



# Results of Operations

for the Fiscal Year Ended March 31, 2021 (FY3/21)

---

JSP Corporation

1

# Management Policy

JSP Corporation  
A Global Supplier for Global Society

*Deliver with*  
**WOW!**

## 1. FY3/21 Summary of Business Operations

## 2. FY3/22 Outlook

## 3. FY3/21 Supplementary Financial Information

## 4. Products that Contribute to Sustainability

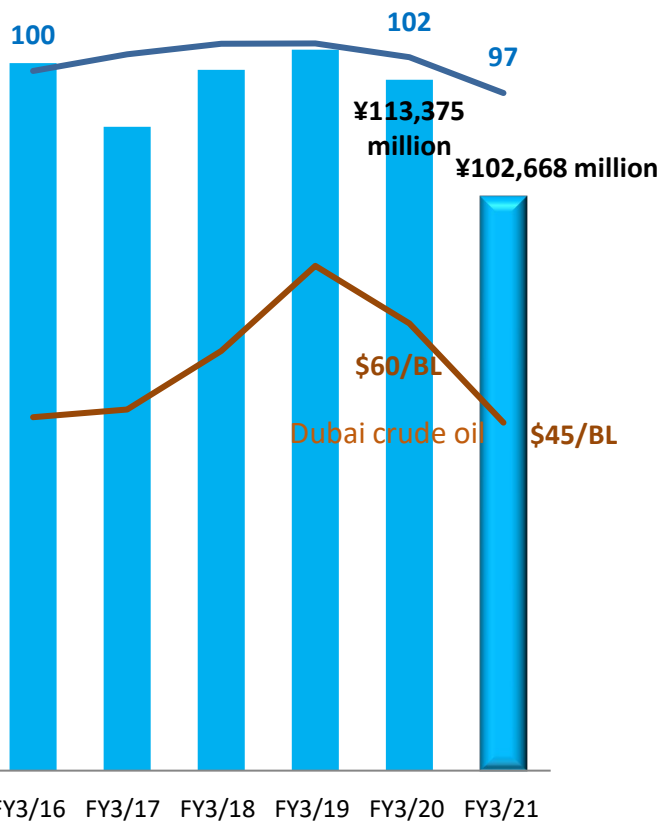
# 3 Financial Highlights

FY3/21

JSP Corporation  
A Global Supplier for Global Society

## Growth

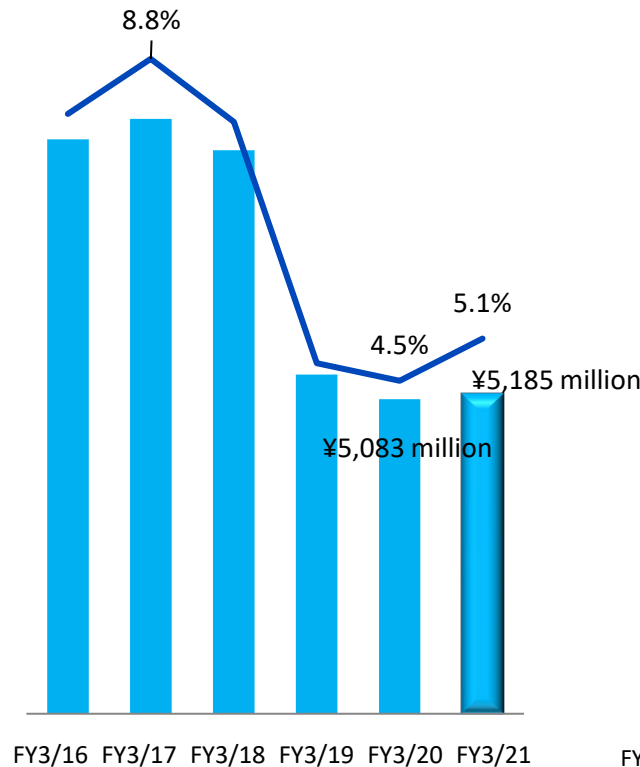
Net sales / Sales Volume



Sales Volume FY3/16=100

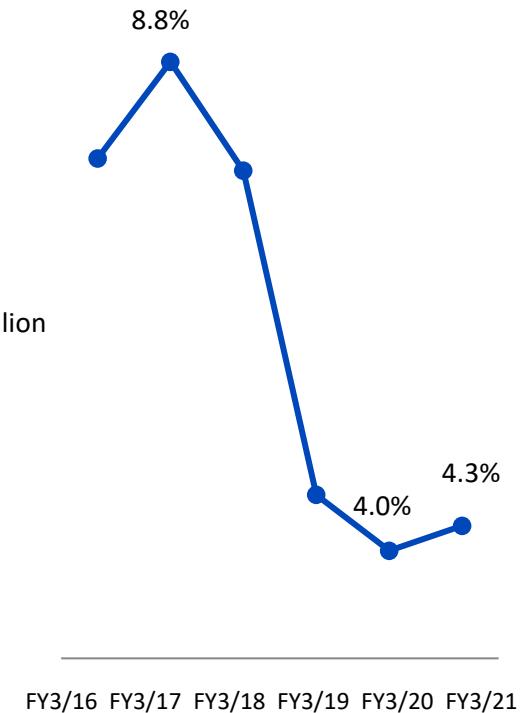
## Margin

Operating Profit / Operating Margin



## Return

Ordinary Profit to Total Assets



Item (Million yen)	FY3/20 Results	FY3/21 Forecast <small>(Announced Apr.12, 2021)</small>	FY3/21 Results	YoY Comparison	vs. Forecast
Net sales	113,375	102,500	<b>102,668</b>	-9.4%	+0.2%
Operating profit	5,083	5,200	<b>5,185</b>	+2.0%	-0.3%
Ordinary profit	5,210	5,400	<b>5,519</b>	+5.9%	+2.2%
Profit attributable to owners of parent	3,638	2,700	<b>3,017</b>	-17.1%	+11.7%

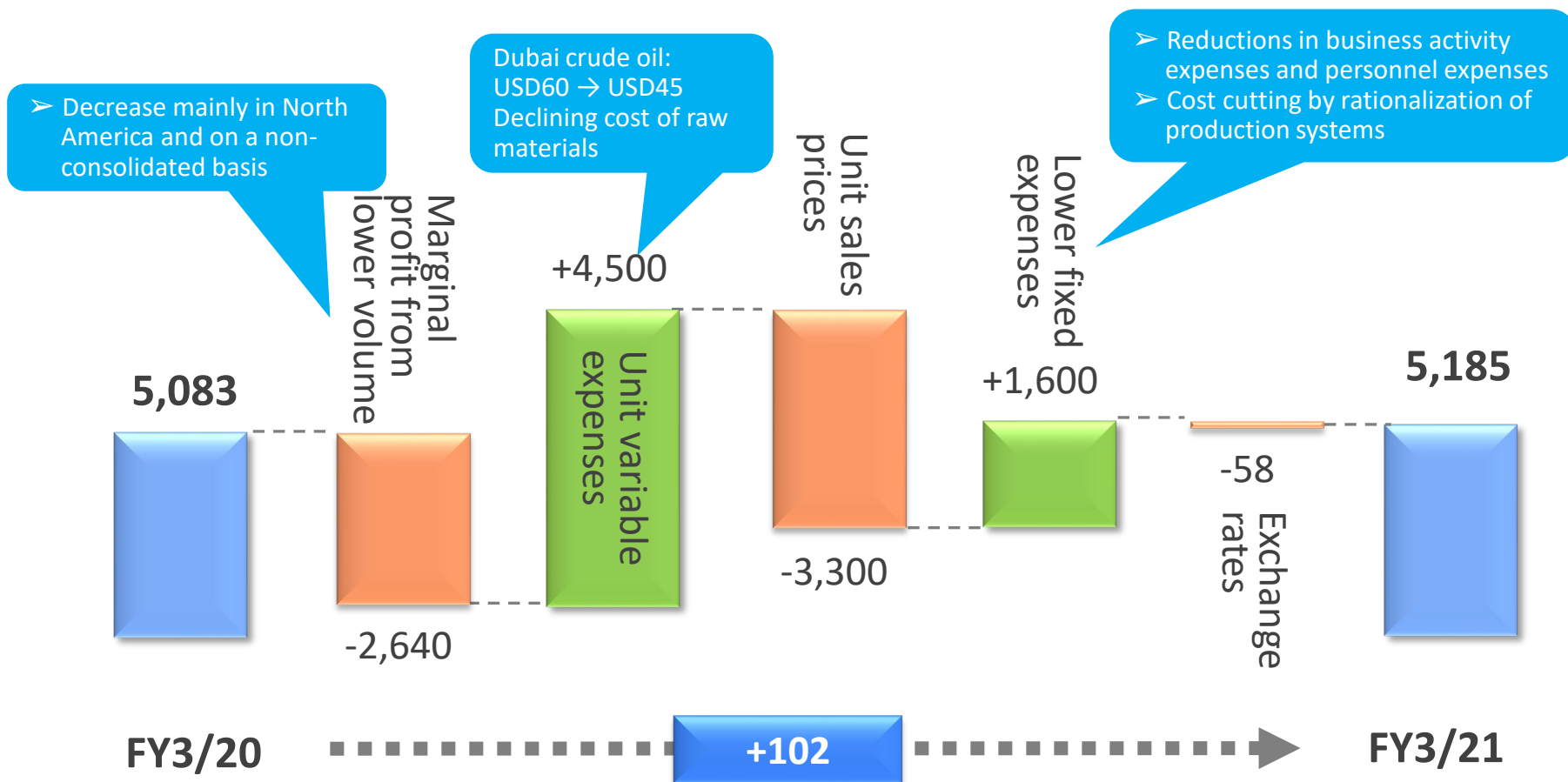
- Forex: JPY106.4/USD JPY122.0/EUR JPY15.4/CNY (FY3/20: JPY109.2/USD JPY122.2/EUR JPY15.8/CNY)
- Dubai crude oil: USD44.7/BL (FY3/20: USD60.3/BL)
- Economic climate: The global economy plummeted due to the worldwide spread of the COVID-19 pandemic. Production and personal consumption showed signs of recovery as economic and social activities resumed. However, the economic outlook remains uncertain because of the effects of another wave of infections.
- Japan's foamed products industry: Demand increased in the food packaging sector as more people stayed home for safety. However, demand fell in the fisheries, industrial and construction sectors due to restrictions on economic activities.
- Consolidated results of operations  
 Net sales: Down 9.4% due to the large impact of the pandemic.  
 Operating profit: Higher than FY3/20 as sales of products with substantial added value increased and fixed expenses declined due to rationalization of production systems.

# Components of Change in Operating Profit

FY3/21

JSP Corporation  
A Global Supplier for Global Society

(Million yen)



# 6 Extrusion Business

FY3/21

JSP Corporation  
A Global Supplier for Global Society

Item (Million yen)	FY3/20 Results	FY3/21 Results	YoY Comparison
Net sales	39,795	37,595	-5.5%
Operating profit	2,293	2,576	+12.3%

Sales decreased because of lower demand mainly due to the spread of COVID-19  
Higher earnings due to lower fixed expenses as production was streamlined

## Food packaging materials and food containers



**STYREN PAPER™**  
**MIRABOARD™**

- Sales of STYREN PAPER™ and other materials for household products increased in the food tray category
- Lower sales of MIRABOARD™

## Industrial packaging materials



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

- A big increase in sales of value-added industrial packaging products in China and South Korea
- Lower sales in Japan and weak sales of general-purpose products

## Home and building insulation materials and civil engineering materials



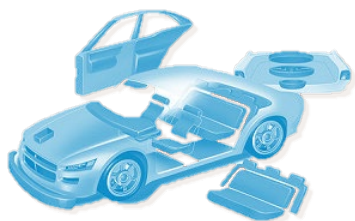
**MIRAFOAM™**

- Strong sales of materials used for civil engineering applications
- Lower sales of materials in the construction sector because of a decline in demand as housing starts decreased

Item (Million yen)	FY3/20 Results	FY3/21 Results	YoY Comparison
Net sales	67,771	59,893	-11.6%
Operating profit	3,783	3,550	-6.1%

Sales and earnings decreased because of lower demand in the automobile and other sectors

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



ARPRO®/P-BLOCK™  
ELEMPOR™ NEO



- Sales declined because of suspension of operations at automobile manufacturers
- Japan: Sales to the automotive sector were sluggish
- Strong sales of PAVERBASE™ in North America and of cushioning and packaging materials in Taiwan
- Europe and China: Sales in the automobile sector and other categories started to recover toward the end of the fiscal year

Expandable polystyrene, hybrid molded products



STYRODIA®  
HEATPOR®  
CLEARPOR®  
FOAMCORE™

- Lower demand for STYRODIA® in the fisheries and agricultural sectors
- Demand for FOAMCORE™, a hybrid molded product, was also sluggish
- Sales increased because of the start of operations in the market for modified grades



Item (Million yen)	FY3/20 Results	FY3/21 Results	YoY Comparison
Net sales	5,808	5,179	-10.8%
Operating profit	103	96	-6.4%

## Sales decreased in both Japan and China

### General packaging materials in Japan



Trays for auto parts



Cushioning materials for optical parts

- Sales decreased in Japan as sales in the automotive parts transportation and other market sectors decreased

### General packaging materials in China



Cushioning materials for IT home appliances



- Sluggish demand for packaging materials for many types of components resulted in lower sales in China

1. FY3/21 Summary of Business Operations
- 2. FY3/22 Outlook**
3. FY3/21 Supplementary Financial Information
4. Products that Contribute to Sustainability

Item (Million yen)	FY3/21 Results	FY3/22 Outlook	YoY Comparison
Net sales	102,668	<b>113,000</b>	+10.1%
Operating profit	5,185	<b>5,000</b>	-3.6%
Ordinary profit	5,519	<b>5,200</b>	-5.8%
Profit attributable to owners of parent	3,017	<b>3,400</b>	+12.7%

- Dubai crude oil: USD60-65/BL (FY3/21: USD44.7/BL)
- Exchange rates: JPY108/USD JPY128/EUR JPY16.5/CNY (FY3/21: JPY106.4/USD JPY122.0/EUR JPY15.4/CNY)
- Dividend: Annual dividend (forecast) ¥50 per share (Interim dividend ¥25, Estimated year-end dividend ¥25)
- Assumptions:
  - (1) Outlook for the pandemic is still uncertain, but expect a recovery starting in the second half of FY3/22
  - (2) Forecast a rapid recovery in North America and a recovery in Europe too. China is likely to be first to return to normal economic activity
  - (3) In Japan, economic activities will probably return to normal in the second half of FY3/22

# Components of Change in Operating Profit

FY3/22 Outlook

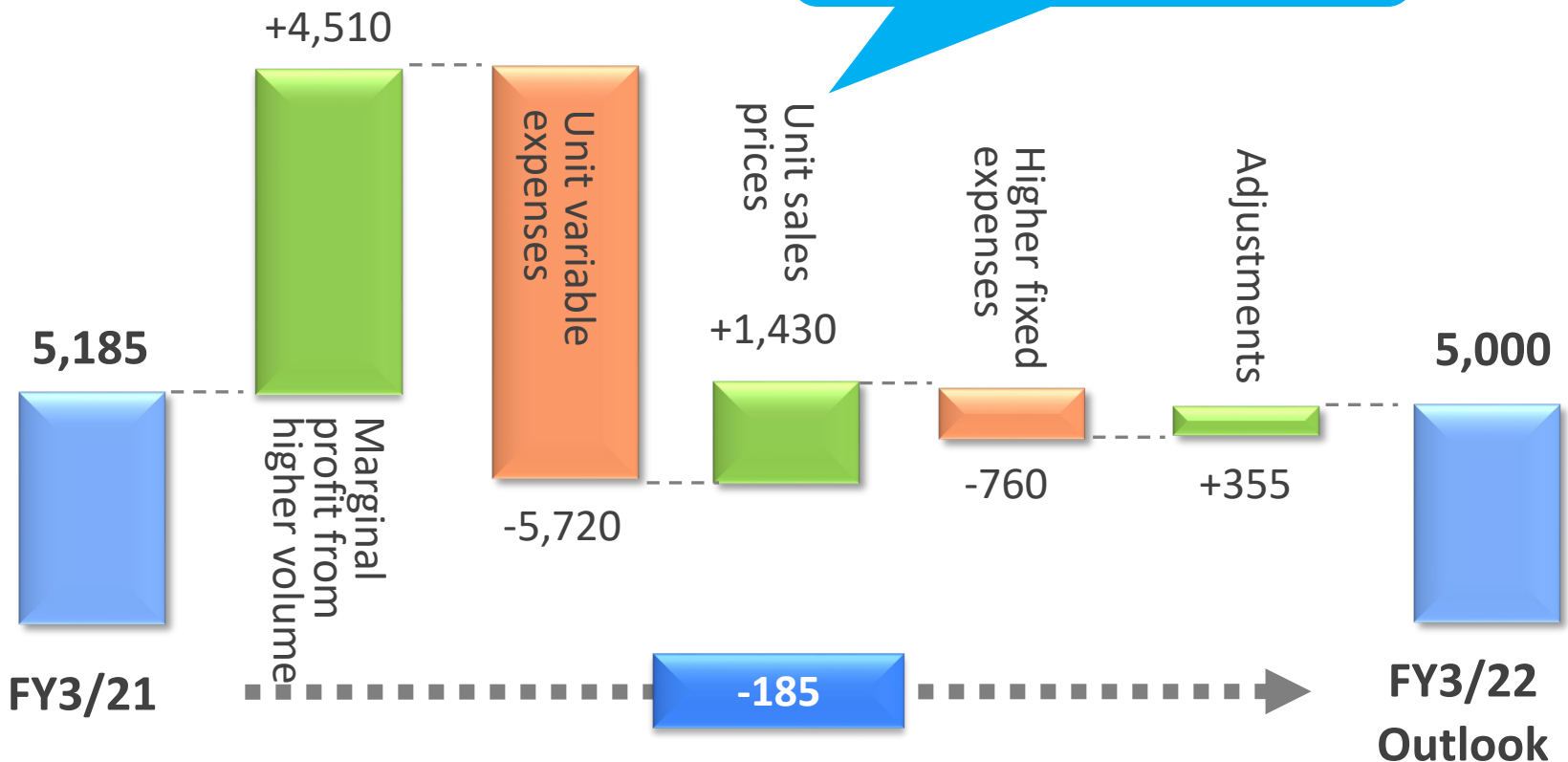
JSP Corporation

A Global Supplier for Global Society

Expect higher sales in the EPP and construction materials sectors

(Million yen)

The gap between the effects of changes in unit sales prices and unit prices of variable expenses is due to delays in revising product prices, the product mix and other factors



# 7-year Financial Summary

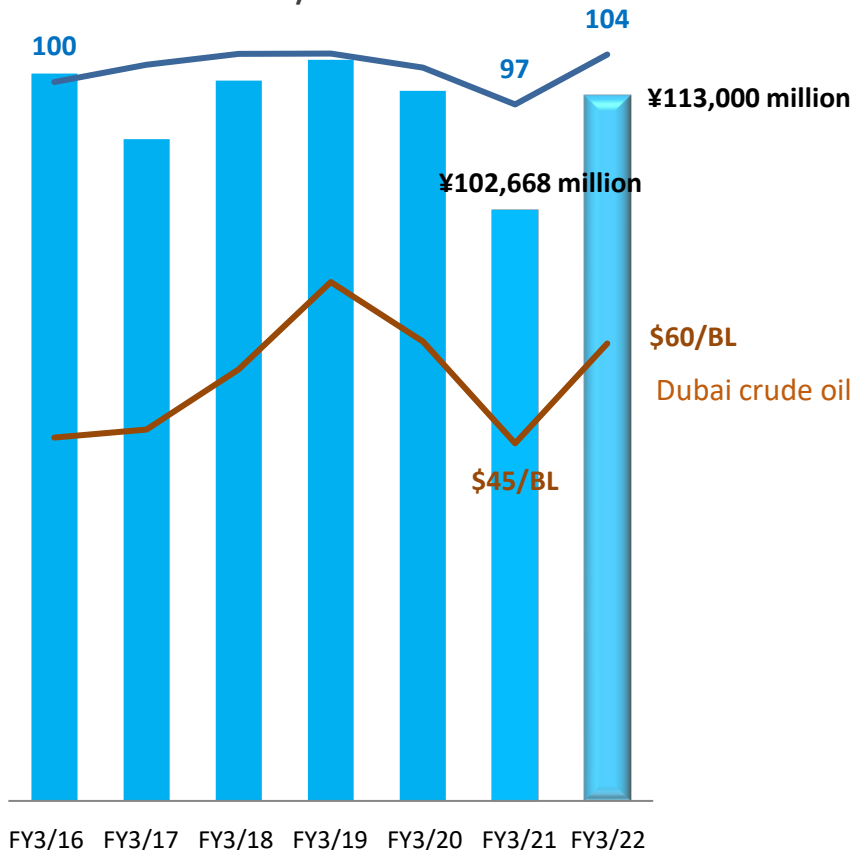
FY3/22 Outlook

JSP Corporation

A Global Supplier for Global Society

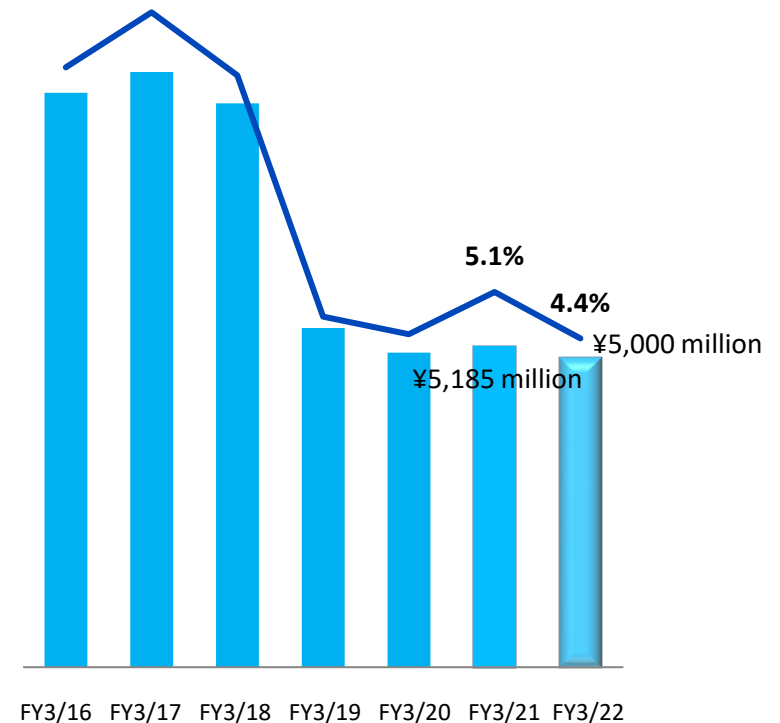
## Growth

### Net Sales / Sales Volume



## Margin

### Operating Profit / Operating Margin



Item (Million yen)	FY3/21 Results	FY3/22 Outlook	YoY Comparison
Net sales	37,595	39,200	+4.3%
Operating profit	2,576	2,200	-14.6%

Increase in sales because of higher sales volume

Lower earnings because of the impact of higher cost of raw materials

Food packaging materials and  
food containers



**STYREN PAPER™**



**MIRABOARD™**

- Demand for supermarket take-out containers is expected to remain strong

Industrial packaging materials



**MIRAMAT®  
CAPLON™  
P-BOARD™**

- Demand is expected to remain strong for industrial packaging products

Home insulation materials and  
civil engineering materials



**MIRAFOAM™**



**J-WALL BLOCK™**

- Forecast an increase in sales on expectations of transition to a post-COVID-19 economy and increased demand for energy-efficient housing

Item (Million yen)	FY3/21 Results	FY3/22 Outlook	YoY Comparison
Net sales	59,893	68,400	+14.2%
Operating profit	3,550	3,800	+7.0%

Higher sales and earnings due to the recovery of sales and the revision of product prices to offset higher cost of raw materials

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



**ARPRO®/P-BLOCK™**



**ELEMPOR™NEO**



**ARGILIX®**

- ARPRO®/P-BLOCK™: Higher sales despite concerns over semiconductor chip shortages
- There are concerns about the negative effects of the high price of polypropylene in North America

Expandable polystyrene, hybrid molded products

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



- STYRODIA® and others: Expect higher demand for bean bag cushions and other functional bead products
- FOAMCORE™: Forecast an increase in sales due to a recovery in consumer sentiment about purchasing a residence

# Business Segment Outlook, Capital Expenditures, Depreciation

## FY3/22 Outlook

### JSP Corporation

A Global Supplier for Global Society

Segment (Million yen)	FY3/21 Results		FY3/22 Outlook		YoY Comparison	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Extrusion Business	37,595	2,576	<b>39,200</b>	<b>2,200</b>	1,605	(376)
Bead Business	59,893	3,550	<b>68,400</b>	<b>3,800</b>	8,507	250
Other	5,179	96	<b>5,400</b>	<b>100</b>	221	4
Adjustments	-	(1,038)	-	<b>(1,100)</b>	-	(62)
Total	102,668	5,185	<b>113,000</b>	<b>5,000</b>	10,332	(185)

- Capital expenditures: ¥8,200 million
- Depreciation: ¥6,600 million (vs. FY3/21: down ¥9 million)



1. FY3/21 Summary of Business Operations
2. FY3/22 Outlook
- 3. FY3/21 Supplementary Financial Information**
4. Products that Contribute to Sustainability

# 17 Results of Operations

FY3/21 Supplementary  
Financial Information  
JSP Corporation  
A Global Supplier for Global Society

(Percentages represent year-on-year changes)

(Million yen)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
<b>FY3/21</b>	<b>102,668</b> <b>(-9.4%)</b>	<b>5,185</b> <b>(+2.0%)</b>	<b>5,519</b> <b>(+5.9%)</b>	<b>3,017</b> <b>(-17.1%)</b>
<b>FY3/20</b>	113,375 (-2.4%)	5,083 (-7.2%)	5,210 (-10.7%)	3,638 (-15.6%)

Comprehensive income: FY3/21: ¥2,594 million    FY3/20: ¥2,097 million

	Net income per share (Yen)	Return on equity	Ordinary profit to total assets	Operating profit to net sales
<b>FY3/21</b>	<b>101.22</b>	<b>3.7%</b>	<b>4.3%</b>	<b>5.1%</b>
<b>FY3/20</b>	122.07	4.5%	4.0%	4.5%

# Non-operating Income/Expenses Extraordinary Income/Loss

FY3/21 Supplementary  
Financial Information  
JSP Corporation  
A Global Supplier for Global Society

## Non-operating Income/Expenses

Account (Million yen)	FY3/20	FY3/21
Interest income	212	161
Subsidy income	84	177
Other	270	350
<b>Total non-operating income</b>	<b>568</b>	<b>689</b>
Interest expenses	201	144
Foreign exchange losses	134	128
Other	105	81
<b>Total non-operating expenses</b>	<b>441</b>	<b>354</b>

\*1 North American electron beam cross-linked expanded polyethylene sheet business

\*2 Fraudulent transfer of funds at JSP group company in Europe

## Extraordinary Income/Loss

Account (Million yen)	FY3/20	FY3/21
Gain on sales of non-current assets	13	9
Gain on sales of investment securities	32	-
<b>Total extraordinary income</b>	<b>45</b>	<b>9</b>
Loss on retirement of non-current assets	50	97
Impairment loss	381	-
Loss on liquidation of subsidiaries*1	-	242
Loss from money transfer scam at subsidiary*2	-	984
Other	11	6
<b>Total extraordinary losses</b>	<b>444</b>	<b>1,332</b>

(Million yen)	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (Yen)
As of Mar. 31, 2021	129,053	85,561	63.9%	2,767.26
As of Mar. 31, 2020	128,445	84,646	63.4%	2,729.87

Reference: Shareholders' equity: As of Mar. 31, 2021: ¥82,488 million  
As of Mar. 31, 2020: ¥81,375 million

(Million yen)	Cash and deposits	Short-term borrowings*	Long-term borrowings	Total borrowings
As of Mar. 31, 2021	17,400	11,673	8,680	20,353
As of Mar. 31, 2020	13,466	12,176	8,642	20,818

\*Including current portion of long-term borrowings

# Balance Sheet

FY3/21 Supplementary  
Financial Information

JSP Corporation

A Global Supplier for Global Society

Account (Million yen)		As of Mar. 31, 2020	As of Mar. 31, 2021	Change
Assets	Current assets	60,575	<b>62,456</b>	1,880
	Non-current assets	67,869	<b>66,597</b>	(1,272)
Total assets		128,445	<b>129,053</b>	608
Liabilities	Current liabilities	31,611	<b>31,275</b>	(335)
	Non-current liabilities	12,186	<b>12,216</b>	29
	Total liabilities	43,798	<b>43,492</b>	(306)
Net assets	Shareholders' equity	83,665	<b>85,191</b>	1,526
	Accumulated other comprehensive income	(2,290)	<b>(2,703)</b>	(412)
	Non-controlling interests	3,270	<b>3,072</b>	(198)
	Total net assets	84,646	<b>85,561</b>	915
Total liabilities and net assets		128,445	<b>129,053</b>	608

Account (Million yen)		As of Mar. 31, 2020	As of Mar. 31, 2021	Change
Shareholders' equity	Capital stock	10,128	<b>10,128</b>	-
	Capital surplus	13,405	<b>13,405</b>	-
	Retained earnings	61,518	<b>63,045</b>	1,526
	Treasury shares	(1,387)	<b>(1,387)</b>	(0)
	Total	83,665	<b>85,191</b>	1,526
Accumulated other comprehensive income	Valuation difference on available-for-sale securities	268	<b>527</b>	259
	Foreign currency translation adjustment	(3,255)	<b>(4,182)</b>	(927)
	Remeasurements of defined benefit plans	696	<b>952</b>	255
	Total	(2,290)	<b>(2,703)</b>	(412)
Non-controlling interests		3,270	<b>3,072</b>	(198)
Total net assets		84,646	<b>85,561</b>	915

# 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
<b>FY3/21</b>	<b>12,211</b>	<b>(5,174)</b>	<b>(2,266)</b>	<b>12,278</b>
FY3/20	11,484	(12,406)	(358)	7,584

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

(Million yen)	Capital expenditures	Depreciation	R&D expenses
<b>FY3/21</b>	<b>5,668</b>	<b>6,608</b>	<b>2,246</b>
FY3/20	12,200	6,427	2,312

Note: Capital expenditures are on a cash basis.

1. FY3/21 Summary of Business Operations
2. FY3/22 Outlook
3. FY3/21 Supplementary Financial Information
- 4. Products that Contribute to Sustainability**



## This method reinforces aging bridges to extend their useful life

- There are a large number of aging bridges, tunnels and other civil engineering structures in Japan. Inspections are required every five years and there is an urgent need for reinforcement and other repairs.
- From the standpoint of sustainability as well, there is a need to extend the lives of these structures by using reinforcement rather than removal and rebuilding.
- The foam support method extends the life of a structure and can be implemented while the bridge or other structure remains in use. Demand for the use of this reinforcement method is expected to increase.

STYRODIA®  
BLOCK



Wall  
material



Before



After

Reinforcement of structure in Hokkaido  
(completed March 2021)

# AIRBLOCK™ (Bead in-mold expansion)

JSP Corporation  
A Global Supplier for Global Society

High expansion conserves resources while producing a material  
with outstanding cushioning properties and durability

エアブロック™  
AIRBLOCK™



**Cushioning  
properties of  
polyethylene**

**Rigidity of  
polypropylene**

**Prevents static  
electricity**

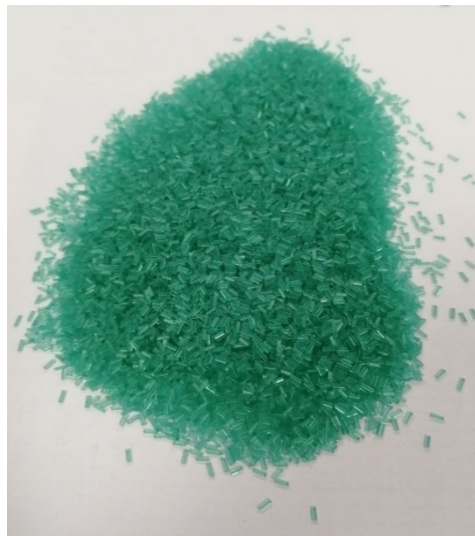
- A product with a high expansion ratio created by using exclusive JSP technologies
- Ideal for many applications, including as a cushioning material for shipping automobile parts, computers and televisions
- The high expansion ratio of this new material reduces the amount of plastic used, which contributes to sustainability by lowering its environmental impact

## Production and sales of ARPRO<sup>®</sup>, made using recycled materials, have started in Europe

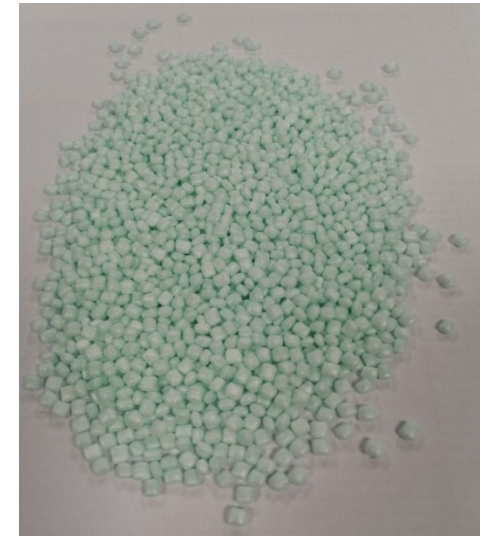
- JSP has started selling ARPRO<sup>®</sup> RE, a material that incorporates recycled polypropylene.
- This category includes ARPRO<sup>®</sup> RE OCEAN, a newly developed product made using materials obtained from recycling fishing nets and other waste materials collected from the ocean. By using these materials, this new product reduces CO2 emissions and provides a way to reuse trash that was dumped in the ocean.



Marine trash (fishing net)



After processing for reuse



ARPRO<sup>®</sup> RE OCEAN

### 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  
Public and Investor Relations Department