



# Results of Operations for the Fiscal Year Ended March 31, 2024 (FY3/24)

## A Global Company for A Global Society

**May 17, 2024**  
**JSP Corporation**



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Section **01** FY3/24 Summary of Business Operations

Section **02** FY3/25 Outlook

Section **03** FY3/24 Supplementary Financial Information

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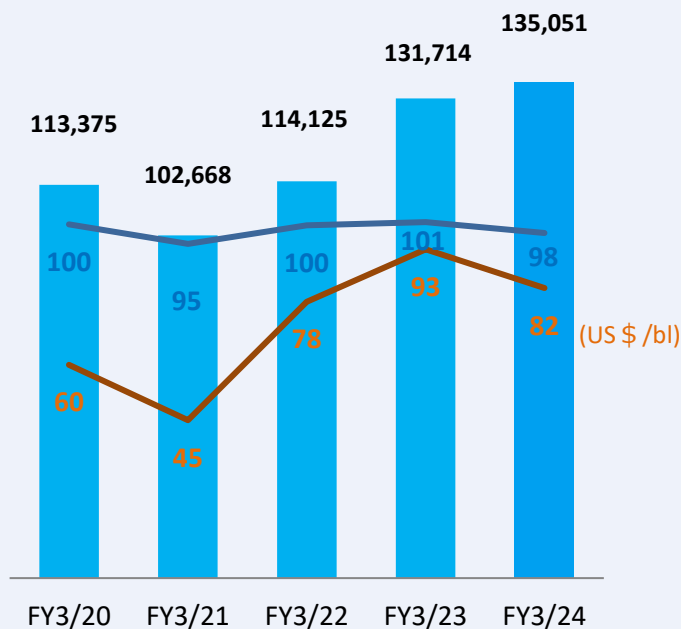
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## Net Sales / Sales Volume

(Million yen)



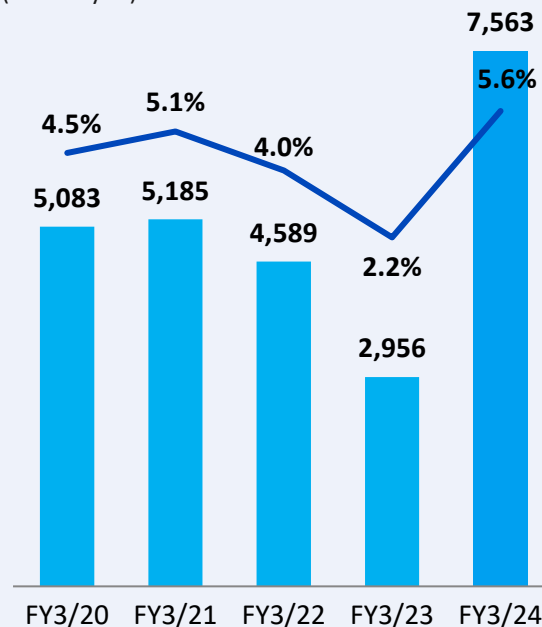
Sales increased from one year earlier mainly due to higher overseas sales volume and product price revisions.

Sales Volume FY3/20=100

Dubai crude oil

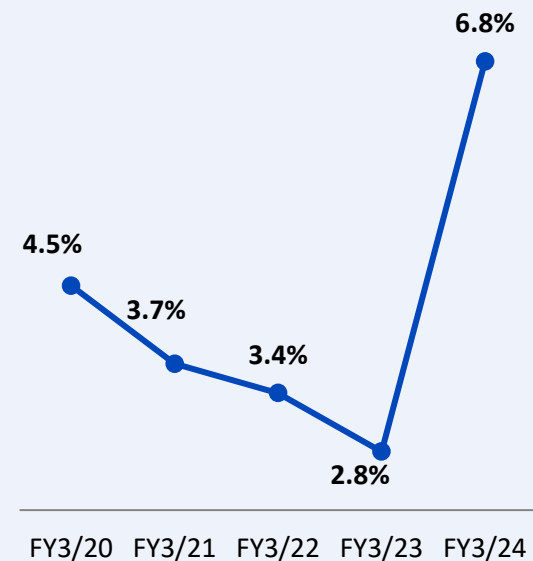
## Operating Profit / Operating Margin

(Million yen)



Operating profit increased 55.9% YoY due to higher unit sales prices and cost cutting.

## Return on Equity (ROE)



Profit levels recovered significantly and ROE exceeded the cost of equity.

# Summary of Business Operations



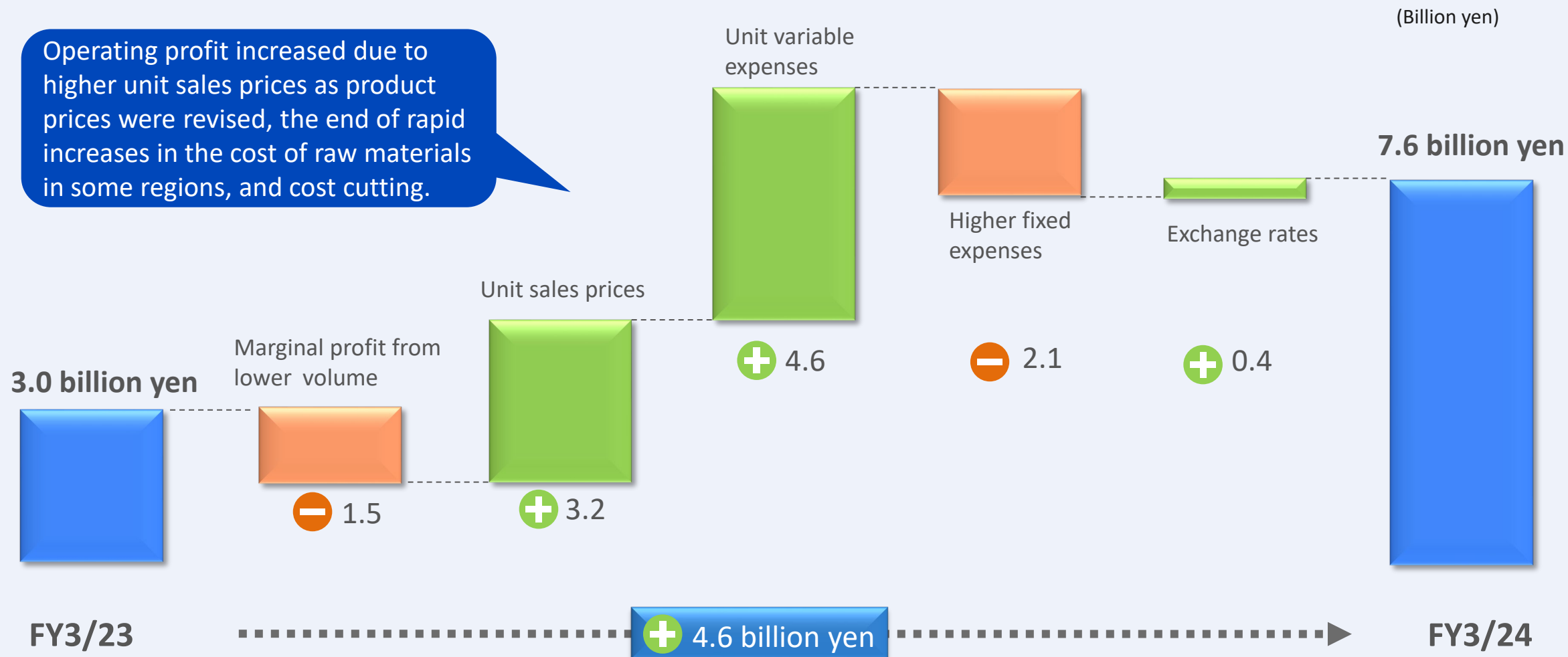
(Million yen)	FY3/23 Results	FY3/24 Forecast (Announced Jan. 31)	FY3/24 Results	YoY Comparison	vs. Forecast
Net sales	131,714	136,000	135,051	+ 2.5%	- 0.7%
Operating profit	2,956	7,500	7,563	+ 155.9%	+ 0.9%
Ordinary profit	3,363	8,000	8,127	+ 141.7%	+ 1.6%
Profit attributable to owners of parent	2,531	6,100	6,391	+ 152.5%	+ 4.8%
Dividend per share	50 yen (Annual)	50 yen (Annual)	65 yen (Annual)*	+ 15 yen*	+ 15 yen*

\*Forecast

	FY3/23 Results	FY3/24 Results
Dubai crude oil (US\$/bl)	93	82
JPY/USD	132.1	141.2
JPY/EUR	138.5	153.2

- Overseas: Increasing downward pressure on the economy due to the prolonged Ukraine conflict, Middle East turmoil, monetary tightening to slow price increases and reduce inflation, slowing growth in China, and other factors.
- Japan: A slow economic recovery as personal consumption and other economic activity rebounded by the relaxation of pandemic restrictions following the shift of the disease to category 5 under the Infectious Disease Control Law. The outlook is still uncertain due to inflation, the negative effect of soft overseas demand on production and exports, financial and capital market volatility, and other reasons.
- Net sales: Sales increased 2.5% YoY mainly due to higher overseas sales volume and product price revisions.
- Operating profit: Operating profit increased 155.9% YoY due to higher sales and cost cutting.

# Components of Change in Operating Profit



# Balance Sheet



(Million yen)		As of Mar. 31, 2023	As of Mar. 31, 2024	Change
Assets	Current assets	73,822	78,155	+4,333
	Non-current assets	70,706	73,449	+2,743
Total assets		144,528	151,605	+7,077
Liabilities	Current liabilities	36,443	35,765	(678)
	Non-current liabilities	11,961	15,770	+3,809
	Total liabilities	48,404	51,536	+3,131
Net assets	Shareholders' equity	86,766	85,688	(1,078)
	Accumulated other comprehensive income	4,944	9,593	+4,648
	Non-controlling interests	4,412	4,788	+376
	Total net assets	96,123	100,069	+3,945
Total liabilities and net assets		144,528	151,605	+7,077

# Net Assets



(Million yen)		As of Mar. 31, 2023	As of Mar. 31, 2024	Change
Shareholders' equity	Capital stock	10,128	10,128	-
	Capital surplus	13,405	13,405	-
	Retained earnings	64,621	69,523	+4,901
	Treasury shares	(1,388)	(7,369)	(5,980)
	Total	86,766	85,688	(1,078)
Accumulated other comprehensive income	Valuation difference on available-for-sale securities	408	608	+199
	Foreign currency translation adjustment	3,864	8,029	+4,165
	Remeasurements of defined benefit plans	672	954	+282
	Total	4,944	9,593	+4,648
Non-controlling interests		4,412	4,788	+376
Total net assets		96,123	100,069	+3,945

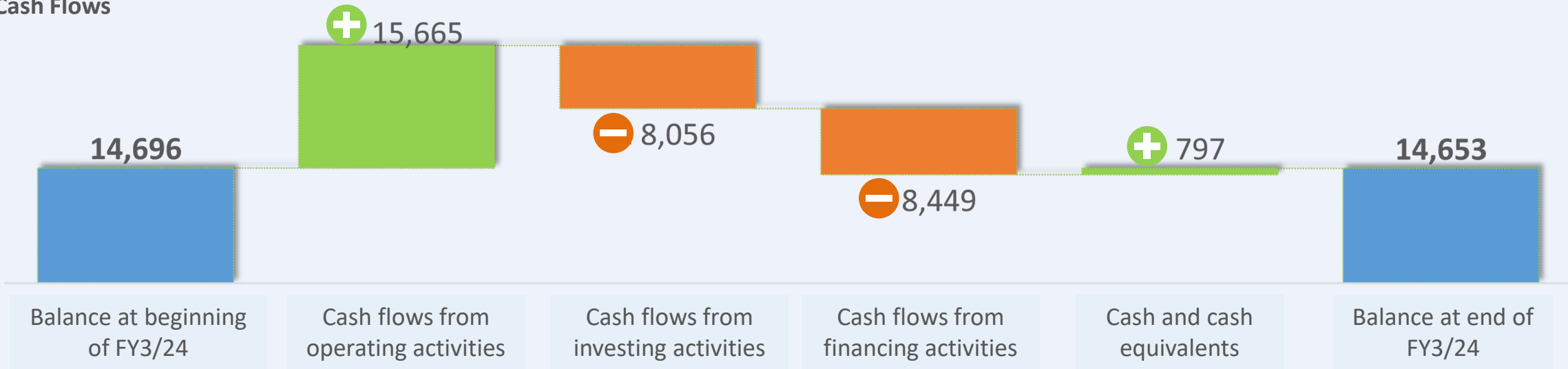


# Cash Flows, Capital Expenditures, Depreciation, R&D Expenses



## Cash Flows

(Million yen)



## Capital Expenditures, Depreciation, R&D Expenses

	FY3/23	FY3/24
Capital expenditures	8,200	6,749
Depreciation	7,137	7,632
R&D expenses	2,277	2,361

Note: Capital expenditures are on a cash basis.

(Million yen)	FY3/23 Results	FY3/24 Results	YoY Comparison
Net sales	42,443	41,956	<div>—</div> 1.1%
Operating profit	1,767	2,078	<div>+</div> 17.6%

- Sales decreased as a decline in the sales volume more than offset the benefit of revisions of product prices.
- Despite the negative effect of higher utility expenses, operating profit increased because of the growth of sales volume of value-added products and cost cutting measures.

<u>Food packaging materials and food containers</u>	<u>Industrial packaging materials</u>	<u>Home and building insulation materials and civil engineering materials</u>
 <p><b>STYRENEPAPER</b></p>  <p><b>MIRABOARD</b></p>	 <p><b>MIRAMAT CAPLON P-BOARD</b></p>	 <p><b>MIRAFOAM</b></p>  <p><b>J-WALLBLOCK</b></p>

- Sales decreased due to lower sales volume in the food tray category and MIRABORD, materials used for advertising displays.

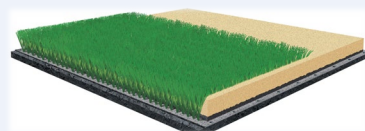
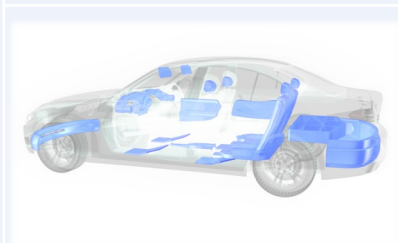
- Sales volume of value-added products recovered but were still down from the previous fiscal year. General-purpose product sales also decreased, resulting in lower total sales of packaging materials.

- Sales volume of materials in the building and home construction sectors were unchanged from one year earlier, and sales increased due to product price revisions and higher sales volume of value-added products while there was lower sales volume of materials for civil engineering.

(Million yen)	FY3/23 Results	FY3/24 Results	YoY Comparison
Net sales	82,761	87,294	+ 5.5%
Operating profit	2,038	6,542	+ 221.0%

- Sales increased because of higher sales volume of high-performance products and price revisions.
- Operating profit increased as sales growth and cost cutting more than offset upturns in utility and personnel expenses.

## A cushioning material for automotive parts and home appliances, and an impact protection material for athletic fields



**ARPRO  
ELEMPOR NEO  
FOAMCORE**

- In Japan, sales increased in the automotive sector but sales of FOAMCORE, a hybrid molded product, decreased. The result was no change in the sales volume.
- In Europe and the United States, there were strong sales of products in the non-automotive sector, mainly returnable containers, cushioning materials for athletic fields and materials for HVAC applications.

## 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.

(Million yen)	FY3/23 Results	FY3/24 Results	YoY Comparison
Net sales	6,508	5,800	<div> <div></div> <div>10.9%</div> </div>
Operating profit	166	82	<div> <div></div> <div>50.6%</div> </div>

### General packaging materials in Japan



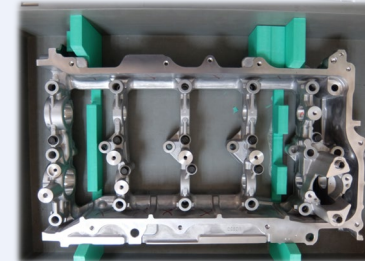
Trays for auto parts



Cushioning materials for digital home appliances

- Sales decreased due to lower demand in the automotive parts transportation and other market sectors.

### General packaging materials in China



Material for transporting auto parts



Cushioning materials for optical parts

- Sales decreased due to lower demand for packaging materials for many types of components.

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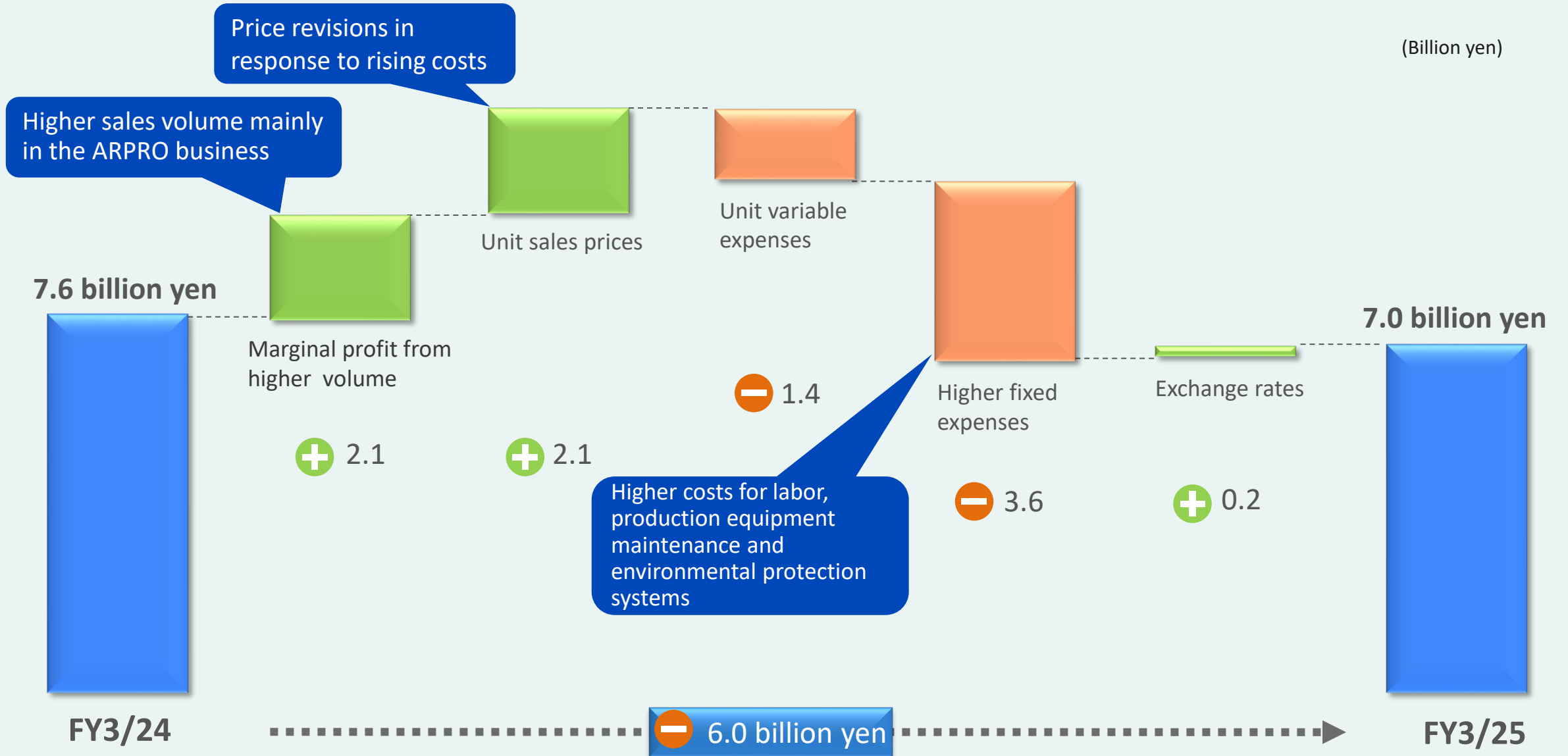
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(Million yen)	FY3/24 Results	FY3/25 Forecasts	YoY Comparison
Net sales	135,051	146,000	+ 8.1%
Operating profit	7,563	7,000	- 7.5%
Ordinary profit	8,127	7,400	- 9.0%
Profit attributable to owners of parent	6,391	5,300	- 17.1%
Return on equity (ROE)	6.8%	5.4%	- 1.4 pts.
Dividend per share (Forecast)	65 yen (Annual)	80 yen (Annual)	+ 15 yen
Dubai crude oil (US\$/bl)	82	90	
Forex (JPY/USD)	141.2	150	

- The outlook for the global economy in FY3/25 is for a growth rate that is about the same as in the previous fiscal year.
- Aiming for higher earnings by cutting costs and revising product prices to reflect higher variable expenses as well as the increase in fixed expenses (labor, production equipment maintenance, environmental protection systems, etc.). Activities involving sustainability management issues are another priority.
- Planning on higher sales volumes of the Four Drivers of Growth, including ARPRO business, and higher unit sales prices because of price revisions and a higher pct. of sales of environmentally responsible and other value-added products. However, forecast lower earnings caused primarily by an increase in fixed expenses.
- The policy for distributions to shareholders will be changed in FY3/25 to return more earnings to shareholders.

# Components of Change in Operating Profit

(Billion yen)





(Million yen)	FY3/24 Results	FY3/25 Forecasts	YoY Comparison
Net sales	47,756	52,000	+ 8.9%
Operating profit	2,160	1,900	- 12.0%

- Sales volume of Extrusion Business are likely to be strong.
- Forecast sales growth as a result of a higher sales volume and price revisions to reflect the higher cost of raw materials.
- Forecast lower earnings caused by the higher cost of raw materials and an increase in labor and other fixed expenses.

## Food packaging materials and food containers



**STYRENPAPER**



**MIRABOARD**

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

\*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.

## Industrial packaging materials



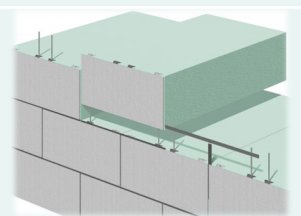
**MIRAMAT  
CAPLON  
P-BOARD**

- Sales volume of industrial packaging materials are expected to be strong.

## Home insulation materials and civil engineering materials



**MIRAFOAM**



**J-WALLBLOCK**

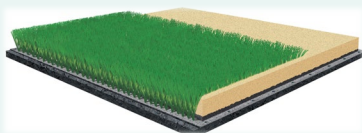
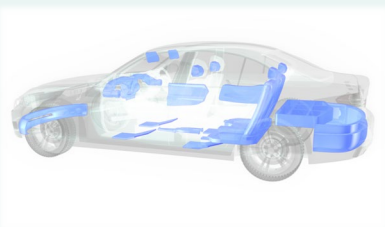
- Expect demand to remain firm for thermal insulation materials for buildings and homes and for refrigerated trucks. Forecast higher demand for civil engineering materials.



(Million yen)	FY3/24 Results	FY3/25 Forecasts	YoY Comparison
Net sales	87,294	94,000	+ 7.7%
Operating profit	6,542	6,300	- 3.7%

- Forecast a sales increase because of higher sales volume of high-performance products and price revisions to reflect the higher cost of raw materials.
- Forecast lower earnings because of the higher cost of raw materials and increases in labor and other fixed expenses.

## A cushioning material for automotive parts and home appliances, and an impact protection material for athletic fields



**ARPRO  
ELEMPOR NEO  
FOAMCORE**

- Forecast higher sales of materials used in automotive parts and expect strong sales volume of non-automotive parts
- To increase the production of ARPRO, JSP plans to build plants in Mexico (Ramos Arizpe) and India (Pune) and increase production capacity at the plant in the Czech Republic (Cheb).

## 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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# Results of Operation



(Million yen)	FY3/23	FY3/24
Net sales	131,714	135,051
Operating profit	2,956	7,563
Ordinary profit	3,363	8,127
Profit attributable to owners of parent	2,531	6,391
Comprehensive income	7,565	11,602

	FY3/23	FY3/24
Net income per share	84.91 yen	221.83 yen
Operating profit to net sales	2.2%	5.6%

## Major yen exchange rates (January-December)

	FY3/23	FY3/24
JPY/USD	132.1	141.2
JPY/EUR	138.5	153.2
JPY/RMB	19.5	19.9

# Non-operating Income/Expenses & Extraordinary Income/Loss



(Million yen)

Non-operating Income/Expenses	FY3/23	FY3/24	Extraordinary Income/Loss	FY3/23	FY3/24
Interest income	312	493	Gain on sales of non- current assets	20	30
Dividend income	31	37	Gain on sales of investment securities	95	-
Rental income	79	73	Insurance claim income	151	743
Foreign exchange gains	73	-	Collection of money transfer scam at subsidiary	215	111
Other	352	322	Total extraordinary income	482	885
Total non-operating income	847	925	Loss on sales of non-current assets	1	11
Interest expenses	139	165	Loss on retirement of non-current assets	207	120
Foreign exchange losses	-	62	Impairment loss	115	83
Loss on valuation of derivatives	124	-	Total extraordinary losses	324	216
Other	177	134			
Total non-operating expenses	440	361			

(Million yen)	As of Mar. 31, 2023	As of Mar. 31, 2024
Total assets	144,528	151,605
Net assets	96,123	100,069
Shareholders' equity ratio	63.5%	62.8%
Net assets per share	3,635.60 yen	3,076.73 yen

	As of Mar. 31, 2023	As of Mar. 31, 2024
Shareholders' equity	91,711	95,281
Return on equity (ROE)	2.8%	6.8%

## Major yen exchange rates

	As of Dec. 31, 2022	As of Dec. 31, 2023
JPY/USD	132.7	141.8
JPY/EUR	141.5	157.0
JPY/RMB	19.0	20.0

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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.

