



Summary of Business Results of the first-quarter ended in June 2010
(Consolidated)

Company:	Japan Third Party Co., Ltd.	Listed on the JASDAQ
Stock Code:	2488	URL: http://www.jtp.co.jp
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Expected date of quarterly report submission:	13 th August 2010	Starting date of dividend payment: -
Supplemental explanatory document for quarterly results	N/A	
Supplemental explanatory meeting for quarterly results	N/A	

(Rounded down to million yen)

1. Consolidated business results for the first-quarter ended in June 2009 (1st April 2010 to 30th June 2010)

(1) Consolidated results of operations (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1 st quarter ended June 2010	1,254	△16.7	△136	—	△146	—	△117	—
1 st quarter ended June 2010	1,506	—	7	—	4	—	△5	—
	Net income per share		Diluted net income per share					
	Yen		Yen					
1 st quarter ended June 2010	△2,157.93		—					
1 st quarter ended June 2009	△89.88		—					

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 2010	3,406	2,076	61.0	38,177.21
As of March 2010	3,643	2,322	63.7	42,449.28

(Reference) Shareholder's equity:

First-quarter ended June 2010: 2,076 million yen

Year ended March 2010: 2,322 million yen

2. Dividends

	Annual Dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 2010	—	—	—	2,000.00	2,000.00
Year ending March 2011	—				
Year ending March 2011 (forecast)		—	—	2,000.00	2,000.00

(Note) Revisions to dividend forecast for the current quarter: None

3. Forecast of consolidated business results for the year ending March 2011 (1st April 2010 to 31st March 2011)

(Full business year: % change from the previous year; 2Q: % change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2 nd quarter ending Sept. 2010	2,784	△4.4	95	—	95	—	45	—	824.76
Year ending March 2011	6,450	8.4	400	—	400	—	235	—	4,307.07

(Note) Revisions to business forecast for the current quarter: None

4. Others

- (1) Major transfer of subsidiary for the current quarter: None

(Note) Transfer of specified subsidiary including change of consolidated range for the current quarter account period

- (2) Applications of simplified and unique accounting procedures: Yes

(Note) Applications of simplified accounting procedures and accounting procedures unique to the preparation of quarterly consolidated financial statements

- (3) Changes in rules, procedures and indication methods of accounting process

① Changes due to revision of accounting standards: Yes

② Changes other than ①: None

(Note) Changes in rules, procedures and indication methods of accounting process concerning the preparation of quarterly financial statements which are written in “changes to important items that form basis for preparing quarterly consolidated financial statements”

Japan Third Party Co., Ltd. (2488)
Summary of Business Results of the first-quarter ended in June 2010

(4) Shares outstanding (common shares)

Number of shares outstanding at end of period (treasury stock included)	1Q ended June 2010	60,156 shares	Year ended March 2010	60,156 shares
Treasury stock at end of period	1Q ended June 2010	5,759 shares	Year ended March 2010	5,448 shares
Average number of shares during period (quarterly consolidated cumulative period)	1Q ended June 2010	54,561 shares	1Q ended June 2009	56,180 shares

※Indication Regarding Implementation Status of Quarterly Review Procedures

This summary of quarterly business results is excluded from the quarterly review procedures based on Financial Instruments and Exchange Act. At the time of disclosure of this summary of quarterly business results, the quarterly review procedures towards quarterly financial statements are in operation.

※Appropriate Use of Financial Forecasts and Other Important Matters

The above forecasts regarding future performance in this report are based on the information available at the time of publication. The current earning forecast may differ from the earning forecast due to various factors.

【Contents of Supporting Materials】

1. Qualitative information concerning consolidated business results for the current quarter.....	2
(1) Qualitative information concerning consolidated operation results.....	2
(2) Qualitative information concerning consolidated financial position.....	2
(3) Qualitative information concerning consolidated business forecast.....	3
2. Other information.....	3
(1) Abstract of major transfer of subsidiary.....	3
(2) Abstract of simplified and unique accounting procedures.....	3
(3) Abstract of changes in rules, procedures and indication methods of accounting process.....	3
3. Quarterly consolidated financial statement.....	4
(1) Quarterly consolidated balance sheet.....	4,5
(2) Quarterly consolidated income statement.....	6,7
(3) Quarterly consolidated statement of cash flows.....	8,9
(4) Notice concerning premise of a going concern.....	9
(5) Notice concerning a drastic change in the shareholders' equity amount.....	9

1. Qualitative information concerning consolidated business results for the current quarter

(1) Qualitative information concerning consolidated operation results

Japanese economic status during the current 1st quarter consolidated account period (1st April 2010 to 30th June 2010) is gradually recovering due to improvement in corporate profit as well as ceasing in facility investment.

Most of global ICT companies have withdrawn from Japanese market and entered into the whole Asian area including Chinese, Indian and Vietnamese markets; thus, our technical support business field has expanded its range to the whole Asian area. Moreover, under cloud computing, it has been expected that the demands for companies and engineers belonging to Japanese ICT industry will decline in the future. Within information service industry in which Japan Third Party Co., Ltd. belongs to, the situations whereby we have to compete with Asian countries in terms of service support fee requested from customers are becoming to occur frequently. In the fast-paced business environment described above, our group with the catch-phrase "Japanese quality at Chinese prices" has withdrawn from the previous hardware maintenance and after-service business model and has committed to cultivate world-standard employees with bilingual and multi-engineer knowledge. In addition, as the era is shifting to the full-fledged free competition era, we have established Sales Operation Division in order to aggressively launch sales promotion activities from the 2nd quarter account period.

As a result of above, net sales for the current 1st quarter consolidated account period were 1,254,810,000 yen (Δ 16.7% from the previous corresponding period). Regarding operating income, there was operating loss of 136,996,000 yen (operating income of the previous corresponding period had been 7,819,000 yen) as there was no increase in the profit of helpdesk/call center division and also there was personnel expenditure for freshmen training period. Regarding ordinary income, there was ordinary loss of 146,541,000 yen (ordinary income of the previous corresponding period had been 4,823,000 yen) as there was exchange-rate loss of 9,852,000 yen posted as non-operating expenses. Moreover, due to the application of asset retirement obligations accounting standards from this fiscal year, extraordinary loss of 21,472,000 yen was posted, quarterly net loss before taxes of 169,275,000 yen was posted (quarterly net income before taxes of the previous corresponding period had been 4,823,000 yen), quarterly net loss of 117,739,000 yen was posted (quarterly net deficit of the previous corresponding period had been 5,049,000 yen) as income taxes-deferred was Δ 53,830,000 yen.

Business results of each business segment are the followings;

① Software Solution Business

Regarding education business, our training facility which was expanded in the last consolidated account year is starting to go into a full-scale operation. Our software development business grew steadily due to recovery of semiconductor market. Although there was an increase in net sales of helpdesk/call center business due to new business of global manufacturer started the last consolidated account year, it could not cover the costs such as personnel expenditure and subcontracting cost.

As a result, net sales for the current 1st quarter consolidated account period were 601,097,000 yen, and segment loss was 87,524,000 yen.

② Field Solution Business

Regarding computer system support business, an increase in sales support operations and network construction including ICT vendor's system expansion was promoted. Our IT applied system support business gradually developed due to maintenance and installation operation of medical-related devices.

As a result, net sales for the current 1st quarter consolidated account period were 462,397,000 yen, and segment income was 71,685,000 yen.

③ Hardware Solution Business

Regarding integration support business, our business operation declined due to the decrease in server shipping volume of the manufacturer that we are in relationship with. Net sales of our repair center business were diminished due to the partial termination of subcontracting contract.

As a result, net sales for the current 1st quarter consolidated account period were 175,360,000 yen, and segment loss was 558,000 yen.

④ Other Business

Data entry operation was steadily and predictably conducted by Data Entry Solution Co., Ltd., which is Japan Third Party subsidiary.

As a result, net sales for the current 1st quarter consolidated account period were 15,956,000 yen, and segment income was 6,293,000 yen.

(2) Qualitative information concerning consolidated financial position

Total assets at the end of the current 1st quarter consolidated account period were 3,406,529,000 yen, decreasing by 236,592,000 yen compared to the end of the last consolidated account period.

Current assets were 2,578,162,000 yen, decreasing by 205,852,000 yen compared to the end of the last consolidated account period. This was mainly caused by a decrease in accounts receivable-trade and notes receivable-trade due to a reduction in net sales.

Fixed assets were 828,367,000 yen, decreasing by 30,740,000 yen compared to the end of the last consolidated account period. This was mainly caused by a decrease in tangible fixed assets and intangible fixed assets due to depreciation, and also amortization of guarantee deposits due to application of asset retirement obligations accounting standards.

Total liabilities were 1,329,803,000 yen, increasing by 8,997,000 yen compared to the end of the last consolidated account period.

Current liabilities were 676,029,000 yen, increasing by 5,991,000 yen compared to the end of the last consolidated account period. This was mainly caused by an increase in deposits and accrued expenses against a decrease in accounts payable-trade.

Fixed liabilities were 653,774,000 yen, increasing by 3,006,000 yen compared to the end of the last consolidated account period. This was mainly caused by an increase in reserve for retirement benefits.

Net assets were 2,076,725,000 yen, decreasing by 245,590,000 yen compared to the end of the last consolidated account period. This was mainly caused by a decrease in retained earnings due to dividend payment and quarterly net loss.

(3) Qualitative information concerning consolidated business forecast

At the moment, there is no change in business forecast for the 2nd quarter consolidated cumulative period and the year ending in March 2011, which was disclosed on the 31st May 2010.

2. Other information

(1) Abstract of major transfer of subsidiary

Not applicable.

(2) Abstract of simplified and unique accounting procedures

Description omitted due to its low importance.

(3) Abstract of changes in rules, procedures and indication methods of accounting process

From the current quarterly consolidated account period, "Asset Retirement Obligations Accounting Standards" (Statement No.18) and "Implementation Guidance on Accounting Standard for Asset Retirement Obligations" (Guidance No.21) have been applied.

Therefore, operating loss and ordinary loss were 1,234,000 yen for each, and there was an increase of 22,707,000 yen for quarterly net loss before taxes.

3. Quarterly consolidated financial statement

(1) Quarterly consolidated balance sheet

(Unit: thousand yen)

	End of current quarterly consolidated account period (30 th June 2010)	Consolidated Balance Sheets (Summary) for end of the previous consolidated account period (31 st March 2010)
Assets		
Current assets		
Cash & deposits	1,484,522	1,530,622
Notes receivable-trade & Accounts receivable-trade	754,855	959,475
Work in process	2,036	1,489
Raw materials & Inventory goods	53,187	50,121
Other	283,688	242,488
Allowance for doubtful accounts	△128	△182
Total current assets	2,578,162	2,784,014
Fixed assets		
Tangible fixed assets	191,419	204,293
Intangible fixed assets	164,107	162,075
Investments & other assets		
Other	473,825	493,766
Allowance for doubtful accounts	△985	△1,027
Investment & other assets	472,840	492,739
Total fixed assets	828,367	859,107
Total assets	3,406,529	3,643,121
Liabilities		
Current liabilities		
Accounts payable-trade	114,154	178,352
Income taxes payable	6,059	1,825
Reserve for bonuses	112,179	134,398
Reserve for directors' bonuses	6,000	8,500
Other	437,635	346,962
Total current liabilities	676,029	670,038
Fixed liabilities		
Reserve for retirement benefits	436,662	425,943

Japan Third Party Co., Ltd. (2488)
Summary of Business Results of the first-quarter ended in June 2010

Other	217,111	224,824
Total fixed liabilities	653,774	650,768
Total liabilities	1,329,803	1,320,806
Net assets		
Shareholders' equity		
Capital stock	795,475	795,475
Capital surplus	647,175	647,175
Retained earnings	937,040	1,164,141
Treasury stock	△296,392	△280,128
Total shareholders' equity	2,083,297	2,326,663
Valuation and translation adjustments		
Foreign currency translation adjustments	△6,572	△4,348
Total valuation & translation adjustments	△6,572	△4,348
Total net assets	2,076,725	2,322,315
Total liabilities & net assets	3,406,529	3,643,121

Japan Third Party Co., Ltd. (2488)
Summary of Business Results of the first-quarter ended in June 2010

(2) Quarterly consolidated income statement (quarterly consolidated cumulative period)

(Unit: thousand yen)

	Previous quarterly consolidated cumulative period (1 st April 2009 to 30 th June 2009)	Current quarterly consolidated cumulative period (1 st April 2010 to 30 th June 2010)
Net sales	1,506,420	1,254,810
Cost of sales	1,329,749	1,264,915
Gross profit or gross loss(△)	176,671	△10,104
Selling, general & administrative expenses		
Salaries & bonuses	34,296	25,146
Provision of reserve for bonuses	5,918	3,902
Provision of reserve for directors' bonuses	5,835	6,000
Provision of reserve for retirement benefits	625	306
Other	122,175	91,536
Total selling, general & administrative expenses	168,851	126,891
Operating income & operating loss(△)	7,819	△136,996
Non-operating income		
Interest income	94	78
Insurance bonus	—	931
Income for adjustments of debts	113	—
Other	127	113
Total non-operating income	335	1,122
Non-operating expenses		
Interest payable	—	713
Loss by office closure	2,650	—
Foreign exchange-rate loss	371	9,852
Other	308	101
Total non-operating expenses	3,331	10,667
Ordinary income & ordinary loss(△)	4,823	△146,541
Extraordinary loss		
Loss on retirement of fixed assets	—	1,260
Effect due to application of asset retirement obligations accounting standards	—	21,472

Japan Third Party Co., Ltd. (2488)
Summary of Business Results of the first-quarter ended in June 2010

Total extraordinary loss	—	22,733
Quarterly net income before taxes and quarterly net loss before taxes(△)	4,823	△169,275
Income taxes-current	3,636	2,294
Income taxes-deferred	6,236	△53,830
Total income taxes	9,872	△51,535
Quarterly net loss before loss of minority shareholders(△)	—	△117,739
Quarterly net loss (△)	△5,049	△117,739

(3) Quarterly consolidated statement of cash flows

(Unit: thousand yen)

	Previous quarterly consolidated cumulative period (1 st April 2009 to 30 th June 2009)	Current quarterly consolidated cumulative period (1 st April 2010 to 30 th June 2010)
Cash flows from operating activities		
Quarterly net income before taxes and quarterly net loss before taxes(△)	4,823	△169,275
Depreciation	15,988	12,254
Increase and decrease of allowance for doubtful accounts (△: decrease)	△25	△95
Increase and decrease of allowance for bonuses (△: decrease)	△93,212	△22,218
Increase and decrease of allowance for retirement benefits (△: decrease)	2,096	10,752
Increase and decrease of allowance for directors' bonuses (△: decrease)	△16,165	△2,500
Loss on retirement of fixed assets	—	1,260
Effect due to application of asset retirement obligations accounting standards	—	21,472
Interest income	△94	△78
Interest payable	—	713
Profit and loss of foreign exchange-rate (△: profit)	△3,558	13,088
Increase and decrease of accounts receivable (△: increase)	132,702	204,321
Increase and decrease of inventory (△: increase)	22,355	△3,612
Increase and decrease of accounts payable (△: decrease)	△23,740	△64,197
Increase and decrease of accrued expenses (△: decrease)	—	42,030
Increase and decrease of advances received (△: decrease)	41,356	14,168
Increase and decrease of deposits payable (△: decrease)	60,280	24,552
Other	1,439	20,365
SUBTOTAL	144,247	103,004
Interest received	93	87

Japan Third Party Co., Ltd. (2488)
Summary of Business Results of the first-quarter ended in June 2010

Interest paid	—	△1,402
Income taxes paid	△3,040	△1,285
Total cash flows from operating activities	141,300	100,403
Cash flows from investing activities		
Payments for purchase of tangible fixed assets	△11,552	—
Other	330	1,310
Total cash flows from investing activities	△11,221	1,310
Cash flows from financing activities		
Payments for repurchase of treasury stock	△59,513	△16,263
Payments for dividends	△112,825	△109,327
Reimbursement of long-term accounts payable	—	△6,818
Total cash flows from financing activities	△172,338	△132,409
Effect of exchange rate changes on cash and cash equivalents	5,362	△15,315
Increase and decrease of cash and cash equivalents (△: decrease)	△36,897	△46,011
Balance of cash and equivalents at beginning of year	1,658,327	1,528,843
Balance of cash and cash equivalents at end of quarter	1,621,430	1,482,831

(4) Notice concerning premise of a going concern
Not applicable

(5) Notice concerning a drastic change in the shareholders' equity amount
Not applicable