

Financial Results

for the Six Months Ended September 30, 2019



FTSE4Good



FTSE Blossom
Japan



MSCI Japan Empowering
Women Index (WIN)



Plastics
Smart



2016
攻めのIT経営銘柄
Competitive IT Strategy Company

平成27年度
地球温暖化防止活動環境大臣表彰



対策活動実践・普及部門



FP Corporation
November 6, 2019

Cautions for Handling This Material

We have paid extremely close attention to the information provided through presentations at this session and contained in the handouts. The forward-looking statements included in the information are our estimates based on the information available at the time of publication, and therefore contain potential risks and uncertainties.

Therefore, changes in a number of factors could cause actual results to differ materially from the future prospects described.

Information contained in the handouts for this session **must not be quoted, reprinted or copied without our prior permission.**

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Consolidated Financial Results
for the First half of FY Ending March 2020

**Executive Vice President and Director,
Executive General Manager of Finance and Accounting Division
Isao Ikegami**

Financial Results Summary

(Results for the First half of FY Ending March 2020)

Unit: million yen	First half Performance						First half Projections			Full year Projections			
	FY ended March 2019		FY ending March 2020				FY ending March 2020			FY ending March 2020			
	Performance	percentage	Performance	percentage	increase/ decrease	Year-on -year	Quantity	Planned	percentage	progress rate	Planned	percentage	progress rate
Trays	16,062	17.9	17,674	19.0	+1,612	110.0%	105.4%	17,000	18.5	104.0%	34,800	18.7	50.8%
Lunchboxes and prepared food containers	50,265	56.1	51,573	55.5	+1,308	102.6%	102.0%	51,330	55.8	100.5%	103,660	55.7	49.8%
Subtotal	66,327	74.0	69,247	74.5	+2,920	104.4%	103.1%	68,330	74.3	101.3%	138,460	74.4	50.0%
Other products	1,664	1.9	1,581	1.7	-83	95.0%		1,670	1.8	94.7%	3,340	1.8	47.3%
Sales of products	67,991	75.9	70,829	76.2	+2,837	104.2%		70,000	76.1	101.2%	141,800	76.2	49.9%
packaging materials	18,698	20.9	19,216	20.7	+518	102.8%		18,900	20.5	101.7%	37,800	20.3	50.8%
Other goods	2,886	3.2	2,856	3.1	-30	98.9%		3,100	3.4	92.1%	6,400	3.4	44.6%
Sales of goods	21,585	24.1	22,072	23.8	+487	102.3%		22,000	23.9	100.3%	44,200	23.8	49.9%
Net Sales	89,577	100.0	92,901	100.0	+3,324	103.7%		92,000	100.0	101.0%	186,000	100.0	49.9%
Operating profit	6,160	6.9	7,094	7.6	+934	115.2%		7,250	7.9	97.9%	15,500	8.3	45.8%
Ordinary profit	6,483	7.2	7,445	8.0	+961	114.8%		7,400	8.0	100.6%	16,000	8.6	46.5%
Profit attribute to owners of parent	4,345	4.9	4,842	5.2	+496	111.4%		4,950	5.4	97.8%	10,600	5.7	45.7%
Ordinary profit before depreciation and amortization	12,989		14,148		+1,158	108.9%		14,160	99.9%		29,730	47.6%	

 Record high

✓ Highest sales ever for 5 consecutive years

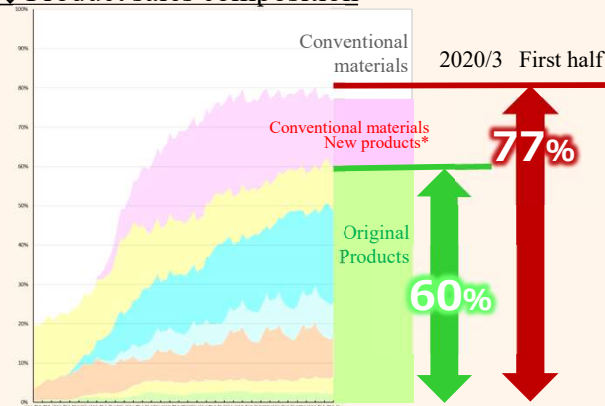
■ Sales Products

- Sales of microwavable containers, recycled Eco Trays and Eco APET containers were strong
- High value-added products were increased in response to the labor shortage

■ Goods

- Expand sales of carefully selected items to meet consumer demands
- Utilization of E-commerce site "PACK MARKET", to expand sales to small scale customers who purchase our products by small lots

◇ Product sales composition

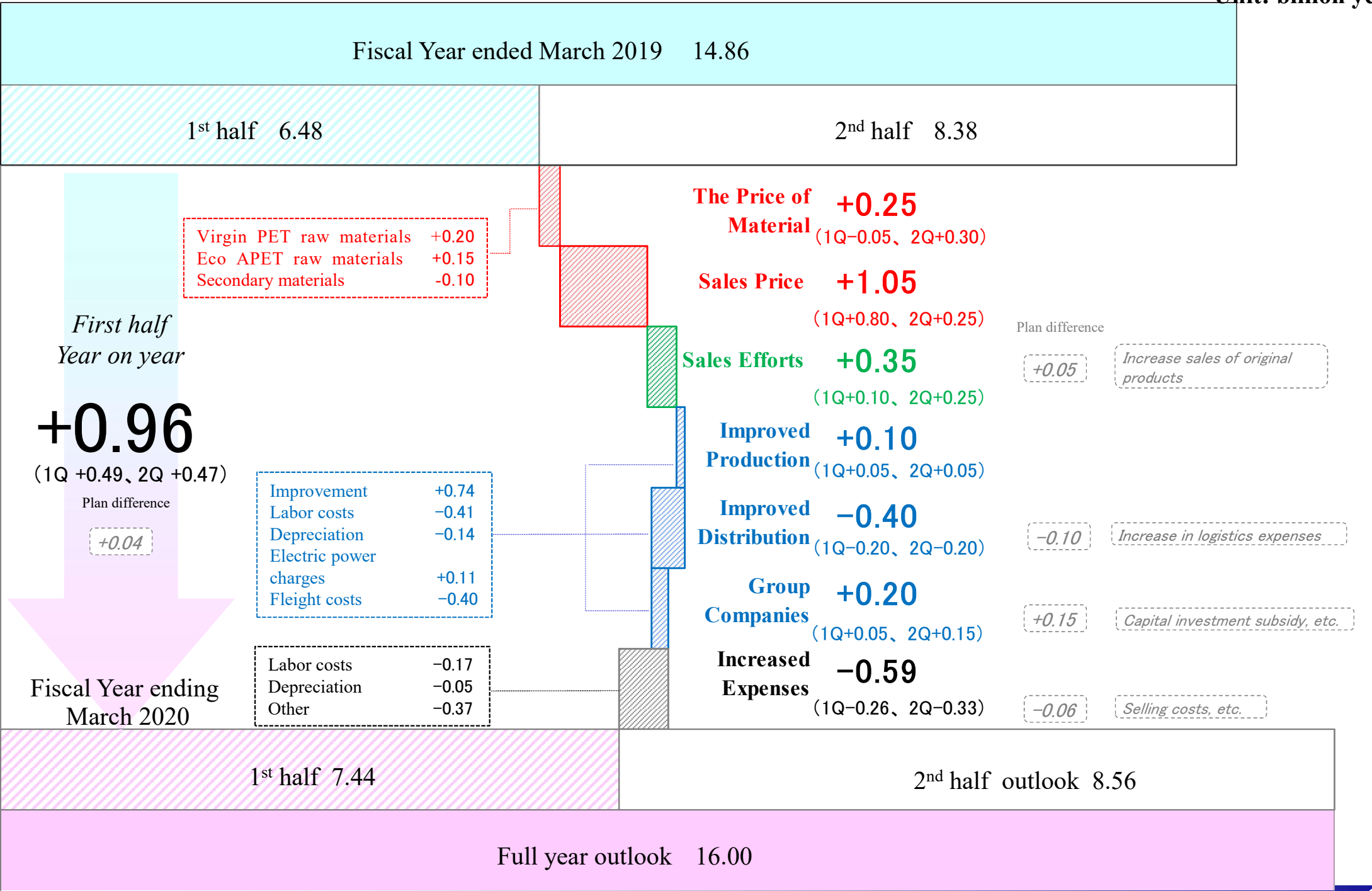


◇ Year-on-year

	1Q results	2Q results	First half results	Full-year plan
Sales of products	102.6%	105.7%	104.2%	103.1%
Quantity	100.8%	105.4%	103.1%	103.0%
Ordinary profit	119.3%	111.9%	114.8%	107.7%

Results for Increase/Decrease in Ordinary Profit (For the First half of FY Ending March 2020)

Unit: billion yen



Outlook for Increase/Decrease in Ordinary Profit

Outlook(Oct 31)

Unit: billion yen

1 st half	2 nd half outlook
----------------------	------------------------------

Fiscal Year ended March 2019 14.86

1st half 6.48

2nd half 8.38

The Price of Material **+0.50**

Plan difference
+0.05

1st half difference
Changes in the 2nd half outlook
+0.05

Virgin PET raw materials +0.95
Eco APET raw materials -0.20
Secondary materials -0.25

+0.25

+0.25

Sales Price **+1.05**

+1.05

±0.00

Sales Efforts **+0.85**

+0.15

+0.05

+0.10

+0.35

+0.50

Improved Production **+0.25**

Improvement +1.15
Labor costs -0.48
Depreciation -0.41
Electric power charges +0.30
Fleight costs -0.85

+0.10

+0.15

Improved Distribution **-0.75**

-0.15

-0.10

-0.05

-0.40

-0.35

Group Companies **+0.21**

+0.01

+0.15

-0.14

+0.20

+0.01

Increased Expenses **-0.97**

Labor costs -0.18
Depreciation -0.15
Other -0.64

-0.59

-0.38

1st half 7.44

2nd half outlook 8.56

Full year outlook 16.00

Year on year
+1.14

1st half +0.96

+0.04

2nd half +0.18

-0.04

Fiscal Year ending
March 2020

Capital Investments and R&D Costs

(Results for the First half of FY Ending March 2020)

Unit: million yen	First half performance				First half projections		Full year projections	
	FY ended March 2019	FY ending March 2020			FY ending March 2020		FY ending March 2020	
	Performance	Performance	Increase / decrease	Year-on-year	Planned	Progress rate	Planned	Progress rate
Tangible fixed assets	6,223	4,429	-1,794	71.2%	6,600	67.1%	17,700	25.0%
Intangible fixed assets	207	181	-25	87.5%	100	181.5%	300	60.5%
Capital investments (including leasing and procurement)	6,431	4,610	-1,820	71.7%	6,700	68.8%	18,000	25.6%
Depreciation and amortization costs	6,506	6,702	+196	103.0%	6,760	99.2%	13,730	48.8%
Research and development costs	553	597	+43	107.9%	640	93.3%	1,310	45.6%

Major Capital Investments

Unit: million yen

Fiscal Year ending March 2020

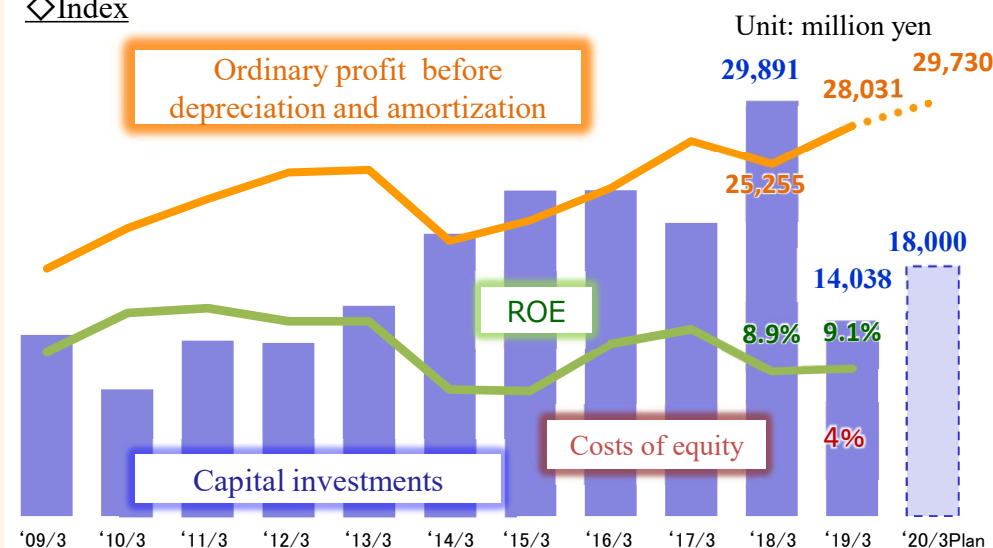
Improving production capacities and efficiencies of recycled materials and products while improving those qualities.

	Total investment	Plan in period	First half performance
◆ Eco APET materials: Reinforce the production capacity (Kanto, Kyusyu)	1,050	280	249
◆ Eco APET materials: Increase the productivity (Kanto, Chubu)	420	420	49
◆ Eco APET materials: Quality improvement by pelletizing (Chubu)	600	160	153
◆ Eco APET products: Reinforce the production capacity of sheet extruders and molding machines	2,200	1,860	391
◆ Reinforce the production capacity of foamed PS products	1,240	1,240	924
◆ Introduction of automation facilities		630	136

Stable supply and maintenance of working environment

◆ Fukuyama Distribution Center extension	To be inaugurated in winter 2020	4,345	1,260	60
◆ Chubu Distribution Center extension	To be inaugurated in spring 2021	5,285	1,320	5
◆ Company dormitories for single employees in Koga	To be inaugurated in Mar. 2020	611	580	64
◆ Company dormitories for single employees and group home in Fukuyama	To be inaugurated in Sept. 2020	1,054	1,000	1
◆ Molds			1,870	764
◆ IT investments			600	274

◇ Index



※ROE = Profit attributable to owners of parent ÷ Equity

Balance Sheet

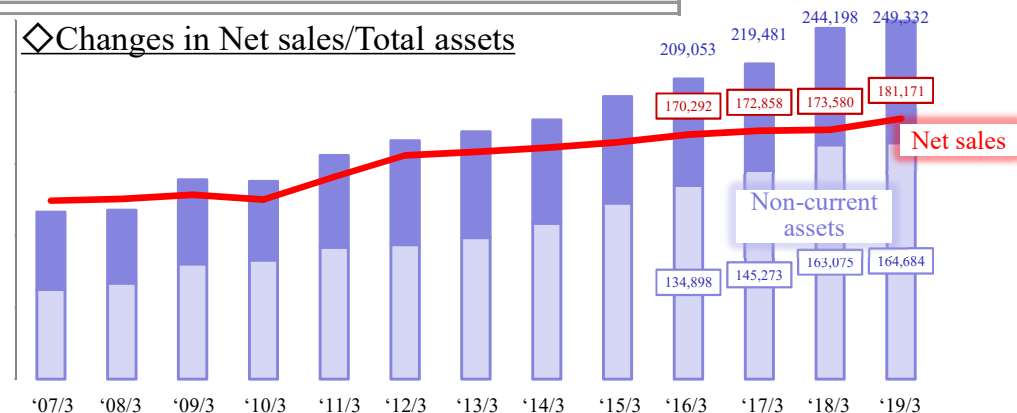
(Results for the First half of FY Ending March 2020)

Unit: million yen	Previous consolidated fiscal year	First half of the consolidated fiscal year			
	FY ended March 2019 As of March 31, 2019	As of September 30, 2020	Increase/ decrease	Year-on- year	Breakdown of main increases and decreases
Current assets	84,647	77,702	-6,945	91.8%	Cash and deposits -1,291 Notes and accounts receivable-trade -3,676 Merchandise and finished goods -1,224
Noncurrent assets	164,684	161,994	-2,689	98.4%	
Total assets	249,332	239,696	-9,635	96.1%	
Current liabilities	76,854	76,387	-466	99.4%	Accounts payable - trade -1,840 Short-term loans payable +5,953 Accounts payable-other -2,385 Accrued consumption taxes -1,311
Noncurrent liabilities	60,279	47,985	-12,294	79.6%	Long-term loans payable -11,716
Total liabilities	137,133	124,372	-12,761	90.7%	
Net assets	112,198	115,324	+3,125	102.8%	Retained earnings +3,147
Total liabilities and net assets	249,332	239,696	-9,635	96.1%	

Equity ratio 47.9%

- Assets Strategic investments for boosting the production capacity of original products and ensuring stable supply
- Liabilities Utilize borrowing as capital for strategic investment
- Net assets Strengthen the management structure
Prepare for expanding business flexibly

◇ Changes in Net sales/Total assets



Cash Flows

(Results for the First half of FY Ending March 2020)

Unit: million yen	Results for first half		
	FY ended March 2019 Performance	Performance	FY ending March 2020 Breakdown of Main Items
CF from operating activities	12,068	12,906	Income before income taxes 7,254 Depreciation 6,702 Increase in notes and accounts receivable-trade 3,672 Increase in inventories 1,040 Decrease in notes and accounts payable - trade -1,840 Income taxes paid -3,334
CF from investing activities	-10,567	-5,373	Purchase of property, plant and equipment -5,261
Free cash flows	1,501	7,532	
CF from financing activities	2,570	-8,824	Proceeds from long-term loans payable 3,000 Repayment of long-term loans payable -8,763 Repayments of lease obligations -1,356 Cash dividends paid -1,694
Net increase(decrease)in cash and cash equivalents	4,071	-1,291	
Cash and cash equivalents at end of period	19,731	17,860	

CF from operating activities

Ensuring profit by selling original products and streamlining efforts

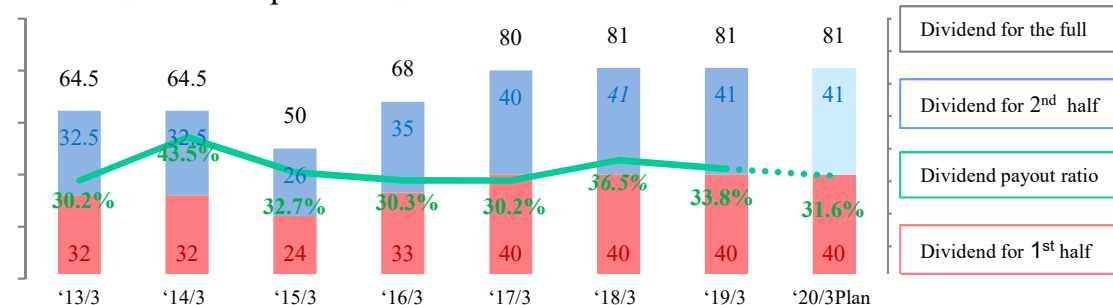
CF from investing activities

Strategic investment to construct the bases to make a profit for future

CF from financing activities

Continuously stable dividend

《Dividend per share》



Plan
for the Fiscal Year Ending March 2020

Outline of Plan for Account Settlement

(Plan for the FY Ending March 2020)

Unit: million yen	Results for Full year		Full year projections				First half projections			
	FY ended March 2019		FY ending March 2020				FY ending March 2020			
	Performance	percentage	Planned	percentage	increase/ decrease	Year-on -year	Planned	percentage	increase/ decrease	Year-on -year
Trays	33,121	18.3	34,800	18.7	+1,678	105.1%	17,000	18.5	+937	105.8%
Lunchboxes and prepared food containers	101,108	55.8	103,660	55.7	+2,551	102.5%	51,330	55.8	+1,064	102.1%
Subtotal	134,229	74.1	138,460	74.4	+4,230	103.2%	68,330	74.3	+2,002	103.0%
Other products	3,350	1.8	3,340	1.8	-10	99.7%	1,670	1.8	+5	100.3%
Sales of products	137,579	75.9	141,800	76.2	+4,220	103.1%	70,000	76.1	+2,008	103.0%
packaging materials	36,823	20.3	37,800	20.3	+976	102.7%	18,900	20.5	+201	101.1%
Other goods	6,768	3.7	6,400	3.4	-368	94.6%	3,100	3.4	+213	107.4%
Sales of goods	43,592	24.1	44,200	23.8	+607	101.4%	22,000	23.9	+414	101.9%
Net Sales	181,171	100.0	186,000	100.0	+4,828	102.7%	92,000	100.0	+2,422	102.7%
Operating profit	13,949	7.7	15,500	8.3	+1,550	111.1%	7,250	7.9	+1,089	117.7%
Ordinary profit	14,861	8.2	16,000	8.6	+1,138	107.7%	7,400	8.0	+916	114.1%
Profit attribute to owners of parent	9,901	5.5	10,600	5.7	+698	107.1%	4,950	5.4	+604	113.9%
Ordinary profit before depreciation and amortization	28,031		29,730		+1,698	106.1%	14,160		+1,170	109.0%

■ Sales Products

Expanding sales of microwavable containers, recycled Eco Trays and Eco APET containers
Proposing high function products for new markets, including those of home delivery, frozen food, and fruits and vegetables

Shipments: Rising 3% year-on-year

Trays: Expanding sales with a focus on environmentally friendly products

Lunchboxes and prepared food containers:

Proposing new products that will help create attractive sales floors and improve efficiency in the backyard, in addition to original products with functions such as cold and heat resistance

■ Goods

Strengthening sales to small-scale customers who purchase small lots, by making use of merchandising, logistics, and IT infrastructures

◇ Production

Reinforce the production capacity of raw materials for Eco APET
Cost reduction by introduction of industrial robots

◇ Logistics

Containing cost increases by making use of in-house logistics and improving loading efficiency
Automation of warehouse work

◇ ESG

Promoting the terrestrial resource cycle and the employment of people with disabilities

Outlook for Increase/Decrease in Ordinary Profit

(Plan for the FY Ending March 2020)

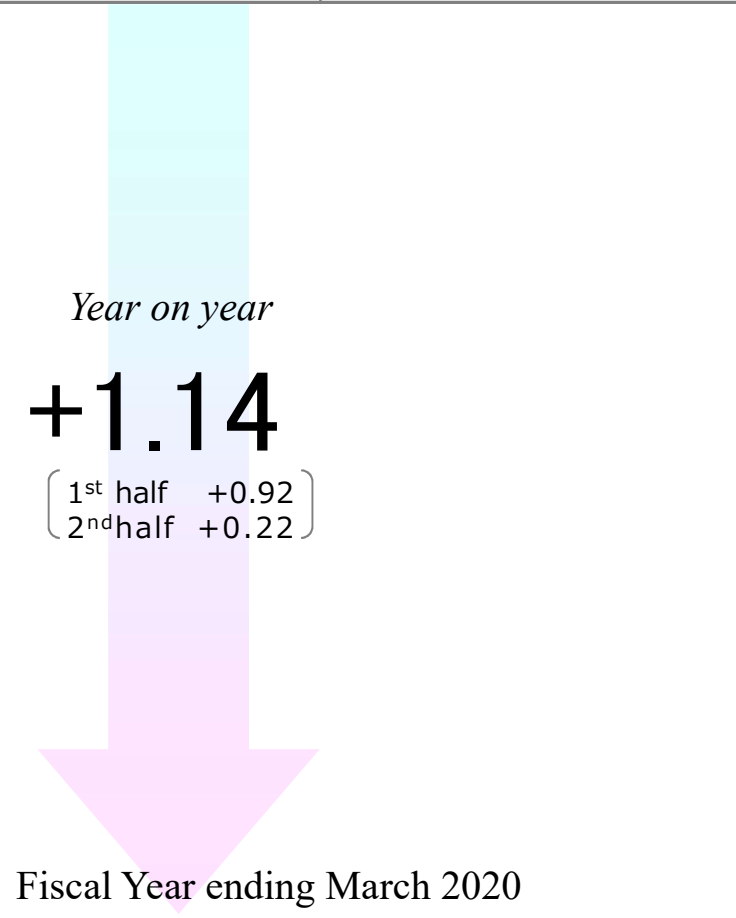
Outlook (May 8 2019)

Fiscal Year ended March 2019		14.86
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1 st half	6.48	2 nd half	8.38
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Unit: billion yen

1 st half	2 nd half
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Fiscal Year ending March 2020			
1 st half outlook	7.40	2 nd half outlook	8.60

Full year outlook 16.00	
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The Price of Material +0.45
(1st half +0.25, 2nd half +0.20)

Sales Price +1.05
(1st half +1.05, 2nd half ±0.00)

Sales Efforts +0.70
(1st half +0.30, 2nd half +0.40)

Improved Production +0.25
(1st half +0.10, 2nd half +0.15)

Improved Distribution -0.60
(1st half -0.30, 2nd half -0.30)

Group Companies +0.20
(1st half +0.05, 2nd half +0.15)

Increased Expenses -0.91
(1st half -0.53, 2nd half -0.38)

Total +1.14
(1st half +0.92, 2nd half +0.22)

-0.15

Virgin PET raw materials	+0.90
Eco APET raw materials	-0.20
Secondary materials	-0.25

Improvement	+1.14
Labor costs	-0.48
Depreciation	-0.41
Electric power charges	+0.30
Freight costs	-0.70

Labor costs	-0.18
Depreciation	-0.15
Other	-0.58

Planned Capital Investment and R&D Costs

(Plan for the FY Ending March 2020)

Unit: million yen	Results for Full year	Full year projections			First half projections		
	FY ended March 2019	FY ending March 2020			FY ending March 2020		
Performance	Planned	Increase / decrease	Year-on-year	Planned	Increase / decrease	Progress rate	
Tangible fixed assets	13,442	17,700	+4,257	131.7%	6,600	+376	106.0%
Intangible fixed assets	595	300	-295	50.4%	100	-107	48.2%
Capital investments (including leasing and procurement)	14,038	18,000	+3,961	128.2%	6,700	+268	104.2%
Depreciation and amortization costs	13,170	13,730	+559	104.2%	6,760	+253	103.9%
Research and development costs	1,159	1,310	+150	113.0%	640	+86	115.6%

Major capital investments

Unit: million yen

Fiscal Year ending March 2020

Investment in original products: Improving production capacity and quality of Eco APET products

- ◆ Eco APET materials: Boosting the production capacity (Kanto, Kyusyu)
- ◆ Eco APET materials: Increase the productivity (Kanto, Chubu)
- ◆ Eco APET materials: Quality improvement by pelletizing (Chubu)
- ◆ Eco APET products:
Reinforce the production capacity of sheet extruders and molding machines (Shimodate, Chubu)

Total investment

Plan in period

280	280
420	420
600	160
2,140	1,800

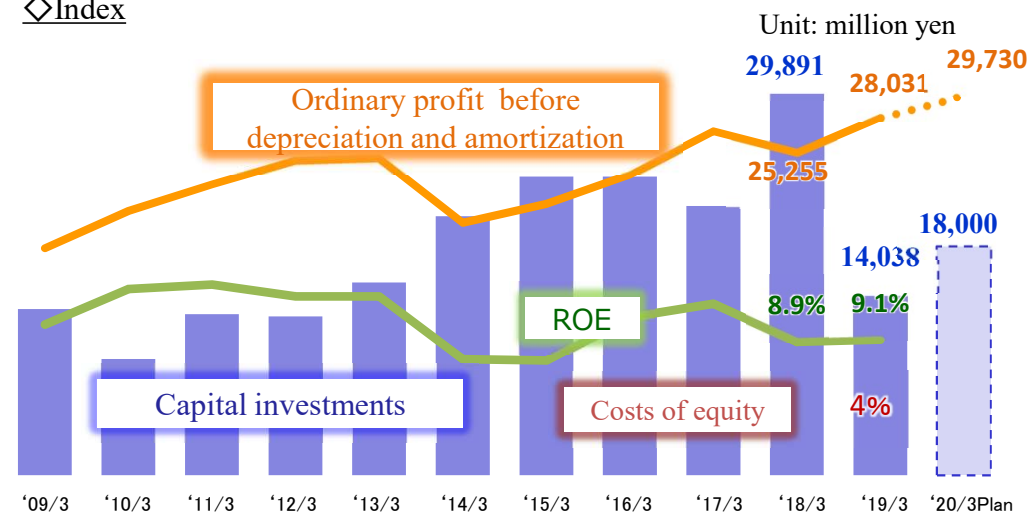
Investment corresponding to expansion of the sales quantity:

Stable supply, Efficiency improvement, Maintenance of working environment

- ◆ Introduction of automation facilities
- ◆ Fukuyama Distribution Center extension To be inaugurated in winter 2020
- ◆ Chubu Distribution Center extension To be inaugurated in spring 2021
- ◆ Company dormitories for single employees and group home in Fukuyama To be inaugurated in Mar. 2020
- ◆ Company dormitories for single employees in Koga To be inaugurated in Mar. 2020
- ◆ Molds
- ◆ IT investments

630
1,260
1,320
1,000
580
1,870
600

◇ Index



※ROE = Profit attributable to owners of parent ÷ Equity

To Increase Corporate Value

President

Morimasa Sato



株式会社 **IFCO**

Market Conditions



Circumstances Surrounding the Retail Industry

Trend

(FP Corporation's actions)

Expansion of home meal replacement market

(Propose production of attractive selling spaces)

Aggravation of labor shortage

(Propose backyard efficiency improvement)

Soaring logistics expenses

(Increase usage ratio of own trucks and loading efficiency)

Growing public interest in marine plastic issues

(Increase collection volume and recycling capacity)

2019

March

FPCO Fair



May

Start of new Japanese imperial era
Ten-day Golden Week

June

G20 summit



October

Consumption tax hike

- Reduced tax rate system
- The Project for Encouraging Businesses to Introduce Cashless Payment Systems and Pass on Benefits to Consumers
- Free preschool child education and childcare



Increase in takeout meals

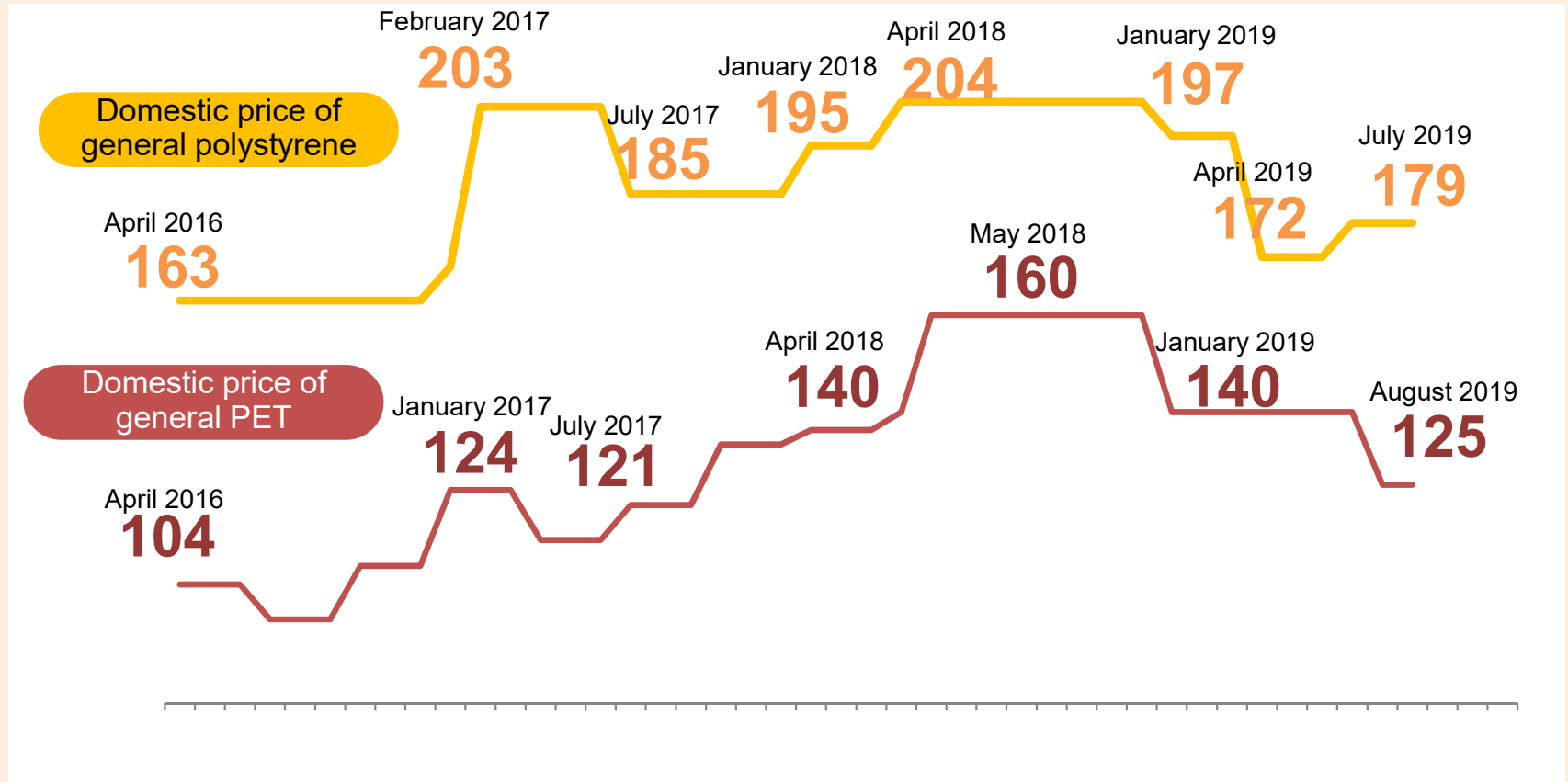
2020

March

FPCO Fair

Trend in Prices

Raw Material

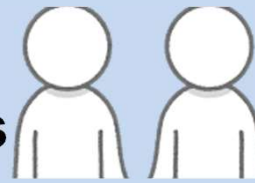


Other Expenses

Logistics expenses



Labor expenses

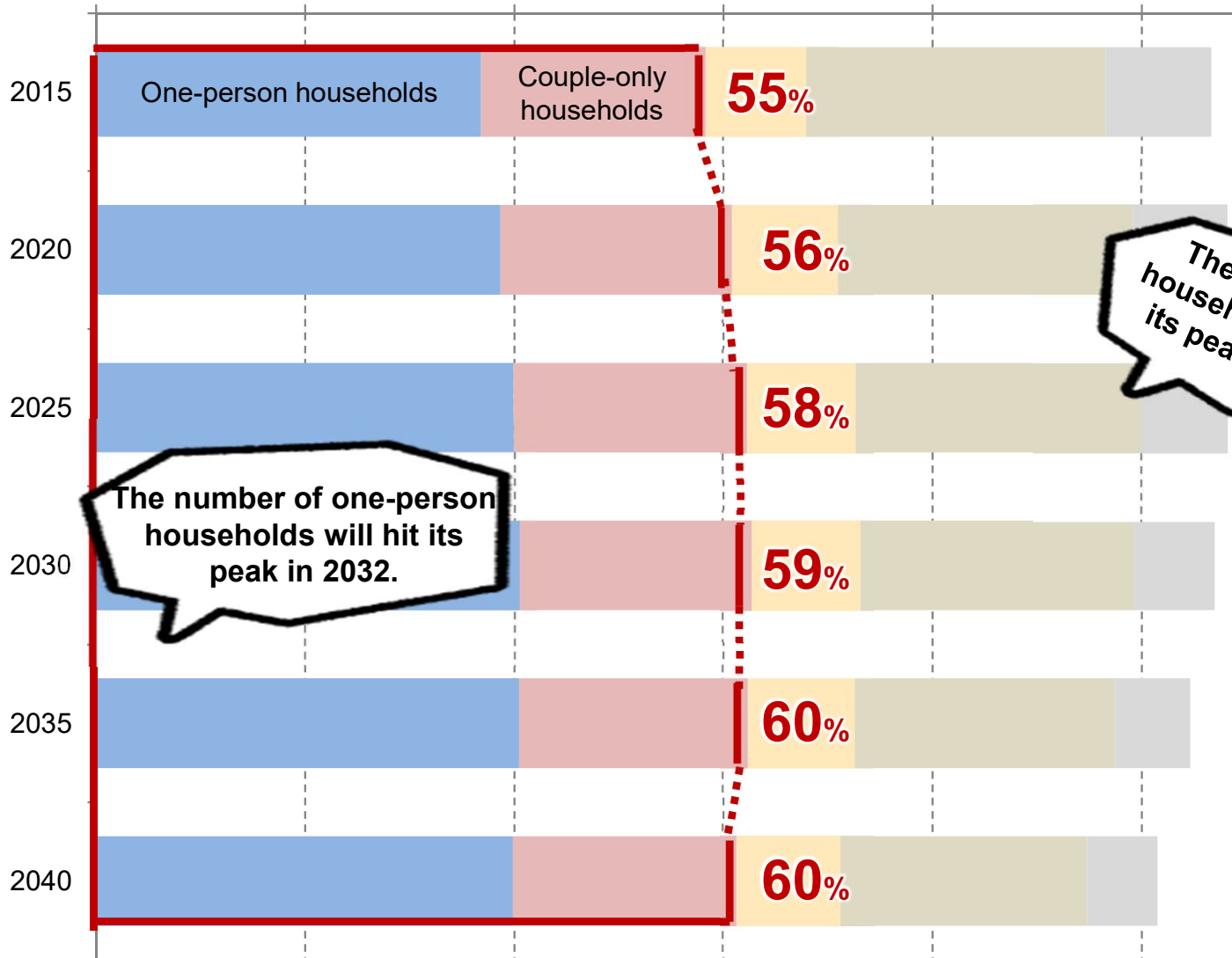


Material expenses



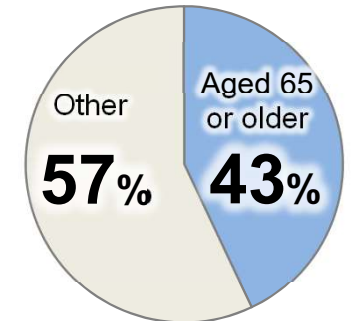
Changes in the Number of Households

- One-person households
- Households of single parents with children
- Other general households
- Couple-only households
- Households of couples with children



Ratio of households with one person and couples aged 65 or older

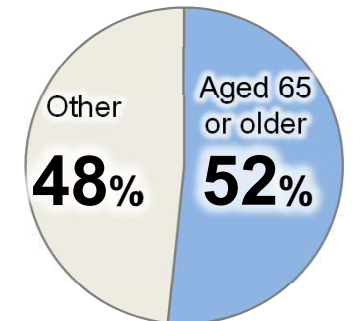
2015



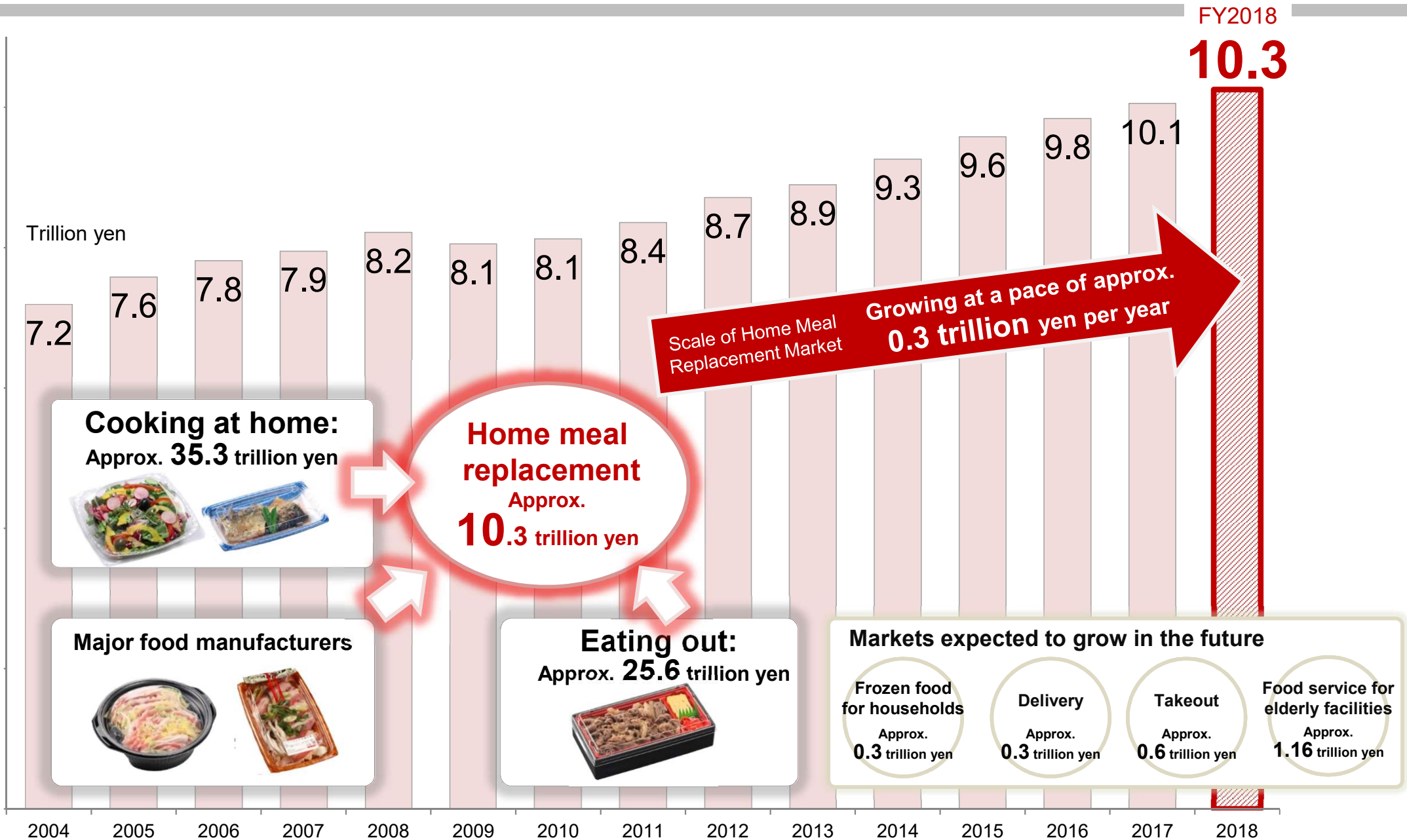
The number of households will hit its peak in 2023.

The number of one-person households will hit its peak in 2032.

2040



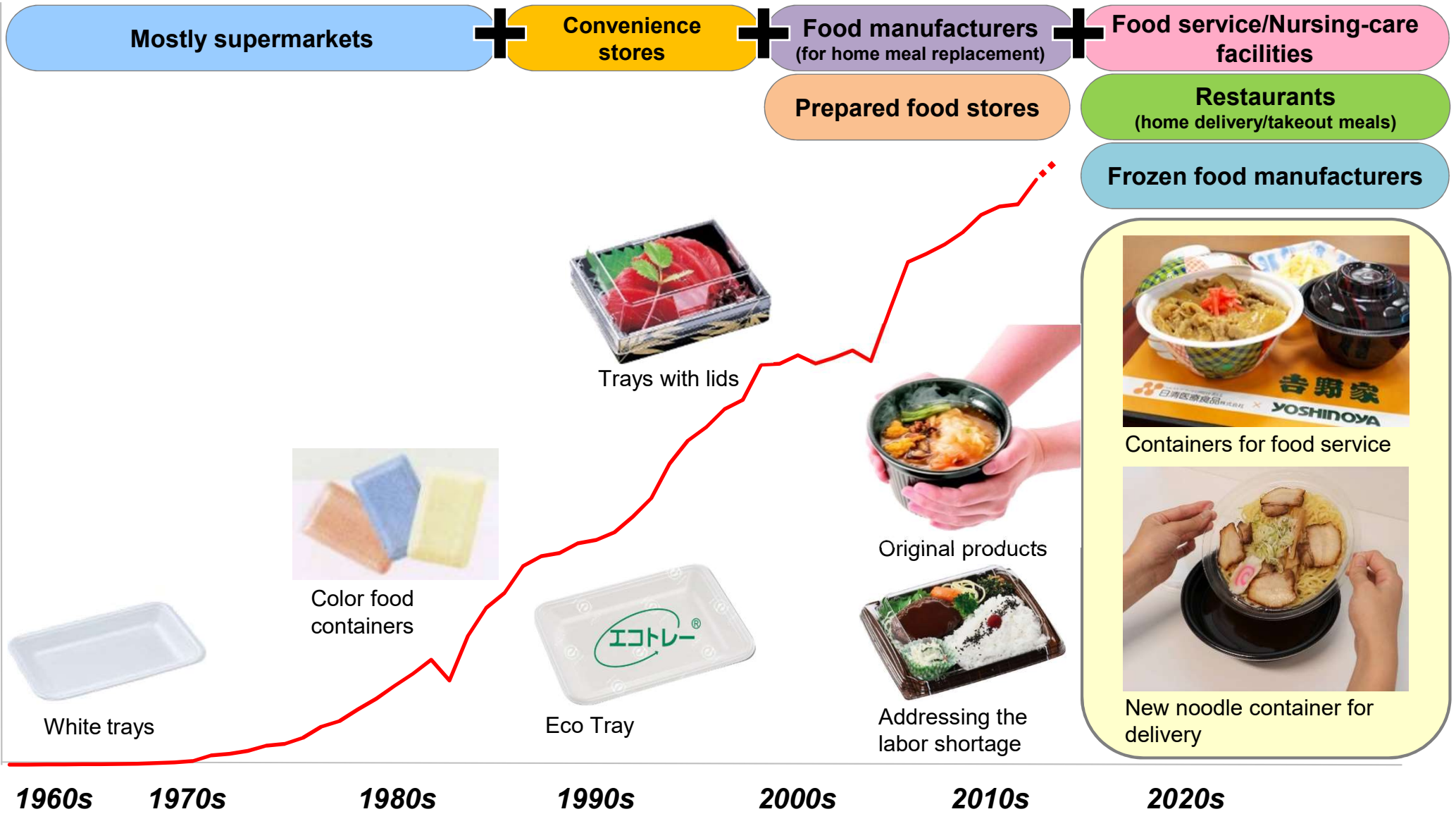
Trend in Scale of Home Meal Replacement Market



Source: Prepared by FPCO based on its estimated data and on data from Japan Ready-Made Meal Association: White Paper on Ready-Made Meals; Japan Frozen Food Association: Production and Consumption of Frozen Food in Japan; Yano Research Institute Ltd.: Research on Food Home Delivery Market Fuji Keizai, *Gaishoku Delivery & Takeout Service Shijo-no Shorai Tembo 2019* (Future Outlook for the Market of Food Delivery and Takeout Services 2019), *Koureisha Muke Shokuhin Shijo-no Shorai Tembo 2017* (Future Outlook for the Market of Food for the Elderly 2017)

Expanding Market

Net sales of the FPCO Group



Nationwide Spread of *Namakara Sozai*



Selling situation

Number of companies offering *Namakara Sozai*

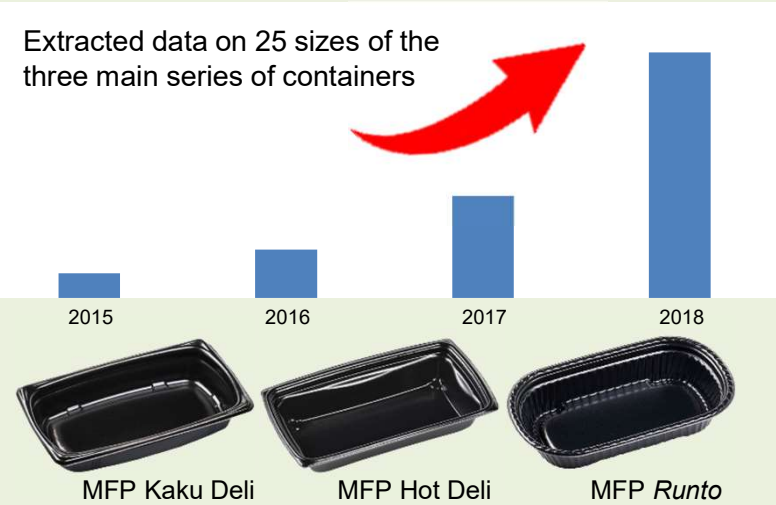
September 2015 **95** companies
 September 2018 **114** companies
 September 2019 **To 157** companies



Container shipments

Increasing by approx. **2 times** every year

Extracted data on 25 sizes of the three main series of containers



2019 Fall-winter selling season

Microwave hot pots are expected to exceed aluminum hot pots.

* Estimated by food vendor A

Microwave hot pots

6



Aluminum hot pots

4



2019 new product

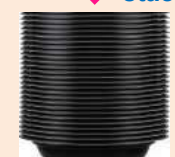
Stack height comparison of 25 hot pots



MFP hot pot



Conventional hot pot



MFP Hot Noodle

Approx. **40%** lower stack height

Consumption Tax Increase and Two-Tier Tax Rates

Reduced **8%** tax rate
applicable to

Food, takeout meals and
home delivery



8%?



10%?

Regular **10%** tax rate
applicable to

Food consumed at
restaurants and eating areas



Accelerated entries

New Market: Home Delivery and Hospital/Nursing Care Food

Home delivery



Special containers for delivery began to be adopted.



- Leak-proof
- Keep food warm

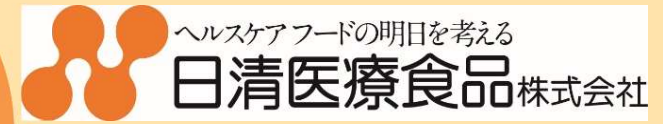


Can be transported without worry

Maintain good taste



Hospital/
Nursing care



Number of people to which *Minna-no Nichiyobi* (Sunday for Everyone) food services from Nissin Healthcare Food Service were provided

As of Jul. 31

Approx.

60,000 / Approx. 420,000

Approx. 14%

By Nov. 30

Approx.

240,000 / Approx. 420,000

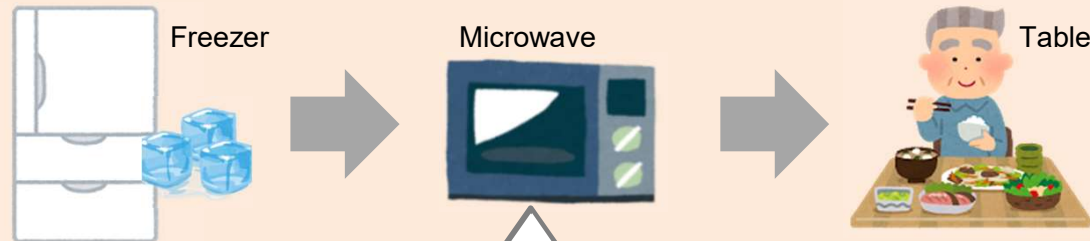
Approx. 57%



New Market: Making a Foray into **Frozen Food** by Taking Advantage of Unique Materials

MFP, a consumer-friendly material

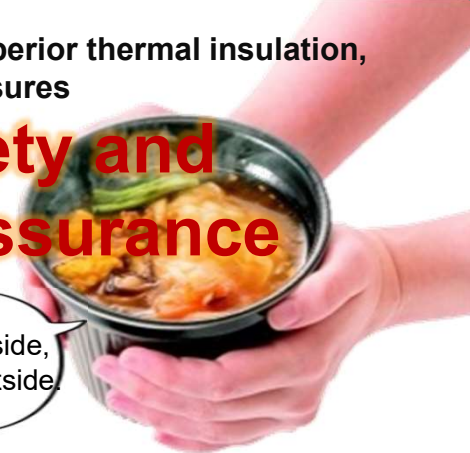
Can be used for storing the food in a freezer and heating it in the microwave thanks to the cold and heat resistance to temperatures between -40°C and $+110^{\circ}\text{C}$



With superior thermal insulation, MFP ensures

safety and reassurance

It's hot inside, but not outside.



OPET, which is resistant to frozen distribution

Risk of frozen distribution

Breakage of packaging material

It breaks.

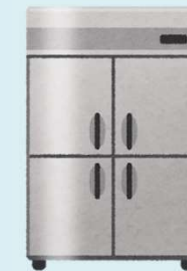


With superior cold resistance, OPET lids are

hard to break.



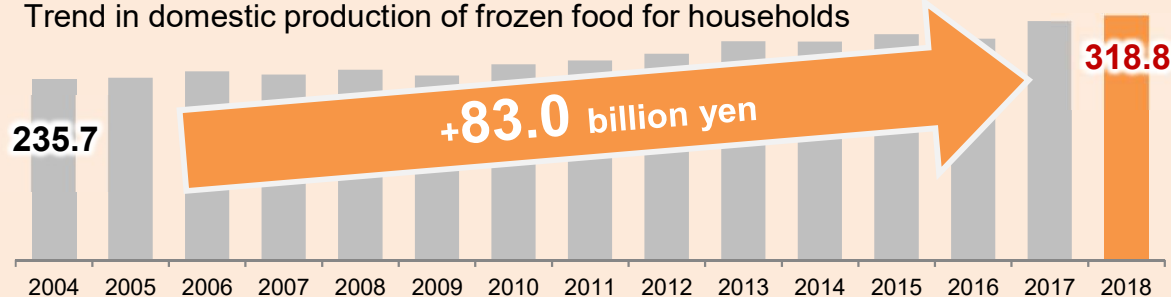
Drop test of containers stored at -50°C



Result of tests by three vendors:

No container breakage

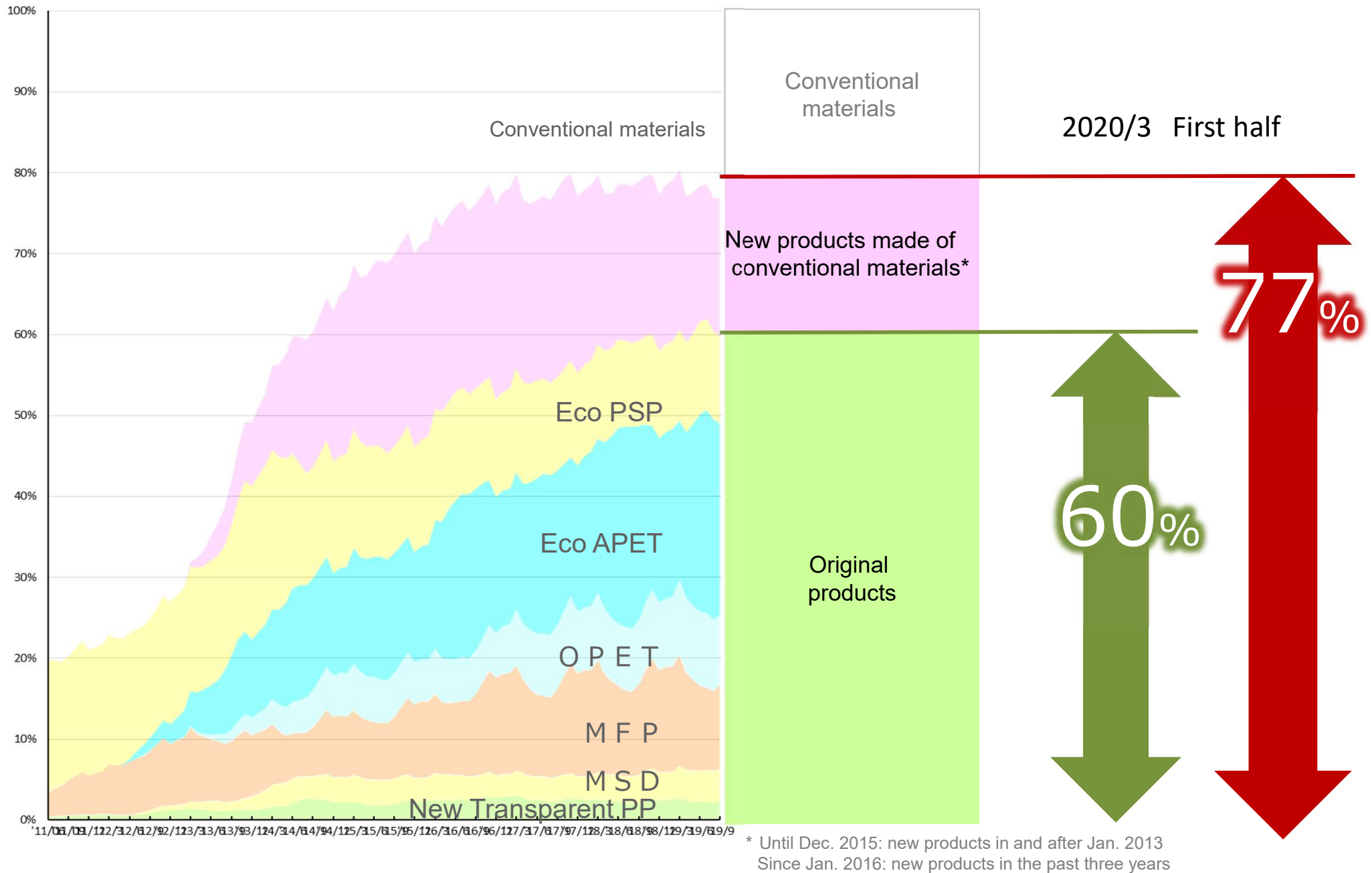
Trend in domestic production of frozen food for households



Source: Japan Frozen Food Association

Unit: Billion yen

Sales Shares of Original Products



Actions for Recycling



Ocean Plastic Pollution: Trends in the World and Japan

Global trends

2017

China

Notification of waste import restrictions to WTO

2018

G7

Ocean Plastics Charter

2019

Trends in Japan

MOE

Comprehensive strategy for plastic material recycling

(Excerpt of milestones)

- Reusing and recycling **60%** of containers and packages by **2030**
- Making effective use of **100%** of used plastics, such as through reuse and recycling, by **2035**
- Introducing **approx. 2.0 million tons** of bioplastics by **2030**

G20 JAPAN 2019



■ Summit in Osaka

“Osaka Blue Ocean Vision”

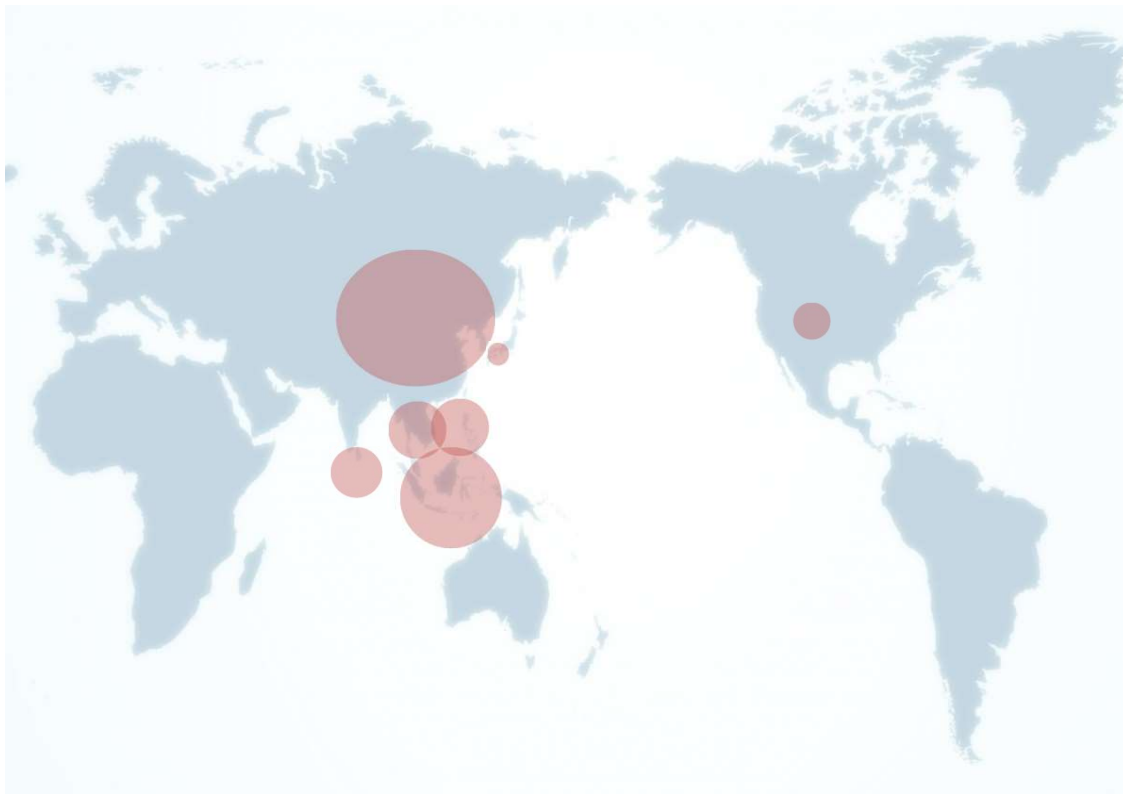
Reducing additional pollution by marine plastic litter to **zero** by **2050**

■ Ministerial Meeting on Energy Transitions and the Global Environment for Sustainable Growth








FPCO selected as an exhibitor at the G20 Innovation Exhibition, an outdoor exhibition hosted by the Government of Japan

Necessary Measure: Preventing Inputs of Plastics from Land into the Ocean

Ranking of countries in the inputs of plastic waste from land into the ocean (2010 estimate)



The value for India is estimated to be more than 4 mn tons/year although statistical data is not available.

1 st : China	1.32- 3.53 mn tons/year	
2 nd : Indonesia	0.48- 1.29 mn tons/year	
3 rd : Philippines	0.28- 0.75 mn tons/year	
4 th : Vietnam	0.28- 0.73 mn tons/year	
5 th : Sri Lanka	0.24- 0.64 mn tons/year	
⋮		
20 th : United States	0.04- 0.11 mn tons/year	
⋮		
30 th : Japan	0.02- 0.06 mn tons/year	

* Created by FPCO based on [data from the Ministry of the Environment](#)
Inputs of plastic waste from land into the ocean (2010 estimate) by country estimated based on population density, economic conditions and other elements.
(Reference) Plastic Waste inputs from land into the ocean(2015.Feb.Science)

Recycling of Plastics from Household Waste (Non-Industrial Waste)

PET bottles



Approx.

0.75 mn tons

Single
material

Food containers



Approx.

0.8 mn tons

Soft packaging



Approx.

3.0 mn tons

Composite
material

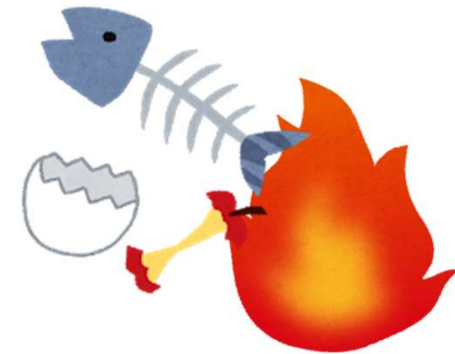
Material recycling

[Recycling of materials]

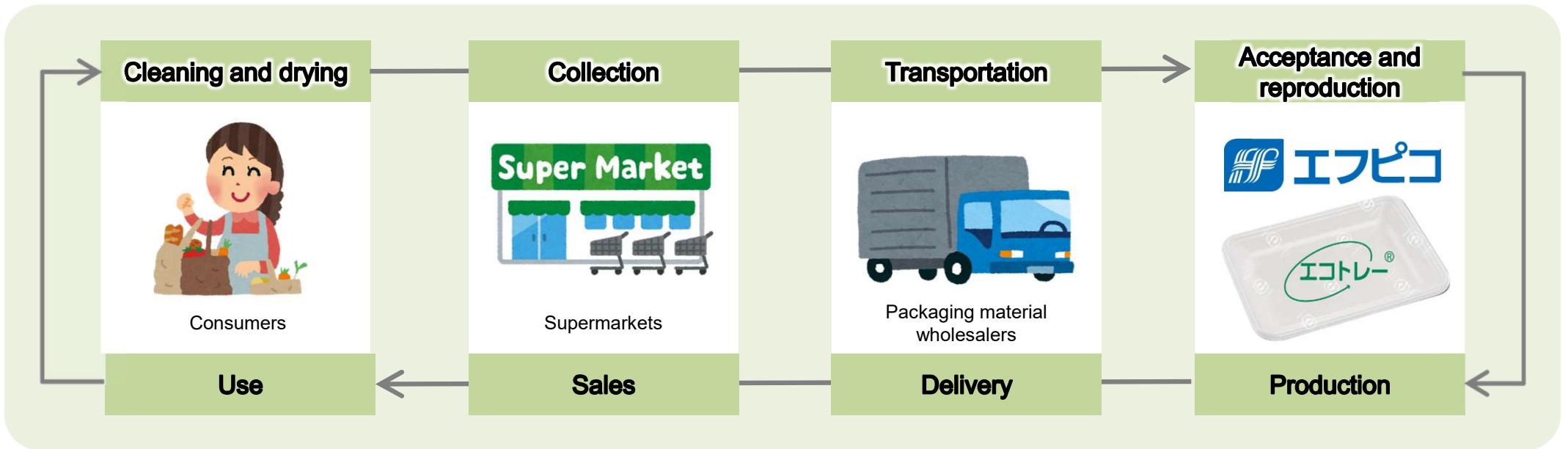


Thermal recycling

[Thermal recovery]



FPCO Method of Recycling



History	
1980	Garbage problem in Hiroshima
1990	Boycott against McDonald's in the U.S.
1990	Launch of recycling with FPCO method
1995	Establishment of the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging
1997	Kyoto Protocol
2008	Launch of transparent container recycling
2010	Launch of PET bottle recycling
2015	Paris Agreement

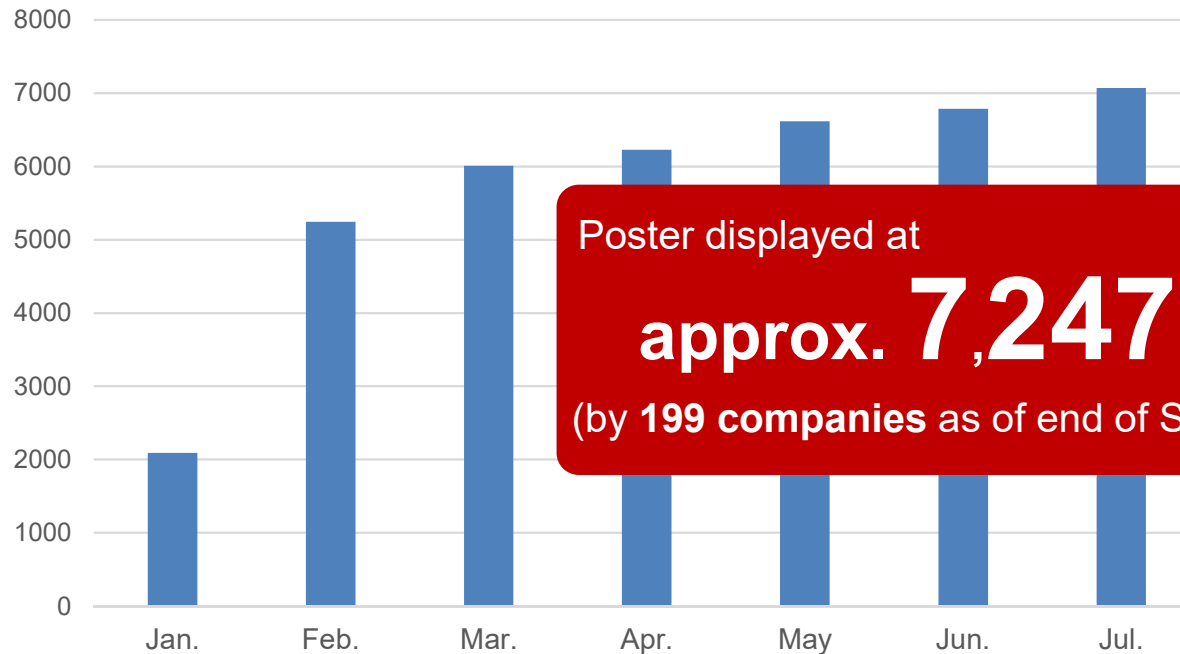
Replacement of containers with paper packages



Promoting 3Rs (Reduce, Reuse, and Recycle)



Number of stores at which the poster is displayed



Poster displayed at
approx. 7,247 stores
 (by 199 companies as of end of September 2019)

Not *single-use* but a *resource*

Appropriate recycling is important. The FPCO Group is committed to activities for encouraging recycling.

Number of visitors to recycling plants:
 Approx. **20,000** per year;
460,000 in cumulative total



Collection of Plastic Resources



* The corresponding values for the number of containers and bottles were calculated based on the following standard weights.
Foam tray: approx. 4 grams; transparent container: approx. 10 grams;
PET bottle: approx. 25 grams

Amount (number) of recycled containers/bottles

Results for FY ended March 2018 Results for FY ended March 2019 Target for FY ending March 2021

Containers
(Foamed PS and transparent containers)

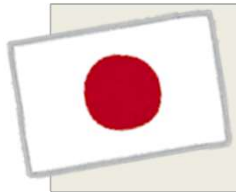
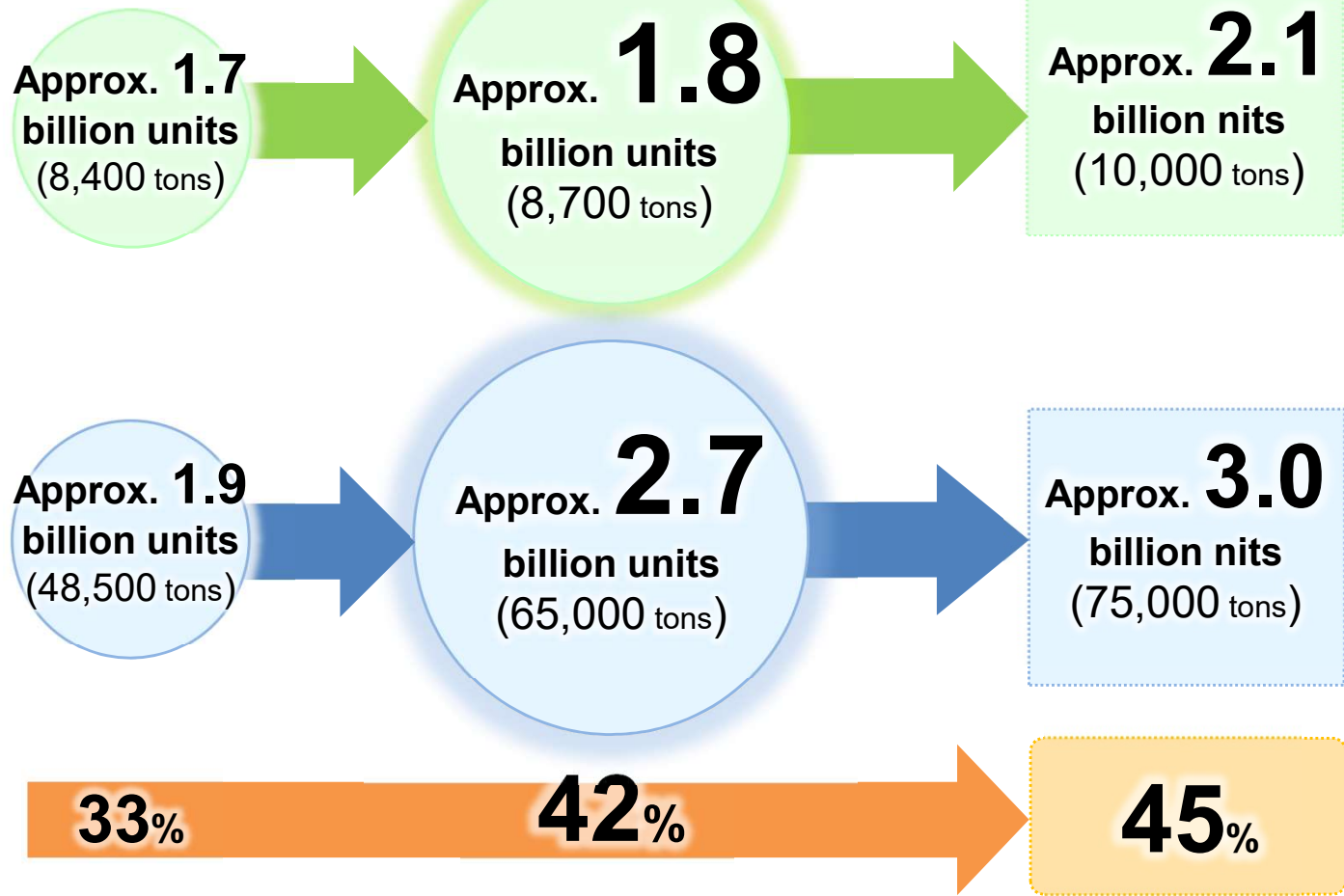
Collected from:
supermarkets,
specified corporations

9,200 sites

PET bottles

Collected from:
specified corporations,
supermarkets,
business-related sources

Ratio of the amount of recycling of used products to product sales volume



Ministry of the Environment
(Comprehensive strategy for plastic material recycling)

By 2030, 60% of plastic containers and packages will be recycled or reused.
By 2035, all used plastics will be utilized 100% effectively, including heat recovery.

Eco Tray / Eco APET CO₂ Reduction

Eco Tray



CO₂ emissions

-30%

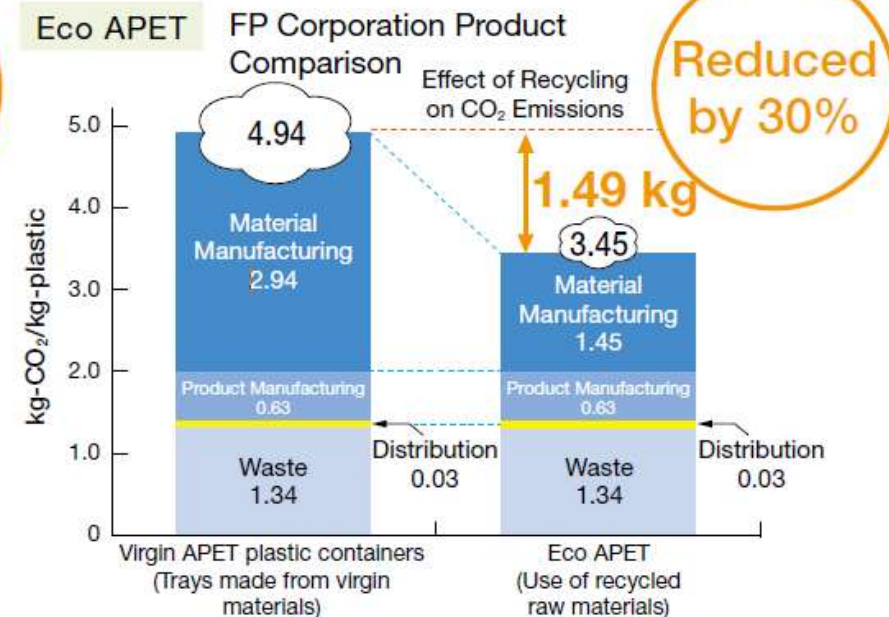
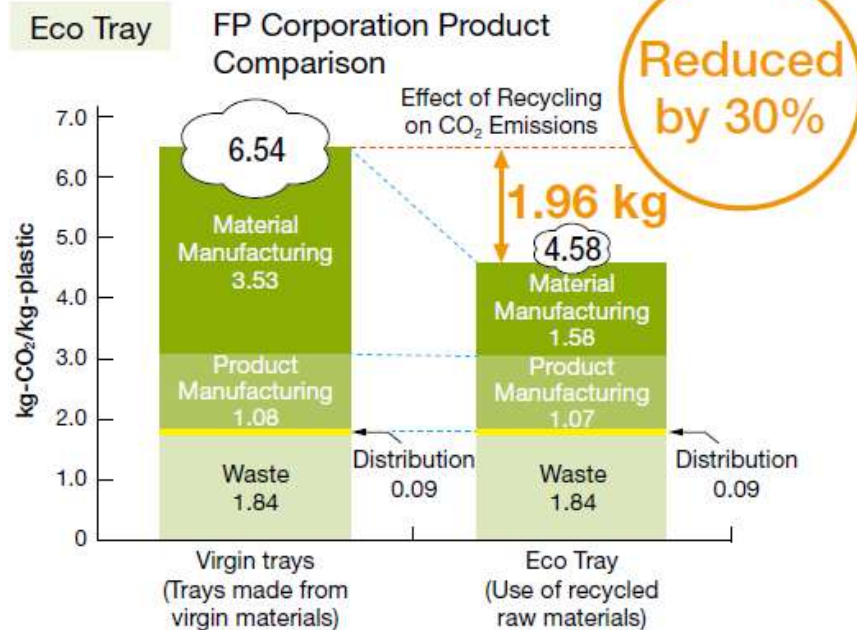
Eco APET



In FY ended March 2019, CO₂ emissions were cut by

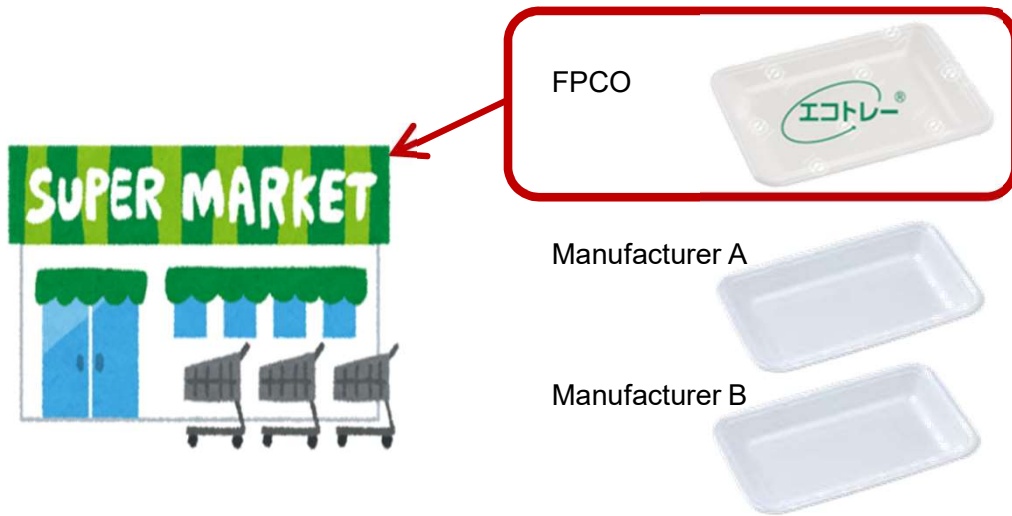
135,000 tons a year

(Eco Tray: 33,000 tons / Eco APET 78,000 tons /
Eco OPET 23,000 tons)



Comparison of life cycle assessment (LCA) results between FPCO products

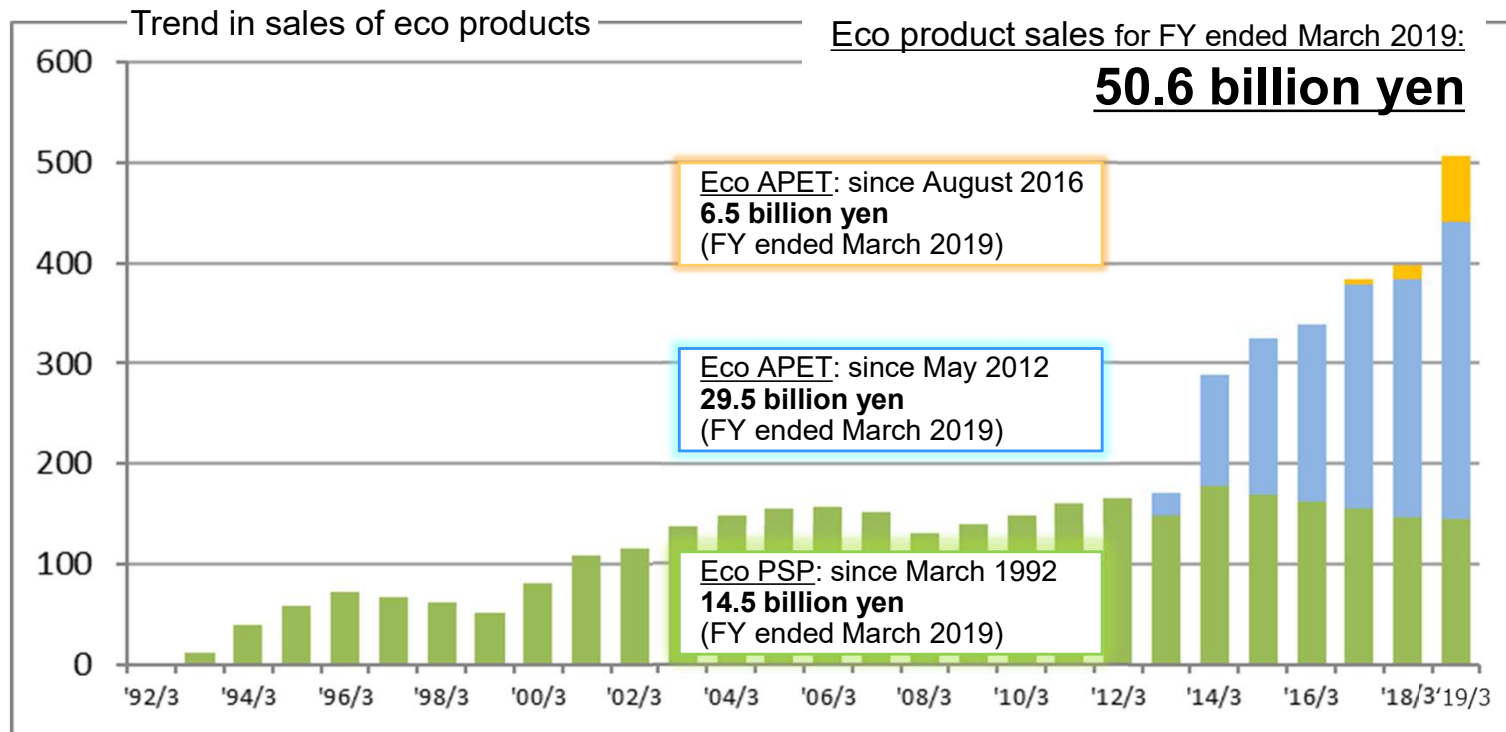
Active Adoption of Eco Products



A reason why ESG selects suppliers

Introducing recycling measures at our website and in in-house magazine

Icons representing communication channels: In-house magazine, Website, and General Meeting of Shareholders.



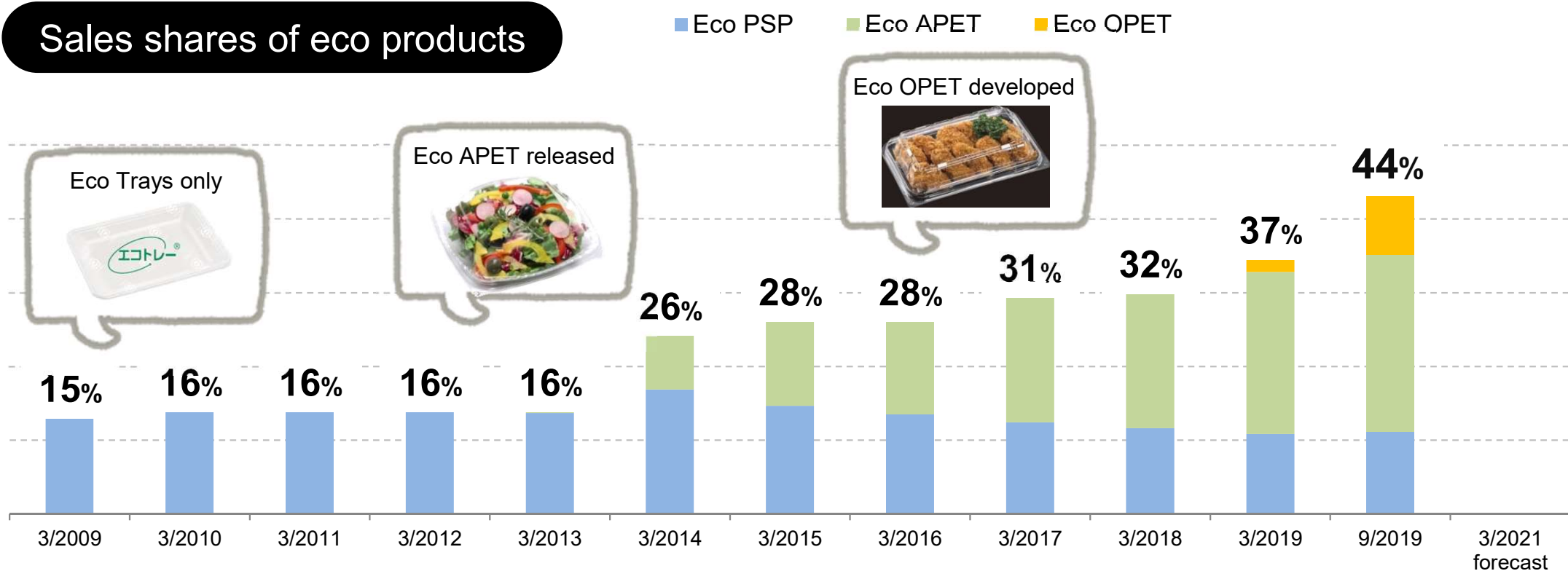
Sales of Eco PSP in FY ending March 2020 compared to the year-ago level (1H)

109%

Investment in Recycling and Ratio of Eco Products



Sales shares of eco products



Investments in recycling (billion yen)	Chubu 2.9			Kyushu 0.8			Kanto 3.2	Capacity increased in Kyushu 0.7 Capacity increased in Kanto 0.1	
Supply capacity of recycled PET materials (thousand tons)	10	20		30		50		57	60
								1H 29	2H 28
Ratio of Eco PET and OPET products Average for the fourth quarter			49%	52%	57%	65%	69%	97%	98%


Weight and Stacking Height Reduction



Weight Reduction

Reducing the weight and thickness by **5%** compared to the FY2013 level by **2020**


Kyonishiki 20-16R
Material: HI



22.9 g per tray

Weight per tray reduced to nearly one third

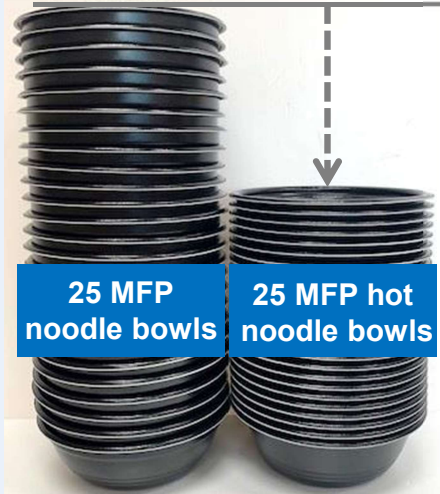
Tosai 19-17
Material: Low-foamed PSP



7.8 g per tray

Stacking Height Reduction


Decreasing the stack height reduces the amount of storage space used as well as expenses for cardboard and transport.



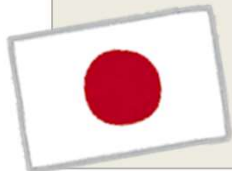
25 MFP noodle bowls

25 MFP hot noodle bowls

Stack height reduced by approx. **45%**



MFP Hot Noodle Series



Ministry of the Environment
(Comprehensive strategy for plastic material recycling)

Strive to cut cumulative emissions for single-use plastic containers, packages and others by **25%** by **2030**.

External Evaluation

Selected for the first time as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index, which are ESG indexes (June 2019)



FTSE4Good



FTSE Blossom
Japan

Indexes developed by FT Russell of the London Stock Exchange Group, which reflect the performance of companies taking excellent Environmental, Social and Governance (ESG) measures

FPCO is one of **1,034 companies** in the world

FPCO is one of **179 companies** in Japan

Selected as a constituent of the MSCI Japan Empowering Women (WIN) Select Index, which is comprised of companies with excellent gender diversity (June 2019)



MSCI Japan Empowering Women Index (WIN)



An index developed by MSCI Inc., which is comprised of companies strongly promoting gender diversity in the workplace

External Evaluation



Reasons for the award

- ✓ **Widely spreading the FPCO method of recycling**
- ✓ **Our initiatives on the employment of people with disabilities**

FPCO wins the Japan Times Satoyama & ESG Awards 2019

A program that commends companies and organizations which have made remarkable achievements in promoting and spreading effective use of *satoyama* (woodlands near villages) and *satoumi* (coastal areas where biological productivity and biodiversity has increased through human interaction) as well as ESG investments

Winners

ESG category

Government Pension Investment Fund (GPIF)

FP Corporation

Marui Group Co., Ltd.

Satoyama category

Mr. Kenya Katayama (Mayor of Niseko Town, Hokkaido)

Ms. Chika Tsubouchi (CEO, Ghibli-Sendanmaru, Yamaguchi)

Urushi Next, a specified non-profit corporation (Iwate)

Tottori Prefecture

External Evaluation: TV Programs in 2019 that Introduced FPCO



Month	Program	Content		
		Recycling	Containers' functions	Namakara Sozai
Mar.	Fuji TV <i>Mezamashi TV</i>			○
Jun.	NHK <i>Asaichi</i>			○
	TBS <i>N-Sta</i>			○
	Kansai TV <i>Uramayo</i>		○	○
	Chukyo TV <i>Catch!</i>	○		
Jul.	FBS (Fukuoka Broadcasting Systems) <i>Barihaya! ZIP</i>			○
	Yamagata Broadcasting <i>Yamagata Sunday 5</i>	○		
	BS Asahi <i>Wakaru Wakaru Channel</i>	○		
Sep.	Nihon TV <i>Hiru Nandesu!</i>	○	○	○
	TV Tokyo <i>Takeshi-no Nippon-no Mikata!</i>	○	○	
	MBS (Mainichi Broadcasting System) <i>News Mint!</i>	○	○	○
	TBS <i>Gutto Luck!</i>			○

12 times

6 times

4 times

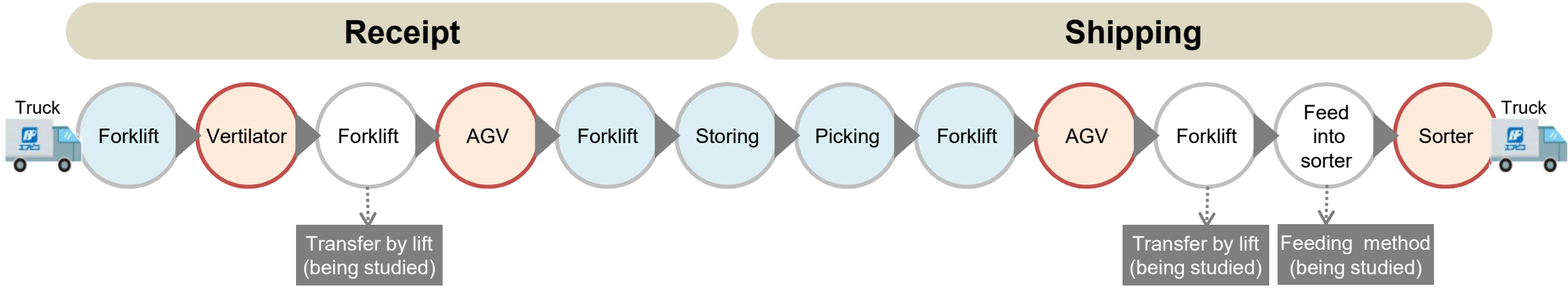
8 times

Streamlining of Logistics and Manufacturing



Towards Automated and Unmanned Warehouse Operations

Human labor
 Automated
 Being studied



Automated and unmanned operations

Vertilator (for vertical transfer)



AGV (for horizontal transfer)



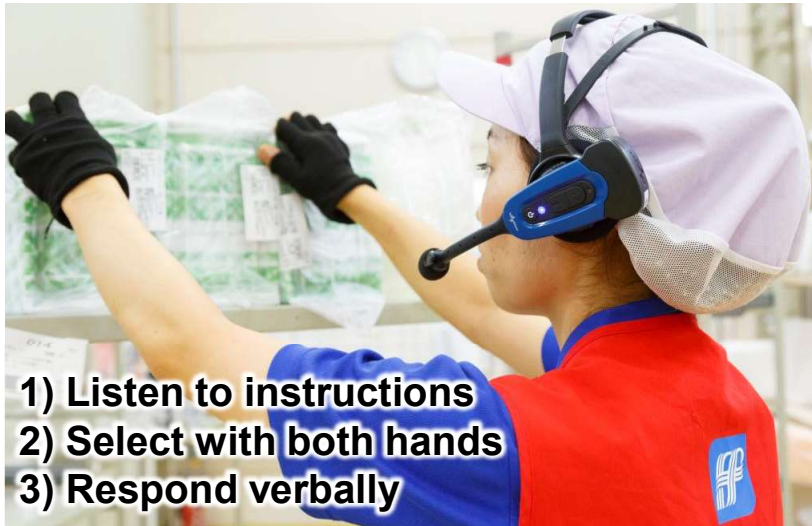
29 units introduced

Sorter (for automated sorting)



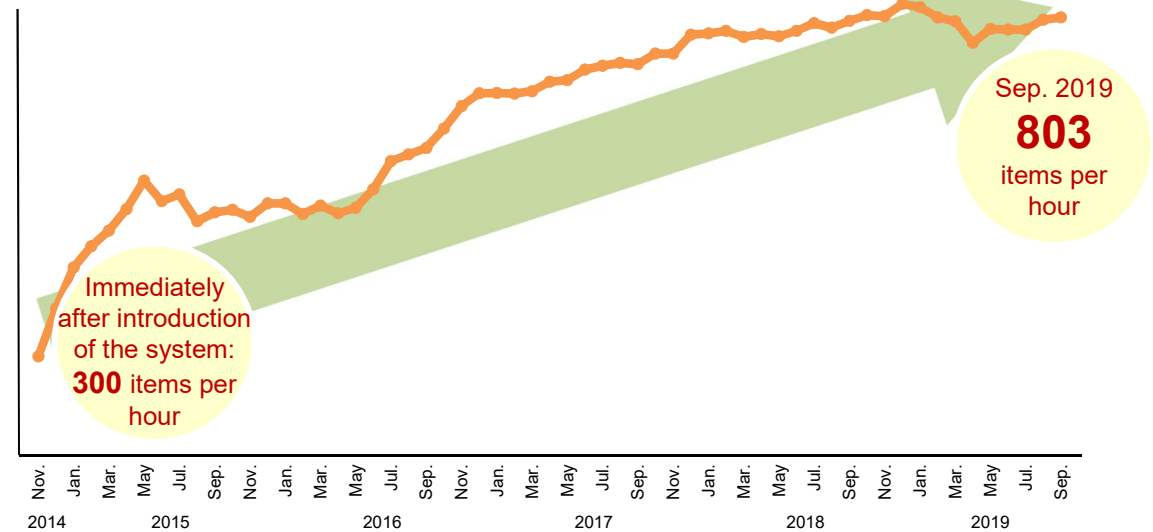
Unmanned transfer along the designated route on the same floor of the warehouse

Voice Picking



- 1) Listen to instructions
- 2) Select with both hands
- 3) Respond verbally

Items/Hour Productivity enabled by voice picking



Pallet Transportation (Transportation to other bases)

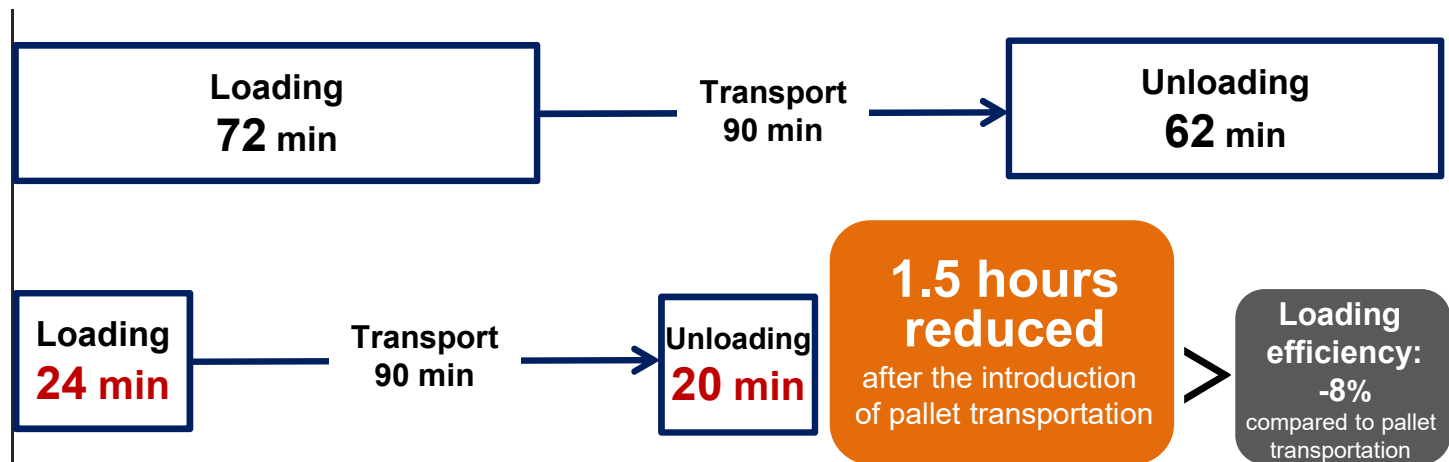
Before

100% manual loading



New method

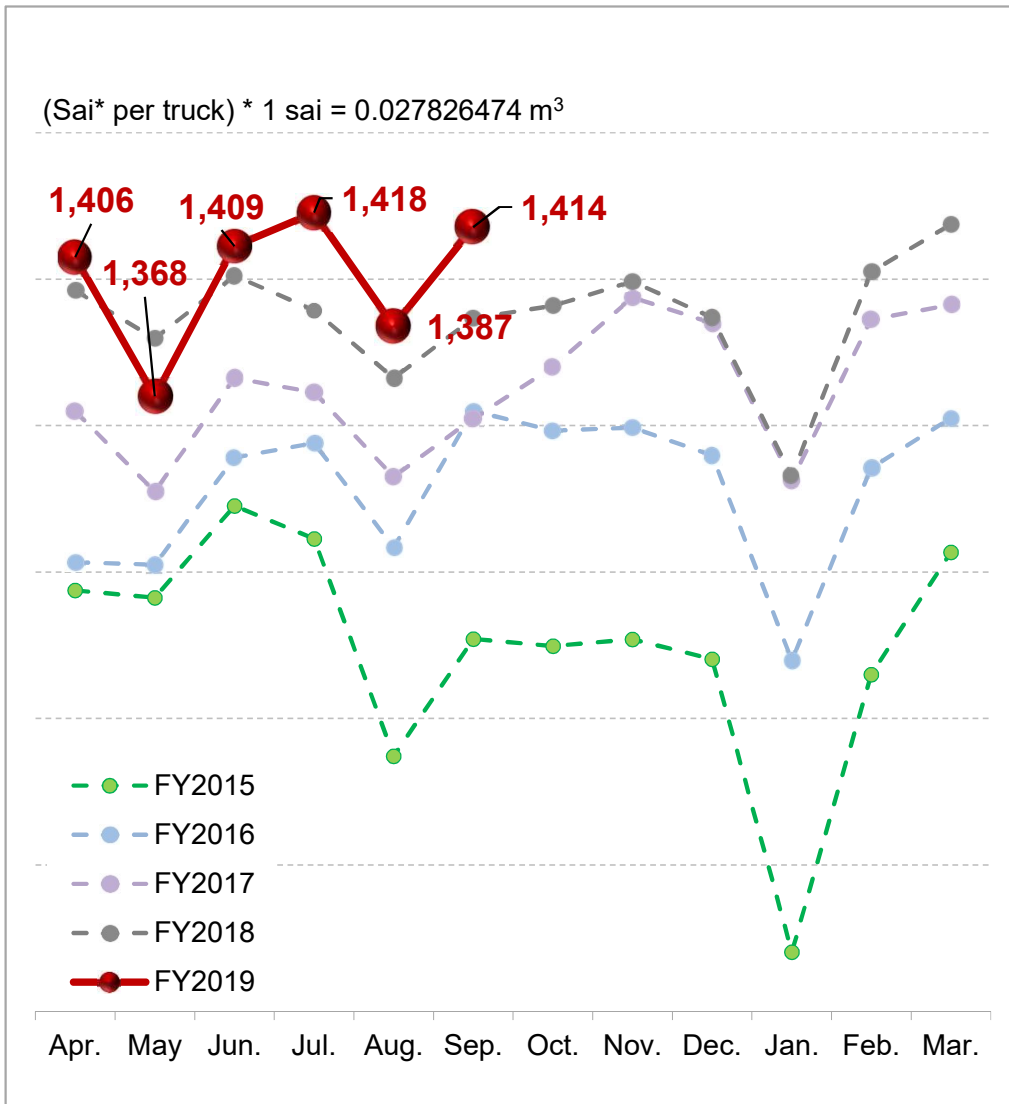
80% by pallets
20% manual loading



Actions for Suppressing Soaring Logistics Expenses (Distribution of Sales)

Increase load efficiency per truck

FY2019 1H **Up 6.8%** from FY2015 level



Increase ratio of private services

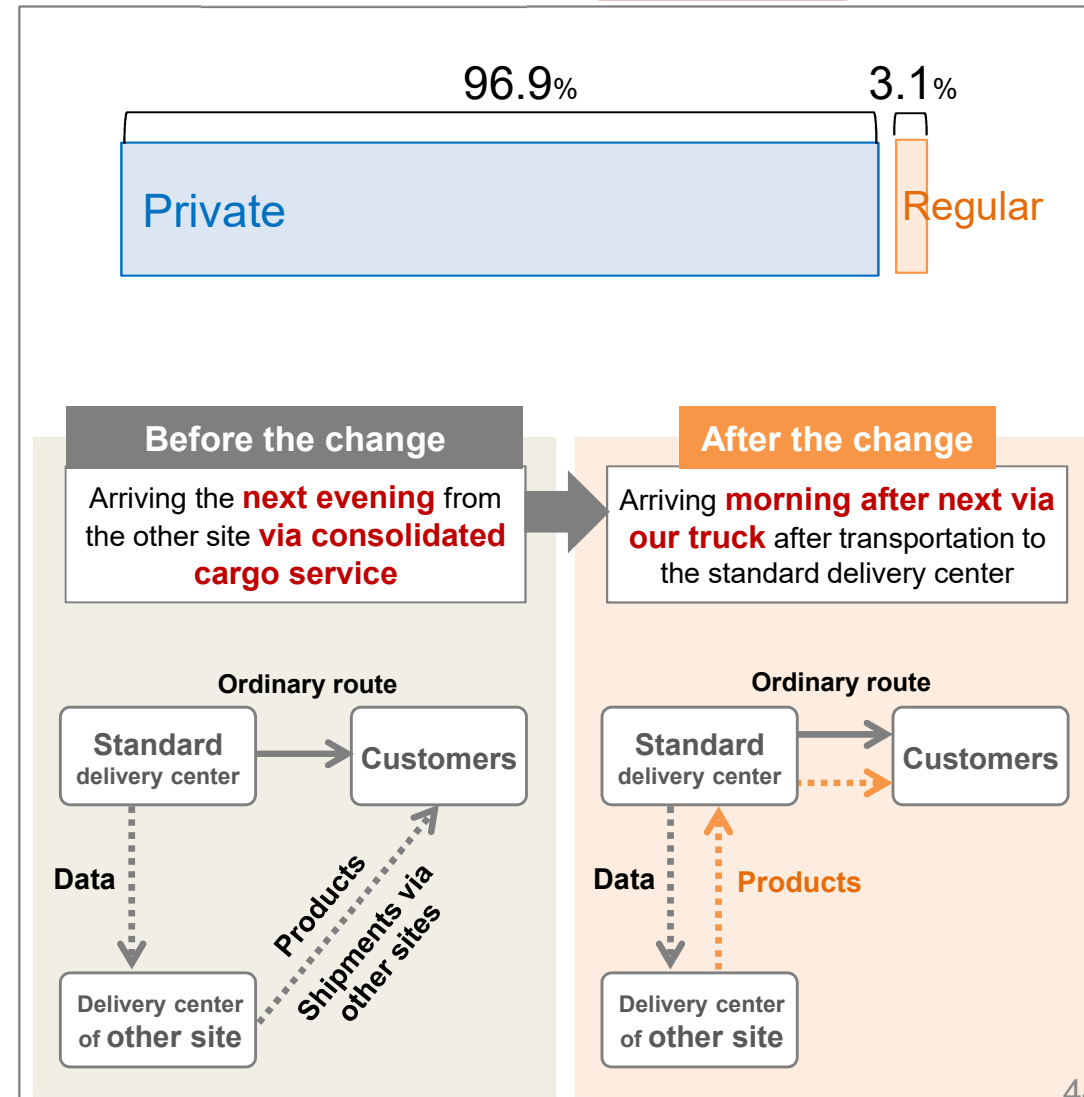
September 2018

96.3%

September 2019

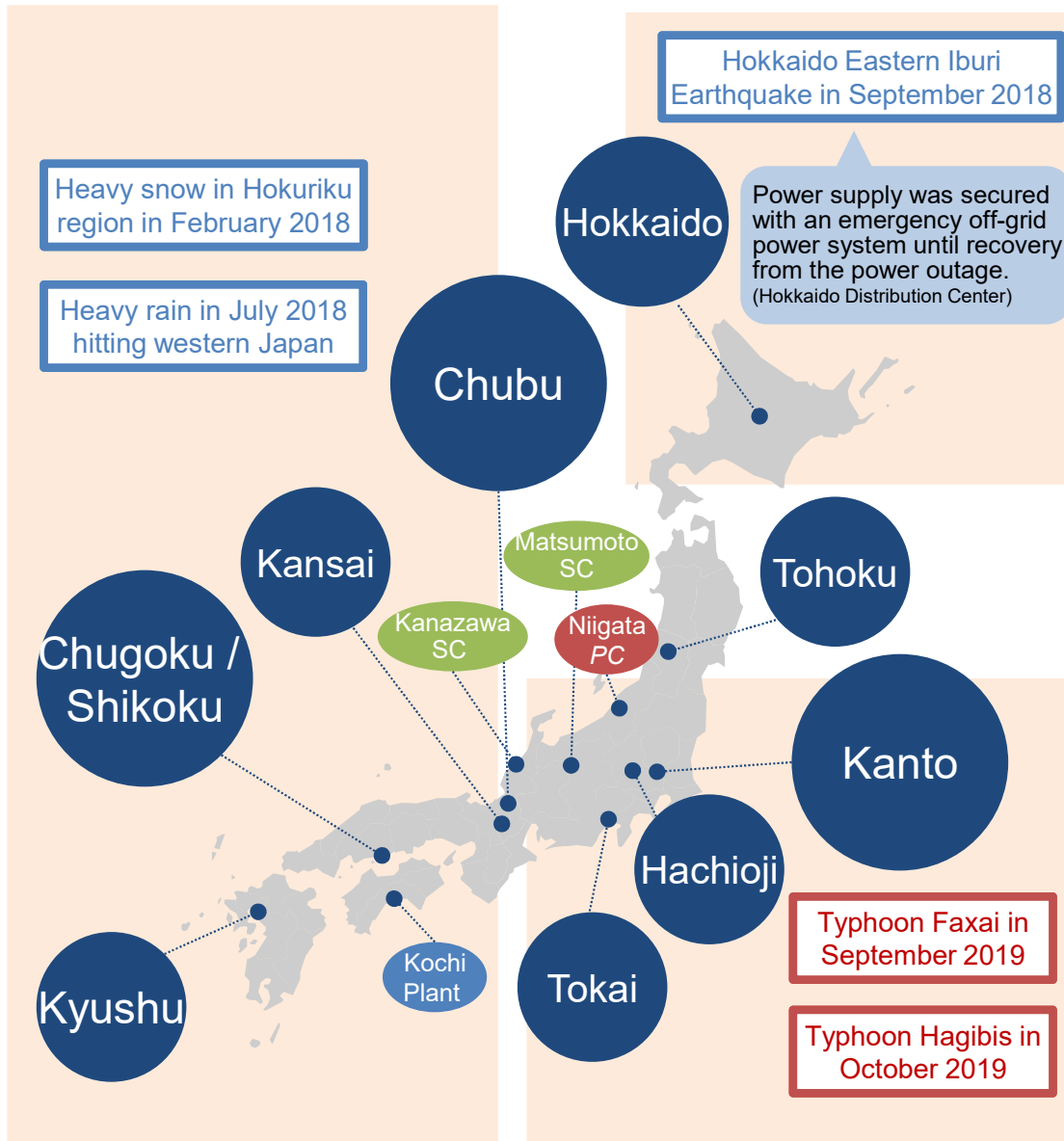
96.9%

+0.6%
(≈ 10,000 cases)



Strong Crisis Management Structure Supporting Stable Supply

Most recent natural disasters



Business Continuity Plan (BCP) for uninterrupted logistics operations in the event of a disaster

Emergency power generators are installed and their fuel stored at all the 21 logistical bases across the country to ensure power supply for **72 hours**.

Two drills with the participation of all center personnel take place per year involving operation of the power generator.

Emergency power generator

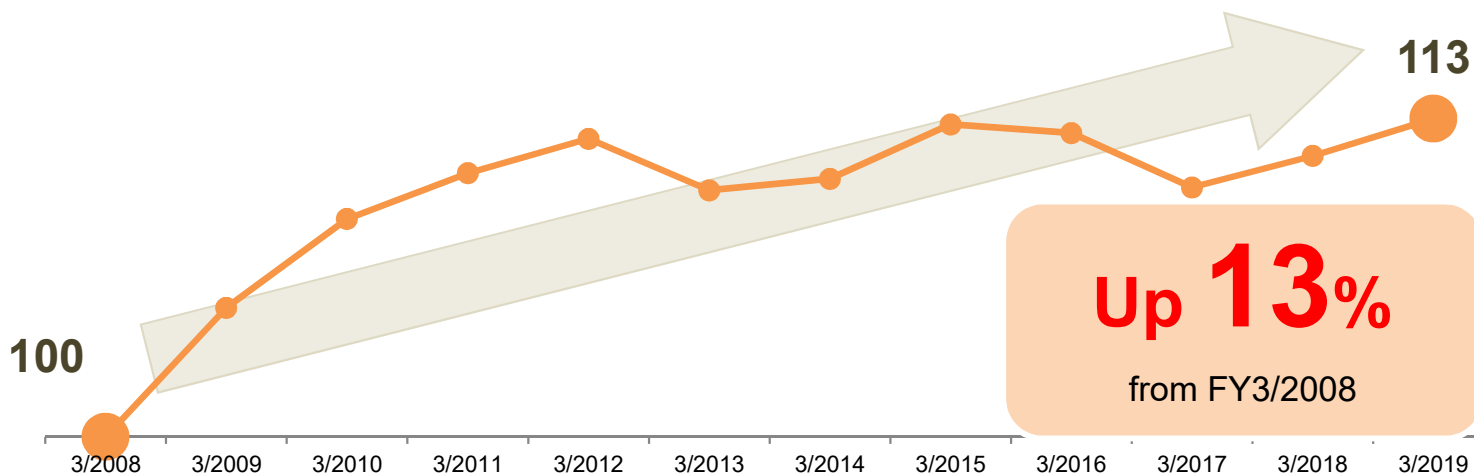


Fuel tank



Streamlining Effect in Manufacturing Division and Quality Improvements

Trend in number of shots per hour (expressed in index form)



Up 13%
from FY3/2008

Accumulation of various improvements

- ✓ Shortening of preparation time
- ✓ Improvements in facility performance
- ✓ Improvements in molds and cutting dies
- ✓ Improvements in operators' skills

Production shot equivalent to Production capacity
-0.1 s **+3.8 lines**

$0.1 \text{ s/shot} \times 74 \text{ million shots} = 7.4 \text{ million s} = 85 \text{ days}$
 (Number of working days per month: 22)

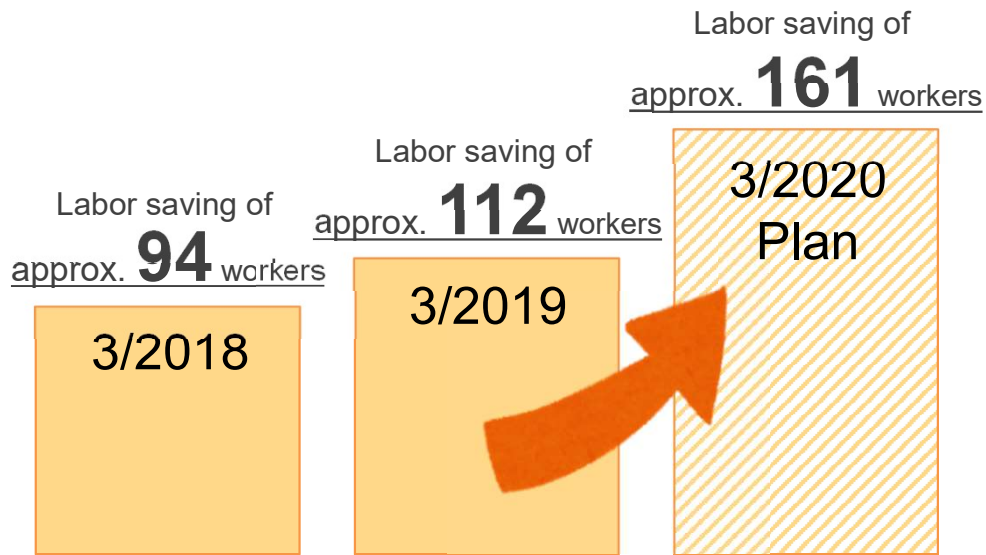
Acquisition of FSSC Certification (Certification on food safety management)



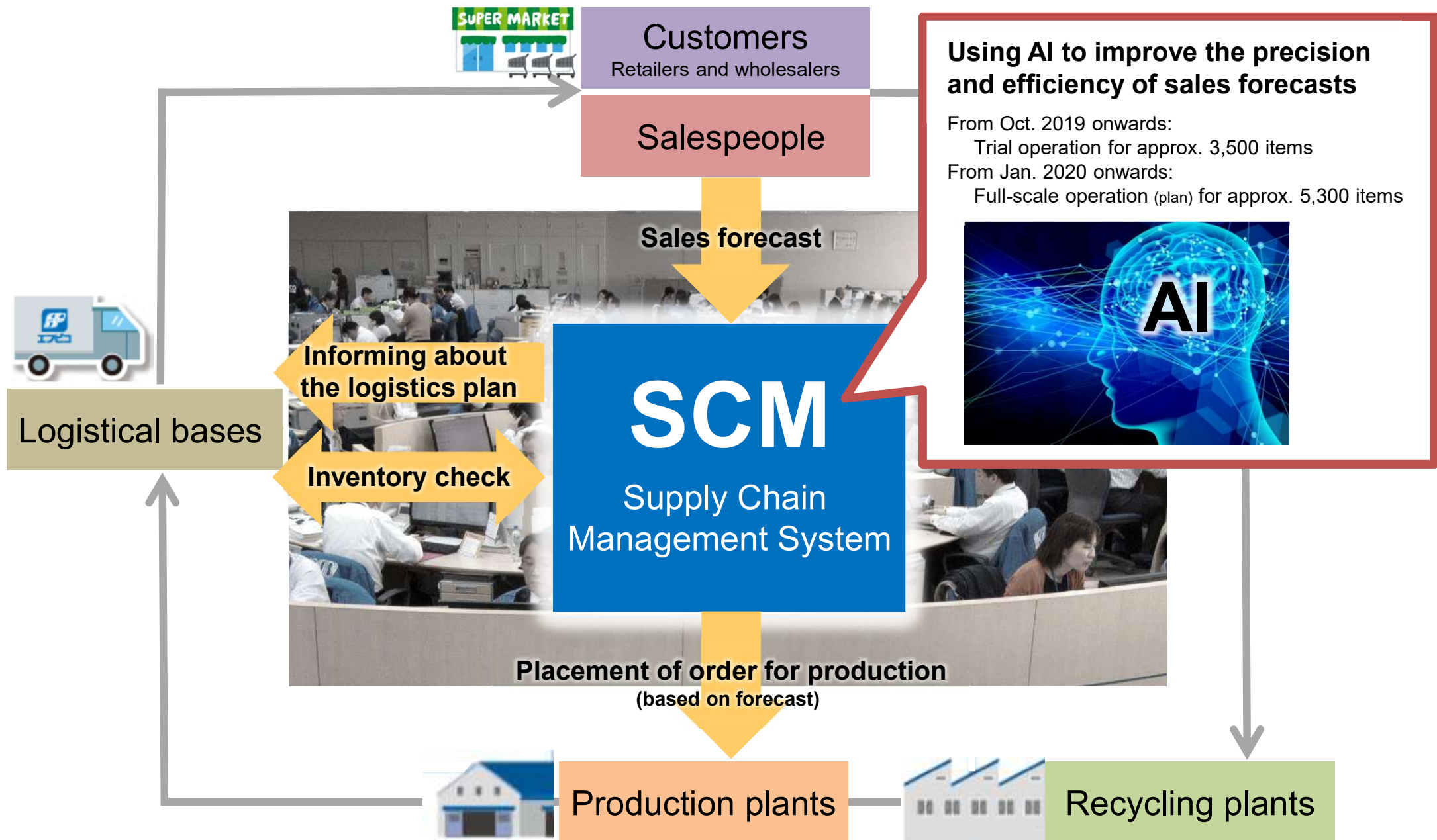
Compatible with the PL (Positive List) System and GMP (Good Manufacturing Practice) based on partial amendments to the Food Sanitation Act by the Ministry of Health, Labour and Welfare, which will come into effect in June 2020

- As of Oct. 31, 2019 **Registration completed at six plants**
 Chubu Eco Pet Plant, Chubu Plant 2, Kanto Shimodate Plant (1 and 2), Kasaoka Plant (1 and 2)
- **Expansion to major plants by June 2020**

Higher Work Efficiency Enabled by Automation (Manufacturing Division)



Use of AI for SCM System



Disability Employment and Development of Working Environment



Diversity Management That Maximizes Abilities



Sorting centers: 10 locations

7 in-house locations
1 location with a contractor
2 locations with business alliance partners



Oribako container assembly and secondary processing:

7 locations
6 in-house locations
1 location with a contractor



Container manufacturing (foamed/transparent):

3 locations

As of March 31, 2019

Employees with disabilities : 359 people
Adjusted number of employees with disabilities : 623.5 people
Employment rate for employees with disabilities : 13.6%

Certification for Employment of People with Disabilities

- Jan.2019 (Ministry of Health, Labor and Welfare)
FY2018 People with Disabilities Active Company Certification
- October 2019 (Toyo Keizai, Inc.)
Disabled employment ranking: Second
* 2014 to 2017: First for four consecutive years



Award, Certification, Registration for Floor Hockey Activity

- Mar.2019 (Tokyo Metropolitan)
Barrier-free Minds Support Company Registration
- Dec.2018 (Japan Sports Agency)
Sports Yell Company Certification
- Nov.2018 (Tokyo Metropolitan)
Tokyo Sports Promotion Company Certification
- Feb.2018(Tokyo Voluntary Action Center)
3rd Corporate Volunteer Awards



What is Floor Hockey?

It is one of the events at the Winter Special Olympics.
FPCO has become the main sponsor for two floor hockey competitions: the FPCO Cup All-Japan National Floor Hockey Tournament and the Universal Floor Hockey Chugoku-Shikoku Regional Tournament FPCO Cup. FPCO Group employees are deeply involved in the running of these competitions as volunteer staff.

Development of Working Environment: Construction of Pico House Bachelors' Dormitories

Investment in company housing and group homes for people with disabilities

Jan. 2017	Pico House No. 1	(150 units)
Mar. 2017	Pico House No. 2	(102 units)
Mar. 2020	Pico House No. 3	(63 units)
Apr. 2020	Group home for disabilities	(20 units)
	+	
Sep. 2020	Pico House No. 4	(18 units)
		333 units

Pico House
Total (plan)
333 units



**Completion scheduled
in March 2020**

**Pico House
No. 3**

Group home for disabilities
Completion scheduled in April 2020
Pico House No. 4
Completion scheduled in September 2020

**Pico House
No. 4**



Growth Strategy



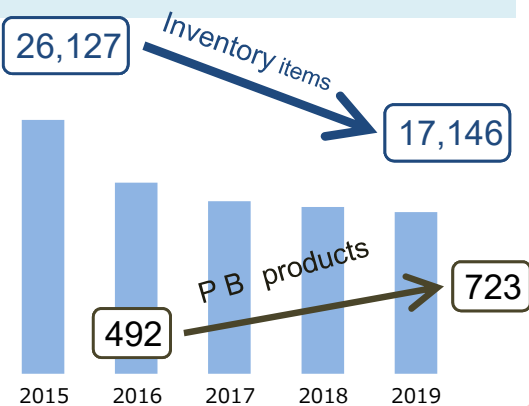
Start of Operation for the New Business Model

Product purchase

MD

Selecting items, consolidating inventory, enhancing lineup of private brand (PB) products

FPCO Trading



FPCO Group's infrastructure

Group's wholesalers

Strength in locally based sales

FPCO International Package
FPCO Ueda
FPCO Ishida
APEX
FPCO Miyako Himo

Leading wholesalers in different regions

Nationwide logistics network

Information system

Start of Operation for the New Business Model



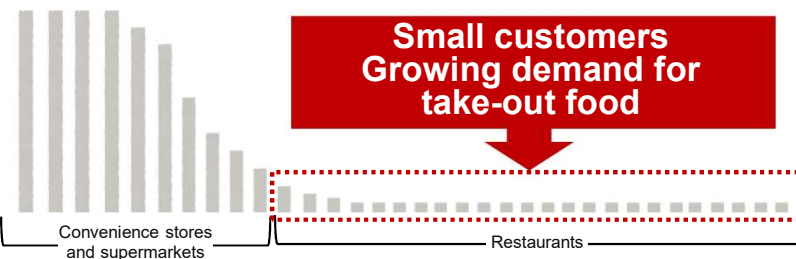
FPCO Group's infrastructure



E-commerce site

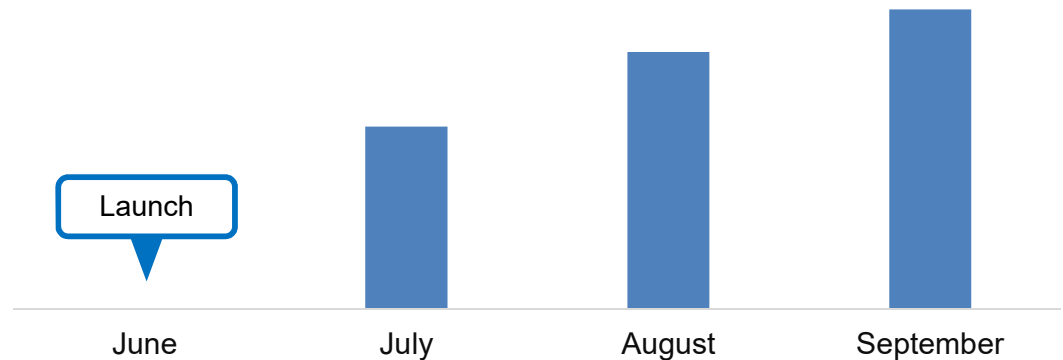


Transaction amount of materials and supplies (for illustrative purposes)



Expanding Steadily Since the Launch in June

Performance of the Pack Market



Collaborating with Group wholesalers and influential wholesalers of each region, aiming for further expansion



Local markets

Gather information on the needs of small customers

Capital Investment and Cash Flows

Cash flows from operating activities

Capital investment: Goal of 18 to 20 billion yen

Enhance the system for supplying high value-added products from the perspective of medium- and long-term growth

[Priority investment areas]

- Investment in the commercialization of the world's first material
- Market demand for environmentally friendly materials and products

Consolidated payout: Goal of 30%

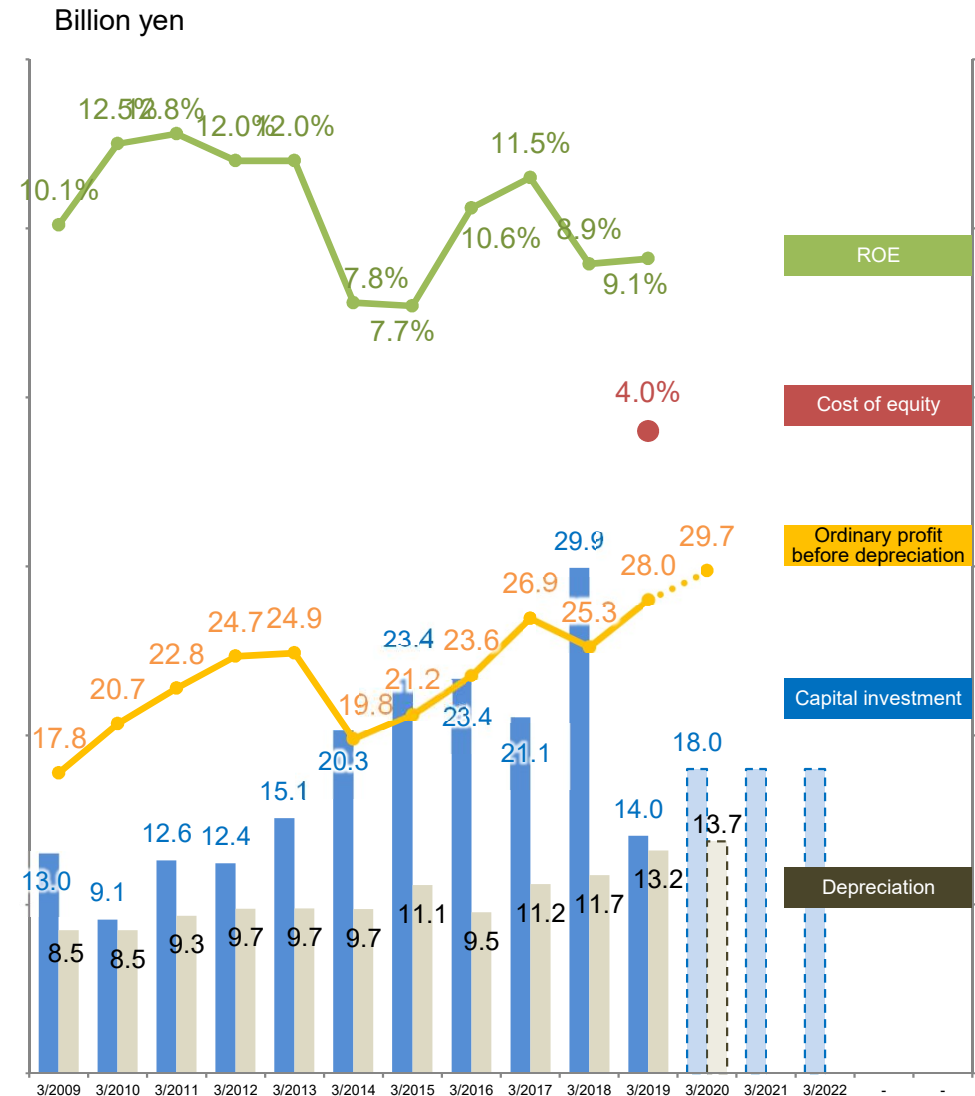
Stable and continuous payment of dividends
Maximization of earnings per share

Acquisition of treasury shares

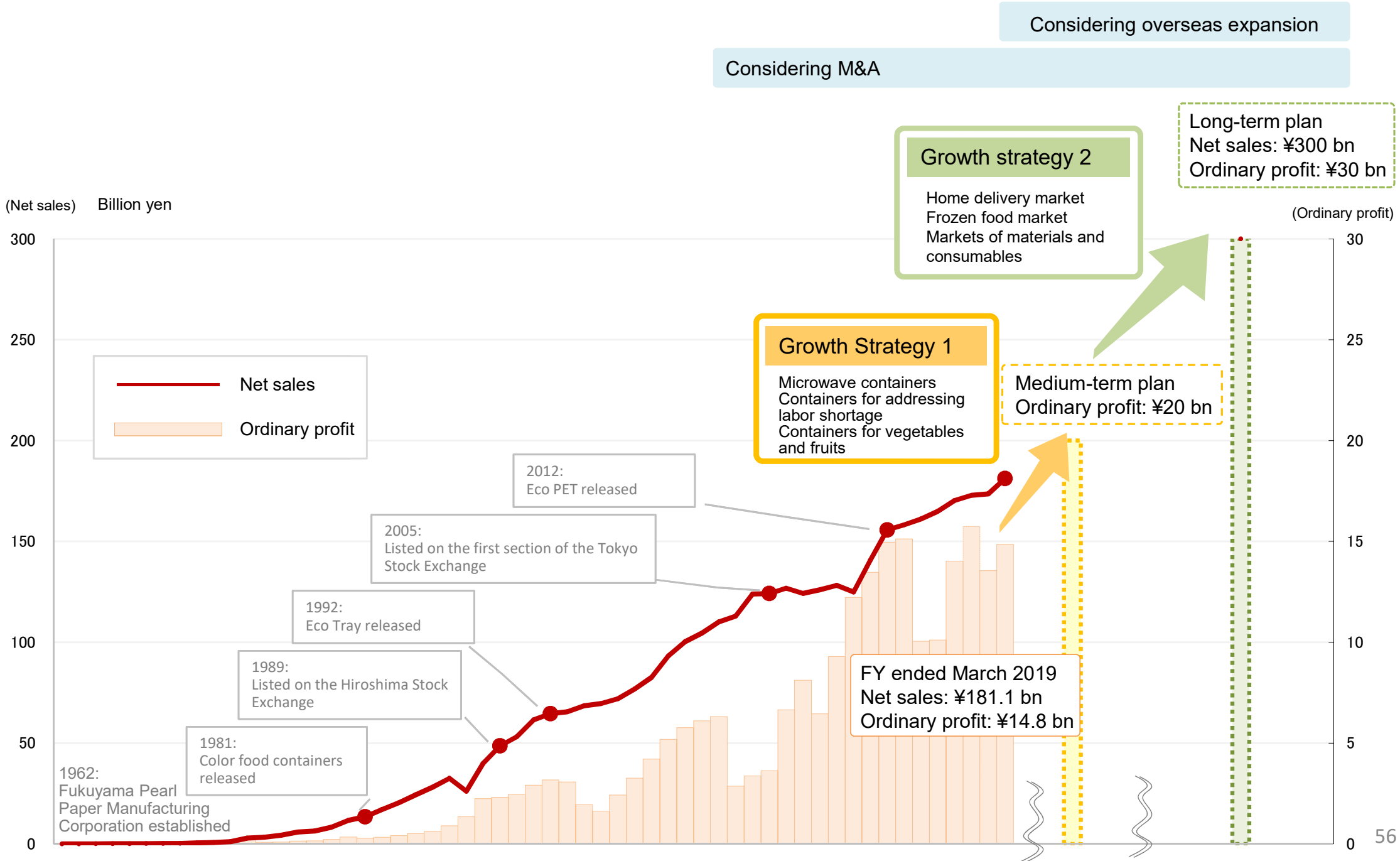
To be determined by the share price

Adjustment of interest-bearing debt

Effective use of interest-bearing debt and assurance of safety

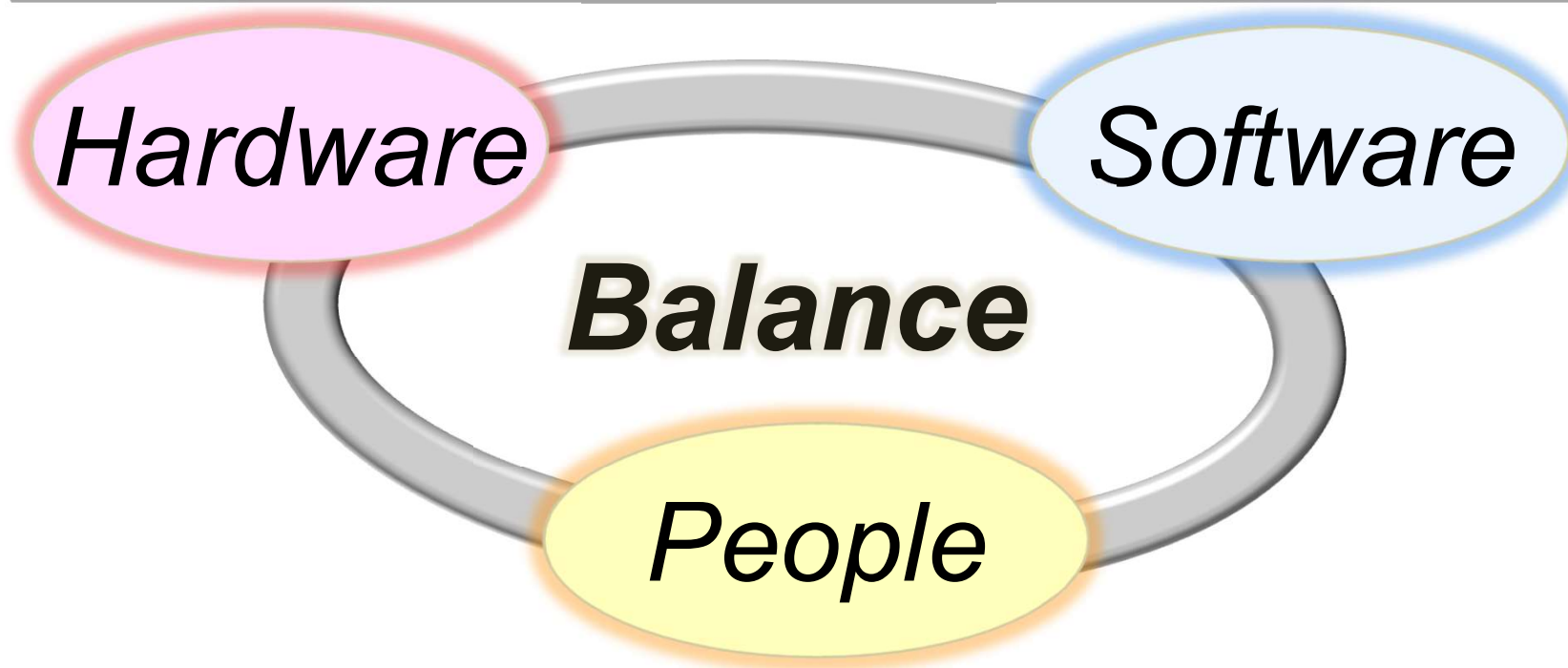


Growth Strategies of FPCO



To Increase Corporate Value

“We ensure that we reliably deliver the most environmentally friendly products of the highest quality at the most competitive prices whenever they are needed.”



We adhere to the FPCO-DNA and continue to make proposals with the foresight of the near future based on our workplace-oriented policy and customer-first principle.

Supporting Data

Explanation of terms

- PS : Polystyrene PET : Polyethylene terephthalate PP : Polypropylene
- Multi FP (MFP) : An formed PS (polystyrene) container with cold and heat resistance to temperatures between -40°C and +110°C and with superior oil and acid resistance and thermal insulation.
- Multi Solid (MSD) : A non-formed PS (polystyrene) container with a heat resistance temperature of +110°C that is able to create sharp figures by using scraps of materials from the Multi FP, while maintaining the characteristics of the Multi FP.
- OPET transparent Container : A polyethylene terephthalate transparent container with a heat resistance temperature of +80°C . That is molded from biaxially stretched PET sheets, with superior oil and acid resistance and transparency. achieving the same thermal insulation as the OPS.
- New transparent PP container : A transparent PP container with a heat resistance temperature of +110°C, which has achieved the same transparency as OPS using standard-grade polypropylene raw material.
- PPSA Series : A snap-lock hood pack made from a transparent PP container with a heat resistance temperature of +110°C
- OPS container : A conventional transparent container with a heat resistance temperature of +80°C that is molded from the bi-axially oriented polystyrene sheets.
- Eco Tray : A recycled foamed polystyrene container for which polystyrene containers collected at supermarket shop counters and scrap pieces collected within plants are used as raw materials (sales commenced in 1992).
- Eco APET : A recycled PET transparent container for which PET transparent containers collected at supermarket shop counters, PET bottles and scrap pieces collected within plants are used as raw materials (sales commenced in 2012).
- Eco OPET : An OPET transparent container molded from the bi-axially oriented PET sheets, which use the same raw materials as Eco APET container
- Cross Dock Center : A center that achieves a cross-docking method of gathering all the products to be shipped in one place, and loading them in order of delivery after an all-in assortment by each delivery route, replacing the method of loading products sent to customers using individual delivery trucks making rounds of visits to warehouses.
- Distribution Center : Ships products by unit of case
- Picking Center : Conduct picking operations for products and goods by small lots and ship
- Sorting Center : Sorts PS containers collected from stores according to white and other colors, and transparent containers collected from stores according to materials such as PS, PET and PP.

PP: polypropylene

- ★ Heat-resistant: +110°C
- ★ High oil resistance
- ★ Foam is hard and resistant to weight reduction.
- ★ Low firmness
- ★ Low cold resistance
- ★ Difficult to make transparent



New transparent PP

- ★ Heat-resistant: +110°C
- ★ High oil resistance
- ★ Same transparency as OPS

PET: polyethylene terephthalate

- ★ Resin introduced last
- ★ High transparency
- ★ High oil resistance
- ★ Low heat-resistance: +60°C
- ★ Heavy

OPET: Biaxially stretched PET

- ★ High transparency
- ★ High oil resistance
- ★ Same heat-resistance as OPS: +80°C
- ★ Weight can be reduced by stretching
- ★ Difficult to mold

PS: polystyrene



PSP: foamed polystyrene

- ★ Easy to mold
- ★ Low raw material ratio
- ★ Weight reduction is possible
- ★ High insulation
- ★ Low heat resistance: +70°C
- ★ Low oil resistance



MFP: multi FP : foamed polystyrene

- ★ Easy to mold
- ★ Low raw material ratio
- ★ High thermal insulation
- ★ High oil resistance
- ★ Resistant to a wide range of temperatures: -40 to +110°C
- ★ High firmness
- ★ Weight reduction is possible

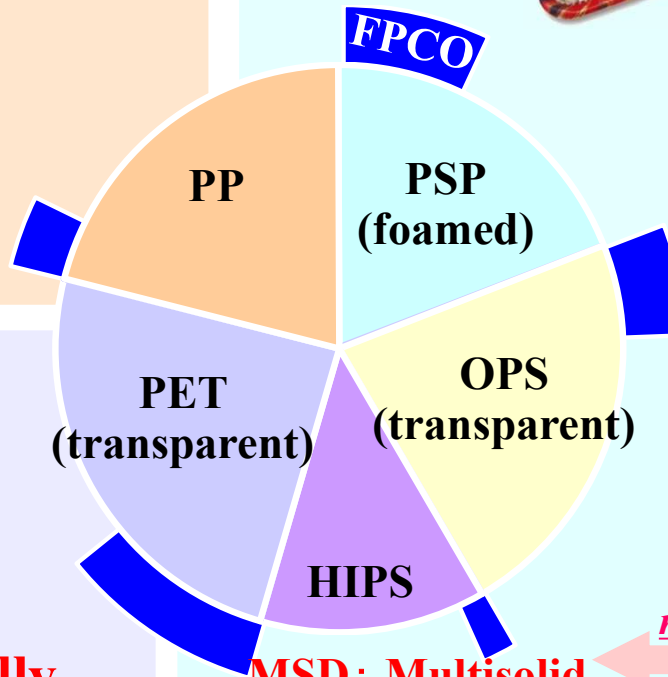


Recycling of multi-FP remnants

MSD: Multisolid Non-foaming polystyrene

OPS: oriented polystyrene

- ★ Transparent
- ★ Heat-resistant: +80°C
- ★ Low oil resistance
- ★ Limited weight reduction



* The pie chart at the center represents the share by material (on weight basis).

Trends in original products development



'11/3 '12/3 '13/3 '14/3 '15/3 '16/3 '17/3 '18/3 '19/3

Feb. 2010: Market release of the Multi FP (MFP)



Feb. 2012: Market release of the Multi Solid (MSD)



May 2012: Market release of the Eco APET



Nov. 2010

Chubu PET Recycling Plant

Jun. 2014

**Nishinohon PET-Bottle
Recycle Co., Ltd.**

March 2016

Chubu Eco PET Plant

Aug. 2017

Kanto Eco PET Plant

Nov. 2012: Market release of the OPET



Jul. 2012

Kanto Yachiyo Plant

Jun. 2012: Market release of New Transparent PP



Factors influencing Ordinary Profit

Unit:100 million yen

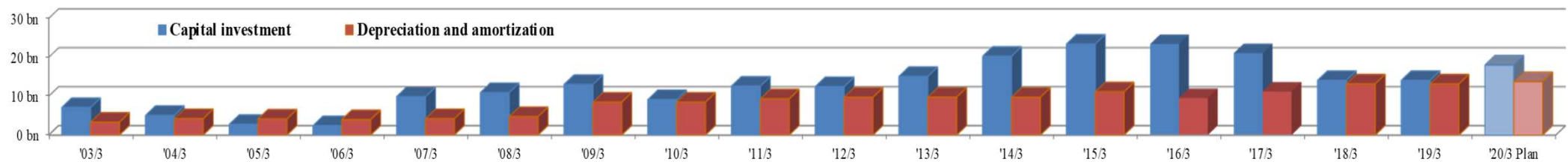
	'03/3	'04/3	'05/3	'06/3	'07/3	'08/3	'09/3	'10/3	'11/3	'12/3	'13/3	'14/3			'15/3			'16/3			'17/3			'18/3			'19/3			20/3 Plan				
													1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	
Ordinary Profit for previous year	63.1	28.6	33.6	36.3	66.5	81.2	64.5	92.9	122.2	134.7	149.5	75.3	75.9	151.2	51.1	49.4	100.5	47.4	53.6	101.1	66.3	74.0	140.3	79.1	78.3	157.4	66.3	69.2	135.5	64.8	83.8	148.6		
Impact of increase in raw material prices	-6.0	-13.8	-36.5	-10.0	-13.0	-39.5	-37.0	-25.0																										
						Decrease in raw material prices		+78.0										Decrease in raw material prices	+16.0	+15.0	+31.0	+20.0	+3.0	+23.0										
						Raw material price increase		-19.0	-23.0	-37.0	-15.5	-18.0	-28.0	-46.0	-7.0	-	-7.0								-13.0	-13.0	-26.0	-14.8	-15.5	-30.3	+2.5	+2.5	+5.0	
Increase in product prices	-25.0	+7.7	+29.2		+4.0	+9.0	+38.0	+25.0		+32.0	+6.5							Naptha formula	-3.0	-8.0	-11.0	-12.5	-11.0	-23.5										
						1st product price reduction		-44.0				Product price correction	+2.0	+13.0	+15.0	+14.0	+2.0	+16.0							-	+4.5	+4.5	+13.6	+28.0	+41.6	+10.5	-	+10.5	
						2nd product price reduction		-19.0				Price war on general-purpose products	-3.0	-10.0	-13.0	-10.0	-3.0	-13.0																
Raw material replacement and lighter-weight products			+2.0	+8.0	+8.6	+11.8	+24.5	+20.0				New material effects	+2.0	+6.0	+8.0	+4.5	+10.0	+14.5																
Increase in quantity/improvements to product mix		+45.0		+17.5	+5.8	+3.0	+7.0	+6.0	+21.5	+15.0	+21.0	+1.0	-	+1.0	-	+4.0	+4.0																	
Production improvement	+2.4	-0.6	-2.0	+6.0	+8.7	+3.0	+2.5	+9.5	+12.0	+9.0	+2.5	+1.0	-	+1.0	+0.5	+3.5	+4.0	+5.0	+7.0	+12.0	+3.2	+1.1	+4.3	-3.2	-4.0	-7.2	-0.5	-	-0.5	+1.0	+1.5	+2.5		
Distribution improvement	+0.3	-14.0	+12.2	+5.5	+8.0	+5.7	+5.0	+9.5	+8.0	+4.0	+1.5	+1.0	-	+1.0	-	-1.0	-1.0	-	+1.5	+1.5	-3.0	-2.7	-5.7	+0.5	+1.0	+1.5	-1.5	-3.0	-4.5	-4.0	-3.5	-7.5		
Increase in profit from group companies								+5.0	+5.5	+5.0	+1.0	-	-1.0	-1.0	-	-1.5	-1.5	+3.0	+2.5	+5.5	+2.0	+3.0	+5.0	-	+1.5	+1.5	+0.5	+1.5	+2.0	+2.0	+0.1	+2.1		
Profit from the sale of artwork			+1.0	-1.0			+4.0	-4.0										Subsidies	+5.9	+0.6	+6.5	-1.4	-0.3	-1.7	-3.7	+0.8	-2.9							
Cost increase	-6.2	-19.3	-3.2	+4.2	-7.4	-9.7	-15.6	-12.7	-11.5	-13.2	-15.3	-10.0	-7.0	-17.0	-11.6	-10.4	-22.0	-9.2	-8.4	-17.6	-3.7	-2.4	-6.1	-3.1	-2.3	-5.4	-3.3	-3.6	-6.9	-5.9	-3.8	-9.7		
Total increase/decrease	-34.5	+5.0	+2.7	+30.2	+14.7	-16.7	+28.4	+29.3	+12.5	+14.8	+1.7	-24.0	-27.0	-51.0	-3.7	+4.2	+0.5	+18.9	+20.3	+39.2	+12.8	+4.3	+17.1	-12.8	-9.1	-21.9	-1.5	+14.6	+13.1	+9.6	+1.8	+11.4		
Ordinary profit	28.6	33.6	36.3	66.5	81.2	64.5	92.9	122.3	134.7	149.5	151.2	51.1	49.4	100.5	47.4	53.6	101.1	66.3	74.0	140.3	79.1	78.3	157.4	66.3	69.2	135.5	64.8	83.8	148.6	74.4	85.6	160.0		

Trends in Capital Investment and R&D Costs

	FY ended March 2003	FY ended March 2004	FY ended March 2005	FY ended March 2006	FY ended March 2007	FY ended March 2008	FY ended March 2009	FY ended March 2010	FY ended March 2011	FY ended March 2012	FY ended March 2013	FY ended March 2014	FY ended March 2015	FY ended March 2016	FY ended March 2017	FY ended March 2018	FY ended March 2019	FY ending March 2020 Plan		
Production	Yamagata Plant				Shimodate Daini Plant			Taiyo Kosai	Nihon Pearl Containers	Dia Foods			* FPCO Research Center Development and Training Building							
					Chubu Daini Plant			Wood Plant	Food container facilities	AL Right				Chubu Eco PET plant		Kanto Eco PET plant				
						Kyushu Daini Plant			Hokkaido Plant extension		Kanto Yachiyo Plant					Automation		Strengthening of transparent containers >		
Distribution	East Japan Hub Center				Kanto Yachiyo Center							Logistics centers in Kyushu						Fukuyama Chubu HC extension		
	Kyushu HC							New Fukuyama Picking Center				Logistics centers in Kansai			Voice picking					
	Kansai PC								New Chubu Picking Center				Fukuyama Cross Dock Center							
		Hokkaido HC								Kanto PC extension				Logistics centers in Hachioji						
																		Improving the distribution network >		
Recycling				Chubu, Tohoku & Kyushu Recycling Plants				Nationwide expansion of container sorting centers											Capacity increased in Kanto and Kyushu	
								Equipment renewal of cleaning lines												
								Chubu Recycling Plant												
								Construction of a new recycling network >					NPR							
									Chubu PET Mechanical Recycling Plant										PET recycling operations >	
Other investments and costs					Tokai HC		Head Office and building in Fukuyama		Yuka Shoji		Land for logistics centers in Kyushu								Film Plant	
							Land for New Kanto Plant	Land & building in Chubu		Interpack		Land for logistics centers in Kansai								company accommodations
												Land for logistics centers in Hachioji		Miyakohimo	company accommodations				Film Printing Plant	
																			Group home	

Unit : million yen

Capital investment	7,096	5,037	2,742	2,394	9,885	10,909	13,007	9,090	12,585	12,423	15,087	20,257	23,377	23,383	21,060	29,891	14,038	18,000
Tangible	6,138	4,248	2,621	2,156	9,523	10,655	12,166	8,827	12,352	12,093	14,783	19,750	23,051	23,058	20,790	29,342	13,442	17,700
Intangible	958	789	120	238	362	254	841	263	233	329	303	506	325	324	269	549	595	300
Figures for molds only	780	460	436	550	771	609	1,892	1,507	1,833	1,946	1,425	2,151	2,416	1,777	2,028	1,485	1,462	1,870
Depreciation and amortization	3,339	4,210	4,134	3,965	4,194	4,742	8,467	8,461	9,316	9,728	9,746	9,703	11,136	9,526	11,183	11,706	13,170	13,730
Research and development	654	628	689	751	895	913	965	1,035	1,101	1,051	1,062	1,148	1,105	1,242	1,223	1,197	1,159	1,310



* Since 2009/03, capital investment have been included procurement through lease.

Strategy for Plastic Material Recycling by the Ministry of the Environment (Rough Plan)

Ocean Plastics Charter endorsed at Charlevoix G7 Summit in Canada

Taking into account the full environmental impacts of alternatives, significantly reducing the unnecessary use of single-use plastics.

Working with industry towards 100% reusable, recyclable, or, where viable alternatives do not exist, recoverable, plastics by 2030

Working with industry and other levels of government, to recycle and reuse at least 55% of plastic packaging by 2030 and recover 100% of all plastics, including thermal recovery, by 2040.

Working with industry to increase recycled content by at least 50% in plastic products where applicable by 2030.

Strategy for Plastic Material Recycling by the Ministry of the Environment (Rough Plan): *Milestone*

Reduce

We aim to **reduce emissions of single-use plastics (containers and packaging) by 25% in cumulative total by 2030** through the understanding, cooperation and collaboration of consumers and people from all quarters and all levels of civil society, while taking into account the environmental impacts of alternatives.

Reuse & Recycle

We aim to change the designs of plastic containers, packaging and products into those that make separation technologically easy and permit reuse or recycling, while also trying to secure their functions by 2025. (Even where this is difficult, we will aim to ensure thermal recoverability).

We aim to **recycle or reuse 60% of plastic containers and packaging by 2030 and make 100% effective use of used plastics, including thermal recovery (when recycle or reuse is difficult from the technical or economical perspective), by 2035**, through cooperation and collaboration with people from all quarters and all levels of civil society.

Recycling/ Biomass plastics

We aim to **recycle twice the volume of plastics by 2030** by promoting the understanding, cooperation and collaboration of different groups of the public including the government and local municipalities.

We aim to **introduce as much biomass plastics as possible (approx. 2 million tons) by 2030** by promoting the understanding, cooperation and collaboration of people from all quarters and all levels of civil society.

Collaboration with Related Ministries, Agencies and Organizations

Actions of related ministries, agencies and organizations

FPCO's involvement

Ministry of the Environment

- **Plastic resources recycling strategy**
Presentation on Japan's plastic resource recycling strategy planned at the G20 Summit in June 2019
- **Plastics Smart**
Encouraging smart use of plastics and communicating such uses worldwide

- **Participation in a subcommittee as an industrial association**
- **Publication of Tray to Tray and Bottle to Tray recycling on the campaigns page**

Ministry of the Economy, Trade and Industry

- **Clean Ocean Material Alliance**
A syndicate of companies implementing proper waste management and 3R actions for plastic products and accelerating innovation for resolving marine plastic issues

- **Participation in the alliance as a leading member**

Ministry of Agriculture, Forestry and Fisheries

- **Call for plastic resource recycling declarations**
Collecting and showcasing examples of voluntary actions taken by companies and associations in the food industry

- **Publication of actions for recycling, reducing and raising awareness on the ministry's website**

Keidanren (Japan Business Federation)

- **Plastic-related Innovation for SDGs**
Collecting and showcasing examples of actions taken by businesses and associations for encouraging the recycling of plastic resources and for helping address the issue of marine plastic waste

- **Publication of actions for recycling, reducing and raising awareness on Keidanren's website**

Initiative

- **Japan Climate Initiative**
A network of Japanese entities committed to joining the front line of the global push for decarbonization and taking positive actions to combat climate change

- **Announcement of participation during the foundation**

【Information on the Facility Tour】

Contact: Takashima at the Corporate Planning Department
(TEL)+81-3-5325-7756 (MAIL)ir_7947@fpco-net.co.jp
at a convenient time for you.

*An opportunity to take a look at the state-of-the-art
Production, Distribution, Recycling operations*

Kanto 30 minutes from Koga station on JR East Lines.



OPET production facilities



Hachioji 20 minutes from Akigawa station on JR East Lines.



Fukuyama 30 minutes from Fukuyama station on JR West Lines.



Chubu 20 minutes from Gifuhashima station on JR Tokai Lines.



PET Mechanical Recycling plant