May 10, 2011

Consolidated Financial Results for the Year Ended March 31, 2011

Company name:	FP Corporation		
Stock exchange listing:	Tokyo Stock Exchange, Osaka Securities Exchange		
Stock code:	7947	URL:	http://www.fpco.co.jp/
Representative:	Morimasa Sato, Representative Director, President and CEO		
Contact:	Toshio Takizaki, Director and Head of Finance and Accounting Division Tel. +81-8-4953-1145		

Scheduled date for ordinary general meeting of shareholders: June 29, 2011
Scheduled date of commencement of dividend payment: June 13, 2011
Scheduled date for filing of securities report: June 30, 2011
Supplementary documents for financial results: Yes
Financial results briefing: Yes

(Amounts of less than one million yen are truncated.)

1. Consolidated Financial Results for the Year Ended March 31, 2011 (April 1, 2010 – March 31, 2011)

(1) Consolidated Results of Operations

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
As of	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2011	140,720	12.6	13,058	9.8	13,465	10.2	7,959	11.9
March 31, 2010	124,918	-2.6	11,892	29.4	12,220	31.4	7,114	34.2

(Note) Comprehensive income: As of March 31, 2011: 7,652 million yen (1.9%)
As of March 31, 2010: 7,504 million yen (—%)

	Net income per share (basic)	Net income per share (diluted)	Return on equity	Ratio of ordinary income to total assets	Operating margin
As of	Yen	Yen	%	%	%
March 31, 2011	380.90	–	12.8	9.2	9.3
March 31, 2010	340.67	–	12.5	8.8	9.5

(Reference) Gain or loss from investments by the equity method: Fiscal year ended March 2011: — million yen
Fiscal year ended March 2010: — million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2011	155,738	64,440	41.4	3,111.61
March 31, 2010	137,720	59,808	43.4	2,860.36

(Reference) Shareholders' equity: As of March 31, 2011: 64,404 million yen
As of March 31, 2010: 59,736 million yen

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at term end
As of	Million yen	Million yen	Million yen	Million yen
March 31, 2011	14,291	-8,201	-3,919	13,273
March 31, 2010	16,369	-9,701	-11,673	11,102

2. Dividends

	Dividend per share					Total Dividend	Dividend payout ratio	Dividend on equity
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 31, 2010	–	50.00	–	52.00	102.00	2,130	29.9	3.7
Year ended March 31, 2011	–	58.00	–	58.00	116.00	2,409	30.5	3.9
Year ending March 31, 2012 (forecast)	–	58.00	–	58.00	116.00		27.9	

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2012 (April 1, 2011 – March 31, 2012)

(For the fiscal year, percentages show year-on-year changes, and for the first six-month cumulative period, percentages show changes over the corresponding period last year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First six-month cumulative period	77,184	16.7	6,692	1.1	6,900	1.0	3,980	(0.6)	192.29
Year ending March 31, 2012	160,000	13.7	14,494	11.0	14,900	10.7	8,600	8.0	415.49

4. Others

(1) Changes of important subsidiaries during the period (change in specific subsidiaries accompanied by a change in the scope of consolidation): None
   Companies added to the scope: -- companies (name:)
   Companies removed from the scope: -- companies (name:)

(2) Changes in accounting principles, procedures, and the method of presentation, etc.
   (i) Changes caused by revision of accounting standards: Yes
   (ii) Changes other than (i): None

(3) Number of shares outstanding (common stock):
   (i) Number of shares outstanding at end of period (including treasury stock)
      As of March 31, 2011: 22,142,106 shares
      As of March 31, 2010: 22,142,106 shares
   (ii) Number of treasury stock at end of period:
      As of March 31, 2011: 1,443,850 shares
      As of March 31, 2010: 1,257,985 shares
   (iii) Average number of shares outstanding during the period
      As of March 31, 2011: 20,896,504 shares
      As of March 31, 2010: 20,883,966 shares

(Reference) Overview of non-consolidated operating results

1. Overview of non-consolidated operating results for the year ended March 2011 (April 1, 2010 – March 31, 2011)

(1) Non-Consolidated Results of Operations (Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
As of	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2011	116,674	1.9	10,511	6.6	10,366	6.9	5,952	6.9
March 31, 2010	114,462	-4.8	9,862	22.1	9,697	22.8	5,567	35.5

	Net income per share (basic)	Net income per share (diluted)
As of	Yen	Yen
March 31, 2011	284.37	–
March 31, 2010	266.58	–

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2011	140,304	55,977	39.9	2,704.46
March 31, 2010	128,723	53,409	41.5	2,557.43

(Reference) Shareholders' equity: As of March 31, 2011: 55,977 million yen
As of March 31, 2010: 53,409 million yen

<u>* Indication concerning the condition of carrying-out of the audit procedure</u>

This Summary of Consolidated Financial Statements does not require the audit procedure based on the Financial Instruments and Exchange Act. As of the time of disclosure of this Summary of Consolidated Financial Statements, the procedure to audit financial statements based on the Financial Instruments and Exchange Act was not yet completed.

<u>*Explanations and other special notes concerning the appropriate use of business performance forecasts</u>

Descriptions regarding the future, such as the forecast of financial results herein, are calculated based on the information which is available to the Company as of the date hereof. Please note that actual results may be different due to various factors such as subsequent changes in business environment. For assumptions underlying the forecasts and notes to the forecasts, refer to "1. Consolidated Financial Results, (1) Analysis of Financial Results" on page 2 of the accompanying materials.

Accompanying Materials – Contents

1. Consolidated Financial Results

(1) Analysis of Financial Results

a) Results of operations for the year under review

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)	Increase/ decrease	Year-on-year (%)
Products	97,419	104,551	7,132	7.3
Goods	27,499	36,168	8,669	31.5
Net sales (million yen)	124,918	140,720	15,801	12.6
Ordinary income (million yen)	12,220	13,465	1,245	10.2
Net income (million yen)	7,114	7,959	844	11.9
Net income per share	340.67 yen	380.90 yen	40.23 yen	11.8

During the fiscal year under review ended March 31, 2011, the Japanese economy emerged of a temporary lull aided by robust exports and production, despite economic uncertainties attributed to the unstable global situation. The economy gradually moved towards a self-sustaining recovery accompanied by expanding domestic demand. However, the Great East Japan Earthquake that struck at the end of the fiscal year has dealt a tremendous blow to the domestic economy, and as a result the future outlook remains highly uncertain.

In these circumstances, the volumes of products sold grew significantly in spite of cooling consumption, rising to 108.2% of the previous year, as customers responded well to products with new designs and new functions, while volumes of general-purpose and lightweight products sold increased. In particular, the volumes of recycling products sold, centering on the Eco Tray products, climbed sharply to 117.8% of the previous year, supported by the new adoption of these products by large volume retailers. Sales for manufactured goods rose to 107.3% of the previous year, attributable mainly to a significant rise in the volumes of lightweight products sold, notwithstanding the impact of product price cuts made during the first three months of the current fiscal year. The Company also stepped up its advance into new markets such as containers and films for agricultural products by adding Dia Foods Co., Ltd., a manufacturer of containers for agriculture products such as packages for eggs, to the Group as a consolidated subsidiary in December 2010, together with the acquisition of the packaging division from Taiyo-Kogyo Corporation in June 2009.

As the same time, sales of commodities increased to 131.5% of the previous year, reflecting efforts to further expand the volume of goods handled by acquiring the consumables and packaging material procurement business from Yuka Shoji Company Ltd. in April 2010 and by adding Interpack Co., Ltd., a wholesaler of packaging materials, as a consolidated subsidiary in October 2010.

As a result, net sales for the fiscal year under review increased to a record high of 140,720 million yen, up 15,801 million yen (112.6% of the previous year) from the previous fiscal year.

Income increased 5.6 billion yen for the fiscal year under review, thanks to factors such as expanded volumes of products sold, the robust sales of new products, advanced weight reduction, changes in materials for products, a reduced number of product items, and an expanded volume of goods handled, as well as steady progress achieved in Group-wide cost cutting initiatives in areas such as production and logistics. Nonetheless, adverse factors were present, such as a year-on-year increase of 2.3 billion yen in raw materials costs, an impact of 900 million yen on income up to the second quarter of the fiscal year under review from cuts in product prices carried out in the previous fiscal year, and an increase of 1,155 million yen in other expenses. As a result, income rose 1,245 million yen from the previous fiscal year, and ordinary income reached 13,465 million yen (110.2% of the previous year). Net income climbed 844 million yen year on year, to 7,959 million yen (111.9% of the previous year), meaning that income hit record highs at all levels.

In terms of marketing, we held the FPCO Spring Mini-Fair 2011 in four cities (Tokyo, Nagoya, Osaka, and Fukuoka) in February and March 2011. At the Fair, we provided a venue for solving problems confronting the retail industry by proposing the presentation of a spring and summer sales floor with products featuring new functions and designs, while bringing together successful examples from around Japan and recommending specific responses to increasingly important environmental concerns. A total of 12,400 people participated in the Fair (132% of the previous mini-fair).

We will continue to provide products with new designs and functions, including those with the combined properties of cold resistance and heat resistance centering on four new kinds of sheets, heat-resistant transparent containers, lighter containers, and screw-type containers that are able to be used repeatedly even though they are one-way containers.

On the production front, we bolstered product development by including AL Right Inc., a film manufacturer, among our consolidated subsidiaries in June 2010. We are also steadily carrying out work to operate a new Kanto Plant next spring to embark on the production of PET biaxially stretched products with excellent material properties and with heat resistance and cost equivalent to those of OPS products.

With respect to logistics, we plan to open a new I Logic Fukuyama Picking Center in June 2010, open the Chubu Second Delivery Center and I Logic Chubu Picking Center in May 2011, and expand the I Logic Kanto Picking Center within the new Kanto Plant, which is to begin operating next spring. This should improve our response to the rising volume of goods handled, logistics quality, and service level, as well as reduce logistics costs.

For the environment, we completed the upgrade of the Chubu recycling plant and the network of sorting plants across Japan in November 2010, and a new recycling network consisting of nine sorting plants (in Hokkaido, Tohoku, Kanto, Tokai, Chubu, Kanazawa, Nishinomiya, Fukuyama and Kyushu) and three recycling plants (in Kanto, Chubu and Fukuyama) began operating. In December, the PET mechanical recycling plant commenced operations within the Chubu recycling plant. Sales of recycling products centering on the Eco Tray products were 16 billion yen for the fiscal year under review. We will continue to vigorously push forward with the expansion of recycling products by constructing and establishing the EPCO Method (tray-to-tray and bottle-to-tray) recycling system for expanded polystyrene food trays and transparent PET food trays.

With respect to the employment of disabled workers, part of our social responsibility, a total of 395 workers with a disability are employed by the Group as a whole (for the purposes of calculating the employment rate, the number is 670) at places such as wood container (folding box-type container) assembly plants, special subsidiaries, and offices and plants, including those of business partners, in the area of recycling and sorting, with the nine sorting plants nationwide as the main office. The employment ratio of disabled people using the standard number of workers for calculation purposes, including part-time workers, of 3,914 in the Group as a whole is 16.1%.

Concerning the effect of the Great East Japan Earthquake, although operations were suspended at Tohoku Plant (Ohira-mura, Miyagi prefecture), we were able to minimize damage to production by quickly starting production at Yamagata Plant (Sagae-shi, Yamagata prefecture) and Kanto Plant (Yuki-gun, Ibaraki prefecture). We also began production at Yamagata Plant and Kinki Kameoka Plant (Kameoka-shi, Kyoto prefecture) to make up for the three lines damaged at Kanto Shimodate Plant (Chikusei-shi, Ibaraki prefecture). In addition, although some product inventory was damaged and shipments were delayed at Kanto Delivery Center, delivery operations returned to normal after March 22 following a major effort to restore them.

As a result of these incidents, we expect that total damage caused by the Great East Japan Earthquake will reach 695 million yen for the fiscal year under review, for 500 million yen of which we anticipate receiving casualty insurance. We recorded both items in the fiscal year under review.

b) Projections for the fiscal year ending March 31, 2012

The Great East Japan Earthquake occurred just when expectations for an economic recovery were mounting, albeit moderately, and the Japanese economy had begun showing signs of recovery in the consumer market. Following the earthquake, the economic situation is highly uncertain.

Despite this business environment, we expect sales to increase 13.7% year on year, to 160 billion yen for the fiscal year ending March 31, 2012, given that our products are increasing their share of existing markets, including the outcome at the aforementioned mini-fair, that we will actively engage in application development and advance into new markets such as agriculture, and that M&A conducted in the previous fiscal year will make a contribution throughout the year. Prices of raw materials used in our products were rising steadily in the fiscal year under review. Since it is extremely difficult to absorb these recent increases, as well as expected further rises in the future, through the efforts of the Group alone, we announced on April 22, 2011 that an average 10% price revision will be applied to all manufactured goods shipped by the Group from May 21, 2011, to enable stable procurement of raw materials and the stable supply of products. We will be taking steps to successfully execute this revision.

In terms of profits, we expect ordinary income to increase 10.7% year on year, to 14.9 billion yen, with net income rising 8.0%, to 8.6 billion yen. We aim to achieve these figures by absorbing higher expenses attributable to growth capital spending and the expansion of Group companies by maintaining efforts to cut costs across the Group and improve income by appropriately revising product prices at an early stage, offsetting higher costs due to rising raw material prices.

(2) Analysis of Financial Situation

(i) State of assets, liabilities and net assets

Assets for the Group totaled 155,738 million yen at the end of the fiscal year under review, up 18,018 million yen from the end of the previous fiscal year. Key factors in this increase were increases in cash and deposits of 2,170 million yen, notes and accounts receivable-trade of 4,190 million yen, inventories of 2,903 million yen, tangible fixed assets of 9,128 million yen, and goodwill of 1,867 million yen, offsetting a decline in short-term loans receivable of 1,398 million yen and a decrease in investment securities of 924 million yen.

Consolidated liabilities amounted to 91,298 million yen, up 13,386 million yen from the end of the previous fiscal year. The increase resulted primarily from an increase in notes and accounts payable-trade of 5,381 million yen, a rise in short-term borrowing payable of 6,254 million yen and a climb in commercial paper of 5,000 million yen, offsetting a decline in income taxes payable of 1,043 million yen and a fall in long-term borrowing payable of 1,244 million yen.

Consolidated net assets reached 64,440 million yen, up 4,631 million yen from the end of the previous fiscal year. This change mainly reflected a rise in retained earnings of 5,665 million yen and an increase in capital surplus of 346 million yen, as well as a fall in treasury stock of 1,032 million yen and a decline in valuation difference on available-for-sale securities of 310 million yen.

(ii) State of cash flows

Cash and cash equivalent (hereinafter "cash") totaled 13,273 million yen at the end of the fiscal year under review, up 2,170 million yen from the end of the previous fiscal year.

The status of respective cash flows and its causes are as follows.

(Cash flows from operating activities)

Cash provided by operating activities came to 14,291 million yen (a decline in inflow of 2,078 million yen from the previous fiscal year).

Key factors included net income before income taxes and other adjustments of 13,450 million yen, depreciation and amortization of 9,316 million yen, a rise in accounts payable of 1,135 million yen, offsetting an increase in trade receivables of 119 million yen, a rise in inventories of 1,110 million yen, and income taxes paid of 6,191 million yen.

(Cash flows from investing activities)

Cash used for investing activities reached 8,201 million yen (a decline in outflow of 1,499 million yen from the previous fiscal year). Key factors included 10,780 million yen used for the acquisition of fixes assets such as picking centers and production facilities at plants and 747 million yen in proceeds from collection of long-term loans receivable.

(Cash flows from financing activities)

Cash used for financing activities was 3,919 million yen (a decrease in outflow of 7,756 million yen from the previous fiscal year). Key factors included a net increase in borrowings payable of 3,099 million yen, cash dividends paid of 2,291 million yen, and repayment of lease obligations of 3,003 million yen.

(Reference) Indicators related to cash flow

	March 31, 2007	March 31, 2008	March 31, 2009	March 31, 2010	March 31, 2011
Capital adequacy ratio (%)	43.7	43.3	39.0	43.4	41.4
Capital adequacy on a market value basis (%)	77.5	44.0	57.9	64.8	58.6
Cash flow/interest-bearing liabilities (per year)	4.0	4.4	4.0	3.0	4.1
Interest coverage ratio (timers)	29.5	25.2	21.2	27.3	28.4

Capital adequacy ratio: net worth equity capital/total assets

Capital adequacy ratio on a market value basis: total market capitalization/total assets

Cash flow/interest-bearing liabilities: interest-bearing liabilities/operating cash flow

Interest coverage ratio: operating cash flow/interest payment

* Each indicator is calculated based on consolidated financial data.

* Total market capitalization is calculated based on shares outstanding, excluding treasury stock.

* Interest-bearing liabilities include all the liabilities reported on the consolidated balance sheet for which interest is paid.

* Operating cash flow and interest payment are calculated based on "cash flows from operating activities" and "interest expenses paid" recorded in the consolidated cash flow statement.

(3) Basic Principles of Profit Distribution and Dividends for the Fiscal Year under Review and for the Next Fiscal Year

Providing shareholders with a return on their investment is one of the most important goals of the Group. While aiming to improve profitability and strengthen our financial standing, we will seek to pay consistent dividends, and maintain retained earnings as sources for the flexible strengthening of management and strategic investment in business expansion. In overall consideration of the above, we target a dividend payout ratio of 30%.

In line with these principles, we have set the dividends for the first six-month period of the fiscal year under review at 58 yen and the final dividend at 58 yen, for an annual dividend of 116 yen.

The annual dividend for the next fiscal year is expected to be 116 yen per share.

2. Business Overview and Organization

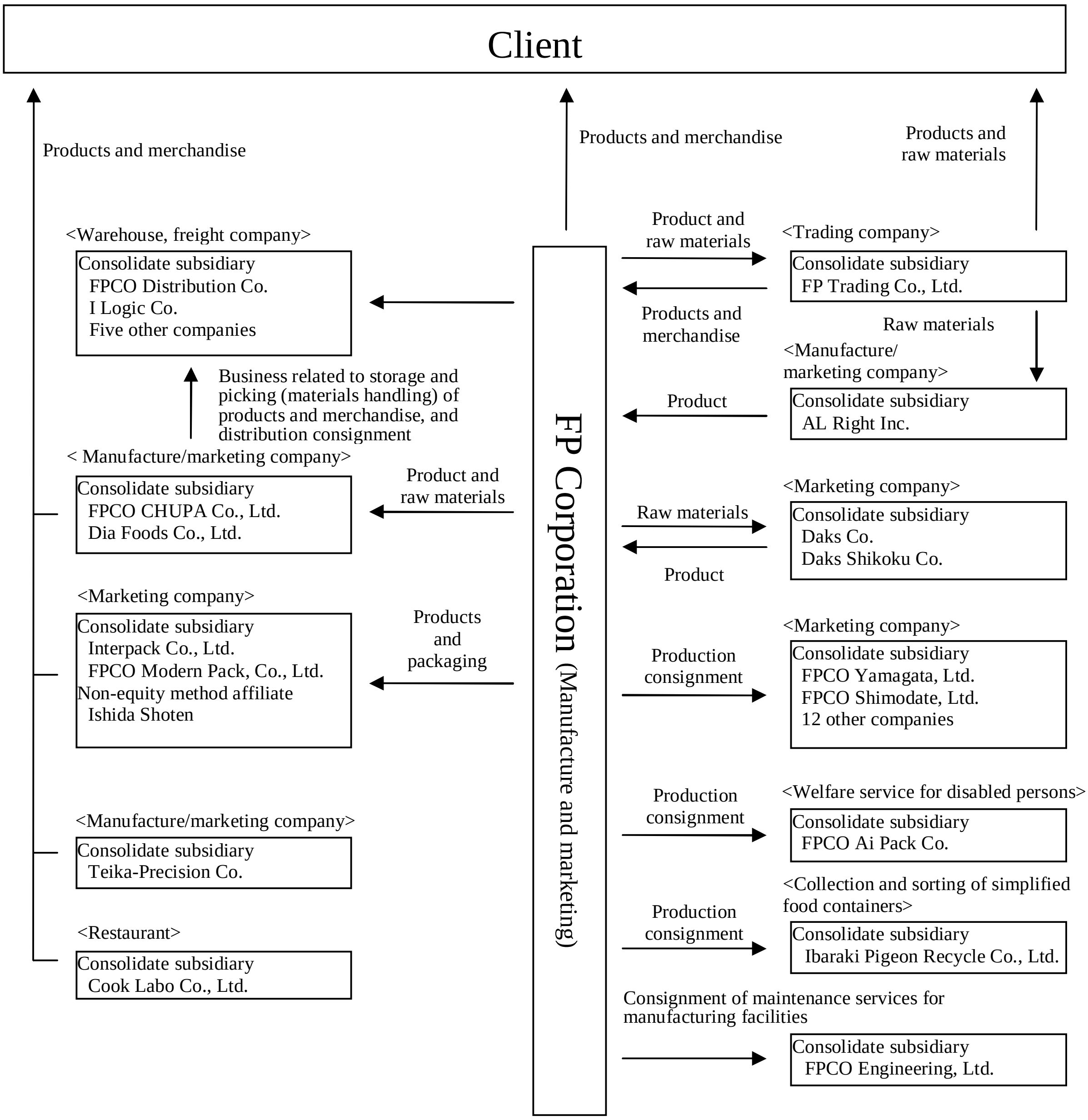
The Group consists of FP Corporation, 34 subsidiaries and one affiliate. The principle businesses of the Group are related to simplified food containers, namely the manufacture and marketing of trays and lunchbox containers and the marketing of related packaging materials.

The business and role of each company in the Group are as follows:

Business segment	Major role	Major company	
Businesses related to simplified food containers	Manufacture and marketing of simplified food containers made from compound resins Marketing of packaging materials and packaging machinery	Reporting company	(Note 4)
	Marketing of raw materials for the manufacture of simplified food containers made from compound resins Import and export business	FP Trading Co., Ltd.	(Note 4)
	Manufacture and marketing of simplified food containers made from compound resins	FPCO CHUPA Co., Ltd. Dia Foods Co., Ltd.	(Note 2)
	Manufacture of simplified food containers made from compound resins	Daks Co. and 15 other companies	(Note 2, Note 3)
	Manufacture and marketing of plastic films	AL Right Inc.	(Note 1, Note 4)
	Welfare services for disabled persons based on the Services and Supports for Persons with Disabilities Act	FPCO Ai Pack Co.	
	Business related to collection and sorting of simplified food containers made from compound resins	Ibaraki Pigeon Recycle Co., Ltd. and 2 other companies	
	Maintenance services for facilities used in plants for the manufacture of simplified food containers made from compound resins	FPCO Engineering, Ltd.	
	Administration of franchise chain systems for the marketing and retailing of packaging materials Mail order marketing using catalogues for food containers and packaging materials	FPCO Modern Pack, Co., Ltd.	
	Marketing of simplified food containers made from compound resins Marketing of packaging materials	Interpack Co., Ltd. and 1 other company	(Note 1)
	Business related to the storage and picking of products and merchandise for marketing by the reporting company and certain subsidiaries, and distribution business	FPCO Distribution Co. and 6 other companies	
Business related to trading	Business related to the sale of real estate	Reporting company	(Note 4)
	Business related to the sale of machinery	FP Trading Co., Ltd.	(Note 4)
Other business	Business related to the molding of precision parts made from compound resins	Teika-Precision Co.	
	Business related to the manufacture of cardboards	AL Right Inc.	(Note 1, Note 4)
	Rental business	FP Trading Co., Ltd.	(Note 4)
	Restaurant management	Cook Labo Co., Ltd.	

(Notes)
1. AL Right Inc. and Interpack Co., Ltd. became consolidated subsidiaries on June 1, 2010 and October 1, 2010, respectively, as a result of acquiring shares.
2. Dia Foods Co., Ltd. became a consolidated subsidiary on December 1, 2010 as a result of exchanging shares. Associated with this, Japan Hi-Pack Co., Ltd., a subsidiary of Dia Foods Co., Ltd., also became a consolidated subsidiary.
3. Nodaya Co., Ltd. is excluded from consolidated subsidiaries as its liquidation was completed on December 27, 2010.
4. Multitasking companies are listed as “Major company” under both “Business related to trading” and “Other business.”

An organization chart of the Group's business is as follows.



3. Management Policy

(1) Management's Basic Principle

Based on the management philosophy of "Customer First," FP Corporation consistently focuses on the environment, safety, security and health. We operate our businesses to provide products, services and proposals that respond to a broad array of customer and expectations.

We have established an environmental management system to meet our obligations to the community and our responsibility to make a social contribution. We have also been promoting the FP Corporation recycling method (Tray-to-Tray) to contribute to the establishment of a recycling-oriented society.

The Group has been involved in employment support for disabled persons, and has been striving to conduct its business to maximize corporate value in cooperation with all stakeholders, including clients, customers, shareholders, employees and local communities.

(2) Targeted Management Indicators

In the pursuit of shareholder-oriented management, we will increase corporate value by soundly executing Group management policies, aiming at earnings per share of 450 yen.

(3) Medium- to Long-Term Management Strategy

With the aim of achieving its management policies and target management indicators and becoming "a corporate group that creates comfortable dietary lives for customers through food containers," the Group will pursue the following three basic objectives as a manufacturer: "reliably delivering as needed" "the highest quality products" "at the most competitive price."

To fulfill its responsibilities as a company playing a role in the dietary environment, we aim to build a solid management base by bolstering our capability to develop materials and products, as well as to sell and distribute the finished goods, improving quality, productivity and services, and reducing the total cost. We will actively expand the market through consolidation and acquisition, leveraging the foundations we have been building to date.

(i) Technological innovation and development of new products

We will accelerate the development of products that meet the needs of customers by introducing state-of-the-art production facilities and replacing equipment, and by promoting comprehensive technological innovation by making products lighter and developing new functions and materials to provide customers with high quality and value added products, as well as low-priced products that offer quality and functionality.

(ii) Aiming at becoming a proposal-based (problem solving type) company

Anticipating changes in the dietary environment, such as greater demand for quality, function and utility in the market and growing demand for eating at home or alone, we will provide customers with products that meet their needs and containers that help to provide their venues with a competitive edge.

With respect to customer efforts to protect the environment and reduce distribution costs, we will propose comprehensive solutions to the problems of retailers, utilizing the FP Corporation recycling method and FPCO distribution networks.

(iii) Enhancement of supply system

We will seek to further strengthen supply chain management (SCM), developing systems for procurement, manufacture and distribution with optimal efficiency and reducing total cost.

Taking advantage of the Group's nationwide distribution networks, we will strive to provide a distribution service that is rationalized at a higher dimension with a clean environment and to ensure zero customer claims related to delivery errors.

(iv) Environmentally friendly operation

We will steadily execute the Five-Year Environmental Management Plan, which is to be achieved in 2010, and create and execute a new Medium Term Environmental Management Plan (FP Corporation Eco Action 50).

We will also advance our environmental initiatives based on our expertise in recycling (FP Corporation recycling method) and introduce a number of industry-leading initiatives, such as promoting voluntary collection of food trays and disseminating recycled trays (Eco Tray).

Moreover, in addition to the voluntary collection of Styrofoam food trays, we will endeavor to promote our new initiative in the voluntary collection of transparent food containers to achieve recycling in this area as well.

(v) Activities emphasizing social responsibility

We will continue with our positive involvement in employment support for disabled persons, and activities to win the trust of local communities.

We will facilitate communications with consumers through such opportunities as inviting them for tours through recycling plants and collection and sorting centers as well as various fairs. Based on our commitment to safety and security, we will also strive to pay attention to safety and hygiene and quality management through enhanced traceability.

(vi) Enhancement of intellectual property rights

To ensure the uniqueness of the Group and its differentiation advantage in the market, we will apply for patent, utility model right and design registration, to enhance corporate value through the acquisition of intellectual property rights.

(vii) Preparation for market expansion

By combining organization-wide resources and infrastructures that have been nurtured by FP Corporation over the years, including capabilities for development, manufacturing and recycling, resourcefulness and networks for distribution and information, we will get prepared for rapid expansion of the market.

(4) Issues Facing the Company

Despite a deteriorating management environment, as seen in sluggish consumption and rising prices of raw materials, the Group will soundly follow through the medium term management plan and strive to build a firm corporate structure that is cost competitive and that ensures consistent earnings by resting on the management foundations the Group has developed and strengthened in the past.

Information about risks associated with business operations is not stated in this document because there has been no signification change from the information disclosed in the brief announcement of the consolidated financial results for the first six months of the fiscal year ended September 30, 2007 (announced on November 9, 2007).

The above report may be viewed on the following Internet site.

(The Company web page)

http://www.fpco.jp/

(The web page of the Tokyo Stock Exchange (search page for information of listed companies)

http://www.tes.or.jp/listing/compsearch/index.html

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	Previous consolidated fiscal year (As of March 31, 2010)	Consolidated fiscal year under review (As of March 31, 2011)
Assets		
Current assets		
Cash and deposits	11,102	13,273
Notes and accounts receivable-trade	27,350	31,540
Lease receivables and lease investment assets	68	30
Real estate for sale	12	12
Merchandise and finished goods	10,661	12,573
Work in process	31	144
Raw materials and supplies	1,097	1,976
Deferred tax assets	1,727	1,347
Short-term loans receivable	1,453	–
Accounts receivable	2,332	2,696
Other	357	463
Allowance for doubtful accounts	-90	-47
Total current assets	56,106	64,011
Noncurrent assets		
Tangible fixed assets		
Buildings and structures	61,699	69,843
Accumulated depreciation	*2 -32,545	*2 -36,373
Buildings and structures, net	29,154	33,469
Machinery, equipment and vehicles	*3 19,064	*3 26,617
Accumulated depreciation	*2 -13,714	*2 -18,377
Machinery, equipment and vehicles, net	5,350	8,240
Lands	23,962	26,384
Lease assets	16,405	16,356
Accumulated depreciation	-5,668	-6,900
Lease assets, net	10,737	9,455
Construction in progress	1,241	1,513
Other	13,584	16,118
Accumulated depreciation	*2 -9,915	*2 -11,938
Other, net	3,669	4,180
Total tangible fixed assets	74,116	83,244
Intangible fixed assets		
Goodwill	324	2,192
Other	1,025	963
Total intangible fixed assets	1,350	3,155
Investments and other assets		
Investment securities	*1 3,864	*1 2,940
Long-term loans receivable	497	–
Deferred tax assets	702	1,059
Other	1,186	1,427
Allowance for doubtful accounts	-104	-101
Total investments and other assets	6,147	5,327
Total noncurrent assets	81,614	91,727
Total assets	137,720	155,738

(Million yen)

	Previous consolidated fiscal year (As of March 31, 2010)	Consolidated fiscal year under review (As of March 31, 2011)
Liabilities		
Current liabilities		
Accounts payable-trade	13,523	18,905
Short-term borrowing payable	12,995	19,250
Commercial paper	10,000	15,000
Lease obligations	2,873	2,560
Accounts payable	3,816	4,185
Income taxes payable	3,509	2,465
Accrued consumption taxes	643	242
Provision for bonuses	1,414	1,576
Provision for directors' bonuses	86	90
Other	2,682	2,408
Total current liabilities	51,545	66,685
Noncurrent liabilities		
Long-term borrowing payable	15,380	14,135
Lease obligations	8,379	7,410
Deferred tax liabilities	–	30
Provision for retirement benefits	1,511	1,837
Provision for directors' retirement benefits	954	1,047
Other	140	150
Total noncurrent liabilities	26,366	24,612
Total liabilities	77,911	91,298
Net assets		
Shareholders' equity		
Capital stock	13,150	13,150
Capital surplus	15,497	15,843
Retained earnings	34,426	40,092
Treasury stock	-3,905	-4,937
Total shareholders' equity	59,169	64,148
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	566	256
Total accumulated other comprehensive income	566	256
Minority interests	72	35
Total net assets	59,808	64,440
Total liabilities and net assets	137,720	155,738

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(Million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Net sales	124,918	140,720
Cost of sales	86,043	97,992
Gross profit	38,875	42,728
Selling, general and administrative expenses	*1, 2 26,982	*1, 2 29,669
Operating income	11,892	13,058
Non-operating income		
Interest income	51	17
Dividends income	70	76
Rent income	104	113
Subsidy income	454	561
Gain on sale of scraps	–	137
Amortization of negative goodwill	104	17
Other	229	196
Total non-operating income	1,014	1,120
Non-operating expenses		
Interest expenses	610	499
Other	77	215
Total non-operating expenses	687	714
Ordinary income	12,220	13,465
Extraordinary income		
Gain on sales of noncurrent assets	*3 9	*3 2
Insurance income	45	531
Gain on sales of investment securities	0	14
Reversal of allowance for doubtful accounts	–	89
Reversal of provision for bonuses	35	32
Gain on negative goodwill	–	219
Other	–	51
Total extraordinary income	90	942
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	*4 223	*4 198
Loss on disaster	3	*6 695
Loss on valuation of investment securities	7	6
Impairment loss	*5 121	–
Other	–	56
Total extraordinary loss	357	956
Income before income taxes	11,953	13,450
Income taxes-current	5,464	5,106
Income taxes-deferred	-641	381
Total income taxes	4,823	5,487
Income before minority interests	–	7,962
Minority interests in income	16	3
Net income	7,114	7,959

(Consolidated Statements of Comprehensive Income)

(Million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Income before minority interests	–	7,962
Other comprehensive income		
Valuation difference on available-for-sale securities	–	-310
Total other comprehensive income	–	*2 -310
Comprehensive income	–	*1 7,652
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	–	7,649
Comprehensive income attributable to minority interests	–	3

(3) Consolidated Statements of Changes in Net Assets

(Million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous term	13,150	13,150
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of the period	13,150	13,150
Capital surplus		
Balance at the end of previous term	15,487	15,497
Changes of items during the period		
Disposal of treasury stock	9	346
Total changes of items during the period	9	346
Balance at the end of the period	15,497	15,843
Retained earnings		
Balance at the end of previous term	29,254	34,426
Changes of items during the period		
Dividends from surplus	-1,942	-2,294
Net income	7,114	7,959
Total changes of items during the period	5,172	5,665
Balance at the end of the period	34,426	40,092
Treasury stock		
Balance at the end of previous term	-3,902	-3,905
Changes of items during the period		
Purchase of treasury stock	-19	-1,861
Disposal of treasury stock	17	829
Total changes of items during the period	-2	-1,032
Balance at the end of the period	-3,905	-4,937
Total shareholders' equity		
Balance at the end of previous term	53,990	59,169
Changes of items during the period		
Dividends from surplus	-1,942	-2,294
Net income	7,114	7,959
Purchase of treasury stock	-19	-1,861
Disposal of treasury stock	26	1,175
Total changes of items during the period	5,179	4,979
Balance at the end of the period	59,169	64,148

(Million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous term	192	566
Changes of items during the period		
Net changes of items other than shareholders' equity, net	373	-310
Total changes of items during the period	373	-310
Balance at the end of the period	566	256
Total accumulated other comprehensive income		
Balance at the end of previous term	192	566
Changes of items during the period		
Net changes of items other than shareholders' equity, net	373	-310
Total changes of items during the period	373	-310
Balance at the end of the period	566	256
Minority interests		
Balance at the end of previous term	64	72
Changes of items during the period		
Net changes of items other than shareholders' equity, net	7	-37
Total changes of items during the period	7	-37
Balance at the end of the period	72	35
Total net assets		
Balance at the end of previous term	54,248	59,808
Changes of items during the period		
Dividends from surplus	-1,942	-2,294
Net income	7,114	7,959
Purchase of treasury stock	-19	-1,861
Disposal of treasury stock	26	1,175
Net changes of items other than shareholders' equity, net	381	-347
Total changes of items during the period	5,560	4,631
Balance at the end of the period	59,808	64,440

(4) Consolidated Statements of Cash Flows

(Million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Cash flows from operating activities		
Net income before taxes and other adjustments	11,953	13,450
Depreciation and amortization	8,461	9,316
Gain on negative goodwill	–	-219
Increase (decrease) in provision for bonuses	119	-50
Increase (decrease) in provision for directors' bonuses	12	4
Impairment loss	121	–
Increase (decrease) in allowance for doubtful accounts	25	-97
Increase (decrease) in provision for directors' retirement benefits	249	93
Increase (decrease) in provision for retirement benefits	140	175
Loss (gain) on valuation of investment securities	7	6
Loss (gain) on sales and retirement of noncurrent assets	213	196
Interest and dividends income	-121	-94
Interest expenses	610	499
Loss (gain) on sales of investment securities	-0	-14
Insurance income	–	-531
Loss on disaster	–	695
Decrease (increase) in trade receivables	-1,416	-1,109
Decrease (increase) in inventory assets	880	-1,110
Decrease (increase) in accounts receivable-other	-341	-35
Increase (decrease) in accounts payable	-248	1,135
Increase/decrease in other assets/liabilities	771	-1,321
Increase (decrease) in accrued consumption taxes	134	-415
Other	17	363
Subtotal	21,593	20,937
Interest and dividends income received	121	94
Interest expenses paid	-600	-503
Income taxes paid	-4,785	-6,191
Other	41	-44
Net cash provided by (used in) operating activities	16,369	14,291
Cash flows from investing activities		
Purchase of tangible fixed assets	-7,565	-10,780
Purchase of intangible fixed assets	-352	-274
Purchase of investment securities	-422	-19
Proceeds from sales of investment securities	0	522
Purchase of business operations	-1,262	–
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	–	1,466
Decrease (increase) in short-term loans receivable	3	–
Payments of long-term loans receivable	-1,910	-70
Collection of long-term loans receivable	1,326	747
Purchase of investments in subsidiaries resulting in change in scope of consolidation	–	-115
Other	481	323
Net cash provided by (used in) investing activities	-9,701	-8,201

(Million yen)

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowing payable	-15,200	-3,140
Increase (decrease) in commercial papers	10,000	5,000
Proceeds from long-term borrowing payable	8,665	13,000
Repayment of long-term borrowing payable	-9,877	-11,460
Purchase of treasury stock	-2	-1,723
Repayments of lease obligations	-3,340	-3,003
Cash dividends paid	-1,940	-2,291
Cash dividends paid to minority shareholders	-3	–
Other	26	-300
Net cash provided by (used in) financing activities	-11,673	-3,919
Effect of exchange rage change on cash and cash equivalents	–	0
Amount of increase (decrease) in cash and cash equivalents	-5,005	2,170
Balance of cash and cash equivalents at beginning of period	16,108	11,102
Balance of cash and cash equivalents at end of period	11,102	13,273

(5) Note to Going Concern Assumption

Not applicable

(6) Basic Important Matters for the Preparation of Consolidated Financial Statements

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
1. Scope of consolidation Number of consolidated subsidiaries: 31 All subsidiaries are consolidated. Names of principal consolidated subsidiaries FP Trading Co., Ltd., FPCO Modern Pack, Co., Ltd., FPCO CHUPA Co., Ltd., FPCO Distribution Co., I Logic Co. The Company included Ibaraki Pigeon Recycle Co., Ltd. and FPCO Japan Pearl Co., Ltd., which were incorporated, and FPCO Hokkaido Co., Ltd., whose shares were acquired, in the scope of consolidation for this consolidated fiscal year.	1. Scope of consolidation Number of consolidated subsidiaries: 34 All subsidiaries are consolidated. Names of principal consolidated subsidiaries FP Trading Co., Ltd., FPCO Modern Pack, Co., Ltd., FPCO CHUPA Co., Ltd., FPCO Distribution Co., I Logic Co. The Company included AL Right Co., Ltd., Interpack Co., Ltd., Dia Foods Co., Ltd. and Japan Hi-Pack Co., Ltd. in the scope of consolidation from the fiscal year under review by acquiring shares of the former two and by exchanging shares with the latter two. Nodaya Co., Ltd. is excluded from the scope of consolidation as its liquidation was completed.
2. Application of the equity method Name of principal affiliates to which the equity method is not applied Ishida Shoten Reasons for non-application of the equity method Since the non-equity method affiliates have negligible impact on net income (loss) and retained earnings and are insignificant as a whole, they are excluded from the application of the equity method.	2. Application of the equity method Name of principal affiliates to which the equity method is not applied Ishida Shoten Reasons for non-application of the equity method Same at the left
3. Matters related to closing date of fiscal years of consolidated subsidiaries The closing date of the fiscal year of all consolidated subsidiaries corresponds to the closing date of the consolidated fiscal year of the Company.	3. Matters related to closing date of fiscal years of consolidated subsidiaries Same at the left
4. Accounting standards (1) Standard and method for valuation of principal assets 1) Securities Other securities available for sale: With market value Valued at market value based on market prices at the closing date (Valuation differences are fully capitalized, and selling costs are calculated using the moving-average method.) Without market value Valued at cost using the moving-average method 2) Inventories Merchandise and finished products, semi-finished products, raw materials, and work-in-process Valued at cost using the monthly moving-average method. (The carrying value on the balance sheet is written down to reflect the effect of lower profit margins.) Real estate for sale Valued at cost based on the actual cost method (The carrying value on the balance sheet is written down to reflect the effect of lower profit margins.) Supplies Valued by last purchase price method. (The carrying value on the balance sheet is written down to reflect the effect of lower profit margins.)	4. Accounting standards (1) Standard and method for valuation of principal assets 1) Securities Other securities available for sale: With market value Same at the left Without market value Same at the left 2) Inventories Merchandise and finished products, semi-finished products, raw materials, and work-in-process Same at the left Real estate for sale Same at the left Supplies Same at the left

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
(2) Depreciation of principal depreciable assets 1) Property, plant and equipment (not including leased assets) The declining balance method is mainly used for the Company and its consolidated domestic subsidiaries, except for buildings (not including appendixes) acquired on or after April 1, 1998 which are depreciated using the straight-line method. The property, plant and equipment acquired by consolidated subsidiary FP Trading Co., Ltd. for leasing and the property, plant and equipment of subsidiaries including the warehouse business apply the straight-line method. The range of useful lives are mainly as follows: Buildings and structures: 15 to 35 years Machinery and equipment: 4 to 8 years	(2) Depreciation of principal depreciable assets 1) Property, plant and equipment (not including leased assets) Same at the left
2) Intangible noncurrent assets (not including lease assets) Software for in-house use is depreciated using the straight-line method based on internal estimated useful life (5 years).	2) Intangible noncurrent assets (not including lease assets) Same at the left
3) Lease assets Lease assets relating to finance lease transactions without transfer of ownership are depreciated on a straight-line basis, with the lease periods as their useful lives and no residual value.	3) Lease assets Same at the left
(3) Accounting policies for significant provisions 1) Allowance for doubtful accounts To provide for bad debts, allowances for ordinary doubtful debts are stated based on the historical rate of default. For specified debts where recovery is doubtful, the amount regarded as irrecoverable is stated taking into consideration the likelihood of a recovery on an individual basis.	(3) Accounting policies for significant provisions 1) Allowance for doubtful accounts Same at the left
2) Provision for bonuses To provide for bonus payments for employees, a portion of the amount corresponding to this consolidated fiscal year out of the estimated future payment is stated as the provision.	2) Provision for bonuses Same at the left
3) Provision for directors’ bonuses To provide for bonus payments for directors, the estimated future payment is stated as the provision.	3) Provision for directors’ bonuses Same at the left

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
4) Provision for retirement benefits To provide for the employee retirement benefits, a provision is stated based on projected retirement benefit obligations and pension fund assets as of the consolidated fiscal year end. The prior service cost is to be charged to income from the following consolidation fiscal year using the straight-line method based on determined years (5 years) within the average remaining years of service of employees when it is incurred. Actuarial differences are to be charged to income from the following consolidated fiscal year using the straight-line method based on determined years (5 years) within the average remaining years of service of employees when they are incurred. (Changes in accounting policy) Since the consolidated fiscal year under review, the Partial Amendments to Accounting Standard for Retirement Benefits (Part 3) (ASBJ Statement No. 19, July 31, 2008) has been applied. The change has had no impact on operating income, ordinary income, and net income before taxes and other adjustments. 5) Provision for directors' retirement benefits To provide for the payment of retirement benefits for directors of the Company and certain consolidated subsidiaries, the amount to be paid as of the end of this consolidated fiscal year is stated in full in accordance with the internal rule. (4) Amortization method and amortization period of goodwill —————— (5) Scope of cash in consolidated statements of cash flows —————— (6) Other important matters for the preparation of consolidated financial statements 1) Consumption taxes Consumption taxes are excluded from revenues and expenses. 2) Standard for posting revenues and expenses Standard for posting revenues related to finance lease transactions Revenues were posted as interest income, not as sales, in the respective consolidated fiscal years.	4) Provision for retirement benefits To provide for the employee retirement benefits, a provision is stated based on projected retirement benefit obligations and pension fund assets as of the consolidated fiscal year end. The prior service cost is to be charged to income from the following consolidation fiscal year using the straight-line method based on determined years (5 years) within the average remaining years of service of employees when it is incurred. Actuarial differences are to be charged to income from the following consolidated fiscal year using the straight-line method based on determined years (5 years) within the average remaining years of service of employees when they are incurred. 5) Provision for directors' retirement benefits Same at the left (4) Amortization method and amortization period of goodwill Goodwill is amortized in equal amounts over five years. Where the amount is immaterial, however, it is amortized in full in the fiscal year when the goodwill occurred. (5) Scope of cash in consolidated statements of cash flows Cash consists of cash on hand, demand deposits, time deposits whose maturity arrives within three months after the date of acquisition, and easily cashable beneficiary certificates such as trust certificates whose maturity arrives within three months after the date of acquisition and that bear only a very small risk for price fluctuations. (6) Other important matters for the preparation of consolidated financial statements 1) Consumption taxes Same at the left 2) Standard for posting revenues and expenses Same at the left
5. Valuation of assets and liabilities of consolidated subsidiaries The assets and liabilities of consolidated subsidiaries are evaluated using the full mark-to-market method.	5. Valuation of assets and liabilities of consolidated subsidiaries ——————
6. Amortization of goodwill and negative goodwill Goodwill is amortized in equal amounts over five years. Where the amount is immaterial, however, it is amortized in full in the fiscal year when the goodwill occurred.	6. Amortization of goodwill and negative goodwill ——————
7. Scope of funds in the consolidated statements of cash flows Cash and cash equivalents in the consolidated statements of cash flows consist of cash on hand, demand deposits, time and savings deposits that are redeemable in three months or less, and trust beneficiary securities that are redeemable in three months or less, readily convertible into cash, and exposed to limited risk of changes in value.	7. Scope of funds in the consolidated statements of cash flows ——————

(7) Changes in Basic Important Matters for the Preparation of Consolidated Financial Statements

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
――――――	(Application of accounting standards for asset retirement obligations) Starting from the consolidated fiscal year under review, the “Accounting Standard for Asset Retirement Obligations” (Accounting Standards Board of Japan (ASBJ) Statement No. 18 issued on March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 issued on March 31, 2008) are applied. As a result of applying these accounting standards, operating income and ordinary income declined 1 million yen, respectively, and income before income taxes decreased 12 million yen.
――――――	(Application of accounting standards for business combinations, etc.) Starting from the consolidated fiscal year under review, the “Accounting Standard for Business Combinations” (ASBJ Statement No.21 issued on December 26, 2008), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 issued on December 26, 2008), the “Partial amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No.23 issued on December 26, 2008), the “Accounting Standard for Business Divestitures” (ASBJ statement No. 7 issued on December 26, 2008), the “Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16 issued on December 26, 2008) and the “Guidance on Accounting Standard for Business Combination and Accounting Standard for Business Divestiture” (ASBJ Guidance No. 10 issued on December 26, 2008) are applied.

(8) Changes in Presentation

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
――――――	(Consolidated Balance Sheets) As “short-term loans receivable” (the balance at the end of the consolidated fiscal year under review was 55 million yen) which was posted as a separate item up to the previous consolidated fiscal year have become less than 1/100 of total assets, we have decided to include it in “Other” of current assets. Also, as “long-term loans receivable” (the balance at the end of the consolidated fiscal year under review was 140 million yen) which was posted as a separate item up to the previous consolidated fiscal year have become less than 1/100 of total assets, we have decided to include it in “Other” of investments and other assets.

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
―――――――	(Consolidated Statement of Income) Starting from the consolidated fiscal year under review, the “Cabinet Office Ordinance of Partial Revision to the Regulation for Terminology, Forms and Preparation of Financial Statements” (Cabinet Office Ordinance No. 5 issued on March 24, 2009) based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 issued on December 26, 2008) is applied, and an item “income before minority interests” is presented.
“Gain on sales of scraps,” which was presented separately in the previous consolidated fiscal years, posted less than 10/100 of the sum of non-operating income in this consolidated fiscal year (71 million yen for this consolidated fiscal year). As a result, “Gain on sales from scraps” was included in “Other” of non-operating income for presentation from this fiscal year.	As “gain on sales of scraps” (71 million yen in the previous consolidated fiscal year) that was included in “Other” of non-operating income in the previous consolidated fiscal year exceeded 10/100 of non-operating income, it is posted as a separate item.
―――――――	(Consolidated Statement of Cash Flows) Although “insurance income” (45 million yen in the previous consolidated fiscal year) and “loss on disaster” (3 million yen in the previous consolidated fiscal year) in cash flows from operating activities were included in “Other” in the previous consolidated fiscal year, they are posted as separate items as their significance in amount has increased.

(9) Additional Information

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
―――――――	Staring from the consolidated fiscal year under review, the “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No.25 issued on June 30, 2010) is applied. However, the amounts of “valuation and translation adjustments” and “total valuation and translation adjustments” are posted for the amounts of “accumulated other comprehensive income” and “total accumulated other comprehensive income” in the previous consolidate fiscal year, respectively.

(10) Notes to Consolidated Financial Statements

(Consolidated Balance Sheets)

(Million yen)

Previous consolidated fiscal year (As of March 31, 2010)	Consolidated fiscal year under review (As of March 31, 2011)
*1. Amounts of shares in affiliates are as follows: (Investments and other assets) Investment securities (stocks) 68	*1. Amounts of shares in affiliates are as follows: (Investments and other assets) Investment securities (stocks) 68
*2. Amount of accumulated depreciations and amortizations includes accumulated impairment losses	*2. Same at the left
*3. The accumulated advanced depreciation of noncurrent assets, deducted from the acquisition cost of machinery, equipment and vehicles due to the receipt of government subsidies, was 334 million yen.	*3. The accumulated advanced depreciation of noncurrent assets, deducted from the acquisition cost of machinery, equipment and vehicles due to the receipt of government subsidies, was 334 million yen.
4. Overdraft agreements and agreements for loan commitments The Company has concluded overdraft agreements and agreements for loan commitments for the effective procurement of operating funds. The unexercised outstanding of loans as of the end of this consolidated fiscal year under these agreements is as follows: Total of overdraft limit and loan commitments 36,700 Exercised outstanding 6,000 Difference 30,700	4. Overdraft agreements and agreements for loan commitments The Company has concluded overdraft agreements and agreements for loan commitments for the effective procurement of operating funds. The unexercised outstanding of loans as of the end of this consolidated fiscal year under these agreements is as follows: Total of overdraft limit and loan commitments 41,600 Exercised outstanding 6,600 Difference 35,000

(Consolidated Statement of Income) (Million yen)

<table>
<tr><th>Previous consolidated fiscal year
(April 1, 2009 - March 31, 2010)</th><th>Consolidated fiscal year under review
(April 1, 2010 - March 31, 2011)</th></tr>
<tr><td>*1. Of selling, general and administrative expenses, the major expense items and amount are as follows:
<table>
<tr><td>Promotion expenses</td><td>3,247</td></tr>
<tr><td>Advertising expenses</td><td>392</td></tr>
<tr><td>Commission paid</td><td>984</td></tr>
<tr><td>Warehousing and carrying charges</td><td>8,982</td></tr>
<tr><td>Remuneration for officers</td><td>379</td></tr>
<tr><td>Salaries for employees</td><td>4,155</td></tr>
<tr><td>Provision for reserve for bonuses to officers</td><td>86</td></tr>
<tr><td>Provision for reserve for bonuses</td><td>632</td></tr>
<tr><td>Retirement benefit expenses</td><td>227</td></tr>
<tr><td>Provision for reserve for officer’s retirement</td><td>270</td></tr>
<tr><td>Rent expenses</td><td>942</td></tr>
<tr><td>Depreciation and amortization</td><td>1,866</td></tr>
<tr><td>Allowance for doubtful accounts</td><td>25</td></tr>
</table></td>
<td>*1. Of selling, general and administrative expenses, the major expense items and amount are as follows:
<table>
<tr><td>Promotion expenses</td><td>2,955</td></tr>
<tr><td>Advertising expenses</td><td>209</td></tr>
<tr><td>Commission paid</td><td>1,174</td></tr>
<tr><td>Warehousing and carrying charges</td><td>10,163</td></tr>
<tr><td>Remuneration for officers</td><td>476</td></tr>
<tr><td>Salaries for employees</td><td>4,962</td></tr>
<tr><td>Provision for reserve for bonuses to officers</td><td>90</td></tr>
<tr><td>Provision for reserve for bonuses</td><td>655</td></tr>
<tr><td>Retirement benefit expenses</td><td>265</td></tr>
<tr><td>Provision for reserve for officer’s retirement</td><td>94</td></tr>
<tr><td>Rent expenses</td><td>1,102</td></tr>
<tr><td>Depreciation and amortization</td><td>1,915</td></tr>
</table></td></tr>
<tr><td>*2. Research and development costs included in selling, general and administrative expenses are 1,035 million yen.</td><td>*2. Research and development costs included in selling, general and administrative expenses are 1,101 million yen.</td></tr>
<tr><td>*3. Gain on sales of noncurrent assets are detailed as follows:
<table>
<tr><td>Machinery, equipment and vehicle</td><td>5</td></tr>
<tr><td>Other</td><td>4</td></tr>
<tr><td>Total</td><td>9</td></tr>
</table></td>
<td>*3. Gain on sales of noncurrent assets are detailed as follows:
<table>
<tr><td>Machinery, equipment and vehicle</td><td>2</td></tr>
<tr><td>Other</td><td>0</td></tr>
<tr><td>Total</td><td>2</td></tr>
</table></td></tr>
<tr><td>*4. Loss on sales and retirement of noncurrent assets are detailed as follows:
<table>
<tr><td>(Loss on retirement)</td><td></td></tr>
<tr><td>Building and structures</td><td>2</td></tr>
<tr><td>Machinery, equipment and vehicle</td><td>116</td></tr>
<tr><td>Other</td><td>97</td></tr>
<tr><td>Subtotal</td><td>216</td></tr>
<tr><td>(Loss on sales)</td><td></td></tr>
<tr><td>Machinery, equipment and vehicle</td><td>2</td></tr>
<tr><td>Other</td><td>4</td></tr>
<tr><td>Subtotal</td><td>7</td></tr>
<tr><td>Total</td><td>223</td></tr>
</table></td>
<td>*4. Loss on sales and retirement of noncurrent assets are detailed as follows:
<table>
<tr><td>(Loss on retirement)</td><td></td></tr>
<tr><td>Building and structures</td><td>38</td></tr>
<tr><td>Machinery, equipment and vehicle</td><td>33</td></tr>
<tr><td>Other</td><td>7</td></tr>
<tr><td>Subtotal</td><td>80</td></tr>
<tr><td>(Loss on sales)</td><td></td></tr>
<tr><td>Machinery, equipment and vehicle</td><td>0</td></tr>
<tr><td>Land</td><td>107</td></tr>
<tr><td>Other</td><td>10</td></tr>
<tr><td>Subtotal</td><td>118</td></tr>
<tr><td>Total</td><td>198</td></tr>
</table></td></tr>
<tr><td>*5. Impairment loss
In this consolidated fiscal year, the Group posted an impairment loss for the following asset groups.
<table>
<tr><th>Place</th><th>Use</th><th>Type</th></tr>
<tr><td>Hyogo City, Kobe Prefecture</td><td rowspan="3">Dormant asset</td><td rowspan="3">Lands</td></tr>
<tr><td>Higashi-ku, Okayama City</td></tr>
<tr><td>Fukuyama City, Hiroshima Prefecture</td></tr>
</table>
In principle, business assets are grouped by region in the unit of factories.
Dormant assets are grouped by individual asset.
For the consolidated fiscal year, of the dormant assets that were not used for business, the book value of asset groups whose market value fell drastically was impaired to a collectable value. The decrease in the value was treated as an impairment loss (121 million yen) and posted in extraordinary loss.
The collectable value of the said asset groups was measured as net sales value. The reasonable value of dormant real estate was estimated on assessed value of fixed assets.</td>
<td>————————</td></tr>
<tr><td>*6. ————————</td>
<td>*6. A loss on disaster is posted because of the Great East Japan Earthquake. Details are as follows:
<table>
<tr><td>Building and facilities repair costs</td><td>408</td></tr>
<tr><td>Inventory losses</td><td>152</td></tr>
<tr><td>Other</td><td>134</td></tr>
</table></td></tr>
</table>

(Consolidated Statements of Comprehensive Income)

Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)

*1 Comprehensive income in the consolidated fiscal year immediately preceding the consolidated fiscal year under review

Comprehensive income attributable to owners of the parent	7,496 million yen
Comprehensive income attributable to minority interests	7
Total	7,504

*2 Other comprehensive income in the consolidated fiscal year immediately preceding the consolidated fiscal year under review

Valuation difference on available-for-sale securities	373 million yen
Total	373

(Consolidated Statement of Changes in Shareholders Equity)

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)

1. Matters related to classes and total of shares issued and classes and numbers of treasury stock

	Number of shares at end of previous consolidated fiscal year (shares)	Increase in number of shares for this consolidated fiscal year (shares)	Decrease in number of shares for this consolidated fiscal year (shares)	Number of shares at end of this consolidated fiscal year (shares)
Number of shares issued				
Common stock	22,142,106	–	–	22,142,106
Total	22,142,106	–	–	22,142,106
Treasury stock				
Common stock (Note)	1,257,341	6,409	5,765	1,257,985
Total	1,257,341	6,409	5,765	1,257,985

(Notes) 1. The increase in the number of shares of common treasury stock is attributed to an increase of 5,765 shares of treasury stock held by newly consolidated subsidiaries and an increase of 644 shares by additional purchases of shares less than one unit.

2. A decrease in the number of shares of common treasury stock is attributable to the sale of 5,765 shares of treasury stock held by newly consolidated subsidiaries.

2. Matters related to dividend distribution

(1) Payment of dividends

(Resolution)	Class of shares	Total of dividends (million yen)	Dividend per share (yen)	Record date	Effective date
Board of Directors' meeting held on May 28, 2009	Common stock	898	43	March 31, 2009	June 12, 2009
Board of Directors' meeting held on November 5, 2009	Common stock	1,044	50	September 30, 2009	November 27, 2009

(2) Of the distributions whose record date belonged to this consolidated fiscal year, the effective date of distribution belongs to the following consolidated fiscal year

(Resolution)	Class of shares	Total of dividends (million yen)	Source of funds	Dividend per share (yen)	Record date	Effective date
Board of Directors' meeting held on May 31, 2010	Common stock	1,085	Retained earnings	52	March 31, 2010	June 14, 2010

Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)

1. Matters related to classes and total of shares issued and classes and numbers of treasury stock

	Number of shares at end of previous consolidated fiscal year (shares)	Increase in number of shares for this consolidated fiscal year (shares)	Decrease in number of shares for this consolidated fiscal year (shares)	Number of shares at end of this consolidated fiscal year (shares)
Number of shares issued				
Common stock	22,142,106	–	–	22,142,106
Total	22,142,106	–	–	22,142,106
Treasury stock				
Common stock (Note)	1,257,985	453,025	267,160	1,443,850
Total	1,257,985	453,025	267,160	1,443,850

(Notes) 1. Increase in the number of treasury shares of common stock is detailed as follows: 54,800 treasury shares owned by new consolidated subsidiaries, 397,500 shares through tender offer, and 725 shares through the acquisition of shares constituting less than one unit.

2. Decrease in the number of treasury shares of common stock is 267,160 shares due to paying out associated with the exchange of shares.

2. Matters related to dividend distribution

(1) Payment of dividends

(Resolution)	Class of shares	Total of dividends (million yen)	Dividend per share (yen)	Record date	Effective date
Board of Directors' meeting held on May 31, 2010	Common stock	1,085	52	March 31, 2010	June 14, 2010
Board of Directors' meeting held on November 8, 2010	Common stock	1,208	58	September 30, 2010	November 26, 2010

(2) Of the distributions whose record date belonged to this consolidated fiscal year, the effective date of distribution belongs to the following consolidated fiscal year

(Resolution)	Class of shares	Total of dividends (million yen)	Source of funds	Dividend per share (yen)	Record date	Effective date
Board of Directors' meeting held on May 27, 2011	Common stock	1,200	Retained earnings	58	March 31, 2011	June 13, 2011

(Segment Information)

a. Segment information by business category

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)

The Group engages principally in the "simplified food container related business," sales, operating income and assets of which each account for more than 90% of the sales, operating income and assets of all segments. Hence, segment information by business category is omitted.

b. Segment information by geographic area

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)

Not applicable since the Group has neither consolidated subsidiaries nor branch offices in foreign countries and regions other than in Japan

c. Overseas sales

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)

Not stated because overseas sales accounted for less than 10% of consolidated sales

d. Segment information

Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)

As the Group has a single segment of the simplified food container business, the description is omitted.

e. Related information

Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)

1. Information by product and service

As sales to external customers in the single product and service segment account for more than 90% of net sales, the description is omitted.

2. Information by region

(1) Net sales

As sales to external customers in Japan account for more than 90% of net sales, the description is omitted.

(2) Tangible fixed assets

As the amount of tangible fixed assets located in Japan accounts for more than 90% of the amount of fixed assets in consolidated balance sheets, the description is omitted.

3. Information by main customer

As a customer sales to whom account for 10% or more of net sales in consolidated statements of income does not exist, the description is omitted.

f. Information on impairment losses of fixed asset by reportable segment

Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)

Not applicable

g. Information on amortization and unamortized balance of goodwill by reportable segment

Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)

As the Group has a single segment of the simplified food container business, the description is omitted.

h. Information on gains on negative goodwill by reportable segment

Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)

Not applicable

(Additional Information)

Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)

Starting from the consolidated fiscal year under review, the “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17 issued on March 27, 2009) and the “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20 issued on March 21, 2008) are applied.

(Per Share Information)

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Net assets per share 2,860.36 yen Net income per share 340.67 yen Diluted net income per share was not stated presented because there was no dilution for the fiscal year.	Net assets per share 3,111.61 yen Net income per share 380.90 yen Same at the left

(Note) The basis for estimating net income per share is as follows:

	Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Net income (million yen)	7,114	7,959
Value not attributable to common stock (million yen)	–	–
Total net income attributable to common stock (million yen)	7,114	7,959
Average number of shares outstanding during the year (thousands of shares)	20,883	20,896

(Important Subsequent Events)

Previous consolidated fiscal year (April 1, 2009 - March 31, 2010)	Consolidated fiscal year under review (April 1, 2010 - March 31, 2011)
Not applicable	Same at the left

(Omission of Notes)

As the necessity of disclosing other notes to consolidated financial statements in these consolidated financial results is considered insignificant, the disclosure is omitted.

5. Others

Changes Involving Officers

(i) Change to Representative Director

Not applicable

(ii) Changes involving other officers

- New candidate for Director

  Director and General Manager of Advice Division: Teruyoshi Hibi (current General Manager of Advice Division)
- Director to retire

  Director and Deputy General Manager of Manufacturing Division: Masayoshi Yonezawa

(iii) Planned date of change

June 29, 2011