

# *Financial Results*

## *for the Nine Months Ended December 31, 2020*

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.

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# Financial Results Summary (For the Nine Months Ended December 31, 2020)



**Record high** ✓ Highest sales ever for the eleventh consecutive year  
 ✓ Operating profit, ordinary profit, and profit attributable to owners of parent grew for the third consecutive year

Unit: million yen	Results for Nine Months							Results for Third quarter					Full year projections (original)		Full year revised projections (Oct.30)		Full year revised projections (Jan.29)				
	FY ended March 2020		FY ending March 2021					FY ended March 2020		FY ending March 2021			FY ending March 2021		FY ending March 2021		FY ending March 2021				
	Performance	Percentage	Performance	Percentage	Increase/decrease	Year-on-year	Quantity	Performance	Percentage	Performance	Percentage	Increase/decrease	Year-on-year	Quantity	Planned	Percentage	Planned	Percentage	Planned	Percentage	Progress rate
Trays	27,611	19.1	31,125	20.5	+3,513	112.7%	111.7%	9,937	19.3	11,371	20.6	+1,434	114.4%	113.9%	37,775	19.9	40,370	20.7	40,626	20.7	76.6%
Lunchboxes and prepared food containers	80,432	55.7	83,978	55.4	+3,545	104.4%	104.7%	28,858	56.1	30,439	55.1	+1,580	105.5%	107.0%	105,530	55.5	108,087	55.4	108,212	55.2	77.6%
Subtotal	108,044	74.8	115,103	75.9	+7,059	106.5%	107.1%	38,796	75.4	41,811	75.7	+3,014	107.8%	109.4%	143,305	75.4	148,457	76.1	148,838	75.9	77.3%
Other products	2,383	1.7	2,129	1.4	-253	89.4%		802	1.6	787	1.4	-14	98.2%		2,895	1.5	2,743	1.4	2,762	1.4	77.1%
Sales of products	110,427	76.5	117,233	77.3	+6,805	106.2%		39,598	76.9	42,598	77.1	+3,000	107.6%		146,200	76.9	151,200	77.5	151,600	77.3	77.3%
packaging materials	29,583	20.5	30,042	19.8	+458	101.6%		10,366	20.1	11,228	20.3	+861	108.3%		38,340	20.2	38,163	19.6	38,728	19.8	77.6%
Other goods	4,367	3.0	4,382	2.9	+14	100.3%		1,511	2.9	1,436	2.6	-75	95.0%		5,460	2.9	5,637	2.9	5,672	2.9	77.3%
Sales of goods	33,951	23.5	34,424	22.7	+473	101.4%		11,878	23.1	12,664	22.9	+785	106.6%		43,800	23.1	43,800	22.5	44,400	22.7	77.5%
Net Sales	144,378	100.0	151,658	100.0	+7,279	105.0%		51,476	100.0	55,262	100.0	+3,786	107.4%		190,000	100.0	195,000	100.0	196,000	100.0	77.4%
Operating profit	12,810	8.9	15,467	10.2	+2,656	120.7%		5,715	11.1	7,156	12.9	+1,440	125.2%		16,700	8.8	17,500	9.0	18,500	9.4	83.6%
Ordinary profit	13,311	9.2	15,904	10.5	+2,593	119.5%		5,866	11.4	7,339	13.3	+1,473	125.1%		17,400	9.2	18,200	9.3	19,200	9.8	82.8%
Profit attribute to owners of parent	8,786	6.1	10,608	7.0	+1,822	120.7%		3,943	7.7	4,954	9.0	+1,011	125.6%		11,290	5.9	11,690	6.0	12,100	6.2	87.7%
Ordinary profit before depreciation and amortization	23,412		26,138		+2,726	111.6%		9,264		10,752		+1,487	116.1%		31,296		32,100		33,100		79.0%

## ■ Sales

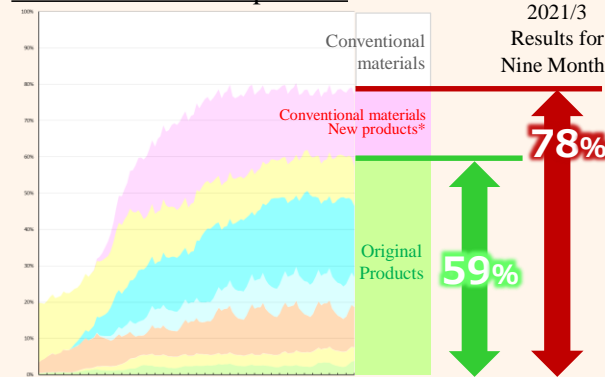
### Products

- Rise in demand for fresh food, home-delivered food and takeout food following expansion of the stay-at-home economy
- Strong sales of recycled Eco Trays
- Shift from buffet style to food items in containers

### Goods

- Utilization of E-commerce site "PACK MARKET", to expand sales of hygiene products, etc.

### ◇ Product sales composition



### ◇ Year-on-year

	1Q results	2Q results	3Q results	Full year projections (original)	Full year revised projections (Oct.30)	Full year revised projections (Jan.29)
Sales of products	107.2%	103.6%	107.6%	102.4%	105.9%	106.1%
Quantity	106.8%	104.9%	109.4%	103.0%	107.2%	107.2%
Ordinary profit	124.8%	108.2%	125.1%	106.9%	111.8%	118.0%
Ordinary profit ratio	8.1%	9.6%	13.3%	9.2%	9.3%	9.8%

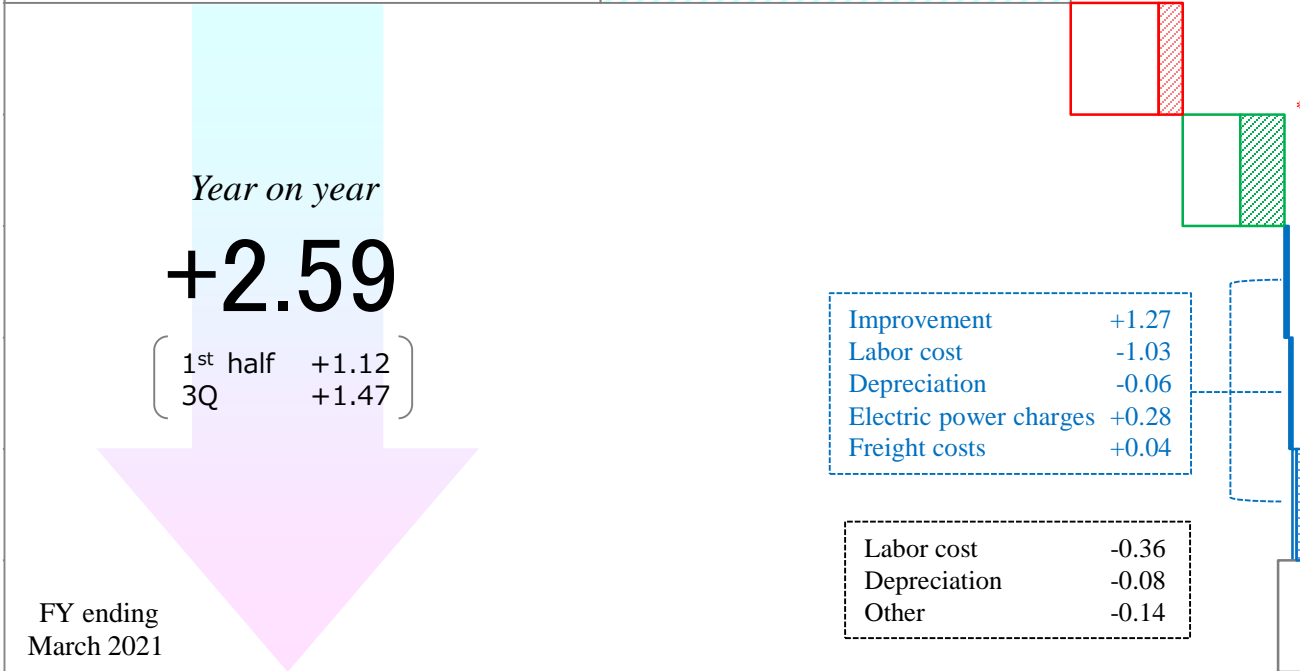
# Results for Increase/Decrease in Ordinary Profit (For the Nine months Ended December 31, 2020)

Unit: billion yen

FY ended March 2020		16.27
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1 <sup>st</sup> half	7.44	2 <sup>nd</sup> half	8.83
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9 Months	13.31 (3Q 5.87)
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**The Price of Material +1.40**  
(1Q +0.40, 2Q +0.70, 3Q +0.30)

\* Including the impact of naphtha-linked pricing on selling prices to customers

**Sales Efforts +1.27**  
(1Q +0.50, 2Q +0.22, 3Q +0.55)

**Improved Production +0.05**  
(1Q ±0.00, 2Q -0.15, 3Q +0.20)

**Improved Distribution Group Companies +0.40**  
(1Q +0.08, 2Q -0.15, 3Q +0.47)

**Expenses -0.58**  
(1Q -0.17, 2Q -0.26, 3Q -0.15)

Outlook(Oct.30) Difference

+0.15

+0.15

+0.10

+0.32

Outlook(Oct.30) Difference

+0.72

15.18

Total

+0.72

9 Months	15.90 (3Q 7.34)
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1 <sup>st</sup> half	8.56	2 <sup>nd</sup> half outlook	10.64
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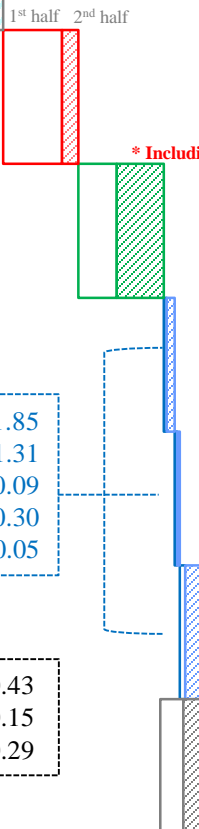
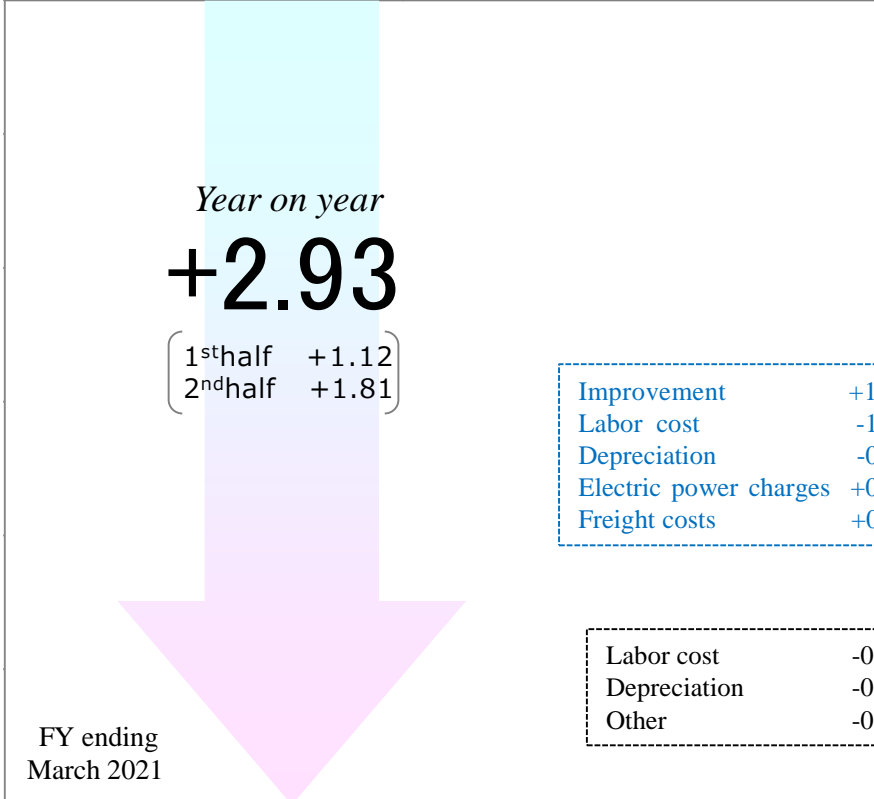
Full Year outlook	19.20
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# Outlook for Increase/Decrease in Ordinary Profit

**Outlook(Jan. 29)**

Unit: billion yen

FY ended March 2020		16.27
1 <sup>st</sup> half	7.44	2 <sup>nd</sup> half 8.83



- The Price of Material +1.40**  
(1<sup>st</sup> half +1.10, 2<sup>nd</sup> half +0.30)  
(1Q +0.40, 2Q +0.70, 3Q +0.30, 4Q ±0.00)  
*\* Including the impact of naphtha-linked pricing on selling prices to customers*
- Sales Efforts +1.60**  
(1<sup>st</sup> half +0.72, 2<sup>nd</sup> half +0.88)  
(1Q +0.50, 2Q +0.22, 3Q +0.55, 4Q +0.33)
- Improved Production +0.20**  
(1<sup>st</sup> half -0.15, 2<sup>nd</sup> half +0.35)  
(1Q ±0.00, 2Q -0.15, 3Q +0.20, 4Q +0.15)
- Improved Distribution +0.10**  
(1<sup>st</sup> half -0.05, 2<sup>nd</sup> half +0.15)  
(1Q -0.05, 2Q ±0.00, 3Q +0.10, 4Q +0.05)
- Group Companies +0.50**  
(1<sup>st</sup> half -0.07, 2<sup>nd</sup> half +0.57)  
(1Q +0.08, 2Q -0.15, 3Q +0.47, 4Q +0.10)
- Expenses -0.87**  
(1<sup>st</sup> half -0.43, 2<sup>nd</sup> half -0.44)  
(1Q -0.17, 2Q -0.26, 3Q -0.15, 4Q -0.29)

Outlook(Oct.30) Difference	3Q difference	Changes in the 4Q outlook
-0.05	-0.05	-0.05
+0.23	+0.15	+0.08
+0.25	+0.15	+0.10
+0.20	+0.10	+0.10
+0.37	+0.32	+0.05
<b>Total +1.00</b>	<b>+0.72</b>	<b>+0.28</b>

1 <sup>st</sup> half	8.56	2 <sup>nd</sup> half outlook	10.64
Full Year outlook		19.20	

# Capital Investments and R&D Costs

(Results for the Nine Months Ended December 31, 2020)

Unit: million yen	Results for Nine Months				Full year projections	
	FY ended March 2020	FY ending March 2021			FY ending March 2021	
	Performance	Performance	Increase / decrease	Year-on-year	Planned	Progress rate
Tangible fixed assets	7,773	13,216	+5,442	170.0%	22,850	57.8%
Intangible fixed assets	357	233	-124	65.2%	450	51.8%
<b>Capital investments</b>	<b>8,131</b>	<b>13,449</b>	<b>+5,317</b>	<b>165.4%</b>	<b>23,300</b>	<b>57.7%</b>
Depreciation and amortization costs	10,101	10,234	+133	101.3%	13,900	73.6%
Research and development costs	940	910	-29	96.9%	1,312	69.4%

## Major Capital Investments

Unit: million yen

### Investment in original products:

#### Improving production capacity and quality of Eco APET products

	Total investment	Plan in period	Results for Nine Months
◆ Eco APET materials: Increase in the productivity (Kanto, Chubu)	676	676	206
◆ Eco APET materials: Quality improvement by pelletizing (Chubu)	810	337	241
◆ Eco APET products: Reinforcement of the production capacity of molding machines	408	408	492
◆ Land for a new plant (in Kansai) Acquired in May 2020	1,815	1,633	1,634

### Investment corresponding to expansion of the sales quantity:

#### Stable supply, Efficiency improvement, Maintenance of working environment

	Total investment	Plan in period	Results for Nine Months
◆ Introduction of automation facilities		637	470
◆ Reinforcement of the production capacity of Conventional materials New products	1,462	1,462	484
◆ Kyusyu Distribution Center extension Inaugurated in Sep. 2020	644	581	566
◆ Fukuyama Distribution Center extension Inaugurated in Nov. 2020	3,950	3,845	3,450
◆ Chubu Distribution Center extension To be inaugurated in Sep. 2021	5,285	2,662	706
◆ Group home Inaugurated in Apr. 2020	195	93	88
◆ Company dormitories for single employees in Fukuyama Inaugurated in Oct. 2020	435	388	379
◆ Molds		1,874	874
◆ IT investments		532	270

◇ Index

