



JSP Corporation
Engineered Plastic Foams

Information Meeting

FY3/12 Performance and FY3/13 Outlook

May 24, 2012

JSP Corporation

Executives at the Presentation

JSP Corporation
Engineered Plastic Foams

Kozo Tsukamoto, President, Representative Director

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Hiroshi Usui, General Manager, Second Business Division

Hitoshi Yamamoto, General Manager, Finance & Accounting Division

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Tadashi Kondo, General Manager, Corporate Planning Division

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FY3/12 Summary of Business Operations

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(Million yen)

Item	FY3/11 Results	FY3/12 Results	YoY Comparison
Net sales	91,971	93,397	102%
Operating income	7,552	5,296	70%
Ordinary income	7,874	5,536	70%
Net income	4,881	3,100	64%

- Sluggish demand and consumption, damage to production facilities and limited electricity supply in Japan due to the Great East Japan Earthquake
- Financial crisis in southern European countries; yen alone appreciated among major currencies
- Higher cost of raw materials and fuel because of instability in the Middle East and northern Africa
- Maintained production activities by using cooperation among group companies
- Earned profits by selling higher-value added products using exclusive technologies and by increasing sales outside Japan

Extrusion Business FY3/12 Performance

JSP Corporation
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(Million yen)

Item	FY3/11 Results	FY3/12 Results	YoY Comparison
Net sales	35,429	34,585	98%
Operating income	3,090	2,557	83%

Volume lower for Styrene Paper™, Mirafoam™ and Miramat™

- Sales of Styrene Paper™ (food trays and packaging) were down due to the effects of the earthquake
- Sales of Miraboard™ (advertising displays and folding boxes) were about the same as one year earlier
- Sales of Miramat™ and P-Board™ (industrial packaging and cushioning materials) were lower due to the earthquake and yen's strength
- Sales of Mirafoam™ (home insulation material) were about the same as one year earlier as the home eco-point incentive program and temporary housing raised demand

Beads Business FY3/12 Performance

JSP Corporation
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(Million yen)

Item	FY3/11 Results	FY3/12 Results	YoY Comparison
Net sales	50,219	52,869	105%
Operating income	4,556	3,212	71%

Higher sales outside Japan offset weakness in Japan.
Demand fell because of earthquake damage.

- P-Block™/ARPRO™ (EPP), an automotive energy absorption material and cushioning material for consumer electronics

Japan: Demand down due to the earthquake, electricity shortage, flooding in Thailand and yen's strength; rapid recovery in demand for automotive parts starting in 2012

Outside Japan: Higher sales because of use of P-Block™/ARPRO™ in new applications

- Sales of Foamcore™, a ceiling material for prefabricated bathroom units, increased because of tighter thermal insulation standards.
- For Styrodia™ (EPS), used for fish boxes and as a cushioning material for consumer electrics and a home insulation material, demand did not recover from the impact of earthquake damage at fishing ports.

Other Businesses FY3/12 Performance

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(Million yen)

Item	FY3/11 Results	FY3/12 Results	YoY Comparison
Net sales	6,322	5,942	94%
Operating income	7	-214	-

Demand was soft because of the earthquake and strong yen

- General packaging materials

Downturn in demand at exporting companies because of the earthquake and the rapid appreciation of the yen

FY3/13 Outlook

JSP Corporation
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(Million yen)

Item	FY3/12 Results	FY3/13 Forecasts	YoY Comparison
Net sales	93,397	97,000	104%
Operating income	5,296	6,000	113%
Ordinary income	5,536	6,100	110%
Net income	3,100	4,000	129%

Higher sales and profits

- Japan

- Full-scale recovery in automobile production

- Outside Japan

- In emerging countries, a slow increase in demand for automotive materials and logistics cushioning materials along with economic growth

Extrusion Business FY3/13 Outlook

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(Million yen)

Item	FY3/12 Results	FY3/13 Forecasts	YoY Comparison
Net sales	34,585	35,000	101%
Operating income	2,557	1,900	74%

Strong performance by Miramat™ but lower earnings for Mirafoam™ due to more intense competition from other materials

- Recovery in sales volume of Styrene Paper™ (food trays and packaging) to the pre-earthquake level
- Sales volume of Miraboard™ (advertising displays and folding boxes) about the same as in FY3/12
- Strong performance by Miramat™ and P-Board™ (industrial packaging and cushioning materials) because of the recovery in manufacturing activity in Japan
- Lower earnings for Mirafoam™ (home insulation material) due to more intense competition from other materials

Beads Business FY3/13 Outlook

JSP Corporation
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(Million yen)

Item	FY3/12 Results	FY3/13 Forecasts	YoY Comparison
Net sales	52,869	56,000	106%
Operating income	3,212	4,500	140%

Expect a slow recovery in the EPS business and solid performance in the EPP business

- P-Block™/ARPRO™ (EPP), an automotive energy absorption material and cushioning material for consumer electronics
Japan: Higher sales volume due to full-scale recovery in automobile production
Outside Japan: In emerging countries, anticipate a slow increase in demand for automotive materials and logistics cushioning materials along with economic growth
- Styrodia™ (EPS), used for fish boxes and as a cushioning material for consumer electrics and a home insulation material
Expect a slow recovery in performance from FY3/12, when the earthquake held down sales and profits
- Forecast about the same as in FY3/12 in sales of a ceiling material for prefabricated bathroom units

Other Businesses FY3/13 Outlook

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(Million yen)

Item	FY3/12 Results	FY3/13 Forecasts	YoY Comparison
Net sales	5,942	6,000	101%
Operating income	-214	70	-

Forecast a recovery in earnings following the effects of the earthquake

- General packaging materials

Expect a recovery in earnings from FY3/12, when the earthquake held down sales and profits

FY3/12 Results of Operations

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Consolidated business performance

(Million yen, percentages in parentheses represent year-on-year changes)

	Net sales	Operating income	Ordinary income	Net income
FY3/12	93,397 (+1.6%)	5,296 (-29.9%)	5,536 (-29.7%)	3,100 (-36.5%)
FY3/11	91,971 (+12.7%)	7,552 (+32.8%)	7,874 (+42.1%)	4,881 (+52.1%)

Comprehensive income: FY3/12: 1,924 million yen (-29.0%)

FY3/11: 2,709 million yen (-38.1%)

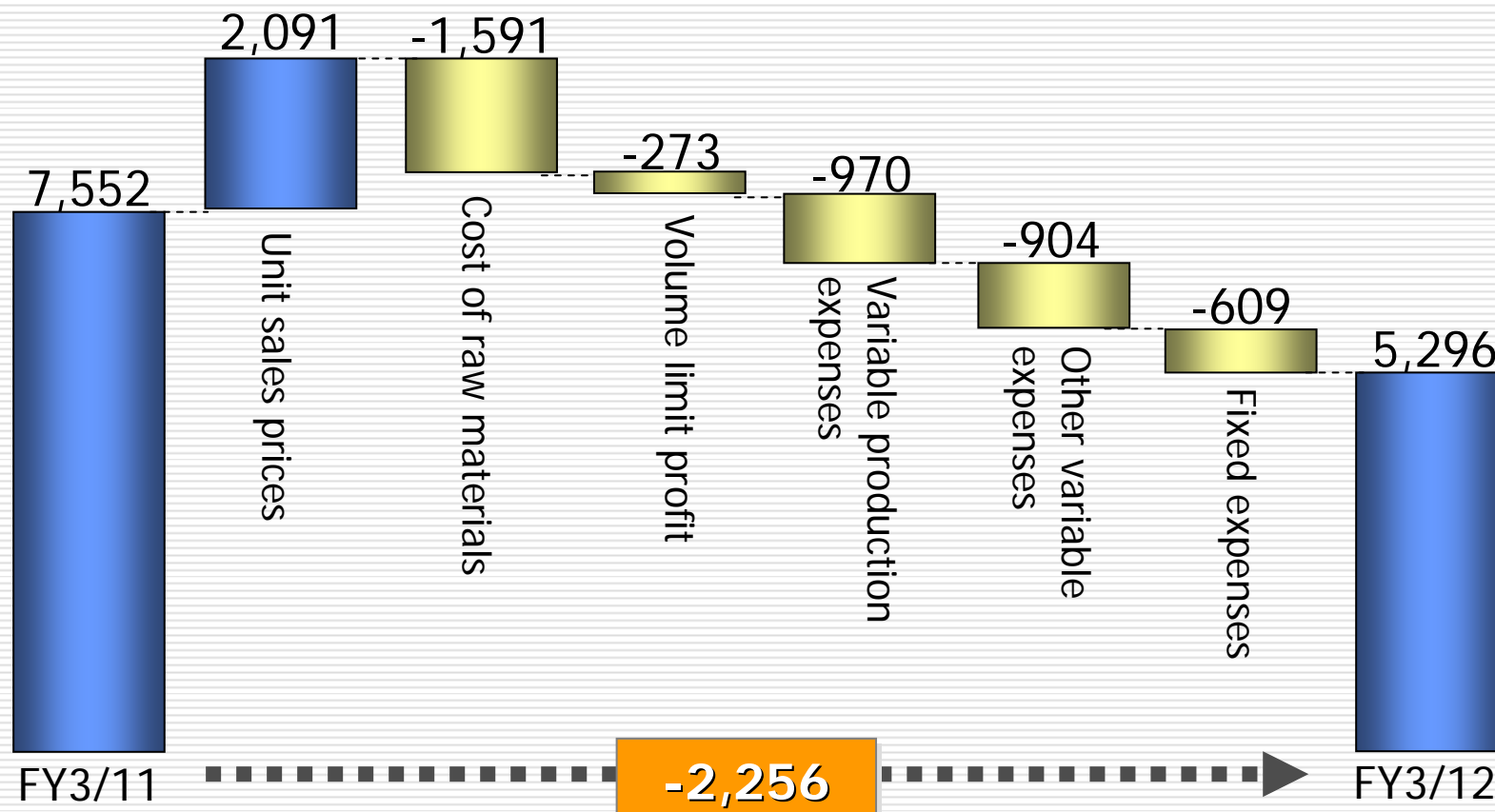
	Net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
FY3/12	103.98 yen	7.0%	6.2%	5.7%
FY3/11	161.25 yen	11.2%	9.0%	8.2%

FY3/12 Results of Operations

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Components of change in operating income

(Million yen)



FY3/12 Results of Operations

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Non-operating income/expenses (Million yen)

Account	FY3/12
Interest income	245
Other	488
Total non-operating income	733
Interest expenses	240
Other	254
Total non-operating expenses	494

Extraordinary income/loss (Million yen)

Account	FY3/12
Gain on negative goodwill	221
Reversal of provision for loss on disaster	84
Other	18
Total extraordinary income	323
Impairment loss	169
Provision for loss on business liquidation	166
Loss on disaster	223
Other	124
Total extraordinary losses	682

FY3/12 Results of Operations

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Consolidated financial position

(Million yen)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
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: As of Mar. 31, 2012: 44,721 million yen As of Mar. 31, 2011: 43,843 million yen

● Shareholders' equity ratio +1.0 points

FY3/12 Results of Operations

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Consolidated balance sheets

(Million yen)

Category	Account	As of Mar. 31, 2011	As of Mar. 31, 2012	Change
Assets	Current assets	51,091	50,073	-1,018
	Noncurrent assets	38,060	38,999	939
	Total assets	89,152	89,072	-80
Liabilities	Current liabilities	31,908	30,068	-1,840
	Noncurrent liabilities	10,761	11,641	880
Net assets	Shareholders' equity	50,638	52,843	2,205
	Total other comprehensive income	-6,794	-8,122	-1,328
	Minority interests	2,638	2,641	3
	Total liabilities and shareholders' equity	89,152	89,072	-80

● Interest-bearing debt: -11.1% (As of Mar. 31, 2012: 20,542 million yen, As of Mar. 31, 2011: 23,115 million yen)

FY3/12 Results of Operations

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Net assets			(Million yen)
Account	As of Mar. 31, 2011	As of Mar. 31, 2012	Change
Capital stock	10,128	10,128	-
Capital surplus	13,405	13,405	-
Retained earnings	28,475	30,681	2,206
Treasury stock	-1,371	-1,371	0
Total shareholders' equity	50,638	52,843	2,205
Valuation difference on available-for-sale securities	11	148	137
Foreign currency translation adjustment	-6,805	-8,270	-1,476
Total other comprehensive income	-6,794	-8,122	-1,328
Minority interests	2,638	2,641	3
Total net assets	46,481	47,362	880

● Foreign currency translation adjustment: -1,476 million yen (because of the stronger yen)

FY3/12 Results of Operations

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Consolidated statements of cash flows

(Million yen)

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents
FY3/12	5,532	-6,138	-3,602	5,976
FY3/11	7,840	-5,197	-475	10,487

Consolidated capital expenditures, depreciation, R&D expenses

(Million yen)

	Capital expenditures	Depreciation	R&D expenses
FY3/12	6,006	4,607	1,853
FY3/11	3,368	4,582	1,737

(Capital expenditures are the figures shown in the statements of cash flows.)

FY3/12 Results of Operations

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Dividends

	Annual dividends per share (Yen)			Payout ratio (consolidated)	Dividend on net assets (consolidated)
	2Q-end	Year-end	Total		
FY3/11	15	15	30	18.6%	2.1%
FY3/12	15	15	30	28.9%	2.0%
FY3/13 (plan)	15	15	30	22.4%	

Forecast for FY3/13

(Million yen, percentages represent year-on-year changes)

	Net sales	Operating income	Ordinary income	Net income
First half	48,000 (+4.4%)	2,900 (+5.0%)	2,900 (+3.5%)	2,000 (+6.6%)
Full year	97,000 (+3.9%)	6,000 (+13.3%)	6,100 (+10.2%)	4,000 (+29.0%)

Net income per share (forecast): First half 67.08 yen Full year 134.16 yen

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Cautionary statement with respect to forecasts

Forecasts are based on all the information currently available, and the actual results may differ due to various factors.

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Investor Relations Group
