

SUMMARY OF FINANCIAL STATEMENT (Consolidated)
First Quarter Results for the Fiscal Year Ending March 31, 2010
(Three Months Ended June 30, 2009)

Name of listed company: JSP Corporation

Stock Exchange Listed: Tokyo (1st Section)

URL: <http://www.co-jsp.co.jp/>

Code Number: 7942

Representative: Rokuro Inoue, President, Representative Director

Contact person: Hitoshi Yamamoto, Director, Executive Officer, Finance and Accounting Department

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Scheduled date of filing of Quarterly Report: August 12, 2009

Scheduled date of payment of dividend: -

(All amounts are rounded down to the nearest million yen)

1. First Quarter Results (April 1, 2009 to June 30, 2009) for the Fiscal Year Ending March 31, 2010

(1) Consolidated business performance (Percentages represent changes from the previous comparable period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2009	17,901	(29.6)	452	(36.0)	477	(30.3)	361	(13.0)
Three months ended Jun. 30, 2008	25,436	-	706	-	685	-	415	-

	Net income per share	Fully diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2009	11.65	-
Three months ended Jun. 30, 2008	13.28	13.27

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jun. 30, 2009	84,315	43,030	48.3	1,311.36
As of Mar. 31, 2009	84,316	42,001	47.1	1,278.38

(Reference) Shareholders' equity: Jun. 30, 2009: 40,720 million yen Mar. 31, 2009: 39,696 million yen

2. Dividends

(Record date)	Dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2009	-	7.00	-	7.00	14.00
Fiscal year ending Mar. 31, 2010	-				
Fiscal year ending Mar. 31, 2010 (forecasts)		7.00	-	7.00	14.00

(Note) Revision of dividend forecast during the period: None

3. Forecast for Consolidated Business Performance in the Fiscal Year Ending March 31, 2010

(April 1, 2009 to March 31, 2010)

(Percentages represent changes from the previous comparable period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	39,000	(25.7)	1,000	(43.0)	1,000	(43.1)	600	(56.0)	19.32
Full year	81,000	(16.1)	2,300	(14.9)	2,400	(13.6)	1,400	2.5	45.08

(Note) Revision of consolidated forecast during the period: None

4. Others

(1) Changes in principal subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

(2) Application of simplified accounting methods and special accounting methods in the preparation of quarterly consolidated financial statements: Yes

Note: Please refer to "Qualitative Information and Financial Statements, 4. Others" on pages 5 and 6 for further information.

(3) Changes in accounting principles, processes, presentation methods, etc., related to the preparation of quarterly consolidated financial statements (significant changes pertaining to the preparation of quarterly consolidated financial statements)

1) Changes owing to revisions in accounting standards: None

2) Changes other than 1) above: None

(4) Number of shares outstanding (common stock)

1) Number of shares issued and outstanding at the end of the period including treasury stock

As of Jun. 30, 2009:	31,413,473 shares	As of Mar. 31, 2009:	31,413,473 shares
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2) Number of treasury stock at the end of the period

As of Jun. 30, 2009:	361,238 shares	As of Mar. 31, 2009:	360,990 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2009:	31,052,312 shares	Three months ended Jun. 30, 2008:	31,325,506 shares
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* Cautionary statement with respect to forward-looking statements

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company. Actual results may differ significantly from these forecasts for a number of factors.

Qualitative Information and Financial Statements

1. Qualitative Information Regarding Consolidated Results of Operations

In the first quarter, the rapid decline in the global economy continued as countries in Europe, North America and Asia, except China, saw their economies contract. In Japan, there is still no broad-based recovery despite encouraging signs such as progress in reducing inventories. In the foamed plastic industry, the operating environment remained difficult due to declining demand and other factors.

The JSP Group concentrated on preserving its market positions, including in new market sectors, but there was a decline in sales volumes. Furthermore, performance was severely impacted by reductions in sales prices in response to rapid declines in the cost of raw materials and fuel that began in the third quarter of the previous fiscal year. The result was net sales of 17,901 million yen, 29.6% less than one year earlier. Actions were taken to cut costs in Japan and other countries. However, the worsening business climate outside Japan and other factors caused operating income to decrease 36.0% to 452 million yen, ordinary income to decrease 30.3% to 477 million yen and net income to decrease 13.0% to 361 million yen.

The current fiscal year is the first year of the “NEXT JSP” medium-term management plan. Please refer to the earnings release for the fiscal year that ended in March 31, 2009 for more information about this plan.

Results by business segment were as follows.

Sheets Business

Sales of Miramat™ (expanded polyethylene sheet used as an industrial packaging material) decreased, but demand remained strong for products with permanent antistatic properties, the core product in this category. Unit sales of Styrene Paper™ (expanded polystyrene sheet used in food packaging) increased because of higher demand from major customers, but monetary sales were lower. Sales of Miraboard™ (expanded polystyrene sheet used in advertising displays and folding boxes) decreased, too.

During the first quarter under review, segment sales declined 11.9% from a year earlier to 5,747 million yen and operating income grew 79.3% to 438 million yen.

Beads Business

In addition to being used as shock-absorbing bumper core material and in auto interior parts, P-Block™/ARPRO™ (expanded polypropylene) is also used in transport cases for IT equipment, as cushioning material for consumer electronics, and as impact protection underlayment for artificial sports surfaces. It is manufactured and sold in Japan, North America, Europe, and Asia. Due to the global economic downturn, there were large declines in sales of this material for use in automotive parts and as a packaging material.

Sales of Styrodia™ (expandable polystyrene beads used in packaging fish and other products and in construction and engineering materials) were affected by a downturn in demand.

During the first quarter under review, segment sales declined 39.3% to 9,374 million yen and operating income fell 60.8% to 340 million yen.

Boards Business

There was a decrease in sales of Mirafoam™, an extruded board made from expanded polystyrene that is used as a home insulation material and is the core product of this segment. Sales of civil engineering products and purchased products increased. Sales of Miraplank™, an extruded board made from expanded polyethylene used as a cushioning material for cargo in trucks and in returnable containers for transporting consumer electronics and autoparts, were sluggish.

During the first quarter under review, segment sales declined 6.8% to 1,764 million yen and operating income grew 116.8% to 177 million yen.

Other Businesses

Unit sales of Foamcore™, a ceiling material for prefabricated bathroom units, increased but monetary sales were lower as an increase in sales of general-purpose materials brought down prices. There was a decrease in sales of Super Foam™ (a hybrid molded product used in automobile air conditioning ducts). Sales of general packaging materials decreased because of lower demand in the digital consumer electronics sector. Sales of plastic recycling equipment were also weak.

Sales in this segment fell 36.1% to 1,015 million yen, and the segment posted an operating loss of 29 million yen (compared to the year-earlier loss of 39 million yen).

Results by geographical segment were as follows.

Japan

There was a decline in prices of main feedstocks: polystyrene, styrene monomer, polyethylene, and polypropylene. However, weak consumer spending produced a large decline in demand for packaging materials, construction materials and automotive materials. As a result, the business climate was challenging just as in the previous fiscal year.

In this environment, JSP concentrated on initiatives aimed at remaining profitable. One goal is increasing sales of products with considerable added value, such as products with permanent antistatic properties. Another goal is cutting costs wherever possible.

As a result, sales declined 20.9% from a year earlier to 13,863 million yen but operating income increased 174.4% to 1,053 million yen.

North America

Performance in North America was impacted by falling automobile sales and lower production volumes due to the economic recession caused by turmoil in financial markets. The result was a sharp decline in sales of bumper core and other shock-absorbing parts used in automobiles.

As a result, sales declined 45.3% to 1,371 million yen and we posted an operating loss of 288 million yen in North America (compared to the year-earlier profit of 56 million yen).

Europe

The euro zone recorded the largest-ever economic contraction, which resulted in falling demand for both automotive and packaging materials. The yen's strength against the euro further reduced sales after translation into the yen.

As a result, sales declined 52.0 % to 1,379 million yen and we posted an operating loss of 2 million yen in Europe (compared to the year-earlier profit of 121 million yen).

Asia

Demand weakened in all areas of Asia as economic growth rates declined. In addition, the depreciation of Asian currencies against the yen reduced yen translations of sales in Asia.

As a result, sales declined 49.0% to 1,287 million yen and operating income fell 74.8% to 149 million yen.

Taken together, overseas sales fell 49.1% to 4,040 million yen. This accounted for 22.6% of JSP's entire sales, down 8.6 points from a year earlier.

2. Qualitative Information Regarding Consolidated Financial Position

Financial position

Total assets as of June 30, 2009 were 84,315 million yen, down 0 million yen from March 31, 2009. Current assets decreased 353 million yen, while noncurrent assets increased 353 million yen.

Total liabilities were 41,285 million yen, down 1,030 million yen. Current liabilities increased 117 million yen, while noncurrent liabilities declined 1,147 million yen due to repayment of long-term loans payable and other factors.

As a result, net assets totaled 43,030 million yen, and the shareholders' equity ratio was 48.3%.

Cash flows

Net cash provided by operating activities amounted to 2,844 million yen, an increase of 1,906 million yen from a year earlier. Inflows included 472 million yen from income before income taxes, 1,062 million yen from depreciation and amortization, 1,230 million yen from a decrease in notes and accounts receivable-trade, and 740 million yen from a decrease in inventories. Outflows included 386 million yen in income tax payments and 446 million yen from a decrease in notes and accounts payable-trade.

Net cash used in investing activities, mainly capital expenditures, totaled 953 million yen, down 86 million yen.

Net cash used in financing activities totaled 975 million yen (compared with the inflow of 124 million yen in the same period of the previous fiscal year). This included inflows of 526 million yen from a net increase in short-term loans payable, and outflows of 1,161 million yen for the repayment of long-term loans payable and 217 million yen for cash dividends paid.

Cash and cash equivalents increased 1,168 million yen from March 31, 2009 to 7,723 million yen as of June 30, 2009.

3. Qualitative Information Regarding Consolidated Forecast

We maintain the previously announced consolidated earnings forecasts for the first-half and full-year of the fiscal year ending March 31, 2010, as we presented at the beginning of this report.

This earnings forecast is based on information available at the present time; actual results may vary from these figures due to a variety of factors.

4. Others

(1) Changes in principal subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation)

No reportable information.

(2) Application of simplified accounting methods and special accounting methods in the preparation of quarterly consolidated financial statements

1) Method for estimating the uncollectible amount of general receivables

The uncollectible amount of general receivables was estimated using the historical write-off ratio at the end of the previous fiscal year as the ratio at the end of the first quarter of the current fiscal year was found not to be significantly different from the ratio at the end of the previous fiscal year.

2) Valuation of inventories

For inventories at the end of the first quarter of the current fiscal year, a valuation was determined by using a reasonable method based on actual inventories at the end of the previous fiscal year. No physical inventory count was performed.

3) Calculation of depreciation expense for noncurrent assets

For assets subject to the declining balance method, depreciation for the period was calculated pro rata based on the amount for the full year.

4) Calculation of deferrals and accruals

Deferrals and accruals are reported in the estimated amounts based on a reasonable calculation method.

5) Calculation of income taxes, deferred tax assets and deferred tax liabilities

The tax expense was calculated mainly by first estimating the effective tax rate after the application of tax effect accounting with respect to income before income taxes during the current fiscal year, and multiplying that rate by the quarterly income before income taxes.

Deferred income taxes were included and displayed with income taxes.

Judgments about the recoverability of deferred tax assets are made based on earnings forecasts and tax planning, as in the previous fiscal year, as there have been no significant changes in the operating environment or in the occurrence of temporary differences since the end of the previous fiscal year.

(3) Changes in accounting principles, processes, presentation methods, etc., related to the preparation of quarterly consolidated financial statements

No reportable information.

** This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*