

Financial Results

for the Six Months Ended September 30, 2024

Nov 6, 2024

FP Corporation

Securities code: 7947

Cautions for Handling This Material

We have paid extremely close attention to the information provided 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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Financial Results

for the Six Months Ended September 30, 2024

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

Financial Results Summary

(For the Six Months Ended September 30, 2024)

			1 st half Performance						1 st half projections			Full year projections		
FY ended March 2024			FY ending March 2025						FY ending March 2025			FY ending March 2025		
Unit: million yen	Performance	Percentage	Performance	Percentage	Increase/ decrease	Year-on -year	Quantity	Planned	Percentage	Progress rate	Planned	Percentage	Progress rate	
Trays	20,640	19.0	21,072	18.3	+431	102.1%	100.5%	21,673	18.7	97.2%	44,455	18.8	47.4%	
Lunchboxes and prepared food containers	62,860	57.8	64,967	56.5	+2,106	103.4%	103.3%	65,153	56.2	99.7%	131,524	55.7	49.4%	
Subtotal	83,501	76.8	86,040	74.9	+2,538	103.0%	102.4%	86,826	74.9	99.1%	175,979	74.6	48.9%	
Other products	1,980	1.8	1,591	1.4	-389	80.3%		1,884	1.6	84.5%	3,831	1.6	41.5%	
Sales of products	85,482	78.6	87,631	76.3	+2,149	102.5%		88,710	76.5	98.8%	179,810	76.2	48.7%	
packaging materials	22,014	20.2	26,235	22.8	+4,221	119.2%		26,084	22.5	100.6%	53,750	22.8	48.8%	
Other goods	1,229	1.1	1,025	0.9	-204	83.4%		1,206	1.0	85.0%	2,440	1.0	42.0%	
Sales of goods	23,244	21.4	27,261	23.7	+4,017	117.3%		27,290	23.5	99.9%	56,190	23.8	48.5%	
Net Sales	108,726	100.0	114,892	100.0	+6,166	105.7%		116,000	100.0	99.0%	236,000	100.0	48.7%	
Operating profit	6,981	6.4	6,472	5.6	-509	92.7%		6,400	5.5	101.1%	17,800	7.5	36.4%	
Ordinary profit	7,235	6.7	6,520	5.7	-715	90.1%		6,500	5.6	100.3%	18,000	7.6	36.2%	
Profit attribute to owners of parent	5,122	4.7	4,337	3.8	-784	84.7%		4,361	3.8	99.5%	12,122	5.1	35.8%	
Ordinary profit before depreciation	14,816		13,967		-848	94.3%		13,950	100.1%		32,800		42.6%	

Record high
 ✓ Highest sales ever for
 10 consecutive years

◇Sales

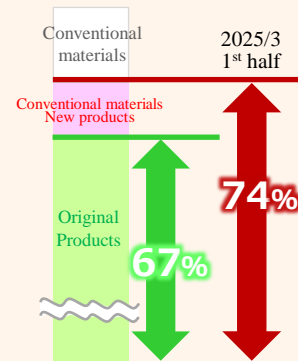
Products>

- Sales of products with high added value, including Eco-friendly products, new low-foamed PS containers, remained strong.
- Sales volume Year-on-year 2.4%. Includes sales volume for 2Q, which increased 3.0% and remained firm.
- Reflects some price revisions.

Goods>

- Proposal for efficiency improvement using the FPCO Group's infrastructure.
- M&A effects of APEX Corporation.

◇Product sales composition (QTY)



◇Year-on-year

	1Q results	2Q results	1 st half results	2 nd half plan	Full-year plan
Sales of products	99.8%	105.1%	102.5%	105.7%	104.8%
Sales of goods	117.6%	117.0%	117.3%	106.2%	111.4%
Ordinary profit	69.2%	107.1%	90.1%	120.5%	107.3%
Quantity	101.8%	103.0%	102.4%	100.0%	102.5%

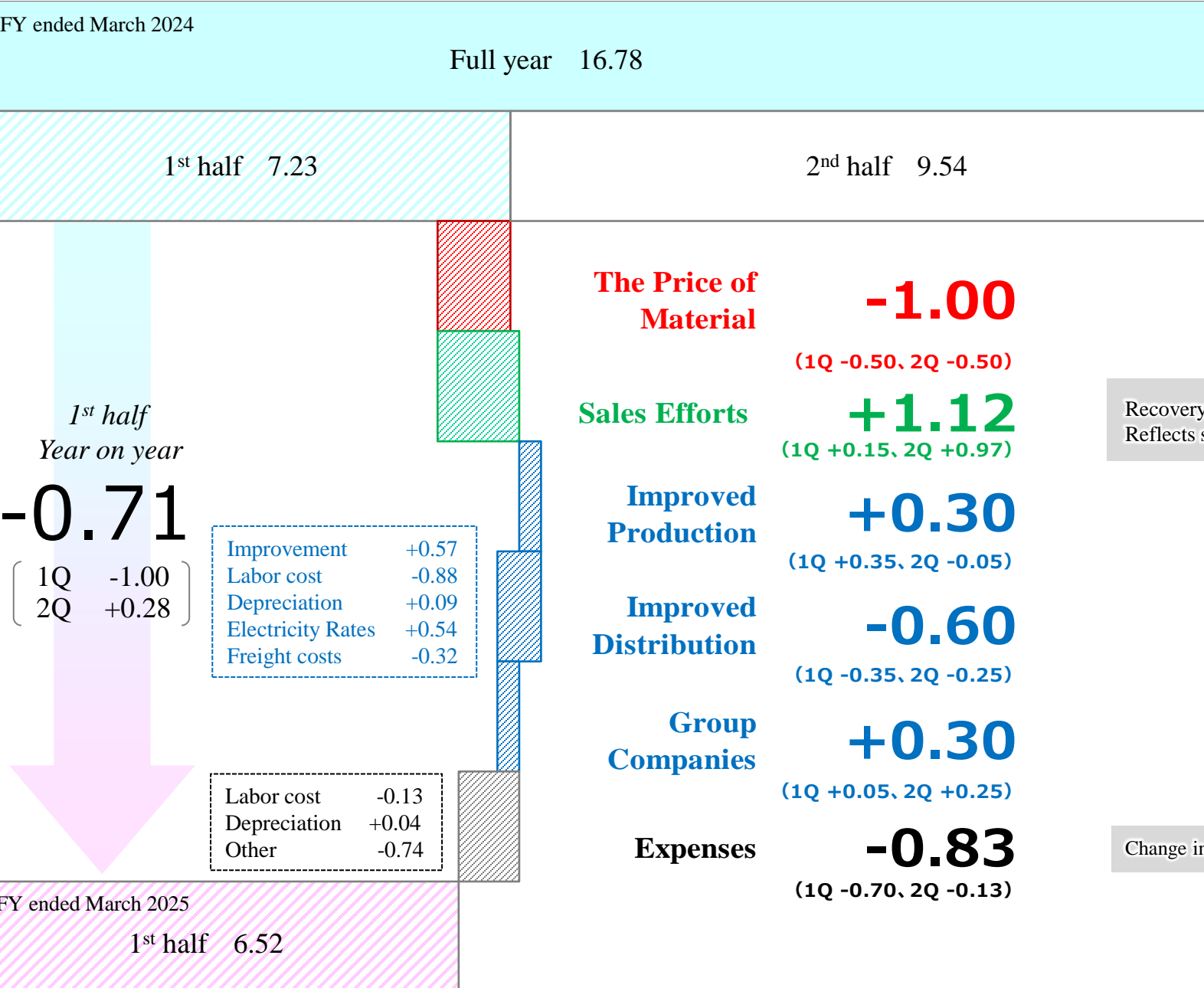
◇Ordinary profit ratio

Ordinary profit ratio	4.1%	7.2%	5.7%	9.6%	7.6%
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Results for Increase/Decrease in Ordinary Profit

(For the Six Months Ended September 30, 2024)

Unit: billion yen



- The Price of Material

-1.00

(1Q -0.50, 2Q -0.50)
- Sales Efforts

+1.12

(1Q +0.15, 2Q +0.97)
- Improved Production

+0.30

(1Q +0.35, 2Q -0.05)
- Improved Distribution

-0.60

(1Q -0.35, 2Q -0.25)
- Group Companies

+0.30

(1Q +0.05, 2Q +0.25)
- Expenses

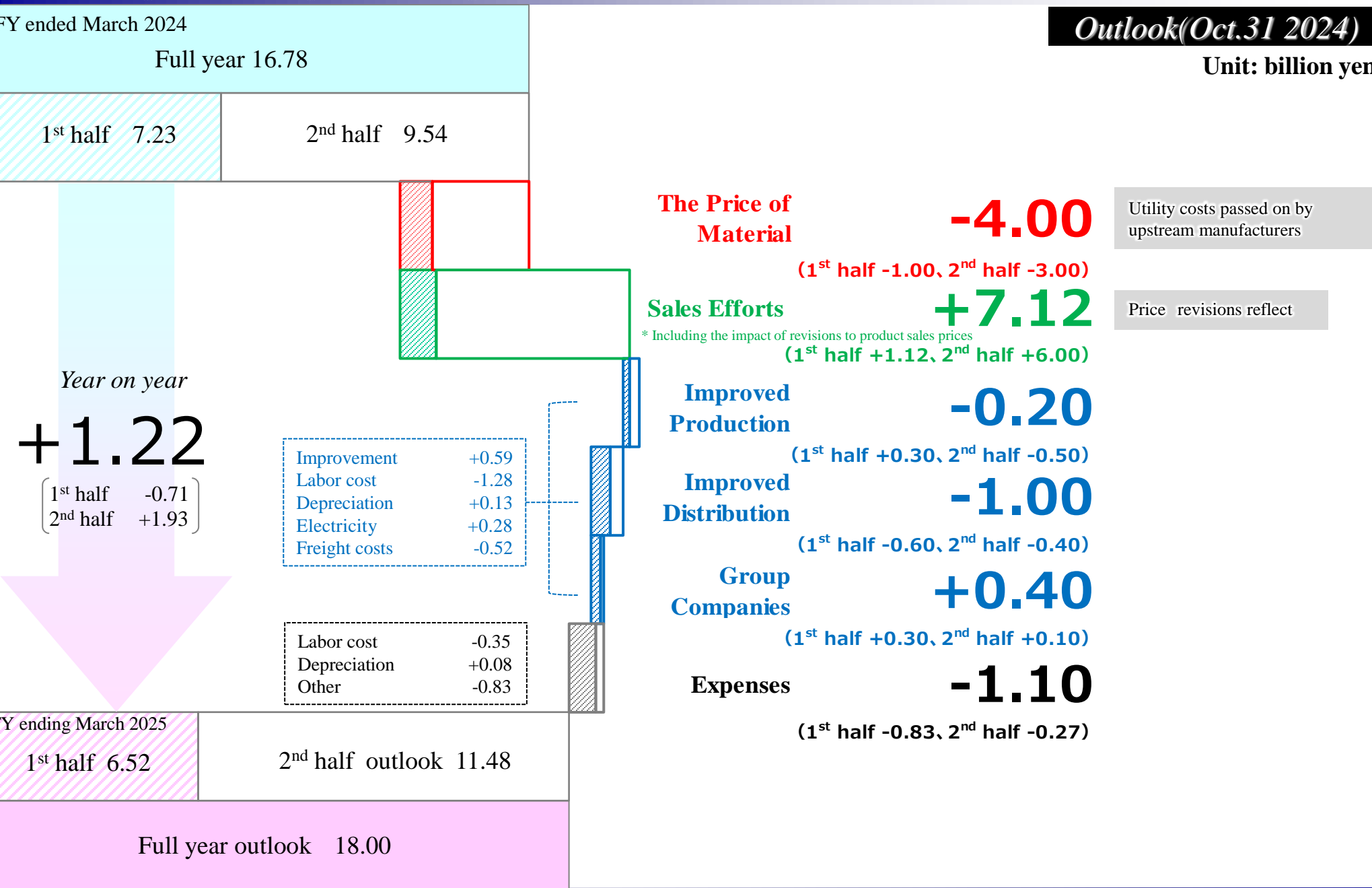
-0.83

(1Q -0.70, 2Q -0.13)

Recovery of sales volume
Reflects some price revisions

Change in timing of FPCO Fair

Outlook for Increase/Decrease in Ordinary Profit (For the FY Ending March 2025)



Capital Investments and R&D Costs

(Result for the Six Months Ended September 30, 2024)

Unit: million yen	1 st half performance				1 st half projections		Full year projections	
	FY ended March 2024	FY ending March 2025			FY ending March 2025		FY ending March 2025	
	Performance	Performance	Increase / decrease	Year-on-year	Planned	Progress rate	Planned	Progress rate
Tangible fixed assets	3,305	8,384	+5,079	253.7%	7,400	113.3%	14,500	57.8%
Intangible fixed assets	174	193	+19	111.0%	100	193.6%	500	38.7%
Capital investments	3,479	8,578	+5,098	246.5%	7,500	114.4%	15,000	57.2%
Depreciation	7,580	7,447	-133	98.2%	7,450	100.0%	14,800	50.3%
Research and development costs	640	762	+122	119.1%	803	95.0%	1,610	47.4%

Major Capital Investments

Investment in original products:

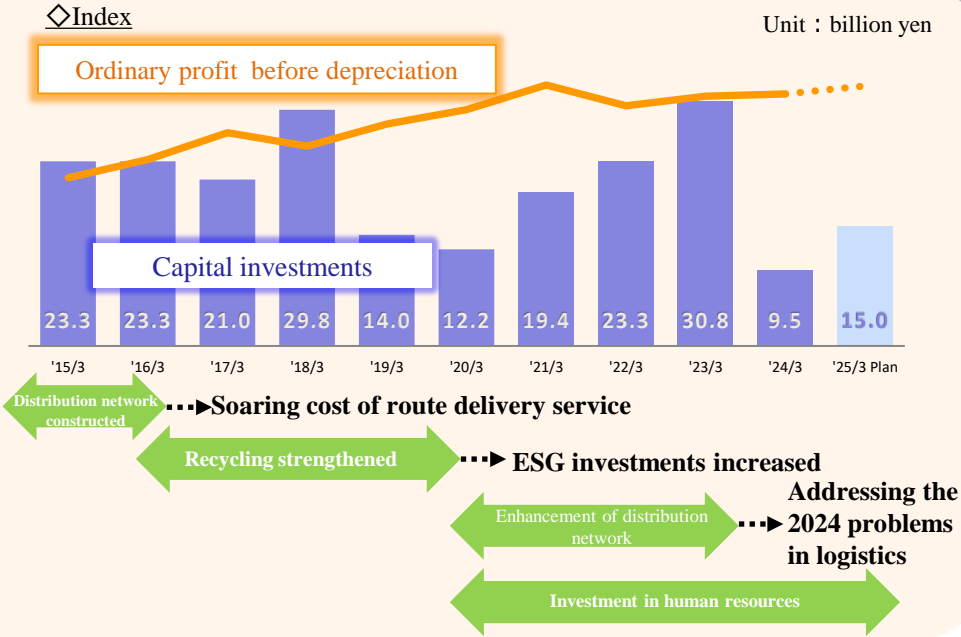
Improving production capacity and quality of Eco APET products

- Eco PET materials:Increase in the productivity (Kanto, Chubu)
- Eco PET materials:Reinforcement of the production capacity (Nishinihon PET-Bottle recycle Co., Ltd.)
- Eco APET products:Reinforcement of the production capacity

Investment corresponding to expansion of the sales quantity:

Stable supply, Efficiency improvement, Maintenance of working environment

	Total investment	Plan in period	1 st half performance
◆ Eco PET materials:Increase in the productivity (Kanto, Chubu)	780	780	44
◆ Eco PET materials:Reinforcement of the production capacity (Nishinihon PET-Bottle recycle Co., Ltd.)	899	899	58
◆ Eco APET products:Reinforcement of the production capacity	973	973	540
◆ Introduction of automation facilities	429	86	
◆ Reinforcement of the production capacity of Conventional material products	890	524	
◆ Kansai Sorting Plant	944	753	691
◆ Enhancement of Group companies' production sites			
Expansion of cardboard factory	3,527	1,473	1,331
◆ Molds	1,872	809	
◆ IT investments	525	217	
◆ Enhancement of the sorting capability of the transparent tray sorter	225	150	29



Balance Sheet

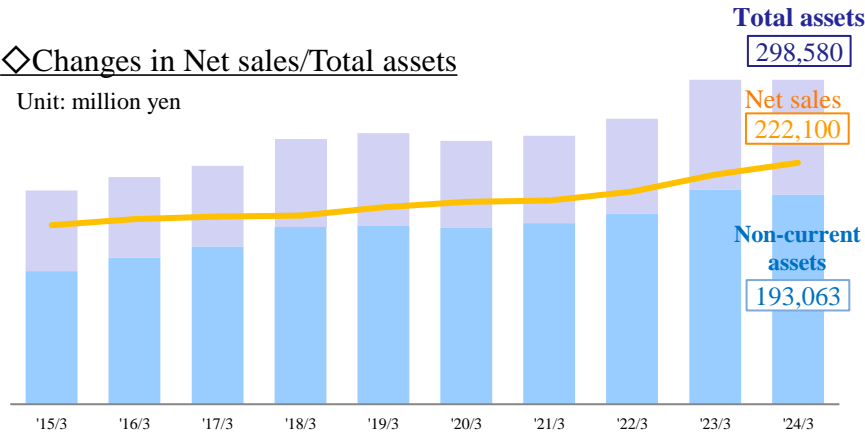
(For the Six Months Ended September 30, 2024)

Unit: million yen	Previous consolidated fiscal year	1 st half of the consolidated fiscal year				
	FY ended March 2024	FY ending March 2025				
	As of March 31, 2024	As of September 30, 2024	Increase/decrease	vs. Mar. '24	Breakdown of main increases and decreases	
Current assets	105,516	96,322	-9,194	91.3%	Cash and deposits	-5,437
					Notes and accounts receivable-trade	-4,115
Noncurrent assets	193,063	194,363	+1,299	100.7%	Buildings and structures, net	+683
Total assets	298,580	290,686	-7,894	97.4%		
Current liabilities	86,201	80,600	-5,600	93.5%	Notes and accounts payable - trade	-1,582
					Short-term loans payable	-1,545
Noncurrent liabilities	66,534	62,419	-4,114	93.8%	Long-term loans payable	-4,266
Total liabilities	152,735	143,020	-9,715	93.6%		
Net assets	145,844	147,666	+1,821	101.2%	Retained earnings	+1,497
Total liabilities and net assets	298,580	290,686	-7,894	97.4%		

Equity ratio

50.6%

- Assets Strategic investments for boosting the production capacity of original products and ensuring stable supply
Utilization of infrastructure to propose efficiency improvements to business partners
- Liabilities Utilization of borrowing as capital for strategic investment
- Net assets Maintaining A-grade rating for low-cost funding
Strengthening shareholder returns.



Cash Flows

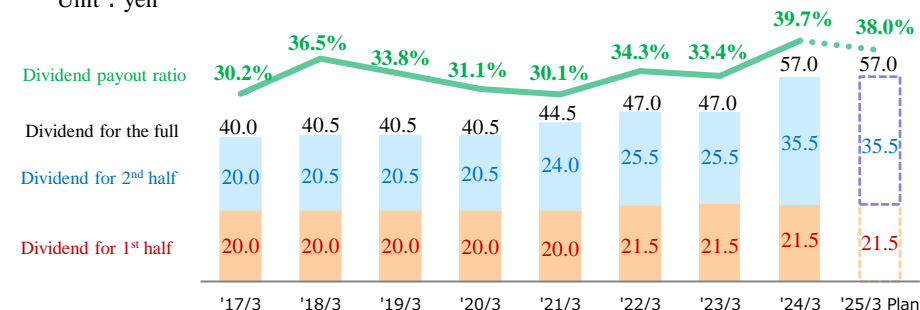
(For the Six Months Ended September 30, 2024)

Unit: million yen	Results for 1 st half		
	FY ended March 2024 Performance	Performance	FY ending March 2025 Breakdown of main items
CF from operating activities	14,021	11,637	Income before income taxes 6,472 Depreciation 7,447 Income taxes paid -2,473
CF from investing activities	-6,912	-8,205	Purchase of property, plant and equipment -7,767
Free cash flows	7,109	3,431	
CF from financing activities	-7,162	-9,262	Repayment of long-term loans payable -5,811 Cash dividends paid -2,867
Net increase(decrease)in cash and cash equivalents	-52	-5,830	
Cash and cash equivalents at end of period	22,202	18,269	

- 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 M&A to expand products and services and leverage logistics infrastructure
- CF from financing activities
January 2024 Increase in dividend payout ratio 30% → 40%
February 2024 Acquisition of treasury shares conducted 3 billion yen

《Dividend per share》

Unit : yen



* On October 1, 2020, the Company implemented a two-for-one common stock split.
The indicated dividend amount is based on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2017

To Increase Corporate Value

Chairman, Representative Director and Group Representative
Morimasa Sato

01. Price Revisions/Raw Material Trends

02. Competitive Advantages of FP Corporation

- ▶ Product Development
- ▶ Eco-Friendly Strategies
- ▶ Stable Supply

03. Growth Strategy

01. Price Revisions/Raw Material Trends

02. Competitive Advantages of FP Corporation

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03. Growth Strategy

Product Price Revisions

Released on April 30, 2024

To Our Business Partners

April, 2024

FP CORPORATION

Request for Price Revisions

Dear Business Partners, Thank you for your continued support of FP Corporation.

In October 2021, and in April 2022, FP Corporation (“we,” the “Company”) announced requests for price revisions for its manufactured products and implemented it. Since then, however, electricity rates have risen sharply, and have remained at an unprecedented high level. In addition, due to trends in crude oil prices and the progressive depreciation of the yen, domestic naphtha and benzene prices have remained in a high range, and the prices of raw materials such as polystyrene (which is a main raw material for Group products) have continued to rise, including the passing-on of utility costs by upstream manufacturers. Labor and logistics costs are also increasing due to the impact of new labor regulations that took effect in April 2024 in Japan.

Under these circumstances, the Company has engaged in streamlining initiatives across all of its operations including automation in its production operations, the improvement of carrying efficiency in its logistics operations, and ensuring an appropriate number of product items, in addition to expanding procurement volumes of used containers and other recovered raw materials. However, it is extremely difficult for us to absorb the steep rise in electricity costs and raw material prices through internal efforts alone.

We therefore regretfully request implementation of price revisions for our products as follows, and ask for your understanding and cooperation.

Sincerely yours,

1. Target items and rate of increase

All products: 15% or higher

2. Time of revision

New prices will apply starting from products shipped on July 1, 2024.

The details of the price revision will be explained in person, during a visit by our sales representative.

1. Target items and rate of increase

All products: 15% or higher

2. Time of revision

New prices will apply starting from products shipped on July 1, 2024.

Status of Price Revisions and Soaring Electricity Rates

Product Price Revisions Announced on Oct. 29, 2021

Increases of at least 10% were applied, starting from products shipped on Dec. 1.



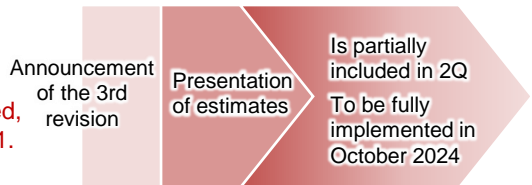
Product Price Revisions Announced on Apr. 28, 2022

Increases of at least 15% were applied, starting from products shipped on Jun. 1.

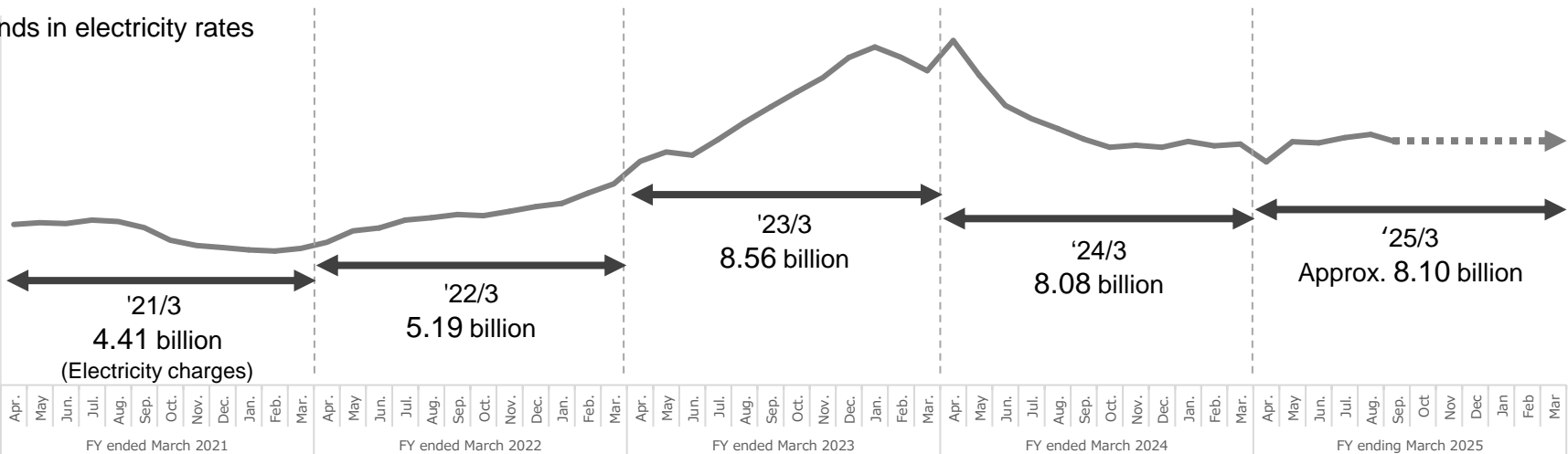


Product Price Revisions Announced on Apr. 30, 2024

Increases of at least 15% will be applied, starting from products shipped on Jul. 1.

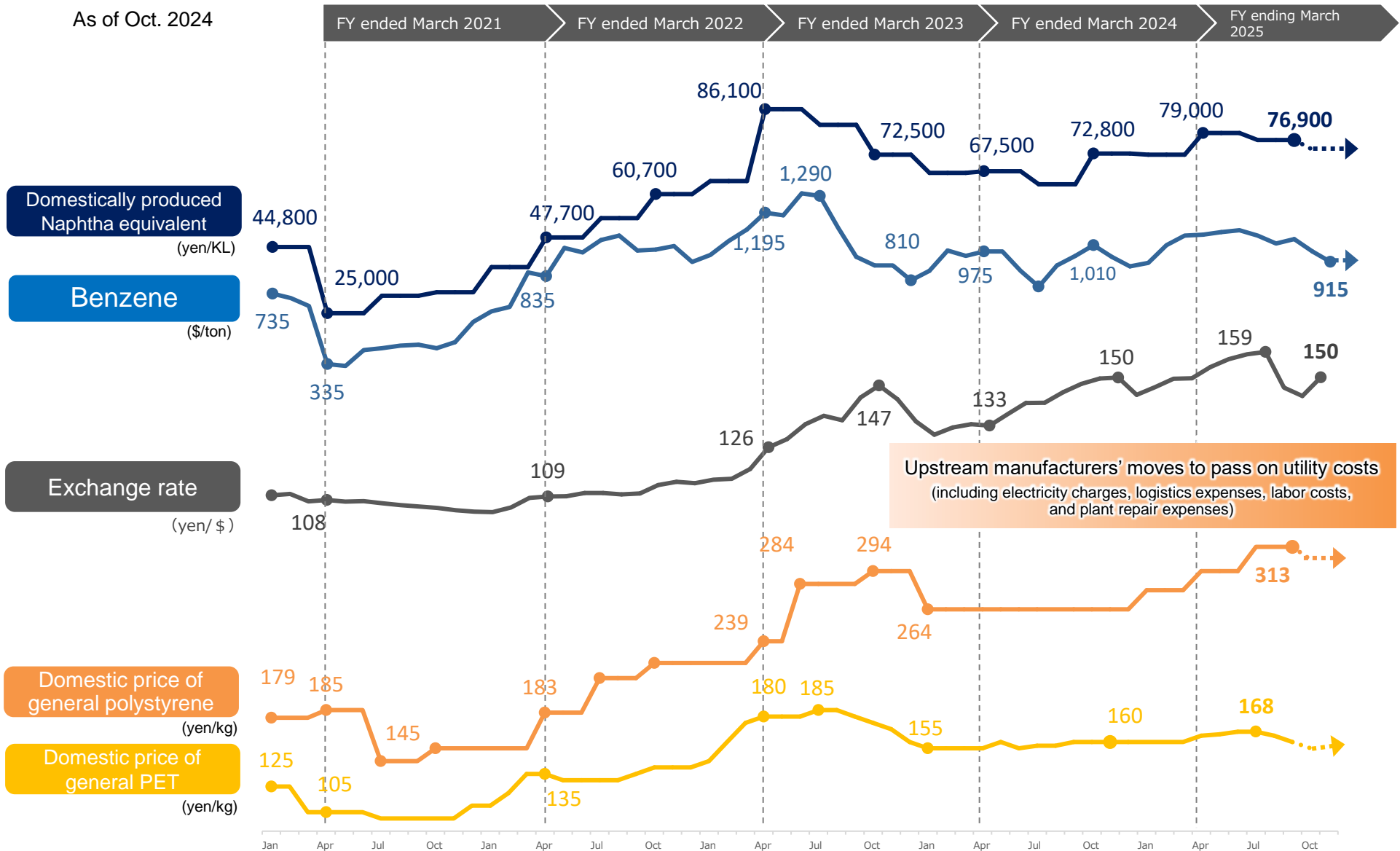


Trends in electricity rates



Soaring Raw Material Prices

As of Oct. 2024



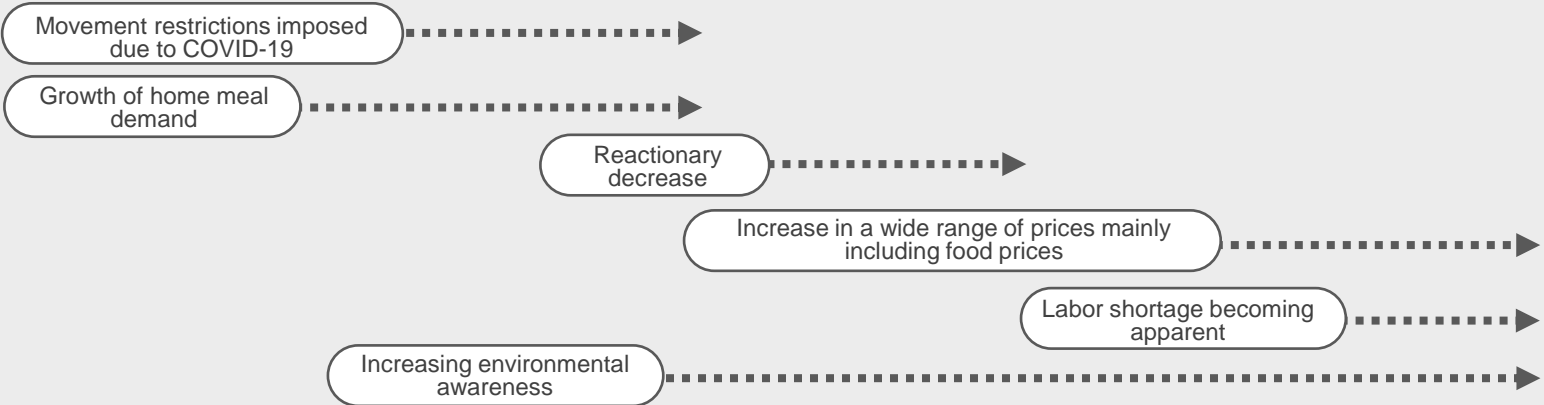
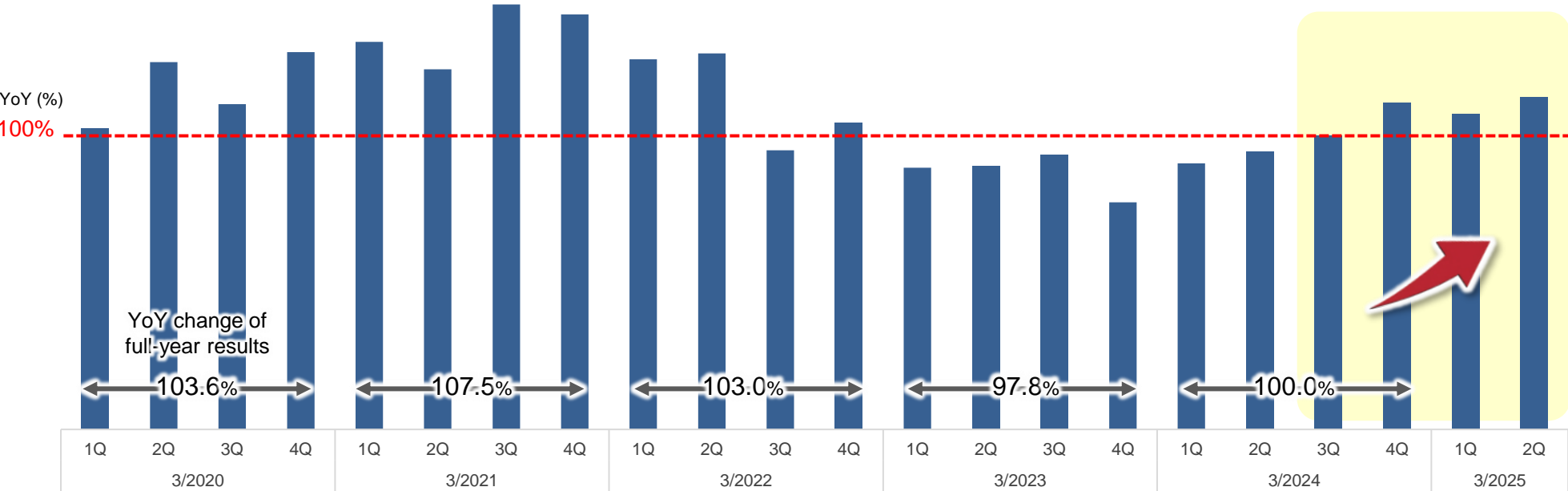
01. Price Revisions/Raw Material Trends

02. Competitive Advantages of FP Corporation

- ▶ Product Development
- ▶ Eco-Friendly Strategies
- ▶ Stable Supply

03. Growth Strategy

Recovery of Product Sales Quantity



Addressing Labor Shortages (1)

Response to Rapidly Accelerated Automation and Mechanization

Common manufacturing process at Deli process centers

Feeding containers

Dishing out

Lidding and top seal packaging

Labeling

transportation

Automatic tray feeder



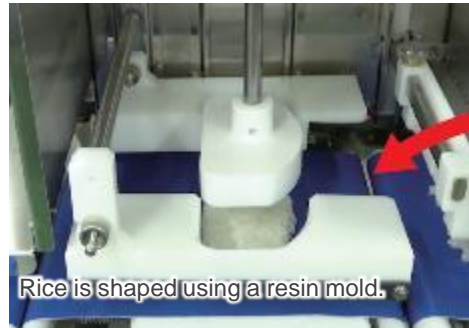
- Compatible with containers of various sizes and shapes
- Capable of working in conjunction with multiple devices (such as filling machines)

Proposals

Containers which can be detached easily from each other



Automatic rice server



- Reduces the number of production-line workers by up to three workers
- Able to serve food in containers of various shapes

Proposals

The Containers are good for in store usage and also suitable for production line in PCs.



Automatic lidding machine and top seal packaging machine

Automatic lidding machine
Lids are snapped into the containers automatically.



- Accurate positioning of lids
- Lids snapped on using finely-tuned movements

Proposals

Strong containers that are resistant to deformation



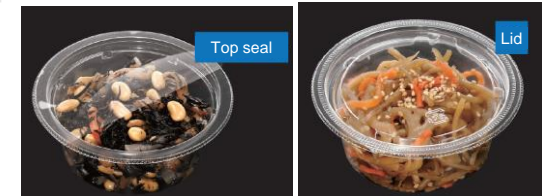
Top seal packaging machine



- Capable of handling up to 1,500 packs/hour

Proposals

Containers with lids snapped into place internally, permitting the concurrent use of top seals and lids



AP-TS Maru

Addressing Labor Shortages (2)

Container that Reduces Tsuma (Shredded Radish)

Container that reduces tsuma
(Shredded radish)

Trends in shipments (Based on the quantity)



S Stage



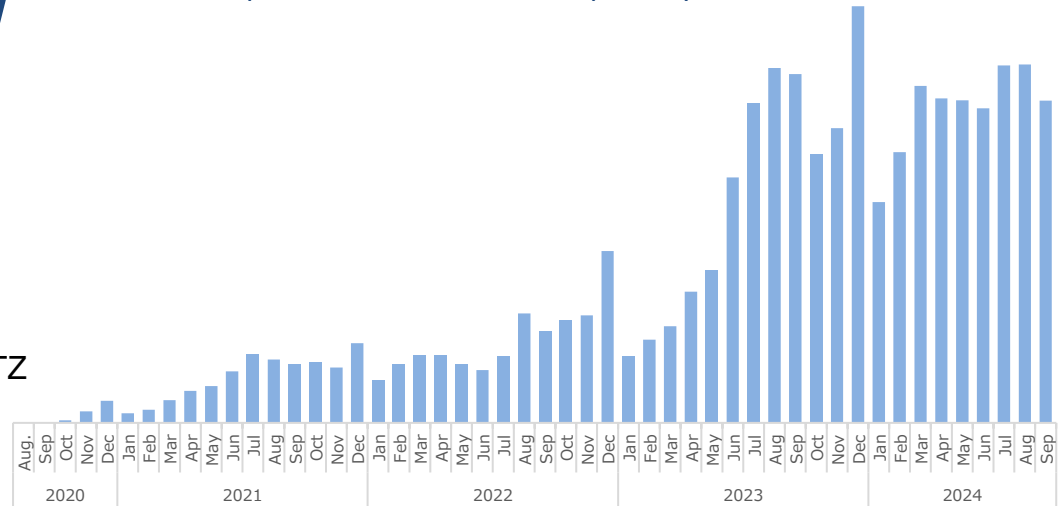
Chokakubachi TZ

Tsuma

80g

Tsuma

0g



① Reducing time spent dishing out



Time spent preparing sashimi/day
8MH → 6MH

Approx. 8 million yen saved every month

* Examples for Kansai Company A (160 stores)

* MH (man/person-hour productivity): Work time assuming that all the work was done by a single person.

② Saving cost of tsuma



Approx. 6 million yen saved every month

* Examples for Kansai Company A (160 stores)

③ Reducing food loss



Selling tsuma separately

Reducing Plastic Usage (1)

Low-foamed PS Containers

New low-foamed PS container
with low-foamed PS sheets and molding technology

Up to approx. **60%** reduction in the use of
plastics compared to non-foamed PS containers (HIPS)



Shukugaoke PT



Use of plastics (compared with
HI product (container only))

Approx. 60%
reduction

Hyogaoke PT



Approx. 60%
reduction

Ryokaku



Approx. 40%
reduction

Reikaku



Approx. 50%
reduction

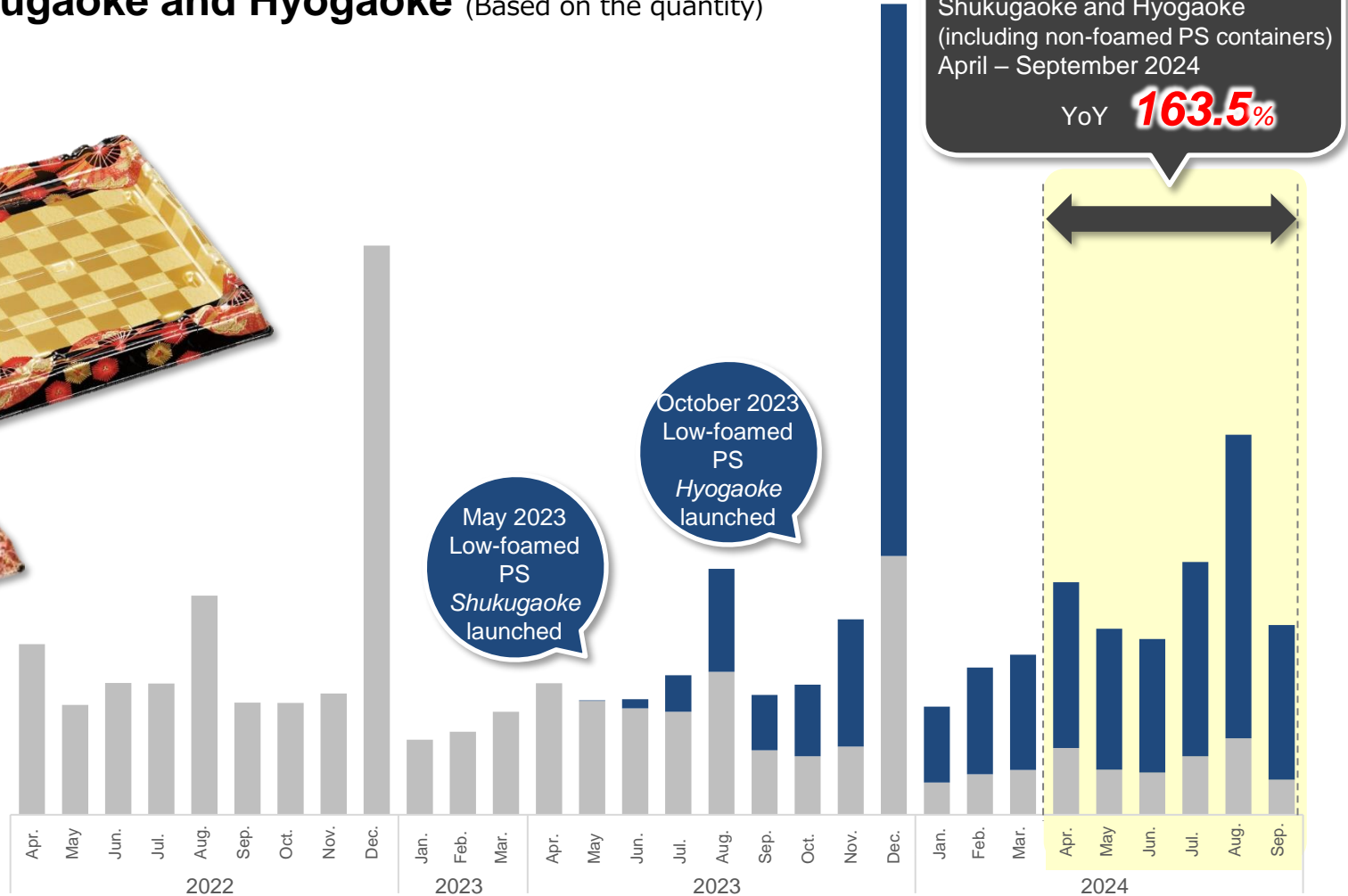
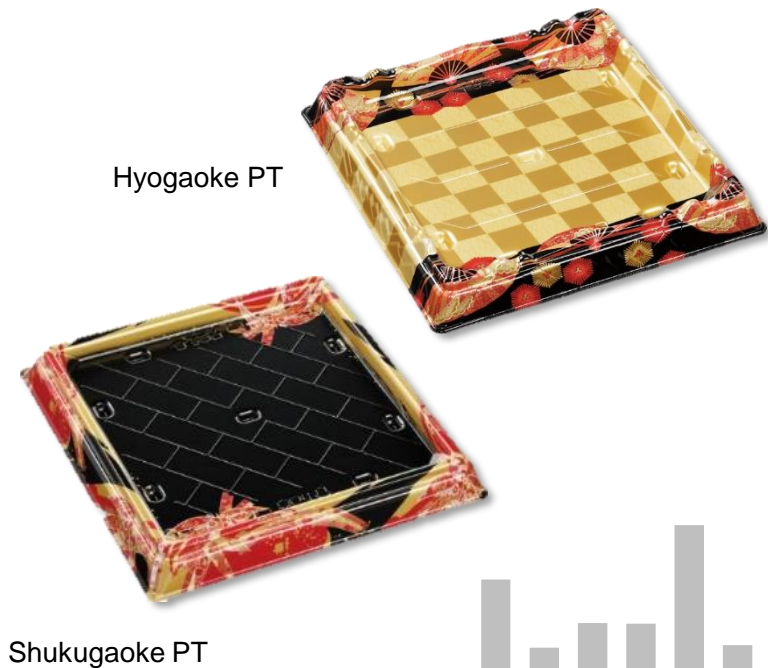
Continuing to **expand the series of low-foamed PS containers**

Reducing Plastic Usage (2)

Growth of Low-foamed PS Oke Series Products

Shipments of Shukugaoke and Hyogaoke (Based on the quantity)

■ Low-foamed PS
■ Non-foamed PS



Reducing Plastic Usage (3)

Overall Renewal of Prepared Food Containers

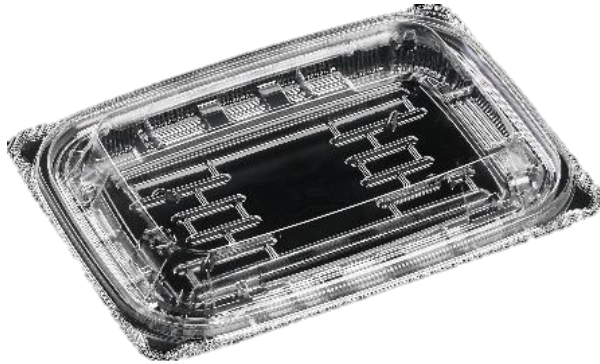
Gradually replacing existing products with the new 220 SKUs based on 80 molds

Before

AP Sozai ▶▶

NEW

AP Delio



Before

MSD Sozai ▶▶

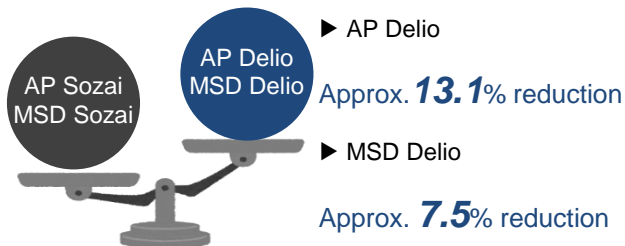
NEW

MSD Delio



Reducing plastic usage

Approx. **10.3%**
reduction on average



Securing strength

Automatic lid closer and manual lid closing
Strong enough to endure both



Leak-proof



Reducing Plastic Usage (4)

Cold-resistant Containers

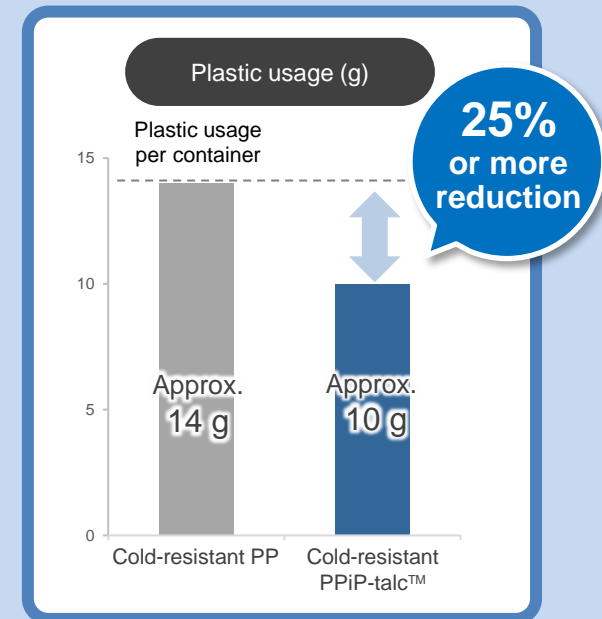
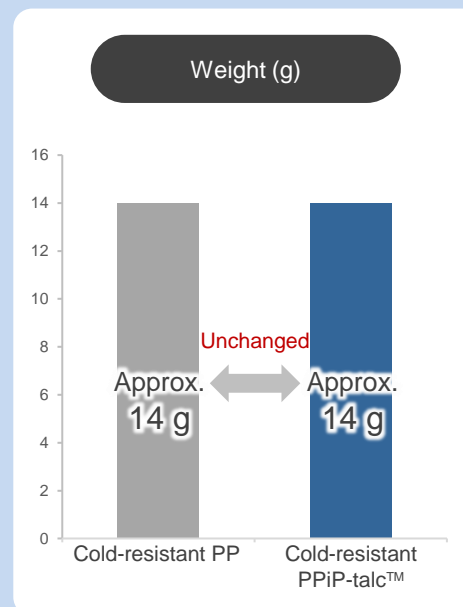
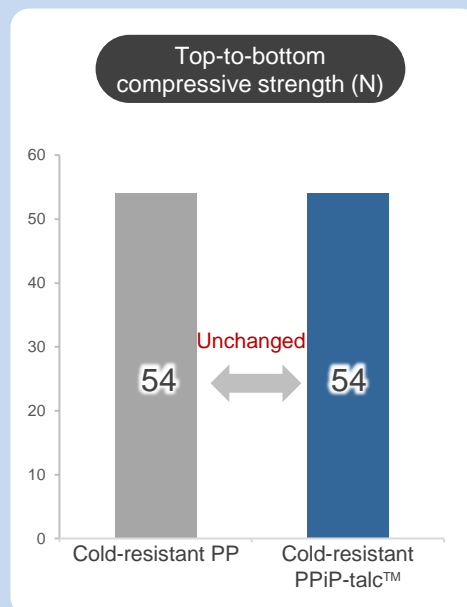
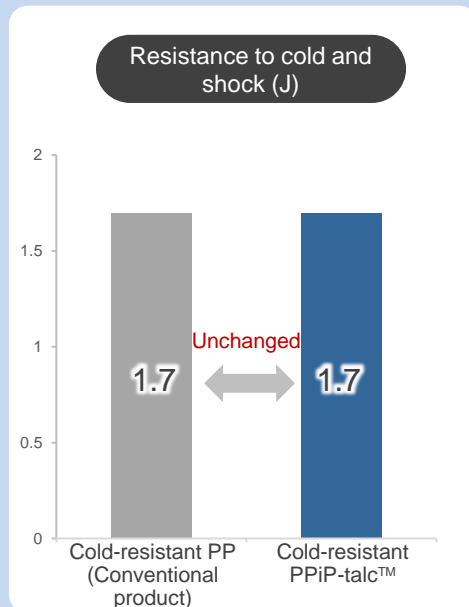
Development of cold-resistant PPiP-talc™, a new material

Two inorganic materials are evenly dispersed and blended into the product,

enabling the use of plastics to be reduced at least 25%, with the same level of resistance to cold and shock, top-to-bottom compressive strength, weight and cost as existing cold-resistant PP.



FT Delipla Kaku



01. Price Revisions/Raw Material Trends

02. Competitive Advantages of FP Corporation

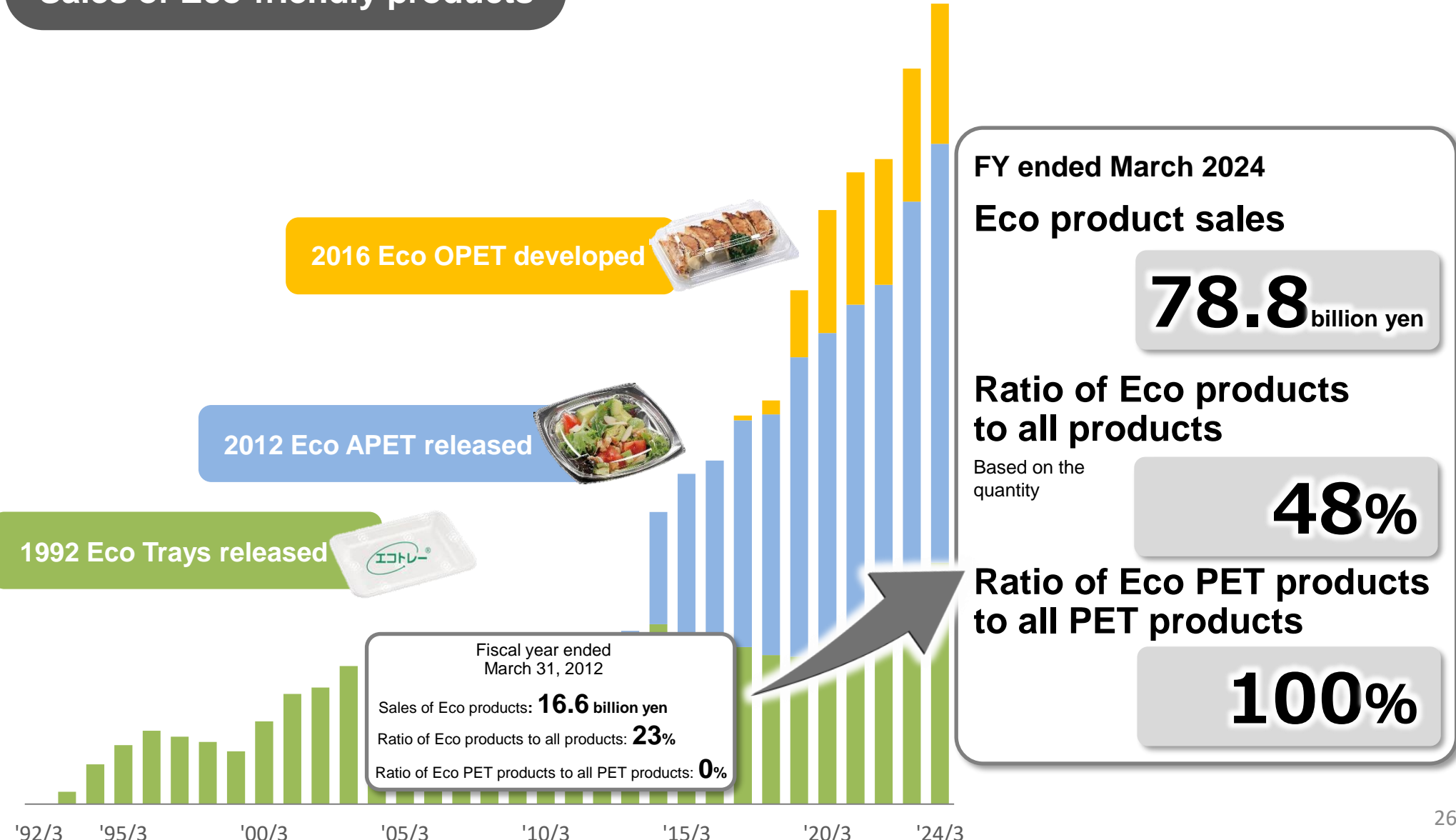
- ▶ Product Development
- ▶ Eco-Friendly Strategies
- ▶ Stable Supply

03. Growth Strategy

Sales of Eco-friendly Products



Sales of Eco-friendly products



“Store to Store Recycling” Starting and Finishing at the Same Store



Trays and PET bottles used at a store are collected at the same store as resources, recycled into food trays and transparent containers, and used again by the same store actively.

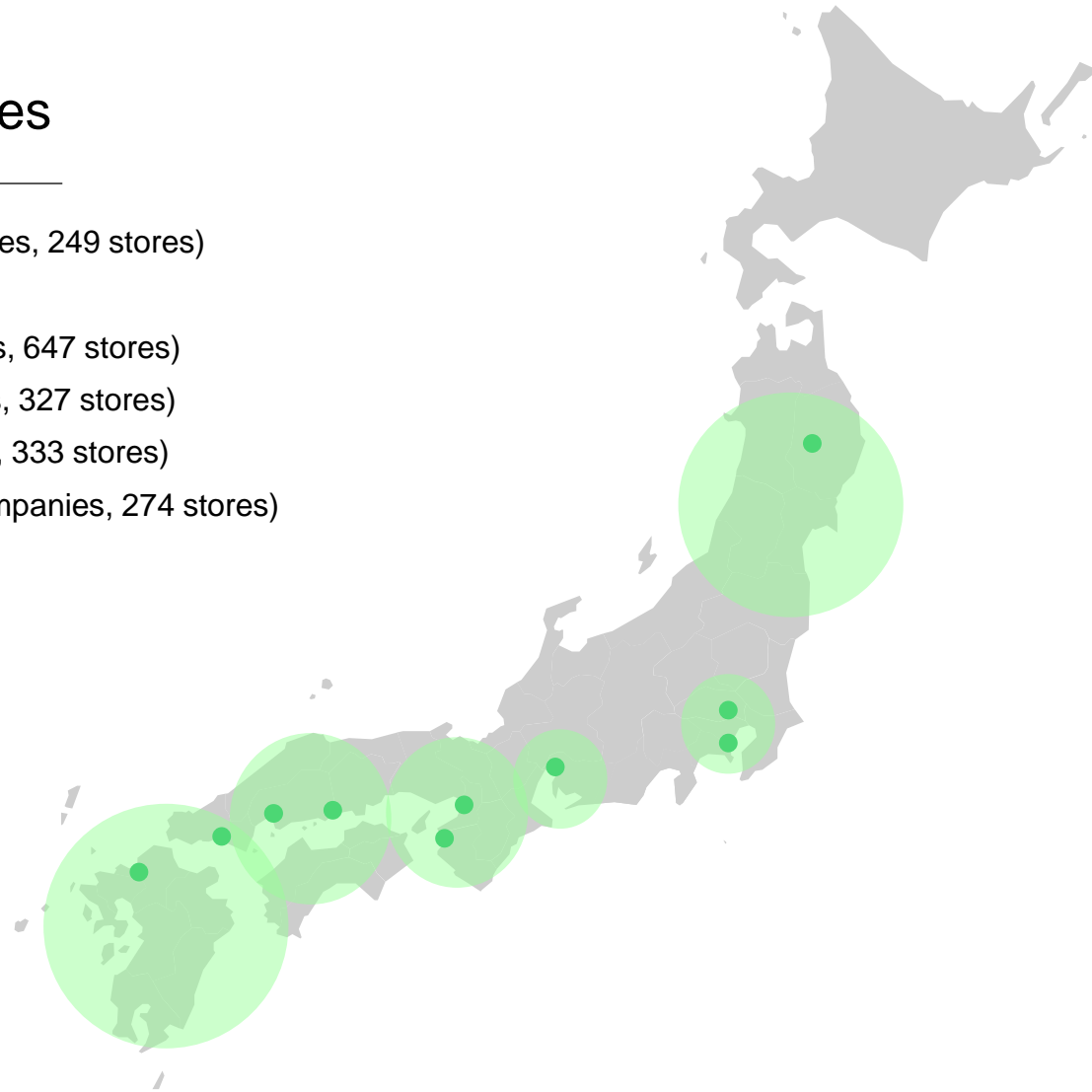


Increase of Companies/Stores under Declaration of “Store to Store Recycling” Collaboration



80 companies, **2,295** stores

Nov. 2022	Chugoku CGC Co., Ltd. (15 companies, 249 stores)
Oct. 2023	EVERY Co., Ltd. (45 stores)
Nov. 2023	Kyushu CGC Co., Ltd. (23 companies, 647 stores)
Mar. 2024	Tohoku CGC Co., Ltd. (11 companies, 327 stores)
Jun. 2024	Kansai CGC Co., Ltd. (23 companies, 333 stores)
Jul. 2024	RETAIL PARTNERS Co., Ltd. (3 companies, 274 stores)
Jul. 2024	YAOKO Co., Ltd. (189 stores)
Aug. 2024	OKUWA Co., Ltd. (152 stores)
Sep. 2024	Aoki Super Co., Ltd. (51 stores)
Sep. 2024	Odakyu Shoji Co., Ltd. (28 stores)



Coordination is under way to include Sato, Izumi, Uoroku, Sotetsu Rosen, and others in the declaration of collaboration.

Expansion of Eco-friendly Products through Collaborations with Users



Chugoku CGC

November 2022 Declaration of collaboration

Reduction in CO₂ emissions

2021 Result	902 tons
--------------------	-----------------



2023 Target	1,000 tons
2023 Result	1,157 tons

(Compared with FY2022: 128%)



**Further reduction of CO₂ emissions
= Expansion of Eco-friendly products**



Reduction of CO₂ Emissions Achieved through Eco Products

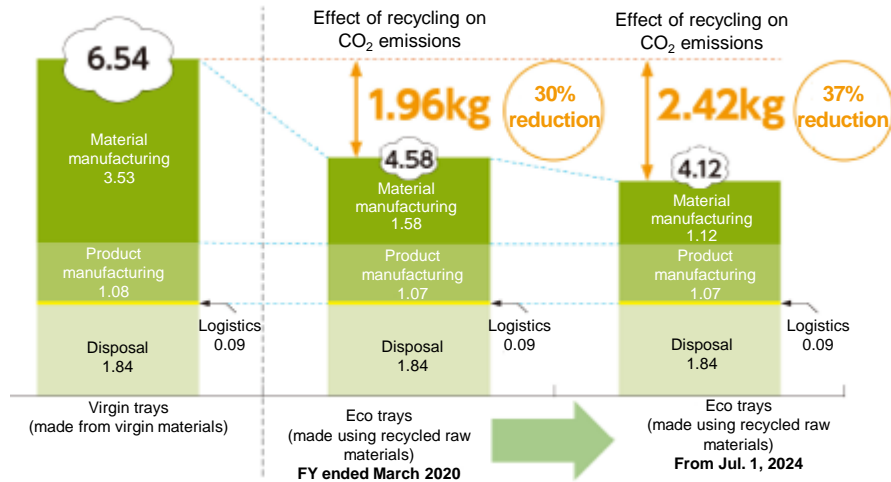


Eco trays



CO₂ emission reduction effect
(Products shipped on July 1, 2024 and beyond)

30% → 37%

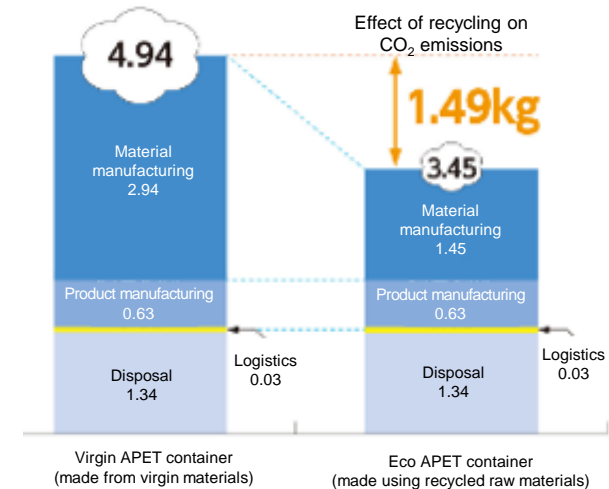


Eco APET and Eco OPET containers

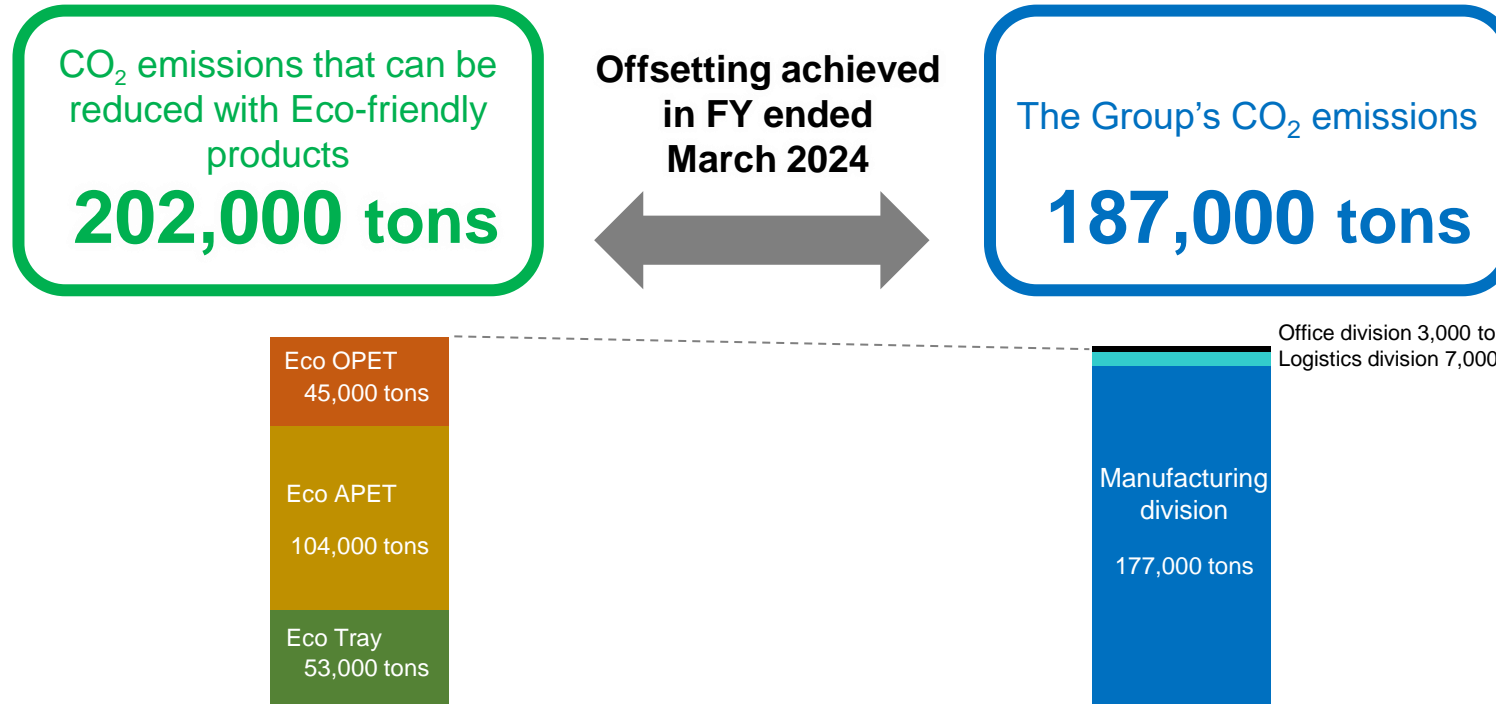


CO₂ emission reduction effect

30%



Contributions to CO₂ Reductions through Eco-friendly Products



Factors in the achievement

Introduction of renewable energy through solar power generation

CO₂ emissions reduction of Eco PS products

34.2% reduction

Increase in the use of Eco PET raw materials

CO₂ emissions reduction of Eco PET products

33.9% reduction

Strong sales of Eco-friendly products

YoY change in FY ended March 2024 (Based on the quantity)

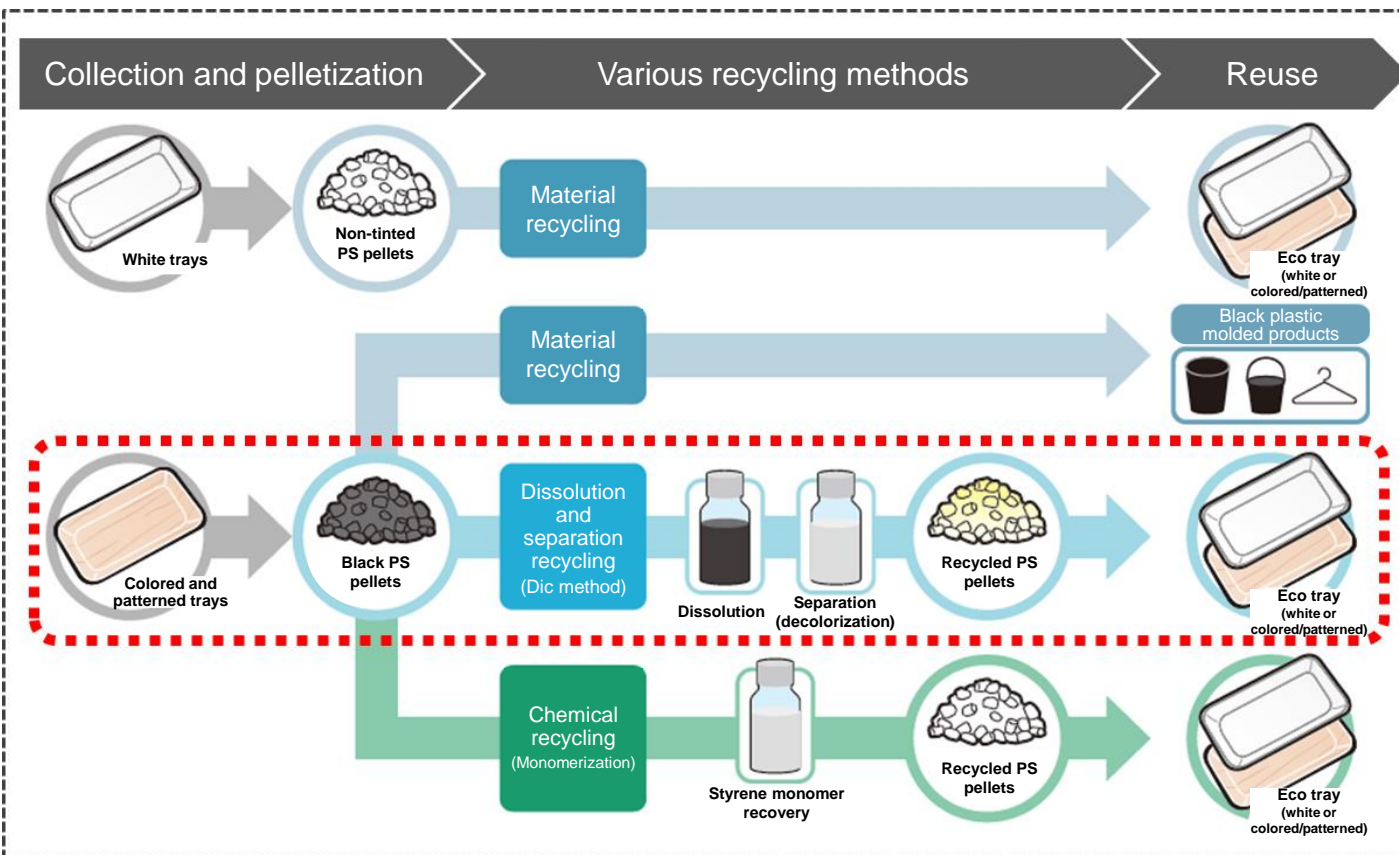
104.5% reduction

To Expand Sales of Eco Trays



November 2024

Start of operation of dissolution and separation recycling



To Increase the Ratio of Eco Products



PS ▶ Technology for dissolution and separation recycling

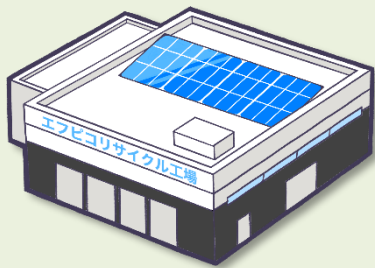


Recycling of colored trays will be possible.

Sales of Eco Trays based on the number of cases

Approx. **30%** increase

PET ▶ Increasing the recycled materials production capacity

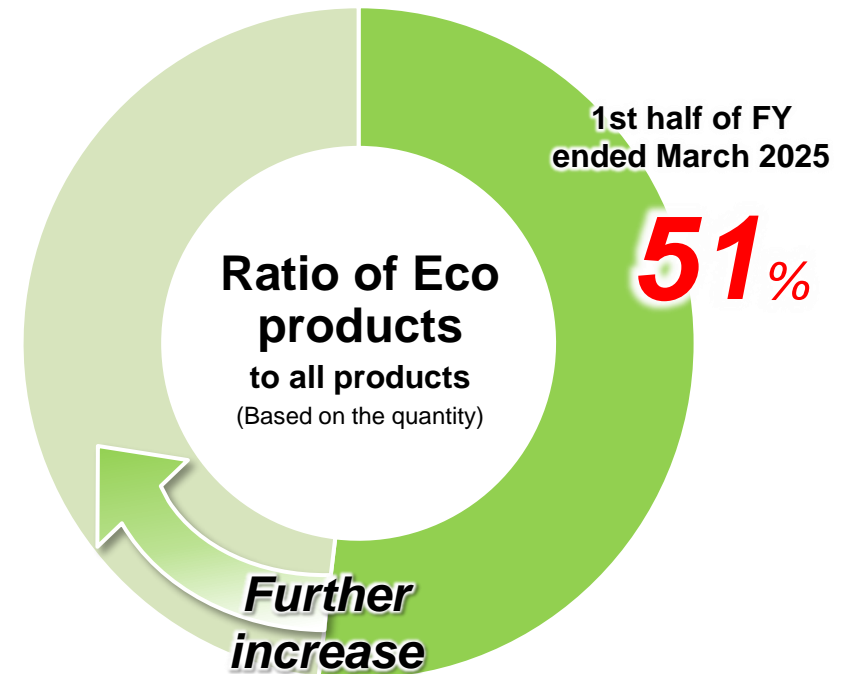


Addition of extruders

Eco-friendly raw materials production capacity

65,000 tons ▶ 75,000 tons

(Forecast for FY ending March 2026)



Effects of the increased ratio of Eco products

Larger market share and improved profitability

01. Price Revisions/Raw Material Trends

02. Competitive Advantages of FP Corporation

- ▶ Product Development
- ▶ Eco-Friendly Strategies
- ▶ Stable Supply

03. Growth Strategy

Nationwide Logistics Network

Completed a network which has **85%** of the total population, including the populations of major cities, within a **100 km** radius of the bases

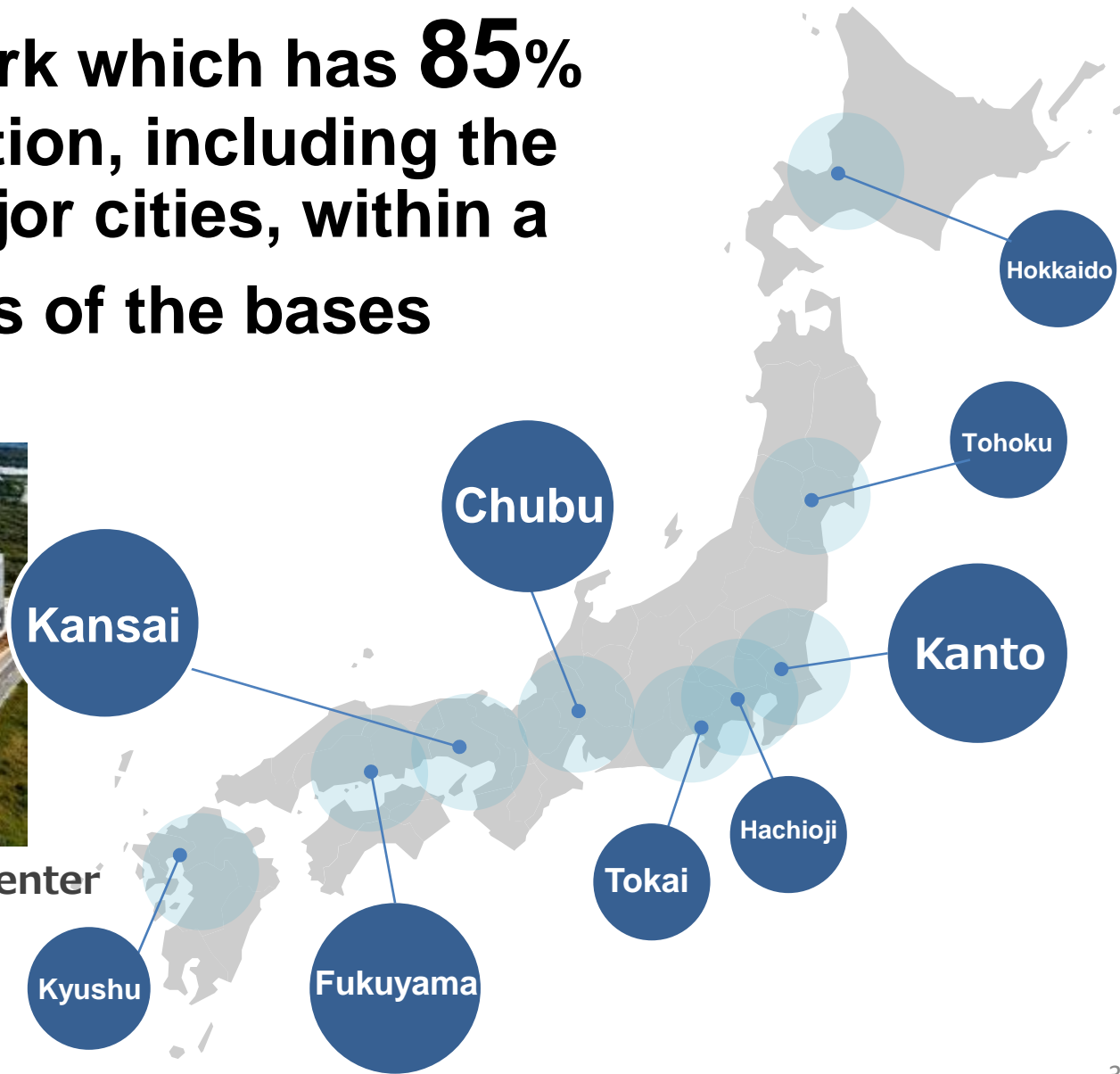


Kansai Plant and Kansai Hub Center

Commencement of operation: January 2023

Investment: 26,670 million yen

Total floor area: 79,883.65 m²

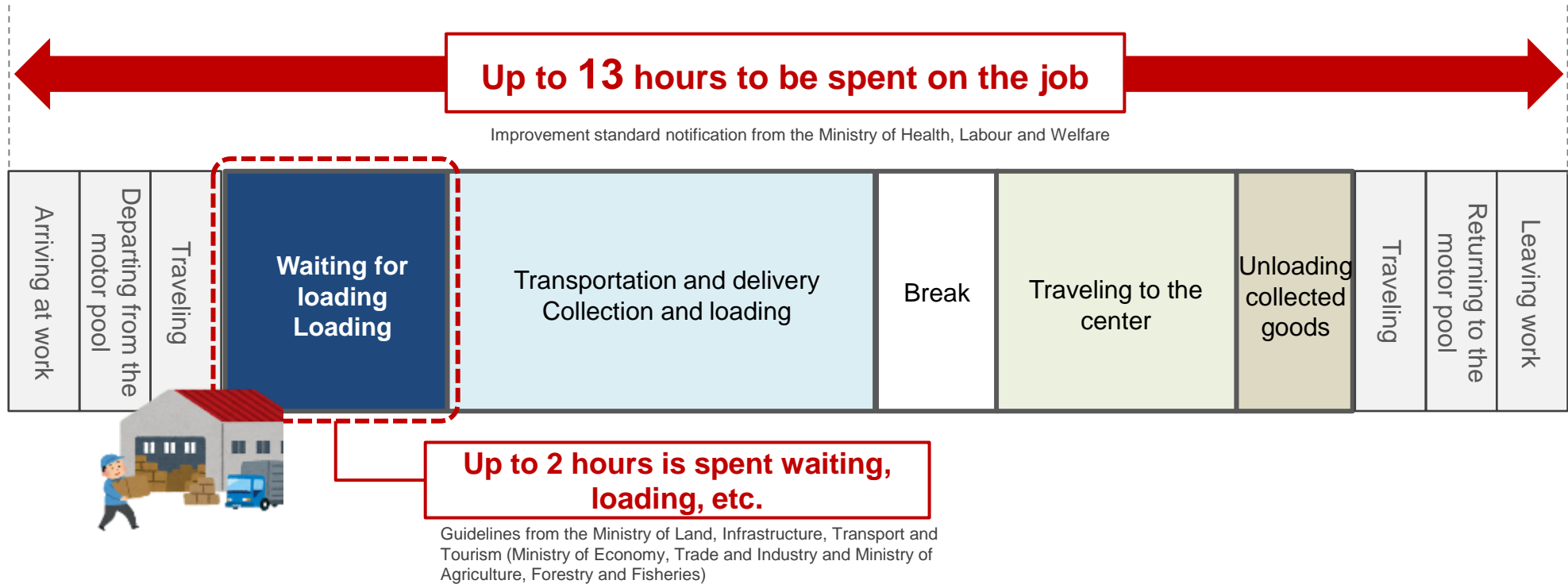


The 2024 Problems in Logistics

April 1, 2024

The Standards for Improving Working Hours, etc. of Automobile Drivers (improvement standard notification) **came into force**

Truck drivers working long hours and overtime has become an issue, and labor conditions will be improved to respond to this.



The longer the distance, the more difficult it is to secure vehicles.

Addressing the 2024 problems in logistics

Up to 13 hours to be spent on the job

Jan. 2023: Commencement of operation of Kansai Hub Center

	November 2022	September 2024
Fukuyama Hub Center	34 units	0 unit
Kansai Hub Center	—	0 unit
Total	34 units	0 unit

There is no longer any long-distance travel from the Fukuyama Hub Center to the Kansai area, which resulted in a **reduction of the number of trucks whose drivers spend more than 13 hours at work.**

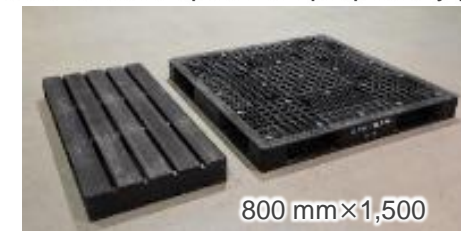
Up to 2 hours spent waiting, loading, etc.

Use of sorters and dedicated pallets for transportation and the consolidation of loading and unloading areas

	September 2023	September 2024
Number of trucks operated per day	680 units	700 units
Number of trucks whose drivers spend more than two hours waiting and loading which are included in the above	230 units	24 units

The use of sorters and dedicated pallets for transportation and loading with forklifts instead of manual loading has resulted in a **reduction of the number of trucks whose drivers spend more than two hours waiting and loading.**

Studied and developed new proprietary pallets



800 mm×1,500

Increase in Logistics Costs

Increase in costs for
long-distance/additional transportation



Year-on-year changes in the cost of vehicles

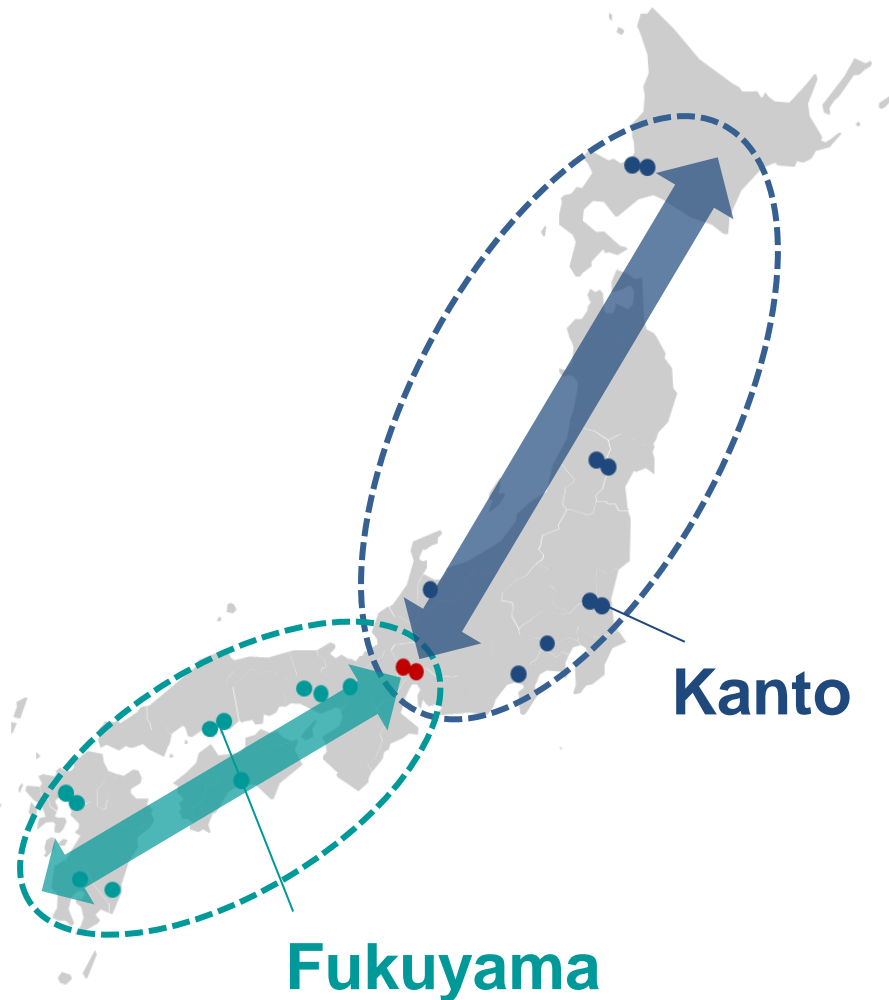
Peak season	Delivery for sales		Transfer of goods between sites	
	Number of vehicles	Over cost	Number of vehicles	Over cost
Year-end holidays (December 2023)	102.5%	103.0%	112.1%	339.3%
GW (May 2024)	100.1%	110.5%	105.4%	381.6%
Bon holidays (August 2024)	103.5%	105.5%	103.0%	694.9%

Minimizing the Transportation of Products between Kanto and Fukuyama



Supply Chain Management System

SCM and network of sites established across Japan



Initiatives (1)

Further driving local production in response to demand

Initiatives (2)

Minimizing the transfer of products between sites by dividing the area into east and west

Long-distance transportation between Kanto and Fukuyama



April –
September 2024

48% reduction

01. Price Revisions/Raw Material Trends

02. Competitive Advantages of FP Corporation

- ▶ Product Development
- ▶ Eco-Friendly Strategies
- ▶ Stable Supply

03. Growth Strategy

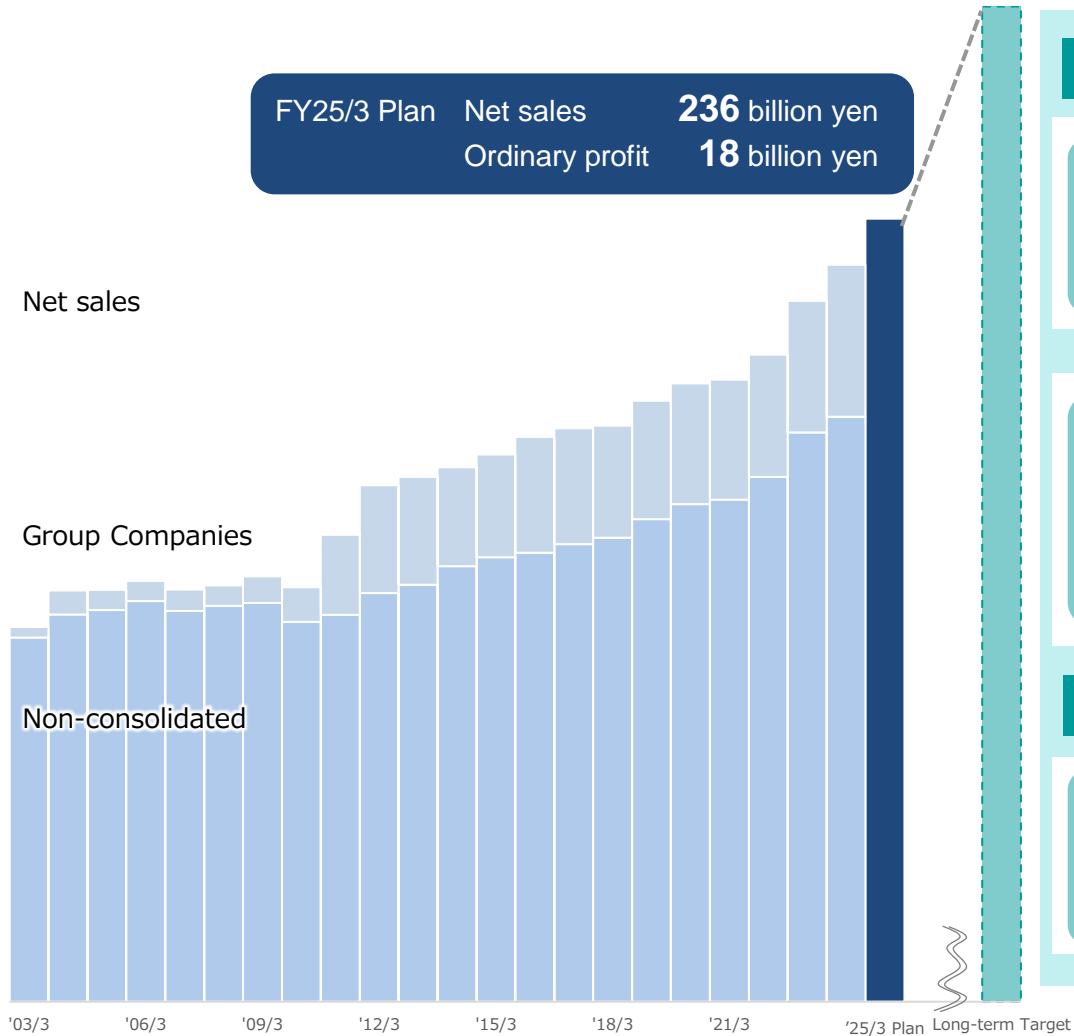
Medium- and Long-term Targets

- **Achieving net sales of 300 billion yen, ordinary profit of 30 billion yen, and improvement of ROE to 11% by 3/2030**
- **Shareholder returns**
Dividend payout ratio of 40%, aiming to increase dividends in response to the medium- to long-term growth of profit
Considering acquisition of treasury shares in light of cash position
- **Recovering up-front investments to achieve the growth of net sales and to improve the profit rate**

Unit: billion yen	FY2024 Results	FY2025 Plan	FY2030 Target
Net sales	222.1	236	300
Ordinary profit	16.8	18	30
Ordinary profit ratio	7.6%	7.6%	10.0%
Net profit	11.7	12.1	21.0
ROE	8.2%	8.4%*	11.0%
Dividends (Per share information)	57 yen	57 yen Aiming to increase dividends in response to medium- to long-term profit growth	
Purchase of treasury share	30	Consider flexible stock buybacks	

* The equity figures are as of the beginning of fiscal year.

Growth Strategy



Long-term Target

Net sales **300** billion yen

Ordinary profit **30** billion yen

Products

Enhancement of original products

Average annual growth of existing businesses of 3%: 170 billion yen --> 200 billion yen

- Growth of Eco-friendly products and low-foamed products
- Capturing new markets, such as frozen food, hospital food and nursing care food markets

+

Overseas business & New materials

New business 20 billion yen

- Overseas business
- Expansion of overseas business, including the consideration of new M&A activities
- Entering new business domains with new materials

Goods

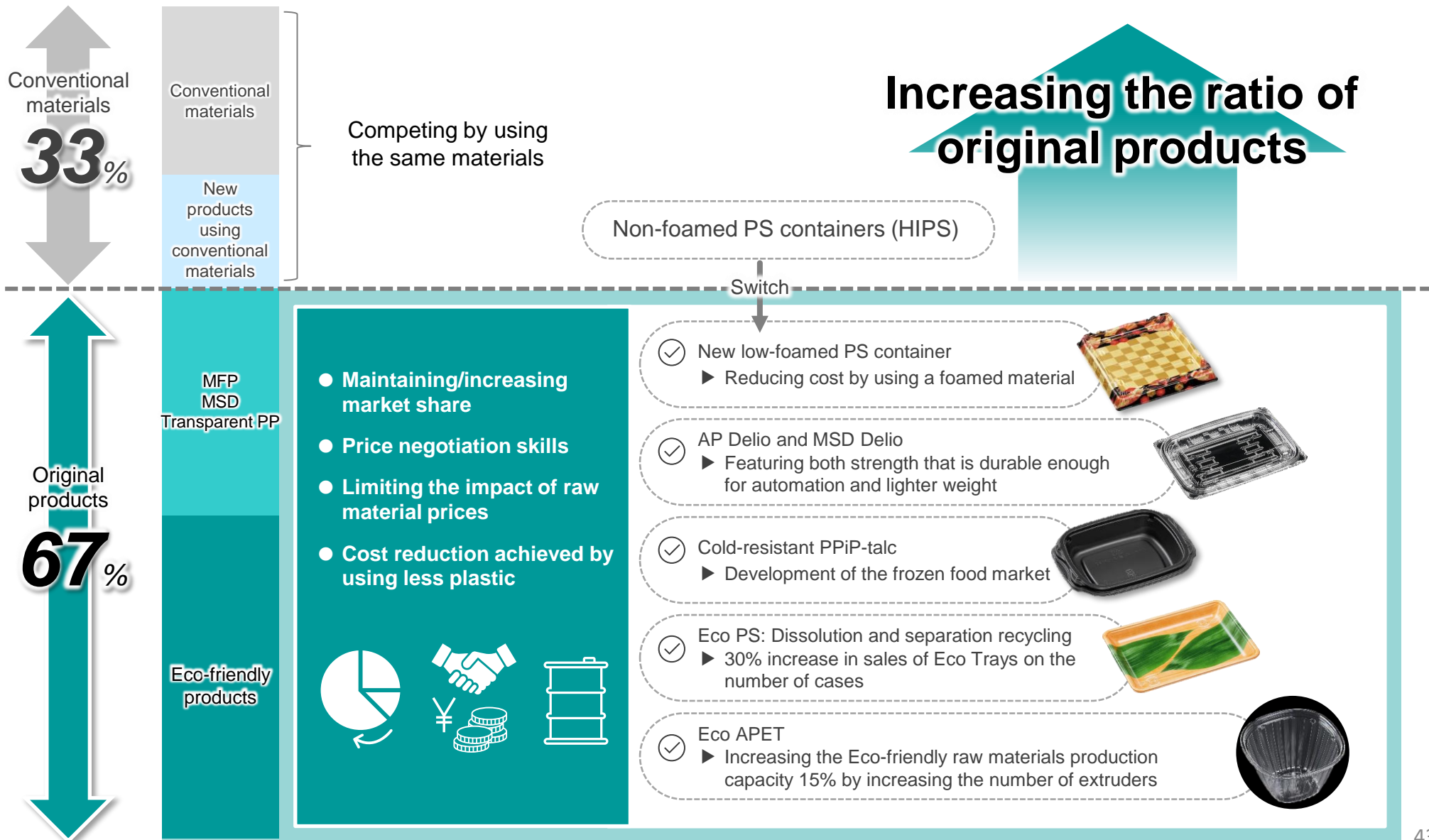
Use of the Group's infrastructure

- Average annual growth of existing businesses of 5%: 50 billion yen --> 65 billion yen
- Collaborating with wholesalers using the Group's infrastructure
- Capturing markets through M&A activities: 20 billion yen

* Changed to the Accounting Standard for Revenue Recognition in FY ended Mar. 2022. Retrospectively applied for FY ended Mar. 2021.

Enhancement of Original Products

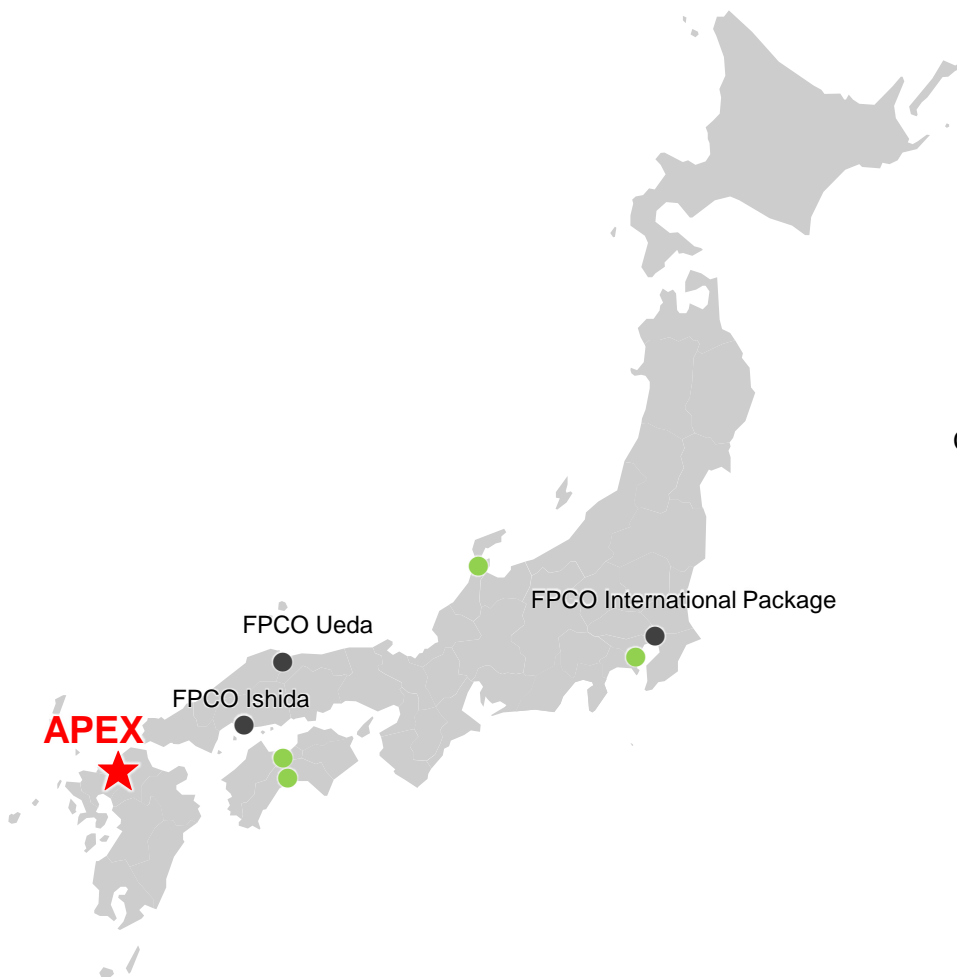
Sales shares of products in the 1st half of 3/2025 (Based on the quantity)



M&A (1): Use of the Group's Infrastructure



APEX Corporation : A wholesaler of food packaging materials in Kyushu with sales of 10.0 billion yen



Standard core system for wholesalers

Introduced by 7 dealers nationwide
Currently being introduced by APEX

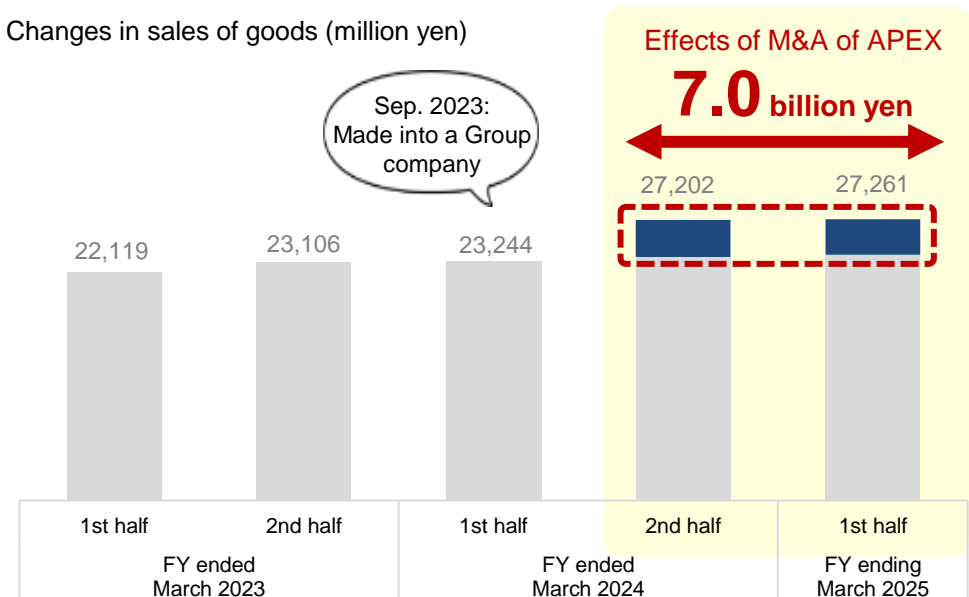
Infrastructure for picking products and goods

E-commerce site offering packaging materials PackMarket

Merchandising by FP Trading

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

Changes in sales of goods (million yen)



M&A (2): LSSPI (Overseas)

Lee Soon Seng Plastic Industries Sdn. Bhd.

Location: Malaysia

Total acquisition price: Approx. 16.7 billion yen

(FP Corporation: Approx. 6.7 billion yen)

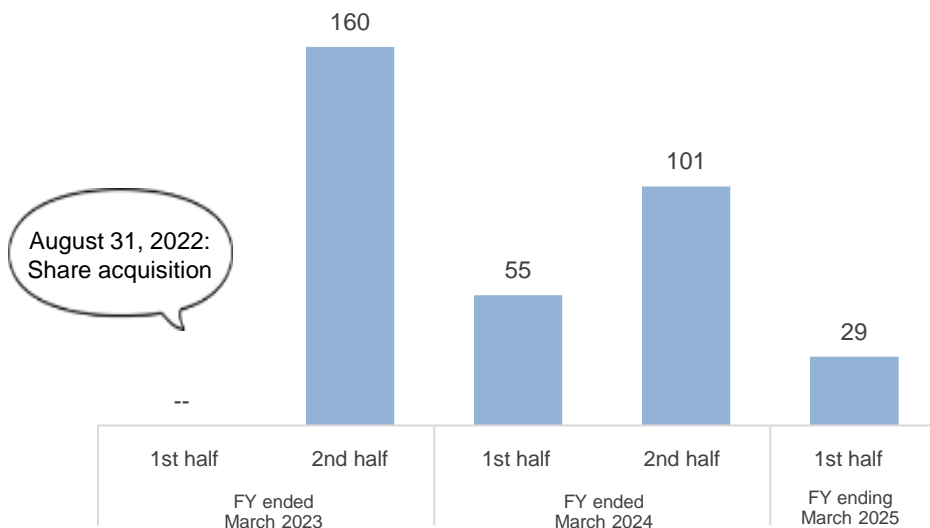
Shareholding ratio : Mitsui & Co., Ltd.: 60% , FP Corporation: 40%

Net sales: 8.0 billion yen (3/2024)

*Sales share (domestic : overseas): 6:4



40% equity stake in net profit (million yen)



Step.1

Three-year plan:double productivity

- ▶ Introduction of molding machines, extruders, and other new equipment
- ▶ FPCO know-how speeds up molding operations
- ▶ Automation and labor saving

Step.2

Gaining overwhelming market share in Malaysia and Singapore

Step.3

Becoming a cornerstone in the Southeast Asian market, which is expected to expand further

Successful Development of a New Sheet That Is the First of Its Kind in the World (1)

Successful development of FPCO's proprietary new OPP (biaxially oriented polypropylene sheet)

Standard OPP

- Thickness: 30 to 50 microns
- Applications: Soft food packaging material, etc.



Single-layer sheet



New OPP

(ultra-high-rigidity biaxially oriented polypropylene sheet)

- Thickness: 150 to 300 microns
- Applications:
(Food containers) Replacing existing materials
(Industrial fields) Automotive parts, chemical-resistant home appliance parts and other applications are assumed.

New OPP laminated sheet

- Thickness 1 to 3 mm
- Applications:
(Industrial fields) Automotive parts, home furnishings/appliances, solar cells, logistics materials, etc. are assumed.

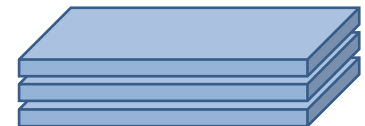
Laminated sheet

* For illustrative purposes only

Single layer



Lamination



FPCO-
proprietary
new OPP

Successful Development of a New Sheet That Is the First of Its Kind in the World (2)

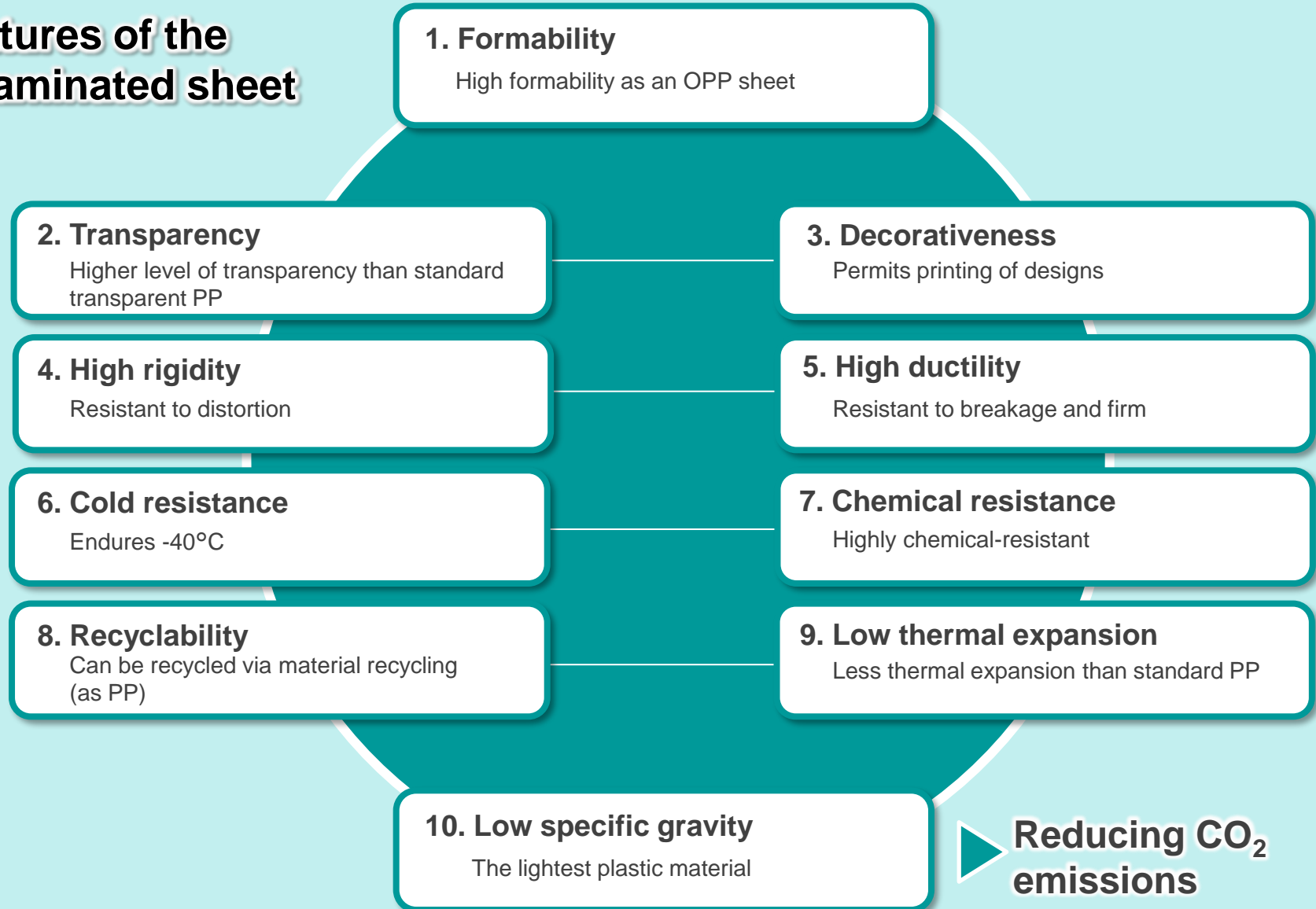
Superiority of the new OPP in the field of food containers

Comparison of transparent container materials

		New OPP (Biaxially oriented PP)	OPS (Biaxially oriented PS)	APET (Non-oriented PET)	OPET (Biaxially oriented PET)	Transparent PP (Non-oriented PP)
Transparency		○	○	○	○	△
Heat resistance		110°C	80°C	60°C	80°C	110°C
Cold resistance	-18°C	○	△	×	○	×
	-30°C	○	△	×	○	×
Container weight when the same strength	○ Light × Heavy	○	△	×	△	×
Oil resistant		○	×	○	○	○

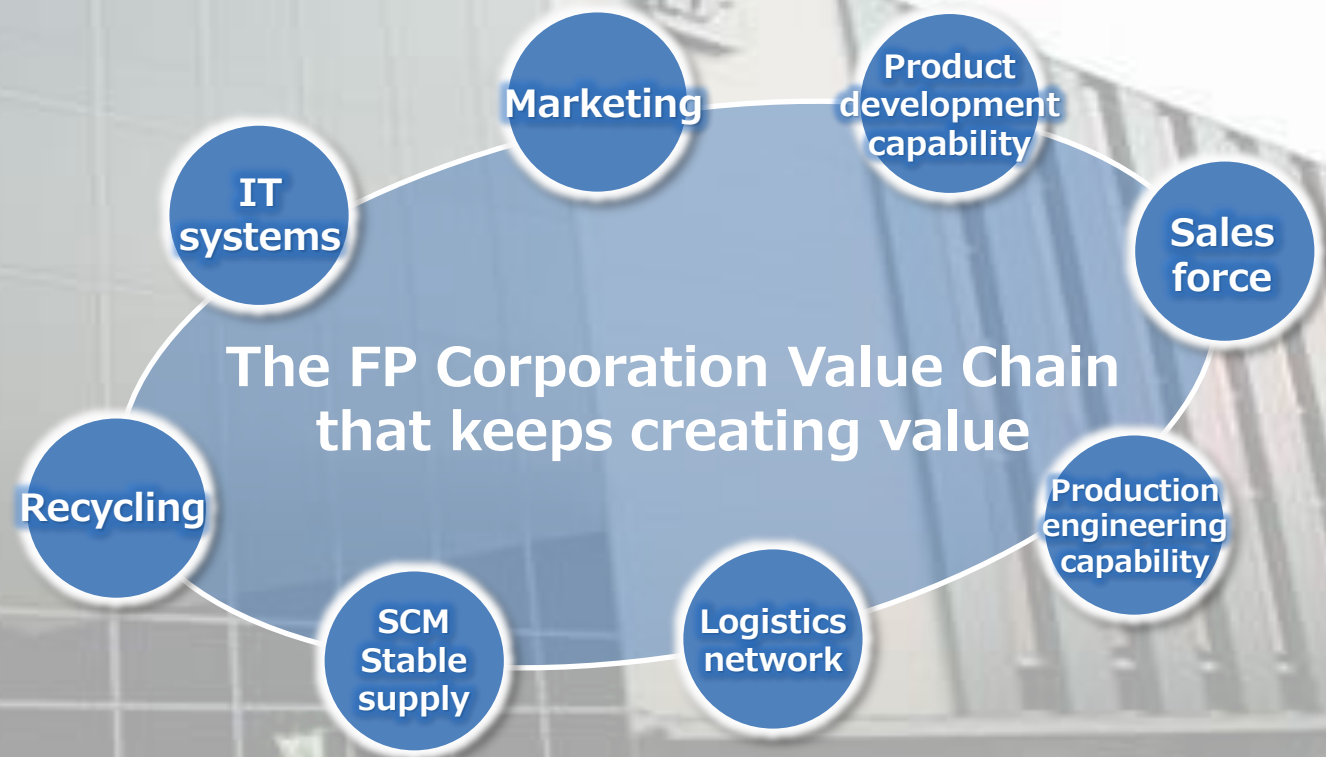
Successful Development of a New Sheet That Is the First of Its Kind in the World (3)

Ten features of the new OPP laminated sheet



To Increase Corporate Value

“Reliably deliver the most environmentally friendly products of the highest quality at the most competitive prices whenever they are needed.”



Supporting Data

Explanation of Terms

★:Original Products

	PS	Polystyrene
	PET	Polyethylene Terephthalate
	PP	Polypropylene
★	Eco trays	A recycled expanded 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 container	A recycled PET transparent container for which PET transparent containers and PET bottles collected at supermarket shop counters and scrap pieces collected within plants are used as raw materials (sales commenced in 2012). Heat resistance temperature of +60°C.
★	Eco OPET container	A recycled oriented PET (OPET) transparent container molded from the bi-axially OPET sheets, which use the same raw materials as an Eco APET container (sales commenced in 2016) Superior oil resistance and high transparency, with the same thermal insulation as the OPS transparent container. Heat resistance temperature of +80°C.
★	New low-foamed PS container	A foamed PS container featuring reduced use of plastics while maintaining the same strength and sharp shape as non-foamed PS containers. It is lighter than a non-foamed PS container by 50% to 60%.
★	Multi FP (MFP) container	A foamed PS container with cold and heat resistance to temperatures between -40°C and +110°C and with superior oil resistance and thermal insulation (sales commenced in 2010).
★	Multi Solid (MSD) container	A non-foamed PS container, which has achieved a sharp shape while maintaining the characteristics of the Multi FP by using scraps of materials from the Multi FP (sales commenced in 2012). Heat resistance temperature of +110°C.
★	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 (sales commenced in 2012).
★	Cold-resistant PPiP-talc container	A cold-resistant PP filler container, which uses 25% less plastic than conventional cold-resistant PP due to the blending of two inorganic materials. It is equivalent to existing products in terms of resistance to cold and shock, top-to-bottom compressive strength and weight.
	OPS transparent container	A conventional transparent container with a heat resistance temperature of +80°C that is molded from the bi-axially oriented polystyrene sheets.
	HIPS container	A non-foamed PS container with superior rigidity and moldability. A heat resistance temperature of +90°C.
	Dissolution and separation recycling	A method with which black polystyrene (PS) pellets produced through material recycling are dissolved and decolored to produce recycled PS materials for food containers. It is the world's first technology, developed by DIC Corporation. (Scheduled to begin operating in November 2024)
	Process center (PC)	A facility where the production and delivery of food is completed in a single location
	Distribution Center	Logistics center for processes from acceptance of products and commodities to acceptance of orders, allocation of vehicles, shipment, and collection of trays
	Hub Center	Delivery center where multiple buildings are connected via a sorter system for automatic sorting and consolidation for shipment.
	Distribution Center (DC)	A logistics division that ships cases to packaging material wholesalers.
	Picking Center (PC)	A logistics division that picks and ships items in small lots to supermarkets.
	Sorting Plant	A recycling site where foamed PS containers collected from stores are sorted into white containers and containers of other colors, and transparent containers collected from stores are sorted according to materials such as PS, PET and PP.

Trends in Results (1)

* Changed to the Accounting Standard for Revenue Recognition in FY ended Mar. 2022. Retrospectively applied for FY ended Mar. 2021.

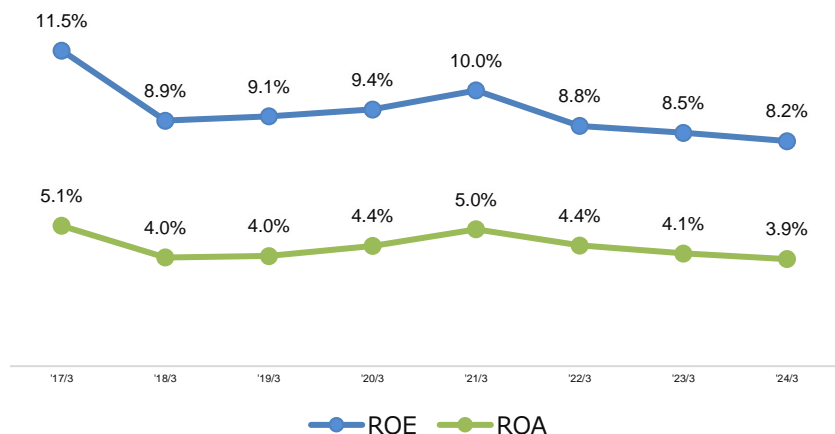
Million yen

	3/2017	3/2018	3/2019	3/2020	3/2021	3/2022	3/2023	3/2024
Net sales	172,858	173,580	181,171	186,349	187,509	195,700	211,285	222,100
Operating profit	15,176	12,884	13,949	15,507	18,763	15,884	16,703	16,429
Ordinary profit	15,742	13,548	14,861	16,274	19,381	16,703	17,328	16,780
Net profit	10,953	9,178	9,901	10,777	12,211	11,206	11,529	11,724
Ordinary profit before depreciation	26,926	25,255	28,031	29,807	32,991	30,340	31,509	31,833
Ratio of ordinary profit to net sales	9.1%	7.8%	8.2%	8.7%	10.3%	8.5%	8.2%	7.6%
ROE	11.5%	8.9%	9.1%	9.4%	10.0%	8.8%	8.5%	8.2%
Return on assets (ROA)	5.1%	4.0%	4.0%	4.4%	5.0%	4.4%	4.1%	3.9%
ROIC	5.8%	4.5%	4.8%	5.4%	6.6%	5.2%	4.8%	4.8%
WACC	—	—	—	—	5.01%	4.51%	4.41%	4.32%
EPS (yen/share)	132.43	111.01	119.75	130.36	147.80	136.96	140.87	143.50
Dividends (yen/share)	40.00	40.50	40.50	40.50	44.50	47.00	47.00	57.00
Payout ratio	30.2%	36.5%	33.8%	31.1%	30.1%	34.3%	33.4%	39.7%
Purchase of treasury shares	—	—	—	—	3,999	—	—	2,999
Total assets	219,481	244,147	249,332	242,497	247,234	262,695	298,623	298,580
Net assets	99,721	106,219	112,198	119,301	124,980	132,455	140,171	145,844
Cash and deposits	18,144	15,659	19,151	20,288	17,884	19,745	22,255	23,707
Interest-bearing debt	80,551	91,991	91,402	80,341	73,459	80,171	102,006	92,785
Equity ratio	45.3%	43.4%	44.8%	49.0%	50.3%	50.2%	46.7%	48.6%
Capital investment	21,060	29,891	14,038	12,214	19,412	23,361	30,853	9,591
Depreciation	11,183	11,706	13,170	13,532	13,609	13,636	14,180	15,052
Research and development expenses	1,223	1,197	1,159	1,229	1,195	1,154	1,295	1,483
Ratio of original products	52.3%	55.7%	59.2%	60.5%	62.0%	61.9%	63.6%	66.1%
Inventory turnover in months	1.47	1.53	1.54	1.48	1.44	1.44	1.56	1.57
Amount of containers and bottles collected for recycling (t)	36,631	55,262	75,730	82,629	85,070	83,330	91,350	91,500
Number of collection points for recycling	9,200	9,150	9,260	9,390	9,800	10,000	10,500	10,680

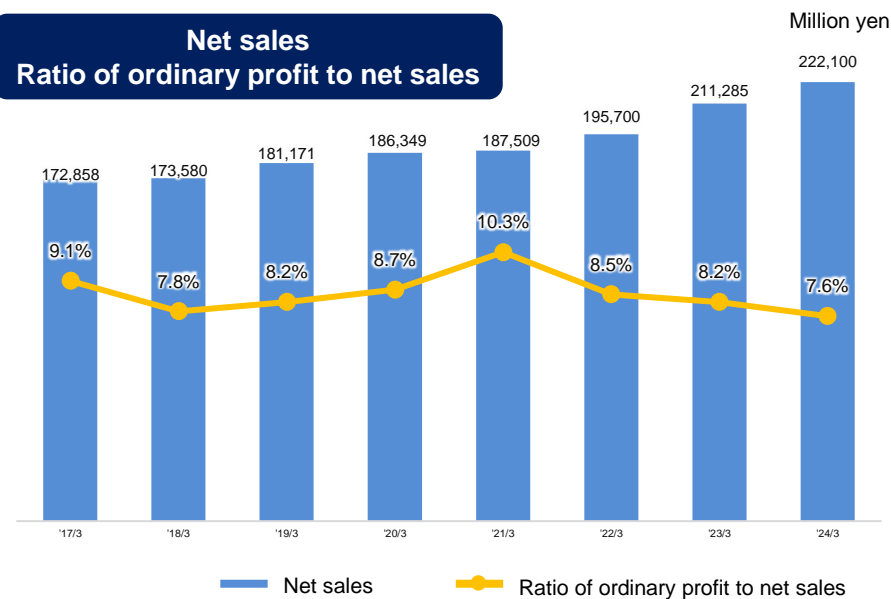
Trends in Results (2)

* Changed to the Accounting Standard for Revenue Recognition in FY ended Mar. 2022. Retrospectively applied for FY ended Mar. 2021.

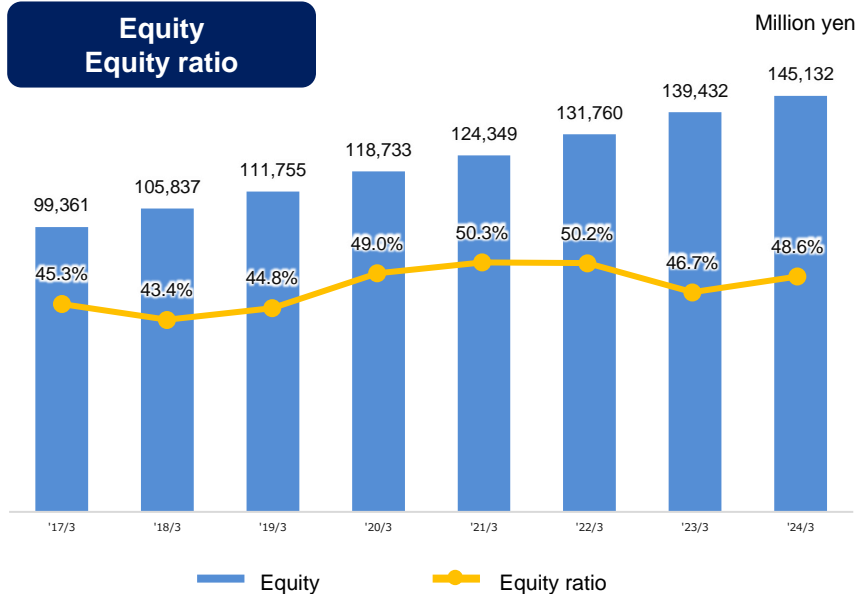
ROE ROA



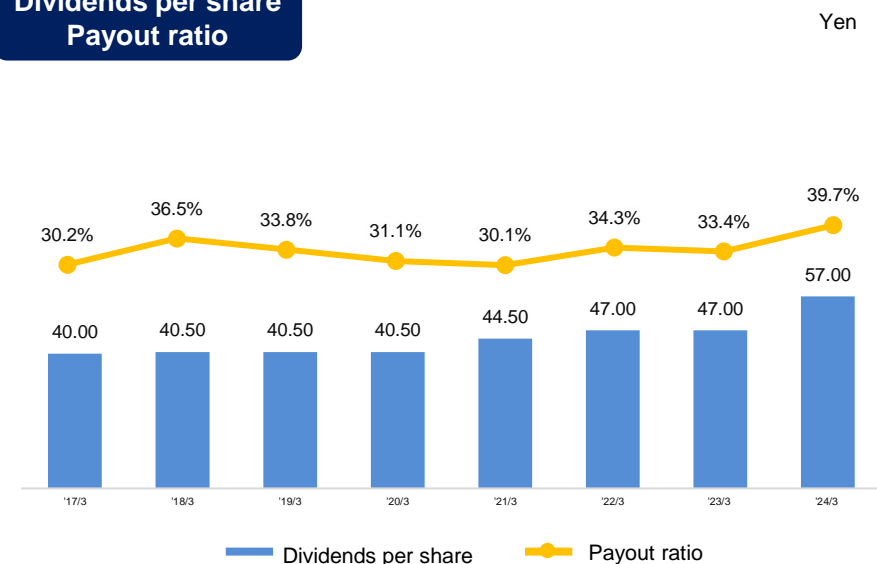
Net sales Ratio of ordinary profit to net sales



Equity Equity ratio



Dividends per share Payout ratio



Factors influencing Ordinary Profit

Unit:100 million yen

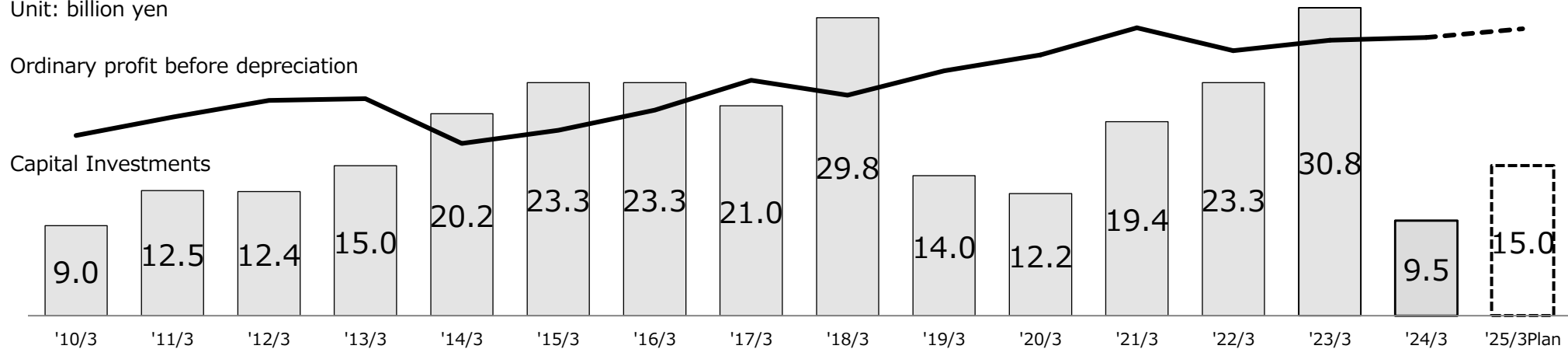
	14/3	15/3	16/3	'17/3			'18/3			'19/3			'20/3			'21/3			'22/3			'23/3			'24/3			'25/3Plan			
				1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	
Ordinary Profit for previous year	151.2	100.5	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	88.3	162.7	85.6	108.2	193.8	89.1	77.9	167.0	64.0	109.1	173.2	72.3	95.4	167.8	
The Price of Material	Decrease in raw material prices		+31.0	+20.0	+3.0	+23.0							+2.5	+5.2	+7.7	+11.0	+3.0	+14.0								-17.5	-13.9	-31.4	-10.0	-30.0	-40.0
		-46.0	-7.0				-13.0	-13.0	-26.0	-14.8	-15.5	-30.3							-9.9	-36.1	-46.0	-24.4	+23.8	-0.6							
Sales Price	Naphtha formula		-11.0	-12.5	-11.0	-23.5																									
		+15.0	+16.0				-	+4.5	+4.5	+13.6	+28.0	+41.6	+10.5	-	+10.5																
		-13.0	-13.0																												
Sales Efforts		+8.0	+14.5	+19.5	+10.5	+12.5	+23.0	+6.0	+3.2	+9.2	+4.5	+7.2	+11.7	+3.5	+5.0	+8.5	+7.2	+9.8	+17.0	+11.0	+6.0	+17.0	+4.0	+3.5	+7.5						
		+1.0	+4.0																												
Improved Production		+1.0	+4.0	+12.0	+3.2	+1.1	+4.3	-3.2	-4.0	-7.2	-0.5	-	-0.5	+1.0	+1.5	+2.5	-1.5	+3.5	+2.0	+3.5	-1.5	+2.0	+1.5	-1.0	+0.5	+56.3	+4.0	+60.3	+11.2	+60.0	+71.2
Improved Distribution		+1.0	-1.0	+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	-0.5	+1.5	+1.0	+2.5	+2.5	+5.0	-	-	-	-4.0	-3.0	-7.0	-6.0	-4.0	-10.0
Group Companies		-1.0	-1.5	+5.5	+2.0	+3.0	+5.0	-	+1.5	+1.5	+0.5	+1.5	+2.0	+2.0	+0.1	+2.1	-0.7	+6.5	+5.8	+4.0	+2.0	+6.0	+2.0	+10.9	+12.9	-2.0	-3.7	-5.7	+3.0	+1.0	+4.0
	Subsidies		+6.5	-1.7	-3.7	+0.8	-2.9																								
Cost increase		-17.0	-22.0	-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	-4.3	-4.4	-8.7	-7.6	-3.2	-10.8	-8.1	-5.9	-14.0	-5.1	-4.4	-9.5	-8.3	-2.7	-11.0
Total increase/decrease		-51.0	+0.5	+39.2	+12.8	+4.3	+17.1	-12.8	-9.1	-21.9	-1.5	+14.6	+13.1	+9.6	+4.5	+14.1	+11.2	+19.9	+31.1	+3.5	-30.3	-26.8	-25.0	+31.3	+6.3	+8.2	-13.7	-5.4	-7.1	+19.3	+12.2
Ordinary profit	100.5	101.1	140.3	79.1	78.3	157.4	66.3	69.2	135.5	64.8	83.8	148.6	74.4	88.3	162.7	85.6	108.2	193.8	89.1	77.9	167.0	64.1	109.2	173.3	72.3	95.4	167.8	65.2	114.8	180.0	

Strategic Investment

Unit: billion yen

Ordinary profit before depreciation

Capital Investments



Annual investment of approx. 20.0 billion yen

Development of the world's first materials

- 2010: Launch of Multi FP products
- 2012: Launch of Multi Solid products
- 2012: Launch of Eco APET products
- 2012: Launch of OPET products
- 2012: Launch of New Transparent PP products
- 2014: Launch of PPI-talc products
- 2022: Launch of cold-resistant PPI-talc products

Enhancement of production and recycling

- 2012: Kanto Yachiyo Plant
- 2016: Chubu Eco PET Plant
- 2017: Kanto Eco PET Plant
- 2018: FPCO ALRight Plant
- 2018: FPCO Gravure Plant
- 2022: Chubu Plant I
- 2023: Kansai Plant
- 2024: Kansai Sorting Plant

Enhancement of distribution network

- 2012: Chubu Picking Center
- 2014: Fukuyama Cross Dock Center
- 2014: Hachioji Distribution Center
- 2020: Kyushu Distribution Center expanded
- 2020: Fukuyama Hub Center expanded
- 2021: Chubu Cross Dock Center expanded
- 2023: Kansai Hub Center

Investment in human resources

- 2014: FPCO Research Center and Human Resources Development and Training Center
- 2018: Hiroshima Sales Office
- 2019: Headquarters of FPCO International Package Co., Ltd.
- PicoHouse dormitories for single employees (total number of units: 473)
 - 2017: PicoHouse No.1 (150 units)
 - PicoHouse No.2 (102 units)
 - 2020: PicoHouse No.3 (63 units)
 - PicoHouse No.4 (18 units)
 - 2022: PicoHouse No.5 (140 units)

Expansion of the microwavable and frozen food markets

Increase of ESG investments

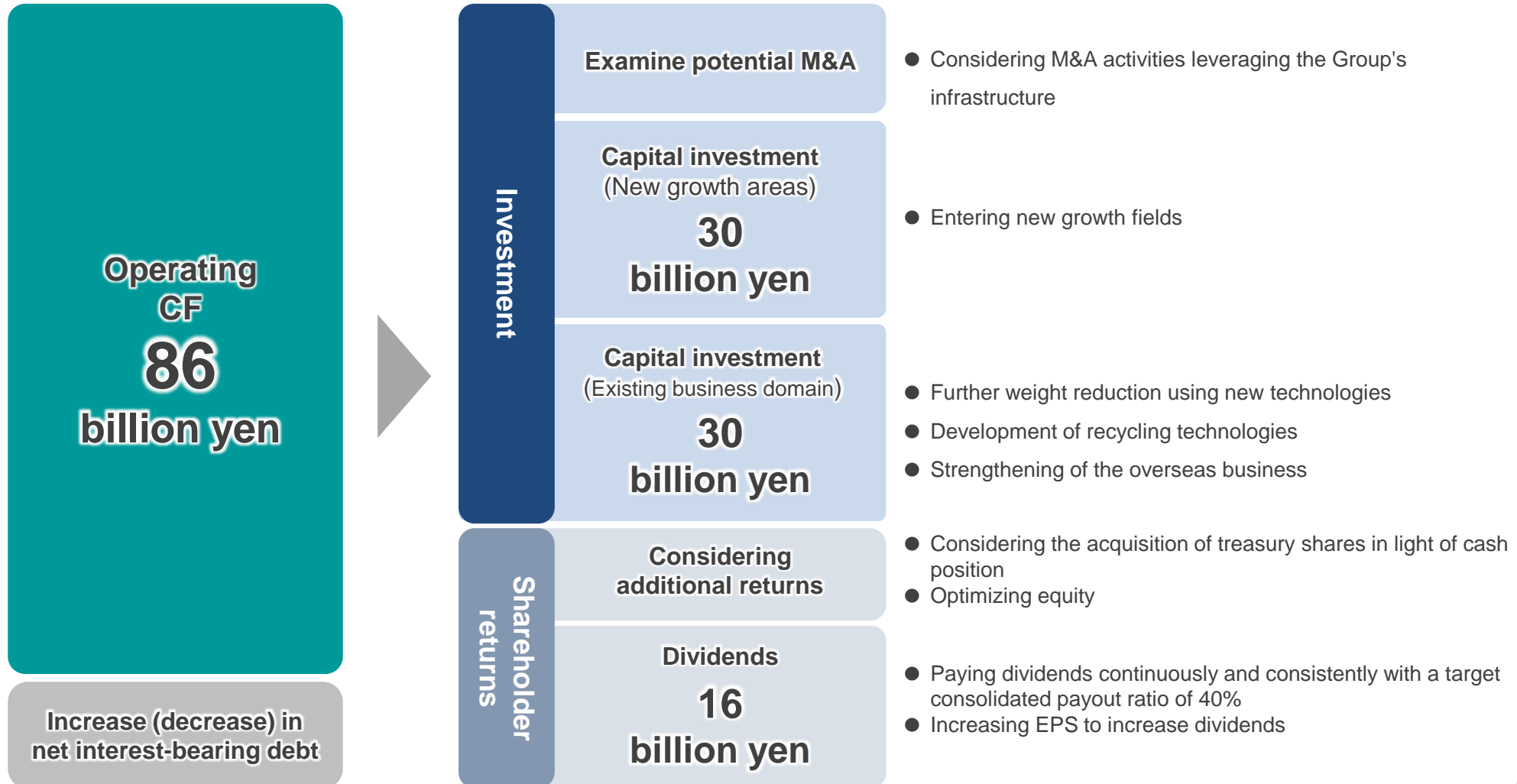
Soaring cost of regular cargo services

Labor shortage

Financial Strategy: Plan (FY2025 to FY2027)

- Strategically allocate operating cash flow and procured funds to investments and shareholder returns

'25/3 to '27/3 (Cumulative totals for 3 years)



Shareholder returns

● Dividend policy

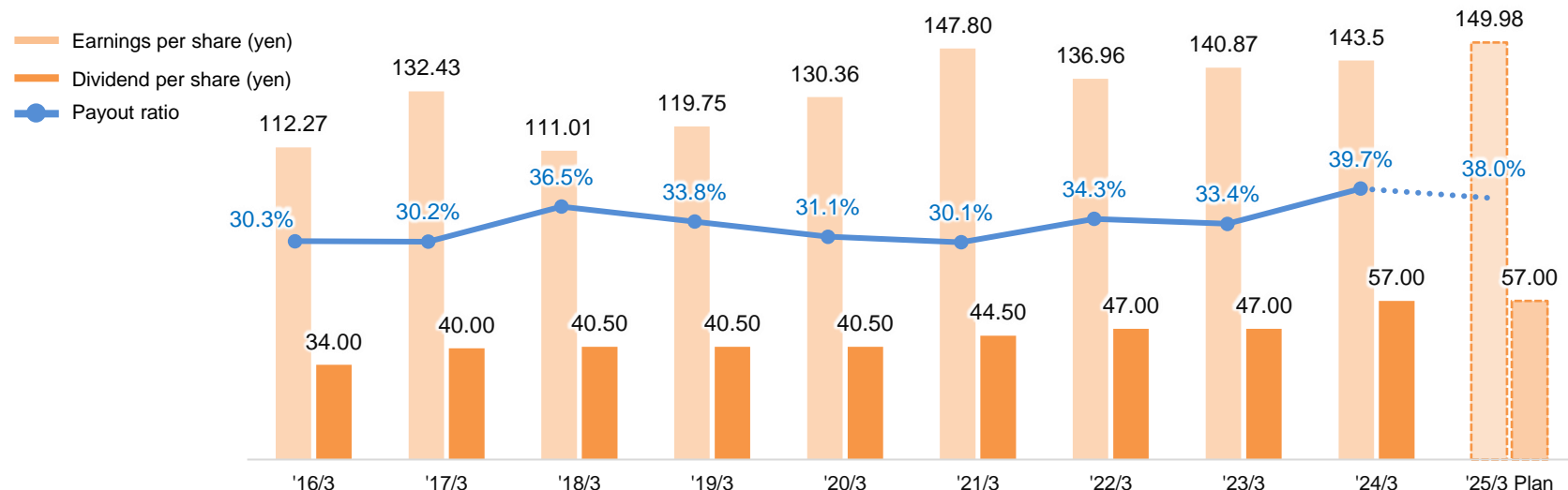
Paying dividends continuously and stably with the target consolidated payout ratio of **40%**

- ▶ Dividend of **57 yen** per share in the FY ending March 2025
- ▶ Have made progressive dividend payments, increasing the profit per share to increase dividends

● Acquisition of treasury shares

Agile and flexible returns will be considered while maintaining financial soundness and taking into account strategic investments, stock price levels, etc.

- ▶ Acquired treasury shares worth **3 billion yen** (February 2024) to increase returns to the shareholders and bolster capital efficiency



Unit: billion yen	3/2016	3/2017	3/2018	3/2019	3/2020	3/2021	3/2022	3/2023	3/2024
Dividends	2.8	3.3	3.3	3.3	3.3	3.7	3.8	3.8	4.6
Purchase of treasury share	—	—	—	—	—	4.0	—	—	3.0
Total	2.8	3.3	3.3	3.3	3.3	7.7	3.8	3.8	7.6
Total return ratio	30.3%	30.2%	36.5%	33.8%	31.1%	62.7%	34.3%	33.4%	65.1%

Promotion of Dialogue with Shareholders

● Explanatory meetings for institutional investors (FY2023 to FY2024)

Date	Name	Details	Main speakers
Meetings related to financial results			
November	Q2 financial results briefing	Performance forecasts and initiatives to enhance corporate value	Chairman and Representative Director President and Representative Director
May	Financial results briefing		Executive Vice President and Director (in charge of finance, accounting and IR)
Other events			
December 2022	Small meeting with domestic securities companies	Performance trends and growth strategies	Chairman and Representative Director
January 2023	Plant tours for domestic securities companies and investors	Tours of facilities such as manufacturing plants, logistics facilities and recycling plants	Executive Vice President and Director (in charge of finance, accounting and IR), general managers of divisions
February 2023	Conference with domestic securities companies and overseas investors	Performance trends and growth strategies	Chairman and Representative Director, Executive Vice President and Director (in charge of finance, accounting and IR)
June 2023	Top meeting with domestic securities companies	Performance trends, growth strategies and product experiences	Chairman and Representative Director, Executive Vice President and Director (in charge of finance, accounting and IR)
September 2023	Explanatory meeting for domestic investment trusts and individual investors	Improving the visibility of the FPCO method of recycling	Person in charge of IR, general managers of divisions
December 2023	Plant tours for domestic investment trusts and investors	Tours of facilities such as manufacturing plants, logistics facilities and recycling plants, growth strategies	Executive Vice President and Director (in charge of finance, accounting and IR), general managers of divisions
March 2024	Conference with domestic securities companies and overseas investors	Performance trends and growth strategies	Chairman and Representative Director, Executive Vice President and Director (in charge of finance, accounting and IR)

● Outline of individual dialogue events (FY2023 to FY2024)

Total number of companies with which we engaged in dialogue	Outline of investors	Person(s) from FP Corporation hosting the event
Approx. 400 companies	Domestic and overseas institutional investors with a wide range of investment styles focused on medium- to long-term investments People specialized in diverse fields (analysts, fund managers, people responsible for ESG matters, etc.)	Chairman and Representative Director, President and Representative Director, Independent Outside Director, Executive Vice President and Director (in charge of finance, accounting and IR), Senior Vice President and Director (in charge of general affairs and personnel), Sustainability Promotion Department

● Individual plant tours (FY2023 to FY2024)

Total number of companies that we provided tours to	Sites where tours were given	Person(s) from FP Corporation hosting the event
Approx. 20 companies	Kanto, Chubu, Kansai and Fukuyama	Executive Vice President and Director (in charge of finance, accounting and IR), general managers of divisions

World's First Sheets and Materials

PP: polypropylene

- ☆ Heat-resistant: +110°C
- ☆ High oil resistance
- ★ Difficult to foam and to reduce the weight
- ★ Low stiffness
- ★ Low cold resistance
- ★ Difficult to make transparent

Cold-resistant PPiP-talc

- ☆ 25% reduction in the use of plastics compared to cold-resistant PP, an existing product
- ☆ It is equivalent to existing products in terms of resistance to cold and shock, top-to-bottom compressive strength and weight.

PS: polystyrene

PSP: foamed polystyrene

- ☆ Easy to mold
- ☆ Low raw material ratio
- ☆ Weight reduction is possible
- ☆ High insulation
- ★ Low heat resistance: +80°C
- ★ Low oil resistance

New transparent PP

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

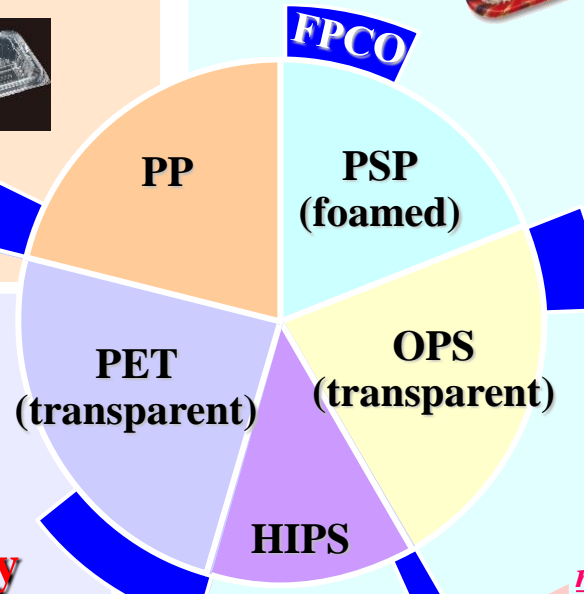
PET: polyethylene terephthalate

- ☆ High transparency
- ☆ High oil resistance
- ★ Low heat-resistance: +60°C
- ★ Relative density is greater

OPET: Biaxially oriented PET

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

FPCO



MSD: Multisolid
Non-foaming polystyrene

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 stiffness
- ☆ Weight reduction is possible

Recycling of multi-FP remnants

OPS: oriented polystyrene

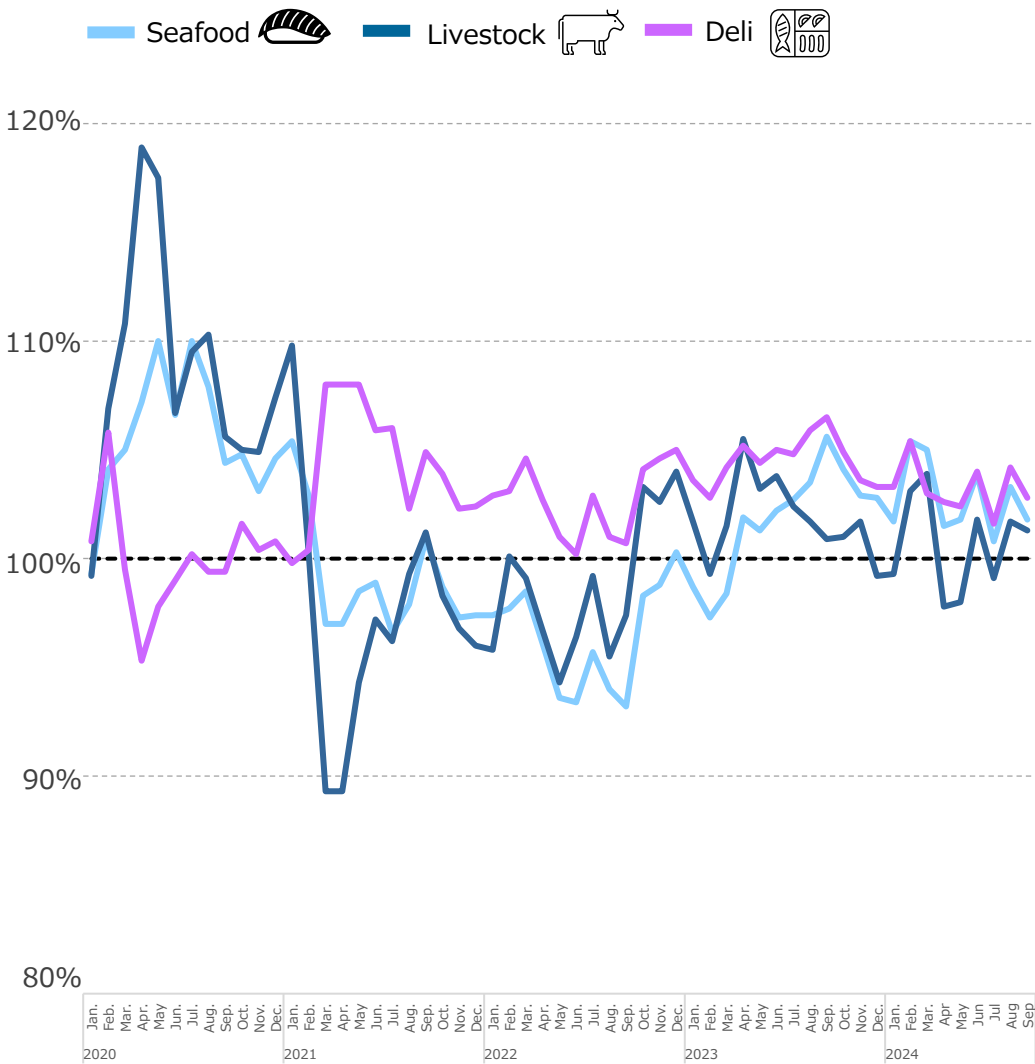
- ☆ Transparent
- ☆ Heat-resistant: +80°C
- ★ Low oil resistance
- ★ Limited weight reduction

Trends in the Retail Market

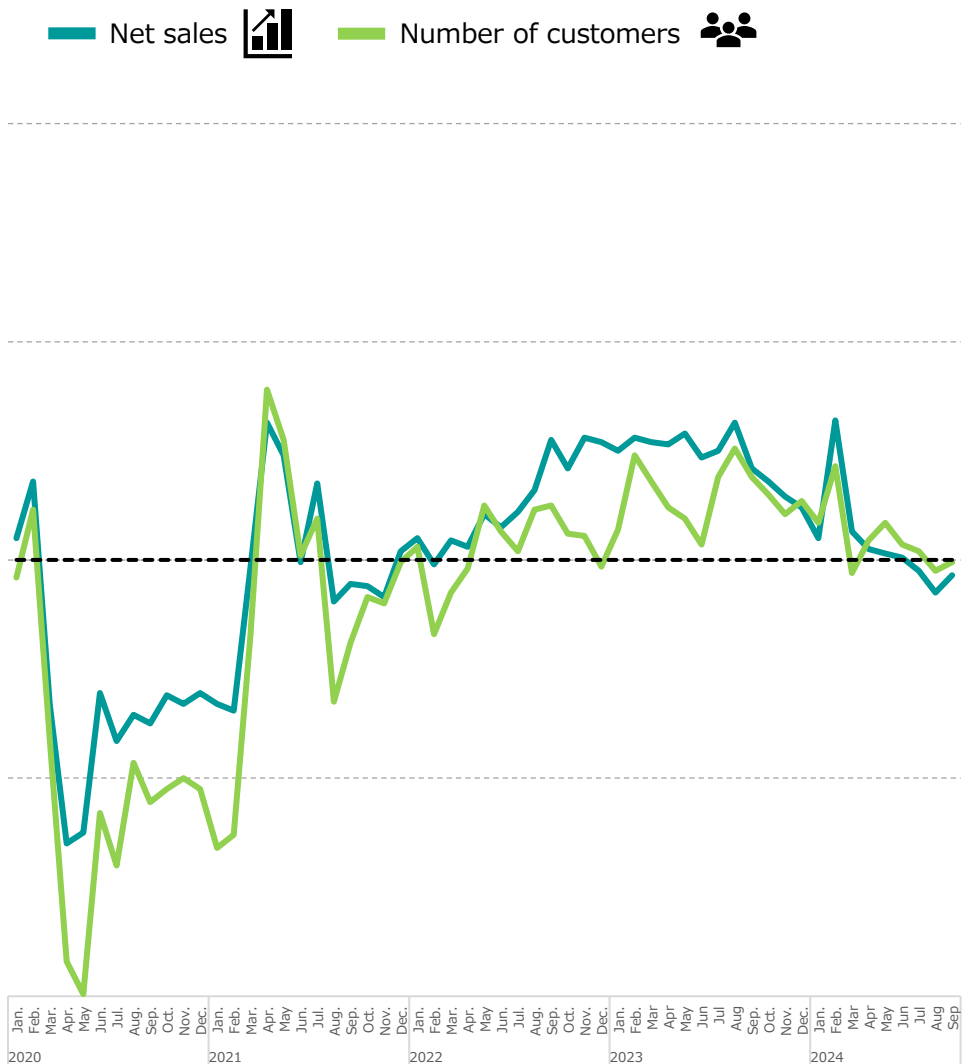
Source: Japan Supermarkets Association (year-on-year changes in sales at existing stores)

Source: Japan Franchise Association (year-on-year changes in sales at existing stores)

Supermarkets

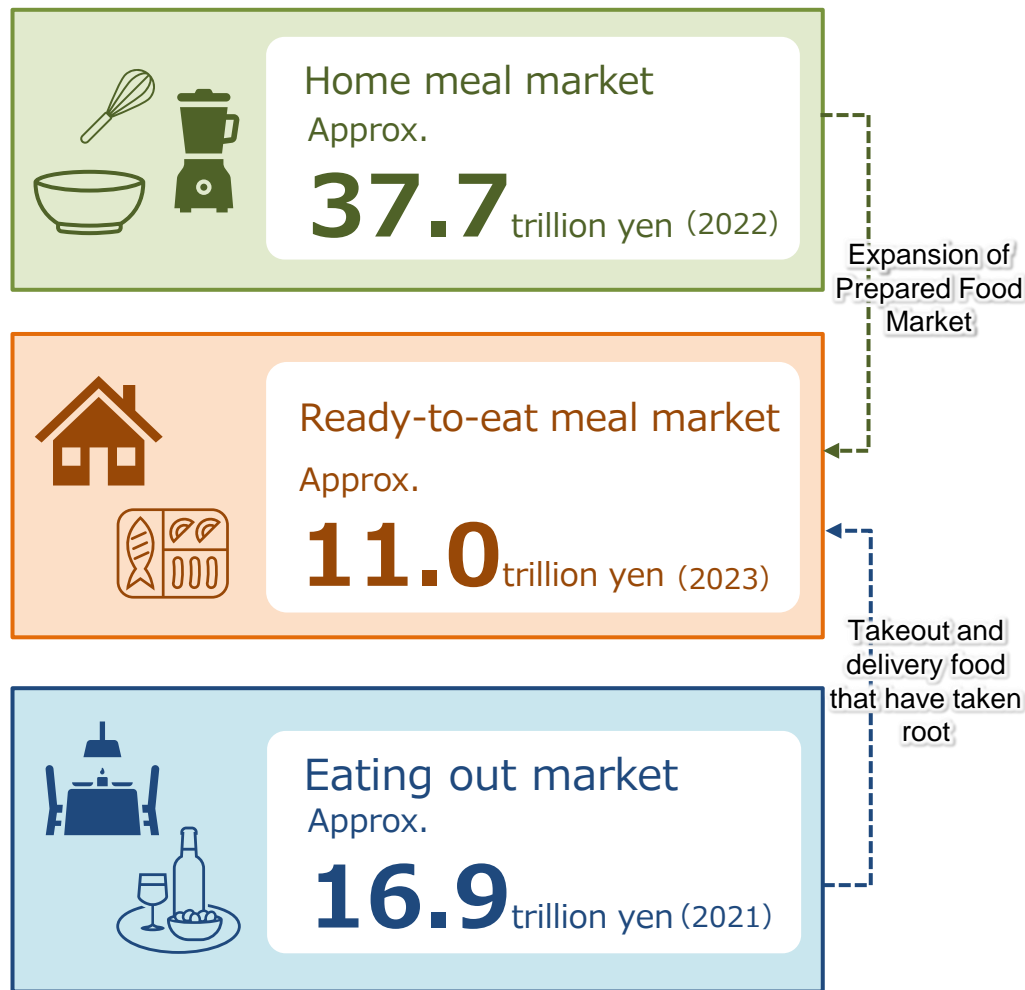


Convenience stores

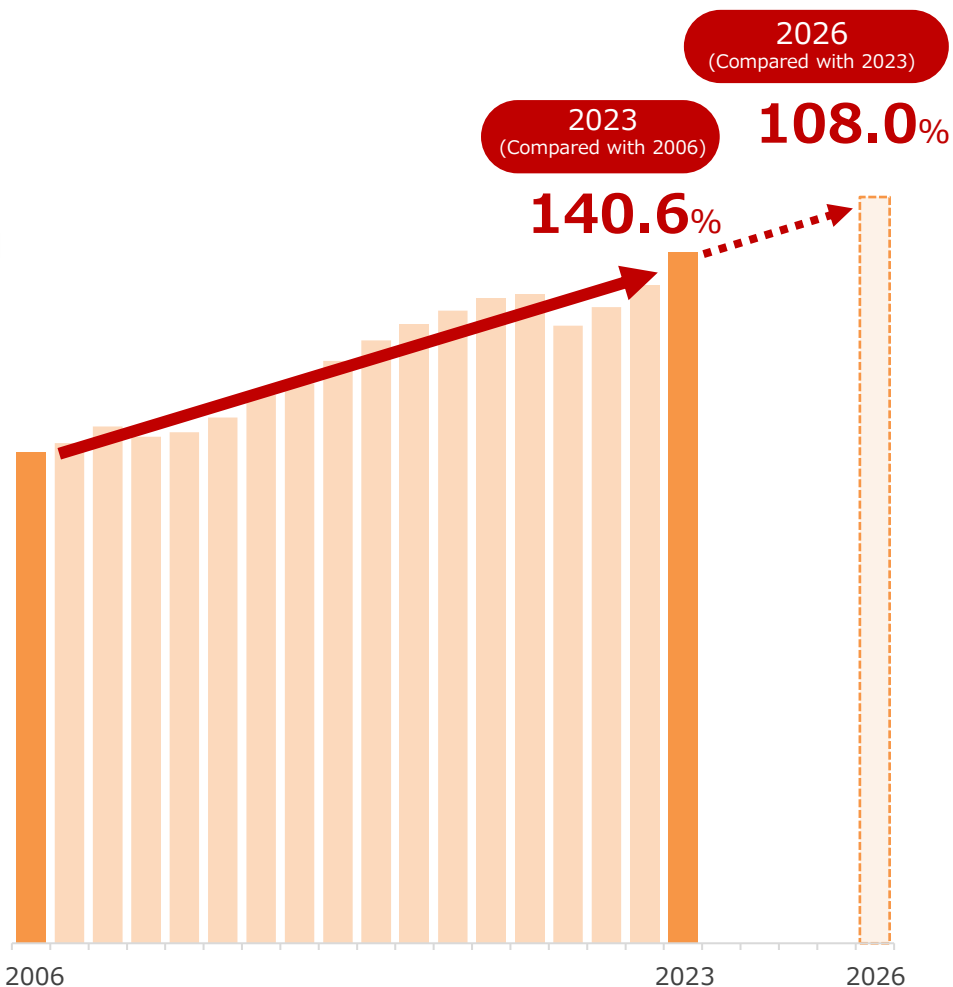


Expansion of Ready-to-Eat Meal Market

Source: Japan Ready made Meal Association "Ready made Meal White Paper 2023"

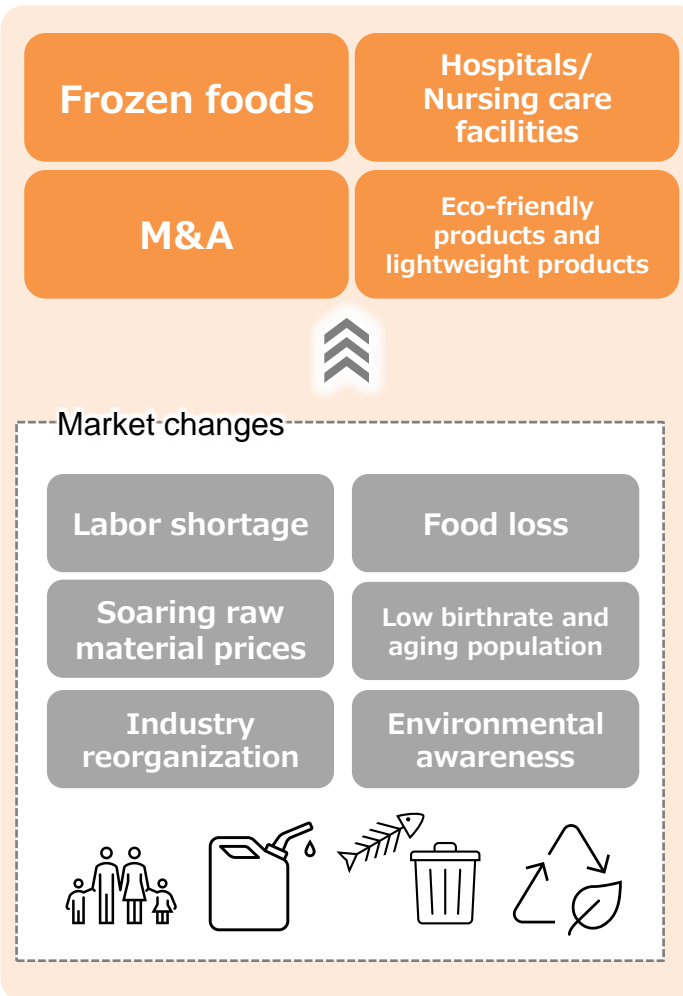
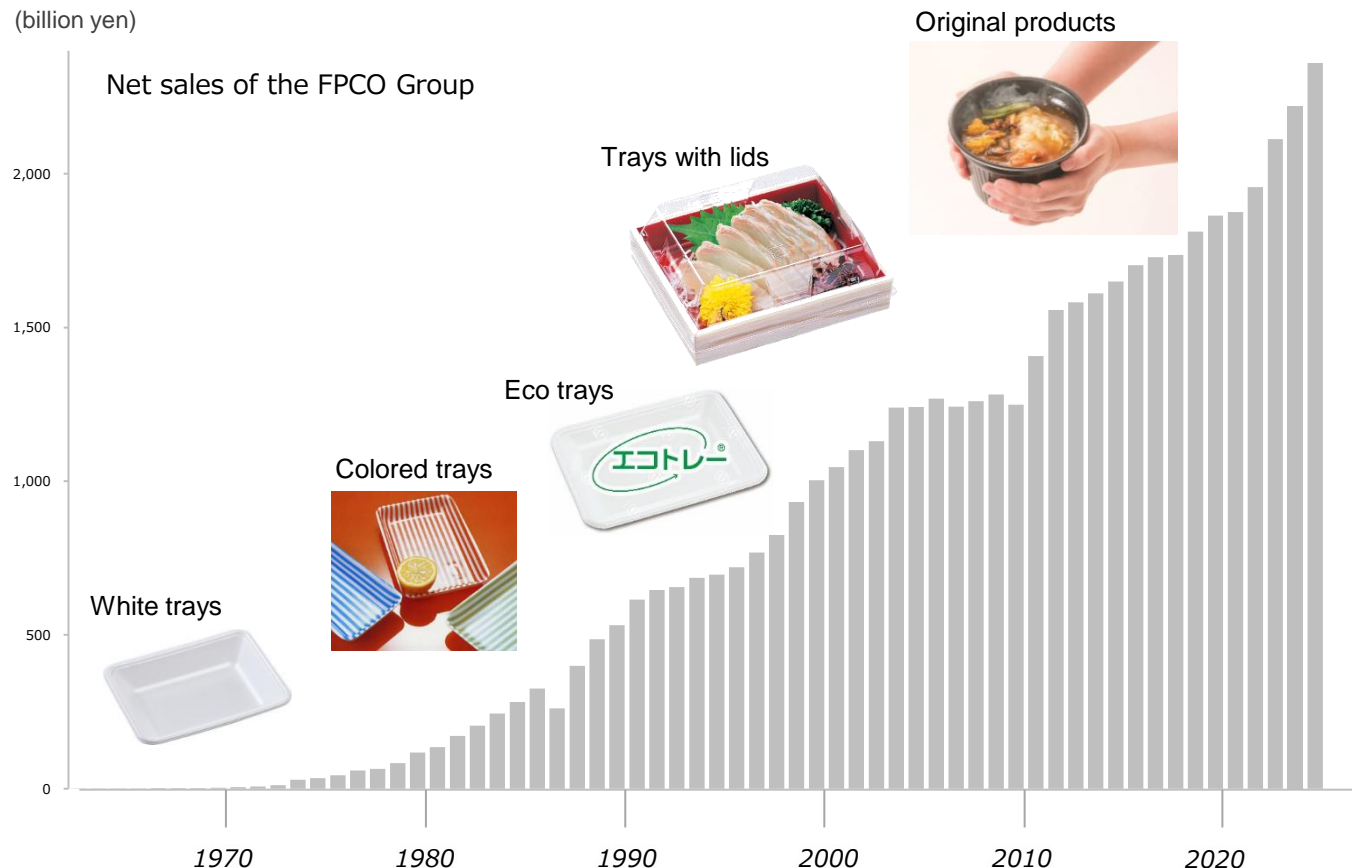


Trend in Scale of Ready-to-Eat Meal Market

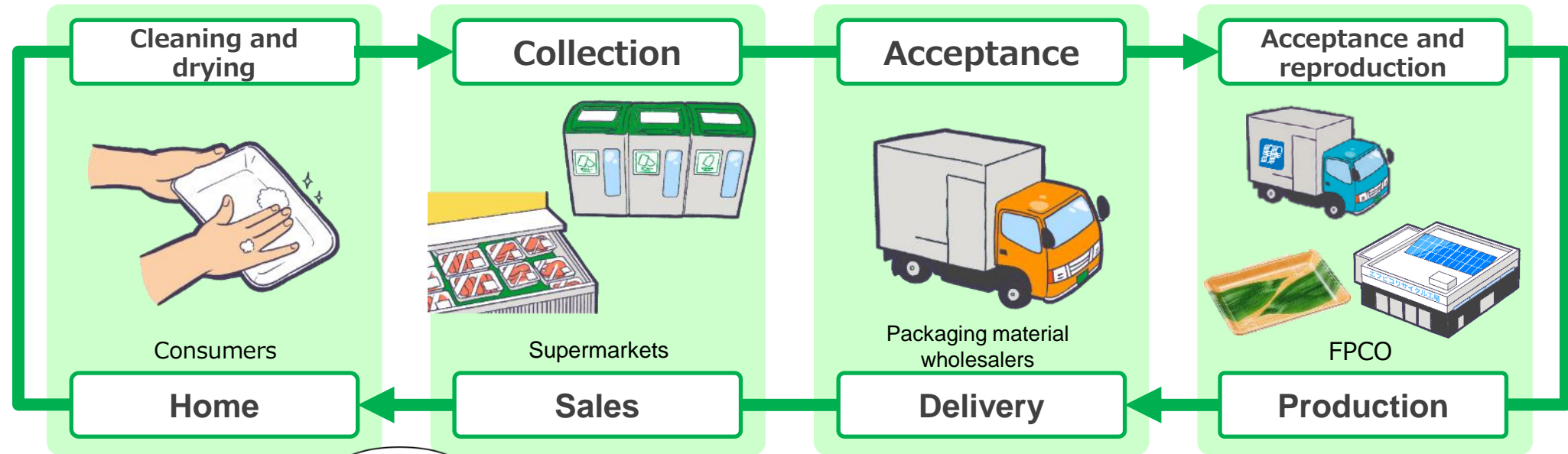


Trends in the Food Container Market and Enhancement of the Performance of Our Business

Providing products in response to market changes/Changing the market with our products



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**
- 1992 Release of Eco Trays**
- 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**
- 2011 Launch of PET bottle recycling**
- 2012 Release of Eco APET**
- 2015 Paris Agreement
- 2021 Establishment of the Act on Promotion of Resource Circulation for Plastics

Replacement of containers with paper packages



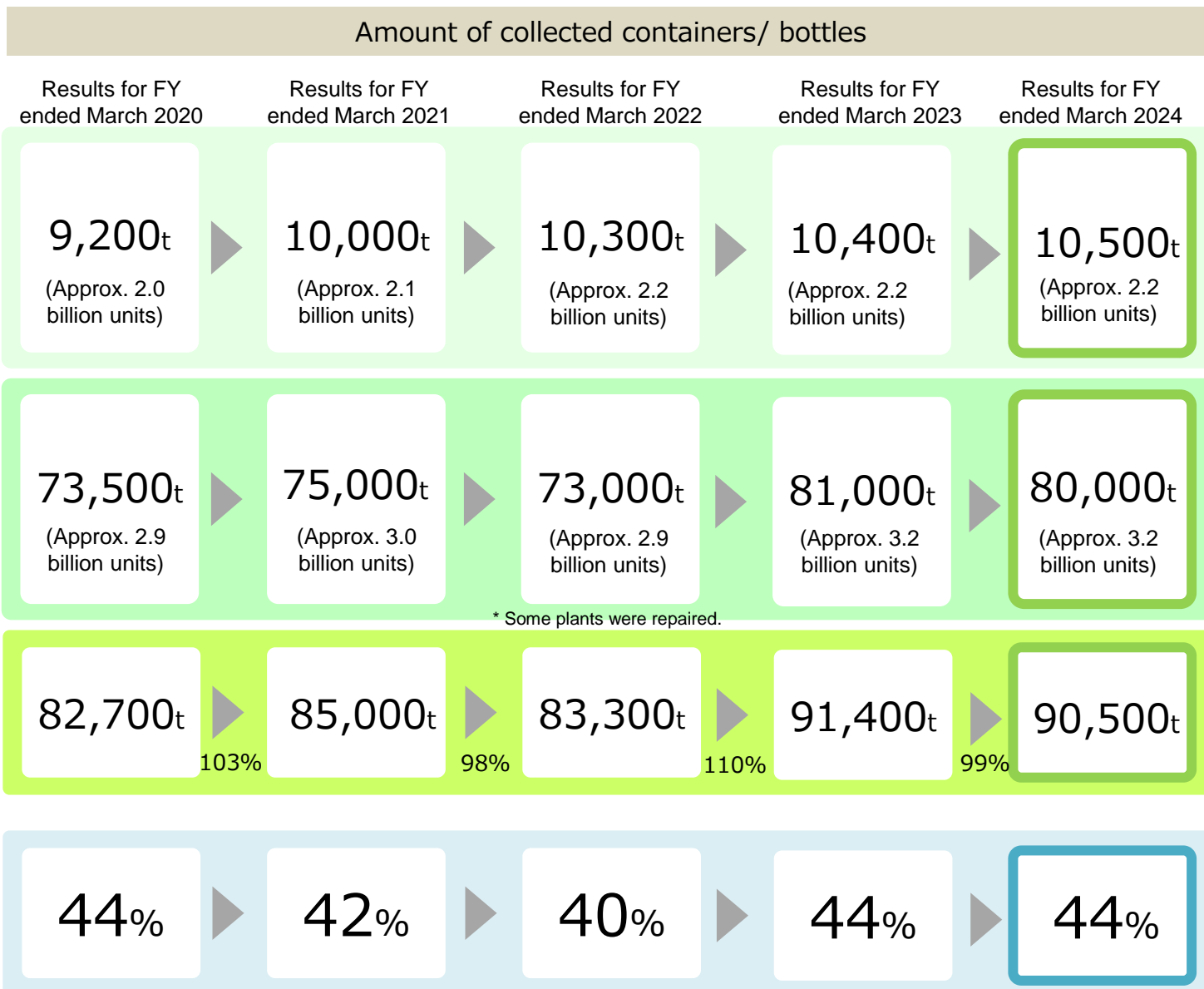
Collection bases



Collection of Plastic Resources



The corresponding values for the number of containers and bottles were calculated based on the following standard weights. Foamed PS tray: Approx. 4 grams; Transparent container: Approx. 10 grams; PET bottle: Approx. 25 grams



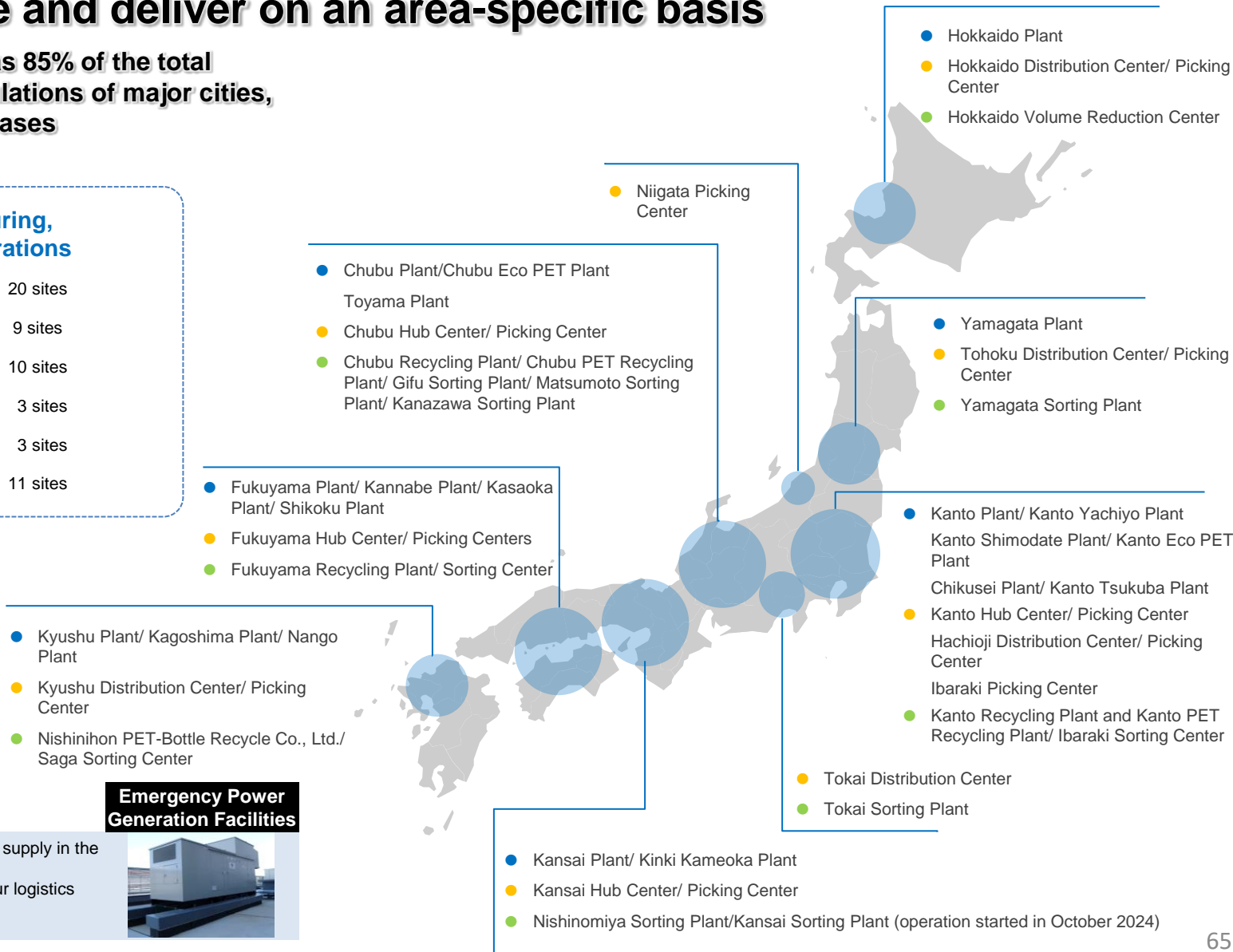
Nationwide Production and Logistics Network

FPCO can produce and deliver on an area-specific basis

Completed a network which has 85% of the total population, including the populations of major cities, within a 100 km radius of the bases

FPCO's network for manufacturing, distribution and recycling operations

● Production Plants	20 sites
● Distribution and Hub Centers	9 sites
● Picking Centers	10 sites
● Recycling Plants (PSP)	3 sites
● PET Recycling Plants	3 sites
● Sorting and Volume Reduction Plants	11 sites



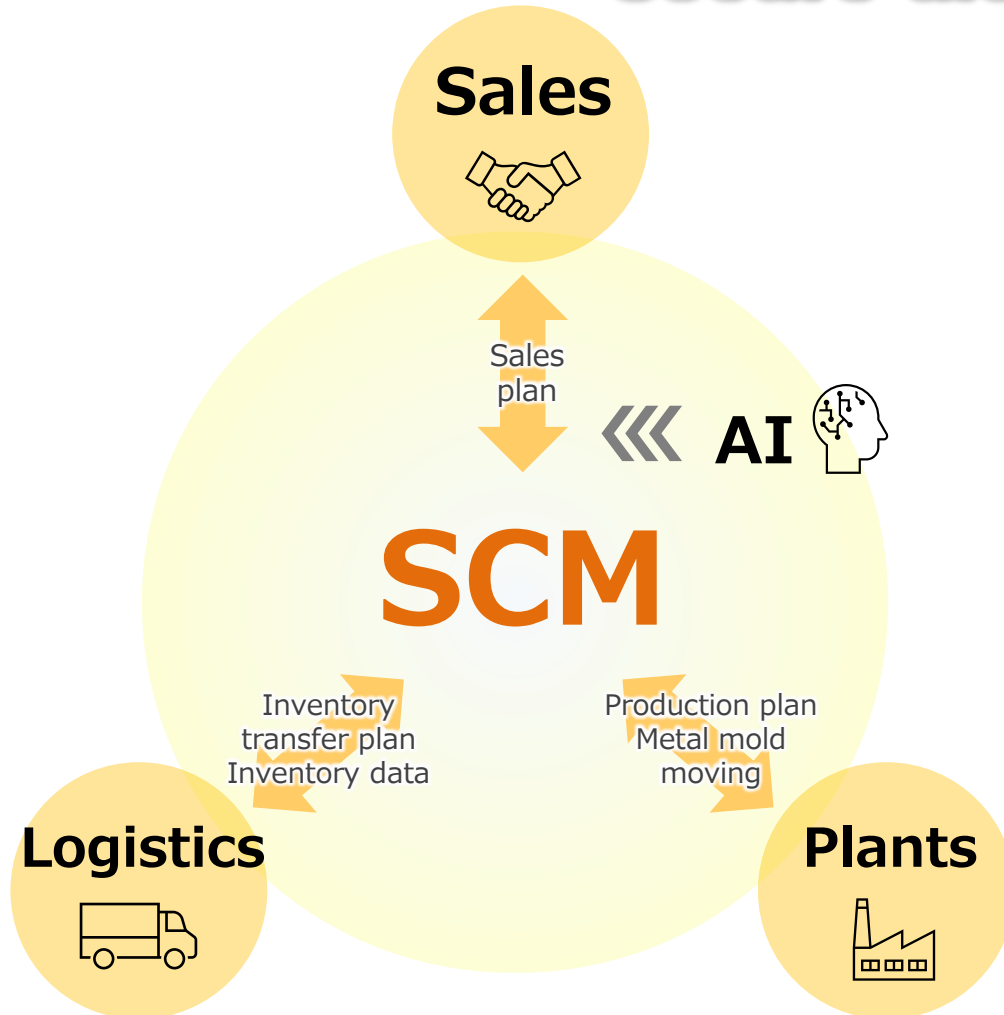
Emergency Power Generation Facilities

Business continuity plan (BCP): Ensuring stable supply in the event of a disaster
Emergency power generator installed at all of our logistics facilities in Japan
Power supply for 72 hours ensured



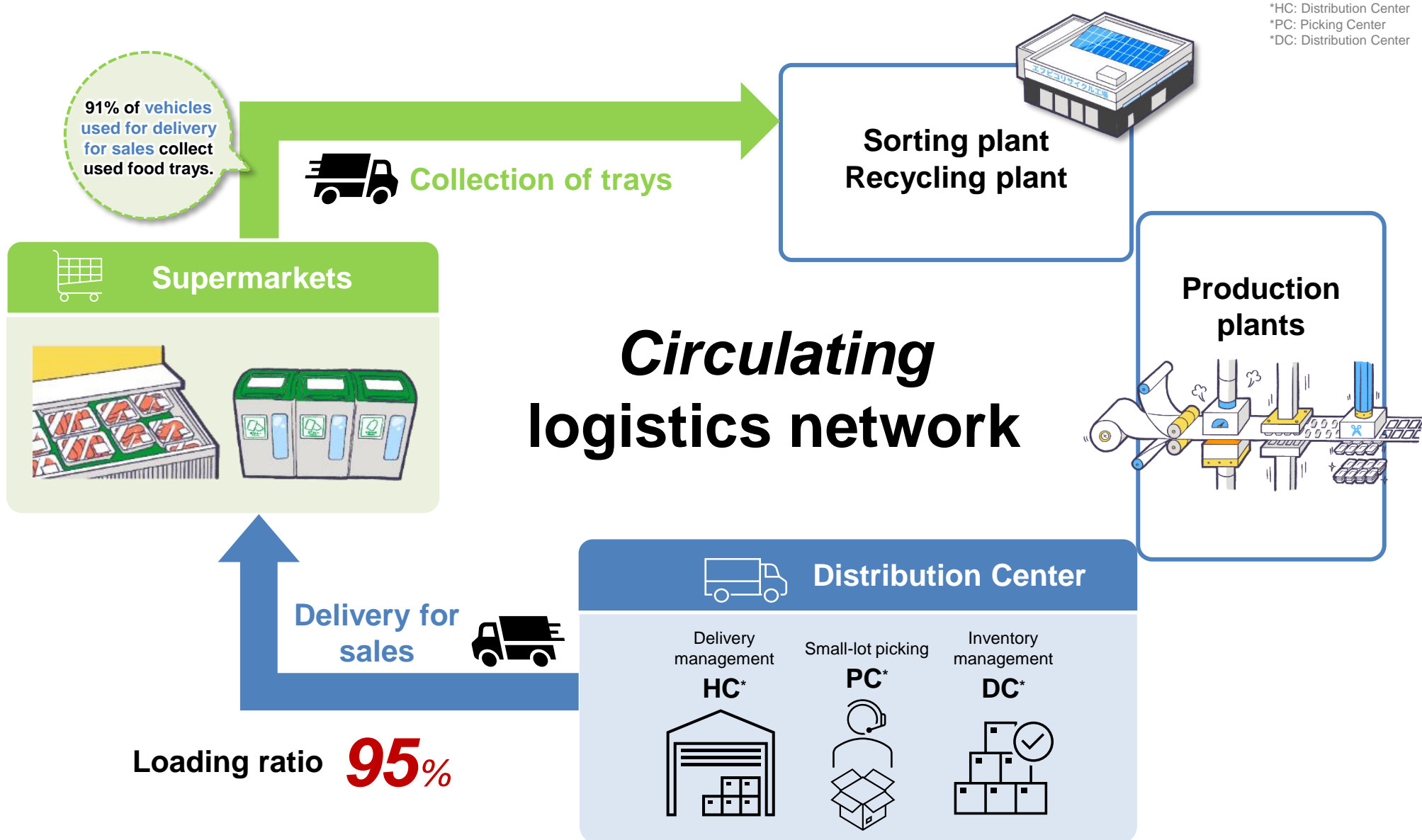
Supply Chain Management (SCM) System

Stable supply for supporting safe,
secure dietary life



- ✓ A lineup of approx. **12,000** items
- ✓ Maintenance of an appropriate inventory level
- ✓ Using AI to improve the precision and efficiency of sales forecasts

Features of FPCO's Logistics (1)



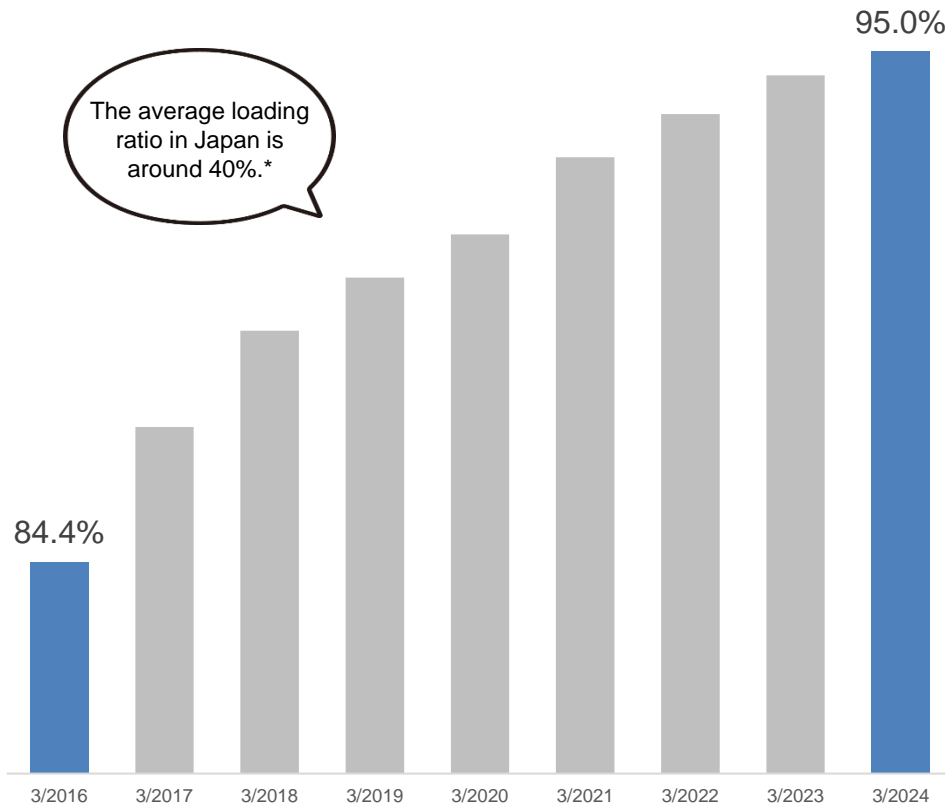
Features of FPCO's Logistics (2)

*Source: Data from the Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure, Transport and Tourism, and Ministry of Agriculture, Forestry and Fisheries of Japan

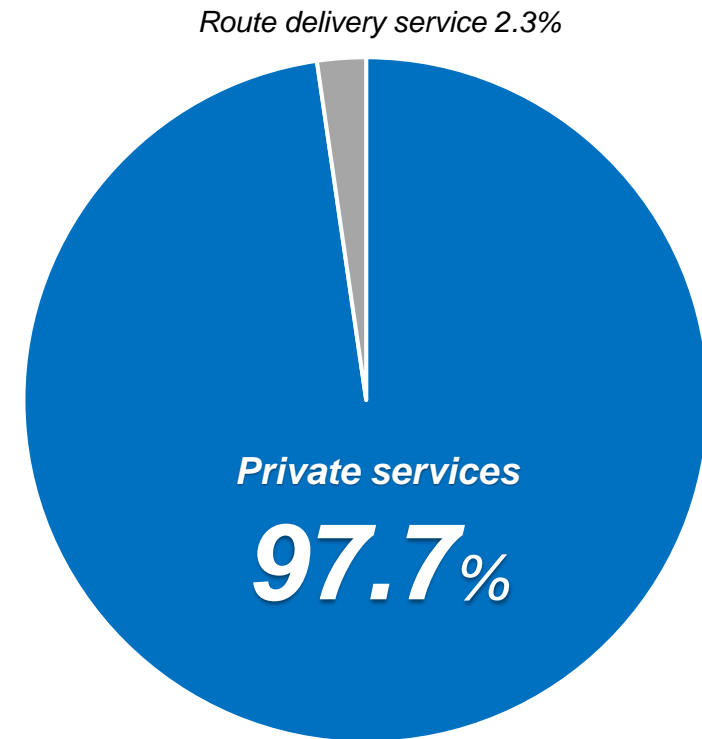
Changes in loading ratio

FY ended March 2024
compared to
FY ended March 2016

112.5%



Ratio of private services (FY ended March 2024)



Investment to Attract and Retain Human Resources (1): Automation and Labor Reduction



Reducing labor for simply moving goods



Reducing labor for frequent tasks

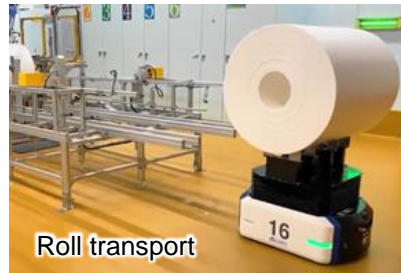


Lightening heavy work

Manufacturing division



Roll acceptance



Roll transport



Roll set up



Packing

Logistics division



Automated Guided Vehicles (AGV)



Sorter



Automated Guided Forklift (AGF)

- AGV (Automated Guided Vehicle)
33 units ('24/3)
- AGF (Automated Guided Forklift)
6 units ('24/3)
- Sorter
Introduced at 5 centers

Effects of automation

**Improvement of work
environment**

**Expansion of occupational
domains**

**Transfer of manpower to value-
added operations**

Investment to Attract and Retain Human Resources (2): Improvement of Treatment



FY 2019 Expansion of retirement benefit system

FY 2021 Improvement of salary levels
(revision of late-night work allowances, etc.)

FY 2024 Initiatives for employees working onsite at
manufacturing and logistics companies:

- Significant revision of salary levels
(average 10.7%)
- Increase in starting salary
- Increase in the number of holiday days



**FY ending
March 2025** Average 5% revision of salary levels



ESG Assessments by External Rating Agencies

Rating

FTSE (UK)

(June 2023)

(June 2024)

3.8 → 4.0

MSCI (USA)

(March 2023)

(May 2024)

BB → BB

CDP (UK)

(December 2022) (February 2024)

A- → A



SUSTAINALYTICS (The Netherlands)

(November 2022)

(December 2023)

14.4 → 13.9

* The lower, the better

ESG Indexes



FTSE4Good



FTSE Blossom
Japan Index



FTSE Blossom
Japan Sector
Relative Index

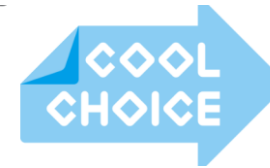


2024 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

Morningstar
Japan ex-REIT Gender Diversity
Tilt Index (GenDi J)

Evaluations by Other External Organizations and Other Activities

External evaluation



Environmental groups in which FP Corporation participates



Diversity Management Making Maximal Use of Capabilities

Playing key roles in FPCO Group's core operations

Number of employees with disabilities

393

Adjusted number of employees with disabilities

662

Ratio of employees with disabilities

12.6%

(March, 2024)



Manufacturing

Molding, assembly, inspection, and packaging of food trays



Sorting plant

Used food trays, transparent containers

Support for Customers in their Employment of People with Disabilities

With FPCO's support, employment was created for

760 people at **53** locations

mainly at customers' workplaces

(March, 2024)



● Evaluation concerning employment of workers with disabilities

- ▶ September 2024 Toyo Keizai Inc. Ranked 3rd in ratio of employees with disabilities
- ▶ June 2022 Ministry of Health, Labour and Welfare Certification of outstanding small- and medium-sized businesses concerning efforts to hire more people with disabilities ("MONISU" certification) (FPCO Ducks Corporation)
- ▶ January 2019 Ministry of Health, Labour and Welfare FY2018 People with Disabilities Active Company Certification (FPCO Ducks Corporation)



FP Corp. Environment Fund



The FP Corp. Environment Fund

1990

The FPCO method of recycling starts.

Mar. 2020

The FP Corp. Environment Fund is established.
The Group begins to subsidize organizations which act to resolve future social issues.

Subsidization made in the past

FY 2021: 10 organizations

FY 2022: 14 organizations

FY 2023: 14 organizations

FY 2024: 22 organizations

FY 2025: 17 organizations



Activities of Organizations Subsidized (Some of the Activities)

The FPCO Group also participated in these activities as volunteers.

● Setonaikai Ujishima Club (Hiroshima prefecture)



Activities

Annual activities to
clean up Ujishima Island

● Shonan Cleanaid Forum (Kanagawa prefecture)



Activities

Project to promote
beach cleaning activities
of picking up, sorting,
and studying trash

Information on Facility Tours

[Accepted at any time]
Corporate Planning Department:
ir_7947@fpco-net.co.jp

Visitors can view state-of-the-art **production**, **logistics**, and **recycling**

