



July 31, 2024

**SUMMARY OF FINANCIAL STATEMENTS (Consolidated)**  
**First Quarter Results for the Fiscal Year Ending March 31, 2025**

**[Japanese GAAP]**

Name of listed company: **JSP Corporation**

Stock Exchange Listed: Tokyo Stock Exchange

URL: <https://www.co-jsp.co.jp/english/>

Code Number: **7942**

Representative: Tomohiko Okubo, President, Representative Director

Contact person: Ryoji Suzuki, General Manager, Accounting Department, Finance & Accounting Division

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Scheduled date of payment of dividend: -

Preparation of supplementary materials for quarterly financial results: None

Holding of quarterly financial results meeting: None

Note: The original disclosure in Japanese was released on July 31, 2024 at 15:00 (GMT +9).

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

**1. First Quarter Results (April 1, 2024 to June 30, 2024) for the Fiscal Year Ending March 31, 2025**

(1) Consolidated business performance (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2024	34,496	7.6	1,292	1.7	1,642	10.4	1,250	11.7
Three months ended Jun. 30, 2023	32,049	3.5	1,271	66.4	1,488	37.8	1,119	46.6

Note: Comprehensive income: Three months ended Jun. 30, 2024: 4,188 million yen (up 106.7%)  
 Three months ended Jun. 30, 2023: 2,026 million yen (down 44.3%)

	Net income per share	Fully diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2024	47.73	-
Three months ended Jun. 30, 2023	37.56	-

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jun. 30, 2024	153,750	103,207	63.9	3,750.13
As of Mar. 31, 2024	151,605	100,069	62.8	3,635.60

Reference: Shareholders' equity: As of Jun. 30, 2024: 98,282 million yen As of Mar. 31, 2024: 95,281 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, 2024	-	25.00	-	40.00	65.00
Fiscal year ending Mar. 31, 2025	-				
Fiscal year ending Mar. 31, 2025 (forecasts)		40.00	-	40.00	80.00

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

**3. Forecast for Consolidated Business Performance in the Fiscal Year Ending March 31, 2025**

(April 1, 2024 to March 31, 2025)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	72,000	8.4	3,300	1.6	3,500	(3.3)	2,600	(7.0)	99.21
Full year	146,000	8.1	7,000	(7.5)	7,400	(9.0)	5,300	(17.1)	202.23

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

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: None

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

(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 shares

As of Jun. 30, 2024:	31,413,473 shares	As of Mar. 31, 2024:	31,413,473 shares
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2) Number of treasury shares at the end of the period

As of Jun. 30, 2024:	5,205,680 shares	As of Mar. 31, 2024:	5,205,680 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2024:	26,207,793 shares	Three months ended Jun. 30, 2023:	29,808,163 shares
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\* The current quarterly financial report is not subject to quarterly review by certified public accountants or an auditing firm.

\* 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. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation Regarding Consolidated Financial Forecasts and Other Forward-looking Information" on page 2 of the attached documents for assumptions for forecasts and notes of caution for usage.

(Review by certified public accountants or an auditing firm)

The quarterly financial report with the review report is scheduled to be disclosed on 7 August, 2024, after the completion of the review by an auditing firm.

## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

During the first quarter of the current fiscal year, the global economy remained uncertain due to the prolonged war in Ukraine, growing tensions regarding the escalation of conflict in the Middle East, escalating prices and monetary tightening to reduce inflation. There was a modest upturn of the Japanese 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.

The foamed plastics industry in Japan faced severe business conditions due to the impact of price hikes including soaring raw material prices, a stalled recovery in demand for the fisheries and agriculture sectors, and suspension of production and shipments by some manufacturers in the automotive sector.

Under these circumstances, JSP has started a new medium-term business plan, “Change for Growth 2026,” with the three basic concepts of “making the entire JSP Group more profitable”, “contributing to society by supplying foamed plastic products” and “strengthening the management base,” and is working to further enhance its corporate value by improving capital profitability and growth potential and by implementing sustainability management through environmental responsive products and the recycling of plastics.

Sales were higher than the same period of the previous fiscal year mainly because of higher overseas sales volume and revisions of prices of our products. The operating profit increased from the same period of the previous fiscal year because of higher sales and cost reductions.

Net sales in the first quarter were 34,496 million yen, up 7.6% from the same period of the previous fiscal year. Operating profit increased 1.7% to 1,292 million yen, ordinary profit increased 10.4% to 1,642 million yen and profit attributable to owners of parent increased 11.7% to 1,250 million yen.

Results by business segment were as follows.

Please note that the subsidiaries that were previously classified in the “Other” segment have been merged with the Extrusion Business due to the change in business management classification from the first quarter of the current fiscal year. The segment information for the first quarter of the previous year is based on the figures that were reclassified according to the new segmentation.

#### Extrusion Business

Sales of materials for household products, mainly STYRENPAPER, a foamed polystyrene sheet used in food packaging, increased. This was mainly the result of higher sales volume for STYRENPAPER in the food tray category and for MIRABOARD, a material used for advertising displays.

Sales of industrial products, including MIRAMAT, a foamed polyethylene sheet used for industrial packaging materials and flat panel displays, were lower than the same period of the previous fiscal year. Sales volume of value-added products increased but overall sales decreased because sales volume of general-purpose products and general packaging materials decreased.

Sales of MIRAFOAM, an extruded board made of foamed polystyrene, and other construction and civil engineering materials decreased because the sales volume of materials used for civil engineering applications decreased although the sales volume of materials for fabrication in the building construction and housing markets increased from the same period of the previous fiscal year.

Total sales in this segment increased due to a higher total sales volume and the progress in product price revisions. Earnings decreased due to the lower sales volume of general packaging materials and materials used for civil engineering applications.

As a result, sales in the Extrusion Business increased 1.3% to 11,816 million yen and operating profit decreased 9.9% to 402 million yen.

#### Bead Business

Sales volume of high-performance products, mainly ARPRO, an expanded polypropylene product manufactured and

sold worldwide, increased mainly due to strong demand in both the automotive and non-automotive sectors. Sales increased due to product price revisions and other factors.

In Japan, sales volume in the non-automotive sector increased, while sales volume in the automotive sector decreased because of decline in demand. In North America, sales volume increased due to strong demand of returnable containers, despite a decrease of sales volume in the automotive sector. In South America, sales volume in the automotive sector increased. In Europe, sales volume decreased due to the lower demand in the HVAC applications, although sales volume in the automotive sector remained firm. In China, sales volume increased due to a recovery in demand in the automotive sector. In Taiwan, sales volume in the packaging materials sector increased. In Southeast Asia, sales volume in the packaging materials sector decreased.

Sales of expandable polystyrene bead products, chiefly STYRODIA, decreased mainly due to lower sales volume because of decline in demand for these products in the fisheries and agriculture sectors.

Total sales in this segment increased because of higher sales volume of high-performance products and product price revisions. Earnings increased due to higher sales and cost reductions, despite the higher cost of labor.

As a result, sales in the Bead Business increased 11.3% to 22,680 million yen and operating profit increased 5.9% to 1,178 million yen.

## **(2) Financial Position**

Total assets as of June 30, 2024 were 153,730 million yen, up 2,144 million yen from March 31, 2024.

Current assets decreased 233 million yen to 77,922 million yen mainly due to decreases in cash and cash deposits of 2,538 million yen, offsetting an increase in notes and accounts receivable-trade of 1,584 million yen. Non-current assets increased 2,377 million yen to 75,827 million yen.

Total liabilities as of June 30, 2024 were 50,542 million yen, down 993 million yen from March 31, 2024. Current liabilities decreased 251 million yen to 35,514 million yen. Non-current liabilities decreased 741 million yen to 15,028 million yen mainly due to a decrease in long-term borrowings of 1,263 million yen.

As a result, net assets totaled 103,207 million yen and the shareholders' equity ratio increased 1.1 percentage points to 63.9%.

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

Net cash provided by operating activities totaled 701 million yen, a decrease of 880 million yen from the same period of the previous fiscal year. Inflows included 1,639 million yen from profit before income taxes and 1,920 million yen from depreciation. Outflows included an increase in trade receivables of 948 million yen.

Net cash used in investing activities totaled 2,389 million yen, an increase of 1,176 million yen from the same period of the previous fiscal year. Outflows included 1,912 million yen for the purchase of non-current assets.

Net cash used in financing activities totaled 1,980 million yen, a decrease of 2,323 million yen from the same period of the previous fiscal year. Outflows included 1,503 million yen for the repayment of long-term borrowings and cash dividends paid of 1,048 million yen.

As a result, cash and cash equivalents totaled 11,637 million yen as of June 30, 2024, down 3,015 million yen from March 31, 2024.

## **(3) Explanation Regarding Consolidated Financial Forecasts and Other Forward-looking Information**

Regarding the consolidated financial forecasts for the year ending March 31, 2025, there are no changes from the consolidated financial forecasts for the first half and full year which was released in the "Summary of Financial Statements (Consolidated), Full-year Results for the Fiscal Year Ended March 31, 2024" on April 30, 2024.

*\* 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.*