



Consolidated Business Results for 1st half of FY 2008

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Name of listed company: JSR Corporation

Stock Exchange: Tokyo and Osaka

Code # 4185

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

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Expected date of start of dividend payment November 27, 2007

Expected date of submission of semiannual financial reports December 7, 2007

(Figures are rounded down to the nearest million)

1. Consolidated Business Results for 1st half of FY2007 (April 1, 2007 to September 30, 2007)

(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	
1 st half of FY2008	197,985	10.6	30,111	9.5	29,628	7.6	18,347	6.1
1 st half of FY2007	179,030	10.6	27,490	10.6	27,547	10.3	17,287	13.6
FY2007	365,831	-	55,242	-	54,719	-	33,654	-

	Net income per share	Net income per share after latent share adjustment
	Yen	Yen
1 st half of FY2008	72.82	72.79
1 st half of FY2007	68.23	68.21
FY2007	133.10	133.06

Note: Equity in earnings of affiliated companies: 711 million yen for 1st half of FY2008; 861 million yen for 1st half of FY2007, 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
1 st half of FY2008	430,642	253,815	57.7	990.33
1 st half of FY2007	400,147	225,006	55.2	875.33
FY2007	408,949	239,986	57.5	932.47

Note: Equity capital: 245,654 million yen for 1st half of FY2008, 220, 778 million yen for 1st half of FY2007, 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
1 st half of FY2008	19,317	△13,293	△5,445	55,179
1 st half of FY2007	19,139	△13,668	△9,575	56,828
FY2007	46,471	△30,363	△23,776	53,655

2. Status of distribution

(Reference date)	Dividend per share		
	Interim term end	Term end	Full year
FY2007	Yen 12.00	Yen 12.00	Yen 24.00
FY2008 (Expected)	16.00	—	32.00
	—	16.00	

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
Full FY2008	410,000	12.1	59,500	7.7	59,000	7.8	37,000	9.9	147.36

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)

1st half of FY2007 255,885,166 shares 1st half of FY2006 255,885,166 shares

FY2007 255,885,166 shares

ii The number of own shares

1st half of FY2007 4,803,208 shares 1st half of FY2006 3,661,025 shares

FY2007 3,664,774 shares

(Reference) Summary of non-consolidated business results

1. Non-consolidated business results for 1st half of FY2007 (April 1, 2007 to September 30, 2007)

(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	%
1 st half of FY2008	138,525	12.9	25,706	22.4	26,669	15.4	17,429	13.3
1 st half of FY2007	122,720	10.0	22,999	△0.6	23,104	3.8	15,382	4.9
FY2007	249,812	—	42,889	—	45,596	—	29,216	—

	Current net income per share
	Yen
1 st half of FY2008	69.18
1 st half of FY2007	60.71
FY2007	115.55

(2) Non-consolidated financial position

	Total assets	Net assets	Capital equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
1 st half of FY2008	367,340	220,841	60.1	879.05
1 st half of FY2007	347,330	197,163	56.8	781.63
FY2007	348,731	208,189	59.7	825.15

(Reference) Equity capital 220,712 million yen for 1st half of FY2008, 197,146 million yen for 1st half of FY2007, 208,119 million yen for FY2007

2. Estimated non-consolidated business results for the FY2008 (April 1, 2007 to March 31, 2008)

(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
FY2008	282,000	12.9	47,000	9.6	49,000	7.5	31,000	6.1	123.47

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 1st half of FY2008

(Unit: Millions of Yen)

	Full FY2007 (March 31, 2007)	1st half FY2008 (Sept. 30, 2007)	Increase /decrease	1st half FY2007 (Sept. 30, 2006)
(Assets)				
I Current assets	(249,238)	(264,502)	(15,264)	(247,135)
1 Cash and assets	15,586	19,168	3,582	17,248
2 Notes and accounts receivable	93,340	101,091	7,750	92,635
3 Marketable securities	38,418	36,935	△ 1,483	39,773
4 Inventories	67,220	75,422	8,202	65,387
5 Accounts due	24,691	21,985	△ 2,706	23,899
6 Other current assets	10,078	99,991	△ 86	8,283
Allowance for bad debt	△ 97	△ 91	5	△ 92
II Non-current assets	(159,710)	(166,139)	(910)	(153,011)
1 Tangible assets	(98,182)	(104,740)	(6,558)	(95,321)
(1) Buildings and structures	29,206	30,040	833	28,361
(2) Machinery and transportation equipment	36,971	41,158	4,186	38,486
(3) Real estate	16,957	17,010	53	17,022
(4) Other non-current tangible assets	15,046	16,531	1,484	11,449
2 Intangible assets	(5,712)	(6,493)	(780)	(5,963)
3 Investments and other non-current assets	(55,815)	(54,905)	(△ 910)	(51,726)
(1) Investment securities	44,306	46,979	2,672	42,063
(2) Other non-current assets	11,694	8,107	△ 3,586	9,832
Allowance for bad debt	△ 185	△ 182	3	△ 169
Total assets	408,949	430,642	21,692	400,147

(Unit: Millions of Yen)

	Full FY2007 (March 31, 2007)	1st half FY2008 (Sept. 30, 2007)	Increase /decrease	1st half FY2007 (Sept. 30, 2006)
(Liabilities)				
I Current liabilities	(142,100)	(149,317)	(7,217)	(149,505)
1 Notes and accounts payable	87,952	91,788	3,836	82,975
2 Short-term loans payable	15,523	17,099	1,575	17,711
3 Long-term debt due within one year	—	—	—	10,000
4 Other current liabilities	38,623	40,429	1,805	38,818
II Non-current liabilities	(26,862)	(27,508)	(645)	(25,634)
1 Long-term loans payable	2,745	2,749	4	1,660
2 Reserve for retirement benefits	14,782	14,688	△ 93	14,865
3 Reserve for environmental expenses	3,294	3,294	—	3,093
4 Other non-current liabilities	6,040	6,775	734	6,015
Total liabilities	168,962	176,826	7,863	175,140
(Net assets)				
I Shareholders' equity	(223,573)	(234,905)	(11,331)	(210,244)
1 Common stock	23,320	23,320	—	23,320
2 Additional paid-in capital	25,179	25,179	—	25,179
3 Earning surplus	183,374	197,641	14,267	170,033
4 Treasury stock	△ 8,299	△ 11,235	△ 2,935	△ 8,288
II Differences from securities revaluation	(11,612)	(13,749)	(2,136)	(10,534)
1 Other differences from securities revaluation	10,087	11,200	1,113	9,913
2 Foreign currency translation adjustments	1,525	2,549	1,023	620
III Stock acquisition rights	(70)	(129)	(58)	(17)
IV Minor shareholders' interests	(4,729)	(5,032)	(302)	(4,210)
Total net assets	239,986	253,815	13,829	225,006
Total liabilities and net assets	408,949	430,642	21,692	400,147

(2) Consolidated Income Statement

(Unit: Millions of Yen)

	1st half FY2007 (April 1, 2005 to Sept. 30, 2006)	1st half FY2008 (April 1, 2006 to Sept.30, 2007)	Increase/decrease	Full FY2007 (April 1, 2006 to March 31, 2007)
I Net sales	179,030	197,985	18,954	365,831
II Cost of sales	123,420	137,299	13,878	252,752
Gross profit on sales	55,610	60,685	5,075	113,078
III General sales and administrative expenses	28,119	30,573	2,453	57,835
Operating income	27,490	30,111	2,621	55,242
IV Non-operating income	(2,786)	(2,285)	(△ 501)	(5,434)
1 Interest and dividend income	513	765	251	1,030
2 Investment income according to equity method	861	711	△ 149	1,438
3 Other non-operating income	1,411	807	△ 603	2,965
V Nonoperating expenses	(2,729)	(2,768)	(38)	(5,958)
1 Interest charges	199	149	△ 50	398
2 Other non-operating expenses	2,530	2,619	89	5,559
Current income	27,547	29,628	2,081	54,719
VI Extraordinary income	(-)	(-)	(-)	(227)
1 Gain on sales of non-current assets	-	-	-	227
VII Extraordinary losses	(475)	(282)	(△ 193)	(1,505)
1 Loss from disposal of non-current assets	43	282	238	843
2 Loss from disposal of asbestos	431	-	△ 431	460
3 Loss on allowance for environmental expenses	-	-	-	201
Net income before tax	27,071	29,346	2,274	53,440
Corporate tax, resident tax, and enterprise tax	9,446	10,996	1,550	20,127
Adjustment of income taxes and others	△ 3	△ 440	△ 437	△ 1,136
Minority interests	341	443	101	794
Net income	17,287	18,347	1,059	33,654