



# Q4 2023 Financial Results

(April 2023 to March 2024)

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APRIL 30, 2024

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**\*Note**

DS :Digital Solutions business  
SEMI :Semiconductor materials  
DISP :Display materials  
EC :Edge Computing  
LS :Life Sciences business  
PLA :Plastic business

# 1. Key Takeaways

- **TOB completed. Accelerate flexible strategic investments, structural reforms, and industry restructuring.**
- **JSR's vision remains unchanged. Strive for sustainable value creation as a world-leading technology company.**

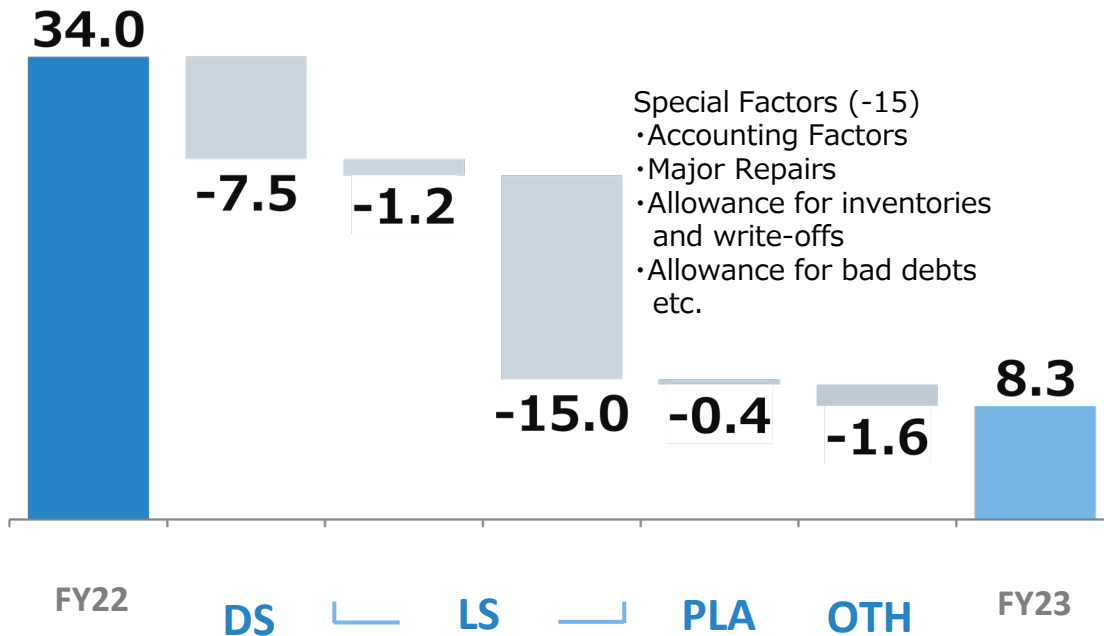
<p><b>FY23 Results</b> YoY Decrease in Revenue /Profit</p>	<ul style="list-style-type: none"> <li>• Profit decreased significantly due to SEMI's downcycle (YoY sales -6%), continued strategic investments, and restructuring of LS.</li> <li>• Special factors were accounted for LS in Q1 and Q4.</li> </ul>
<p><b>Outlook</b></p>	<ul style="list-style-type: none"> <li>• DS: SEMI was definitely on a recovery trend after bottoming out in Q4, FY22 (YoY of Q4 sales improved by more than double digits). Our market share of EUV is expanding in advanced logic and memory markets. MOR business is also progressing. We expect significant contributions in the full-scale semiconductor growth cycle in FY25 and beyond.</li> <li>• LS: As we expect a strong mid- to long-term growth of LS, we continue to see double-digit growth with CDMO despite the current weak biotech market environment. Results of structural reforms, including business restructuring and operational strengthening, will contribute after FY24.</li> <li>• Although we view FY24 as a conservative business environment while riding the recovery trend, we will promote strategic actions in flexible manner.</li> </ul>
<p><b>Strategic Partnership with JICC</b> Announced on June 26,2023</p>	<ul style="list-style-type: none"> <li>• On April 17, 2024, we announced the completion of the TOB by aiming for the strategic partnership with JICC. We will go through a squeeze-out process and make a new start as a private company.</li> <li>• We will accelerate strategic actions of each business through the strategic partnership with JICC. At the same time, we will aim to reorganize the semiconductor materials industry, strengthen the international competitiveness of our domestic industry, and acquire a foundation for sustainable contribution to the global semiconductor industry.</li> <li>• We plan to relist in the future. Our policy of fulfilling corporate responsibilities, such as creating value for all stakeholders and contributing to a sustainable society, will remain unchanged and will make its governance even more robust.</li> </ul>

**We will disclose the status of business performance by any channels, such as corporate website and briefings.  
Thank you for your continued support.**

# 1. Summary : FY23 Result

## Core OP YoY (Bn JPY)

FY23 Act: Revenue 404.6bn, Core OP 8.3bn



## YoY

Digital Solutions Business	
SEMI	<ul style="list-style-type: none"> <li>Decrease in sales due to lower demand caused by the semiconductor cycle.</li> <li>Conducted initiatives such as EUV/MOR investment and business augmentation in Asia.</li> </ul>
DISP/EC	<ul style="list-style-type: none"> <li>For DISP, increased in revenue and OP due to a recovery in panel manufacturer utilization.</li> <li>EC performance was impacted by a decline in smartphone demand, resulting in revenue decrease from the previous year.</li> </ul>
Life Sciences Business	
	<ul style="list-style-type: none"> <li>Revenue increased due to CDMO's sales expansion while OP declined due to special factors.</li> </ul>
Plastics Business	
	<ul style="list-style-type: none"> <li>Automobile demand is trending towards recovery while demand for other applications is slowing down, which led to a decline in sales.</li> </ul>

## 2. Result – YoY, QoQ



(Bn JPY)

		FY22	FY23	YoY	23Q3	23Q4	QoQ
<b>Consolidated</b>	Revenue	408.9	404.6	-1%	121.1	102.8	-15%
	Core Operating Profit	34.0	8.3	-75%	15.9	-6.5	-
	Operating Profit	29.4	3.6	-88%	15.6	-9.3	-
	Profit, attributable to owners of parent	15.8	-5.6	-	7.5	-10.9	-
<b>Digital Solutions</b>	Revenue	170.4	168.1	-1%	44.1	44.5	+1%
	Semiconductor materials	126.4	118.9	-6%	31.4	32.4	+3%
	Display materials	36.6	42.5	+16%	10.8	10.7	-1%
	Edge computing	7.5	6.7	-10%	1.9	1.4	-28%
	Core Operating Profit	27.8	20.3	-27%	7.7	4.0	-48%
<b>Life Sciences</b>	Revenue	126.5	129.7	+3%	48.9	32.2	-34%
	Core Operating Profit	8.4	-7.7	-	8.3	-7.9	-
<b>Plastics</b>	Revenue	95.8	92.8	-3%	24.4	22.6	-7%
	Core Operating Profit	1.9	1.5	-21%	0.8	0.3	-66%
<b>Others/Adjustment</b>	Revenue	16.2	14.0	-13%	3.7	3.5	-5%
	Core Operating Profit	-4.1	-5.6	-	-0.9	-2.9	-
Exchange rate (USD/JPY)		135	145	+7%	148	149	+0%

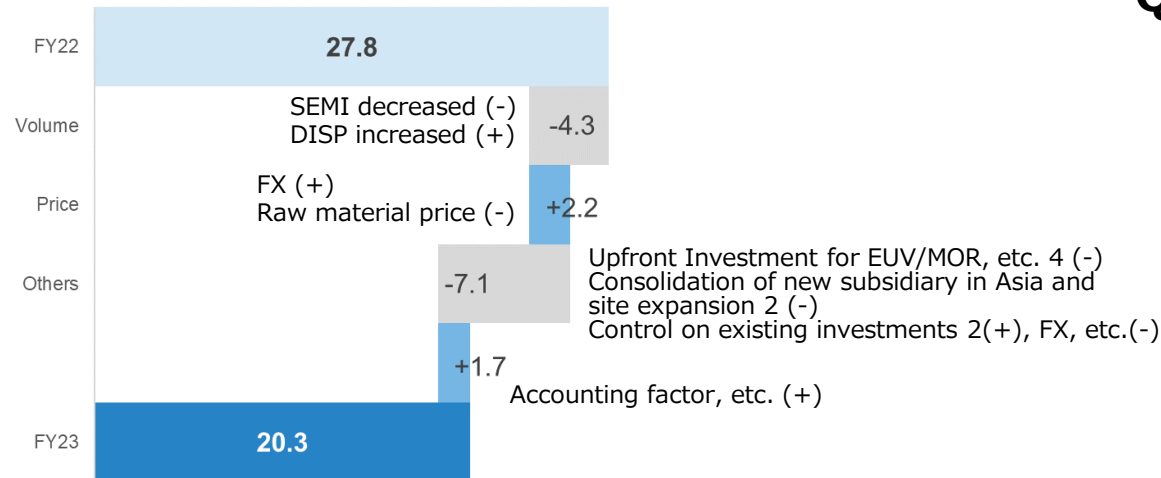
# 3. Segment Data: Digital Solutions Business

(Bn JPY)

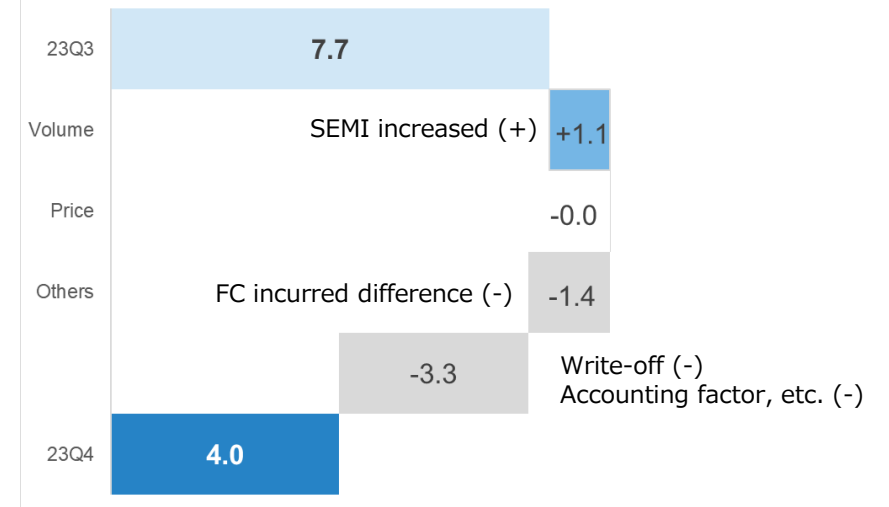
	FY22	FY23	YoY	YoY (CER)*	23Q3	23Q4	QoQ
Revenue	170.4	168.1	-1%	-4%	44.1	44.5	+1%
Semiconductor materials	126.4	118.9	-6%	-10%	31.4	32.4	+3%
Display materials	36.6	42.5	+16%	+15%	10.8	10.7	-1%
Edge computing	7.5	6.7	-10%	-10%	1.9	1.4	-28%
Core OP	27.8	20.3	-27%	-36%	7.7	4.0	-48%
Core OP margin	16.3%	12.1%			17.5%	9.0%	
Exchange rate (USD/JPY)	135	145	+7%	0%	148	149	+0%

## Core OP analysis (Bn JPY)

### YoY



### QoQ



\*MOR: Metal Oxide Resist

\*Reference data: CER (Constant Exchange Rate. Excluding FX impacts)

### 3. Digital Solutions Business - Revenue Growth Rate



		YoY ytd	QoQ
Semiconductor materials	EUV	Slightly under +5%	Approx. +15%
	ArF	Approx. -5%	Approx. +5%
	Multilayer	Slightly under -10%	Slightly decreased
	Other Lithography	Approx. -5%	Slightly increased
	CMP	Approx. +5%	Slightly decreased
	Cleaner	Approx. -50%	Approx. +20%
	Packaging	Approx. +15%	Flat
Display materials	Alignment Films	Slightly over +5%	Slightly under +10%
	Passivation Coat	Approx. +45%	Slightly under +10%
	Color Pigmented Resists	Flat	Approx. +55%
	OLED Materials	Approx. +55%	Approx. -10%
Edge computing	ARTON	Approx. -10%	Slightly under -30%

# 3. Segment Data : Life Sciences Business

(Bn JPY)

	FY22	FY23	YoY	YoY (CER)*	23Q3	23Q4	QoQ
Revenue	126.5	129.7	+3%	-2%	48.9	32.2	-34%
CDMO		64.6			17.7	18.8	+6%
CRO		24.3			6.9	5.9	-15%
BPM		1.9			0.5	0.5	-11%
IVD		39.0			23.9	7.2	-70%
Others/Adjustments		0.1			-0.1	-0.1	-
Core OP	8.4	-7.7	-	-	8.3	-7.9	-
Core OP margin	6.7%	-			16.9%	-	
Exchange rate (USD/JPY)	135	145	+7%	0%	148	149	+0%

## Core OP analysis

### YoY

	Revenue	Core Operating Profit
Total	+3%	-
CDMO	Slightly over +25%	Decrease in OP
CRO	Slightly under +5%	Decrease in OP
BPM	Slightly over -60%	Decrease in OP
IVD	Approx. -10%	Decrease in OP

### QoQ

	Revenue	Core Operating Profit
Total	-34%	-
CDMO	Approx. +5%	Decrease in OP
CRO	Approx. -15%	Decrease in OP
BPM	Approx. -10%	Decrease in OP
IVD	Approx. -70%	Decrease in OP

CDMO: Contract Development and Manufacturing Organization of biologics

CRO: Contract Research Organization of pharmaceutical products

BPM: Bioprocess Materials

IVD: In Vitro Diagnostics and Life Science Research



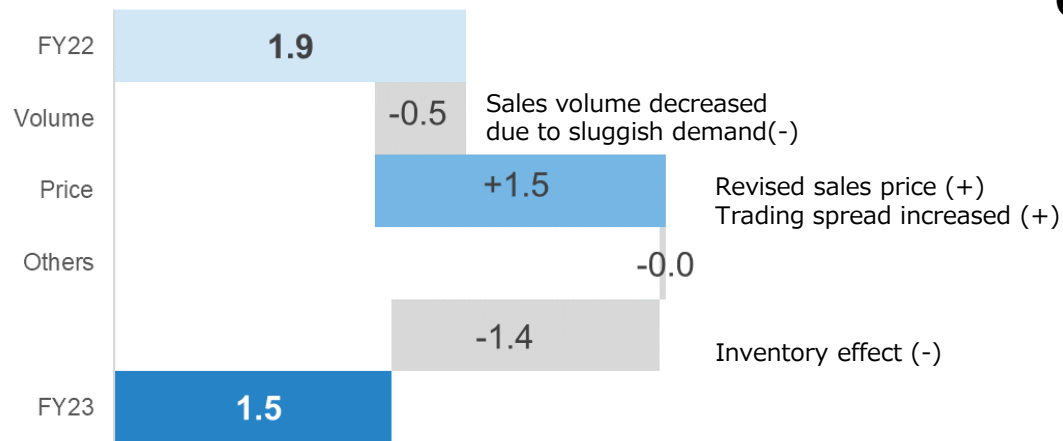
# 3. Segment Data : Plastics Business

(Bn JPY)

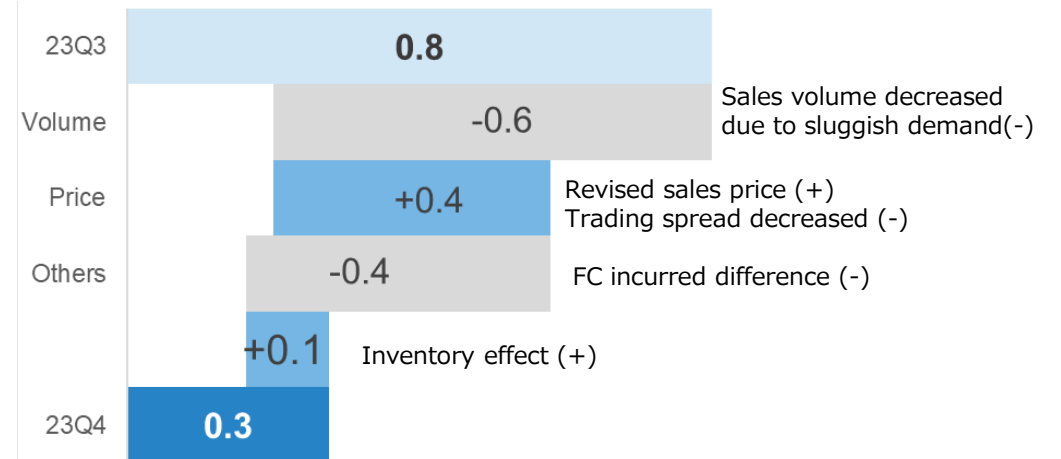
	FY22	FY23	YoY	YoY (CER)*	23Q3	23Q4	QoQ
Revenue	95.8	92.8	-3%	-5%	24.4	22.6	-7%
Core OP	1.9	1.5	-21%	-21%	0.8	0.3	-66%
Core OP margin	1.9%	1.6%			3.4%	1.3%	
Exchange rate (USD/JPY)	135	145	+7%	0%	148	149	+0%

## Core OP analysis (Bn JPY)

### YoY



### QoQ



# 4. Market Outlook



	FY22 Act	FY23 Outlook		FY23 Act	FY24 Outlook
		Apr. 27	Nov. 6	Apr.30	Apr.30
FX (USD/JPY)	135	135	143	145	140
Silicon Wafer Input (YoY)	+/-0%	-5%	-10~-15%	-10~-15%	+5~+10%
Panel Makers Utilization Rate Panel Production (YoY)	71% -19%	78% +12%	77% +10%	78% +3%	79% +6%
Smartphone Shipments (YoY)	-9%	+3%	-5%	-4%	+3%
Automobile Production (YoY) Global Makers Japanese Makers (Global)	+8% +4%	+5% -	+5% +6%	+8% +5%	+2% -1%
Bio Pharmaceutical Market Biotech Industry Funding (YoY)	+8% -45%	+7% -	+9% -	+9% -13%	+11% -

\*JSR estimates based on resources of outside research institutions.

# Appendix: Act vs FY23 Consolidated Earnings Forecast



(Bn JPY)

		FY22	FY23 Pro (as of Nov.6)	FY23	Pro vs Act +/-
<b>Consolidated</b>	Revenue	408.9	413.0	404.6	-8.3
	Core Operating Profit	34.0	18.0	8.3	-9.6
	Operating Profit	29.4	16.0	3.6	-12.4
	Profit, attributable to owners of parent	15.8	8.5	-5.6	-14.1
<b>Digital Solutions</b>	Revenue	170.4	160.5	168.1	7.6
	Semiconductor materials	126.4	112.0	118.9	6.9
	Display materials	36.6	41.0	42.5	1.5
	Edge computing	7.5	7.5	6.7	-0.8
	Core Operating Profit	27.8	14.5	20.3	5.8
<b>Life Sciences</b>	Revenue	126.5	138.0	129.7	-8.3
	CDMO		70.0	64.6	-5.5
	CRO		28.0	24.3	-3.8
	BPM		4.5	1.9	-2.6
	IVD		35.5	39.0	3.5
	Oth/Adj		0.0	0.1	0.0
Core Operating Profit	8.4	4.5	-7.7	-12.2	
<b>Plastics</b>	Revenue	95.8	100.5	92.8	-7.6
	Core Operating Profit	1.9	3.5	1.5	-2.0
<b>Others/ Adjustment</b>	Revenue	16.2	14.0	14.0	0.0
	Core Operating Profit	-4.1	-4.5	-5.6	-1.2
	Exchange rate (USD/JPY)	135	143	145	2

# Appendix: Overall Statement of P/L

(Bn JPY)

	FY22	FY23	YoY
Revenue	408.9	404.6	-1%
Cost of sales	265.8	269.8	+1%
Gross profit	143.1	134.9	-6%
Selling, general and administrative expenses	109.8	125.7	+14%
Other operating income/expenses	-4.0	-5.6	-
Share of profit of investments accounted for using equity method	0.1	0.1	+8%
Operating Profit	29.4	3.6	-88%
Finance income/cost	0.5	-3.8	-
Income taxes	13.4	4.3	-68%
Profit	16.4	-4.5	-
Profit, attributable to owners of parent	15.8	-5.6	-
Profit, attributable to non-controlling interests	0.6	1.1	+70%

EPS(JPY)	75.56	-26.74	-
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Exchange rate(USD/JPY)	135	145	+7%
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## Breakdown from Core OP to OP

(Bn JPY)

	FY22	FY23
Core Operating Profit	34.0	8.3
Business restructuring expenses	-9.0	-4.2
Gain on step acquisitions	3.4	-
Loss on sales of fixed assets	-0.2	-
Gain on sale of shares of subsidiaries	1.0	-
Others	0.1	-0.5
Operating Profit	29.4	3.6

# Appendix: Statement of Financial Position



(Bn JPY)

	23/3E	24/3E	+/-
<b>Current assets</b>	299.5	309.9	+10.4
Cash and cash equivalents	72.6	100.6	+28.0
Trade and other receivables	79.0	87.9	+8.9
Inventories	118.5	103.9	-14.6
Others	29.4	17.5	-11.9
<b>Non-current assets</b>	418.0	461.4	+43.4
Property, plant and equipment	169.6	174.9	+5.3
Goodwill	135.7	153.1	+17.4
Other intangible assets	47.7	49.5	+1.8
Others	65.0	83.9	+18.9
<b>Total Assets</b>	717.5	771.4	+53.8
<b>Current liabilities</b>	182.0	215.8	+33.8
Trade and other payables	79.9	79.7	-0.2
Bonds and borrowings	62.5	97.6	+35.1
Others	39.6	38.5	-1.1
<b>Non-current liabilities</b>	154.6	153.1	-1.5
Bonds and borrowings	95.7	81.5	-14.2
Others	58.9	71.6	+12.7
<b>Total Liabilities</b>	336.6	368.9	+32.3
Equity attributable to owners of parent	355.5	375.8	+20.3
Non-controlling interests	25.4	26.7	+1.2
<b>Total Equity</b>	380.9	402.4	+21.5

(Bn JPY)

	FY22	FY23
Depreciation *1	28.4	33.5
CAPEX *2	44.2	31.6
RD expenses	27.0	31.8

\*1 Including IFRS16 lease asset depreciation.

\*2 Inspection basis

## Net Debt

(Debt with interest - Cash and cash equivalents )

2023/3E: approx. 86bn JPY

2024/3E: approx. 78bn JPY

## Equity ratio

(Equity attributable to owners of parents)

2023/3E: 49.5%

2024/3E: 48.7%

# Appendix: Statement of Cash Flows



(Bn JPY)

	FY22	FY23	YoY +/-
Cash flows from operating activities	29.3	60.0	30.7
Income before income taxes	29.8	-0.1	-30.0
Depreciation and amortization	28.4	33.5	5.1
Change in working capital	-8.4	23.6	32.0
Others	-20.6	3.0	23.6
Cash flows from investment activities	-4.0	-40.2	-36.1
Purchase of tangible and intangible assets	-28.8	-40.2	-11.4
Acquisition of shares of subsidiaries	-23.1	0.0	23.1
Sales of shares of subsidiaries and affiliates	51.2	0.0	-51.2
Others	-3.3	0.0	3.3
FCF	25.2	19.8	-5.4
Cash flows from financing activities	-15.2	3.4	18.6
Change in treasury stock	-30.1	0.0	30.1
Cash dividends paid	-15.6	-7.7	7.9
Others	30.5	11.1	-19.4
Effect of exchange rate changes on cash and cash equivalents	0.6	4.8	4.1
Increase (decrease) in cash and cash equivalents	10.6	28.0	17.4
Cash and cash equivalents at beginning of period	45.6	72.6	27.1
Cash and cash equivalents included in assets held for sale	16.4	0.0	-16.4
Cash and cash equivalents at end of period	72.6	100.6	28.0

# Appendix: Quarterly Trends by Segments



(Bn JPY)

		22Q1	22Q2	22Q3	22Q4	23Q1	23Q2	23Q3	23Q4	FY23	FY23 YoY	FY23 YoY (CER)*
<b>Consolidated</b>	Revenue	93.3	104.0	115.7	95.9	85.0	95.7	121.1	102.8	404.6	-1%	-4%
	Core Operating Profit	6.2	10.7	14.6	2.5	-5.3	4.3	15.9	-6.5	8.3	-75%	-79%
	Operating Profit	7.3	10.4	14.5	-2.9	-6.1	3.4	15.6	-9.3	3.6	-88%	-
	Profit, attributable to owners of parent	5.7	9.0	4.8	-3.8	-2.6	0.4	7.5	-10.9	-5.6	-	-
<b>Digital Solutions</b>	Revenue	42.9	47.7	44.5	35.4	37.7	41.8	44.1	44.5	168.1	-1%	-4%
	Semiconductor materials	30.5	37.7	33.0	25.2	26.2	28.9	31.4	32.4	118.9	-6%	-10%
	Display materials	10.4	8.0	9.6	8.6	9.9	11.1	10.8	10.7	42.5	+16%	+15%
	Edge computing	2.0	2.0	1.9	1.6	1.6	1.8	1.9	1.4	6.7	-10%	-10%
	Core Operating Profit	7.7	10.8	8.2	1.1	2.6	5.9	7.7	4.0	20.3	-27%	-36%
	Core Operating Profit Margin	18%	23%	18%	3%	7%	14%	17%	9%	12%	-	-
<b>Life Sciences</b>	Revenue	22.7	28.7	41.6	33.4	21.2	27.3	48.9	32.2	129.7	+3%	-2%
	Core Operating Profit	0.0	0.7	6.0	1.8	-6.9	-1.3	8.3	-7.9	-7.7	-	-
	Core Operating Profit Margin	0%	2%	14%	5%	-	-	17%	-	-	-	-
<b>Plastics</b>	Revenue	22.8	22.9	26.6	23.6	22.7	23.1	24.4	22.6	92.8	-3%	-5%
	Core Operating Profit	-0.5	0.4	1.4	0.6	-0.2	0.5	0.8	0.3	1.5	-21%	-21%
	Core Operating Profit Margin	-	2%	5%	2%	-	2%	3%	1%	2%	-	-
<b>Others/Adjustment</b>	Revenue	4.9	4.7	3.0	3.6	3.4	3.4	3.7	3.5	14.0	-13%	-13%
	Core Operating Profit	-1.0	-1.2	-1.0	-0.9	-0.9	-0.9	-0.9	-2.9	-5.6	-	-
Exchange rate (USD/JPY)		130	138	142	132	137	145	148	149	145	+7%	-1%

\*Core OP is calculated by excluding profit or loss caused by non-recurring factors from OP.