



First Half Results for the Fiscal Year Ending March 31, 2025 (FY3/25)

A Global Company for A Global Society

November 15, 2024
JSP Corporation



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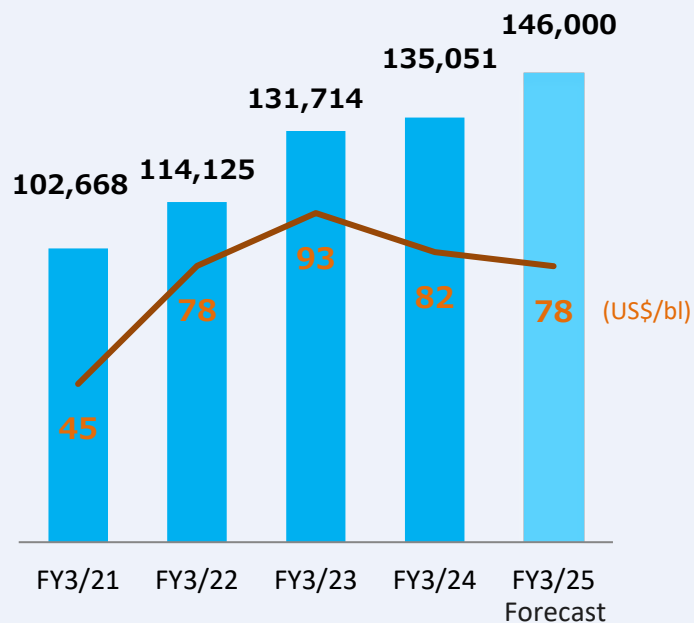
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Net Sales

(Million yen)

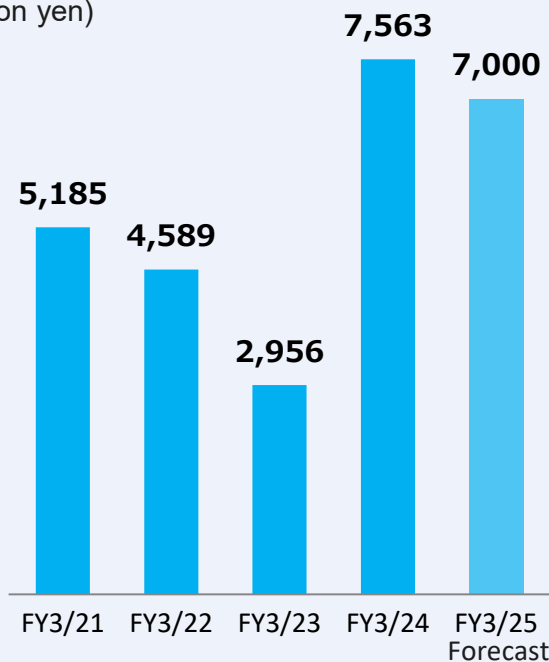


Sales are expected to increase from one year earlier due to improved unit sales price by product price revisions.

Dubai crude oil

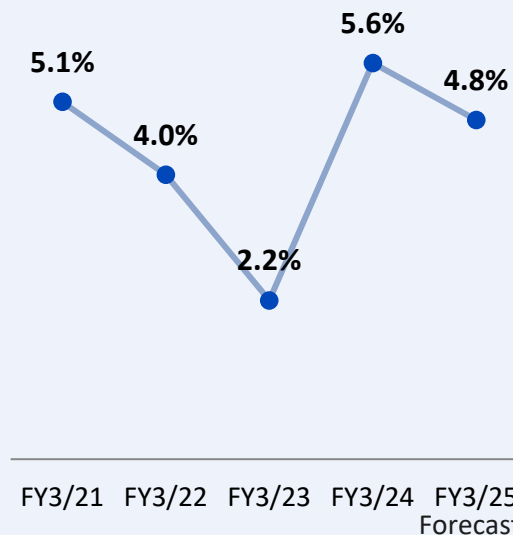
Operating Profit

(Million yen)



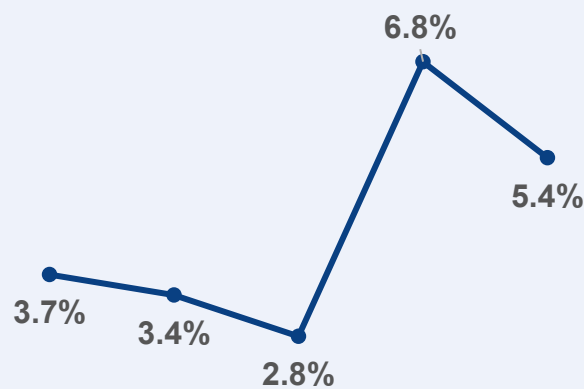
Continuous efforts shall be made to reduce costs and revise product prices in response to rising fixed costs, including costs for labor and production equipment maintenance.

Operating Margin



Product price revisions are expected to struggle to keep up with the rise in fixed costs, including costs for labor and production equipment maintenance.

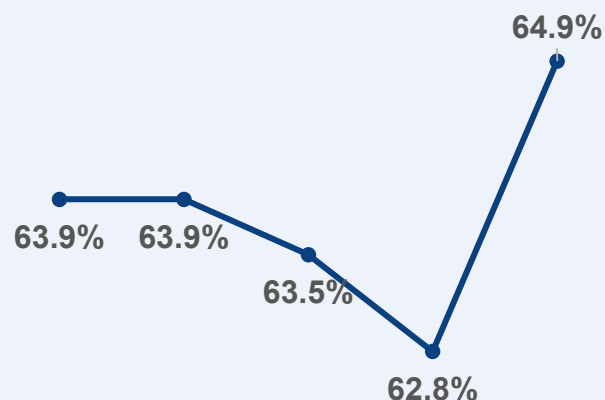
Return on Equity (ROE)



FY3/21 FY3/22 FY3/23 FY3/24 FY3/25 Forecast

ROE is expected to be 5.4% as forecast at the beginning of FY3/25. It is expected to fall below one year earlier when extraordinary income was recorded.

Shareholders' Equity Ratio

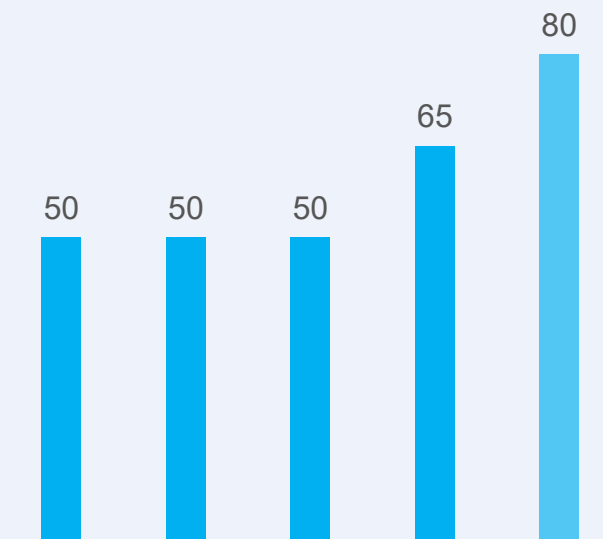


FY3/21 FY3/22 FY3/23 FY3/24 FY3/25 Forecast

Shareholders' equity ratio is expected to rise due to an increase in retained earnings and other factors, though interest-bearing debt is expected to remain the same level as one year earlier.

Dividend per Share

(Yen)



FY3/21 FY3/22 FY3/23 FY3/24 FY3/25 Forecast

The basic shareholder return policy is changed in FY3/25 to return more earnings to shareholders. Annual dividend forecast of 80 yen per share as forecast at the beginning of FY3/25.

Summary of Business Operations (1H FY3/25 Results)



(Million yen)	1H FY3/24 Results	1H FY3/25 Forecast (Announced Apr. 30)	1H FY3/25 Results	YoY Comparison		vs. Forecast	
Net sales	66,432	72,000	71,388	+	7.5%	-	0.9%
Operating profit	3,247	3,300	3,204	-	1.3%	-	2.9%
Ordinary profit	3,617	3,500	3,544	-	2.0%	+	1.3%
Profit attributable to owners of parent	2,795	2,600	2,576	-	7.8%	-	0.9%
Dividend per share	25 yen (Interim)	40 yen (Interim)	40 yen (Interim)	+	15 yen	-	-

	1H FY3/24	1H FY3/25
Dubai crude oil (US\$/BI)	82	82
JPY/USD	136.5	154.1
JPY/EUR	147.9	166.1

- Overseas: The global economy remained uncertain due to the prolonged war in Ukraine, growing tensions regarding the escalation of conflict in the Middle East, the impact of monetary policies in Europe and the United States, and the influence of the Chinese economy.
- Japan: There was a modest upturn of the economy backed primarily by an improvement in the employment and income environment and advances in the normalization of social and economic activities, although there were concerns regarding inflation, fluctuations in financial and capital markets and risk of downturn in overseas economies.
- Net sales: Sales increased 7.5 % YoY mainly due to product price revisions.
- Operating profit: Operating profit decreased 1.3% YoY due to lower sales volume of value-added products.

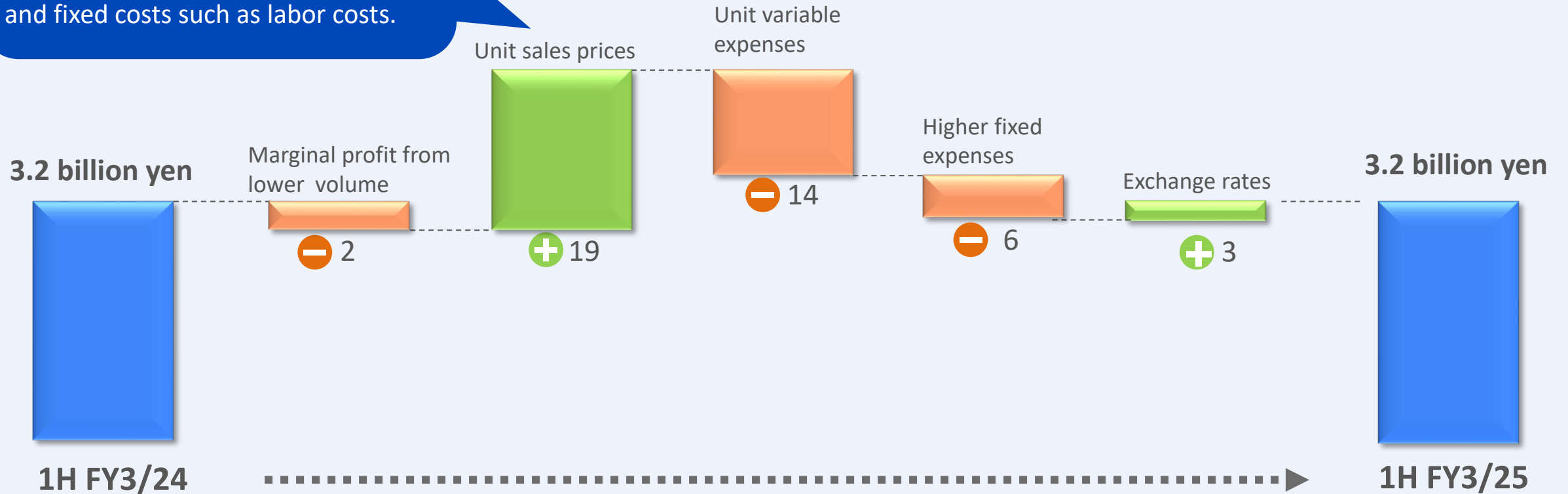


Components of Change in Operating Profit (1H Comparison)



Operating income remained at the same level YoY due to product price revisions in response to increases in variable costs such as raw materials and fixed costs such as labor costs.

(Billion yen)



Summary of Business Operations (FY3/25 Outlook)



(Million yen)	FY3/24 Results	FY3/25 Initial Forecast (Announced Apr. 30)	FY3/25 Outlook	YoY Comparison	vs. Forecast
Net sales	135,051	146,000	146,000	+ 8.1%	-
Operating profit	7,563	7,000	7,000	- 7.5%	-
Ordinary profit	8,127	7,400	7,400	- 9.0%	-
Profit attributable to owners of parent	6,391	5,300	5,300	- 17.1%	-
Dividend per share	65 yen (Annual)	80 yen (Annual)*	80 yen (Annual)*	+ 15 yen*	-

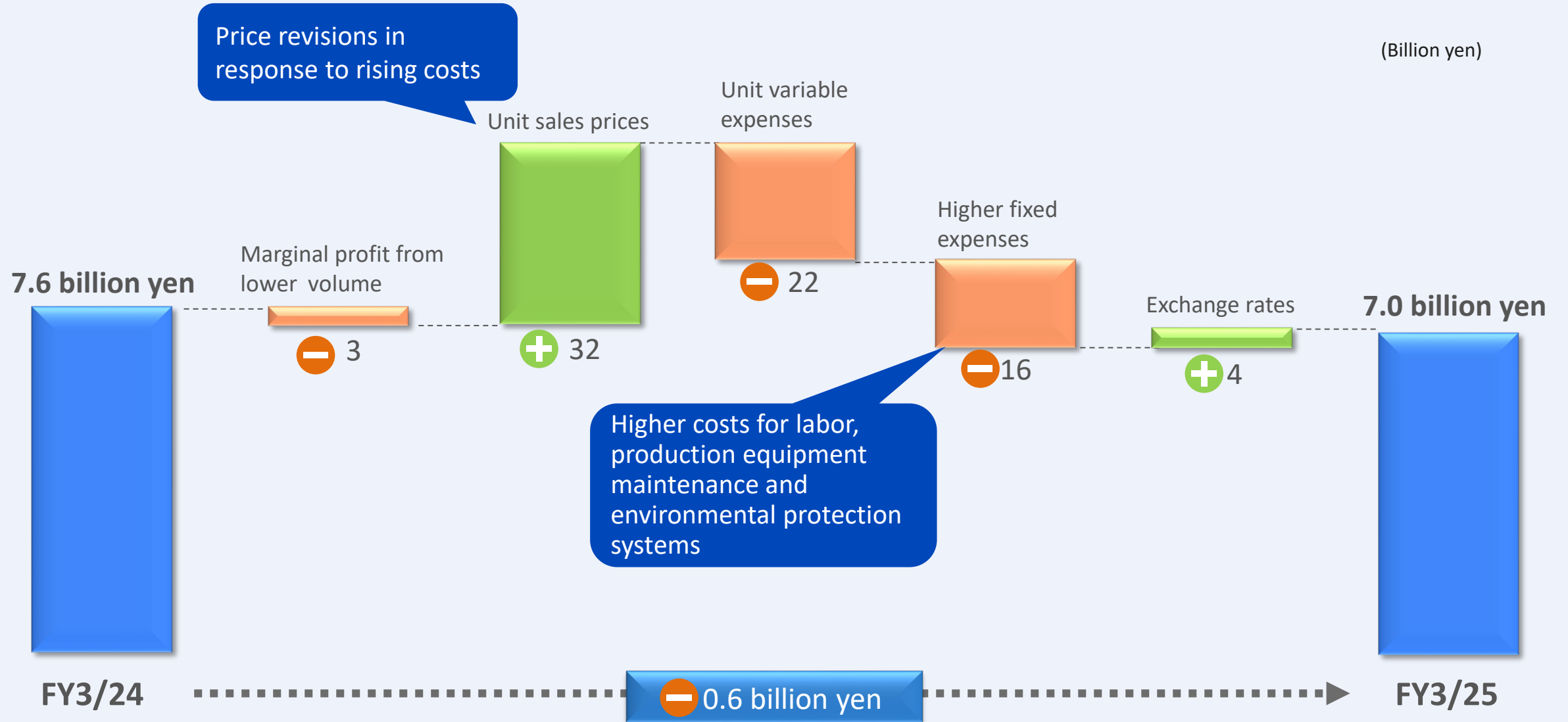
* Forecast

	FY3/24 Results	1H FY3/25 Results	2H FY3/25 Forecast	FY3/25 Outlook
Dubai crude oil (US\$/bbl)	82	82	74	78
JPY/USD	141.2	154.1	146	150
JPY/EUR	153.2	166.1	162	164

- Global economy outlook for 2H FY3/25: The outlook remains uncertain from 1H FY3/25. Forecast no change in the cost of energy from the current level.
- Net sales: Sales are expected to increase by 8.1% YoY mainly due to product price revisions.
- Operating profit: Operating profit is expected to decrease by 7.5% YoY due to the rise in for labor and production equipment maintenance, etc., though continuous efforts shall be made to reduce costs and revise product prices.
- Dividend: Annual dividend per share (forecast): 80 yen (Interim dividend 40 yen, estimated year-end dividend 40 yen)



Components of Change in Operating Profit (Full Year YoY Comparison)



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Extrusion Business (1H FY3/25 Results)

(Million yen)	1H FY3/24 Results	1H FY3/25 Results	YoY Comparison
Net sales	23,694	23,934	+ 1.0%
Operating profit	1,040	805	- 22.4%

- Sales increased from one year earlier mainly due to product price revisions. although sales volume remained at the same level.
- Operating profit decreased due to a decline in sales volume of value-added products.

*Beginning in FY3/25, the Other category of segment information is combined with the Extrusion Business due to the similar characteristics of personnel and resources used in this category and in the Extrusion Business.

Food packaging materials and food containers



STYRENPAPER



MIRABOARD

- Sales increased due to higher sales volume in the food tray category, while sales volume for MIRABOARD remained at the same level.

Industrial packaging materials



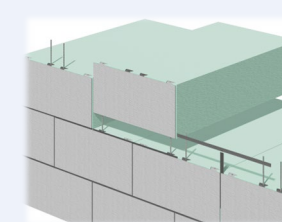
**MIRAMAT
CAPLON
P-BOARD**

- Sales decreased due to lower sales volume of value-added products and general-purpose products.

Home insulation materials and civil engineering materials



MIRAFOAM



J-WALLBLOCK

- Sales decreased due to lower sales volume of materials for civil engineering, although sales volume of materials in the building and home construction sectors increased.

Extrusion Business (FY3/25 Outlook)

(Million yen)	FY3/24 Results	FY3/25			YoY Comparison
		1H Results	2H Forecast	Outlook	
Net sales	47,756	23,934	26,066	50,000	+ 4.7%
Operating profit	2,161	805	1,095	1,900	- 12.0%

Higher sales are expected due to product price revisions. Operating profit is expected to decrease due to lower sales volume of value-added products.

Food packaging materials and food containers



STYRENPAPER



MIRABOARD

- Sales volume of food packaging materials and food containers are expected to remain steady.

Industrial packaging materials



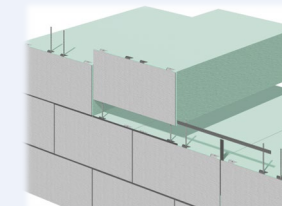
**MIRAMAT
CAPLON
P-BOARD**

- Sales volume of industrial packaging materials are expected to decrease due to lower demand in the automotive sectors.

Home insulation materials and civil engineering materials



MIRAFOAM



J-WALLBLOCK

- Expect demand to remain strong for thermal insulation materials for buildings and homes and for refrigerated trucks. Forecast lower demand for civil engineering materials.

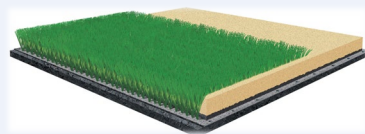
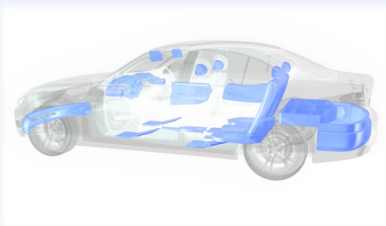
*Beginning in FY3/25, the Other category of segment information is combined with the Extrusion Business due to the similar characteristics of personnel and resources used in this category and in the Extrusion Business. Information for FY3/24 has been restated based on this combination of Other and the Extrusion Business.

Bead Business (1H FY3/25 Results)

(Million yen)	1H FY3/24 Results	1H FY3/25 Results	YoY Comparison
Net sales	42,738	47,454	+ 11.0%
Operating profit	2,779	2,960	+ 6.5%

- Sales increased from one year earlier mainly due to product price revisions, though sales volumes remained at the same level.
- Operating profit increased due to higher sales and cost reductions, despite the impact of the higher cost of labor.

A cushioning material for automotive parts and home appliances, and sports shoes



**ARPRO
ELEMPOR NEO
FOAMCORE**

- Sales volume remained at the same level from one year earlier as lower demand in the automotive sectors offset strong demand in the non-automotive sectors.
- Sales increased mainly due to product price revisions.

Expandable polystyrene



**STYRODIA
HEATPOR
CLEARPOR**

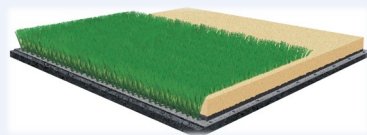
- Sales decreased due to lower sales volume resulting from lower demand for these products in the fisheries and agriculture sectors.

Bead Business (FY3/25 Outlook)

(Million yen)	FY3/24 Results	FY3/25			YoY Comparison
		1H Results	2H Forecast	Outlook	
Net sales	87,294	47,454	48,546	96,000	+ 10.0%
Operating profit	6,542	2,960	3,240	6,200	- 5.2%

Higher sales are expected due to product price revisions. Operating profit is expected to decrease due to lower demand in Europe.

A cushioning material for automotive parts and home appliances, and sports shoes



**ARPRO
ELEMPOR NEO
FOAMCORE**

- Sales volume of ARPRO are expected to remain steady.
- In Europe, sales volume are expected to decrease due to the lower demand in the HVAC applications.
- In China and in Taiwan, sales volume in the packaging materials sector are expected to increase.

Expandable polystyrene



**STYRODIA
HEATPOR
CLEARPOR**

- For expandable polystyrene bead products, we expect lower sales volume because of weak demand in the fisheries and agriculture sectors.

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Expansion to more countries of overseas operations, a driver of growth of the JSP Group

Planning on 22 ARPRO manufacturing locations worldwide

Pune Plant
(Maharashtra, India)



Ramos Arizpe Plant
(Coahuila, Mexico)



ARPRO existing plants

JSP's first plant in India

Market and reason for the plant

- Sales of automotive parts are expected to grow in India along with the size of the automobile market. Demand is expected to grow in market sectors other than automobiles too.
- Until now, the products have been supplied from Singapore to India, but the operation of the plant in India will enable a shift to local production.

Completion and start of operation

- Scheduled in January 2025

JSP's second plant in Mexico

Market and reason for the plant

- Many automakers have plants in northern Mexico due partly to high wages in the U.S. and risk factors involving China.
- Operating a plant near major customers will better enable JSP to provide a reliable supply of products. The new plant, which is now under construction in the state of Coahuila in northern Mexico, will be JSP's second manufacturing base in Mexico after the Toluca Plant.

Completion and start of operation

- Scheduled for 1Q of 2025

ARPRO for automotive parts are increasingly being adopted on a global scale.

Japan

Manufacturer: Nissan
Model: PATROL/ARMADA
INFINITI QX80
Application: Toolbox, front and rear bumper

Release date: September 2024

(66,000 cars expected to be sold per year)



USA

Manufacturer: VOLVO
Model: EX90
Application: Rear seat, bumper, luggage spacer

Release date: June 2024

(60,000 cars expected to be sold per year)



Mexico

Manufacturer: Stellantis
Model: JEEP CHEROKEE
Application: Rear seat

Release date: November 2024

(Expected to sell 150,000 cars expected to be sold per year)



China

Manufacture: Xpeng
Model: MONA M03
Application: Side skirt

Release date: September 2024

(Over 50,000 cars reserved to be sold, and 600,000 cars expected to be sold per year)



* **Country** indicates the country of production.

ARPRO is used in a wide range of HVAC*¹ applications in Europe, as structural components of heat pumps, hot water heaters, hot water tanks, and heat exchange ventilation systems.

ARPRO

- Improves heat efficiency due to **thermal insulation** properties.
- Allows integrated molding with other materials such as steel frames, reduces the number of parts and simplifies assembly process by taking advantage of the properties of **durability and toughness**.
- Makes maintenance work easier by **light weight** properties.
- **Attention to design** allows for use in external parts.

ARPRO sales are expected to increase in the future as the European Commission's REPowerEU to reduce dependence on Russian fossil fuels includes a plan to double the installation rate of heat pumps by 2030*².

* 1 HVAC: Heating, ventilation, and air conditioning systems

* 2 Source: https://ec.europa.eu/commission/presscorner/detail/en/ip_22_3131



Heat exchange ventilation system



Heat pump



Hot water heater



Hot water tank

Environmentally responsible product

MIRAMAT ACE-Bio

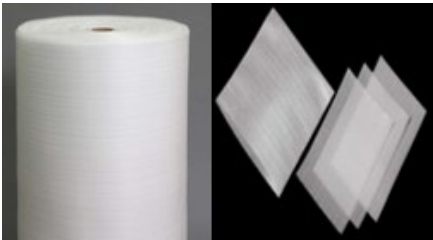
Released in January 2024

Main application: packaging materials

A product with biomass material has been added to the MIRAMAT series.

Features

- Contains at least 25% biomass polyethylene, reducing the use of petroleum resources.
- Reduces the usage of resin by approx. 30%.
- Physical properties are equivalent to those of conventional MIRAMAT.
- Reduces CO₂ emissions by more than 50%* compared to conventional MIRAMAT.



*The calculations were made using IDEA Ver. 3.3. The calculation range is limited to our manufacturing process and does not include the period after shipment from our company.

Environmentally responsible product

L-BLOCK ACE RE

Released in October 2024

Main application: packaging materials

A recycled product that contains more than 30% of L-BLOCK used in the market.

Features

- Comprehensive solution proposals from product sales to collection are possible.
- long-lasting anti-static performance.
- Sufficient anti-static performance even with repeated use or in low humidity conditions.
- The quality and physical properties are equivalent to those of the conventional L-BLOCK -E Grey.



Aiming to expand sales fields

Conductive MIRAMAT

Released in July 2024

Main application: packaging materials

A product with conductive properties has been added to the MIRAMAT series.

Features

- Achieved a surface specific resistance of $10^6 \Omega$ or less by adding carbon black to the raw materials.
- Conductive properties that dissipate static electricity instantly.
- Our unique technology prevents color transfer and staining to items being packaged by reducing the amount of carbon dust.



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(Million yen)	1H FY3/24	1H FY3/25
Net sales	66,432	71,388
Operating profit	3,247	3,204
Ordinary profit	3,617	3,544
Profit attributable to owners of parent	2,795	2,576
Comprehensive income	7,748	8,652

	1H FY3/24	1H FY3/25
Net income per share	93.80 yen	98.33 yen
Operating profit to net sales	4.9%	4.5%

Major yen exchange rates

	1H FY3/24	1H FY3/25
JPY/USD	136.5	154.1
JPY/EUR	147.9	166.1

Non-operating Income/Expenses & Extraordinary Income/Loss



(Million yen)

Non-operating Income/Expenses	1H FY3/24	1H FY3/25
Interest income	198	298
Foreign exchange gains	-	13
Share of profit of entities accounted for using equity method	19	5
Gain on valuation of derivatives	112	-
Other	174	202
Total non-operating income	504	520
Interest expenses	86	100
Foreign exchange losses	24	-
Loss on valuation of derivatives	-	52
Other	23	27
Total non-operating expenses	134	180

Extraordinary Income/Loss	1H FY3/24	1H FY3/25
Gain on sales of non-current assets	11	52
Gain on recovery of money transfer scam at subsidiary	-	8
Total extraordinary income	11	61
Loss on sales of non-current assets	7	7
Loss on retirement of non-current assets	21	55
Total extraordinary losses	28	63

(Million yen)	FY3/24	1H FY3/25	Change
Total assets	151,605	157,466	+5,860
Net assets	100,069	107,672	+7,602
Net interest-bearing debt	5,307	7,526	+2,219
Shareholders' equity	95,281	102,522	+7,241
Net D/E ratio	0.05	0.07	
Shareholders' equity ratio	62.8%	65.1%	+2.3 points
Net assets per share	3,635.60 yen	3,911.94 yen	

Major yen exchange rates

	As of Dec. 31, 2023	As of Jun. 30, 2024
JPY/USD	141.8	161.0
JPY/EUR	157.0	172.3

Balance Sheet



(Million yen)		As of Mar. 31, 2024	As of Sep. 30, 2024	Change
Assets	Current assets	78,155	79,708	+1,553
	Non-current assets	73,449	77,757	+4,307
Total assets		151,605	157,466	+5,860
Liabilities	Current liabilities	35,765	33,379	△2,386
	Non-current liabilities	15,770	16,414	+643
	Total liabilities	51,536	49,793	△1,742
Net assets	Shareholders' equity	85,688	87,216	+1,528
	Accumulated other comprehensive income	9,593	15,306	+5,713
	Non-controlling interests	4,788	5,149	+361
	Total net assets	100,069	107,672	+7,602
Total liabilities and net assets		151,605	157,466	+5,860



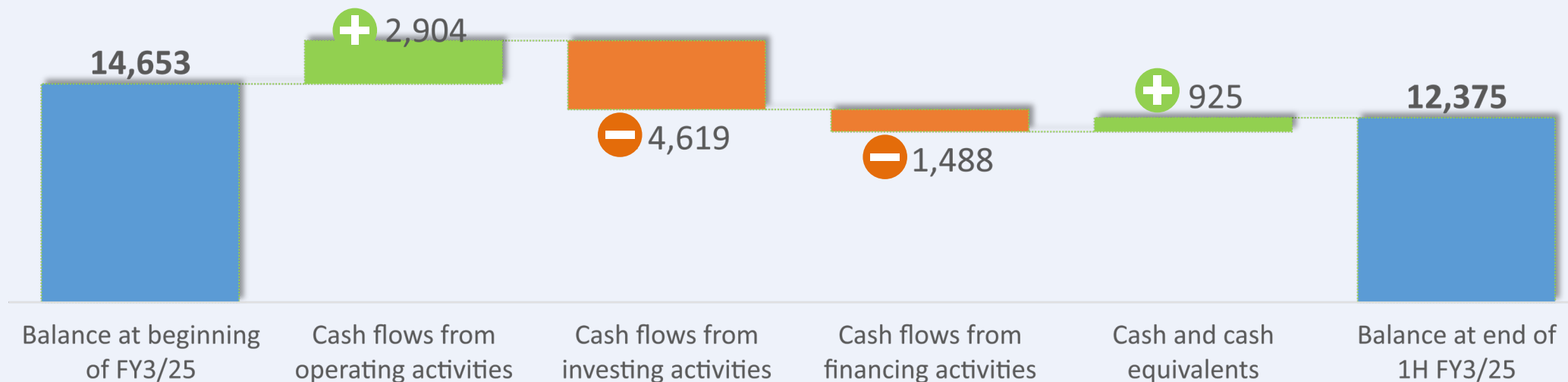
(Million yen)		As of Mar. 31, 2024	As of Sep. 30, 2024	Change
Shareholders' equity	Capital stock	10,128	10,128	-
	Capital surplus	13,405	13,405	-
	Retained earnings	69,523	71,051	+1,528
	Treasury shares	△7,369	△7,369	-
	Total	85,688	87,216	+1,528
Accumulated other comprehensive income	Valuation difference on available-for-sale securities	608	803	+195
	Foreign currency translation adjustment	8,029	13,606	+5,576
	Remeasurements of defined benefit plans	954	896	△58
	Total	9,593	15,306	+5,713
Non-controlling interests		4,788	5,149	+361
Total net assets		100,069	107,672	5,860

Cash Flows, Capital Expenditures, Depreciation, R&D Expenses



Cash Flows

(Million yen)



Capital Expenditures, Depreciation, R&D Expenses

	1H FY3/24	1H FY3/25
Capital expenditures	3,261	4,011
Depreciation	3,642	3,902
R&D expenses	1,148	1,270

Note: Capital expenditures are on a cash basis.

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 JSP. Actual results may differ significantly from these forecasts for a number of factors.

Deliver with
WOW!

As a global supplier of high-quality materials and products, we are dedicated to being a company that plays a vital role in society by being a source of innovations for customers and consumers, meeting the expectations of shareholders and the public, and providing jobs and careers that are stimulating and satisfying for everyone at the JSP Group.

