



Consolidated Business Results for 2nd Quarter, FY2009

October 27, 2008

Name of listed company: JSR Corporation

Stock Exchange: Tokyo and Osaka

Code # 4185

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(Figures are rounded down to the nearest million)

1. Consolidated Business Results for 2nd Quarter, FY2009 (April 1, 2008 to September 30, 2008)

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

	Net sales		Operating income		Current income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
2 nd quarter, FY2009	208,037	-	26,166	-	27,822	-	16,204	-
2 nd quarter, FY2008	197,985	10.6	30,111	9.5	29,628	7.6	18,347	6.1

	Net income per share	Net income per share after latent share adjustment
	Yen	Yen
2 nd quarter, FY2009	64.94	64.89
2 nd quarter, FY2008	72.82	72.79

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity per total assets	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
2 nd quarter, FY2009	422,625	263,618	61.1	1044.20
Full, FY2008	416,950	257,662	60.6	1009.27

Note: Equity capital: 258,157 million yen for 2nd Quarter, FY2009, 252,538 million yen for FY2008

2. Status of distribution

(Reference date)	Dividend per share				
	1 st quarter, end	2 nd quarter, end	3 rd quarter, end	Term end	Full year
	Yen	Yen	Yen	Yen	Yen
FY2008	—	16.00	—	16.00	32.00
FY2009	—	16.00	—	—	32.00
FY2009 (Expected)	—	—	—	16.00	—

(Note) Changes of expected dividend during the term: N/A

3. Forecast results for FY2009 (April 1, 2008 to March 31, 2009)

(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 FY2009	415,000	2.0	51,000	△15.0	53,500	△4.6	32,000	△13.5	128.79

(Note) Changes of Forecast results for FY2009 during the term: Applied

4. Others

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

(2) Adoption of simplified accounting method: Applied

(3) 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: Applied

(4) Number of shares issued (common shares)

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

2nd quqtor, FY2009 255,885,166 shares FY2008 255,885,166 shares

ii The number of own shares

2nd quqtor, FY2009 8,654,390 shares FY2008 5,666,693 shares

iii The average number of shares (during the term)

2nd quqtor, FY2009 249,540,461 shares 2nd quqtor, FY2008 251,950,845 shares

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.

5. Financial Statement for 2nd quarter of FY2009

(1) Consolidated Balance Sheet for 2nd quarter of FY2009

	(Unit: Millions of Yen)	
	2 nd Quarter of FY2009 (As of September 30, 2008)	Full FY2008 (As of March 31, 2008)
Assets		
Current assets		
Cash and assets	17,621	16,537
Notes and accounts receivable	92,182	87,068
Marketable securities	39,555	46,835
Inventories	78,539	72,317
Other current assets	36,445	35,890
Total Current Assets	264,344	258,649
Non-current assets		
Tangible assets		
Total Tangible Assets	102,563	105,531
Intangible assets		
Intangible assets	6,318	6,466
Investments and other non-current assets		
Investments and other non-current assets	49,399	46,302
Total Intangible assets	158,281	158,300
Total Assets	422,625	416,950

	2 nd Quarter of FY2009 (As of September 30, 2008)	Full FY2008 (As of March 31, 2008)
Liabilities		
Current liabilities		
Notes and accounts payable	89,832	83,445
Short-term loans payable	16,408	16,808
Income taxes payable	7,629	8,366
Other current liabilities	24,104	29,096
Total Current Liabilities	137,975	137,716
Non-current liabilities		
Reserve for retirement benefits	14,724	14,679
Reserve for other expenses	3,302	3,305
Other non-current liabilities	3,004	3,587
Total Non-current liabilities	21,031	21,572
Total Liabilities	159,007	159,288
Net assets		
Shareholders' equity		
Common stock	23,320	23,320
Additional paid-in capital	25,179	25,179
Earning surplus	224,704	212,503
Treasury stock	△18,956	△13,623
Total Shareholders' equity	254,248	247,379
Differences from securities revaluation		
Other differences from securities revaluation	4,524	4,806
Foreign currency translation adjustments	△614	352
Total Differences from securities revaluation	3,909	5,159
Stock acquisition rights	257	193
Minor shareholders' interests	5,204	4,929
Total net assets	263,618	257,662
Total liabilities and net assets	422,625	416,950

(2) Consolidated Income Statement

For 2nd Quarter FY2009

(Unit: Millions of Yen)

	2 nd Quarter of FY2009 (April 1 to September 30, 2008)
Sales	208,037
Cost of sales	151,338
Gross profit on sales	56,699
General sales and administrative expenses	30,533
Operating income	26,166
Non-operating income	
Interest and dividend income	751
Other non-operating income	2,418
Total Non-operating income	3,170
Non-operating expenses	
Depreciation	518
Other Non-operating expenses	995
Total Non-operating expenses	1,514
Current income	27,822
Extraordinary income	
Gain on sales of fixed assets	398
Total Extraordinary income	398
Extraordinary losses	
Loss of evaluation of inventories	1,685
Loss of evaluation of investment securities	1,415
Total Extraordinary losses	3,101
Net income before tax for the current quarter	25,120
Corporate tax, resident tax and enterprise tax	8,478
Minority interests	436
Net income for the current quarter	16,204

(3) Consolidated Statement of Cash Flows for 2nd Quarter of FY2009

(Unit: Millions of Yen)

2ndQuarter,FY2009

(April 1, 2008 to

September 30, 2008)

Cash flows from operating activities	
Net income before taxes	25,120
Depreciation	11,392
Interests and dividends income	△ 741
Interest charges	138
Investment income according to the equity method	△ 751
Increase in notes and accounts receivable	△ 6,363
Increase in inventories	△ 7,017
Increase in accounts payable	8,632
Others	△ 2,552
Sub total	<u>27,855</u>
Interest and dividend income received	1,796
Interest charges paid	△ 137
Income taxes paid	△ 8,975
Cash flows from operating activities	<u>20,539</u>
Cash flows from investment activities	
Expenses for acquisition of non-current assets	△ 11,539
Income from sales of non-current assets	407
Expenses for acquisition of investment securities	△ 1,432
Proceeds of redemption of investment securities	2,000
Expenses for investment in subsidiaries/affiliates	△ 300
Increase from loans	△ 2,507
Collections on loans	1,071
Others	△ 3,530
Cash flows from investment activities	<u>△ 15,829</u>
Cash flows from financing activities	
Decrease in short-term loans payable	△ 175
Expenses for reimbursement of long-term loans	△ 213
Expenses for acquisition of treasury stocks	△ 5,333
Dividends paid	△ 4,015
Dividends paid for minority interests	△ 39
Others	△ 1
Cash flows from financing activities	<u>△ 9,778</u>
Conversion difference of cash and cash equivalents	<u>△ 927</u>
Increase/decrease in cash and cash equivalents	<u>△ 8,996</u>
Opening balance of cash and cash equivalents	<u>61,724</u>
Closing balance of cash and cash equivalents	<u>55,728</u>