

Financial Results

for the Fiscal Year Ended March 31, 2021

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.**

Financial Results Summary

(For the FY Ended March 2021)



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 Full year							Full year projections (original)			Full year revised projections (Oct.30)			Full year revised projections (Jan.29)		
	FY ended March 2020		FY ended March 2021					FY ended March 2021			FY ended March 2021			FY ended March 2021		
	Performance	Percentage	Performance	Percentage	Increase/decrease	Year-on-year	Quantity	Planned	Percentage	Progress rate	Planned	Percentage	Progress rate	Planned	Percentage	Progress rate
Trays	36,263	19.5	40,635	20.6	+4,372	112.1%	111.2%	37,775	19.9	107.6%	40,370	20.7	100.7%	40,626	20.7	100.0%
Lunchboxes and prepared food containers	103,541	55.6	108,726	55.2	+5,185	105.0%	105.5%	105,530	55.5	103.0%	108,087	55.4	100.6%	108,212	55.2	100.5%
Subtotal	139,804	75.0	149,362	75.8	+9,557	106.8%	107.5%	143,305	75.4	104.2%	148,457	76.1	100.6%	148,838	75.9	100.4%
Other products	3,027	1.6	2,796	1.4	-230	92.4%		2,895	1.5	96.6%	2,743	1.4	102.0%	2,762	1.4	101.3%
Sales of products	142,831	76.6	152,158	77.3	+9,327	106.5%		146,200	76.9	104.1%	151,200	77.5	100.6%	151,600	77.3	100.4%
packaging materials	37,892	20.3	39,030	19.8	+1,138	103.0%		38,340	20.2	101.8%	38,163	19.6	102.3%	38,728	19.8	100.8%
Other goods	5,626	3.0	5,761	2.9	+135	102.4%		5,460	2.9	105.5%	5,637	2.9	102.2%	5,672	2.9	101.6%
Sales of goods	43,518	23.4	44,791	22.7	+1,273	102.9%		43,800	23.1	102.3%	43,800	22.5	102.3%	44,400	22.7	100.9%
Net Sales ※	186,349	100.0	196,950	100.0	+10,600	105.7%		190,000	100.0	103.7%	195,000	100.0	101.0%	196,000	100.0	100.5%
Operating profit	15,507	8.3	18,763	9.5	+3,255	121.0%		16,700	8.8	112.4%	17,500	9.0	107.2%	18,500	9.4	101.4%
Ordinary profit	16,274	8.7	19,381	9.8	+3,107	119.1%		17,400	9.2	111.4%	18,200	9.3	106.5%	19,200	9.8	100.9%
Profit attribute to owners of parent	10,777	5.8	12,211	6.2	+1,433	113.3%		11,290	5.9	108.2%	11,690	6.0	104.5%	12,100	6.2	100.9%
Ordinary profit before depreciation and amortization	29,807		32,991		+3,184	110.7%		31,296	105.4%		32,100	102.8%		33,100	99.7%	

* Before the change of the revenue recognition standard

■ Sales

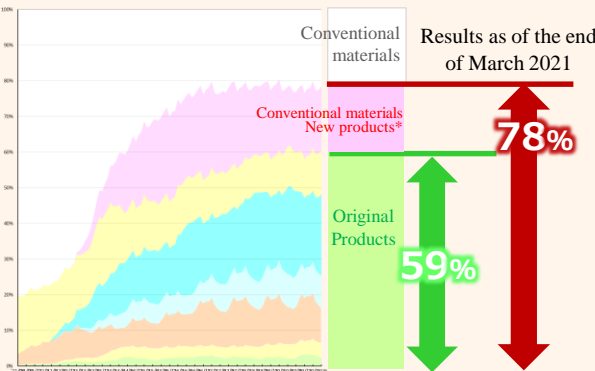
Products

- 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

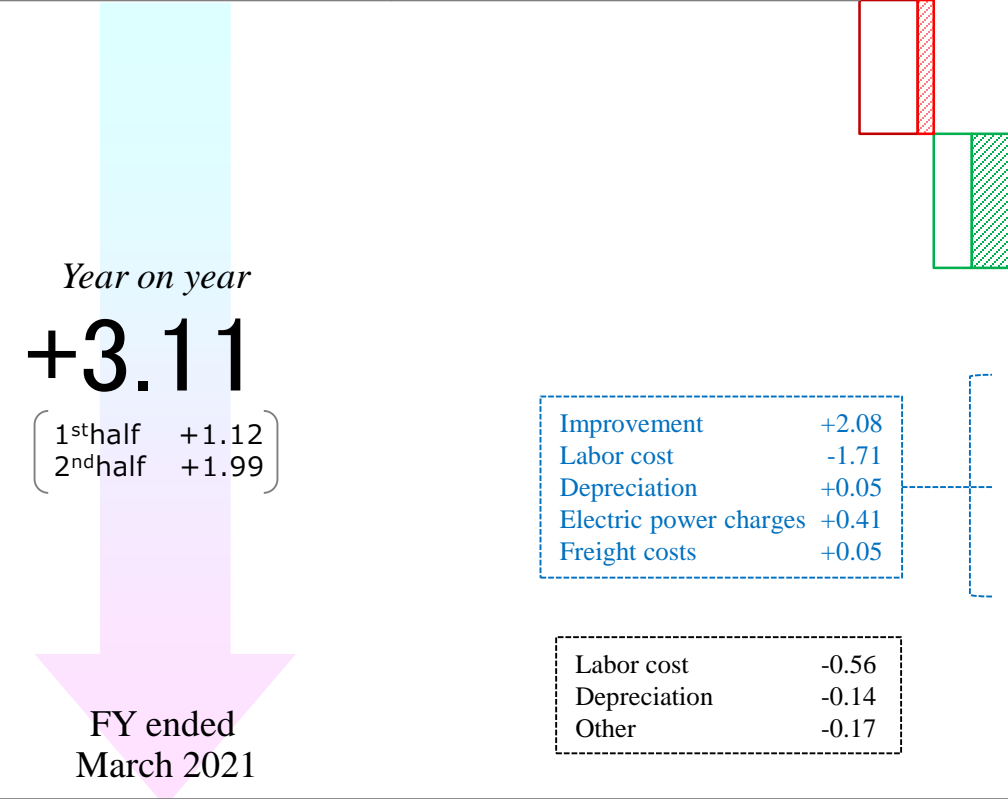
	1Q results	2Q results	3Q results	4Q results	Full-year results	Full year projections (original)	Full year revised projections (Oct.30)	Full year revised projections (Jan.29)
Sales of products	107.2%	103.6%	107.6%	107.8%	106.5%	102.4%	105.9%	106.1%
Quantity	106.8%	104.9%	109.4%	108.7%	107.5%	103.0%	107.2%	107.2%
Ordinary profit	124.8%	108.2%	125.1%	117.4%	119.1%	106.9%	111.8%	118.0%
Ordinary profit ratio	8.1%	9.6%	13.3%	7.7%	9.8%	9.2%	9.3%	9.8%

Increase/Decrease in Ordinary Profit

(For the FY Ended March 2021)

Unit: billion yen

FY ended March 2020		16.27
1 st half	7.44	2 nd half 8.83



The Price of Material	+1.40	Outlook (Jan.29) Difference
<small>(1Q +0.40, 2Q +0.70, 3Q +0.30, 4Q ±0.00)</small>		
<small>* Including the impact of naphtha-linked pricing on selling prices to customers</small>		
Sales Efforts	+1.70	+0.10
<small>(1Q +0.50, 2Q +0.22, 3Q +0.55, 4Q +0.43)</small>		
Improved Production	+0.20	
<small>(1Q ±0.00, 2Q -0.15, 3Q +0.20, 4Q +0.15)</small>		
Improved Distribution	+0.10	
<small>(1Q -0.05, 2Q ±0.00, 3Q +0.10, 4Q +0.05)</small>		
Group Companies	+0.58	+0.08
<small>(1Q +0.08, 2Q -0.15, 3Q +0.47, 4Q +0.18)</small>		
Expenses	-0.87	
<small>(1Q -0.17, 2Q -0.26, 3Q -0.15, 4Q -0.29)</small>		
Total		+0.18

1 st half	8.56	2 nd half	10.82
----------------------	------	----------------------	-------

Full year		19.38
-----------	--	-------

Year on year
+3.11
(1sthalf +1.12, 2ndhalf +1.99)
FY ended March 2021

Improvement	+2.08
Labor cost	-1.71
Depreciation	+0.05
Electric power charges	+0.41
Freight costs	+0.05

Labor cost	-0.56
Depreciation	-0.14
Other	-0.17

Capital Investments and R&D Costs

(For the FY Ended March 2021)

Unit: million yen	Results for Full year				Full year projections	
	FY ended March 2020	FY ended March 2021			FY ended March 2021	
	Performance	Performance	Increase / decrease	Year-on-year	Planned	Progress rate
Tangible fixed assets	11,688	19,105	+7,416	163.5%	22,850	83.6%
Intangible fixed assets	525	306	-219	58.3%	450	68.2%
Capital investments	12,214	19,412	+7,197	158.9%	23,300	83.3%
Depreciation and amortization costs	13,532	13,609	+76	100.6%	13,900	97.9%
Research and development costs	1,229	1,195	-34	97.2%	1,312	91.1%

Major Capital Investments

Unit: million yen

Investment in original products:

Improving production capacity and quality of Eco APET products

- ◆ Eco APET materials: Increase in the productivity (Kanto, Chubu)
- ◆ Eco APET materials: Quality improvement by pelletizing (Chubu)
- ◆ Eco APET products: Reinforcement of the production capacity of molding machines

- ◆ Land for the new plant and the distribution center of the new facility in Hyogo Acquired in May 2020

Investment corresponding to expansion of the sales quantity:

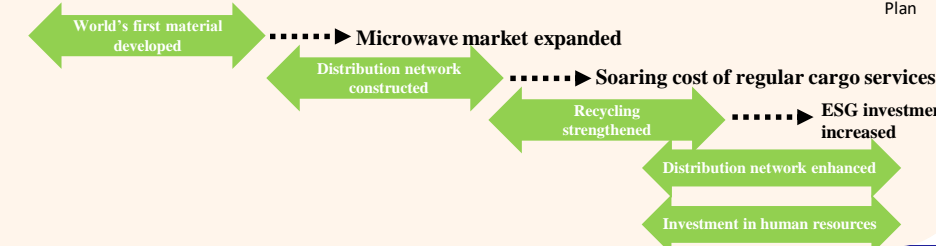
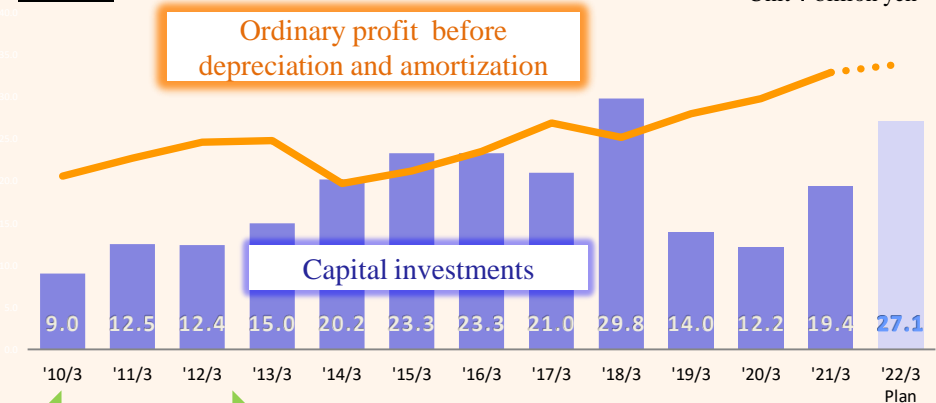
Stable supply, Efficiency improvement, Maintenance of working environment

- ◆ Introduction of automation facilities
- ◆ Reinforcement of the production capacity of Conventional materials New products
- ◆ Kyusyu Distribution Center extension Inaugurated in Sep. 2020
- ◆ Fukuyama Distribution Center extension Inaugurated in Nov. 2020
- ◆ Chubu Cross Dock Center extension To be inaugurated in Sep. 2021
- ◆ Group home Inaugurated in Apr. 2020
- ◆ Company dormitories for single employees in Fukuyama Inaugurated in Oct. 2020
- ◆ Molds
- ◆ IT investments

Total investment	Plan in period	Results for Full year
676	676	370
810	337	245
408	408	492
1,815	1,633	1,634
	637	590
1,462	1,462	1,444
644	581	566
3,950	3,845	3,478
5,285	2,662	2,591
195	93	88
435	388	379
	1,874	1,426
	532	378

◇Index

Unit : billion yen



Balance Sheet

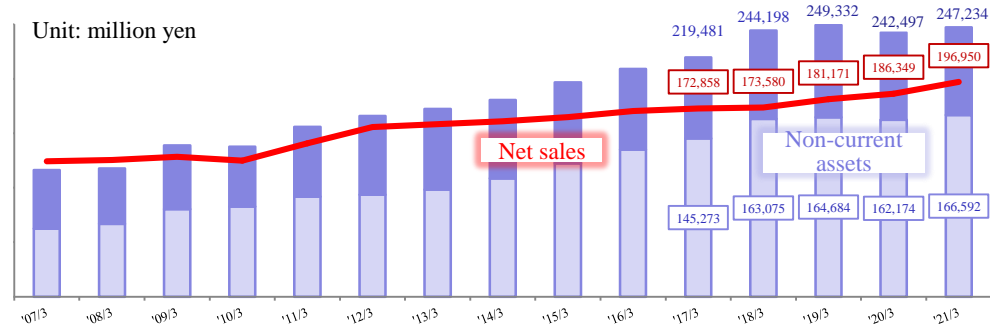
(For the FY Ended March 2021)

Unit: million yen	Previous consolidated fiscal year	Consolidated fiscal year under review			
	FY ended March 2020 As of March 31, 2020	As of March 31, 2021	Increase/ decrease	FY ended March 2021 Year-on-year	Breakdown of main increases and decreases
Current assets	80,322	80,641	+318	100.4%	Cash and deposits -2,403 Notes and accounts receivable-trade +2,537 Merchandise and finished goods +832 Raw materials and supplies -838
Noncurrent assets	162,174	166,592	+4,418	102.7%	Buildings and structures +1,849 Lands +2,893
Total assets	242,497	247,234	+4,736	102.0%	
Current liabilities	79,569	78,527	-1,042	98.7%	Accounts payable - trade +1,875 Short-term loans payable -5,612 Income taxes payable +1,297 Short-term loans payable +543 Provision for fire loss +220
Noncurrent liabilities	43,626	43,726	+100	100.2%	Long-term loans payable +205 Net defined benefit liability +239
Total liabilities	123,196	122,253	-942	99.2%	
Net assets	119,301	124,980	+5,679	104.8%	Retained earnings +5,801 Treasury shares -522
Total liabilities and net assets	242,497	247,234	+4,736	102.0%	

Equity ratio 50.3%

- 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

◇Changes in Net sales/Total assets



Cash Flows

(For the FY Ended March 2021)

Unit: million yen	Results for Full year		
	FY ended March 2020 Performance	Performance	FY ended March 2021 Breakdown of main items
CF from operating activities	27,770	31,814	Income before income taxes 18,060 Depreciation 13,609 Fire loss 2,104 Increase (decrease) in notes and accounts receivable - trade -2,557
CF from investing activities	-10,989	-19,131	Purchase of property, plant and equipment -17,319
Free cash flows	16,780	12,682	
CF from financing activities	-15,643	-15,086	Proceeds from long-term loans payable 17,567 Repayment of long-term loans payable -22,974 Repurchase of treasury shares -4,068 Cash dividends paid -3,390
Net increase(decrease)in cash and cash equivalents	1,136	-2,403	
Cash and cash equivalents at end of period	20,288	17,884	

■ CF from operating activities

Ensuring profit by selling original products and streamlining efforts

■ CF from investing activities

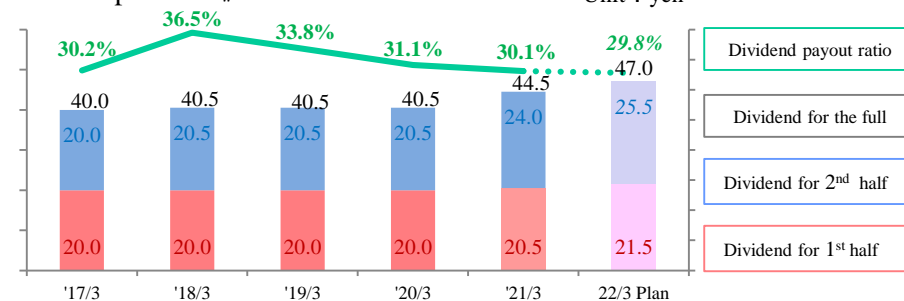
Strategic investment to construct the bases to make a profit for future

■ CF from financing activities

Continuously stable dividend

Treasury shares acquired for improving capital efficiency and providing shareholder returns

《Dividend per share》



* 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.

Plan
for the Fiscal Year Ending March 2022

Outline of Plan for Account Settlement

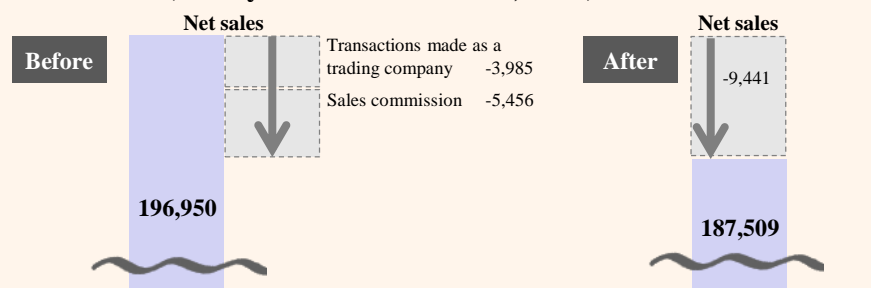
(For the FY Ending March 2022)

Unit: million yen	Results for Full year		Full year projections				First half projections			
	FY ended March 2021		FY ending March 2022				FY ending March 2022			
	Performance	percentage	Planned	percentage	increase/ decrease	Year-on -year	Planned	percentage	increase/ decrease	Year-on -year
Trays	39,046	20.8	41,223	21.1	+2,176	105.6%	20,034	20.7	+1,039	105.5%
Lunchboxes and prepared food containers	104,681	55.8	109,088	55.9	+4,406	104.2%	54,661	56.5	+3,118	106.1%
Subtotal	143,728	76.7	150,311	77.1	+6,582	104.6%	74,695	77.2	+4,158	105.9%
Other products	3,058	1.6	3,088	1.6	+30	101.0%	1,504	1.6	+14	101.0%
Sales of products	146,786	78.3	153,400	78.7	+6,613	104.5%	76,200	78.8	+4,173	105.8%
packaging materials	39,043	20.8	39,903	20.5	+859	102.2%	19,713	20.4	+667	103.5%
Other goods	1,679	0.9	1,696	0.9	+16	101.0%	786	0.8	+7	101.0%
Sales of goods	40,723	21.7	41,600	21.3	+876	102.2%	20,500	21.2	+675	103.4%
Net Sales ※	187,509	100.0	195,000	100.0	+7,490	104.0%	96,700	100.0	+4,848	105.3%
Operating profit	18,763	10.0	19,600	10.1	+836	104.5%	8,780	9.1	+468	105.6%
Ordinary profit	19,381	10.3	20,200	10.4	+818	104.2%	9,100	9.4	+535	106.3%
Profit attribute to owners of parent	12,211	6.5	12,900	6.6	+688	105.6%	5,840	6.0	+186	103.3%
Ordinary profit before depreciation and amortization	32,991		33,960		+968	102.9%	15,890		+503	103.3%

*After the change of the revenue recognition standard/ After the reclassification of items

Impact of the change of the revenue recognition standard (fiscal year ended March 31, 2021)

(Million yen)



Comparisons with the previous year's plan

	1st half plan	2nd half plan	Full-year plan
Sales of products	105.8%	103.3%	104.5%
Quantity	107.0%	104.0%	105.5%
Ordinary profit	106.3%	102.6%	104.2%
Ordinary profit ratio	9.4%	11.3%	10.4%

Outlook for Increase/Decrease in Ordinary Profit (For the FY Ending March 2022)

Outlook(Apr 28 2021)

Unit: billion yen

FY ended March 2021 19.38

1st half 8.56

2nd half 10.82

Year on year
+0.82

(1sthalf +0.54
2ndhalf +0.28)

Improvement +2.61
Labor cost -1.17
Depreciation +0.18
Electric power charges -0.07
Freight costs +0.25

Labor cost -0.27
Depreciation -0.33
Other -0.48

The Price of Material -1.80
(1st half -0.80, 2nd half -1.00)

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

Sales Efforts +1.90
(1st half +1.10, 2nd half +0.80)

Improved Production +0.70
(1st half +0.35, 2nd half +0.35)

Improved Distribution +0.50
(1st half +0.25, 2nd half +0.25)

Group Companies +0.60
(1st half +0.40, 2nd half +0.20)

Expenses -1.08
(1st half -0.76, 2nd half -0.32)

FY ending
March 2022

1st half outlook 9.10

2nd half outlook 11.10

Full year outlook 20.20

Planned Capital Investment and R&D Cost

(For the FY Ending March 2022)

Unit: million yen	Results for Full year	Full year projections			First half projections		
	FY ended March 2021	FY ending March 2022			FY ending March 2022		
	Performance	Planned	Increase / decrease	Year-on-year	Planned	Increase / decrease	Progress rate
Tangible fixed assets	19,105	26,600	+7,494	139.2%	13,600	+5,574	169.5%
Intangible fixed assets	306	500	+193	163.0%	300	+121	168.4%
Capital investments	19,412	27,100	+7,687	139.6%	13,900	+5,696	169.4%
Depreciation and amortization costs	13,609	13,760	+150	101.1%	6,790	-31	99.5%
Research and development costs	1,195	1,335	+139	111.7%	665	+102	118.1%

Major capital investments

unit: million yen

Investment in original products:

Improving production capacity and quality of Eco APET products

	Total investment	Plan in period
◆ Eco APET materials: Increase in productivity (Kanto, Chubu)	1,135	1,135
◆ Eco APET materials: Quality improvement by pelletizing (Chubu)	793	73

Investment corresponding to expansion of the sales quantity:

Stable supply, Efficiency improvement, Maintenance of working environment

	Total investment	Plan in period
◆ Introduction of automation facilities		224
◆ Capacity enhancement for PSP products	1,222	1,222
◆ Reinforcement of the production capacity of Conventional materials New products	625	625
◆ Chubu Cross Dock Center extension	To be inaugurated in Sep. 2021	5,285
◆ Rebuilding of Chubu Plant 1	To be inaugurated in May 2022	6,693
◆ New plant and the distribution center of the new facility in Hyogo	To be inaugurated in Sep. 2022	25,261
◆ Pico House No.5	To be inaugurated in Sep. 2022	2,305
◆ Molds		1,852
◆ IT investments		635

◇ Index

