

## Consolidated Financial Results for the Six Months Ended September 30, 2013

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 Stock exchange listing: Tokyo Stock Exchange  
 Stock code: 7947 URL: <http://www.fpco.co.jp/>  
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Scheduled date to submit the Quarterly Securities Report (Shihanki Houkokusho): November 7, 2013  
 Scheduled date for commencement of dividend payments: November 26, 2013  
 Supplementary documents for quarterly results: Yes  
 Quarterly results briefing: Yes

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2013 (April 1, 2013 – September 30, 2013)

#### (1) Consolidated Results of Operations

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
As of September 30, 2013	80,514	1.8	4,930	-33.5	5,112	-32.1	3,108	-29.2
September 30, 2012	79,087	2.9	7,413	7.5	7,528	8.8	4,393	16.2

(Note) Comprehensive income: As of September 30, 2013: 3,235 million yen (-21.3%)  
 As of September 30, 2012: 4,113 million yen (7.6%)

	Net income per share (basic)		Net income per share (diluted)	
	Yen	Yen	Yen	Yen
As of September 30, 2013	150.21	–	–	–
September 30, 2012	212.28	–	–	–

#### (2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Million yen	Million yen	Million yen	Million yen	%	Yen	Yen	
As of September 30, 2013	183,152	78,571	78,571	78,571	42.9	3,795.15	3,795.15	
March 31, 2013	172,260	76,682	76,682	76,682	44.5	3,703.92	3,703.92	

(Reference) Shareholders' equity: As of September 30, 2013: 78,551 million yen  
 As of March 31, 2013: 76,663 million yen

### 2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2013	–	64.00	–	65.00	129.00
Year ending March 31, 2014	–	64.00	–	–	–
Year ending March 31, 2014 (forecast)	–	–	–	65.00	129.00

Note: Revisions to dividend forecasts published most recently: No

### 3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2014 (April 1, 2013 – March 31, 2014)

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
Year ending March 31, 2014	170,500	7.8	15,520	6.6	15,600	3.2	9,120	3.1	440.62	

Note: Revisions to consolidated business performance forecasts published most recently: No

\* Notes

- (1) Changes in significant subsidiaries during the period  
(changes in specified subsidiaries accompanying changes in scope of consolidation): No
- (2) Application of particular accounting treatment concerning preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies and accounting estimates, and restatement
- |   |    |
|---|----|
| (i) Changes in accounting policies accompanying amendments to accounting standards, etc.: | No |
| (ii) Changes other than (i):  | No |
| (iii) Changes in accounting estimates:  | No |
| (iv) Restatement:   | No |
- (4) Number of shares outstanding (common stock):
- |   |                   |
|---|-------------------|
| (i) Number of shares outstanding at end of period (including treasury stock)                  |                   |
| As of September 30, 2013:   | 22,142,106 shares |
| As of March 31, 2013:   | 22,142,106 shares |
| (ii) Number of treasury stock at end of period:   |                   |
| As of September 30, 2013:   | 1,444,253 shares  |
| As of March 31, 2013:   | 1,444,164 shares  |
| (iii) Average number of shares outstanding during the period (consolidated cumulative period) |                   |
| Six months ended September 30, 2013:  | 20,697,894 shares |
| Six months ended September 30, 2012:  | 20,698,039 shares |

\* Status of a quarterly review

This financial summary does not need to undergo a quarterly review under the Financial Instruments and Exchange Act. The quarterly consolidated financial statements have not been reviewed at the time of the announcement of this financial summary.

\* Explanations and other special notes concerning the appropriate use of business performance forecasts

The forecasts and other forward-looking statements presented in this material are based on information available to the Company as of the date of publication of this material. Actual performance may differ from the forecast figures due to a variety of factors. Refer to "1. Qualitative Information Relating to Consolidated Results of Operations for the First Six Months Ended September 30, 2013; (3) Explanation of information on future forecasts, including the forecast of consolidated results" on page 4 of the "Accompanying Materials" for the assumptions underlying the forecasts, notes to the use of forecasts and other related matters.

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## 1. Qualitative Information Relating to Consolidated Results of Operations for the First Six Months Ended September 30, 2013

### (1) Explanation of financial results

During the first six months under review, in the Japanese economy, the yen depreciated further, and stock prices rose continuously reflecting the economic measures and monetary easing after the end of last year. Expectations of an economic recovery grew. Consumer spending rebounded gradually. However, the economic outlook still remained uncertain, partly reflecting an increase in the prices of imported raw materials.

In these circumstances, the Group's sales of containers with new designs and functions, the Multi FP and the Multi Solid, which is produced using scraps of materials created in the production process of the Multi FP, rose steadily.

The product lineup of OPET transparent containers and new transparent PP containers, sales of which commenced in the previous fiscal year, was improved. Customers appreciated the superiority of their functions (oil resistance and thermal insulation). As a result, their sales volume increased considerably. In addition, sales of a recycled transparent PET food trays, the Eco APET series, and the Eco Tray, which were introduced into the market in the previous fiscal year, remained brisk. The shift from products using virgin raw materials to products using recycled raw materials is well underway.

These eco-friendly products are produced using recycled raw materials, and therefore have the advantage that they are insulated from the impact of cost increases attributable to sharp rises in the prices of raw materials. We expect that their sales will grow further in the future, reflecting an increase in customers' awareness of the environment and recycling and the government's policies aimed at achieving a Japan founded on the principles of environmental protection.

Costs rose due to sharp rises in raw material prices, the depreciation of the yen and an increase in electric power charges. As a result, the Company announced on May 20, 2013 that it would revise its product prices, because it is difficult for it to absorb the higher costs on its own by reducing product weights and making cost reductions, and it negotiated earnestly with customers. However, due to a delay in the product price revision from the original schedule, the situation became challenging.

Accordingly, the overall volume of products sold rose 4.6% from a year ago, and sales of products increased 3.5% year on year.

Sales of goods declined 2.6% from the previous fiscal year because the Company revised part of the product mix, while it promoted the establishment and improvement of the physical distribution network and an increase in the handling volume of goods.

As a result, net sales for the first six months under review increased 1,426 million yen, or 1.8%, from the previous year, to 80,514 million yen.

As to income, raw material prices rose sharply from the third quarter of the previous fiscal year, and raw material costs increased around 1,800 million yen year on year. In addition, expenses rose around 1,000 million yen from a year earlier, reflecting capital investment, etc., which the Company actively advanced. Meanwhile, sales of lunchbox containers and prepared foods remained brisk. In the face of rising electric power charges and unit delivery cost, the entire Group made efforts to improve costs, and product prices rose, resulting in income improvement of around 400 million yen in total. However, the increase in costs was not offset. As a result, ordinary income for the first six months under review decreased 2,415 million yen, or 32.1% year on year, to 5,112 million yen. Net income stood at 3,108 million yen (down 29.2% from a year earlier).

As for facilities, the No. 2 Kyushu Distribution Center began operating in July 2013, and the No. 1 Kansai Distribution Center launched its operation in October 2013. Construction has commenced on the Hachioji Center, which is scheduled to begin operating as a new logistics base in October 2014, and on the Fukuyama Cross-Docking Center, which will operate in November 2014 (its warehouse is scheduled to launch its operation in July 2014).

In addition, as to the No. 1 Kanto Plant, which had been refurbished due to the operation of the Kanto Yachiyo Plant, its production facilities were renovated, and it began operating in June 2013.

With respect to promoting the employment of disabled workers, which is part of the Company's corporate social responsibility, the Company is providing employment opportunities to 364 individuals (634 disabled workers employed as of the end of September 2013) and 33 at business tie-up partners.

(Explanations of terms)

Multi FP (MFP):	A formed PS (polystyrene) container with cold and heat resistance to temperatures between -40°C and +110°C and with superior oil and acid resistance and thermal insulation).
Multi Solid (MSD):	A non-formed PS (polystyrene) container with a heat resistance temperature of +110°C that is able to create sharp figures by using scraps of materials from the Multi FP, while maintaining the characteristics of the Multi FP.
OPET transparent container:	A polystyrene terephthalate transparent container with a heat resistance temperature of +80°C that is molded from bi-axially oriented PET sheets, with superior oil and acid resistance and transparency, achieving the same thermal insulation as the OPS.
New transparent PP container:	A transparent PP container with a heat resistance temperature of +110°C, which has achieved the same transparency as OPS using standard-grade polypropylene raw material.
OPS transparent container:	A conventional transparent container with a heat resistance temperature of +80°C that is molded from the bi-axially oriented polystyrene sheets.
Eco Tray:	A recycled expanded polystyrene container for which polystyrene containers collected at shop counters and scrap pieces collected within plants are used as raw materials (sales commenced in 1992).
Eco APET:	A recycled PET transparent container for which PET transparent containers collected at shop counters, PET bottles and scrap pieces collected within plants are used as raw materials (sales commenced in 2012).
Cross-docking center:	A center that achieves a cross-docking method of gathering all the products to be shipped in one place, and loading them in order of delivery after an all-in assortment by each delivery route, replacing the method of loading products sent to customers using individual delivery trucks making rounds of visits to warehouses.

## (2) Explanation of financial situation

### 1) State of assets, liabilities and net assets

Assets for the Group totaled 183,152 million yen at the end of the first six months under review, up 10,891 million yen from the end of the previous fiscal year.

This was chiefly attributable to an increase in cash and deposits of 3,801 million yen, a rise in merchandise and finished goods of 641 million yen, an increase in tangible fixed assets of 8,341 million yen, and a decrease in notes and accounts receivable – trade of 2,225 million yen.

Consolidated liabilities amounted to 104,580 million yen, up 9,002 million yen from the end of the previous fiscal year.

This was chiefly attributable to a rise in short-term borrowings payable and long-term borrowings payable of 3,032 million yen, an increase in other current liabilities of 5,113 million yen, growth in other fixed liabilities of 2,366 million yen, and a decline in accounts payable – trade of 1,076 million yen.

Consolidated net assets reached 78,571 million yen, up 1,889 million yen from the end of the previous fiscal year.

This was chiefly attributable to an increase in retained earnings of 1,763 million yen and a rise in valuation difference in available-for-sale securities of 125 million yen.

### 2) State of cash flows

Cash and cash equivalents (hereinafter “cash”) totaled 17,861 million yen at the end of the first six months under review, up 3,801 million yen from the end of the previous fiscal year.

The status of cash flows and key components are as follows:

(Cash flows from operating activities)

Cash provided by operating activities amounted to 7,685 million yen (6,609 million yen cash provided a year earlier). This was chiefly attributable to net income before income taxes and other adjustments of 5,112 million yen, depreciation expenses of 4,594 million yen, and a decrease in trade accounts receivable of 2,138 million yen, which increased cash, and a rise in inventories of 339 million yen and income taxes paid of 2,554 million yen, which reduced cash.

(Cash flows from investing activities)

Cash used for investment activities stood at 3,958 million (9,892 million yen cash used a year earlier), reflecting expenditure of 4,093 million yen for the acquisition of fixed assets such as land for distribution and picking centers.

(Cash flows from financing activities)

Cash provided by financing activities amounted to 74 million yen (2,609 million yen cash provided a year earlier), reflecting a net increase in borrowings payable, etc. of 3,032 million yen, dividends paid of 1,345 million yen, and repayments of lease obligations of 1,611 million yen.

(3) Explanation of information on future forecasts, including the forecast of consolidated results

As to the future outlook, unpredictable conditions such as the trend of consumers due to an increase in consumption tax and a rise in raw material costs, which will be attributable to foreign exchange rate fluctuations, are expected to continue in the business environments surrounding the Group.

If it is difficult for the Company to absorb the rise in costs on its own, which will be caused by the recent sharp increase in raw material prices and a rise in electric power charges, we expect to absorb the higher costs through negotiations with customers regarding price revisions.

We will accelerate the speed of the development of new products and product lineups and focus on the sales expansion of goods and products produced only by the Company, such as the Multi FP, Multi Solid, OPET, new transparent PP and eco-friendly products. Meanwhile, as to general-purpose products, we will reduce costs methodically and make efforts to increase the sales volume.

We will also make proposals to customers to reduce the total distribution cost required for procurement and delivery by using logistics networks covering the entire nation through the operation of logistics bases in Kyushu and Kansai.

There is no change in the forecast of consolidated results for the fiscal year ending March 2014 from the forecast announced on August 6, 2013.

## 2. Matters Relating to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

Not applicable

(2) Application of Particular Accounting Treatment Concerning Preparation of Quarterly Consolidated Financial Statements

Not applicable

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	Previous consolidated fiscal year (As of March 31, 2013)	First half of the current consolidated fiscal year (As of September 30, 2013)
<b>Assets</b>		
Current assets		
Cash and deposits	14,060	17,861
Notes and accounts receivable–trade	36,450	34,225
Merchandise and finished goods	16,597	17,239
Work in process	116	96
Raw materials and supplies	2,807	2,549
Other	3,841	4,602
Allowance for doubtful accounts	-30	-29
Total current assets	73,843	76,544
Noncurrent assets		
Tangible fixed assets		
Buildings and structures, net	37,645	41,950
Machinery, equipment and vehicles, net	9,830	7,982
Lands	27,805	31,955
Lease assets, net	9,977	12,727
Other, net	5,387	4,372
Total tangible fixed assets	90,647	98,988
Intangible fixed assets		
Goodwill	1,127	984
Other	918	938
Total intangible fixed assets	2,046	1,922
Investments and other assets	5,722	5,697
Total noncurrent assets	98,416	106,607
Total assets	172,260	183,152
<b>Liabilities</b>		
Current liabilities		
Accounts payable–trade	21,051	19,974
Short-term borrowing payable	15,066	11,256
Commercial paper	15,000	15,000
Income taxes payable	2,692	2,266
Provision for bonuses	1,540	1,460
Provision for directors' bonuses	93	29
Other	9,054	14,167
Total current liabilities	64,499	64,155
Noncurrent liabilities		
Long-term borrowing payable	19,728	26,570
Provision for retirement benefits	2,134	2,243
Provision for directors' retirement benefits	1,135	1,165
Other	8,079	10,445
Total noncurrent liabilities	31,078	40,425
Total liabilities	95,578	104,580

(Million yen)

	Previous consolidated fiscal year (As of March 31, 2013)	First half of the current consolidated fiscal year (As of September 30, 2013)
Net assets		
Shareholders' equity		
Capital stock	13,150	13,150
Capital surplus	15,843	15,843
Retained earnings	52,062	53,825
Treasury stock	-4,938	-4,939
Total shareholders' equity	76,117	77,880
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	546	671
Total accumulated other comprehensive income	546	671
Minority interests	18	20
Total net assets	76,682	78,571
Total liabilities and net assets	172,260	183,152



(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income  
(Quarterly Consolidated Statement of Income)  
(First half period)

(Million yen)

	First half period of previous fiscal year (April 1, 2012 - September 30, 2012)	First half period of current fiscal year (April 1, 2013 - September 30, 2013)
Net sales	79,087	80,514
Cost of sales	54,866	57,622
Gross profit	24,221	22,891
Selling, general and administrative expenses	16,807	17,961
Operating income	7,413	4,930
Non-operating income		
Interest income	3	3
Dividends income	34	39
Gain on sale of scraps	71	110
Other	269	275
Total non-operating income	378	428
Non-operating expenses		
Interest expenses	176	164
Other	87	81
Total non-operating expenses	264	246
Ordinary income	7,528	5,112
Extraordinary income		
Gain on sales of noncurrent assets	18	2
Gain on step acquisitions	-	6
Total extraordinary income	18	9
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	86	9
Loss on valuation of investment securities	112	-
Loss on sales of stocks of subsidiaries and affiliates	17	-
Total extraordinary loss	216	9
Income before income taxes	7,330	5,112
Income taxes—current	2,904	2,198
Income taxes—deferred	32	-196
Total income taxes	2,937	2,001
Income before minority interests	4,393	3,110
Minority interests in income	-0	1
Net income	4,393	3,108

(Quarterly Consolidated Statement of Comprehensive Income)  
(First half period)

(Million yen)

	First half period of previous fiscal year (April 1, 2012 - September 30, 2012)	First half period of current fiscal year (April 1, 2013 - September 30, 2013)
Income before minority interests	4,393	3,110
Other comprehensive income		
Valuation difference on available-for-sale securities	-279	125
Total other comprehensive income	-279	125
Comprehensive income	4,113	3,235
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	4,114	3,234
Comprehensive income attributable to minority interests	-0	1

## (3) Quarterly Consolidated Statement of Cash Flows

(Million yen)

	First half period of previous fiscal year (April 1, 2012 - September 30, 2012)	First half period of current fiscal year (April 1, 2013 - September 30, 2013)
Cash flows from operating activities		
Net income before taxes and other adjustments	7,330	5,112
Depreciation and amortization	4,689	4,594
Increase (decrease) in provision for bonuses	-39	-88
Increase (decrease) in provision for directors' bonuses	-53	-64
Increase (decrease) in allowance for doubtful accounts	-5	6
Increase (decrease) in provision for directors' retirement benefits	14	29
Increase (decrease) in provision for retirement benefits	89	108
Loss (gain) on valuation of investment securities	112	-
Loss (gain) on sales and retirement of noncurrent assets	68	7
Interest and dividends income	-37	-42
Interest expenses	176	164
Decrease (increase) in trade receivables	-1,288	2,138
Decrease (increase) in inventory assets	-637	-339
Decrease (increase) in accounts receivable-other	-194	-398
Increase (decrease) in accounts payable	462	-1,224
Other	-49	366
Subtotal	10,636	10,371
Interest and dividends income received	37	42
Interest expenses paid	-180	-173
Income taxes paid	-3,884	-2,554
Net cash provided by (used in) operating activities	6,609	7,685
Cash flows from investing activities		
Purchase of tangible fixed assets	-9,671	-4,093
Other	-221	134
Net cash provided by (used in) investing activities	-9,892	-3,958
Cash flows from financing activities		
Net increase (decrease) in short-term borrowing payable	780	-2,800
Proceeds from long-term borrowing payable	10,910	12,000
Repayment of long-term borrowing payable	-6,607	-6,167
Repayments of lease obligations	-1,223	-1,611
Cash dividends paid	-1,241	-1,345
Other	-7	-0
Net cash provided by (used in) financing activities	2,609	74
Effect of exchange rate change on cash and cash equivalents	0	-
Amount of increase (decrease) in cash and cash equivalents	-672	3,801
Balance of cash and cash equivalents at beginning of period	13,909	14,060
Balance of cash and cash equivalents at end of period	13,236	17,861

(4) Notes to Quarterly Consolidated Financial Statements

Note to Going Concern Assumption

Not applicable

Notes on Any Significant Change in the Value of Shareholders' Equity

Not applicable