

SUMMARY OF FINANCIAL STATEMENT (Consolidated)
First Quarter Results for the Fiscal Year Ending March 31, 2014

[Japanese GAAP]

Name of listed company: JSP Corporation

Stock Exchange Listed: Tokyo (1st Section)

URL: <http://www.jsp.com>Code Number: **7942**

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Scheduled date of filing of Quarterly Report: August 9, 2013

Scheduled date of payment of dividend: -

Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results meeting: None

Note: The original disclosure in Japanese was released on July 30, 2013 at 15:00 (GMT +9).

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

1. First Quarter Results (April 1, 2013 to June 30, 2013) for the Fiscal Year Ending March 31, 2014

(1) 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 | % |
| Three months ended Jun. 30, 2013 | 26,068 | 8.8 | 1,052 | (28.7) | 1,254 | (17.4) | 930 | (11.9) |
| Three months ended Jun. 30, 2012 | 23,952 | 6.9 | 1,475 | 8.5 | 1,519 | 15.4 | 1,055 | 45.1 |

Note: Comprehensive income: Three months ended Jun. 30, 2013: 2,970 million yen (up 5.2%)

Three months ended Jun. 30, 2012: 2,822 million yen (up 58.8%)

| | Net income per share | Fully diluted net income per share |
|----------------------------------|----------------------|------------------------------------|
| | Yen | Yen |
| Three months ended Jun. 30, 2013 | 31.21 | - |
| Three months ended Jun. 30, 2012 | 35.42 | - |

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|---------------------|--------------|-------------|----------------------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of Jun. 30, 2013 | 98,661 | 56,015 | 52.9 | 1,748.97 |
| As of Mar. 31, 2013 | 95,565 | 53,431 | 52.2 | 1,671.55 |

Reference: Shareholders' equity: As of Jun. 30, 2013: 52,145 million yen As of Mar. 31, 2013: 49,838 million yen

2. Dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------|--------|----------|-------|
| | 1Q-end | 2Q-end | 3Q-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended Mar. 31, 2013 | - | 15.00 | - | 15.00 | 30.00 |
| Fiscal year ending Mar. 31, 2014 | - | | | | |
| Fiscal year ending Mar. 31, 2014 (forecasts) | | 15.00 | - | 15.00 | 30.00 |

Note: Revisions to the most recently announced dividend forecast: None

3. Forecast for Consolidated Business Performance in the Fiscal Year Ending March 31, 2014

(April 1, 2013 to March 31, 2014)

(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 | 50,000 | 3.8 | 3,000 | 6.1 | 3,100 | 5.4 | 2,100 | 3.9 | 70.43 |
| Full year | 101,000 | 5.2 | 6,500 | 42.1 | 6,700 | 36.0 | 4,300 | 29.4 | 144.22 |

Note: Revisions to the most recently announced consolidated forecast: None

*** Notes**

(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) Application of special accounting methods in the preparation of quarterly consolidated financial statements: Yes

Note: Please refer to "Matters Related to Summary Information (Notes)" on page 2 of the attached documents for further information.

(3) 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

(4) Number of shares outstanding (common stock)

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

| | | | |
|----------------------|-------------------|----------------------|-------------------|
| As of Jun. 30, 2013: | 31,413,473 shares | As of Mar. 31, 2013: | 31,413,473 shares |
|----------------------|-------------------|----------------------|-------------------|

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

| | | | |
|----------------------|------------------|----------------------|------------------|
| As of Jun. 30, 2013: | 1,598,260 shares | As of Mar. 31, 2013: | 1,597,875 shares |
|----------------------|------------------|----------------------|------------------|

3) Average number of shares outstanding during the period

| | | | |
|-----------------------------------|-------------------|-----------------------------------|-------------------|
| Three months ended Jun. 30, 2013: | 29,815,395 shares | Three months ended Jun. 30, 2012: | 29,816,199 shares |
|-----------------------------------|-------------------|-----------------------------------|-------------------|

* Information regarding the implementation of quarterly review procedures

The current quarterly financial summary is exempted from quarterly review procedures based on the Financial Instruments and Exchange Act. At the time of disclosure, the review procedures for these quarterly consolidated 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 "Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 2 of the attached documents for assumptions for forecasts and notes of caution for usage.

1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

In the first quarter of the current fiscal year, the Japanese economy recovered at a moderate pace. Consumer spending was solid and corporate capital expenditures rebounded along with a decline in the yen's value and a stock market rally. In the global economy, there were positive signs regarding jobs and the housing market in the United States. However, fiscal austerity and lackluster economies persisted in Europe and the economic outlook in China remained somewhat unclear.

In Japan's foamed plastic industry, the rising cost of raw materials and fuel caused by the weaker yen and higher cost of crude oil continued to exert upward pressure on prices of foamed plastic products.

In this operating environment, we made substantial investments in growing market sectors in order to sustain growth and earn profits in the coming years. We also concentrated on selling high value-added products that incorporate exclusive technologies.

As a result, net sales in the first quarter of the current fiscal year were 26,068 million yen (up by 8.8% year-on-year). Operating income decreased 28.7% to 1,052 million yen, ordinary income decreased 17.4% to 1,254 million yen and net income decreased 11.9% to 930 million yen.

In the first quarter under review, JSP acquired additional shares of its equity-method affiliate Japan Acryace Corporation, and made this company a consolidated subsidiary.

Results by business segment were as follows.

Extrusion Business

Sales of Miramat™ (expanded polyethylene sheet used as an industrial packaging material) and Caplon™ (foamed polyethylene cushioning material) decreased due to sluggish industrial activity in Japan. Sales of P-Board™ (expanded polypropylene sheet), which is used mainly for transportation containers for automotive parts and home appliances increased because of progress with creating new applications for this material. Sales of Miraplank™ (extruded board made of expanded polyethylene) which is mainly used as a cushioning material for cargo transported by trucks remained unchanged from one year earlier. Sales of Styrene Paper™ (expanded polystyrene sheet used in food packaging) increased thanks to firm demand. Sales of Miraboard™ (expanded polystyrene sheet used in advertising displays and folding boxes) decreased due in part to the sluggish sales at large electrical retailers. Sales of Mirafoam™ (extruded board made of expanded polystyrene that is used as a home insulation material and is a key material for construction and civil engineering materials) increased due in part to an increase in housing starts in Japan. Japan Acryace Corporation became as a consolidated subsidiary from the first quarter under review.

As a result, extrusion segment sales increased 7.6% to 9,054 million yen and operating income decreased 29.9% to 431 million yen.

Bead Business

P-Block™/ARPRO™ (expanded polypropylene) is used in automotive parts, for instance, as a bumper core material, 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, sales for automotive applications decreased. The negative effect on demand from the end of the eco-car subsidy and a decline in automobile exports to China weakened, but sales were impacted by the transfer of automobile production from Japan to other countries. Sales of cushioning materials for home appliances declined due to the effect of the transfer of production to other countries by manufacturers of digital home appliances. In North America and Brazil, sales increased because of continued favorable performance by the automobile market. In Europe, sales were unchanged from one year earlier as a decline in local-currency sales was offset by the weaker yen. In Asia, sales increased primarily for beads used as a material for automotive components and as a cushioning material for home appliances because of a continuation of strong growth in sales of automobiles and home appliances. Sales of Styrodia™ (expandable polystyrene beads) increased. The downturn in demand in the fisheries and agriculture sectors ended and sales were higher in the construction and civil engineering sectors. Sales associated with home appliances and other sectors were brought down primarily by the overseas shift of production by Japanese home appliance manufacturers and shrinking demand inside Japan. A revision in prices of our products to reflect the higher cost of raw materials since the autumn of 2012 also contributed to the increase in sales. Sales of Foamcore™ (a hybrid molded product used as a ceiling material for prefabricated bathroom units) increased along with strong demand of new models.

As a result, bead segment sales increased 11.9% to 15,738 million yen and operating income decreased 19.7% to 772 million yen.

Other

Sales of general packaging materials remained unchanged from one year earlier in Japan in response to the sluggishness in the home appliances market. In China, sales decreased as lower sales for digital home appliances packaging materials.

As a result, sales in other segment decreased 13.0% to 1,275 million yen and there was an operating loss of 18 million yen (compared with operating income of 16 million yen in the same period one year earlier).

(2) Explanation of Financial Position

Total assets as of June 30, 2013 were 98,661 million yen, up 3,096 million yen from March 31, 2013. Current assets increased 1,743 million yen, while noncurrent assets increased 1,353 million yen.

Total liabilities were 42,646 million yen, up 512 million yen. Current liabilities increased 1,203 million yen, while noncurrent liabilities decreased 691 million yen.

As a result, net assets totaled 56,015 million yen, and the shareholders' equity ratio was 52.9%.

A summary of cash flows and major components are as follows.

Net cash provided by operating activities totaled 1,752 million yen, an increase of 179 million yen from the same period one year earlier. Inflows included 1,252 million yen from income before income taxes and 1,108 million yen from depreciation and amortization. Outflows included an increase of 897 million yen in notes and accounts receivable-trade.

Net cash used in investing activities totaled 1,362 million yen, an increase of 514 million yen. This included outflows of 1,570 million yen for the purchase of noncurrent assets.

Net cash used in financing activities totaled 1,163 million yen, an increase of 564 million yen. This included inflows of 523 million yen from a net increase in short-term loans payable, and outflows of 1,093 million yen for the repayment of long-term loans payable and for the cash dividends paid of 447 million yen.

As a result, cash and cash equivalents totaled 6,531 million yen as of June 30, 2013, down 484 million yen from March 31, 2013.

(3) Explanation of Consolidated Forecast and Other Forward-looking Statements

We maintain the previously announced consolidated earnings forecasts for the first-half and full-year of the fiscal year ending March 31, 2014, as we presented at the beginning of this report.

This earnings forecast is based on information available at the present time; actual results may vary from these figures due to a variety of factors.

2. Matters Related to Summary Information (Notes)

(1) Changes in Principal Subsidiaries during the Period

No reportable information.

(2) Application of Special Accounting Methods in the Preparation of Quarterly Consolidated Financial Statements

Calculation of tax expense

The tax expense was calculated mainly by first estimating the effective tax rate after the application of tax effect accounting with respect to income before income taxes for the current fiscal year, and multiplying that rate by the quarterly income before income taxes.

(3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements

No reportable information.

** 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.*