

**SUMMARY OF FINANCIAL STATEMENT (Consolidated)**  
**Full-year Results for the Fiscal Year Ended March 31, 2011**

[Japanese GAAP]

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

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Scheduled date of Annual General Meeting of Shareholders: June 29, 2011

Scheduled date of payment of dividend: June 30, 2011

Scheduled date of filing of Annual Securities Report: June 29, 2011

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for analysts)

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

**1. Full-year Results (April 1, 2010 to March 31, 2011) for the Fiscal Year Ended March 31, 2011**

## (1) Consolidated business performance

(Percentages shown for net sales, operating income, ordinary income and net income 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, 2011	91,971	12.7	7,552	32.8	7,874	42.1	4,881	52.1
Fiscal year ended Mar. 31, 2010	81,597	(15.5)	5,685	110.4	5,540	99.4	3,209	134.9

(Note) Comprehensive income: March 2011: 2,709 million yen (down 38.1%)  
March 2010: 4,378 million yen (n.a.)

	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, 2011	161.25	-	11.2	9.0	8.2
Fiscal year ended Mar. 31, 2010	103.35	-	7.7	6.5	7.0

(Reference) Equity in earnings (losses) of affiliates: Mar. 31, 2011: (11) million yen Mar. 31, 2010: (289) 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, 2011	89,152	46,481	49.2	1,470.44
As of Mar. 31, 2010	86,197	45,912	50.1	1,391.92

(Reference) Shareholders' equity: Mar. 31, 2011: 43,843 million yen Mar. 31, 2010: 43,221 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, 2011	7,840	(5,197)	(475)	10,487
Fiscal year ended Mar. 31, 2010	11,283	(4,115)	(4,698)	9,069

**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, 2010	-	7.00	-	12.00	19.00	589	18.4	1.4
Fiscal year ended Mar. 31, 2011	-	15.00	-	15.00	30.00	894	18.6	2.1
Fiscal year ending Mar. 31, 2012 (forecasts)	-	15.00	-	15.00	30.00		21.8	

(Note) Year-end dividend of 12.00 yen, which is applicable to the fiscal year ended March 31, 2010, includes a commemorative dividend of 5.00 yen.

**3. Forecast for Consolidated Business Performance in the Fiscal Year Ending March 31, 2012****(April 1, 2011 to March 31, 2012)**

(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	46,500	1.6	3,150	(17.1)	3,200	(15.1)	2,150	(23.2)	72.11
Full year	93,000	1.1	6,300	(16.6)	6,400	(18.7)	4,100	(16.0)	137.51

**4. Others**

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

Newly added: - Excluded: -

(2) Changes in accounting principles, processes, presentation methods, etc.

1) Changes owing to revisions in accounting standards: Yes

2) Changes other than 1) above: 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, 2011: 31,413,473 shares As of Mar. 31, 2010: 31,413,473 shares

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

As of Mar. 31, 2011: 1,597,012 shares As of Mar. 31, 2010: 362,145 shares

3) Average number of shares outstanding during the period

Full-year ended Mar. 31, 2011: 30,273,401 shares Full-year ended Mar. 31, 2010: 31,051,998 shares

**Reference: Overview of Non-Consolidated Operating Performance****1. Full-year Results (April 1, 2010 to March 31, 2011) for the Fiscal Year Ended March 31, 2011**

(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, 2011	55,785	9.7	3,163	15.6	4,709	48.6	3,248	106.5
Fiscal year ended Mar. 31, 2010	50,875	(9.5)	2,736	819.2	3,169	282.9	1,573	495.6

	Net income per share	Fully diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2011	107.30	-
Fiscal year ended Mar. 31, 2010	50.67	-

(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, 2011	68,943	35,202	51.1	1,180.63
As of Mar. 31, 2010	64,815	34,069	52.6	1,097.21

(Reference) Shareholders' equity: Mar. 31, 2011: 35,202 million yen Mar. 31, 2010: 34,069 million yen

\* Indication of audit procedure implementation status

This summary report is not subject to the audit procedures based on the Financial Instruments and Exchange Act. At the time that this report was released, the audit procedures for financial statements had 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 3 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, 2011

The Japanese economy showed signs of a recovery during the current fiscal year as exports increased along with economic growth in emerging countries and the government's economic stimulus measures boosted corporate earnings. However, the outlook remains uncertain because of the yen's strength, depressed share prices, prolonged deflation and other issues. Furthermore, there are fears that the Great East Japan Earthquake on March 11, 2011 will have a severe impact on economic activity. As a result, the economic outlook in Japan has become even more unclear.

To remain profitable in this environment, the JSP Group concentrated on development, manufacturing and sales of high value-added products made of foamed plastics in Japan and other countries, while we cut various other costs. In addition, we started using a business unit headquarters organization in the current fiscal year to improve operating efficiency and took other actions across the entire company to increase earnings.

As a result, consolidated net sales in the fiscal year increased 12.7% from one year earlier to 91,971 million yen. Operating income increased 32.8% to 7,552 million yen, ordinary income 42.1% to 7,874 million yen and net income 52.1% to 4,881 million yen.

There was an extraordinary loss of 401 million yen that resulted from the impact of the Great East Japan Earthquake.

Results by business segment were as follows.

#### Extrusion Business

Sales of Miramat™ (expanded polyethylene sheet used as an industrial packaging material) increased. Demand was strong primarily for value-added products with permanently antistatic properties that are used in returnable containers for transporting LCD TV substrates and other applications. Sales of Styrene Paper™ (expanded polystyrene sheet used in food packaging) were about the same as in the previous fiscal year. Demand from major customers remained firm but market conditions continued to be extremely challenging. Sales of Miraboard™ (expanded polystyrene sheet used in advertising displays and folding boxes) increased along with the recovery in corporate earnings. Sales of Mirafoam™ (extruded board made of expanded polystyrene that is used as a home insulation material) increased as demand rose partly because of Japanese government subsidies for environmentally friendly housing. There was also an increase in sales of Miraplank™ (extruded board made of expanded polyethylene used as a cushioning material for cargo in trucks and in returnable containers for transporting automotive parts) because of solid demand.

As a result, segment sales were 35,429 million yen and operating income was 3,090 million yen.

#### Beads Business

P-Block™/ARPRO™ (expanded polypropylene) is used in automotive parts, for instance, as bumper cores, in interior auto parts, and (recently) seat cores; it is also used as a cushioning material in returnable containers for transporting IT equipment, a cushioning material for consumer electronics, and as an impact protection material for artificial sports surfaces. We manufacture and sell P-Block™/ARPRO™ worldwide. Sales and earnings for this product both increased. Compared with the previous fiscal year, when the global economic downturn impacted demand, there was strong demand for P-Block™/ARPRO™ in all areas of Asia, particularly China, and a recovery in demand in North America and Europe for use as a packaging for home appliances and a material for automotive parts. For Styrodia™ (expandable polystyrene beads used in packaging fish and other products, cushioning materials for consumer electronics and in construction and engineering materials), sales volume was about the same as in the previous fiscal year despite small increases and decreases in demand associated with applications and seasonal factors.

As a result, segment sales were 49,217 million yen and operating income was 4,685 million yen.

## Other Businesses

The sales volume of Foamcore™ (a ceiling material for prefabricated bathroom units) increased primarily for general-purpose versions of this material from one year earlier in volume term because of a technological improvement and recovering demand. The sales volume of Super Foam™ (a hybrid molded product with superior weight, insulating, and sound insulation properties, which is used in automobile air-conditioning ducts) also increased. However, both products were unprofitable despite the higher sales volume. Furthermore, sales of general packaging materials increased.

As a result, segment sales were 7,324 million yen and there was an operating loss of 121 million yen.

## 2) Outlook for the Fiscal Year Ending March 31, 2012

JSP Corporation anticipates that the catastrophic Great East Japan Earthquake will probably affect the manufacturing, sales and other activities of the JSP Group in the following ways.

- (1) Restrictions on electricity consumption by large-scale users of electricity
- (2) Shortages and much higher prices of raw materials and fuel
- (3) Economic weakness caused by lower manufacturing activity and negative consumer sentiment
- (4) Decline in sales caused by damage at business facilities of customers
- (5) Disruptions in transport of cargo

Determining the outlook for the Japanese economy is extremely difficult because of the large number of uncertainties associated with the impact of the Great East Japan Earthquake. However, based on information in media reports thus far, we believe that the Japanese economy will not recovery soon. We also believe that the JSP Group will continue to encounter lackluster demand in its markets.

In markets outside Japan, which account for approximately one-third of sales, we foresee more robust economic growth in China and other emerging countries and healthy economies in the United States and Europe. Outside Japan, we also expect overseas performance to benefit from the February 2011 acquisition of a company in Brazil that manufactures and sells expanded polypropylene.

Based on this view of the operating environment inside and outside Japan, we forecast a small increase in consolidated net sales and decreases in operating income, ordinary income and net income.

Earnings forecasts for the March 2012 fiscal year are as follows.

Net sales	93,000 million yen
Operating income	6,300 million yen
Ordinary income	6,400 million yen
Net income	4,100 million yen

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, 2011 were 89,152 million yen, up 2,954 million yen from March 31, 2010. Current assets increased 4,103 million yen, while noncurrent assets decreased 1,149 million yen.

Total liabilities were 42,670 million yen, up 2,384 million yen. Current liabilities increased 3,413 million yen, while noncurrent liabilities declined 1,028 million yen.

As a result, net assets totaled 46,481 million yen, and the shareholders' equity ratio was 49.2%, down 0.9 percentage points.

### 2) Cash Flows

Net cash provided by operating activities totaled 7,840 million yen, a decrease of 3,443 million yen from a year earlier. Inflows included 7,470 million yen from income before income taxes and a 1,157 million yen increase in notes and accounts payable-trade. Outflows included 3,097 million yen in income tax payments and 2,186 million yen for an increase in notes and accounts receivable-trade.

Net cash used in investing activities totaled 5,197 million yen, an increase of 1,081 million yen. This included outflows of 3,368 million yen for purchase of noncurrent assets, 1,681 million yen for purchase of investments in subsidiaries resulting in change in scope of consolidation, and 409 million yen for a net increase in time deposits.

Net cash used in financing activities totaled 475 million yen, a decrease of 4,222 million yen. This included inflow of 3,800 million yen proceeds from long-term loans payable and outflows of 4,689 million yen for the repayment of long-term loans payable and 1,159 million yen for purchase of treasury stock.

As a result, cash and cash equivalents totaled 10,487 million yen as of March 31, 2011, up 1,418 million yen from March 31, 2010.

Reference: Cash flow indicators

	Fiscal year ended Mar. 31, 2008	Fiscal year ended Mar. 31, 2009	Fiscal year ended Mar. 31, 2010	Fiscal year ended Mar. 31, 2011
Shareholders' equity ratio (%)	47.0	47.1	50.1	49.2
Shareholders' equity ratio based on market prices (%)	28.8	19.9	40.3	51.3
Cash flow to debt ratio (years)	3.3	4.2	1.9	2.9
Interest coverage ratio	18.2	14.1	36.3	32.4

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, 2011, 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, 2012, 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 the JSP Group's 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 2011 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 the JSP Group may vary significantly because these prices are linked to changes in the cost of crude oil and naphtha. If the Group is unable to increase prices of its products to offset the higher cost of raw materials and fuel, there may be a negative impact on results of the Group's operations or the financial condition.

#### 2) Global events

The JSP Group 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 the Group's products in these regions and have an impact on the Group's business operations.

#### 3) Natural disasters

The JSP Group operates many plants in Japan and other countries. 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 the Group's results of operations.

#### 4) Protection of intellectual property

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

#### 5) Compliance and internal controls

The JSP Group has established an effective internal control framework for compliance and other items. However, the Group 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 the Group will not violate a law or regulation in the future. This could result in additional expenses for compliance programs.

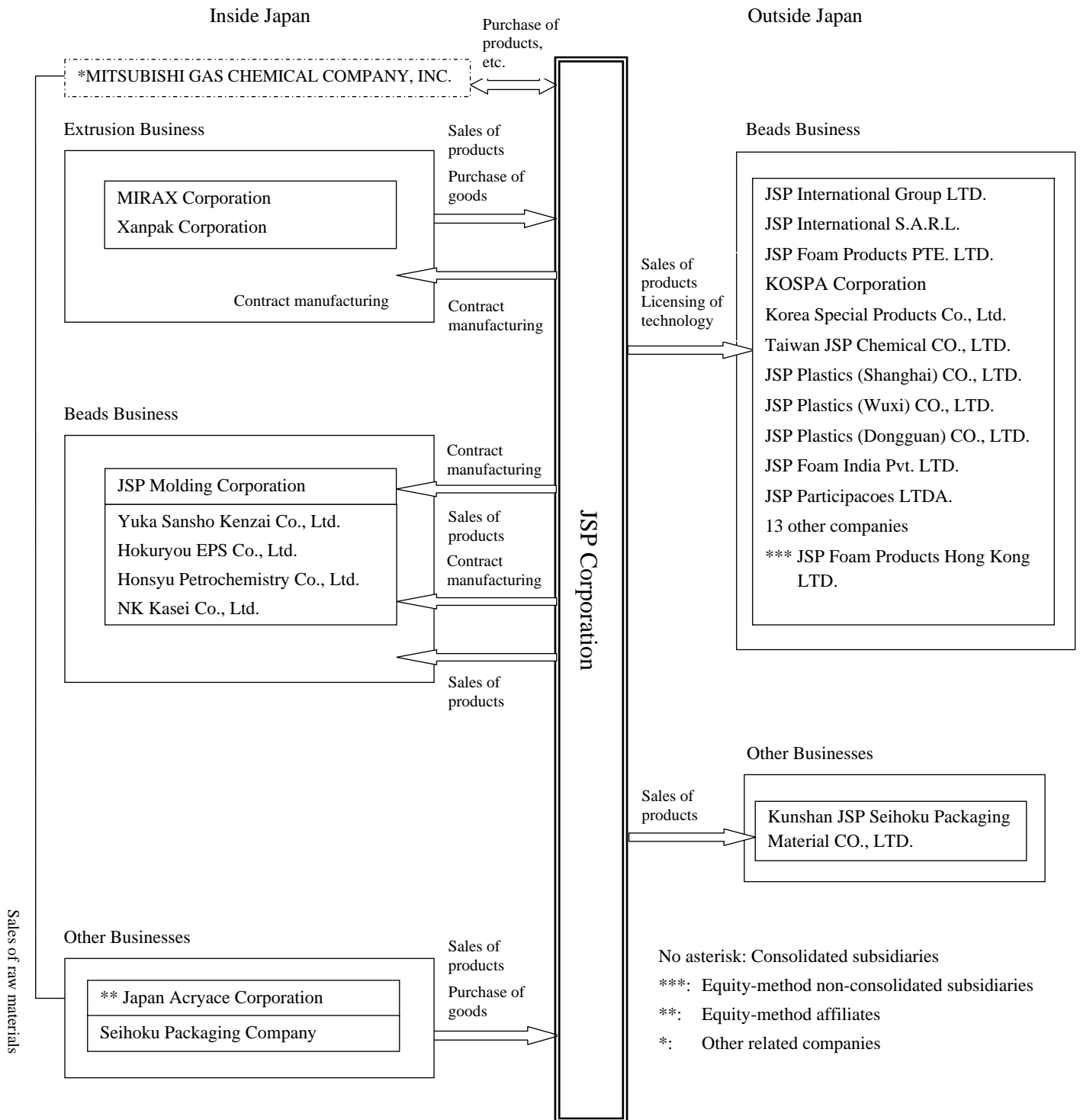
## 2. Corporate Group

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. The Group companies 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™	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 Participacoes LTDA. Sanin Kasei Co., Ltd.
		Contract manufacturing company	JSP Molding Corporation
Other Businesses	Foamcore™ Super Foam™ 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 the JSP Group is to use its core technologies in synthetic resin foaming and secondary processing 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 that can respond accurately to the continuous changes in market needs.

Protecting the global environment is another priority of the Group. We are dedicated to lowering environmental impact, to reducing the volume of waste materials and to recycling these materials.

#### **(2) Key Performance Indicators**

The JSP Group places priority on ROE, ROA and other indicators to evaluate results of operations. To achieve consistent growth with profitability, which is the goal of the medium-term management plan, the fundamental performance indicators are net sales for monitoring growth and the operating income for monitoring profitability.

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

The JSP Group is a globally competitive organization with a commitment to safety and the environment. We are determined to lower our environmental impact in many ways. Examples include protecting the global environment by manufacturing environmentally friendly products and contributing to resource conservation, energy conservation and recycling. We believe that these activities will help us earn the public's trust and become more competitive.

The Group has started the "NEXT JSP" medium-term management plan that will end on March 31, 2012 and this plan has the following goals.

- 1) Pursue a strategy of globalization
- 2) Make operations in Japan more competitive
- 3) Build a new base for growth
- 4) Make environmentally friendly products
- 5) Build an aggressive, growth-oriented organization

Major targets for the plan's final year, which ends on March 31, 2012, are as follows.

- 1) Numerical targets
  - Net sales of 93,000 million yen and operating income of 6,300 million yen
- 2) Qualitative targets
  - a. Operate in an environmentally responsible manner
  - b. Achieve growth and progress without limiting activities to foaming products
  - c. Strengthen R&D activities to create products that meet market needs of the future

#### **(4) Important Issues**

The JSP Group 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.

As an organization that supplies products worldwide, we plan to take the following actions in order to advance to the next step of environmental responsibility. In Japan, we will realign operations to use energy-conserving production equipment with the goal of maximizing our value chain; use our resources in the best possible manner by closing and consolidating business sites to; build a new base for growth; and become an aggressive, growth-oriented organization. Outside Japan, we will establish regional business strategies. Other goals are upgrading marketing capabilities for the entire group and reinforcing R&D activities by tightly focusing resources on carefully selected themes. Through these measures, we plan to make rapid progress in the globalization of our business operations. Fulfilling the goals of the "NEXT JSP" medium-term management plan by taking these actions is the most important issue of the JSP Group.

*\* 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.*