



JSP Corporation
Engineered Plastic Foams

Information Meeting

FY3/13 Performance

May 28, 2013

JSP Corporation

Executives at the Presentation

JSP Corporation
Engineered Plastic Foams

Kozo Tsukamoto, President, Representative Director

Koichi Teranishi, General Manager, First Business Division

Hiroshi Usui, General Manager, Second Business Division

Hitoshi Yamamoto, General Manager, Finance & Accounting Division

Yoshinari Saito, General Manager, General & Personnel Affairs Division

Tadashi Kondo, General Manager, Corporate Planning Division

1. FY3/13 Summary of Business Operations
2. FY3/14 Outlook

Summary of Business Operations

FY3/13 Performance

JSP Corporation
Engineered Plastic Foams

(Million yen)

Item	FY3/12 Results	FY3/13 Forecast	FY3/13 Results	YoY Comparison	vs. Forecast
Net sales	93,397	97,000	96,038	103%	99%
Operating income	5,296	6,000	4,575	86%	76%
Ordinary income	5,536	6,100	4,927	90%	81%
Net income	3,100	4,000	3,324	107%	83%

- Sharp volatility in foreign exchange rates
- Higher cost of raw materials and fuel
- Decline in Japan's home appliance market
- Ongoing financial crisis in southern European countries
- Big increase in global automobile sales volume
- Worldwide rapid spread of smartphones and tablets

Extrusion Business

FY3/13 Performance

JSP Corporation
Engineered Plastic Foams

Item	FY3/12 Results	FY3/13 Results	YoY Comparison
Net sales	34,585	35,148	102%
Operating income	2,557	2,386	93%

(Million yen)

Demand for general packaging materials down due to the economic slump; demand up for insulation materials due to earthquake reconstruction activity and sales of highly insulated houses

- Sales of Styrene Paper™ (food trays and packaging) were unchanged from one year earlier thanks to firm demand
- Sales of Miraboard™ (advertising displays and folding boxes) decreased because sales to large electrical retailers were weak
- Sales of Miramat™ (industrial packaging material) decreased thanks to firm demand for products with permanent anti-static properties, although sales of general-use home appliances were weak, because of the fall in manufacturing activities in Japan
- Sales of Caplon™ (industrial packaging material) fell as a result of diminished demand in response to the sluggishness in the home appliances market
- Sales of P-Board™ (industrial returnable containers) declined as a result of diminished demand in response to the sluggishness in the home appliances market
- Sales of Mirafoam™ (home insulation material) increased due to strong demand for highly insulated houses, in addition to demand related to earthquake recovery and reconstruction activities
- Sales of Miraplank™ (cushioning material for trucks) were sluggish as a decline in distribution volume due to the economic slowdown

Beads Business

FY3/13 Performance

JSP Corporation
Engineered Plastic Foams

(Million yen)

Item	FY3/12 Results	FY3/13 Results	YoY Comparison
Net sales	52,869	55,447	105%
Operating income	3,212	2,688	84%

EPP: Recovery in automotive sector and strong demand for smartphone packaging materials; EPS: Higher cost of raw materials brings down earnings

- P-Block™/ARPRO™, an automotive energy absorption material and cushioning material for home appliances
 - Japan: Sales were unchanged from one year earlier as demand for automotive parts was firm in the first half but down in the second half and demand for smartphone packaging materials increased.
 - U.S.: Sales increased as automobile sales volume recovered to the level before the Lehman Shock.
 - Sales of returnable containers for industrial-use parts, impact protection materials for artificial sports surfaces and general-use cushioning materials were firm.
 - Europe: Sales declined due to falling automobile sales volume in reaction to the debt crisis.
 - Asia: Sales increased due to rising demand for smartphone packaging materials and automotive parts.
- For Styrodia™, used for fish boxes and as a cushioning material for home appliances and a home insulation material, overall sales declined due to the delays in post-earthquake recovery and reconstruction, and declining fish catches. Earnings were down due to a sharp increase in the cost of raw materials.

Higher output capacity for P-Block™/ARPRO™ to meet rising demand

Increase output capacity in China (Dongguan)



Expansion of Dongguan factory in China was completed in August 2012

Total production capacity in China:
9,000 tons → 14,000 tons annually

Increase output capacity in Brazil



New Brazil No.2 factory was completed in September 2012

Total production capacity in Brazil:
1,500 tons → 5,000 tons annually

Other Businesses

FY3/13 Performance

JSP Corporation
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(Million yen)

Item	FY3/12 Results	FY3/13 Results	YoY Comparison
Net sales	5,942	5,442	92%
Operating income	-5	1	-

Weakness in Japan's home appliance market and difficulties due to reluctance of Chinese consumers to buy Japanese products

- General packaging materials in Japan
Sales were sluggish again because of Japan's sluggish market for home appliances.
- General packaging materials in China
In the first half, sales were strong for smartphone and tablet packaging materials but second half sales were down due to the reluctance to buy Japanese PCs, digital cameras and other products.

Consolidated Business Performance

FY3/13 Performance

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

	Net sales	Operating income	Ordinary income	Net income
FY3/13	96,038 (2.8%)	4,575 (-13.6%)	4,927 (-11.0%)	3,324 (7.2%)
FY3/12	93,397 (1.6%)	5,296 (-29.9%)	5,536 (-29.7%)	3,100 (-36.5%)

Comprehensive income: FY3/13: 6,808 million yen (+253.8%) FY3/12: 1,924 million yen (-29.0%)

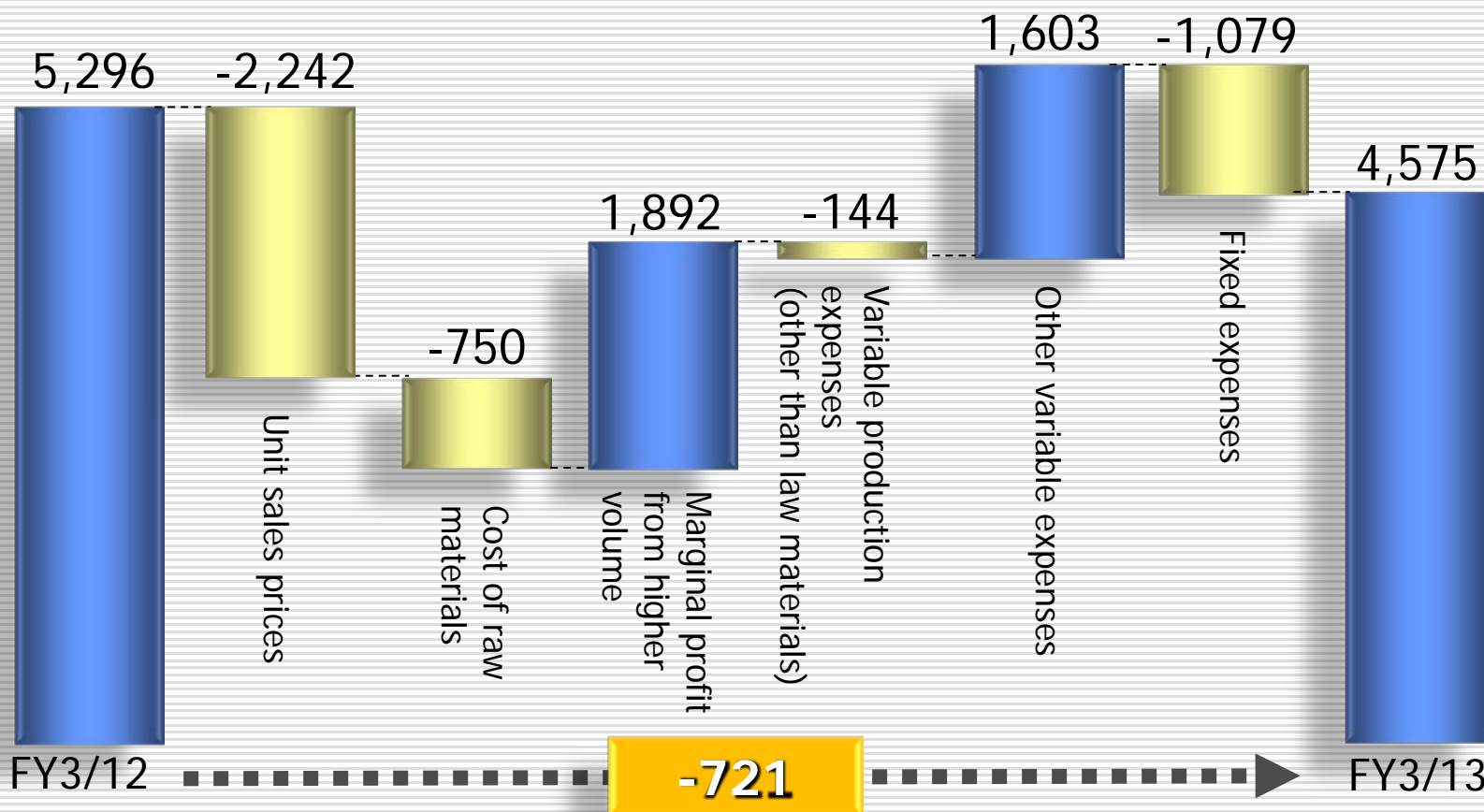
	Net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
FY3/13	111.49 yen	7.0%	5.3%	4.8%
FY3/12	103.98 yen	7.0%	6.2%	5.7%

Components of Change in Operating Income

FY3/13 Performance

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(Million yen)



Non-operating Income/Expenses Extraordinary Income/Loss

FY3/13 Performance

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Non-operating income/expenses

(Million yen)

Account	Amount
Interest income	209
Other	588
Total non-operating income	798
Interest expenses	201
Other	243
Total non-operating expenses	445

Extraordinary income/loss

(Million yen)

Account	Amount
Gain on sales of investment securities	19
Other	25
Total extraordinary income	44
Loss on retirement of noncurrent assets	55
Impairment loss	110
Other	52
Total extraordinary losses	219

Financial Position

FY3/13 Performance

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	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
As of Mar. 31, 2013	95,565	53,431	52.2%	1,671.55
As of Mar. 31, 2012	89,072	47,362	50.2%	1,499.89

Reference: Shareholders' equity: As of Mar. 31, 2013: 49,838 million yen As of Mar. 31, 2012: 44,721 million yen

Balance Sheets

FY3/13 Performance

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(Million yen)

Category	Account	As of Mar. 31, 2012	As of Mar. 31, 2013	Change
Assets	Current assets	50,073	52,883	2,809
	Noncurrent assets	38,999	42,682	3,682
	Total assets	89,072	95,565	6,492
Liabilities	Current liabilities	30,068	31,251	1,183
	Noncurrent liabilities	11,641	10,881	-759
Net assets	Shareholders' equity	52,843	55,272	2,429
	Accumulated other comprehensive income	-8,122	-5,434	2,688
	Minority interests	2,641	3,593	952
	Total liabilities and net assets	89,072	95,565	6,492

Net Assets

FY3/13 Performance

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Account	As of Mar. 31, 2012	As of Mar. 31 2013	(Million yen) Change
Capital stock	10,128	10,128	-
Capital surplus	13,405	13,405	-
Retained earnings	30,681	33,111	2,429
Treasury stock	-1,371	-1,372	-0
Total shareholders' equity	52,843	55,272	2,429
Valuation difference on available-for-sale securities	148	139	-9
Foreign currency translation adjustment	-8,270	-5,573	2,697
Accumulated other comprehensive income	-8,122	-5,434	2,688
Minority interests	2,641	3,593	952
Total net assets	47,362	53,431	6,069

Cash Flows

FY3/13 Performance

Capital expenditures, depreciation, R&D expenses

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Cash flows

(Million yen)

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents
FY3/13	7,522	-5,783	-1,160	7,015
FY3/12	5,532	-6,138	-3,602	5,976

Capital expenditures, depreciation, R&D expenses

(Million yen)

	Capital expenditures	Depreciation	R&D expenses
FY3/13	6,215	4,390	1,933
FY3/12	6,006	4,607	1,853

(Capital expenditures are on a cash basis.)

1. FY3/13 Summary of Business Operations
2. FY3/14 Outlook

Foresee growth in sales and profits with operations recovering in Japan and strong outside Japan

■ Business activities in Japan

The Japanese economy is recovering at a moderate pace

- Growth in public-works investments associated with emergency economic measures
- Progress in earthquake recovery and reconstruction activities
- Rising demand for highly insulated materials along with the upcoming imposition of next-generation thermal insulation standards
- Rush to buy consumer durables and houses prior to the consumption tax hike

■ Business activities outside Japan

Although overseas sales of P-Block™/ARPRO™ vary from region to region, total sales volume is expected to reach a record high.

- Sales of materials used in automobiles will benefit from continuing strength in auto production mainly in North America, China and emerging countries.
- Sales of packaging materials will benefit from continuing strength in production of multi-function electronic devices like smartphones and tablets, mainly in Asia.

Extrusion Business

FY3/14 Outlook

JSP Corporation
Engineered Plastic Foams

(Million yen)

Item	FY3/13 Results	FY3/14 Forecasts	YoY Comparison
Net sales	35,148	37,938	108%
Operating income	2,386	2,394	100%

Focusing on raising sales of the high-performance insulation material Mirafoam™ and Miramat™ for protecting surfaces of LCD panels, etc.

FY3/14 Priorities

Increase output capacity and increase sales of the high-performance insulation material Mirafoam™

Increase sales of the Wall Block civil engineering material by targeting earthquake reconstruction demand

Increase sales of the smartphone and tablet packaging material Miramat™

Increase sales of Styrene Paper™ in the enormous food products market

Extrusion Business -Initiatives

Focus on increasing sales in growing markets

Demand for highly insulated houses and earthquake recovery and reconstruction activities

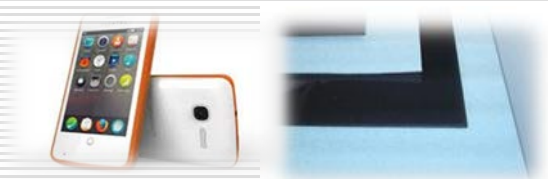
- Revised energy-conservation standard for thermal insulation
- Full-scale emergence of earthquake recovery demand
- Spike in demand prior to the consumption tax hike



Increase output capacity and increase sales of Mirafoam™ Increase sales of Wall Block

Smartphones and tablets

- Creation of technologies for exports
- Creation of technologies for even thinner profiles



Enter more business domains by upgrading and differentiating Miramat™ technology

The enormous food products market (a stable market)

- A stable and enormous market
- Use exclusive technologies to introduce new products
- Strengthen relationships with buyers



Increase output capacity and increase sales of Styrene Paper™

Beads Business

FY3/14 Outlook

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(Million yen)

Item	FY3/13 Results	FY3/14 Forecasts	YoY Comparison
Net sales	55,447	56,938	103%
Operating income	2,688	4,658	173%

Higher P-Block™/ARPRO™ sales and profits worldwide;
improvement in Styrodia™ profitability

FY3/14 Priorities

Build a factory in Kita-kyushu and enlarge the global framework for selling P-Block™/ARPRO™

Increase use of P-Block™/ARPRO™ in automotive parts sector to new applications

Increase P-Block™/ARPRO™ applications outside the automobile industry

Improve Styrodia™ profits by increasing selling prices and cutting costs

Beads Business -Initiatives

FY3/14 Outlook

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Speed up global growth of P-Block™/ARPRO™ production and sales

Output capacity: 100,000 tons annually

Europe
(France)
(Germany)
(Czech Republic)

North America
(America)
(Mexico)

South America
(Brazil)

Asia: Korea, China, Thailand, India, Singapore, Japan, Taiwan

Europe: Representative Office Opened in May 2013

North America: Output capacity 30,000 tons annually
Additional foaming machine Completed in January 2013

South America: Brazil
Output capacity 5,000 tons annually
Additional foaming machine To be completed in June 2013

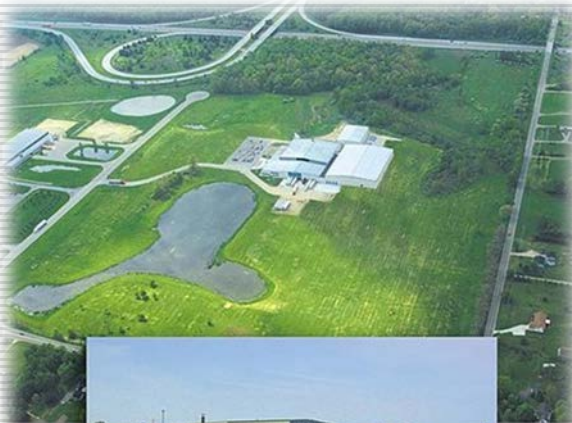
Asia:
Thailand: New! Thailand Representative Office Opened in May 2013
India: New! India Chennai
New factory's output capacity 1,000 tons annually
To be completed in September 2014
Taiwan: Output capacity 4,800 tons annually
To be completed in July 2013
Korea: Output capacity 4,800 tons annually
To be completed in April 2014

Automobile Production Volume

Beads Business -Initiatives

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Increase P-Block™/ARPRO™ applications outside the automotive parts sector



U.S. Jackson molding factory
(Acquired in August 2011)



Photovoltaic insulation
material



Water purification
material



Household ground
base material



Returnable containers for
industrial-use parts

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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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