivalents included in assets associated with disposal groups classified as held for sale	(16,424)	16,424
Cash and cash equivalents at end of period	¥ 45,567	¥ 72,640