

The logo for JSP Corporation, featuring the letters "JSP" in a bold, blue, sans-serif font. Below the letters is a stylized blue graphic consisting of two horizontal lines that curve upwards at the ends, resembling a bridge or a stylized wave.

**JSP**

Results of Operations for the Fiscal Year  
Ended March 31, 2018 (FY3/18)

# Information Meeting

---

JSP Corporation

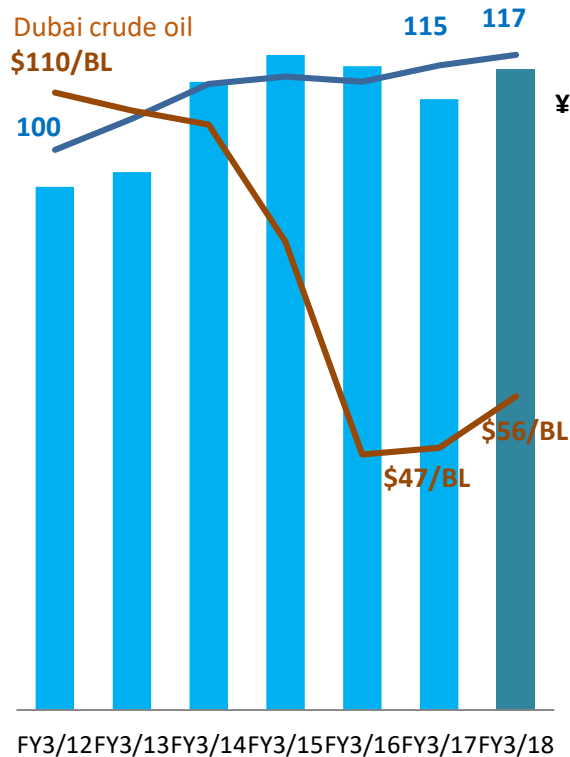
1. FY3/18 Summary of Business Operations
2. FY3/19 Outlook
3. FY3/18 Supplementary Financial Information
4. Increase Output Capacity and New Products

# 2 Financial Highlights

JSP Corporation  
Engineered Plastic Foams

## Growth

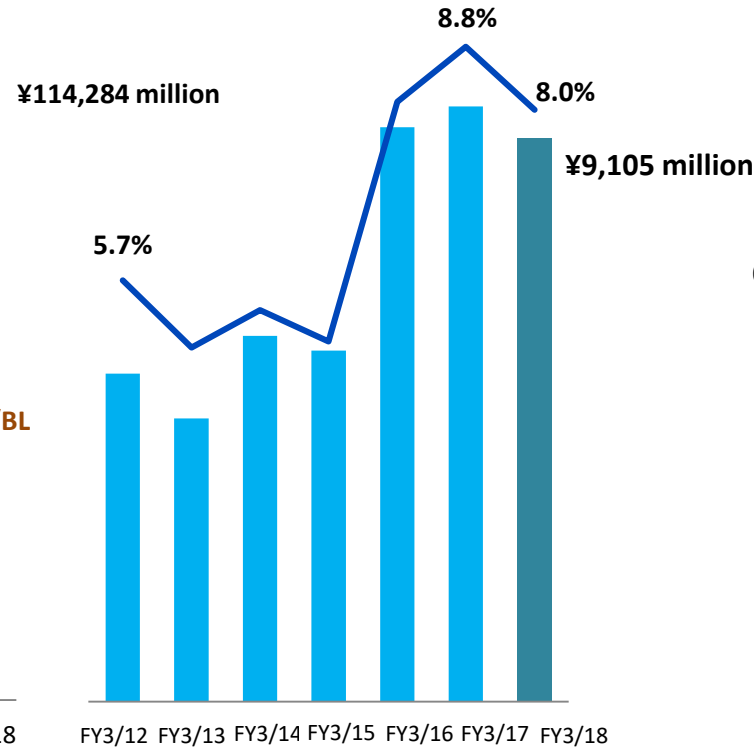
Net Sales / Sales Volume



Sales Volume FY3/12=100

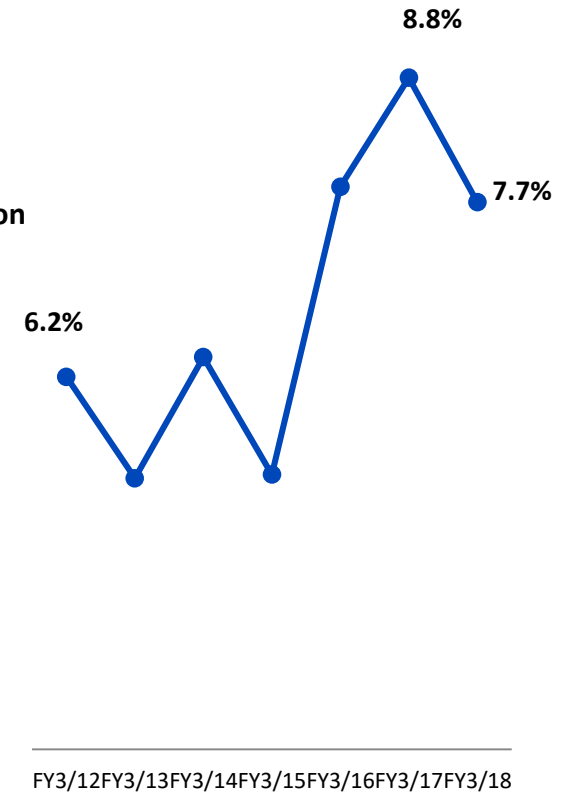
## Margin

Operating Profit / Operating Margin



## Return

Ordinary Profit to Total Assets



# Summary of Business Operations

FY3/18

JSP Corporation  
Engineered Plastic Foams

Item (Million yen)	FY3/17 Results	FY3/18 Forecast <small>(Announced Jan.31, 2018)</small>	FY3/18 Results	YoY Comparison	vs. Forecast
Net sales	109,048	116,500	<b>114,284</b>	+4.8%	-1.9%
Operating profit	9,612	9,500	<b>9,105</b>	-5.3%	-4.2%
Ordinary profit	10,033	9,700	<b>9,217</b>	-8.1%	-5.0%
Profit attributable to owners of parent	7,301	6,700	<b>6,853</b>	-6.1%	+2.3%

● Forex: JPY112.0/USD JPY127.2/EUR JPY16.6/CNY (FY3/17: JPY109.4/USD JPY120.6/EUR JPY16.4/CNY)

● Dubai crude oil: USD56.0/BL (FY3/17: USD46.8/BL)

● Economic climate: US/Slowing auto sales, Mexico/Healthy economy, Brazil/Recovery in economy, Europe/Strong internal demand and exports, China/Stable growth continues, Other Asia/Economies continue to recover slowly, Japan/Recovery affected by higher cost of raw materials/fuel and cargo transportation

● Consolidated results of operations

Net sales: Up 4.8% because of higher sales volume and pct. of value-added product sales as well as product price revisions

Operating profit: Down 5.3% because of higher cargo transportation rates in Japan, sharp rise in cost of raw materials/fuel in 4Q, and soft demand for some products

# 4 Extrusion Business

FY3/18

JSP Corporation  
Engineered Plastic Foams

Item (Million yen)	FY3/17 Results	FY3/18 Results	YoY Comparison
Net sales	37,929	<b>39,024</b>	+2.9%
Operating profit	3,045	<b>2,640</b>	-13.3%

Higher sales of value-added products raise sales, rising cost of raw materials and cargo transportation lowers earnings

Food packaging materials and food containers



**STYRENPAPER™**

- Strong sales for microwavable containers
- Demand for food trays and instant noodle containers declined

Industrial packaging materials



**MIRAMAT®**  
**CAPLON™**  
**P-BOARD™**  
**MIRABOARD™**

- Strong sales worldwide of value-added products, mainly cushioning materials for transport of FPD substrates

Home and building insulation materials and civil engineering materials



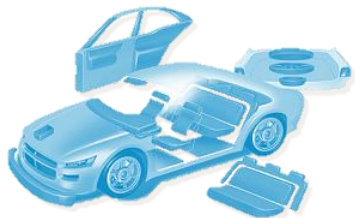
**MIRAFOAM™**

- Strong sales of parts pre-cut for fabrication and high-performance thermal insulation products

Item (Million yen)	FY3/17 Results	FY3/18 Results	YoY Comparison
Net sales	65,354	<b>69,483</b>	+6.3%
Operating profit	7,376	<b>7,219</b>	-2.1%

Sales higher due to sales volume growth and product price revisions,  
earnings lower due to the higher cost of raw materials and fuel in Japan

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



**ARPRO®/P-BLOCK™  
ELEMPOR™ NEO**



- These materials were used in more auto parts
- Japan: No change in sales from FY3/17
- North America/Europe: Sales increased due to strong demand
- Brazil: Higher sales due to auto output recovery and new sources of demand
- China/ASEAN/Taiwan/South Korea: Sales volume up

Expandable polystyrene, hybrid molded products



**STYRODIA®  
HEATPOR®  
CLEARPOR®  
FOAMCORE™**

- STYRODIA® sales up as price revisions and higher sales of functional products offset lower demand for the fisheries and agriculture sectors
- No change in FOAMCORE™ sales, but sales for making floats increased

Item (Million yen)	FY3/17 Results	FY3/18 Results	YoY Comparison
Net sales	5,764	<b>5,777</b>	+0.2%
Operating profit	148	<b>138</b>	-6.6%

## Sales increased in Japan but decreased in China

### General packaging materials in Japan

- Demand for automotive packaging materials increased



Trays for auto parts



Cushioning materials for optical parts

### General packaging materials in China

- Sales decreased due to sluggish growth in new demand



Cushioning materials for IT home appliances



1. FY3/18 Summary of Business Operations
2. FY3/19 Outlook
3. FY3/18 Supplementary Financial Information
4. Increase Output Capacity and New Products



# 8 FY3/19 Outlook

FY3/19 Outlook

JSP Corporation  
Engineered Plastic Foams

Item (Million yen)	FY3/18 Results	FY3/19 Outlook	YoY Comparison
Net sales	114,284	<b>120,000</b>	+5.0%
Operating profit	9,105	<b>9,500</b>	+4.3%
Ordinary profit	9,217	<b>9,800</b>	+6.3%
Profit attributable to owners of parent	6,853	<b>7,000</b>	+2.1%

- Exchange rates: JPY105/USD JPY132/EUR JPY16.7/CNY (FY3/18: JPY112.0/USD JPY127.2/EUR JPY16.6/CNY)
- Dubai crude oil: USD65/BL (FY3/18: USD56.0/BL)
- Japan: Focusing on sales of differentiation products that incorporate exclusive technologies  
Expect strong demand for high-performance home and building insulation materials and FPD substrate transport cushioning materials
- Global: Sales volume up 7% YoY. New applications for auto parts in USA & Europe, outlook for higher sales of transportation returnable containers and cushioning and packaging materials in China, no change in sales in other Asian countries
- Dividend: Annual dividend (forecast) ¥50 per share (Interim dividend ¥25, Year-end dividend ¥25)

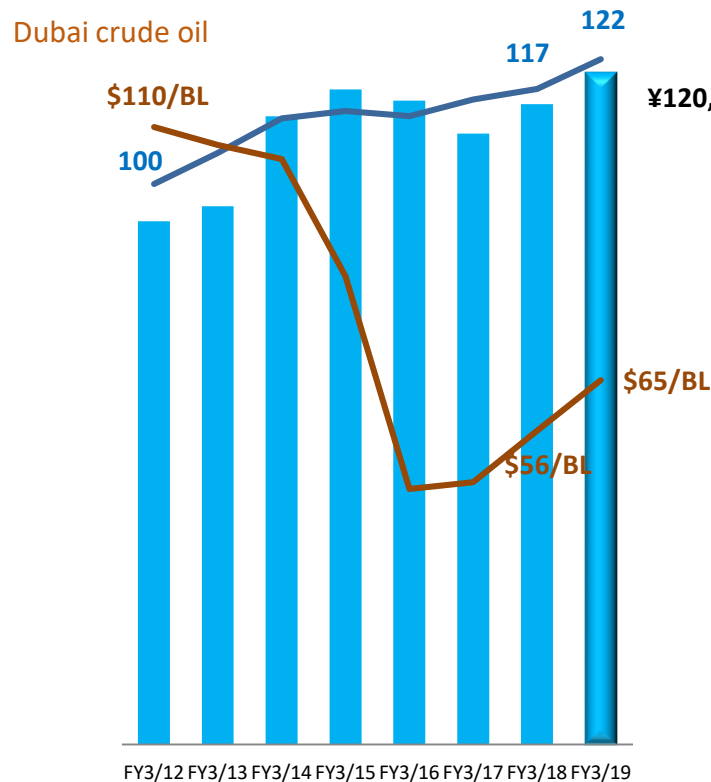
# 8-year Financial Summary

FY3/19 Outlook

JSP Corporation  
Engineered Plastic Foams

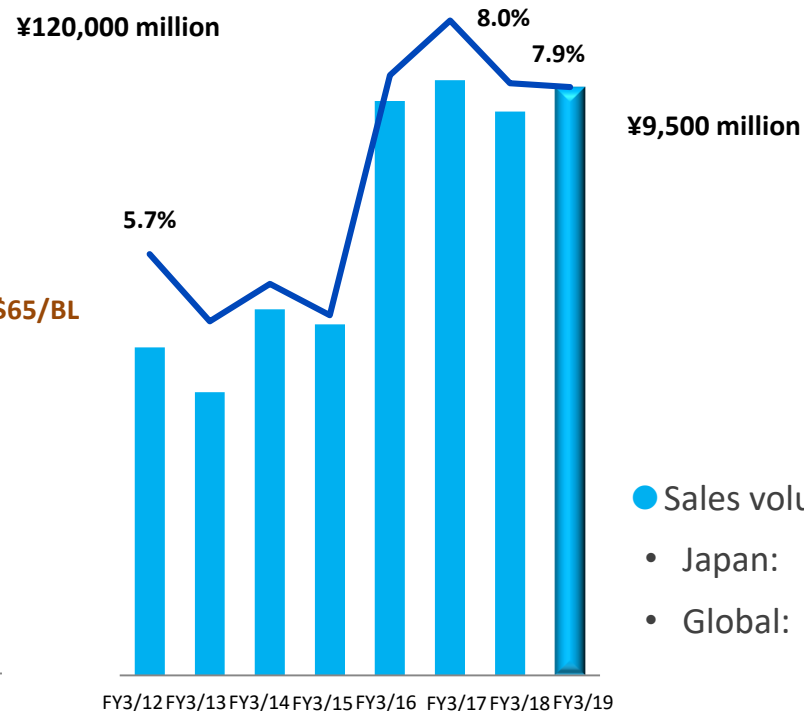
## Growth

Net Sales / Sales Volume



## Margin

Operating Profit / Operating Margin



- Sales volume up 4.5%
- Japan: Approx. 3% up
- Global: Approx. 7% up

Sales Volume FY3/12=100

Item (Million yen)	FY3/18 Results	FY3/19 Outlook	YoY Comparison
Net sales	39,024	42,161	+8.0%
Operating profit	2,640	2,935	+11.2%

Priorities: Focusing on sales of high value-added products and more product differentiation

## Food packaging materials and food containers



### Heat-resistant polystyrene paper

- Increasing sales of heat-resistant food containers
- Increasing sales to end users



### Wood grain polystyrene paper

## Industrial packaging materials



MIRAMAT®  
CAPLON™  
P-BOARD™  
MIRABOARD™

- Use differentiated products to target new markets
  - Working on new applications
- Goal is 20% growth in sales to global customers

## Home and building insulation materials and civil engineering materials



### MIRAFOAM™



### J Wall Block

- Increasing sales of MIRAFOAM™ Λ, a high-performance insulation material
- Increasing sales of J Wall Block
- Increasing market share in the civil engineering
- Upgrade high-performance thermal insulation technology

Item (Million yen)	FY3/18 Results	FY3/19 Outlook	YoY Comparison
Net sales	69,483	71,934	+3.5%
Operating profit	7,219	7,359	+1.9%

Priorities: Differentiate EPP by using new applications/technologies/materials;  
 for EPS, increase sales of functional products

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

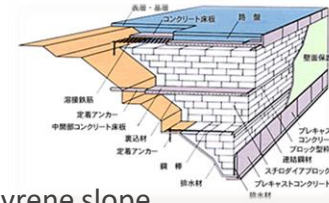

**ARPRO®/P-BLOCK™**

- Increase use of materials in auto
- Increasing sales of cushioning materials for transportation of FPD substrates
- Start of sales of flexible foamed materials


**ELEMPOR™NEO**

**ARGILIX**

Expandable polystyrene, hybrid molded product

**STYRODIA®**  
**HEATPOR®**  
**CLEARPOR®**


- Expandable polystyrene slope stabilization
- Eco-cute thermal insulation material
- Automotive parts
- Used for evaporative pattern casting



# Business Segment Outlook, Capital Expenditures, Depreciation

FY3/19 Outlook

JSP Corporation  
Engineered Plastic Foams

Segment (Million yen)	FY3/18 Results		FY3/19 Outlook		YoY Comparison	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Extrusion Business	39,024	2,640	<b>42,161</b>	<b>2,935</b>	+3,137	+295
Bead Business	69,483	7,219	<b>71,934</b>	<b>7,359</b>	+2,451	+140
Other	5,777	138	<b>5,905</b>	<b>132</b>	+128	(6)
Corporate and eliminations	-	(892)	-	<b>(926)</b>	-	(34)
Total	114,284	9,105	<b>120,000</b>	<b>9,500</b>	+5,716	+395

- Capital expenditures: Approx. ¥12 billion  
(¥6.7 billion to increase output and become more competitive and ¥5.3 billion for maintenance projects)
- Depreciation: Approx. ¥5.4 billion  
(vs. FY3/18: up approx. ¥330 million)

1. FY3/18 Summary of Business Operations
2. FY3/19 Outlook
3. FY3/18 Supplementary Financial Information
4. Increase Output Capacity and New Products

# 14 Results of Operations

FY3/18 Supplementary  
Financial Information  
JSP Corporation  
Engineered Plastic Foams

(Percentages represent year-on-year changes)

(Million yen)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY3/18	114,284 (+4.8%)	9,105 (-5.3%)	9,217 (-8.1%)	6,853 (-6.1%)
FY3/17	109,048 (-5.1%)	9,612 (+3.6%)	10,033 (+10.2%)	7,301 (+23.5%)

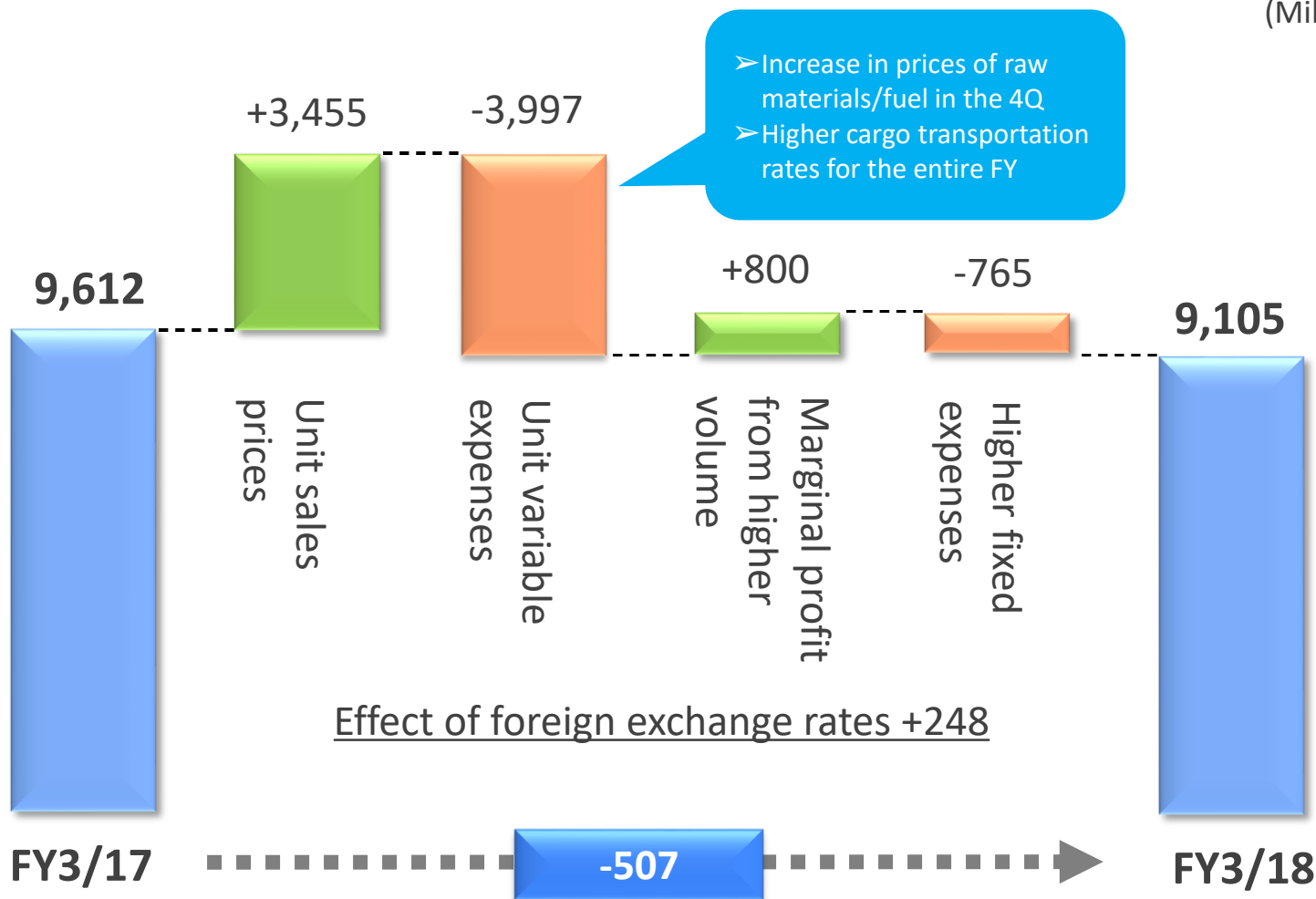
Comprehensive income: FY3/18: ¥9,171 million FY3/17: ¥5,748 million

	Net income per share (Yen)	Return on equity	Ordinary profit to total assets	Operating profit to net sales
FY3/18	229.91	9.0%	7.7%	8.0%
FY3/17	244.94	10.4%	8.8%	8.8%

# Components of Change in Operating Profit

FY3/18 Supplementary  
Financial Information  
JSP Corporation  
Engineered Plastic Foams

(Million yen)





# Non-operating Income/Expenses Extraordinary Income/Loss

FY3/18 Supplementary  
Financial Information  
JSP Corporation  
Engineered Plastic Foams

## Non-operating Income/Expenses

Account (Million yen)	FY3/17	FY3/18
Interest income	170	<b>183</b>
Foreign exchange income	41	-
Other	431	<b>394</b>
<b>Total non-operating income</b>	<b>642</b>	<b>577</b>
Interest expenses	111	<b>119</b>
Foreign exchange losses	-	<b>200</b>
Other	110	<b>146</b>
<b>Total non-operating expenses</b>	<b>221</b>	<b>466</b>

## Extraordinary Income/Loss

Account (Million yen)	FY3/17	FY3/18
Gain on sales of non-current assets	32	<b>403</b>
Gain on sales of investment securities	20	-
<b>Total extraordinary income</b>	<b>53</b>	<b>403</b>
Loss on sales of non-current assets	4	<b>13</b>
Loss on retirement of non-current assets	69	<b>119</b>
<b>Total extraordinary losses</b>	<b>73</b>	<b>132</b>

(Million yen)	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (Yen)
As of Mar. 31, 2018	<b>125,728</b>	<b>84,105</b>	<b>63.3%</b>	<b>2,667.72</b>
As of Mar. 31, 2017	113,151	76,778	64.1%	2,433.10

Reference: Shareholders' equity: As of Mar. 31, 2018: ¥79,524 million As of Mar. 31, 2017: ¥72,532 million

(Million yen)	Cash and deposits	Short-term loans payable*	Long-term loans payable	Total loans payable
As of Mar. 31, 2018	<b>16,963</b>	<b>10,311</b>	<b>5,712</b>	<b>16,023</b>
As of Mar. 31, 2017	13,436	9,850	4,756	14,606

\*Including current portion of long-term loans payable

Account (Million yen)		As of Mar. 31, 2017	As of Mar. 31, 2018	Change
Assets	Current assets	60,208	<b>67,909</b>	7,701
	Non-current assets	52,943	<b>57,818</b>	4,875
Total assets		113,151	<b>125,728</b>	12,576
Liabilities	Current liabilities	29,667	<b>33,145</b>	3,477
	Non-current liabilities	6,705	<b>8,477</b>	1,771
	Total liabilities	36,373	<b>41,622</b>	5,249
Net assets	Shareholders' equity	73,488	<b>78,700</b>	5,211
	Total accumulated other comprehensive income	(955)	<b>824</b>	1,780
	Non-controlling interests	4,245	<b>4,581</b>	335
	Total net assets	76,778	<b>84,105</b>	7,327
Total liabilities and net assets		113,151	<b>125,728</b>	12,576

# Net Assets

FY3/18 Supplementary  
Financial Information  
JSP Corporation  
Engineered Plastic Foams

Account (Million yen)		As of Mar. 31, 2017	As of Mar. 31, 2018	Change
Shareholders' equity	Capital stock	10,128	<b>10,128</b>	-
	Capital surplus	13,405	<b>13,405</b>	-
	Retained earnings	51,336	<b>56,551</b>	5,214
	Treasury shares	(1,382)	<b>(1,385)</b>	(2)
	Total	73,488	<b>78,700</b>	5,211
Accumulated other comprehensive income	Valuation difference on available-for-sale securities	239	<b>244</b>	5
	Foreign currency translation adjustment	(1,694)	<b>(483)</b>	1,211
	Remeasurements of defined benefit plans	499	<b>1,062</b>	563
	Total	(955)	<b>824</b>	1,780
Non-controlling interests		4,245	<b>4,581</b>	335
Total net assets		76,778	<b>84,105</b>	7,327

# Cash Flows

## Capital expenditures, Depreciation, R&D expenses

### Cash Flows

(Million yen)	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
FY3/18	10,849	(7,661)	(506)	10,807
FY3/17	10,688	(6,188)	(6,497)	7,965

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

(Million yen)	Capital expenditures	Depreciation	R&D expenses
FY3/18	8,153	5,072	2,123
FY3/17	6,236	4,952	2,178

Note: Capital expenditures are on a cash basis.

1. FY3/18 Summary of Business Operations
2. FY3/19 Outlook
3. FY3/18 Supplementary Financial Information
- 4. Increase Output Capacity and New Products**

# Increase in Output Capacity 1

Wuhan Plant in  
China  
JSP Corporation  
Engineered Plastic Foams

New plant in Wuhan (China) to produce expanded polypropylene beads (**ARPRO®/P-BLOCK™**)

## Background

- Demand increased for automotive due to an increase in the number of affluent consumers in inland China
- Greater need for lighter vehicles due to serious pollution problem

## Overview of new plant (started operation)

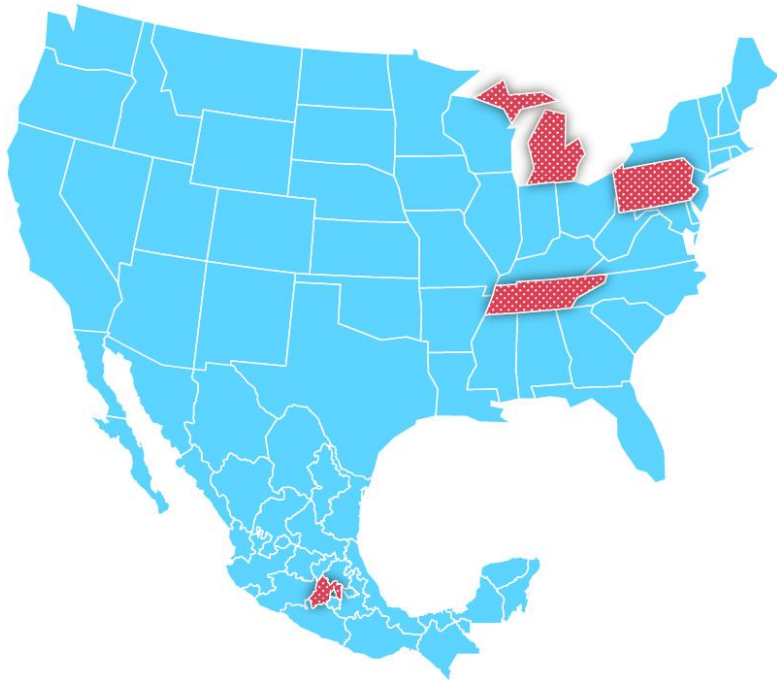
(1) Company name	JSP Plastics (Wuhan) Co., Ltd.
(2) Location	Wuhan Economic & Technological Development Zone, China
(3) Activities	Manufacturing and sales of expanded polypropylene beads



Wuhan: Increase output capacity

Annual output capacity in China: 30,000 tons  
(Wuxi, Dongguan, Wuhan, Chongqing, Changchun)

North America plants producing **ARPRO®/P-BLOCK™** expanded polypropylene beads



## Background

- Consistently strong automobile sales
- High volume of orders for automobile seat cores and start of the use of these parts in Japanese vehicles
- Also growth in demand for use as an impact protection material for athletic fields

## Plan for increasing output capacity

(1) Company name	JSP International Group Ltd.
(2) Location	U.S.: Michigan, Pennsylvania, Tennessee Mexico: Estado de México
(3) Activities	Manufacturing and sales of expanded polypropylene beads and molded products
(4) Output capacity	25% increase
(5) Investments	Approx. ¥1.0 billion (FY3/18-FY3/19)



## Acryace® DS – A New Acrylic Resin



Doors/  
Furniture



Partitions

### Features

- Outstanding strength (4 to 5 times more than glass)
- Does not shatter when broken
- Light weight (half the weight of glass)
- Easy to process
- Excellent weather resistance

- Checker-pattern acrylic resin panels that can replace checkered glass
- Suitable for doors, furniture, store display cases and many other applications

### 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.

# JSP Corporation

Inquiries: Tel +81(3)-6212-6306  
Investor Relations Department