

Consolidated Business Results for FY 2008

April 24, 2008

Name of listed company: JSR Corporation

Stock Exchange: Tokyo and Osaka

Code # 4185

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

Representative: Yoshinori Yoshida, President

Inquiry to: Hideo Sakurai, Corporate Communications Department

TEL: (03)5565-6519

Expected date of the shareholders' meeting: June 13, 2008

Expected date of the release of Asset Security Report: June 13, 2008

Expected date of dividend payment: June 16, 2008

(Figures are rounded down to the nearest million)

1. Consolidated Business Results for FY2008 (April 1, 2007 to March 31, 2008)

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

	Net sales		Operating income		Current income		Current net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of yen	%
FY2008	406,967	11.2	60,010	8.6	56,063	2.5	36,994	9.9
FY2007	365,831	8.2	55,242	3.5	54,719	3.3	33,654	10.1

	Net income per share	Net income per share after latent share adjustment	Current net income/capital equity	Current income/total assets	Current income/net sales
	Yen	Yen	%	%	%
FY2008	147.26	147.19	15.2	13.6	14.7
FY2007	133.10	133.06	15.0	13.9	15.1

Note: Equity in earnings of affiliated companies: 1,248 million yen for FY2008; 1,438 million yen for FY2007.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
FY2008	416,950	257,662	60.6	1,009.27
FY2007	408,949	239,986	57.5	932.47

Note: Equity capital: 252,538 million yen for FY2008, 235,186 million yen for FY2007

(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
FY2008	53,890	△32,239	△13,400	61,724
FY2007	46,471	△30,363	△23,776	53,655

2. Status of distribution

(Reference date)	Dividend per share			Total dividend (Year)	Dividend ratio (Consolidated)	Net asset dividend rate (Consolidated)
	Interim term end	Term end	Full year			
	Yen	Yen	Yen	Millions of Yen	%	%
FY2008	16.00	16.00	32.00	8,020	21.7	3.3
FY2007	12.00	12.00	24.00	6,053	18.0	2.7
FY2009 (Expected)	16.00	16.00	32.00		21.4	

3. Forecast results for FY2008 (April 1, 2007 to March 31, 2008)

(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		Current income		Current net income		Current net income per share	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	Yen
1 st half, FY2009	213,000	7.6	29,500	△2.0	30,000	1.3	17,500	△4.6	69.94	
Full FY2009	437,000	7.4	61,000	1.6	62,000	10.6	37,500	1.4	149.87	

4. Others

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

(2) Changes to accounting principles, procedures, and presentation when preparing consolidated financial statements (changes to Fundamental Information for Preparing Consolidated Interim Financial Statement)

i A. Changes accompanying the revision of accounting standards: Applied

ii Changes other than A: N/A

(3) Number of shares issued (common shares)

i The number of shares issued at the end of the fiscal year (including own shares)

FY2008 255,885,166 shares FY2007 255,885,166 shares

ii The number of own shares

FY2008 5,666,693 shares FY2007 3,664,774 shares

(Note) For the number of shares used as the basis for calculating the current net income per share (consolidated), please refer to "Information per share" on page-35.

(Reference) Summary of non-consolidated business results

1. Non-consolidated business results for FY2008 (April 1, 2007 to March 31, 2008)

(1) Non-consolidated operating results (Note: % refers to the rate of increase/decrease year-on-year)

	Sales		Operating income		Current income		Current net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2008	278,057	11.3	45,892	7.0	44,856	△1.6	29,601	1.3
FY2007	249,812	7.5	42,889	△0.4	45,596	2.2	29,216	6.4

	Current net income per share		After latent share adjustment (Current net income per share)	
	Yen	Yen	Yen	Yen
FY2008	117.83		117.77	
FY2007	115.55		115.51	

(2) Non-consolidated financial position

	Total assets		Net assets		Capital equity ratio		Net assets per share	
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	%	%	Yen	Yen
FY2008	353,700	220,329	220,329	220,329	62.2	62.2	879.77	879.77
FY2007	348,731	208,189	208,189	208,189	59.7	59.7	825.15	825.15

(Reference) Equity capital 220,135 million yen for FY2008, 208,119 million yen for FY2007

2. Estimated non-consolidated business results for the FY2009 (April 1, 2008 to March 31, 2009)

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

	Sales		Operating income		Current income		Current net income		Current net income per share	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	Yen
1 st half FY2009	147,000	6.1	23,500	△8.6	25,000	△6.3	15,500	△11.1	61.95	
Full FY2008	302,000	8.6	48,000	4.6	51,500	14.8	32,500	9.8	129.89	

Descriptions herein concerning the future information including estimated business results are based on information that we are currently available and assumptions that we determined reasonable. Thus, actual results can greatly vary due to various factors.

(1) Consolidated Balance Sheet for Full FY2008

(Unit: Millions of Yen)

	Full FY2007 (March 31, 2007)	Full FY2008 (March 31, 2008)	Increase / decrease
(Assets)			
I Current assets	(249,238)	(258,649)	(9,411)
1 Cash and assets	15,586	16,537	950
2 Notes and accounts receivable	93,340	87,068	△ 6,272
3 Marketable securities	38,418	46,835	8,417
4 Inventories	67,220	72,317	5,096
5 Dffered tax assets	5,073	4,973	△ 100
6 Accounts receivable	24,691	25,061	370
7 Other current assets	5,004	5,969	965
Allowance for doubtfull accounts	△ 97	△ 114	△ 16
II Non-current assets	(159,710)	(158,300)	(△ 1,409)
1 Tangible assets	(98,182)	(105,531)	(7,349)
(1) Buildings and structures	29,206	31,406	2,200
(2) Machinery and transportation equipment	36,971	41,295	4,323
(3) Real estate	16,957	16,778	△ 178
(4) Construction in progress	7,580	8,141	561
(5) Other non-current tangible assets	7,466	7,909	442
2 Intangible assets	(5,712)	(6,466)	(753)
3 Investments and other non-current assets	(55,815)	(46,302)	(△ 9,513)
(1) Investment securities	44,306	35,656	△ 8,650
(2) Other non-current assets	11,694	10,887	△ 806
Allowance for doubtfull accounts	△ 185	△ 241	△ 55
Total assets	408,949	416,950	8,001

(Unit: Millions of Yen)

	Full FY2007 (March 31, 2007)	Full FY2008 (March 31, 2008)	Increase /decrease
(Liabilities)			
I Current liabilities	(142,100)	(137,716)	(△ 4,383)
1 Notes and accounts payable	87,952	83,445	△ 4,507
2 Short-term loans payable	15,523	16,808	1,284
3 Income taxes payable	10,794	8,366	△ 2,428
4 Other current liabilities	27,828	29,096	1,267
II Non-current liabilities	(26,862)	(21,572)	(△ 5,290)
1 Long-term loans payable	2,745	1,525	△ 1,219
2 Reserve for retirement benefits	14,782	14,679	△ 103
3 Reserve for environmental expenses	3,294	3,294	—
4 Other non-current liabilities	6,040	2,073	△ 3,967
Total liabilities	168,962	159,288	△ 9,674
(Net assets)			
I Shareholders' equity	(223,573)	(247,379)	(23,805)
1 Common stock	23,320	23,320	—
2 Additional paid-in capital	25,179	25,179	—
3 Earning surplus	183,374	212,503	29,129
4 Treasury stock	△ 8,299	△ 13,623	△ 5,323
II Differences from securities revaluation	(11,612)	(5,159)	(△ 6,453)
1 Other differences from securities revaluation	10,087	4,806	△ 5,280
2 Foreign currency translation adjustments	1,525	352	△ 1,173
III Stock acquisition rights	(70)	(193)	(123)
IV Minor shareholders' interests	(4,729)	(4,929)	(200)
Total net assets	239,986	257,662	17,676
Total liabilities and net assets	408,949	416,950	8,001

(2) Consolidated Income Statement

(Unit: Millions of Yen)

	FY2007 (April 1, 2006 to March 31, 2007)	FY2008 (April 1, 2007 to March 31, 2008)	Increase/decrease
I Net sales	365,831	406,967	41,136
II Cost of sales	252,752	284,430	31,678
Gross profit on sales	113,078	122,536	9,458
III General sales and administrative expenses	57,835	62,526	4,690
Operating income	55,242	60,010	4,768
IV Non-operating income	5,434	4,233	△ 1,200
1 Interest and dividend income	1,030	1,309	278
2 Investment income according to equity method	1,438	1,248	△ 189
3 Other non-operating income	2,965	1,675	△ 1,289
V Nonoperating expenses	5,958	8,180	2,222
1 Interest charges	398	255	△ 142
2 Other non-operating expenses	5,559	7,925	2,365
Current income	54,719	56,063	1,344
VI Extraordinary income	227	377	150
1. Gains on sale of investment securities	-	377	377
1 2. Gains on sale of noncurrent assets	227	-	△ 227
VII Extraordinary losses	1,505	1,573	67
1 Loss from disposal of non-current assets	843	1,573	729
2 Loss from disposal of asbestos	460	-	△ 460
3 Loss on allowance for environmental expenses	201	-	△ 201
Net income before tax	53,440	54,866	1,426
Corporate tax, resident tax, and enterprise tax	20,127	18,112	△ 2,015
Adjustment of income taxes and others	△ 1,136	△ 776	360
Minority interests	794	536	△ 258
Net income	33,654	36,994	3,339

(5) Consolidated Statement of Cash Flows for FY2008

(Unit: Millions of Yen)

	FY2007 (April 1, 2006 to March 31, 2007)	FY2008 (April 1, 2007 to March 31, 2008)
I Cash flows from operating activities		
Net income before taxes	53,440	54,866
Depreciation	18,133	21,179
Interests and dividends income	△ 1,030	△ 1,309
Interest charges	398	255
Investment income according to the equity method	△ 1,438	△ 1,248
Gain on sale of non-current assets	△ 227	-
Loss from disposal of non-current assets	843	1,573
Loss of impaired assets	-	△ 377
Increase in notes and accounts receivable	△ 14,547	5,379
Increase in inventories	△ 6,685	△ 5,692
Increase in accounts payable	8,814	△ 2,352
Others	6,739	△ 77
Sub total	64,439	72,197
Interest and dividend income received	2,906	2,530
Interest charges paid	△ 410	△ 254
Income taxes paid	△ 20,463	△ 20,583
Cash flows from operating activities	46,471	53,890
II Cash flows from investment activities		
Expenses for acquisition of non-current assets	△ 26,217	△ 27,122
Income from sales of non-current assets	347	-
Expenses for acquisition of investment securities	△ 1,767	△ 1,652
Income from sales of investment securities	562	600
Expenses for investment in subsidiaries/affiliates	-	500
Increase from loans	△ 2,193	△ 1,107
Expenses from affiliates	-	△ 490
Others	△ 1,093	△ 2,967
Cash flows from investment activities	△ 30,363	△ 32,239
III Cash flows from financing activities		
Decrease in short-term loans payable	△ 1,944	△ 221
Expenses for reimbursement of long-term loans	△ 2,306	△ 475
Income from long-term loans payable	1,557	-
Expenses for redemption of bonds	△ 10,000	-
Expenses for acquisition of treasury stocks	△ 5,411	△ 5,328
Dividends paid	△ 5,565	△ 7,033
Dividends paid for minority interests	△ 106	△ 341
Others	0	0
Cash flows from financing activities	△ 23,776	△ 13,400
IV Conversion difference of cash and cash equivalents	478	△ 820
V Increase/decrease in cash and cash equivalents	△ 7,189	7,429
VI Opening balance of cash and cash equivalents	60,845	53,655
VII Increase in cash and cash equivalents due to change in consolidated scope	-	639
VIII Closing balance of cash and cash equivalents	53,655	61,724