

Consolidated Business Results for 1st Quarter, FY2010

July 27, 2009

Name of listed company: JSR Corporation

Stock Exchange: Tokyo and Osaka

Code # 4185

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

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Expected submission date for quarterly report: August 11, 2009

(Figures are rounded down to the nearest million)

1. Consolidated Business Results for 1st Quarter, FY2010 (April 1, 2009 to June 30, 2009)

(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 | % |
| 1 st quarter, FY2010 | 67,652 | △33.3 | △3,175 | — | △2,494 | — | △4,609 | — |
| 1 st quarter, FY2009 | 101,395 | — | 13,996 | — | 15,803 | — | 8,712 | — |

| | Net income per share | Net income per share after latent share adjustment |
|---------------------------------|----------------------|--|
| | Yen | Yen |
| 1 st quarter, FY2010 | △18 87 | △18 86 |
| 1 st quarter, FY2009 | 34 82 | 34 80 |

(2) Consolidated Financial Position

| | Total assets | Net assets | Shareholders' equity per total assets | Net assets per share |
|---------------------------------|-----------------|-----------------|---------------------------------------|----------------------|
| | Millions of Yen | Millions of Yen | % | Yen |
| 1 st quarter, FY2010 | 336,985 | 235,447 | 69.5 | 959.32 |
| Full, FY2009 | 339,497 | 241,985 | 71.0 | 986.33 |

Note: Equity capital: 234,301 million yen for 1st Quarter, FY2010, 240,896 million yen for FY2009

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 |
| FY2009 | — | 16 00 | — | 16 00 | 32 00 |
| FY2010 | — | — | — | — | — |
| FY2010 (Expected) | — | 13 00 | — | 13 00 | 26 00 |

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

3. Forecast results for FY2010 (April 1, 2009 to March 31, 2010)

(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 |
| 1 st half, FY2010 | 135,000 | △35.1 | 1,500 | △94.3 | 1,500 | △94.6 | △1,500 | — | △6.14 |
| Full FY2010 | 290,000 | △17.7 | 15,000 | △50.6 | 16,000 | △48.6 | 10,000 | △28.5 | 40.94 |

(Note) Changes of Forecast results for FY2009 during the term: N/A



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

Note: For more information, please refer to the item 4. Others in the section of Qualitative Information, Business Results, and Other Matters on page 8.

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

i A. Changes accompanying the revision of accounting standards: N/A

ii Changes other than A: N/A

Note: For more information, please refer to the item 4. Others in the section of Qualitative Information, Business Results, and Other Matters on page 8.

(4) Number of shares issued (common shares)

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

| | | | |
|---------------------------------|--------------------|--------|--------------------|
| 1 st quarter, FY2010 | 255,885,166 shares | FY2009 | 255,885,166 shares |
|---------------------------------|--------------------|--------|--------------------|

ii The number of own shares

| | | | |
|---------------------------------|-------------------|--------|-------------------|
| 1 st quarter, FY2010 | 11,649,108 shares | FY2009 | 11,648,666 shares |
|---------------------------------|-------------------|--------|-------------------|

iii The average number of shares (during the term)

| | | | |
|---------------------------------|--------------------|---------------------------------|--------------------|
| 1 st quarter, FY2010 | 244,236,279 shares | 1 st quarter, FY2009 | 250,218,175 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.

Qualitative Information, Business Results, Etc.

1. Qualitative Information about Consolidated Operating Results

Operating Results

Operating Results for 1st Quarter, FY2010 (April 1, 2009 to June 30, 2009)

The Japanese economy in the first quarter of fiscal 2010 showed signs of improvement in terms of personal spending and exports; however, these trends were insufficient to promote full recovery from the extremely depressed state of the global economy, which began in the second half of fiscal 2009. Given this situation, production remained at a low level.

In major industries, where JSR Group's products are in demand, demand for automobiles, tires, and paper manufacture decreased markedly in comparison with the previous fiscal year's level in line with declining demand on a global scale. Although demand for semiconductors and flat panel displays (FPDs) showed partial signs of recovery, production continued to fall drastically year-on-year.

With regard to raw materials, the price of naphtha rose steeply in the first half fiscal 2009 and then declined, only to start increasing again.

Under these conditions, the JSR Group focused on increasing sales from exports in the Petrochemical Business, and to develop the Fine Chemicals and Other Products Business—centering on information-electronics materials in the global market. In addition, the JSR Group as a whole made a united effort to reduce costs. However, declining demand resulting from the global recession had a significantly negative impact on business results for the JSR Group.

As a result, net sales for the first quarter of fiscal 2010 decreased 33.3% year-on-year to 67.652 billion yen, with an operating loss of 3.175 billion yen, a current loss of 2.494 billion yen, and net loss of 4.609 billion yen.

(Unit: Millions of yen)

| Business Segment | 1 st Quarter, FY2009 | | 1 st Quarter, FY2010 | | Increase/decrease | |
|--------------------------------------|---------------------------------|------------|---------------------------------|------------|-------------------|--------|
| | Sales | Proportion | Sales | Proportion | Sales | % |
| Elastomers | 33,258 | 32.8% | 19,342 | 28.6% | △13,916 | △41.8% |
| Emulsions | 7,273 | 7.2% | 3,635 | 5.4% | △3,638 | △50.0% |
| Plastics | 17,244 | 17.0% | 10,673 | 15.8% | △6,570 | △38.1% |
| Fine Chemicals and Other Products | 43,618 | 43.0% | 34,000 | 50.2% | △9,617 | △22.0% |
| Total | 101,395 | 100.0% | 67,652 | 100.0% | △33,743 | △33.3% |

| | | | | | | |
|----------------|--------|-------|--------|-------|---------|--------|
| Sales in Japan | 59,931 | 59.1% | 35,547 | 52.5% | △24,384 | △40.7% |
| Overseas sales | 41,464 | 40.9% | 32,104 | 47.5% | △9,359 | △22.6% |

| | 1 st Quarter, FY2009 | | 1 st Quarter, FY2010 | | Increase/decrease | |
|-----------------------|---------------------------------|-----------------|---------------------------------|---------------|-------------------|---|
| | Amount | Income to sales | Amount | Loss to sales | Amount | % |
| Operating income/loss | 13,996 | 13.8% | △3,175 | △4.7% | △17,171 | — |
| Current income/loss | 15,803 | 15.6% | △2,494 | △3.7% | △18,298 | — |
| Net income/loss | 8,712 | 8.6% | △4,609 | △6.8% | △13,321 | — |

△ indicates a negative figure.

Outline of Segment Information

Elastomers Business

In the Japanese synthetic rubber market, sales—in terms of both volume and monetary amount—of general-purpose synthetic rubber products, including styrene butadiene rubber (SBR) and polybutadiene rubber, fell markedly below the level seen in the same period of the previous fiscal year due to the decline in demand for automobile tires. Both volume and monetary sales of special-purpose synthetic rubber, including nitrile rubber, also decreased extensively due to the decreased production of automobiles. However, both volume and monetary sales derived from exports exceeded the previous fiscal year's levels as a result of efforts to increase sales, centering on general-purpose synthetic rubber products.

In respect to earnings in this segment, despite cost-reduction efforts, profit margins deteriorated and fell into the red. This was because production had to be restricted in

accordance with the sudden, extensive decline in demand.

For these reasons, consolidated sales in the Elastomers Business decreased 41.8% year-on-year to 19.342 billion yen, with an operating loss of 4.396 billion yen.

| Elastomers Business | | (Unit: Millions of yen) | | |
|-----------------------------------|------------------------------------|------------------------------------|-------------------|--------|
| | 1 st Quarter, FY2009 | 1 st Quarter, FY2010 | Increase/decrease | % |
| Sales | 33,258 | 19,342 | △13,916 | △41.8% |
| Operating income/loss | 3,028 | △4,396 | △7,425 | — |
| Operating income/loss to sales | 9.1% | △22.7% | — | — |

△ indicates a negative figure.

Emulsions Business

Both volume and monetary sales of paper-coating latex, the JSR Group's key product in this segment, decreased considerably year-on-year due to the decrease in the production of coated paper.

To improve earnings, efforts to reduce costs were made; however, the drastic decline in demand worsened profitability, and an operating loss was incurred.

For these reasons, consolidated sales in the Emulsions Business fell 50.0% year-on-year to 3.635 billion yen with an operating loss of 478 million yen.

| Emulsions Business | | (Unit: Millions of yen) | | |
|-----------------------------------|------------------------------------|------------------------------------|-------------------|--------|
| | 1 st Quarter, FY2009 | 1 st Quarter, FY2010 | Increase/decrease | % |
| Sales | 7,273 | 3,635 | △3,638 | △50.0% |
| Operating income/loss | 49 | △478 | △528 | — |
| Operating income/loss to sales | 0.7% | △13.2% | — | — |

△ indicates a negative figure.

Plastics Business

As demand for automobiles, building materials, consumer electronics, and amusement remained sluggish both in Japan and overseas, both volume and monetary sales in this segment fell below the previous fiscal year's levels.

Despite cost-reduction efforts, profit margins decreased and fell into the red. This was because an adjustment in production was required in accordance with the steep, substantial decline in demand.

For these reasons, consolidated sales in the Plastics Business fell 38.1% year-on-year to 10.673 billion yen with an operating loss of 1.2 billion yen.

| Plastics Business | | (Unit: Millions of yen) | | |
|-----------------------------------|------------------------------------|------------------------------------|-------------------|--------|
| | 1 st Quarter, FY2009 | 1 st Quarter, FY2010 | Increase/decrease | % |
| Sales | 17,244 | 10,673 | △6,570 | △38.1% |
| Operating income/loss | 605 | △1,200 | △1,805 | — |
| Operating income/loss to sales | 3.5% | △11.2% | — | — |

△ indicates a negative figure.

Fine Chemicals and Other Products Business

In the field of materials for semiconductor manufacture, signs of recovering demand were observed in Japan, other Asian countries, and the United States, and sales, centering on argon fluoride (ArF) photoresists and multilayer materials, began to improve from the previous quarter. However, demand for the first quarter of fiscal 2010 remained at a low level in comparison with the same period of the previous fiscal year. As a result, sales in this segment significantly decreased year-on-year.

In the field of flat panel display (FPD) materials, sales of liquid crystal display (LCD) materials improved in comparison with the previous quarter's level; however, demand stayed at a low level in comparison with the same period of the previous fiscal year. As a result, sales in this field declined extensively year-on-year.

In the field of optical materials, sales of optical fiber coatings, the JSR Group's key product in this field, exceeded the previous fiscal year's level due to the rapid recovery in demand for fibers for export.

Despite efforts to reduce costs, demand declined drastically year-on-year to put serious pressure on earnings in this segment.

For these reasons, consolidated sales in the Fine Chemicals and Other Products Business fell 22.0% year-on-year to 34.0 billion yen, and operating income decreased 71.9% to 2.9 billion yen.

Fine Chemicals and Other Products Business

(Unit: Millions of yen)

| | 1 st Quarter, FY2009 | 1 st Quarter, FY2010 | Increase/decrease | % |
|-----------------------------------|------------------------------------|------------------------------------|-------------------|--------|
| Sales | 43,618 | 34,000 | △9,617 | △22.0% |
| Operating income/loss | 10,312 | 2,900 | △7,412 | △71.9% |
| Operating income/loss to sales | 23.6% | 8.5% | △15.1% | — |

△ indicates a negative figure.

2. Qualitative Information about Consolidated Financial Position

Total assets as of June 30, 2009 decreased 2.512 billion yen from the end of the previous consolidated fiscal year.

With respect to current assets, inventory decreased 9.385 billion yen due to inventory adjustment and the disposal of bad assets. On the other hand, net sales from notes and accounts receivable increased 3.012 billion yen due to the recovery in comparison with the previous quarter. As a result, the decrease in total current assets was 5.657 billion yen.

With regard to non-current assets, tangible assets increased 3.851 billion yen. Major factors included the newly constructed production facilities for cutting-edge lithography materials at the Yokkaichi Plant, and the consolidation of JM Energy Corporation from fiscal 2010 to include the assets in the consolidated business results. As a result, total non-current assets increased 3.144 billion yen.

Liabilities increased 4.025 billion yen in comparison with the end of the previous consolidated fiscal year.

Total current liabilities increased 4.152 billion yen. This was because notes and accounts payable increased 3.550 billion yen due to negative influences caused by higher raw materials prices.

There were no major changes in non-current liabilities, and total non-current liabilities decreased 127 million yen.

Total net assets decreased 6.538 billion yen in comparison with the end of the previous fiscal year. Retained earnings reduced 9.703 billion yen due to a decline of quarterly net loss by 4.609 billion yen and a decrease of payments of dividends by 3.907 billion yen. As a result, equity ratio accounted for 69.5%, and net assets per share amounted to 959.32 yen.

3. Qualitative Information about Forecast Consolidated Business Results

There are no changes in original forecast consolidated business results, announced on April 27, 2009.

4. Others

1) Material transfer of subsidiaries during the period (transfer of specific subsidiaries that change scope of consolidation)

N/A

2) Accounting treatment unique to simplified accounting methods and preparation of quarterly financial statements

Calculation of tax expenses

To calculate tax expenses, the effective tax rate was reasonably estimated after applying accounting for income taxes against net income before tax and other adjustments for consolidated fiscal 2010, including the first quarter of fiscal 2010. Tax expenses were calculated by multiplying net income before tax and other adjustments for the first quarter of fiscal 2009 by the aforementioned effective tax rate. Income tax and other adjustments are included in income taxes on the financial statements.

3) Changes in accounting principles, procedures, indication methods, etc. in relation to the preparation of quarterly financial statements

N/A

5. Financial Statement for 1st quarter of FY2010
(1) Consolidated Balance Sheet for 1st quarter of FY2010

(Unit: Millions of Yen)

| | 1st Quarter of FY2010 (As of June 30, 2009) | Full FY2009 (As of March 31, 2009) |
|--|--|---------------------------------------|
| Assets | | |
| Current assets | | |
| Cash and assets | 18,483 | 16,909 |
| Notes and accounts receivable | 55,794 | 52,782 |
| Marketable securities | 21,115 | 21,492 |
| Inventories | 67,570 | 76,955 |
| Other current assets | 21,843 | 22,323 |
| Total Current Assets | 184,806 | 190,463 |
| Non-current assets | | |
| Tangible assets | 95,328 | 91,476 |
| Intangible assets | 6,837 | 6,723 |
| Investments and other non-current assets | 50,013 | 50,834 |
| Total Non-current assets | 152,178 | 149,034 |
| Total Assets | 336,985 | 339,497 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable | 43,185 | 39,635 |
| Short-term loans payable | 14,389 | 14,339 |
| Other current liabilities | 22,746 | 22,194 |
| Total Current Liabilities | 80,322 | 76,169 |
| Non-current liabilities | | |
| Reserve for retirement benefits | 15,074 | 14,820 |
| Reserve for other expenses | 3,197 | 3,215 |
| Other non-current liabilities | 2,942 | 3,306 |
| Total Non-current liabilities | 21,214 | 21,342 |
| Total Liabilities | 101,537 | 97,511 |
| Net assets | | |
| Shareholders' equity | | |
| Common stock | 23,320 | 23,320 |
| Additional paid-in capital | 25,179 | 25,179 |
| Earning surplus | 208,811 | 218,515 |
| Treasury stock | △22,217 | △22,216 |
| Total Shareholders' equity | 235,093 | 244,797 |
| Differences from securities revaluation | | |
| Other differences from securities revaluation | 3,411 | 645 |
| Foreign currency translation adjustments | △4,204 | △4,546 |
| Total Differences from securities revaluation | △792 | △3,900 |
| Stock acquisition rights | 341 | 310 |
| Minor shareholders' interests | 805 | 778 |
| Total net assets | 235,447 | 241,985 |
| Total liabilities and net assets | 336,985 | 339,497 |

(2) Consolidated Income Statement
For 1st Quarter FY2010

(Unit: Millions of Yen)

| | 1st Quarter of FY2009 (April 1 to June 30, 2008) | 1st Quarter of FY2010 (April 1 to June 30, 2009) |
|--|---|---|
| Sales | 101,395 | 67,652 |
| Cost of sales | 71,787 | 56,914 |
| Gross profit on sales | 29,608 | 10,737 |
| General sales and administrative expenses | 15,612 | 13,912 |
| Operating income | 13,996 | △3,175 |
| Non-operating income | | |
| Interest and dividend income | 482 | 294 |
| Other non-operating income | 2,230 | 1,007 |
| Total Non-operating income | 2,712 | 1,301 |
| Non-operating expenses | | |
| Total Non-operating expenses | 904 | 621 |
| Current income | 15,803 | △2,494 |
| Extraordinary losses | | |
| Loss on abandonment of inventories | - | 1,728 |
| Restructuring loss | - | 1,084 |
| Loss of evaluation of inventories | 1,685 | - |
| Total Extraordinary losses | 1,685 | 2,812 |
| Net income before tax for the current quarter | 14,118 | △5,307 |
| Corporate tax, resident tax and enterprise tax | 5,255 | △693 |
| Minority interests | 150 | △4 |
| Net income for the current quarter | 8,712 | △4,609 |

(3) Consolidated Statement of Cash Flows for 1st Quarter of FY2010

(Unit: Millions of Yen)

| | 1st Quarter, FY2009 (April 1 to June 30, 2008) | 1st Quarter, FY2010 (April 1 to June 30, 2009) |
|--|---|---|
| Cash flows from operating activities | | |
| Net income before taxes | 14,118 | △5,307 |
| Depreciation | 5,573 | 5,047 |
| Interests and dividends income | △458 | △211 |
| Interest charges | 70 | 53 |
| Investment income according to the equity method | △482 | △294 |
| Increase in notes and accounts receivable | △912 | △3,015 |
| Increase in inventories | △2,799 | 9,792 |
| Increase in accounts payable | △4,089 | 2,879 |
| Others | 4,218 | 3,719 |
| Sub total | 15,238 | 12,662 |
| Interest and dividend income received | 1,290 | 646 |
| Interest charges paid | △70 | △54 |
| Income taxes paid | △8,350 | △882 |
| Cash flows from operating activities | 8,108 | 12,371 |
| Cash flows from investment activities | | |
| Expenses for acquisition of non-current assets | △6,752 | △6,727 |
| Expenses for acquisition of investment securities | △1,362 | - |
| Proceeds of redemption of investment securities | 2,000 | - |
| Expenses for investment in subsidiaries/affiliates | △300 | - |
| Expenses for loans | △1,408 | △1,058 |
| Collections on loans | 335 | 461 |
| Others | △932 | 167 |
| Cash flows from investment activities | △8,421 | △7,157 |
| Cash flows from financing activities | | |
| Decrease in short-term loans payable | △202 | △44 |
| Expenses for reimbursement of long-term loans | △207 | - |
| Expenses for acquisition of treasury stocks | △1 | △0 |
| Dividends paid | △3,990 | △3,909 |
| Dividends paid for minority interests | △26 | △2 |
| Others | - | △1 |
| Cash flows from financing activities | △4,429 | △3,958 |
| Conversion difference of cash and cash equivalents | △275 | 363 |
| Increase/decrease in cash and cash equivalents | △5,017 | 1,619 |
| Opening balance of cash and cash equivalents | 61,724 | 37,125 |
| Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation | - | 255 |
| Closing balance of cash and cash equivalents | 56,706 | 39,000 |

(4) Events and situations possibly raising significant questions about assumption as a going concern

N/A

(5) Segment Information

Information by Business Segment

1st quarter, FY2010 (April 1, 2009 to June 30, 2009)

| | Elastomers (Millions of yen) | Emulsions (Millions of yen) | Plastics (Millions of yen) | Fine Chemicals and Other Products (Millions of yen) | Total (Millions of yen) | Elimination and/or corporate (Millions of yen) | Consolidated (Millions of yen) |
|--|------------------------------------|-----------------------------------|----------------------------------|--|-------------------------------|--|--------------------------------------|
| Sales | | | | | | | |
| (1) Sales to outside customers | 19,342 | 3,635 | 10,673 | 34,000 | 67,652 | — | 67,652 |
| (2) Inter-segment sales /transfer | 84 | 678 | — | 4,551 | 5,315 | (5,315) | — |
| Total | 19,427 | 4,313 | 10,673 | 38,552 | 72,967 | (5,315) | 67,652 |
| Operating income/loss (△ indicates a loss.) | △4,396 | △478 | △1,200 | 2,900 | △3,175 | — | △3,175 |

1st quarter, FY2009 (April 1, 2008 to June 30, 2008)

| | Elastomers (Millions of yen) | Emulsions (Millions of yen) | Plastics (Millions of yen) | Fine Chemicals and Other Products (Millions of yen) | Total (Millions of yen) | Elimination and/or corporate (Millions of yen) | Consolidated (Millions of yen) |
|--------------------------------------|------------------------------------|-----------------------------------|----------------------------------|--|-------------------------------|--|--------------------------------------|
| Sales | | | | | | | |
| (1) Sales to outside customers | 33,258 | 7,273 | 17,244 | 43,618 | 101,395 | — | 101,395 |
| (2) Inter-segment sales /transfer | 142 | 1,097 | — | 3,466 | 4,706 | (4,706) | — |
| Total | 33,401 | 8,371 | 17,244 | 47,084 | 106,102 | (4,706) | 101,395 |
| Operating income | 3,028 | 49 | 605 | 10,312 | 13,996 | — | 13,996 |

Notes: 1. Business segmentation method

Business segments are classified according to the purpose and size of business, i.e. Elastomers, Emulsions, Plastics, and Fine Chemicals and Other Products.

2. Major products by business segment

| Business segment | Major products |
|-----------------------------------|---|
| Elastomers | General-purpose synthetic rubber, special-purpose synthetic rubber, thermoplastic elastomers, and other compounded products of raw rubbers |
| Emulsions | Paper coating latex, general-purpose latex, acrylic emulsions, and other compounded products of raw latex |
| Plastics | ABS, AES, AS, ASA plastics, coloring products for plastics |
| Fine Chemicals and Other Products | Semiconductor materials (photoresists, CMP materials, packaging materials, multilayer materials, etc.), flat panel display materials (color LCD materials, PDP materials, etc.), optical-fiber materials (optical-fiber coatings, functional coatings, antireflective coatings, heat-resistant transparent resins, functional films, etc.), performance chemicals (high-performance coatings, multifunctional high-performance dispersants, particles for industrial and medical use, etc.), chemicals, and texting fixtures and equipment for electronic parts |

Segment Information by Location

1st quarter, FY2010 (April 1, 2009 to June 30, 2009)

| | Japan (Millions of yen) | Asia (Millions of yen) | Other areas (Millions of yen) | Total (Millions of yen) | Elimination and/or corporate (Millions of yen) | Consolidated (Millions of yen) |
|--|----------------------------|---------------------------|----------------------------------|----------------------------|---|-----------------------------------|
| Sales | | | | | | |
| (1) Sales to outside customers | 49,320 | 15,527 | 2,804 | 67,652 | — | 67,652 |
| (2) Inter-segment sales /transfer | 11,223 | 23 | 1,279 | 12,527 | (12,527) | — |
| Total | 60,544 | 15,551 | 4,083 | 80,179 | (12,527) | 67,652 |
| Operating income/loss (△ indicates a loss.) | △3,765 | 272 | 317 | △3,175 | — | △3,175 |

1st quarter, FY2009 (April 1, 2008 to June 30, 2008)

| | Japan (Millions of yen) | Asia (Millions of yen) | Other areas (Millions of yen) | Total (Millions of yen) | Elimination and/or corporate (Millions of yen) | Consolidated (Millions of yen) |
|-----------------------------------|----------------------------|---------------------------|----------------------------------|----------------------------|---|-----------------------------------|
| Sales | | | | | | |
| (1) Sales to outside customers | 76,966 | 19,679 | 4,750 | 101,395 | — | 101,395 |
| (2) Inter-segment sales /transfer | 17,299 | 20 | 1,618 | 18,937 | (18,937) | — |
| Total | 94,265 | 19,699 | 6,368 | 120,333 | (18,937) | 101,395 |
| Operating income | 11,128 | 2,248 | 619 | 13,996 | — | 13,996 |

Notes: 1. Segmentation of countries/areas is based on geographical proximity.

2. Major countries/areas in the items other than Japan

(1) Asia: China, South Korea, Taiwan, Thailand

(2) Other areas: USA , Europe

Overseas Sales

1st quarter, FY2010 (April 1, 2009 to June 30, 2009)

| | Asia | North America | Other areas | Total |
|---|--------|---------------|-------------|--------|
| I. Overseas sales (Millions of yen) | 27,817 | 1,988 | 2,299 | 32,104 |
| II. Consolidated sales (Millions of yen) | — | — | — | 67,652 |
| III. Overseas sales per consolidated sales (%) | 41.1 | 2.9 | 3.5 | 47.5 |

1st quarter, FY2009 (April 1, 2008 to June 30, 2008)

| | Asia | North America | Other areas | Total |
|---|--------|---------------|-------------|---------|
| I. Overseas sales (Millions of yen) | 34,422 | 3,208 | 3,832 | 41,464 |
| III. Consolidated sales (Millions of yen) | — | — | — | 101,395 |
| III. Overseas sales per consolidated sales (%) | 33.9 | 3.2 | 3.8 | 40.9 |

Notes: 1. Segmentation of countries/areas is based on geographical proximity.

2. Major countries/areas in each item

(1) Asia: China, South Korea, Taiwan, Thailand, Singapore

(2) North America: USA

(3) Other areas: Europe, etc.

3. Overseas sales are sales from JSR and consolidated subsidiaries in countries/areas other than Japan.

(6) Notes for significant changes in amount of shareholders equity if any

N/A

【Reference】

(1) Consolidated Financial Highlights

(Millions of Yen)

| | Fiscal Year ended March 31, 2009 | | | | | FY2010 |
|---------------------|----------------------------------|-------------------------|-------------------------|-------------------------|---------|-------------------------|
| | 1 st Quarter | 2 nd Quarter | 3 rd Quarter | 4 th Quarter | Full FY | 1 st Quarter |
| Net sales | 101,395 | 106,642 | 85,994 | 58,470 | 352,502 | 67,652 |
| Operating income | 13,996 | 12,169 | 8,053 | △3,872 | 30,347 | △3,175 |
| Current income | 15,803 | 12,018 | 6,182 | △2,893 | 31,111 | △2,494 |
| Quartely Net income | 8,712 | 7,492 | 2,758 | △4,981 | 13,981 | △4,609 |

(2) Segment Information

(Millions of Yen)

| | FY2009 4th Quarter | | FY2010 1st Quarter | | Increase/Decrease | |
|---------------------------|-----------------------|------------------|-----------------------|------------------|-------------------|------------------|
| | Net sales | Operating income | Net sales | Operating income | Net sales | Operating income |
| Elastmaers | 16,958 | △639 | 19,342 | △4,396 | 2,383 | △3,756 |
| Emulsions | 3,807 | △292 | 3,635 | △478 | △172 | △186 |
| Plastics | 12,302 | △891 | 10,673 | △1,200 | △1,628 | △309 |
| Fine chemicals and others | 25,401 | △2,049 | 34,000 | 2,900 | 8,599 | 4,949 |
| Consolidated | 58,470 | △3,872 | 67,652 | △3,175 | 9,181 | 697 |

(3) Consolidated Cash Flows by Quarter

(Millions of Yen)

| | FY2009 4th Quarter | FY2010 1st Quarter | Increase/Decrease |
|--|-----------------------|-----------------------|-------------------|
| Cash flows from operating activities | 8,108 | 12,371 | 4,263 |
| Cash flows from investing activities | △8,421 | △7,157 | 1,263 |
| Cash flows from financing activities | △4,429 | △3,958 | 470 |
| Cash and cash equivalents end of quarter | 56,706 | 39,000 | △17,706 |