

April 27, 2012

**SUMMARY OF FINANCIAL STATEMENT (Consolidated)**  
**Full-year Results for the Fiscal Year Ended March 31, 2012**

[Japanese GAAP]

**Name of listed company:** JSP Corporation

Stock Exchange Listed: Tokyo (1st Section)

URL: <http://www.jsp.com>

Code Number: 7942

Representative: Kozo Tsukamoto, President, Representative Director

Contact person: Yasushi Komori, General Manager, Accounting Department, Finance & Accounting Division

Phone: +81-3-6212-6306

Scheduled date of Annual General Meeting of Shareholders: June 28 2012

Scheduled date of payment of dividend: June 29, 2012

Scheduled date of filing of Annual Securities Report: June 28, 2012

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for analysts)

Note: The original disclosure in Japanese was released on April 27, 2012 at 15:00 (GMT +9).

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

**1. Full-year Results (April 1, 2011 to March 31, 2012) for the Fiscal Year Ended March 31, 2012**

(1) Consolidated business performance (Percentages shown for net sales and incomes represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2012	93,397	1.6	5,296	(29.9)	5,536	(29.7)	3,100	(36.5)
Fiscal year ended Mar. 31, 2011	91,971	12.7	7,552	32.8	7,874	42.1	4,881	52.1

Note: Comprehensive income: Mar. 31, 2012: 1,924 million yen (down 29.0%) Mar. 31, 2011: 2,709 million yen (down 38.1%)

	Net income per share	Fully diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2012	103.98	-	7.0	6.2	5.7
Fiscal year ended Mar. 31, 2011	161.25	-	11.2	9.0	8.2

Reference: Equity in earnings (losses) of affiliates: Mar. 31, 2012: 15 million yen Mar. 31, 2011: (11) million yen

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2012	89,072	47,362	50.2	1,499.89
As of Mar. 31, 2011	89,152	46,481	49.2	1,470.44

Reference: Shareholders' equity: Mar. 31, 2012: 44,721 million yen Mar. 31, 2011: 43,843 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2012	5,532	(6,138)	(3,602)	5,976
Fiscal year ended Mar. 31, 2011	7,840	(5,197)	(475)	10,487

**2. Dividends**

	Annual dividends per share					Total amounts of dividends	Payout ratio (consolidated)	Dividend on net assets (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2011	-	15.00	-	15.00	30.00	894	18.6	2.1
Fiscal year ended Mar. 31, 2012	-	15.00	-	15.00	30.00	894	28.9	2.0
Fiscal year ending Mar. 31, 2013 (forecasts)	-	15.00	-	15.00	30.00		22.4	

**3. Forecast for Consolidated Business Performance in the Fiscal Year Ending March 31, 2013**

(April 1, 2012 to March 31, 2013)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	48,000	4.4	2,900	5.0	2,900	3.5	2,000	6.6	67.08
Full year	97,000	3.9	6,000	13.3	6,100	10.2	4,000	29.0	134.16

**\* Notes**

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

Newly added: - Excluded: 1 (JSP Participacoes LTDA.)

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(3) Number of shares outstanding (common stock)

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

As of Mar. 31, 2012: 31,413,473 shares As of Mar. 31, 2011: 31,413,473 shares

2) Number of treasury stock shares at the end of the period

As of Mar. 31, 2012: 1,597,226 shares As of Mar. 31, 2011: 1,597,012 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2012: 29,816,353 shares Fiscal year ended Mar. 31, 2011: 30,273,401 shares

**Reference: Overview of Non-Consolidated Operating Performance**

**1. Full-year Results (April 1, 2011 to March 31, 2012) for the Fiscal Year Ended March 31, 2012**

(1) Non-consolidated business performance (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2012	54,623	(2.1)	1,773	(43.9)	3,076	(34.7)	2,208	(32.0)
Fiscal year ended Mar. 31, 2011	55,785	9.7	3,163	15.6	4,709	48.6	3,248	106.5

	Net income per share	Fully diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2012	74.06	-
Fiscal year ended Mar. 31, 2011	107.30	-

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2012	69,695	36,633	52.6	1,228.65
As of Mar. 31, 2011	68,943	35,202	51.1	1,180.63

Reference: Shareholders' equity: Mar. 31, 2012: 36,633 million yen Mar. 31, 2011: 35,202 million yen

\* Information regarding the implementation of audit procedures

The current financial statements are exempted from audit procedures based on the Financial Instruments and Exchange Act. At the time of disclosure, the audit procedures for these financial statements have not been completed.

\* 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. Please refer to "1. Results of Operations (1) Analysis of Results of Operations" on page 1 for precondition and assumption as the basis of the above forecasts.

## 1. Results of Operations

### (1) Analysis of Results of Operations

#### 1) Financial Results for the Current Fiscal Year Ended March 31, 2012

In the global economy, growth continued in Asian countries and emerging countries but economic growth was held back by the prolonged European debt crisis, the higher cost of crude oil caused by instability in the Middle East and northern Africa, and other events. In Japan, the Great East Japan Earthquake and subsequent shortage of electricity had a severe economic impact as demand declined and manufacturing activity was limited. Furthermore, the yen's persistent strength caused exports to weaken. The result was a downturn in the Japanese economy in the current fiscal year.

We responded to these challenges by focusing on securing production capacity while selling products with significant added value based on our exclusive technologies in order to generate earnings.

As a result, net sales in the current fiscal year were 93,397 million yen (up by 1.6% year-on-year). Due to higher raw material and fuel prices that increased costs, operating income declined by 29.9% to 5,296 million yen, ordinary income by 29.7% to 5,536 million yen and net income by 36.5% to 3,100 million yen.

There was an extraordinary loss of 223 million yen that resulted from the impact of the Great East Japan Earthquake.

Results by business segment were as follows.

Due to a reorganization that took place on April 1, 2011, prior-year comparisons are based on figures in the previous fiscal year that have been adjusted to match the new organization.

#### Extrusion Business

Miramat™ (expanded polyethylene sheet used as an industrial packaging material) and P-Board™ (expanded polypropylene sheet) are used mainly for the transport of substrates for LCD TVs and other digital home appliances. Sales of these two products were lower due to contraction of the home appliance market caused by the earthquake and declining demand from companies that export products because of the yen's strength. Styrene Paper™ (expanded polystyrene sheet used in food packaging) is used in many applications in the instant noodle and lunch box sectors. Sales decreased mainly because of the effects of the earthquake. Sales of Miraboard™ (expanded polystyrene sheet used in advertising displays and folding boxes) were about the same as one year earlier. Sales were weak as companies refrained from conducting advertising activities and special events following the earthquake but this downturn was offset by the subsequent recovery in demand. Sales of Mirafoam™ (extruded board made of expanded polystyrene that is used as a home insulation material) were also largely unchanged. Demand fell after the earthquake but then slowly recovered because of earthquake reconstruction activities. Sales also benefited from the resumption of Japan's "eco-point" incentive program for environmentally friendly housings. Sales of Miraplank™ (extruded board made of expanded polyethylene used as a cushioning material for cargo in trucks and in returnable containers for transporting home appliances and automotive parts) decreased as a decline in distribution volume created challenging market conditions.

As a result, extrusion segment sales decreased 2.4% to 34,585 million yen and operating income decreased 17.3% to 2,557 million yen.

#### Beads Business

P-Block™/ARPRO™ (expanded polypropylene) is used in automotive parts, for instance, as a bumper core material, in interior auto parts, and seat cores; it is also used as a cushioning material in returnable containers for transporting IT equipment, a cushioning material for home appliances, and as an impact protection material for artificial sports surfaces. We manufacture and sell P-Block™/ARPRO™ worldwide. In Japan, the supply and demand environment remained difficult primarily owing to the effects of the earthquake. Sales of beads used as a returnable container and a cushioning material for transporting digital home appliances decreased. For automotive applications, there was a brief downturn in demand caused by a decline in automobile production but demand subsequently recovered. As a result, sales were the same as one year earlier. In Europe and North America, sales increased because of strong demand for automotive related products. Sales increased in Asia too along with solid demand in the home appliance and automobile industries. Sales of Styrodia™ (expandable polystyrene beads) decreased as there still has not been a full recovery in demand for fish boxes, the primary application for these beads, chiefly in areas that were damaged by the earthquake. Starting in the

current fiscal year, Foamcore™ (a hybrid molded product used as a ceiling material for prefabricated bathroom units) was included in the beads business. Sales of this material increased along with demand caused by the imposition of tighter thermal insulation standards. Sales of Super Foam™, a material for automotive air conditioning ducts, were lower because of the decline in the production of automobiles that use this material.

As a result, beads segment sales increased 5.3% to 52,869 million yen and operating income fell 29.5% to 3,212 million yen.

### **Other Businesses**

Sales of general packaging materials were lower because of soft demand caused by the earthquake and a downturn in demand at exporting companies due to the yen's rapid appreciation. Up to the previous fiscal year, Foamcore™ and Super Foam™ were classified as new business field under the Other Businesses segment but in the fiscal year under review these were manufactured and sold in the Beads segment.

As a result, segment sales declined 6.0% to 5,942 million yen and there was an operating loss of 214 million yen (compared to operating income of 7 million yen a year earlier).

## **2) Outlook for the Fiscal Year Ending March 31, 2013**

JSP started a new medium-term management plan in the fiscal year ending on March 31, 2013.

The outlook for the global economy is expected to remain uncertain. But there are a number of positive trends in Japan. A full-scale recovery in automobile production is taking place and demand for home insulation material is increasing because of government measures to support the construction of long-term quality housing. There are also expectations for higher demand for materials used in automobiles and cushioning materials for cargo transport because of economic growth in emerging countries, although economic growth outside Japan will probably be only moderate. Based on this outlook, JSP forecasts an increase in consolidated sales and earnings in the fiscal year ending on March 31, 2013.

Earnings forecasts for the March 2013 fiscal year are as follows.

Net sales	97,000 million yen	(up 3.9% year-on-year)
Operating income	6,000 million yen	(up 13.3% year-on-year)
Ordinary income	6,100 million yen	(up 10.2% year-on-year)
Net income	4,000 million yen	(up 29.0% year-on-year)

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.

## **(2) Analysis of Financial Position**

### **1) Balance sheet position**

Total assets as of March 31, 2012 were 89,072 million yen, down 79 million yen from March 31, 2011. Current assets decreased 1,018 million yen, while noncurrent assets increased 938 million yen.

Total liabilities were 41,709 million yen, down 960 million yen. Current liabilities decreased 1,840 million yen, while noncurrent liabilities increased 879 million yen.

As a result, net assets totaled 47,362 million yen, and the shareholders' equity ratio increased 1.0 percentage points to 50.2%.

### **2) Cash Flows**

Cash flows from operating activities

Net cash provided by operating activities totaled 5,532 million yen, a decrease of 2,308 million yen from a year earlier. Inflows included 5,176 million yen from income before income taxes, 4,607 million yen from depreciation and amortization and a 1,837 million yen increase in notes and accounts payable-trade. Outflows included 2,739 million yen for an increase in notes and accounts receivable-trade and 1,936 million yen in income tax payments.

## Cash flows from investing activities

Net cash used in investing activities totaled 6,138 million yen, an increase of 941 million yen. This included outflows of 6,006 million yen for purchase of noncurrent assets and 614 million yen for a net increase in time deposits.

## Cash flows from financing activities

Net cash used in financing activities totaled 3,602 million yen, an increase of 3,126 million yen. This included outflows of the repayment of long-term loans payable of 5,243 million yen, a decrease of short-term loans payable of 2,991 million yen and cash dividends paid of 894 million yen, and an inflow of 5,728 million yen in proceeds from long-term loans payable.

As a result, cash and cash equivalents totaled 5,976 million yen as of March 31, 2012, down 4,511 million yen from March 31, 2011.

## Reference: Cash flow indicators

	Fiscal year ended Mar. 31, 2009	Fiscal year ended Mar. 31, 2010	Fiscal year ended Mar. 31, 2011	Fiscal year ended Mar. 31, 2012
Shareholders' equity ratio (%)	47.1	50.1	49.2	50.2
Shareholders' equity ratio based on market prices (%)	19.9	40.3	51.3	41.3
Cash flow to debt ratio (years)	4.2	1.9	2.9	3.7
Interest coverage ratio	14.1	36.3	32.4	24.2

Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on market prices: Market capitalization / Total assets

Cash flow to debt ratio: Interest-bearing debt / Operating cash flows

Interest coverage ratio: Operating cash flows / Interest payments

Notes: 1. All indicators are calculated based on consolidated figures.

2. Market capitalization is calculated by multiplying the share price at the end of the period by the number of shares issued and outstanding at the end of the period, net of treasury stock.

3. Operating cash flows are calculated using the figures for "Net cash provided by (used in) operating activities" on the consolidated statements of cash flows.

4. Interest-bearing debt includes all liabilities on the consolidated balance sheets that incur interest. Interest payments are calculated using the figures for "Interest expenses paid" in the consolidated statements of cash flows.

### **(3) Profit Allocation Policy and Dividends for the Current and Next Fiscal Years**

Distributing earnings to shareholders is one of the highest priorities of JSP Corporation. Our policy is to make stable dividend payments after taking into consideration all applicable factors, including consolidated performance in each fiscal year and the need to retain earnings for strengthening the base of future business activities.

Retained earnings are used to increase financial soundness, R&D expenditures for new products and technologies, and capital expenditures for new businesses.

As prescribed in Article 459, Paragraph 1 of the Corporation Law of Japan, the JSP Corporation Articles of Incorporation allow the Board of Directors to approve the payment of dividends from retained earnings. The basic policy is to pay an interim and year-end dividend based on resolutions of the Board of Directors.

For the fiscal year that ended on March 31, 2012 in consideration of results of operations, the operating environment, dividend stability and other items, we plan to pay a dividend of 30 yen per share. Since an interim dividend of 15 yen per share has been paid, this will result in a year-end dividend of 15 yen per share. In the fiscal year ending on March 31, 2013, we plan to pay interim and year-end dividends of 15 yen per share each, a total of 30 yen.

### **(4) Business Risks**

The following is a list of items that may have an effect on our results of operations, financial position, cash flows and other aspects of operations. This list is based on the judgments of management as of the end of March 2012 and is not intended to be a complete list of business and other risks.

#### 1) Volatility of prices of raw materials

Prices of raw materials and fuel used by JSP companies may vary significantly because these prices are linked to changes in the cost of crude oil and naphtha. If we are unable to increase prices of its products to offset the higher cost of raw materials and fuel, there may be a negative impact on our results of operations or the financial condition.

#### 2) Global events

JSP does business in North America, Europe, Asia and other areas of the world. As a result, political, economic and social events, changes in the regulatory climate and exchange rate fluctuations can affect demand for its products in these regions and have an impact on its business operations.

#### 3) Natural disasters

JSP operates many plants worldwide. Although these plants have measures in place to prepare for an earthquake, a typhoon, flood or other natural disaster that is more severe than anticipated could significantly damage these plants and have a significant negative impact on its results of operations or the financial condition.

#### 4) Protection of intellectual property

JSP holds international patents and many other types of intellectual property. Protecting this property is vital to its ability to earn profits in the future. A patent infringement or patent dispute with another company may have a negative impact on business. Consequently, we have established systems worldwide to prevent such problems.

#### 5) Compliance and internal controls

JSP has established an effective internal control framework for compliance and other items. However, we may be unable to comply with laws and regulations at times due to revisions to laws and regulations in various countries. Consequently, there is no assurance that we will not violate a law or regulation in the future. This could result in additional expenses for compliance programs.

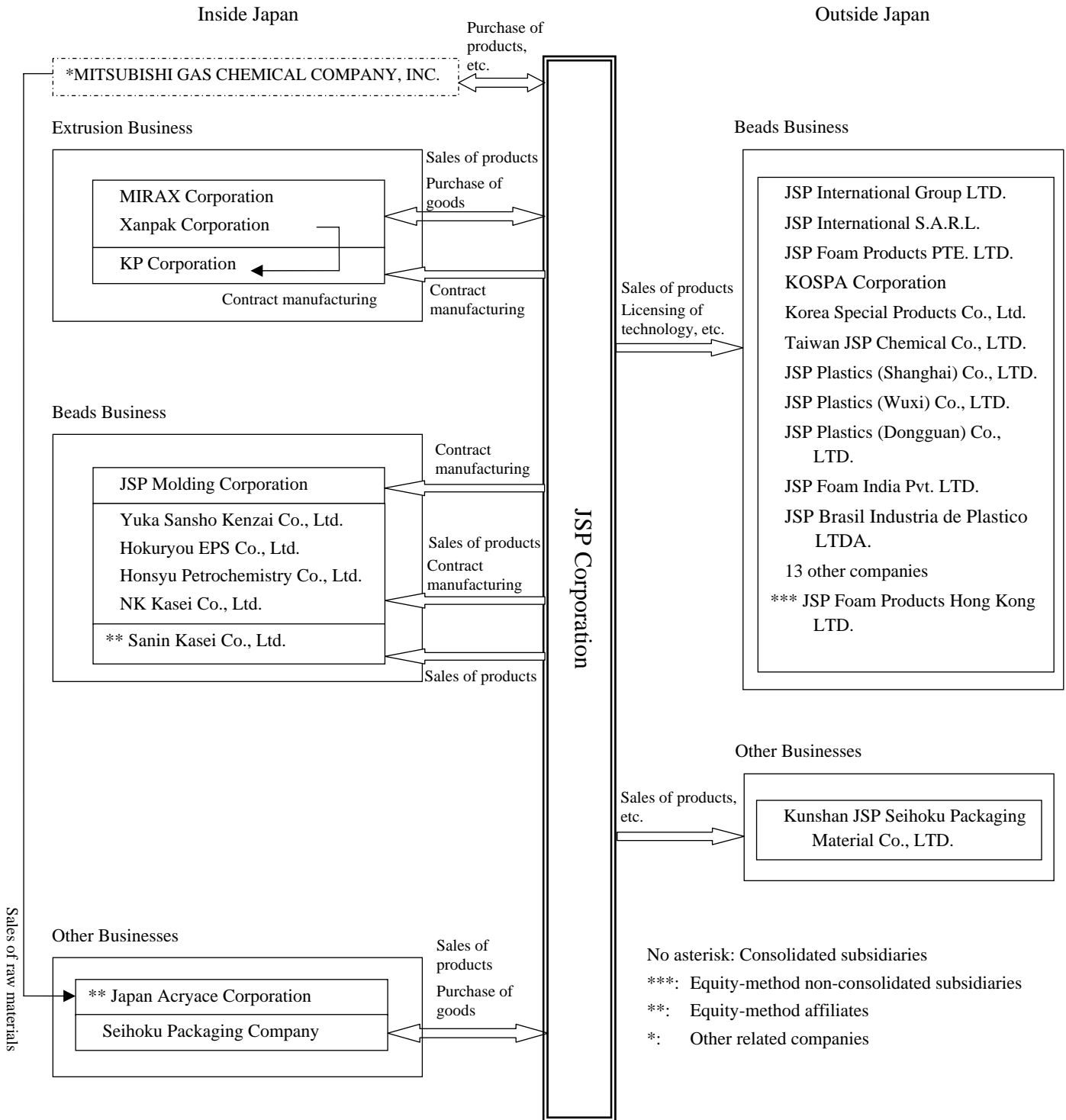
## 2. Corporate Group

The JSP Group is made up of JSP Corporation, 10 subsidiaries in Japan, 27 subsidiaries in other countries, and six affiliates. The primary business is the manufacture and sale of plastic products, chiefly using foaming technology, that provide functional and economic benefits. We are also engaged in activities associated with this core business.

The roles of these companies within the group and relationships with business segments are shown below.

Segments	Major products/merchandise	Main group companies	
Extrusion Business	Styrene Paper™ Miraboard™ P-Board™ P-Mat™ Miramat™ Caplon™ Mirafoam™ Miraplank™ J Slit™	Manufacturing and sales companies	JSP Corporation Xanpak Corporation MIRAX Corporation
		Contract manufacturing company	KP Corporation
Beads Business	P-Block™ (ARPRO™) L-Block™ Styrodia™ Heatpor™ Clearpor™ Elempor™ Foamcore™ Super Foam™	Manufacturing and sales companies	JSP Corporation Yuka Sansho Kenzai Co., Ltd. Hokuryou EPS Co., Ltd. Honsyu Petrochemistry Co., Ltd. NK Kasei Co., Ltd. JSP International Group LTD. JSP International S.A.R.L. JSP Foam Products PTE. LTD. KOSPA Corporation Korea Special Products Co., Ltd. Taiwan JSP Chemical Co., LTD. JSP Plastics (Shanghai) Co., LTD. JSP Plastics (Wuxi) Co., LTD. JSP Plastics (Dongguan) Co., LTD. JSP Foam Products Hong Kong LTD. JSP Foam India Pvt. LTD. JSP Brasil Industria de Plastico LTDA. Sanin Kasei Co., Ltd.
		Contract manufacturing company	JSP Molding Corporation
Other Businesses	General packaging materials and others	Manufacturing and sales companies	JSP Corporation Japan Acryace Corporation Kunshan JSP Seihoku Packaging Material Co., LTD.
		Sales company	Seihoku Packaging Company

A flowchart of business operations is as follows.





### 3. Management Policy

#### (1) Fundamental Management Policy

The social mission of JSP is to use its core businesses of foamed synthetic resins foaming and new materials to consistently supply products that help improve social activities by conserving resources and energy. Our goal is to remain a globally competitive and profitable organization by responding accurately to continuous changes in market needs by using exclusive technologies to supply value-added products.

As an environmentally-focused company, JSP is working in many ways to lower its environmental impact in order to protect the global environment and conduct business activities in an environmentally responsible manner. This commitment includes activities to conserve resources and energy and promote recycling.

#### (2) Key Performance Indicators

Following the completion of the “NEXT JSP” medium-term management plan in March 2012, we have started a new medium-term management plan that will end in March 2015.

To achieve consistent growth with profitability, which is the goal of the new medium-term management plan, the key performance indicators are net sales for monitoring growth and the operating margin for monitoring profitability.

#### (3) Medium and Long-term Management Strategies

JSP is a globally competitive organization with a commitment to safety and the environment. Our mission is to contribute to society by manufacturing environmentally friendly products.

The central theme of the new medium-term management plan is “Deepen & Grow.” To achieve sustained growth, we plan to upgrade existing technologies by brushing up this know-how. In addition, we will strengthen and expand our base of operations by creating new technologies in order to enter new business domains and adding applications to foster the development of new markets.

This is why the new plan has been named “Deepen & Grow.”

This plan has the following goals.

- 1) Strengthen current business activities
- 2) Expand business activities outside Japan
- 3) Start new business activities

Numerical targets for the plan’s final year, which ends on March 31, 2015, are as follows.

- 1) Net sales: 110,000 million yen
- 2) Operating margin: 8%

#### (4) Important Issues

JSP is working in many ways to lower its environmental impact in order to protect the global environment and conduct business activities in an environmentally responsible manner. This commitment includes activities to conserve resources and energy and promote recycling. We believe that these activities will help us earn the public’s trust and become more competitive.

While adhering to this commitment, we completed the “NEXT JSP” medium-term management plan in March 2012. The operating environment was extremely challenging during the fiscal year under review because of falling demand caused by the Great East Japan Earthquake, the higher cost of raw materials and fuel and the prolonged strength of the yen. Despite these difficulties, we reached our targets by focusing on selling value-added products that use our exclusive technologies and taking many actions to make our operations more global.

Demand in Japan is expected to decline as the population ages while the number of children decreases and the hollowing out of industrial activity continues. To achieve sustained growth, we must create as many value-added products as possible that incorporate our highly innovative technologies. Accomplishing this goal will be vital to reaching our next targets. We are determined to strengthen and enlarge our base of operations in accordance with the management strategies and basic policies of the new medium-term management plan “Deepen & Grow.”

*\* This summary report is solely a translation of “Kessan Tanshin” (in Japanese, including the 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.*