Financial Results

for the Fiscal Year Ended March 31, 2020

FP Corporation

May 8, 2020

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.
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Consolidated Financial Results
for the Fiscal Year Ended March 31, 2020

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

Financial Results Summary (For the FY Ended March 2020)

Unit: million yen	Results for Full year: FY ended March 2019 Performance	Percentage	Results for Full year: FY ended March 2020 Performance	Percentage	Increase/decrease	Year-on-year	Quantity	Full year Projections: FY ended March 2020 Planned	Percentage	Progress rate
Trays	*33,121*	*18.3*	*36,263*	*19.5*	*+3,142*	*109.5%*	*105.7%*	*34,800*	*18.7*	*104.2%*
Lunchboxes and prepared food containers	*101,108*	*55.8*	*103,541*	*55.6*	*+2,433*	*102.4%*	*102.6%*	*103,660*	*55.7*	*99.9%*
Subtotal	*134,229*	*74.1*	*139,804*	*75.0*	*+5,575*	*104.2%*	*103.6%*	*138,460*	*74.4*	*101.0%*
Other products	*3,350*	*1.8*	*3,027*	*1.6*	*-322*	*90.4%*		*3,340*	*1.8*	*90.6%*
Sales of products	137,579	75.9	142,831	76.6	+5,252	103.8%		141,800	76.2	100.7%
packaging materials	*36,823*	*20.3*	*37,892*	*20.3*	*+1,068*	*102.9%*		*37,800*	*20.3*	*100.2%*
Other goods	*6,768*	*3.7*	*5,626*	*3.0*	*-1,142*	*83.1%*		*6,400*	*3.4*	*87.9%*
Sales of goods	43,592	24.1	43,518	23.4	-74	99.8%		44,200	23.8	98.5%
Net Sales	181,171	100.0	186,349	100.0	+5,178	102.9%		186,000	100.0	100.2%
Operating profit	13,949	7.7	15,507	8.3	+1,557	111.2%		15,500	8.3	100.0%
Ordinary profit	14,861	8.2	16,274	8.7	+1,412	109.5%		16,000	8.6	101.7%
Profit attribute to owners of parent	9,901	5.5	10,777	5.8	+876	108.9%		10,600	5.7	101.7%
Ordinary profit before depreciation and armotization	*28,031*		*29,807*		*+1,775*	*106.3%*		*29,730*		*100.3%*

Record high

✔Highest sales ever for 10 consecutive years

✔ Operating profit and ordinary profit grew for two consecutive years

◇Year-on-year

	1Q results	2Q results	3Q results	4Q results	Full-year results	Full-year plan
Sales of products	102.6%	105.7%	101.7%	105.7%	103.8%	103.1%
Quantity	100.8%	105.4%	102.5%	106.1%	103.6%	103.0%
Ordinary profit	119.3%	111.9%	104.7%	106.7%	109.5%	107.7%

■Sales

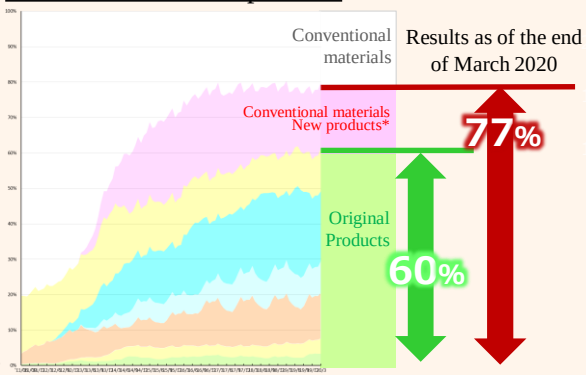
Products

- Strong sales of recycled Eco Trays and Eco APET containers, microwavable containers
- Expansion of high value-added products in response to the labor shortage
- Rise in demand for fresh food, home-delivered food and takeout food following expansion of the stay-at-home economy

Goods

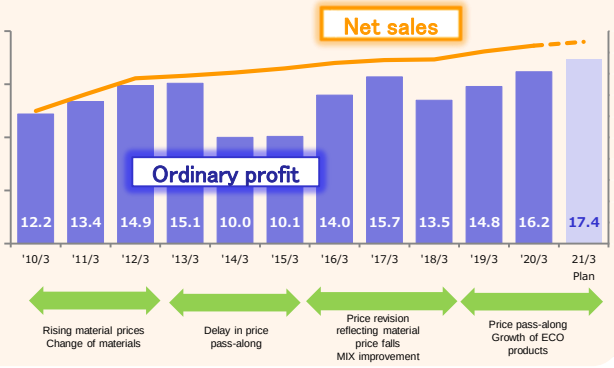
- Utilization of E-commerce site ”PACK MARKET”, to expand sales to small scale customers who purchase our products by small lots
- Increase in sales of carefully selected items to meet consumer demands

◇Product sales composition



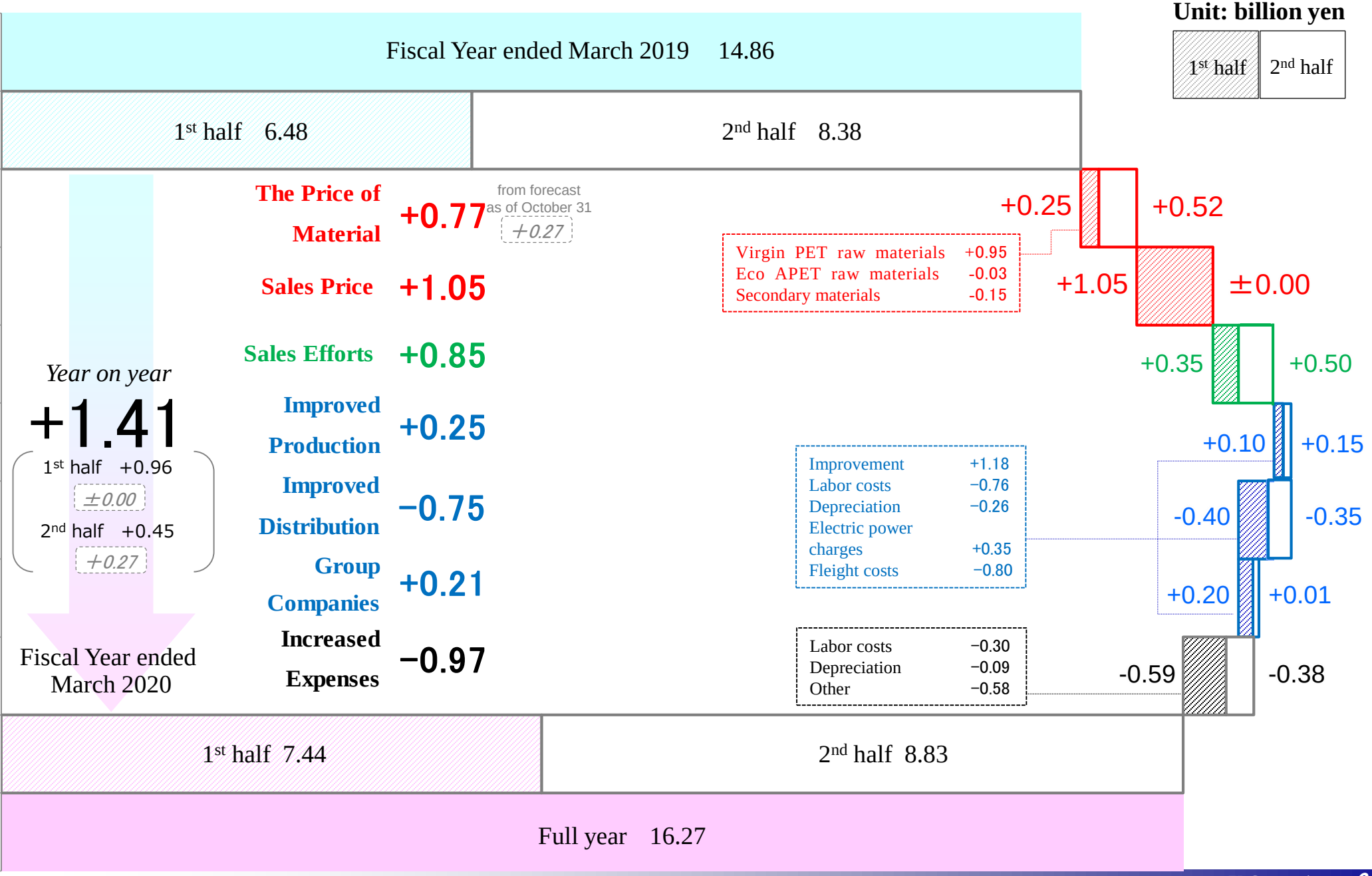
◇Net sales and Ordinary profit

Unit：billion yen



Increase/Decrease in Ordinary Profit (For the FY Ended March 2020)

Unit: billion yen



Capital Investments and R&D Costs (For the FY Ended March 2020)

Unit: million yen	Results for Full year: FY ended March 2019 Performance	Results for Full year: FY ended March 2020 Performance	Increase / decrease	Year-on-year	Full year projections: FY ended March 2020 Planned	Progress rate
Tangible fixed assets	*13,442*	*11,688*	*−1,754*	*86.9%*	*17,700*	*66.0%*
Intangible fixed assets	*595*	*525*	*−69*	*88.3%*	*300*	*175.3%*
Capital investments	14,038	12,214	−1,824	87.0%	18,000	67.9%
Depreciation and amortization costs	13,170	13,532	+362	102.8%	13,730	98.6%
Research and development costs	1,159	1,229	+70	106.1%	1,310	93.9%

Major Capital Investments Unit: million yen

		Total investment	Plan in period	Results for Full year	Primary difference
Improving production capacities and efficiencies of recycled materials and products while improving those qualities					
◆ Eco APET materials:Reinforcement of the production capacity（Kanto, Kyusyu）		1,050	280	384	
◆ Eco APET materials:Increase in the productivity (Kanto, Chubu, Kyusyu)		420	420	350	
◆ Eco APET materials:Quality improvement by pelletizing（Chubu）		600	160	473	
◆ Eco APET products: Reinforcement of the production capacity of sheet extruders and molding machines		2,200	1,860	1,801	
◆ Reinforcement of the production capacity of foamed PS products		1,240	1,240	1,227	
◆ Introduction of automation facilities			630	302	
Stable supply and maintenance of working environment					
◆ Fukuyama Distribution Center extension	To be inaugurated in Nov. 2020	4,345	1,260	500	-760
◆ Chubu Distribution Center extension	To be inaugurated in Jul. 2021	5,285	1,320	105	-1,215
◆ Company dormitories for single employees in Koga	Inaugurated in Mar. 2020	611	580	579	
◆ Company dormitories for single employees and group home in Fukuyama	To be inaugurated in Oct. 2020	1,054	1,000	116	-884
◆ Molds			1,870	1,756	
◆ IT investments			600	710	

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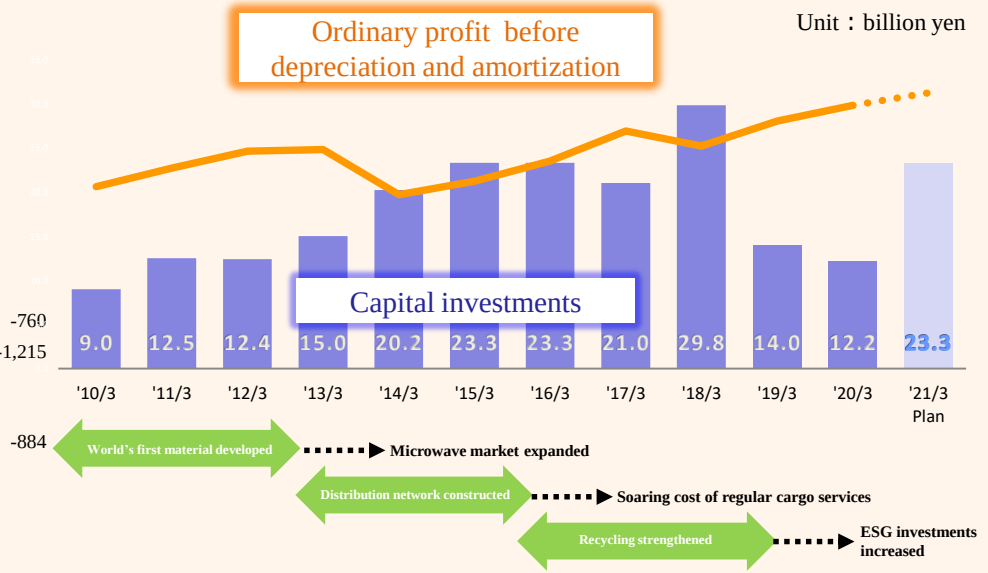


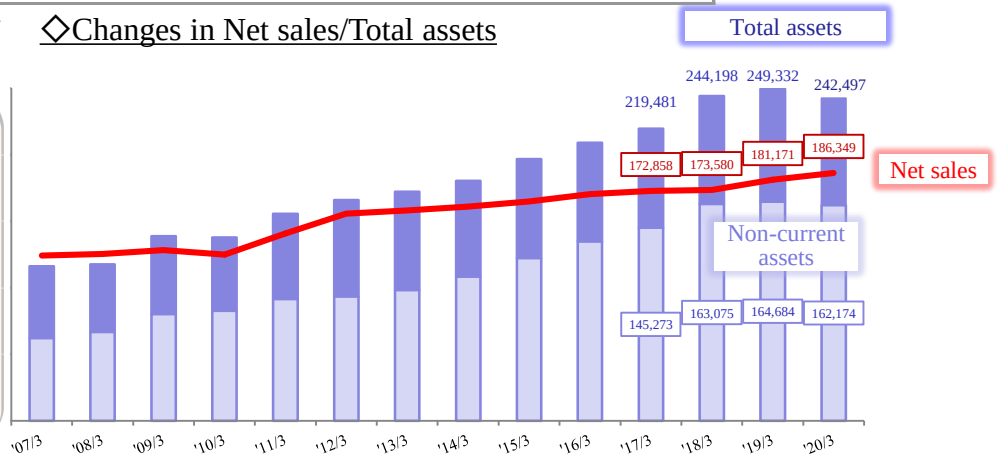
Balance Sheet

(For the FY Ended March 2020)

Unit: million yen	FY ended March 2019 As of March 31,2019	FY ended March 2020 As of March 31,2020	Increase/ decrease	Year-on-year	Breakdown of main increases and decreases	
Current assets	84,647	80,322	−4,324	94.9%	Cash and deposits	+1,136
					Notes and accounts receivable-trade	-4,288
					Accounts receivable - other	-1,022
Noncurrent assets	164,684	162,174	−2,510	98.5%		
Total assets	249,332	242,497	−6,835	97.3%		
Current liabilities	76,854	79,569	+2,715	103.5%	Accounts payable - trade	-1,644
					Short-term loans payable	+6,056
Noncurrent liabilities	60,279	43,626	−16,653	72.4%	Long-term loans payable	-15,694
Total liabilities	137,133	123,196	−13,937	89.8%		
Net assets	112,198	119,301	+7,102	106.3%	Retained earnings	+7,429
Total liabilities and net assets	249,332	242,497	−6,835	97.3%		

Equity ratio *49.0%*

◇Changes in Net sales/Total assets



■ Assets Strategic investments for boosting the production capacity of original products and ensuring stable supply

■ Liabilities Utilization of borrowing as capital for strategic investment

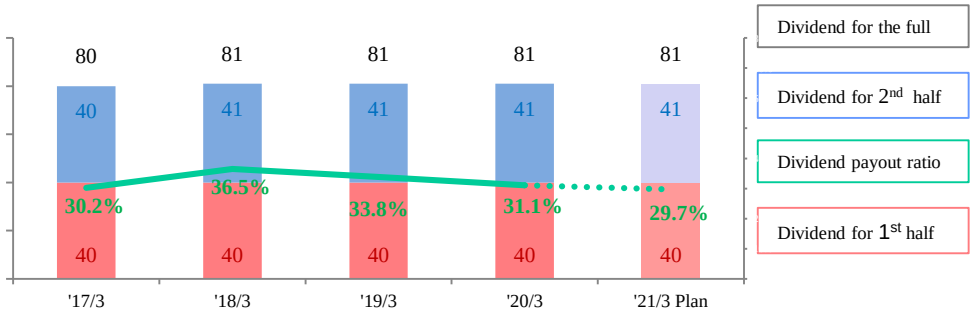
■ Net assets Strengthening of the management structure
Preparation for expanding business flexibly

Cash Flows (For the FY Ended March 2020)

Unit: million yen	Results for Full year FY ended March 2019 Performance	Performance	FY ended March 2020 Breakdown of Main Items	
CF from operating activities	25,510	27,770	Income before income taxes Depreciation Increase in notes and accounts receivable-trade Decrease in notes and accounts payable-trade Income taxes paid	15,972 13,532 4,272 -1,644 5,588
CF from investing activities	−17,109	−10,989	Purchase of property, plant and equipment	-10,654
Free cash flows	8,400	16,780		
CF from financing activities	−4,908	−15,643	Proceeds from long-term loans payable Repayment of long-term loans payable Repayments of lease obligations Cash dividends paid	6,099 -15,738 -2,645 -3,349
Net increase(decrease)in cash and cash equivalents	3,492	1,136		
Cash and cash equivalents at end of period	19,151	20,288		

■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 2021

Outline of Plan for Account Settlement (For the FY Ending March 2021)

Unit: million yen	Results for Full year FY ended March 2020 Performance	percentage	Full year projections FY ending March 2021 Planned	percentage	increase/ decrease	Year-on -year	First half projections FY ending March 2021 Planned	percentage	increase/ decrease	Year-on -year
Trays	*36,263*	*19.5*	*37,775*	*19.9*	*+1,511*	*104.2%*	*18,625*	*19.6*	*+950*	*105.4%*
Lunchboxes and prepared food containers	*103,541*	*55.6*	*105,530*	*55.5*	*+1,988*	*101.9%*	*52,755*	*55.6*	*+1,181*	*102.3%*
Subtotal	*139,804*	*75.0*	*143,305*	*75.4*	*+3,500*	*102.5%*	*71,380*	*75.2*	*+2,132*	*103.1%*
Other products	*3,027*	*1.6*	*2,895*	*1.5*	*-132*	*95.6%*	*1,520*	*1.6*	*-61*	*96.1%*
Sales of products	142,831	76.6	146,200	76.9	+3,368	102.4%	72,900	76.8	+2,070	102.9%
packaging materials	*37,892*	*20.3*	*38,340*	*20.2*	*+447*	*101.2%*	*19,230*	*20.3*	*+13*	*100.1%*
Other goods	*5,626*	*3.0*	*5,460*	*2.9*	*-166*	*97.0%*	*2,770*	*2.9*	*-86*	*97.0%*
Sales of goods	43,518	23.4	43,800	23.1	+281	100.6%	22,000	23.2	-72	99.7%
Net Sales	186,349	100.0	190,000	100.0	+3,650	102.0%	94,900	100.0	+1,998	102.2%
Operating profit	15,507	8.3	16,700	8.8	+1,192	107.7%	7,820	8.2	+725	110.2%
Ordinary profit	16,274	8.7	17,400	9.2	+1,125	106.9%	8,110	8.5	+664	108.9%
Profit attribute to owners of parent	10,777	5.8	11,290	5.9	+512	104.8%	5,213	5.5	+370	107.7%
Ordinary profit before depreciation and armotization	*29,807*		*31,296*		*+1,488*	*105.0%*	*14,969*		*+820*	*105.8%*

■ **Sales**

Products

・Expanding sales of recycled Eco Trays and Eco APET containers, microwavable containers

・Proposing high function products for new markets, including those of home delivery, food service, and frozen food

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**

Reinforcement of 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

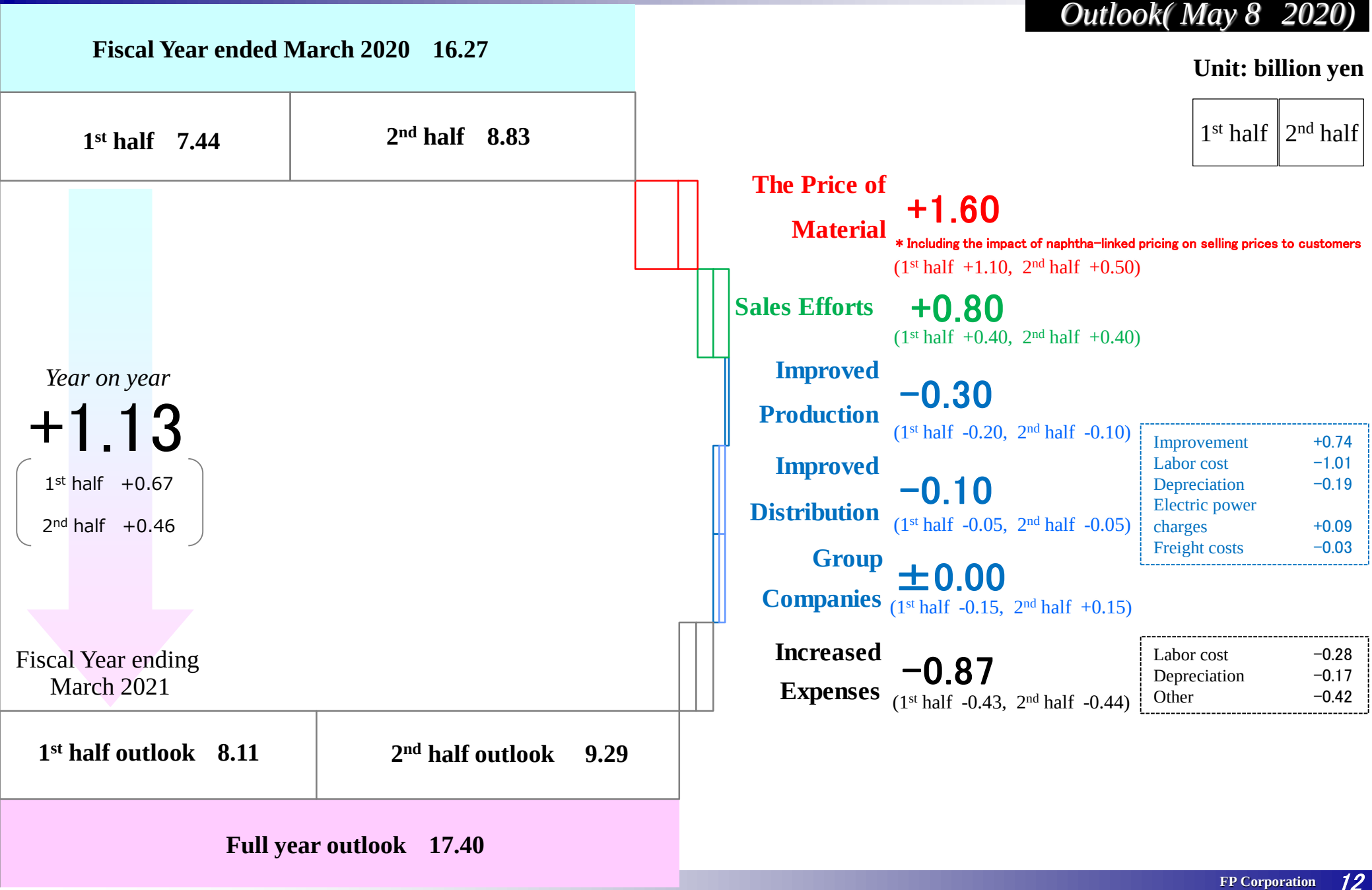
◇ **ESG**

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

Outlook for Increase/Decrease in Ordinary Profit (For the FY Ending March 2021)

Outlook(May 8 2020)

Unit: billion yen



Planned Capital Investment and R&D Cost (For the FY Ending March 2021)

Unit: million yen	Results for Full year FY ended March 2020 Performance	Full year projections FY ending March 2021 Planned	Increase / decrease	Year-on-year	First half projections FY ending March 2021 Planned	Increase / decrease	Progress rate
Tangible fixed assets	*11,688*	*22,850*	*+11,161*	*195.5%*	*10,400*	*+5,970*	*234.8%*
Intangible fixed assets	*525*	*450*	*−75*	*85.6%*	*200*	*+18*	*110.2%*
Capital investments	12,214	23,300	+11,085	190.8%	10,600	+5,989	229.9%
Depreciation and amortization costs	13,532	13,900	+367	102.7%	6,860	+157	102.3%
Research and development costs	1,229	1,312	+82	106.7%	646	+48	108.1%

Major capital investments unit: million yen

		Total investment	Plan in period
Investment in original products:			
Improving production capacity and quality of Eco APET products			
◆ Eco APET materials: Increase in productivity (Kanto, Chubu)		676	676
◆ Eco APET materials: Quality improvement by pelletizing (Chubu)		810	337
◆Eco APET products: Reinforcement of the production capacity of molding machines		408	408
◆ Eco APET materials and products: Land for a new plant (in Kansai)	To be acquired in May 2020	1,815	1,633
Investment corresponding to expansion of the sales quantity: Stable supply,Efficiency improvement,Maintenance of working environment			
◆ Introduction of automation facilities			637
◆ Reinforcement of the production capacity of Conventional materials New products		1,462	1,462
◆ Kyusyu Distribution Center extension	To be inaugurated in Sep. 2020	659	581
◆ Fukuyama Distribution Center extension	To be inaugurated in Nov. 2020	4,345	3,845
◆ Chubu Distribution Center extension	To be inaugurated in Jul. 2021	5,285	2,662
◆ Group home	Inaugurated in Apr. 2020	195	93
◆ Company dormitories for single employees in Fukuyama	To be inaugurated in Oct. 2020	435	388
◆ Molds			1,874
◆ IT investments			532

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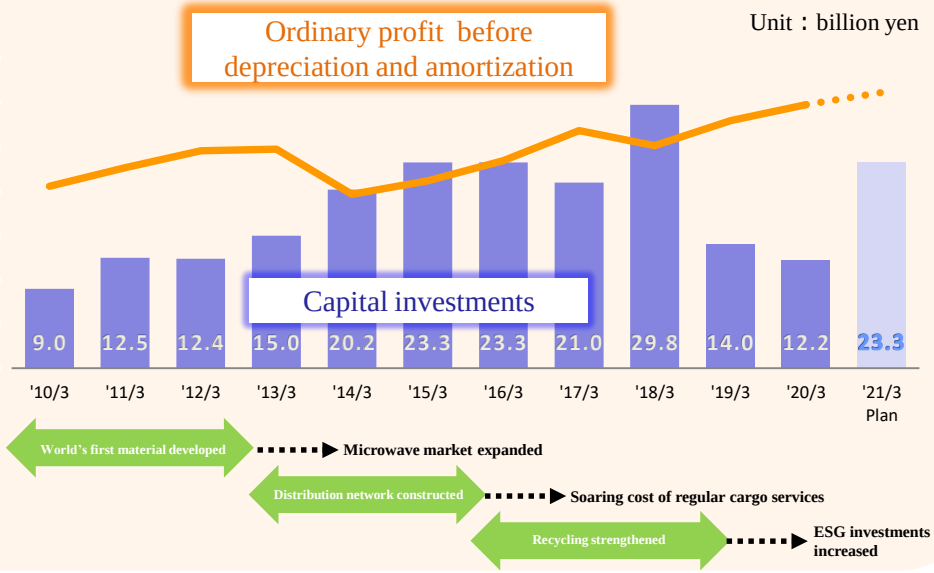


To Increase Corporate Value

President

Morimasa Sato

株式会社エフピコ

Market Conditions

Impact of COVID-19 Coronavirus: Changes in Retailing

From eating out to home meal replacement and cooking at home

Eating out
Reduced

Home meal replacement and takeout meals
Increased

Cooking at home
Increased

Home delivery
Increased

From food sold loose to food sold in packages

Impact of COVID-19 Coronavirus: Trend in Container Demand

Up

Containers that are easy to open and close
→ Addressing the labor shortage

Snap-lock hood pack

Increased opportunities to cook at home

Ready-to-cook meat

Leak-proof/insulating

Containers for home delivery and takeout meals

A solution to food loss

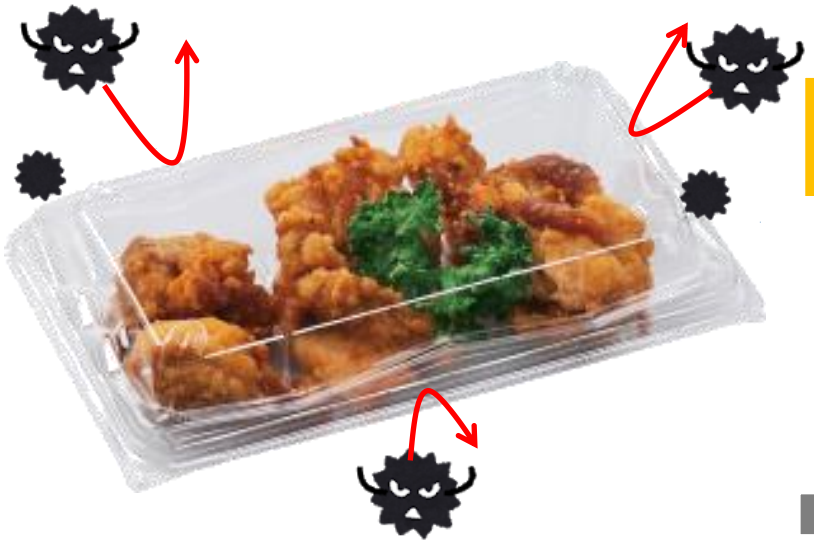
Items with longer shelf lives

Down

Items for picnics and events

Items for train lunches and meetings

Tackling COVID-19 Coronavirus: As a Company Supporting Food Lifestyles



Ensuring safety and reassurance

Protecting food from bacteria and viruses in the air

Stable supply of products

In-house logistics

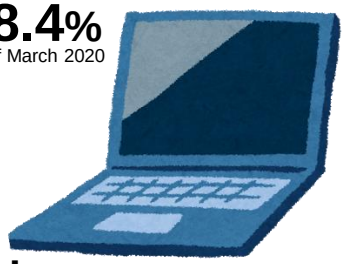
97.4%

As of March 2020

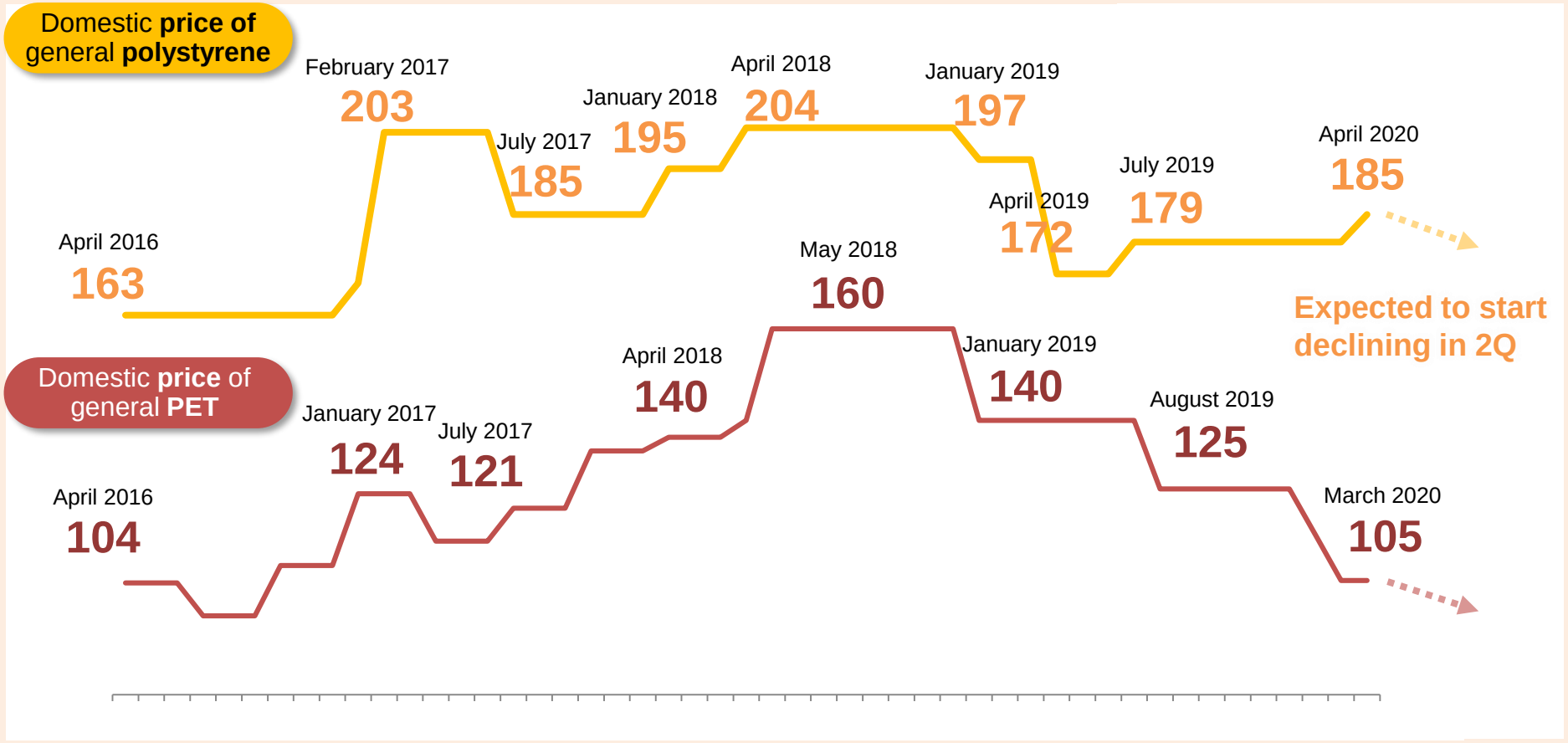
Remaining ready to accept orders

Teleworking

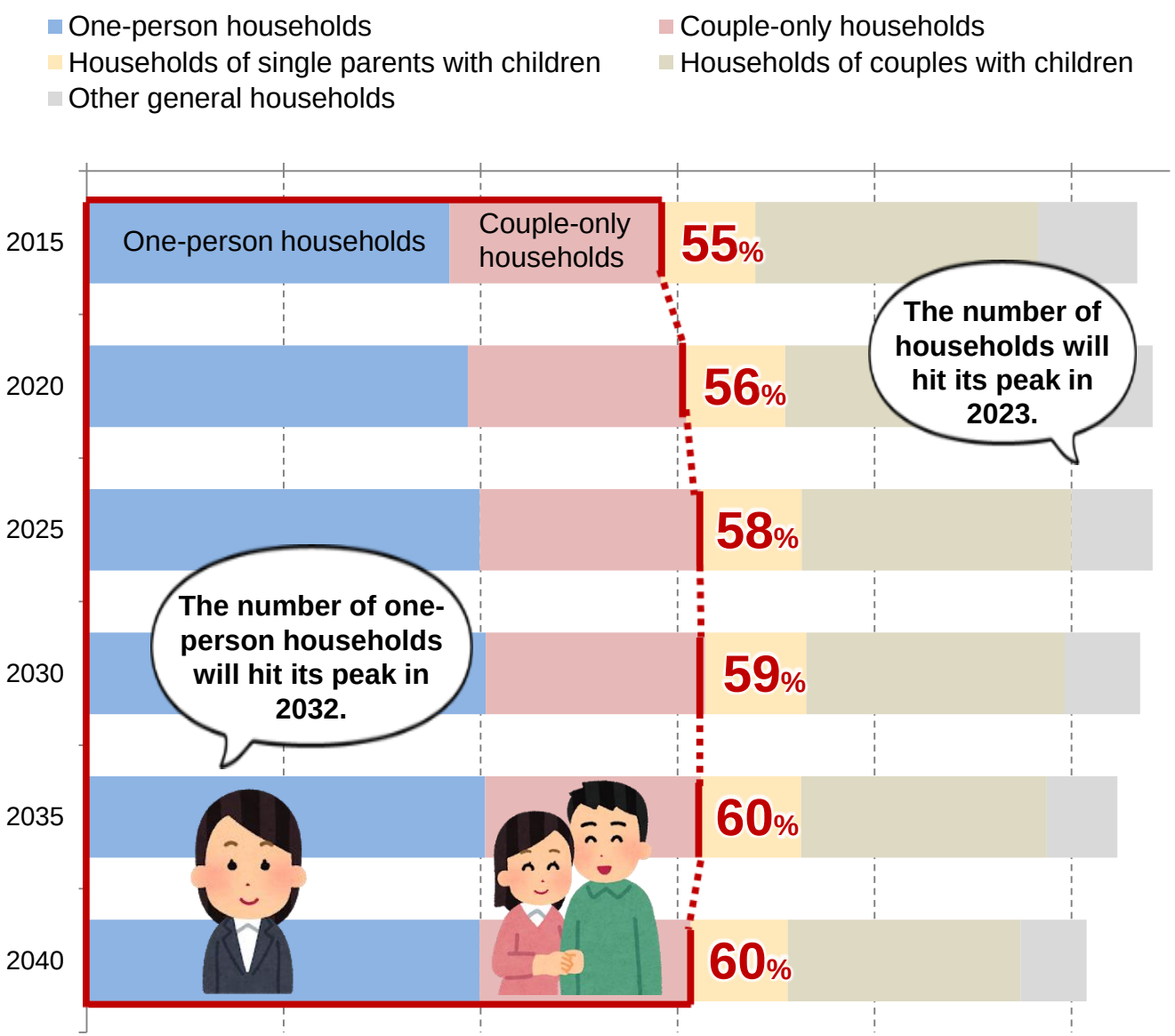
- **EDI rate: Approx. 98.4%** As of March 2020
- **Use of call center**
- **Addition of 185 mobile terminals**



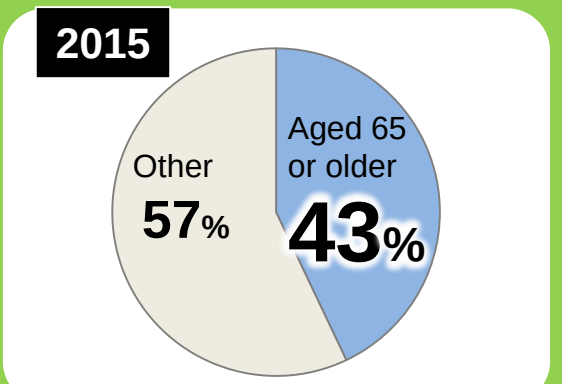
Trend in Raw Material Prices

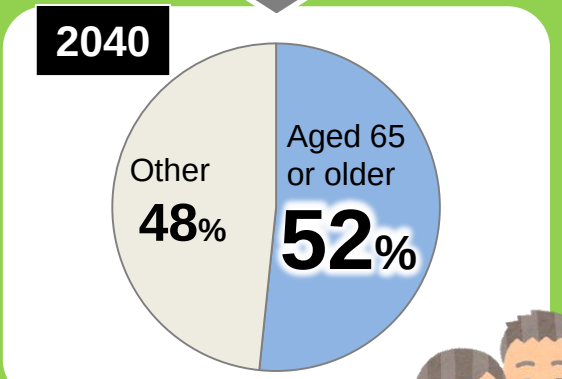


Changes in the Number of Households



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

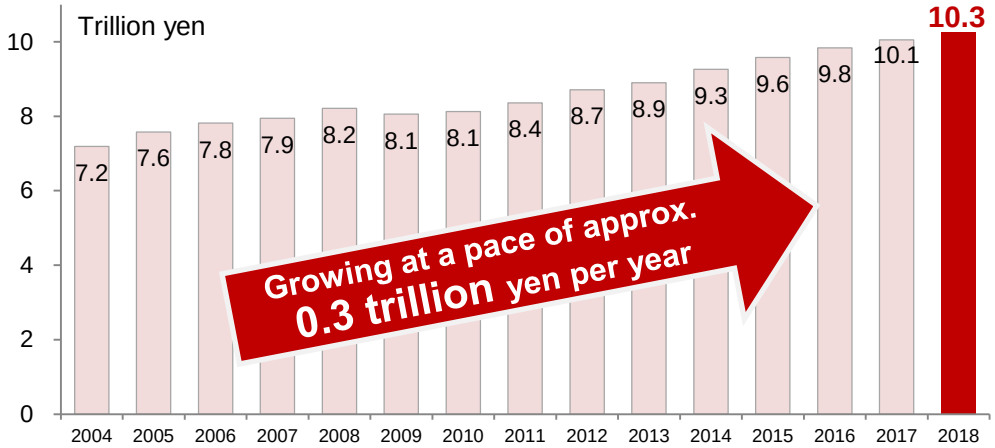




Up 9 percentage points in 25 years

Source: The graph was prepared by FPCO based on data from the National Institute of Population and Social Security Research.

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

FY2018

Home meal replacement

Approx. 10.3 trillion yen

Cooking at home: Approx. 35.3 trillion yen

Eating out: Approx. 25.6 trillion yen

Major food manufacturers

Markets expected to grow in the future

Frozen food for households

Source: Japan Frozen Food Association, Production and Consumption of Frozen Food in Japan

Delivery

Source: Fuji Keizai, *Gaishoku Delivery & Takeout Service Shijo-no Shorai Tembo 2019* (Future Outlook for the Market of Food Delivery and Takeout Services 2019)

Takeout

Source: Fuji Keizai, *Gaishoku Delivery & Takeout Service Shijo-no Shorai Tembo 2019* (Future Outlook for the Market of Food Delivery and Takeout Services 2019)

Food service for elderly facilities

Source: Fuji Keizai, *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

Mostly supermarkets + **Convenience stores** + **Food manufacturers** (for home meal replacement) + **Food service/Nursing-care facilities**

Prepared food stores

Restaurants (home delivery/takeout meals)

Frozen food manufacturers

White trays

Color food containers

Trays with lids

Eco Tray

Original products

Addressing the labor shortage

Containers for food service

New noodle container for delivery

1960s ***1970s*** ***1980s*** ***1990s*** ***2000s*** ***2010s*** ***2020s***

FPCO Fair: Balancing Effort and Efficiency (Supermarkets)

グルっと変わる2020
手間と効率の両立～新基準への挑戦
エフピコフェア

Balancing effort and efficiency

Pursuing the appeal of products prepared by taking the extra effort

Changes in the standard of delicious

Hot and fresh:
Namakara Sozai

Restaurant-level quality

Containers' efficiency-improvement features

Easy to position food

No need to tape the lid

Efficient use of trays

Efficient use of crates

High display efficiency

Home Delivery as a New Market

Home delivery

Joint development of DLV Men, special containers for delivery

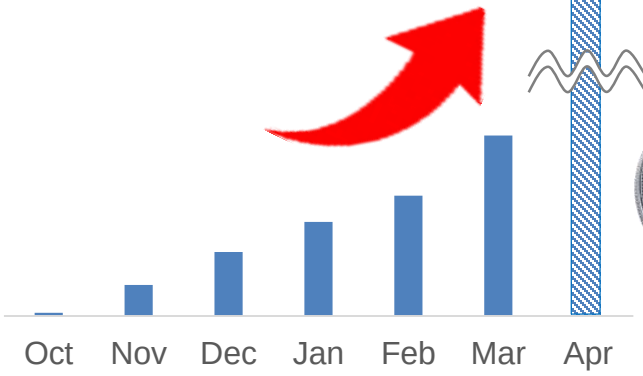
出前館 DEMAE-CAN

エフピコ

Expanding steadily since launch

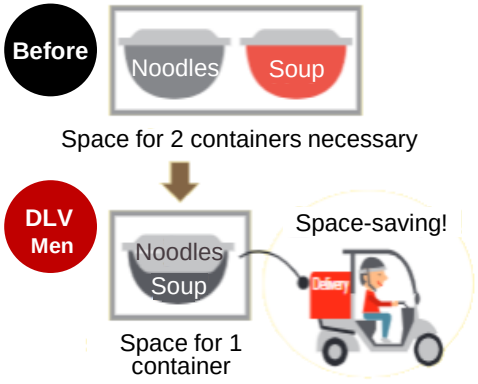
Shipments of DLV Men(main body)

April (month on month) **Approx. 16 times** (Forecast)

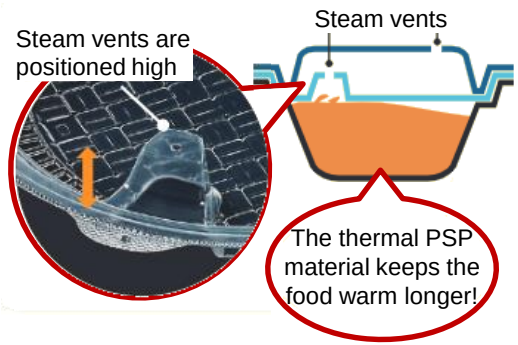


2 features that make the container ideal for delivery

(1) A 3-layer structure that improves the delivery efficiency



(2) A reliable container that is leak-proof and keeps food warm



Hospital/ Nursing Care and Frozen Food as New Markets

Hospital/ Nursing care

ヘルスケアフードの明日を考える
日清医療食品株式会社

吉野家 YOSHINOYA　MOS BURGER　エフピコ

The number of people who received Minna-no Nichiyobi (Sunday for Everyone) food services

Approx. **14%**

As of Jul. 31, 2019

Approx. 60,000

/Approx. 420,000

Approx. **57%**

As of Nov. 30, 2019

Approx. 240,000

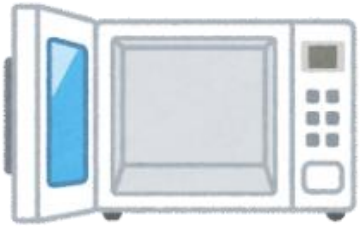
/Approx. 420,000

Frozen food

MFP that ensures safety and reassurance when heating the food

With superior thermal insulation, MFP ensures

safety and reassurance



It's hot inside, but not on the outside.

OPET, which is strong during frozen distribution

With superior cold resistance, OPET lids are

hard to break.

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.

1st: China 1.32-**3.53** mn tons/year

2nd: Indonesia 0.48-**1.29** mn tons/year

3rd: Philippines 0.28-**0.75** mn tons/year

4th: Vietnam 0.28-**0.73** mn tons/year

5th: Sri Lanka 0.24-**0.64** mn tons/year

⋮

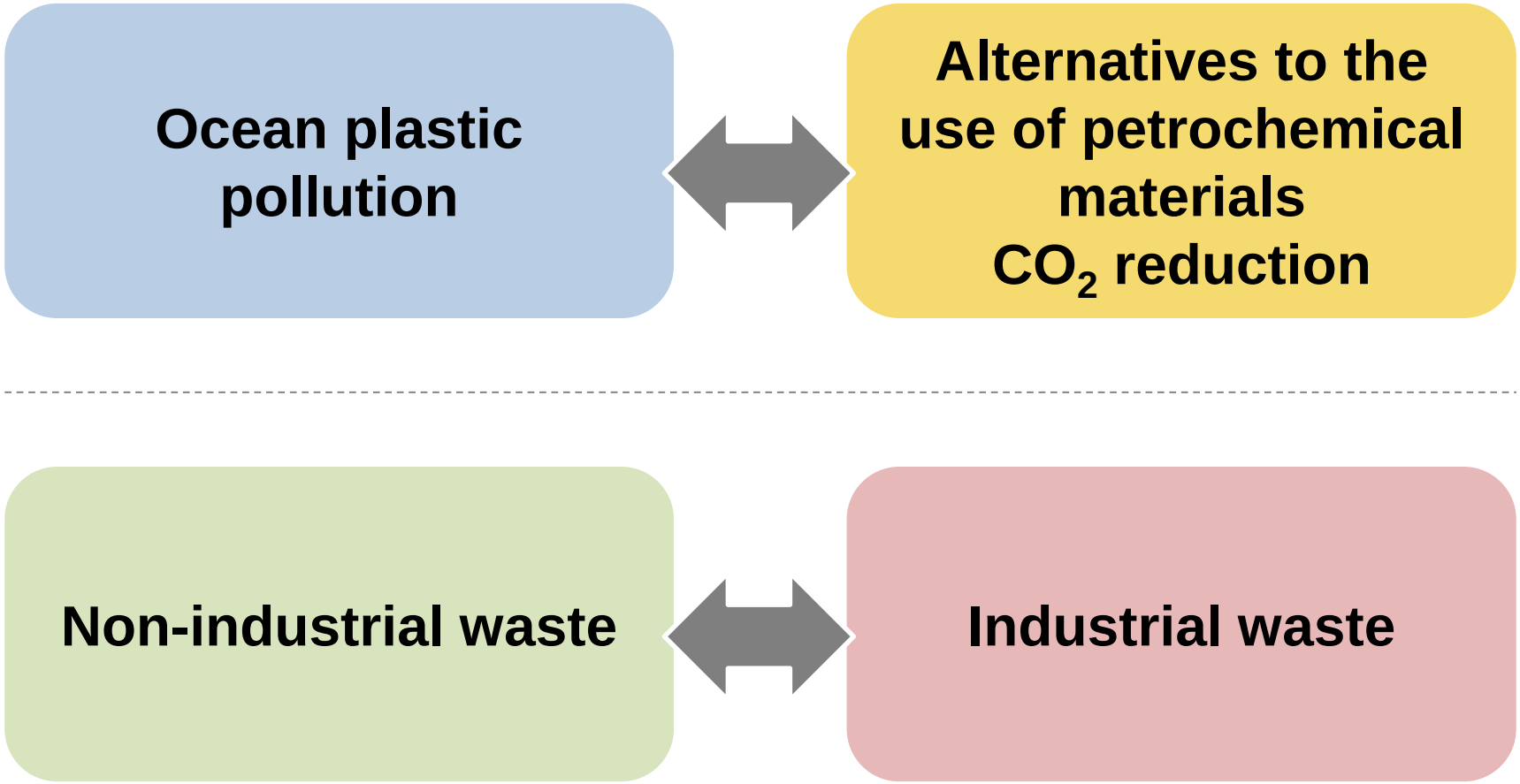
20th: United States 0.04-**0.11** mn tons/year

⋮

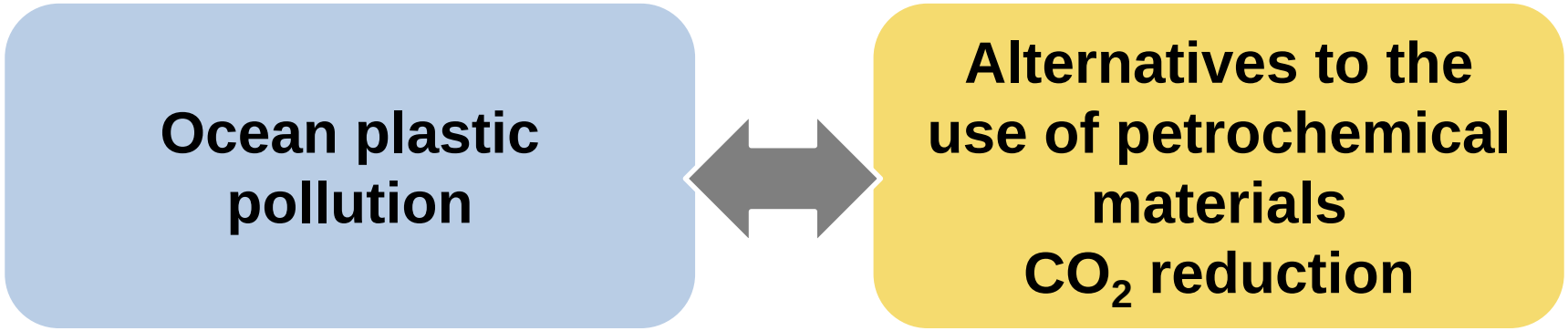
30th: Japan 0.02-**0.06** mn tons/year

* 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)

Issues to Be Considered Separately



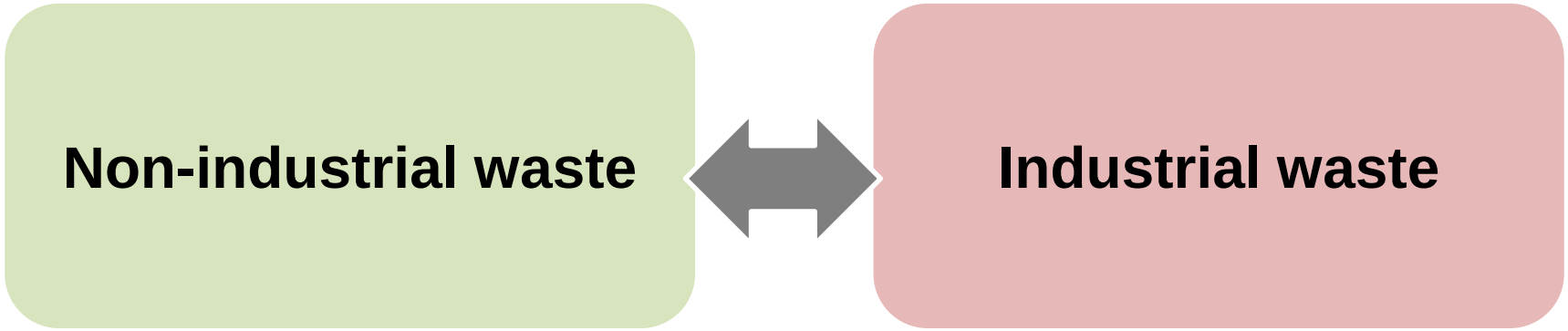
Issues to Be Considered Separately (1)



- **Bio-PE and bio-PET are no different from petrochemical-derived PE and PET.**
  → They are not a solution to ocean plastic pollution.

- **With some exceptions, biodegradable plastics do not degrade in the ocean.**

Issues to Be Considered Separately (2)



- **Non-industrial waste is treated appropriately by municipal governments.**

  Incinerated together with food waste
  → Efficient use of heat is an issue.

- **The problem is industrial waste.**

Recycling of Plastics from Household Waste

(Non-Industrial Waste)

PET bottles

Approx. **0.75** mn tons

Food containers

Approx. **0.8** mn tons

Soft packaging

Approx. **3.0** mn tons

Single material

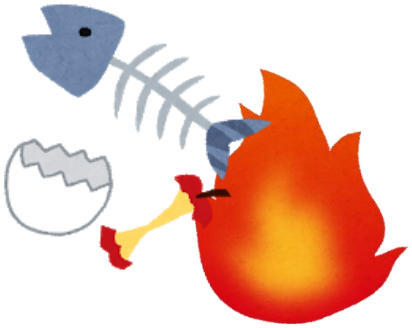
Composite material

Material recycling

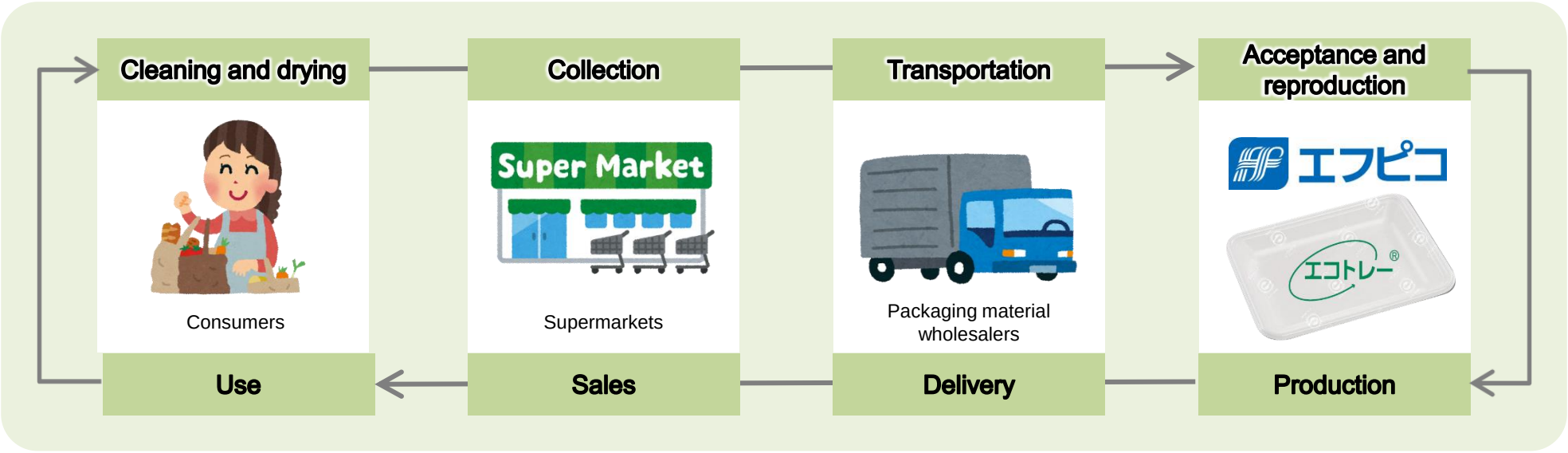
[Recycling of materials]

Thermal recycling

[Thermal recovery]



FPCO Method of Recycling



History

Replacement of containers with paper packages

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

Initially **6 stores**

Collection bases

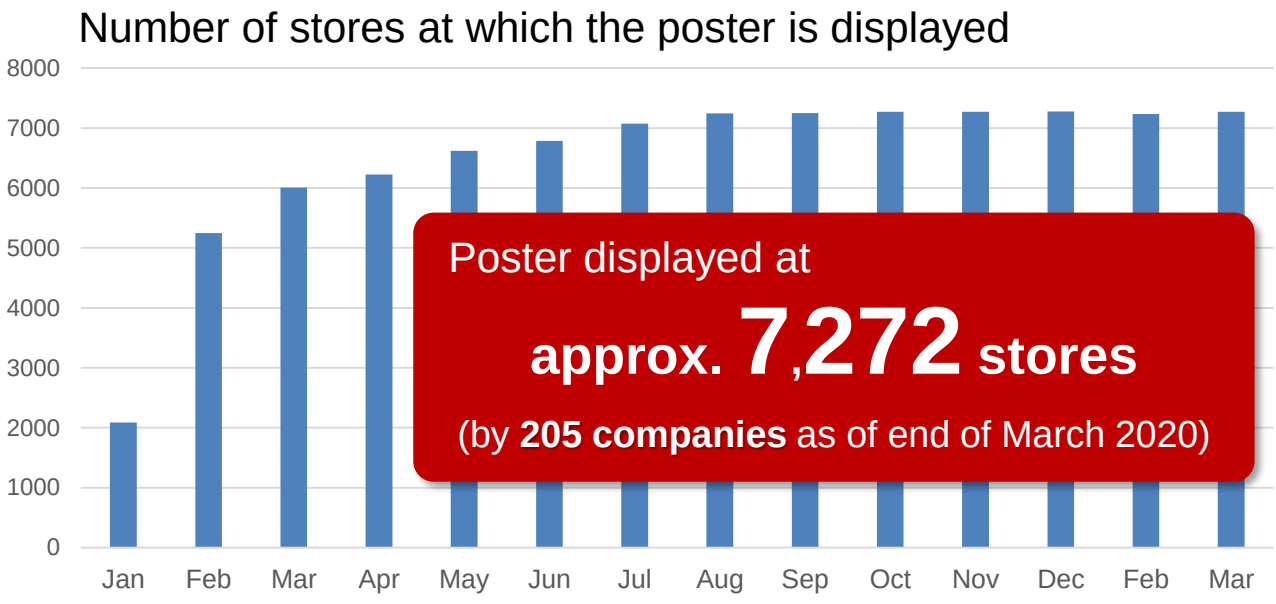
Approx. **30 years**

As of Mar. 2020

9,390 bases

Activities for Promoting Recycling

Poster



Sticker

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

Containers
(Foamed PS and transparent containers)

Collected from:

supermarkets, specified corporations

9,390 sites

PET bottles

Collected from:

specified corporations, supermarkets, business-related sources

Amount (number) of recycled containers/bottles

Results for FY ended March 2019	Results for FY ended March 2020	Target for FY ending March 2021
Approx. 1.8 billion units (8,700 tons)	Approx. 2.0 billion units (9,200 tons)	Approx. 2.1 billion nits (10,000 tons)
Approx. 2.7 billion units (67,000 tons)	Approx. 2.9 billion units (73,500 tons)	Approx. 3.0 billion nits (75,000 tons)

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

42%	44%	45%

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 CO_2 Reduction

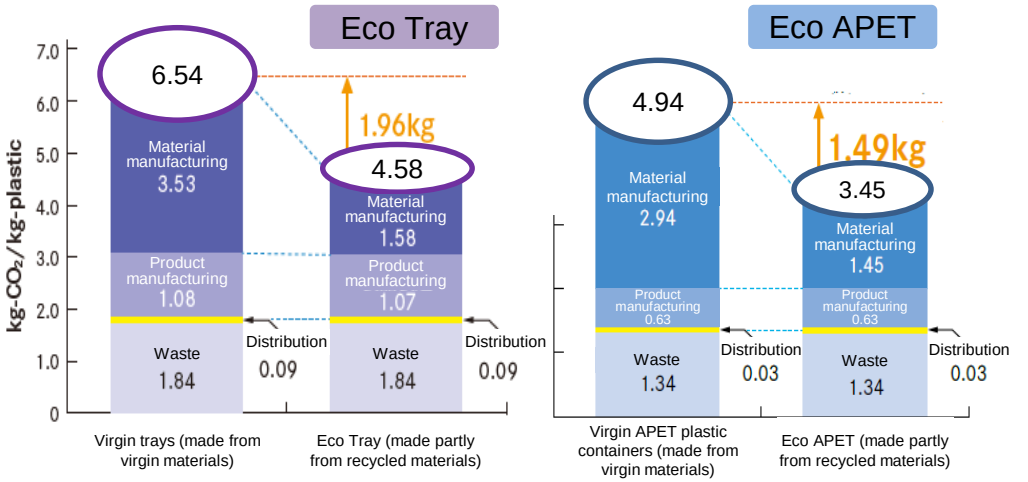
CO_2 emissions

-30%

Eco Tray

Eco APET

In FY ended March 2020, CO_2 emissions were cut by 160,000 tons
(Eco Tray: 37,000 tons, Eco APET: 80,000 tons, Eco OPET: 42,000 tons)



Comparison of life cycle assessment between FP Corporation products

Processes that can be skipped by FPCO Method Recycling

Cutting CO_2 by *30%*

Tray to Tray

Crude oil → Naphtha → Cracked petroleum → Benzene → Ethyl-benzene → Styrene monomer

Naphtha → Ethylene → Ethyl-benzene

Bottle to Tray

Crude oil → Naphtha → Ethylene → Ethylene oxide → Ethylene glycol

Naphtha → Para-xylene → High purity terephthalic acid → Ethylene glycol

Eco Tray

Polystyrene → Foamed polystyrene sheets → Foamed polystyrene trays

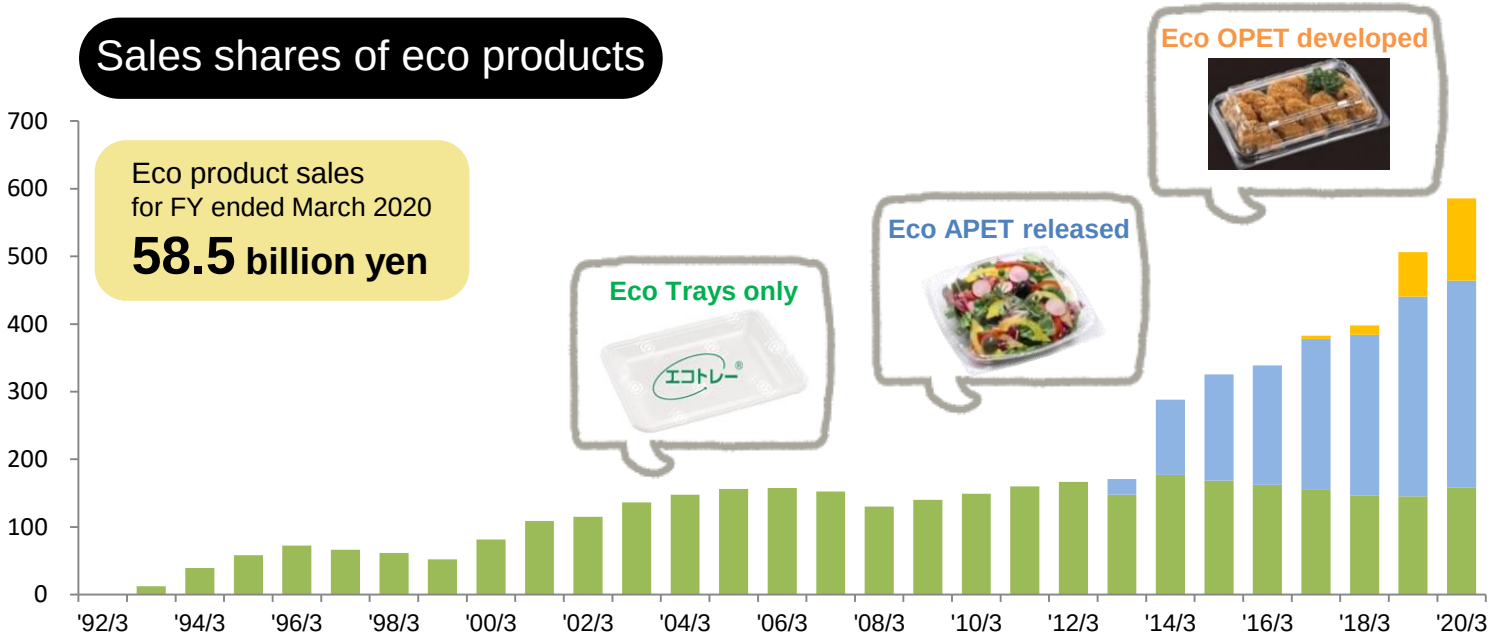
Eco APET

PET resin → PET sheets → PET containers

Investment in Recycling and Ratio of Eco Products

Sales shares of eco products

Eco product sales
for FY ended March 2020
58.5 billion yen



Percentage of products that are FPCO eco products

Company S in Kansai	78%
Company I in Kansai	67%
Company H in Kansai	61%
Company M in Chugoku and Shikoku	73%
Company I in Chugoku and Shikoku	57%

On weight basis

	11/3	12/3	13/3	14/3	15/3	16/3	17/3	18/3	19/3	20/3	21/3	···	24/3
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		Chubu 0.8	New plant in Hyogo	
Supply capacity of recycled PET materials (thousand tons)	10	20			30			50		57 (1H 29, 2H 28)	60		80
Ratio of eco products to all products				26%	29%	28%	31%	31%	38%	42%	45%		50%
Ratio of Eco PET and OPET products				49%	52%	57%	65%	69%	97%	99%	100%		100%

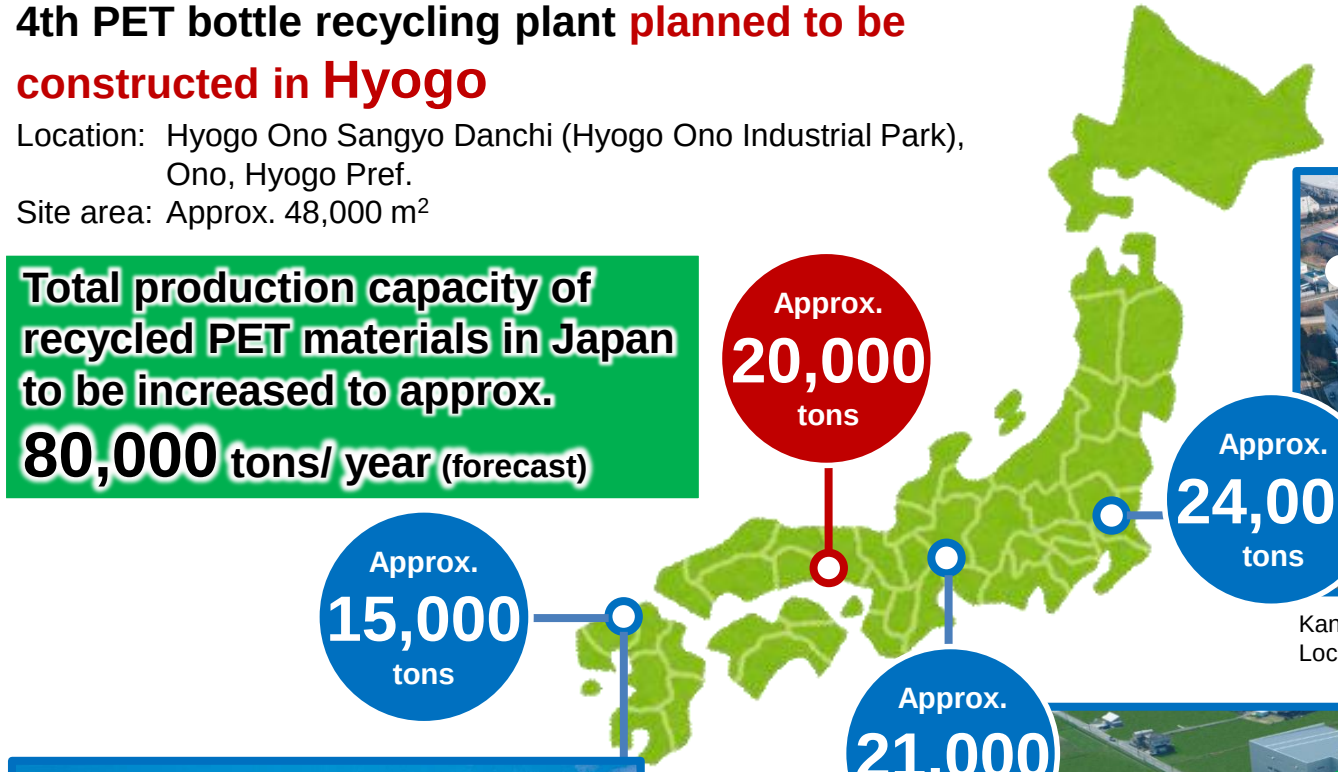
On case basis

Increasing Production Capacity of Recycled PET with a New Plant

4th PET bottle recycling plant planned to be constructed in Hyogo

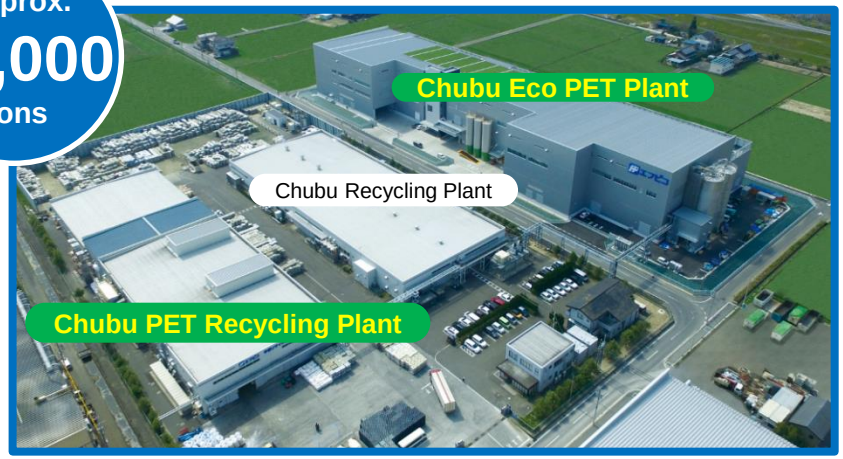
Location: Hyogo Ono Sangyo Danchi (Hyogo Ono Industrial Park), Ono, Hyogo Pref.
Site area: Approx. 48,000 m^2

Total production capacity of recycled PET materials in Japan to be increased to approx. 80,000 tons/ year (forecast)



Kanto Eco PET Plant
Location: Yachiyo-machi, Yuki-gun, Ibaraki Pref.

Nishinihon PET-Bottle Recycle Co., Ltd.
Location: Hibiki-machi, Wakamatsu-ku, Kitakyushu, Fukuoka Pref.



Chubu Eco PET Plant and Chubu PET Recycling Plant
Location: Aza Murahigashi, Nanba, Wanouchi-cho, Anpachi-gun, Gifu Pref.

Creation of the FP Corp. Environmental Fund

Before: Activities were carried out on a company-by-company basis.

FPCO, since it started the FPCO method of recycling in 1990, has been engaged in recycling activities for **approx. 30 years.**

Now: Companies and organizations should work together.

Working with other companies, NPOs, research and educational institutions, and other organizations, in addition to acting on our own

エフピコ環境基金
The FP Corp. Environment Fund

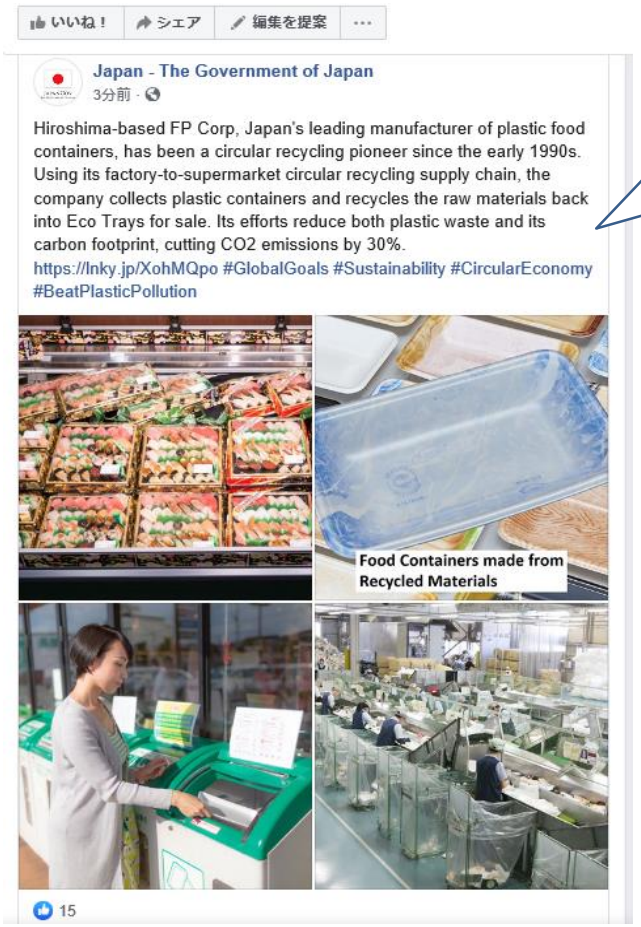
Subsidizing organizations which act to solve future social issues

Outline of grants offered in FY2020 Second half
Grant period: Oct. 1, 2020 to Mar. 31, 2021
Application period: Apr. 1, 2020 to Jun. 30, 2020
Size of grants: Up to 1 million yen per project

External Evaluation

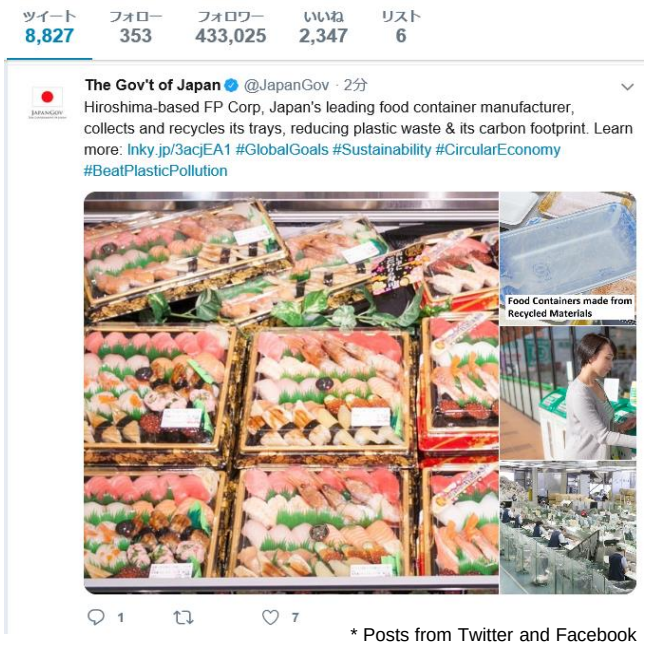
The FPCO method of Tray to Tray recycling was showcased on JAPANGOV, a social media account of the Prime Minister's Official Residence targeting overseas audiences.

Facebook



◇和訳
広島に本社を置く日本のプラスチック食品容器製造のリーディングカンパニーであるエフピコは、1990年代前半に循環型リサイクルの先駆けとなった。
同社は工場からスーパーマーケットまでの循環型リサイクルのサプライチェーンを利用し、プラスチック容器を回収、原料として再生し、エコトレーとして販売している。
この取り組みにより、プラスチックごみを削減するとともに、製品ライフサイクルでのCO2排出を30%削減している。 英語版HPへのリンク

Twitter



* Posts from Twitter and Facebook

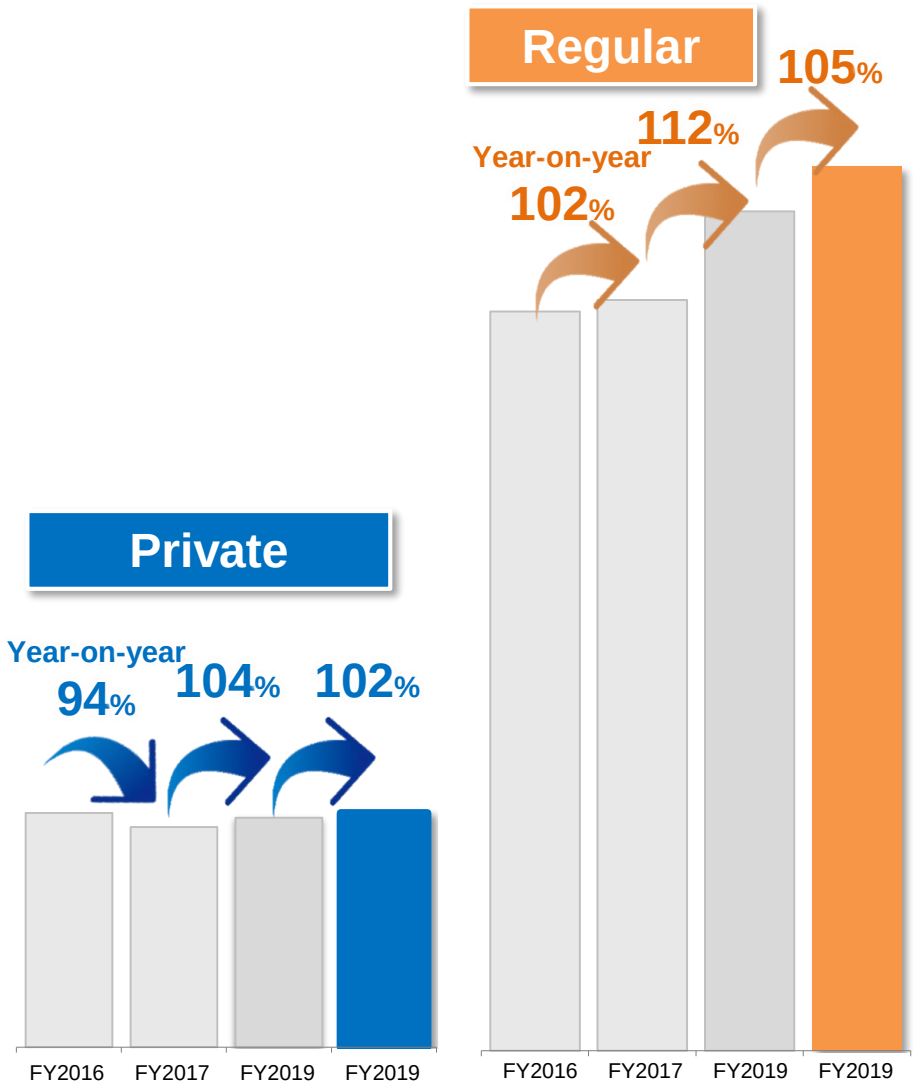
External Evaluation:
Recent TV Programs that Showcased FPCO

Month	Program		Content		
			Recycling	Containers' features	*Namakara Sozai*
Mar.	Fuji TV	*Mezamashi TV*			○
Jun.	NHK	*Asaichi*			○
	TBS	*N-Sta*			○
	Kansai TV	*Uramayo*		○	○
	Chukyo TV	*Catch!*	○		
Jul.	FBS (Fukuoka Broadcasting Systems)	*Barihaya! ZIP*			○
	Yamagata Broadcasting	*Yamagata Sunday 5*	○		
	BS Asahi	*Wakaru Wakaru Channel*	○		
Sep.	Nihon TV	*Hiru Nandesu!*	○	○	○
	TV Tokyo	*Takeshi-no Nippon-no Mikata!*	○	○	
	MBS (Mainichi Broadcasting System)	*News Mint!*	○	○	○
	TBS	*Gutto Luck!*			○
Nov.	Yomiuri TV	*Kansai Joho Net ten.*		○	○
Dec.	TBS	*Gutto Luck!*	○		
Jan.	Nihon TV	*Tensai!! Company*		○	
	TV Tokyo	*WBS*		○	
Feb.	NHK BS	*COOL JAPAN*	○		○
	Nikkei CNBC	*Top-ni Kiku*	○	○	
Mar.	TV Tokyo	*WBS*		○	
	19 times		**9 times**	**9 times**	**10 times**

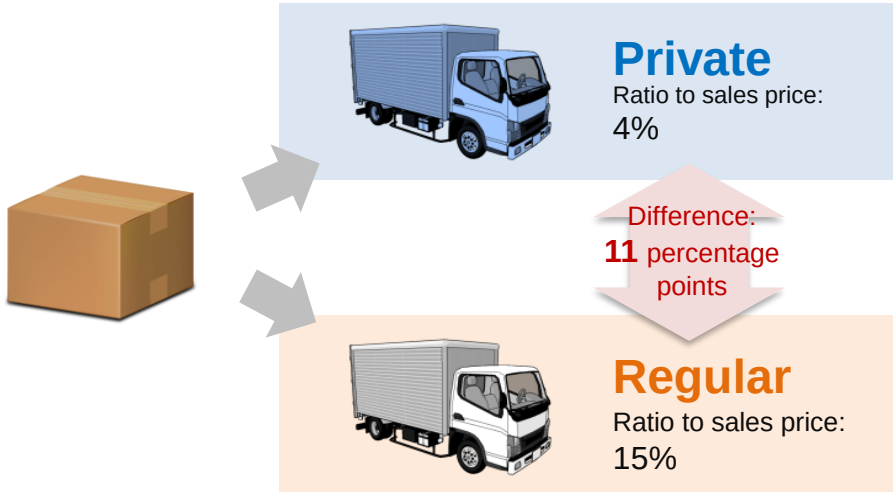
Streamlining of Logistics, Manufacturing, and SCM

Soaring Logistics Expenses

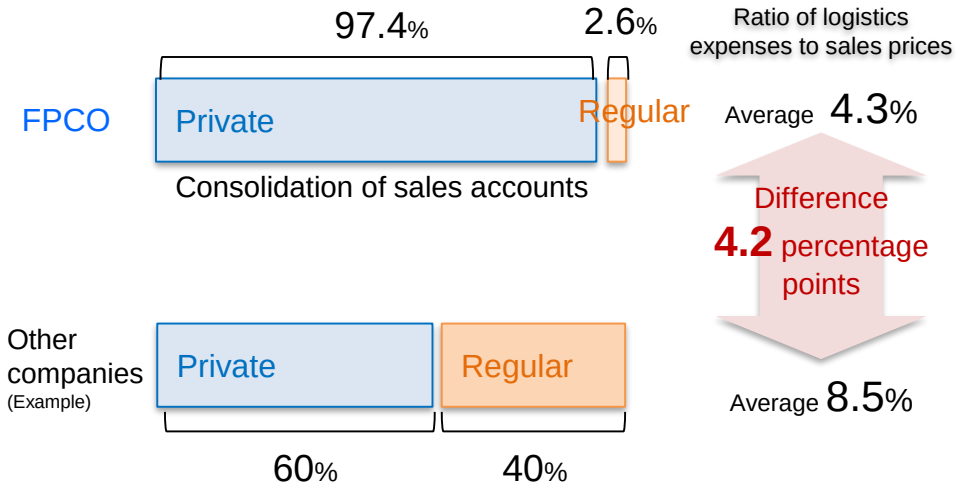
Distribution cost per case



Ratio to sales price: Comparison of private and regular services

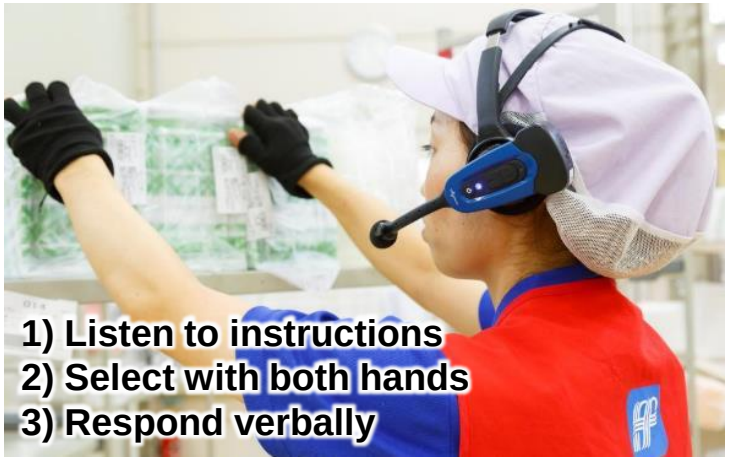


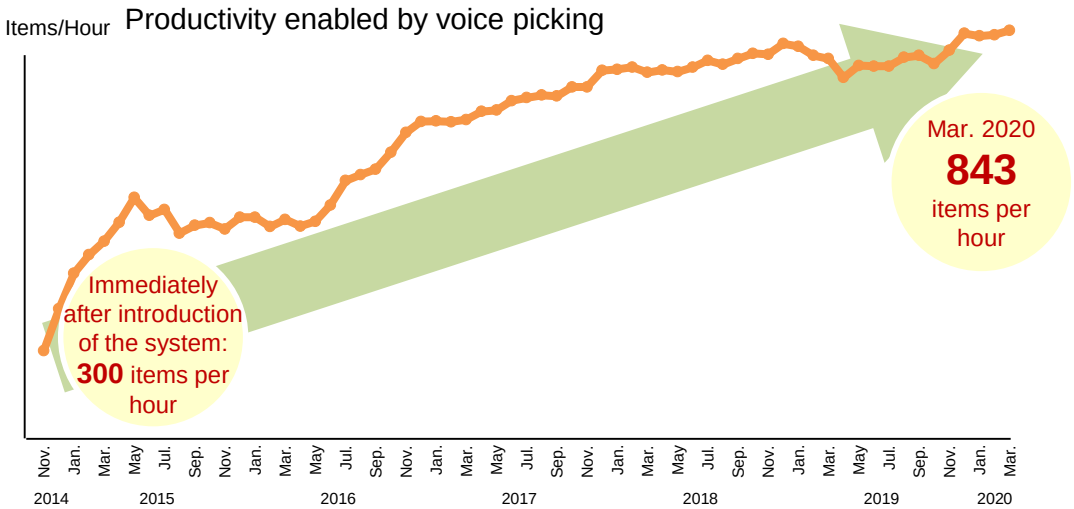
Ratio between private and regular services



Efficiency Improvement (Logistics Division)

Voice Picking





Pallet Transportation (Transportation to other bases)

Conducted on 5 routes in March 2020

Before

100% manual loading

New method

80% by pallets
20% manual loading

Example: Kanto Distribution Center → Hachioji Distribution Center

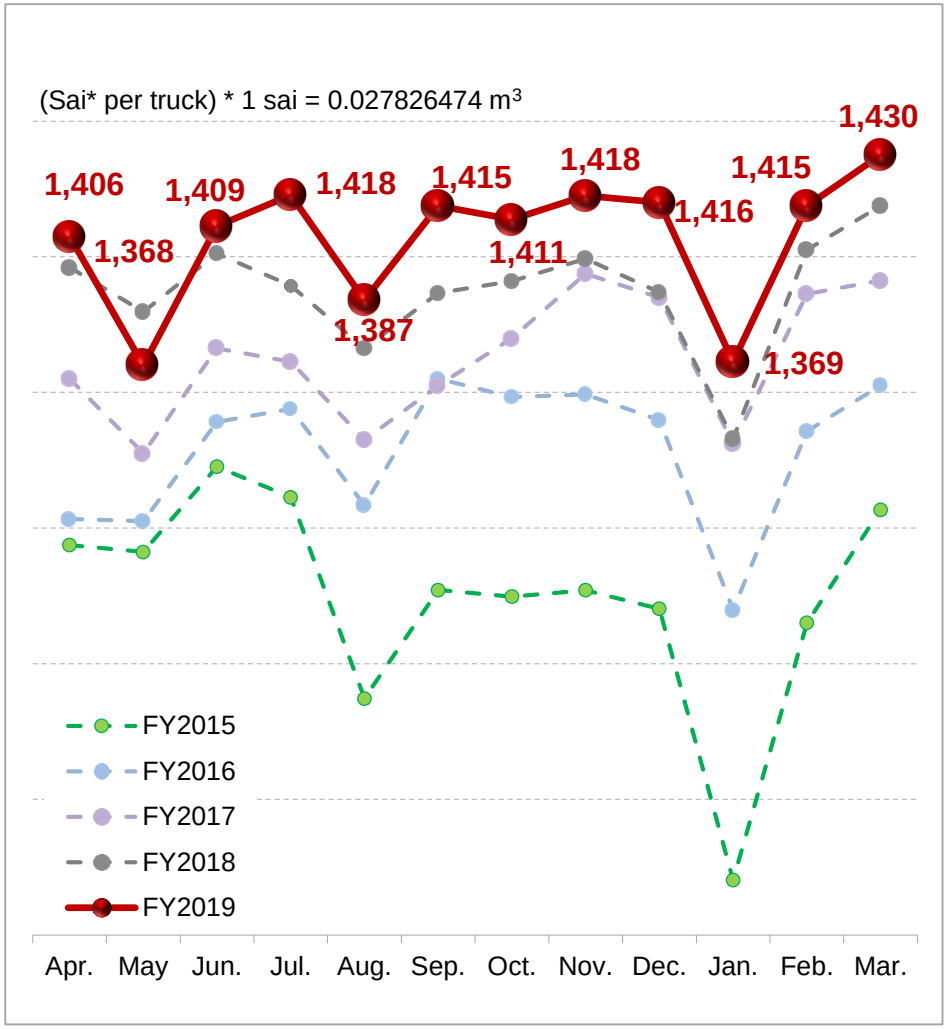
Loading 72 min	Transport 90 min	Unloading 62 min
Loading 24 min	Transport 90 min	Unloading 20 min

Loading and unloading time reduced by 1.5 hours > **Loading efficiency: -8%**

Actions for Suppressing Soaring Logistics Expenses (Distribution of Sales)

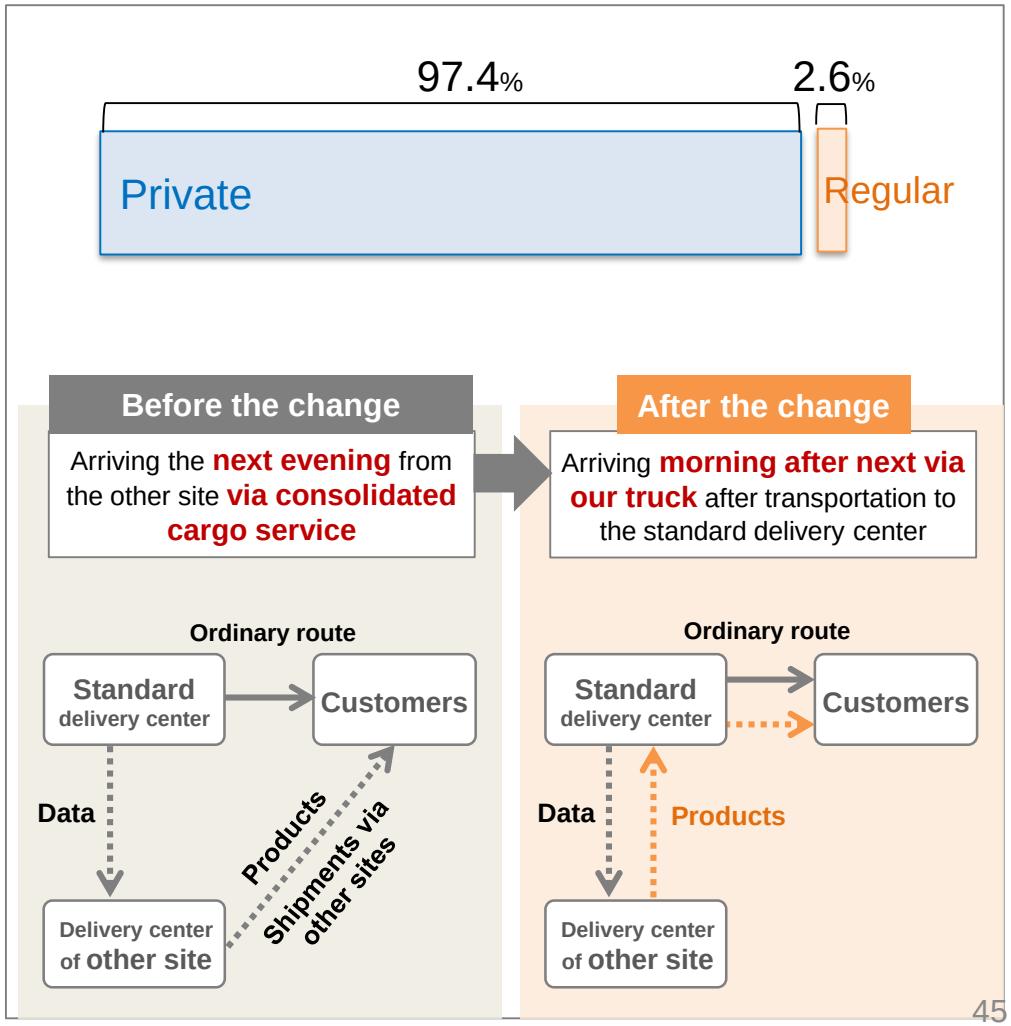
Increase load efficiency per truck

FY2020 Up 8.1% from FY2015 level



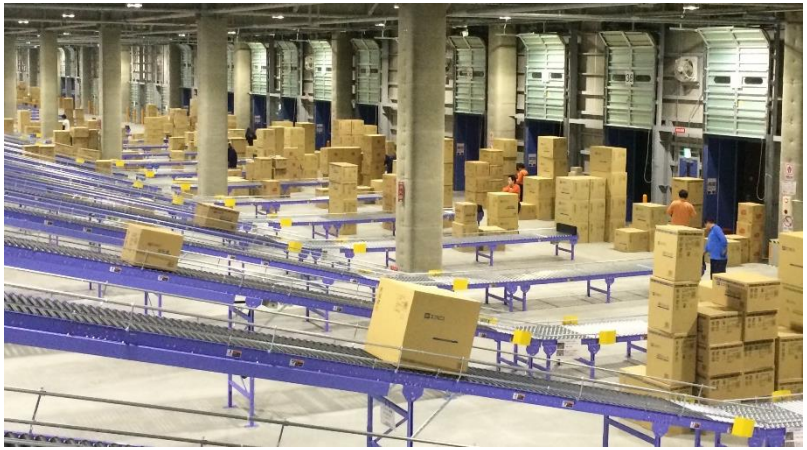
Increase ratio of private services

March 2019 **97.2%** ▶ March 2020 **97.4%**



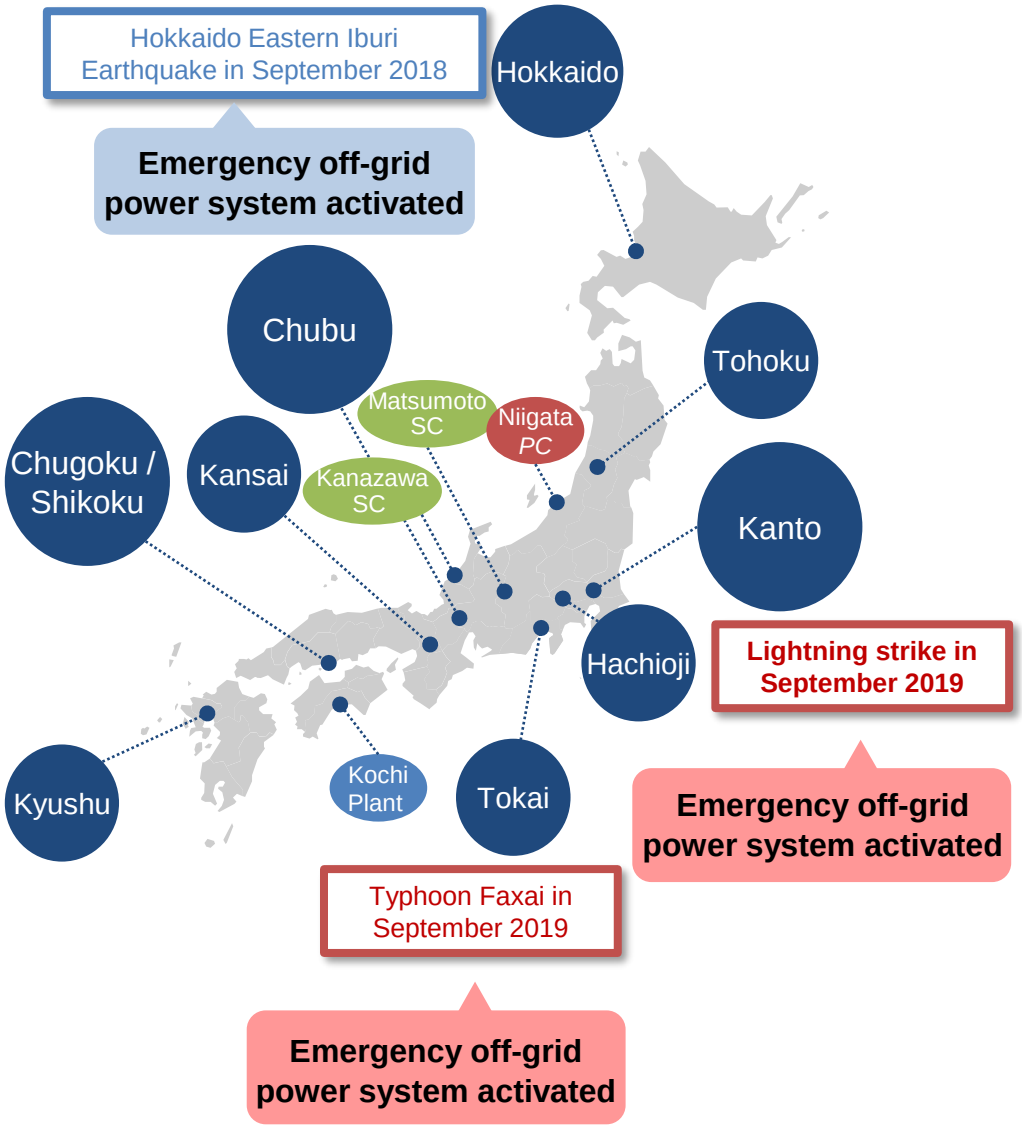
Enhancing the Logistics Network

Introducing an automated sorting system, or sorter, to Chubu, following Kanto, Fukuyama, and Hachioji



Natural Disasters and BCP

Most recent natural disasters



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

- Power supply for **72 hours** ensured
- Emergency power generators are installed and fuel for them is stored at all major logistics bases across Japan.
- Two emergency drills conducted annually involving power generator

Emergency power generator	Fuel tank
	

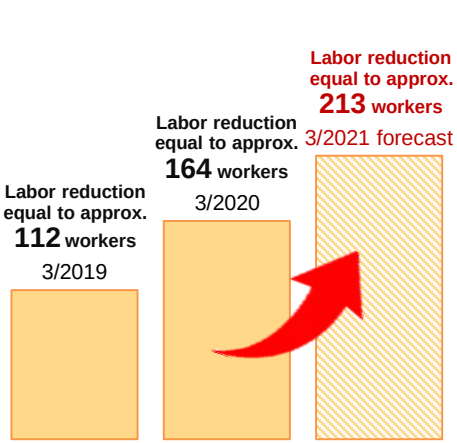
→ **Installation at group companies' bases is also considered.**

December 2019
Loan received from the Development Bank of Japan under the DBJ BCM Rated Loan Program

Investment in Human Resources

Investment in Human Resources (1): Automation

Manufacturing Division



- Case packing robots 23 units → 24 units
- Automatic dusting and packaging machines 8 units → 8 units
- Automatic packaging machines 42 units → 58 units

3/2020 Planned in 3/2021

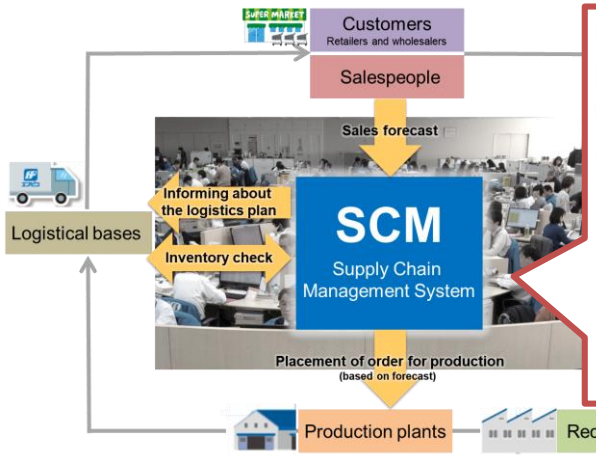
Logistics Division

AGV (automated guided vehicle)
29 units → 33 units
3/2020 Planned in 3/2021

Reducing labor with unmanned, laser-guided operations for transferring and storing pallets

AGF (automated guided forklift)
Planning to introduce 2 units
Planned in 3/2021

SCM Division



Using AI to improve the precision and efficiency of sales forecasts
Approx. 5,100 items 3/2020

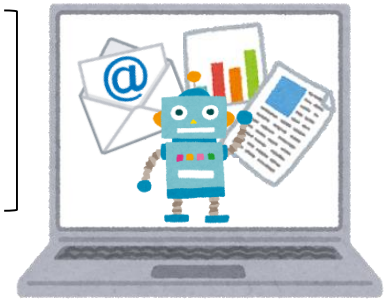
Use of RPA

Automation of operations with robots

Reduction of approx. 6,000 work hours/year 3/2020

Using RPA Approx. 4,000 hours

Improvement of existing functions and operations Approx. 2,000 hours



→Expected to reduce work hours by approx. 10,000/year 3/2021 forecast

Investment in Human Resources (2): Development of Working Environment

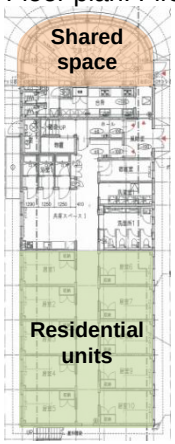
Pico House bachelors' dormitories

4 Pico House buildings: **333 units in total** (plan)

Group homes for people with disabilities

Home・CO Pearl

Floor plan: First floor



To be used for study support, support for therapeutic education, etc. by the local community

A residential space where residents live together

Changes to programs and standards

1. **Fiscal year ended March 2019**
   Introduction of obligation to take five consecutive days of paid leave (Smile Leave)
2. **Fiscal year ended March 2020**
   Revision of the retirement benefit programs at some group companies
3. **Fiscal year ended March 2020**
   Pay standard raised at some group companies

Promotion of active participation of women

Targets

1. **Maintaining the percentage of women among new career-track employees at 30% or higher from 2019 onward**
2. **Promoting 50 women to managerial positions by 2022**

Diversity Management Making Maximal Use of Capabilities

Sorting of used trays at 10 facilities

Production of wood-like box-type containers and secondary processing at 7 facilities

Manufacturing of containers (foamed and transparent) at 3 facilities

In the FPCO Group as of March 2020

Number of employees with disabilities	**358**
Adjusted number of employees with disabilities	**615**
Ratio of employees with disabilities	**13.3%**

Recognition concerning employment of workers with disabilities

- January 2019
  Ministry of Health, Labour and Welfare
  FY2018 People with Disabilities Active Company Certification
  (FPCO Ducks Corporation)
- October 2019
  Toyo Keizai Inc.
  Ranked 2nd in ratio of employees with disabilities
  * Ranked 1st for four consecutive years (2014-2017)

Support for Customers in their Employment of People with Disabilities

With FPCO's support, employment was created for

667 people at **50** locations mainly at customers' workplaces

As of the end of March 2020

Seasoning prepared meat

Processing agricultural products

Inspecting and weighing fruits and vegetables

Processing prepared food

Cleaning containers

Washing towels

Sorting marine products

Reducing the volume of used paper

Floor Hockey Activity: Interactions between People with and without Disabilities

Award, certification, and 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

External Evaluation

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

FTSE4Good

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

FTSE Blossom Japan

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

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

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

MSCI

2019 Constituent
MSCI日本株
女性活躍指数 (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

Growth Strategy

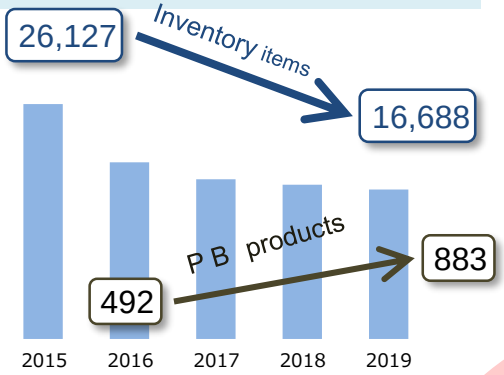
Start of Operation for the New Business Model

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

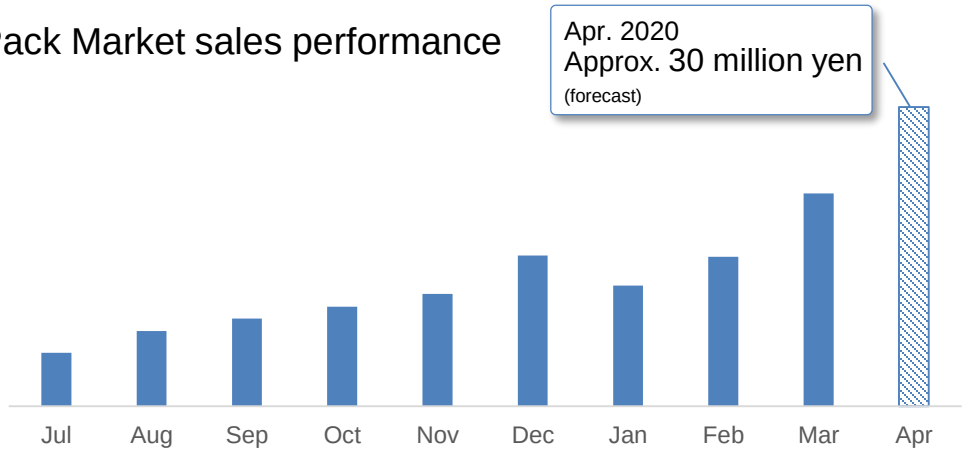
Pack Market, an E-Commerce Site for Packaging Materials

FPCO Group's infrastructure

パックマーケット PACK MARKET

Expanding steadily since launch

Pack Market sales performance



Products with growing demand due to the impact of the coronavirus

Containers for delivery and take-out food

Sanitary goods

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%

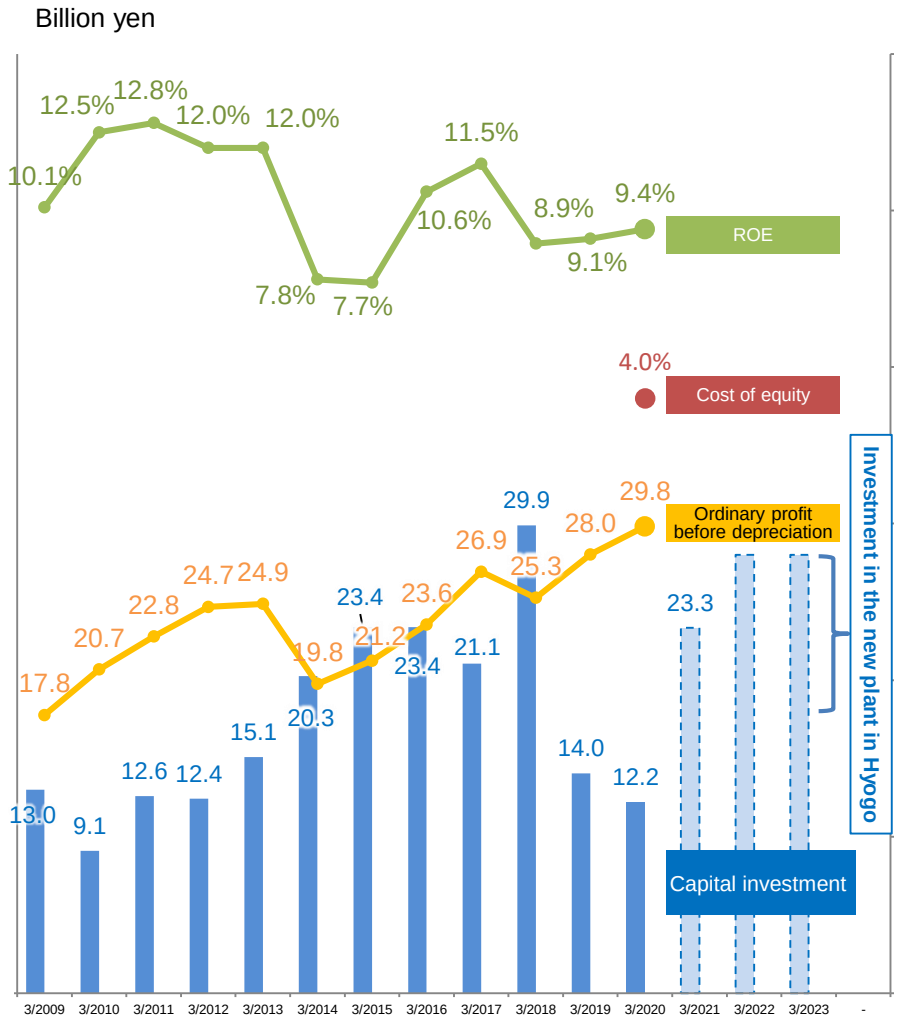
Stable and continuous payment of dividends
Maximization of earnings per share

Acquisition of treasury shares

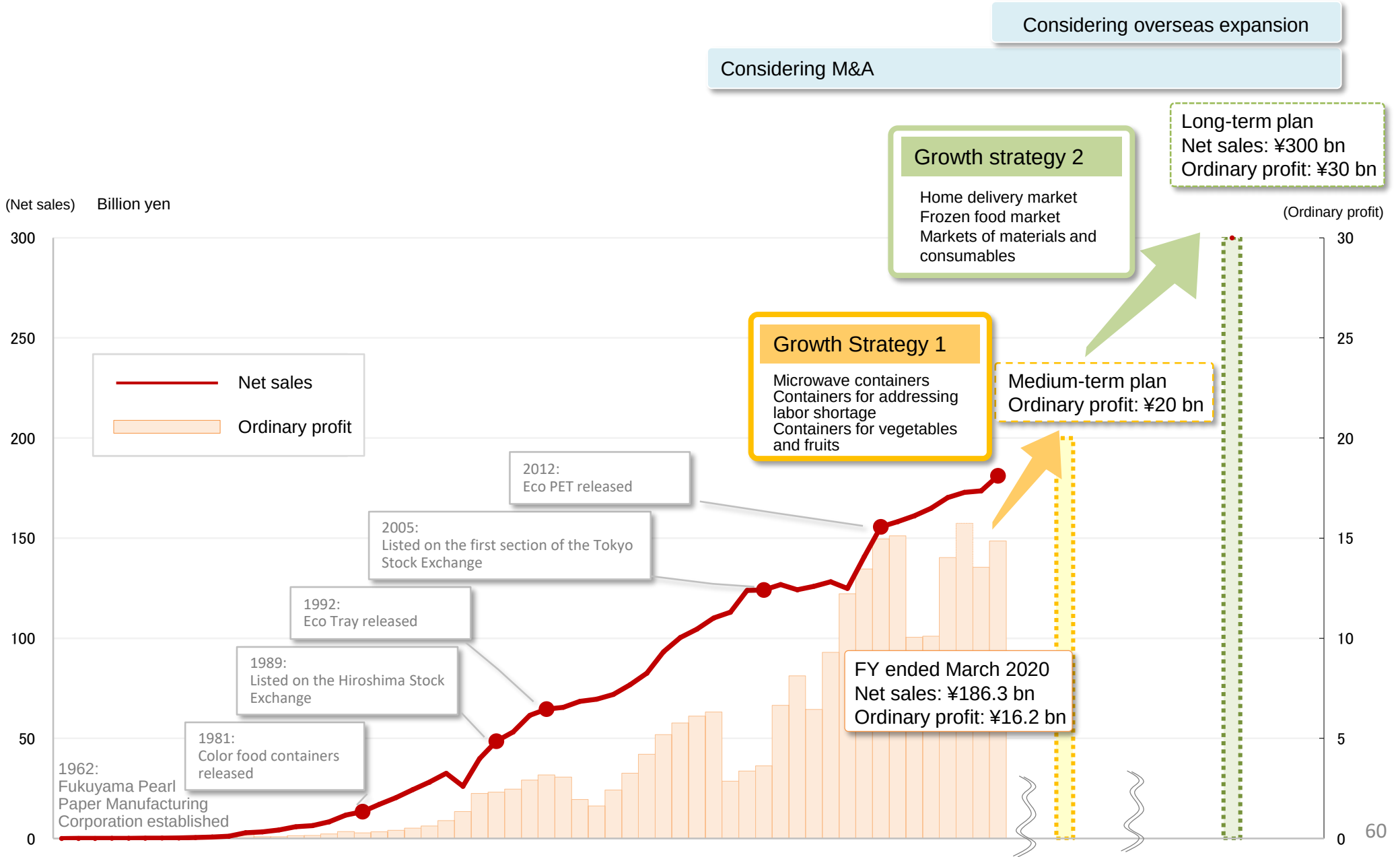
To be determined by the share price

Adjustment of interest-bearing debt

Effective use of interest-bearing debt and assurance of safety

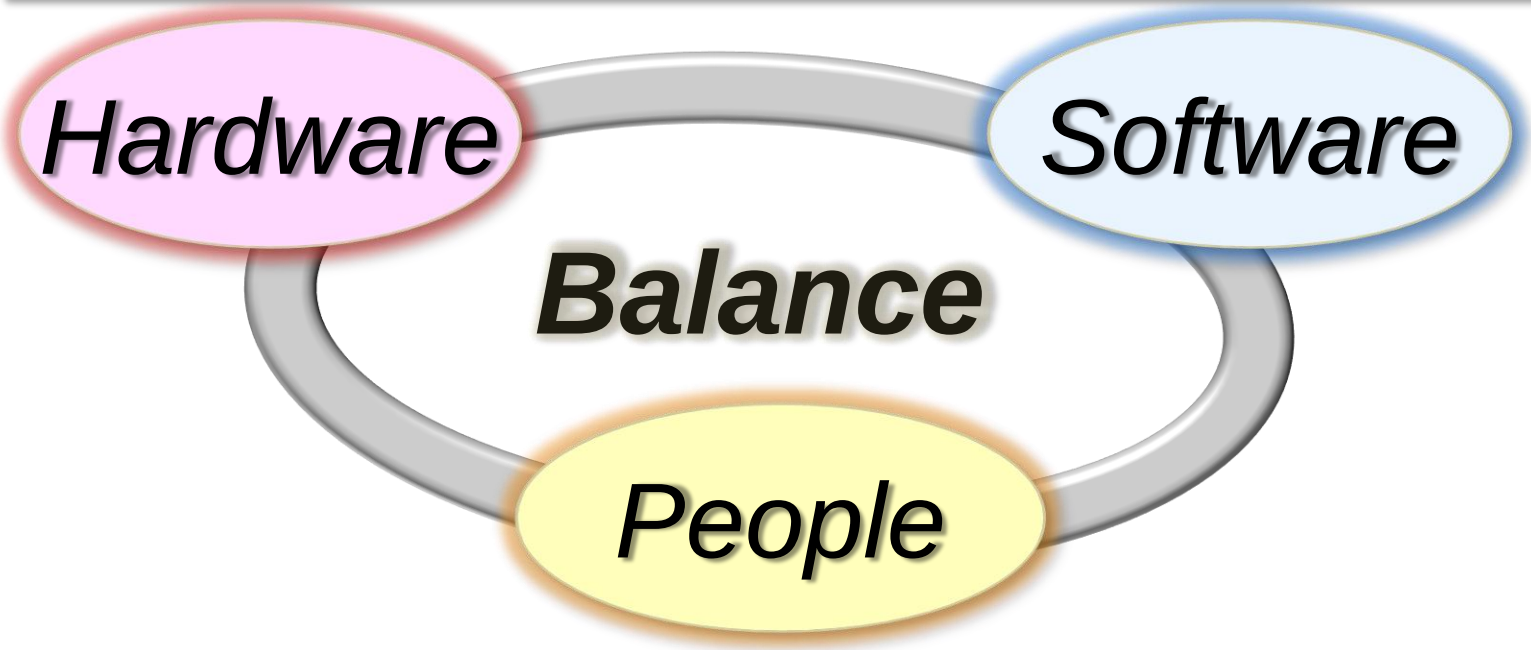


Growth Strategies of FPCO



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 -40ºC and +110ºC and with superior oil and acid resistance and thermal insulation (sales commenced in 2010).
Multi Solid (MSD)	:	A non-formed PS (polystyrene) container with a heat resistance temperature of +110ºC that is able to create sharp figures by using scraps of materials from the Multi FP, while maintaining the characteristics of the Multi FP(sales commenced in 2012).
OPET transparent Container	:	A polyethylene terephthalate transparent container with a heat resistance temperature of +80ºC . 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 +110ºC, which has achieved the same transparency as OPS using standard-grade polypropylene raw material(sales commenced in 2012).
PPSA Series	:	A snap-lock hood pack made from a transparent PP container with a heat resistance temperature of +110ºC
OPS container	:	A conventional transparent container with a heat resistance temperature of +80ºC 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	:	A recycled OPET transparent container molded from the bi-axially oriented PET sheets, which use the same raw materials as an Eco APET container. Superior oil resistance and high transparency, with the same thermal insulation as the OPS transparent container. Heat resistance temperature of +80ºC (sales commenced in 2016).
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.

World's First Sheets and Materials

Evolution from a sheet processing manufacturer

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

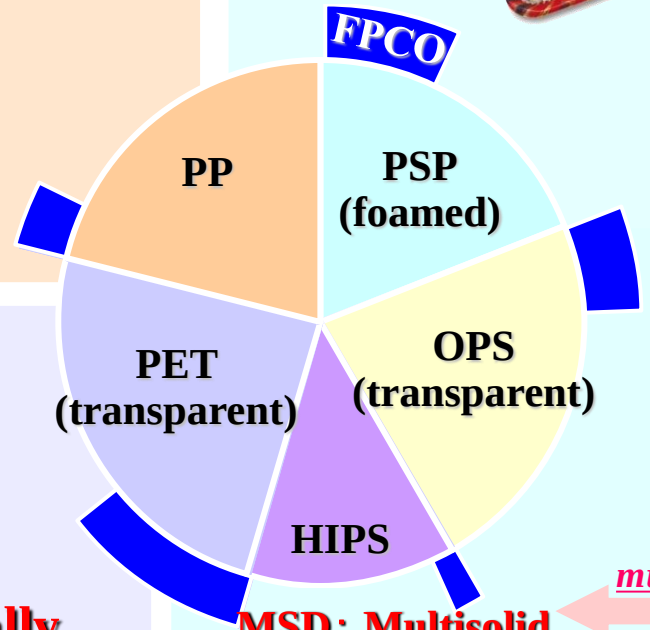
PS: polystyrene

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



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

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

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 | '20/3

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
Nishinihon 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

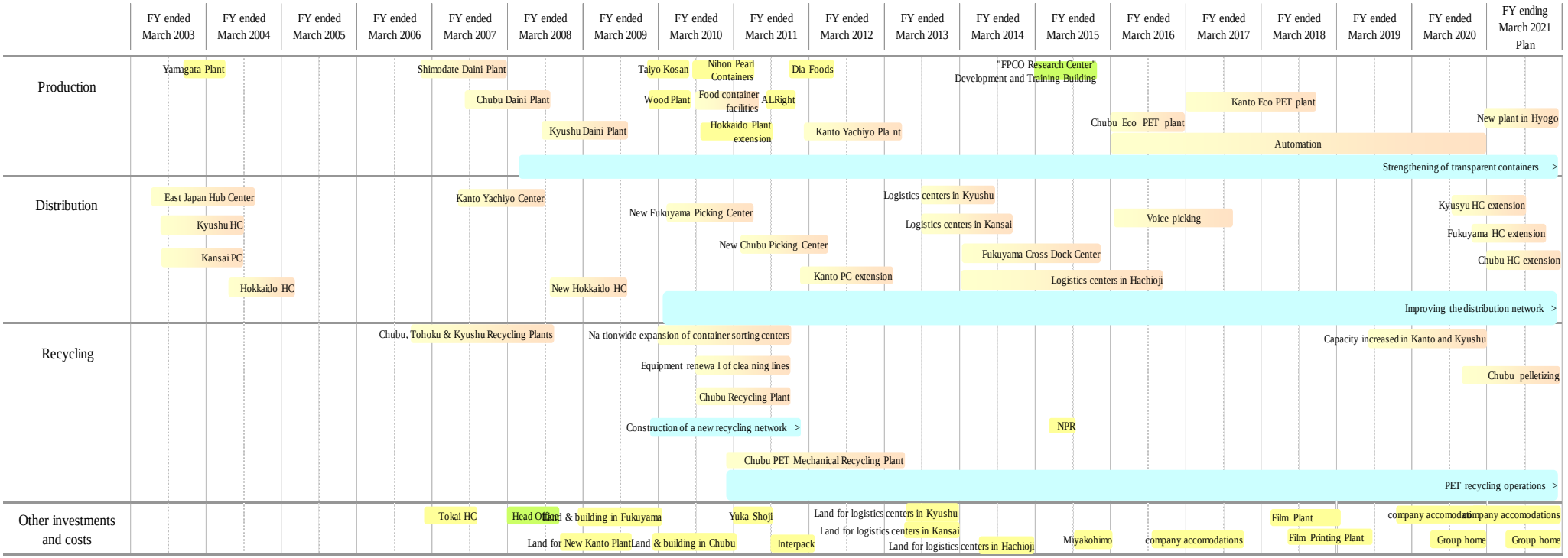
Jun. 2012: Market release of New Transparent PP

Factors influencing Ordinary Profit

Unit:100 million yen

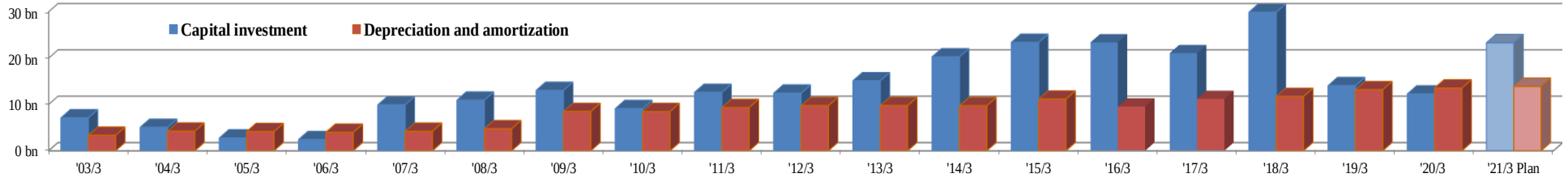
	'03/3	'04/3	'05/3	'06/3	'07/3	'08/3	'09/3	'10/3	'11/3	'12/3	'13/3	'14/3	'15/3 1st half	'15/3 2nd half	'15/3 Full year	'16/3 1st half	'16/3 2nd half	'16/3 Full year	'17/3 1st half	'17/3 2nd half	'17/3 Full year	'18/3 1st half	'18/3 2nd half	'18/3 Full year	'19/3 1st half	'19/3 2nd half	'19/3 Full year	'20/3 1st half	'20/3 2nd half	'20/3 Full year	'21/3 Plan 1st half	'21/3 Plan 2nd half	'21/3 Plan 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**	**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**	**88.3**	**162.7**
	-6.0	-13.8	-36.5	-10.0	-13.0	-39.5	-37.0	-25.0																									
The Price of Material						Decrease in raw material prices		+78.0						Decrease in raw material prices		+16.0	+15.0	+31.0	+20.0	+3.0	+23.0							+2.5	+5.2	+7.7	+11.0	+5.0	+16.0
						Raw material price increase		-19.0	-23.0	-37.0	-15.5	-46.0	-7.0	-	-7.0							-13.0	-13.0	-26.0	-14.8	-15.5	-30.3						
	-25.0	+7.7	+29.2		+4.0	+9.0	+38.0	+25.0		+32.0	+6.5		Naphtha formula			-3.0	-8.0	-11.0	-12.5	-11.0	-23.5												
Sales Price						1st product price reduction		-44.0		Product price correction		+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		-13.0	-10.0	-3.0	-13.0																		
Sales Efforts	Raw material replacement and lighter-weight products		+2.0	+8.0	+8.6	+11.8	+24.5	+20.0		New material effects		+8.0	+4.5	+10.0	+14.5	+8.5	+11.0	+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	+4.0	+4.0	+8.0
	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	-	+4.0	+4.0																	
Improved Production	+2.4	-0.6	-2.0	+6.0	+8.7	+3.0	+2.5	+9.5	+12.0	+9.0	+2.5	+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	-2.0	-1.0	-3.0
Improved Distribution	+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	-	+1.5	+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	-0.5	-0.5	-1.0
Group Companies								+5.0	+5.5	+5.0	+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	-1.5	+1.5	-
	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	-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	-4.3	-4.4	-9.1
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	-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	+4.5	+14.1	+6.7	+4.6	+11.3
Ordinary profit	**28.6**	**33.6**	**36.3**	**66.5**	**81.2**	**64.5**	**92.9**	**122.3**	**134.7**	**149.5**	**151.2**	**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**	**88.3**	**162.7**	**81.1**	**92.9**	**174.0**

Trends in Capital Investment and R&D Costs



Unit : million yen

	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 ended March 2020	FY ending March 2021 Plan
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	12,214	23,300
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	11,688	22,850
Intangible	958	789	120	238	362	254	841	263	233	329	303	506	325	324	269	549	595	525	450
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	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	13,532	13,900
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	1,229	1,312



* 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		Strategy for Plastic Material Recycling by the Ministry of the Environment (Rough Plan): *Milestone*
Taking into account the full environmental impacts of alternatives, significantly reducing the unnecessary use of single-use plastics.	**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.
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.	**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.
Working with industry to increase recycled content by at least 50% in plastic products where applicable by 2030.	**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.

* Created by FPCO based on data from the Ministry of the Environment

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

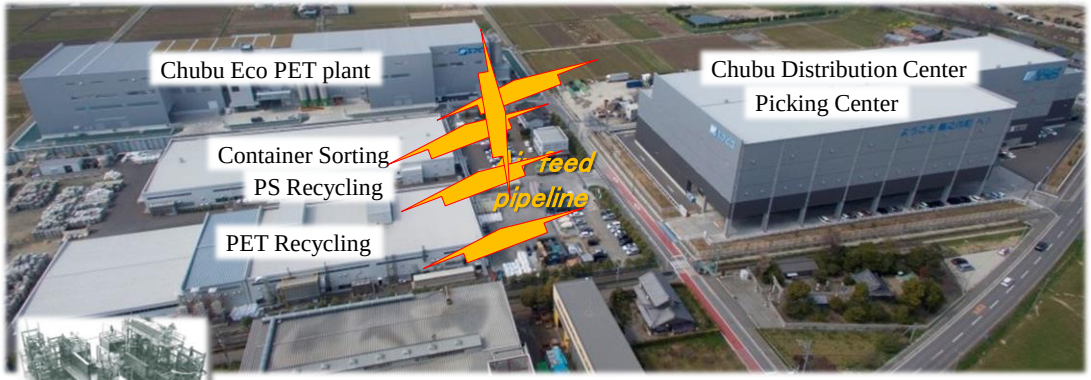
Kanto
30 minutes from Koga station on JR East Lines.

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