July 31, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 <under Japanese GAAP>

Company name:	FP CORPORATION		
Stock exchange listing:	Tokyo Stock Exchange		
Stock code:	7947	URL:	https://www.fpco.jp/
Representative:	Morimasa Sato, Representative Director, Chairman		
Contact:	Isao Ikegami, Executive Vice President and Director, Executive General Manager of Finance and Accounting Division Tel. +81-8-4953-1145		

Scheduled date for commencement of dividend payments: –
Supplementary documents for financial results: Yes
Financial results briefing: None

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 – June 30, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Period ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2025	57,813	4.9	3,930	79.4	4,034	79.7	2,804	93.0
June 30, 2024	55,131	3.6	2,190	(26.5)	2,244	(30.8)	1,452	(35.3)

(Note) Comprehensive income: Period ended June 30, 2025: 3,033 million yen [65.3%]
Period ended June 30, 2024: 1,834 million yen [(18.0%)]

	Net income per share (basic)	Net income per share (diluted)
Period ended	Yen	Yen
June 30, 2025	34.68	–
June 30, 2024	17.97	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
June 30, 2025	293,563	153,913	52.2	1,895.33
March 31, 2025	292,226	154,114	52.5	1,897.68

(Reference) Equity: As of June 30, 2025: 153,238 million yen
As of March 31, 2025: 153,428 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
Fiscal year ended March 31, 2025	–	21.50	–	40.00	61.50
Fiscal year ending March 31, 2026	–				
Fiscal year ending March 31, 2026 (forecast)		21.50	–	40.00	61.50

(Note) Revisions to dividend forecasts published most recently: No

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages show year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First six-month	121,000	5.3	7,630	17.9	7,600	16.6	5,010	15.5	61.97
Year ending March 31, 2026	245,300	4.1	19,790	7.1	19,600	6.2	13,170	5.5	162.89

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

* Notes
(1) Important changes in the scope of consolidation during the period: 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 in accounting policies 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 shares)

As of June 30, 2025:	84,568,424 shares
As of March 31, 2025:	84,568,424 shares

(ii) Number of treasury shares at end of period

As of June 30, 2025:	3,717,694 shares
As of March 31, 2025:	3,717,694 shares

(iii) Average number of shares outstanding during the period (consolidated cumulative period)

Three Months ended June 30, 2025:	80,850,730 shares
Three Months ended June 30, 2024:	80,822,001 shares

* Review of the accompanying quarterly consolidated financial statements by certified public accountants or audit corporations: No

* Explanations and other special notes concerning the appropriate use of business performance forecasts
(Notes on forward-looking statements)
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 use of the forecasts, please refer to “1. Overview of Consolidated Results of Operations, Etc.; (3) Explanation of Information on Future Forecasts, Including the Forecast of Consolidated Results” on page 4 of the “Accompanying Materials.”

(How to obtain supplementary documents for results)
Supplementary documents for financial results are published on the Company’s website as soon as they are announced.

Accompanying Materials – Contents

1. Overview of Consolidated Results of Operations, Etc.

(1) Overview of Operating Results

(Net sales and profits)

Net sales and profits for the first three months of the consolidated fiscal year under review (from April 1, 2025 to June 30, 2025) are as follows.

(Million yen)

	Results for the previous year	Results	YoY change	YoY (%)
Net sales	55,131	57,813	2,681	104.9
Sales of products	41,880	44,217	2,336	105.6
Sales of goods	13,251	13,596	345	102.6
Operating profit	2,190	3,930	1,740	179.4
Ordinary profit	2,244	4,034	1,789	179.7
Profit attributable to owners of parent	1,452	2,804	1,351	193.0
Ordinary profit before depreciation	5,961	7,647	1,685	128.3

Net sales and sales volume of products

Net sales for the first three months under review increased 4.9% year on year, chiefly reflecting the effects of the product price revisions. The sales volume of products decreased 2.2% year on year. The main reason for this was a year-on-year decline in the number of items purchased at retailers, which is a reflection of the high prices. This trend was particularly remarkable at convenience stores. Another factor is the rush of demand that existed in the same period of the previous fiscal year due to the product price revisions which began to be implemented starting with products shipped on July 1, 2024. The Group expects that the change in the Group’s share of the major retailer market and the projects acquired through FPCO Fair 2025 will be reflected in its results in and after the second quarter.

Major factors for increase/decrease of ordinary profit

Ordinary profit was 4,034 million yen, a year-on-year increase of 1,789 million yen. The increase was mainly due to the strong sales of highly profitable products with weight-reducing features and eco-friendly products (Eco Trays, Eco APET, and Eco OPET), in addition to the effects of the price revisions on the Group’s sales activities, which increased ordinary profit by 2,700 million yen. On the other hand, the factors for the decrease included the impact of the increase in raw material prices, which decreased ordinary profit 400 million yen, an increase in logistics costs, which decreased it 350 million yen, and an increase in expenses, which decreased it 160 million yen.

(Sales activities)

While raw material prices continue to soar, the Group has been proactive in reducing the use of plastics. The Group reduces costs by reducing the weight of products, and through these efforts, increasing sales of these products as strategic products that hold down the purchase price for customers while securing profit for the Group.

In the Store-to-Store recycling initiative, the Group collaborates with supermarkets to collect above-ground resources at stores and recycle them into products. It has been expanded to more than 3,500 stores operated by 116 companies as of June 30, 2025. As a result, sales of eco-friendly products increased, with their sales composition having reached 53% (in terms of quantity) in the three months ended June 30, 2025. At FPCO Fair 2025, which was held at Tokyo Big Sight in April 2025, the Company proposed products that are compatible with machines and containers that make it possible to adjust product weight, reflecting the labor shortage and the rising food prices. Additionally, for the frozen food market and the hospital food and nursing care food market, which are expected to expand in the future due to the aging of society and the labor shortage, the Company is implementing initiatives to expand its sales channels, including collaborations with machine manufacturers and other external companies.

(Production)

At its main plants, the Group is using automated guided vehicles and industrial robots to reduce labor and employee workload. Further, the Group is also experimentally introducing small box-packing robots, which are able to handle a wider range of products, aiming to increase automation and production efficiency. The Group is also enhancing local production based on demand by more accurately managing its supply chain. In April 2025, the number of annual days off work for employees involved in production was increased from 116 to 120 to attract and retain human resources.

(Logistics)
With the beginning of operations of the Kansai Hub Center, the Group completed a logistics network that has 85% of the total population of Japan within a 100 km radius of one of its distribution centers across the country, establishing an efficient logistics system. In addition, the Group is implementing initiatives to streamline delivery, including using sorter systems to automate shipping, using dedicated pallets in palletized transportation, and consolidating loading and unloading areas. As a result, the Group has achieved quality logistics so that products are reliably delivered whenever they are needed. In the Group's highly precise system, 88% of deliveries are made within 15 minutes before or after the scheduled time.

(Overseas business)
Regarding equity method affiliate Lee Soon Seng Plastic Industries Sdn. Bhd. (Headquarters: Malaysia; hereafter, "LSSPI"), the Company worked to improve productivity by making capital investments, including investments in molding machines and extruders, strengthening product development technologies including molds, and operating an inventory control system and production control system. While demand for food containers is expected to increase in Southeast Asia reflecting the increase of the population and people's incomes, the Company focuses its efforts on increasing its market share in Malaysia and the Company and LSSPI are collaborating to supply products to the Company's customers which are expanding overseas. This has also led to an increase in sales outside Malaysia.

(Status of new material development)
Regarding the ultra-high-rigidity biaxially oriented polypropylene sheet (hereafter the new OPP sheet) and new OPP multi-layer plate, which the Company announced that it succeeded in developing in April 2024, the Company placed an order for a new OPP sheet manufacturing device in November of the same year. On April 1, 2025, the Company established the New OPP Sheet Innovation Business Department, accelerating its marketing activities. The Company is considering the construction of a new plant in Bando City, Ibaraki, with the goal of it beginning to operate in the second half of 2027.
These new materials have a balance of physical properties, including superior rigidity and impact resistance over a wide range of temperatures, from very low to high temperatures, heat resistance, cold resistance and oil resistance. Moreover, the new OPP multi-layer plate features high rigidity, impact resistance, and high ductility despite its light weight. It also excels in terms of its decorativeness because it maintains a high degree of transparency. These properties permit the expansion of its applications to a wide range of industrial fields, including civil engineering and construction materials, housing equipment, home appliances, solar cells, and mobility. At present, the company is promoting the development of applications for use as high value-added materials in each field.
Most notably, automotive manufacturers have praised it as a material that will help increase their recycled material usage rate. This new material is also attracting attention from various markets as a highly functional material with excellent physical properties that also helps reduce the use of plastics, the weight of products, and environmental impact.

(Recycling)
The Group has been forging ahead with the "Tray to Tray" FPCO method of recycling since it began to collect used containers in 1990. As of June 30, 2025, there are 11,200 collection points for this project. Since 2012, the Group has also been working on "Bottle to Transparent Container," a project for recycling used PET bottles (plastic bottles) into transparent containers, such as containers for salad. In recent years, the Group has enhanced its "Store-to-Store" recycling collaborations with supermarkets. At the same time, it has been striving to communicate with local communities and consumers through classes it has been teaching at elementary schools and other venues. As a result of these activities, the amount of used containers collected has continued to increase. It is up 6.5% year on year.
The Group also began to implement an initiative together with DIC Corporation (Headquarters: Chuo-ku, Tokyo; hereinafter, "DIC") in November 2020, aiming to achieve the complete circular recycling of foamed polystyrene containers. The goal of this initiative is to recycle colored and patterned foamed polystyrene containers, which have traditionally been recycled into daily

necessities, sundry goods and other items, into the Company's products by removing coloring components using DIC's technologies. As the only company in the world that recycles trays on its own and produces trays from them, the Company will continue to pursue both functional containers and sustainability.

(Initiatives on ESG and SDGs)

The Group's human resources with disabilities engage in core operations, including manufacturing of food containers and sorting of used food containers. As of March 2025, the employment rate for employees with disabilities in the FPCO Group has reached 12.6% according to the calculation method prescribed by Japanese law.

To promote good health among employees, the Company strives to implement the Workplace Health Promotion Project, in which every initiative and all available information are taken and used to improve health, and also to improve the workplace environment. As a result of these initiatives, the Company has been recognized under the KENKO Investment for Health Program (large enterprise category) for four consecutive years. Going forward, FPCO Group companies will also step up initiatives to be recognized under the KENKO Investment for Health Program.

Regarding the evaluation of ESG, the Company continued to be selected as a constituent of the FTSE4Good Index Series, the FTSE Blossom Japan Index, and the FTSE Blossom Japan Sector Relative Index by FTSE Russell, as well as the MSCI Japan Empowering Women (WIN) Select Index by MSCI Inc.

(2) Overview of Financial Position

1) State of assets, liabilities and net assets

Consolidated assets at the end of the first quarter under review totaled 293,563 million yen, up 1,337 million yen from the end of the previous fiscal year. This was mainly due to a 1,461 million yen increase in merchandise and finished goods and a 944 million yen decrease in property, plant and equipment, which was mainly depreciation.

Consolidated liabilities amounted to 139,649 million yen, up 1,537 million yen from the end of the previous consolidated fiscal year. This was mainly due to a 2,177 million yen increase in borrowings (short-term borrowings and long-term borrowings) and a 1,865 million yen decrease which mainly reflected the payment of income taxes payable.

Consolidated net assets totaled 153,913 million yen, down 200 million yen from the end of the previous fiscal year. This change mainly reflected an increase of 2,804 million yen due to the recording of profit attributable to owners of parent, and a decrease of 3,234 million yen due to dividends of surplus.

2) Cash flows

Consolidated cash and cash equivalents (hereinafter "cash") at the end of the first quarter under review totaled 19,537 million yen, up 516 million yen from the end of the previous fiscal year.

(Cash flows from operating activities)

Cash provided by operating activities amounted to 4,557 million yen (5,923 million yen in cash was provided a year earlier).

This reflected a cash increase due mainly to profit before income taxes of 4,014 million yen and depreciation of 3,613 million yen, as well as a cash decrease following income taxes paid of 3,577 million yen.

(Cash flows from investing activities)

Net cash used in investing activities reached 2,760 million yen (2,480 million yen in cash was used a year earlier).

This was due mainly to 2,725 million yen spent on the purchase of property, plant and equipment including production equipment.

(Cash flows from financing activities)

Net cash used in financing activities came to 1,279 million yen (6,215 million yen in cash was used a year earlier).

This primarily reflected proceeds from long-term borrowings of 5,000 million yen, repayment of long-term borrowings of 2,822 million yen and dividends paid of 3,186 million yen.

(3) Explanation of Information on Future Forecasts, Including the Forecast of Consolidated Results

In the first three months under review, each level of profit was above the forecast at the beginning of the fiscal year. However, the consolidated forecasts for the first six months and the full year, which were announced on April 30, 2025 in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2025, remain unchanged. They remain unchanged because of the uncertainty of the consumption environment and raw material price trends. The Company will promptly announce any matters which require disclosure in the future.

(Explanations of terms)

Eco Tray:	A recycled, foamed polystyrene (PS) container for which polystyrene containers collected at supermarkets or similar places and scrap pieces collected within plants are used as raw materials (sales commenced in 1992).
Eco APET:	A recycled polyethylene terephthalate (PET) transparent container for which PET transparent containers collected at supermarkets or similar places, PET bottles and scrap pieces collected within plants are used as raw materials (sales commenced in 2012). Heat resistance temperature of +60ºC
Eco OPET:	A recycled oriented PET (OPET) transparent container molded from the bi-axially PET sheets, which use the same raw materials as an Eco APET (sales commenced in 2016) Superior oil resistance and high transparency, with the same thermal insulation as the OPS transparent container (a conventional transparent container molded from the bi-axially oriented polystyrene sheets). Heat resistance temperature of +80ºC
Store to Store recycling:	The trays and PET bottles used or sold at a store are collected there as recyclable resources. The Company then recycles them into new food trays and transparent containers, which are actively reused at the same store, creating a store-centered recycling loop.
New OPP sheet:	Ultra-high-rigidity biaxially oriented polypropylene sheet with a thickness of 150 to 300 microns that features superior transparency, cold resistance, heat resistance, and high rigidity achieved by simultaneously extending a polypropylene sheet biaxially in the longitudinal and horizontal directions. It was successfully developed in April 2024.
New OPP multi-layer plate:	An ultra-high-rigidity plate with thickness of 1 to 3 millimeters, which is made by heat-fusing the new OPP sheet. It features high rigidity, impact resistance, and high toughness and excels in terms of its decorativeness because it maintains a high degree of transparency. It was successfully developed in April 2024.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	19,020	19,537
Notes and accounts receivable - trade	42,620	42,213
Merchandise and finished goods	26,019	27,481
Work in process	150	156
Raw materials and supplies	5,514	5,509
Other	5,545	5,696
Allowance for doubtful accounts	(22)	(21)
Total current assets	98,847	100,572
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	92,995	91,936
Machinery, equipment and vehicles, net	31,760	31,165
Land	40,522	40,581
Leased assets, net	1,423	1,550
Other, net	6,967	7,489
Total property, plant and equipment	173,668	172,723
Intangible assets		
Goodwill	557	604
Other	2,695	2,629
Total intangible assets	3,252	3,233
Investments and other assets	16,457	17,033
Total non-current assets	193,378	192,990
Total assets	292,226	293,563
Liabilities		
Current liabilities		
Accounts payable - trade	28,055	27,300
Short-term borrowings	14,752	14,793
Commercial papers	18,000	18,000
Income taxes payable	3,869	2,003
Provision for bonuses	3,417	1,776
Provision for bonuses for directors	197	50
Other	16,081	19,817
Total current liabilities	84,372	83,741
Non-current liabilities		
Long-term borrowings	46,191	48,327
Provision for retirement benefits for directors	170	138
Provision for executive officers’ retirement benefits	106	77
Retirement benefit liability	5,110	5,111
Other	2,159	2,253
Total non-current liabilities	53,739	55,907
Total liabilities	138,111	139,649

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	13,150	13,150
Capital surplus	15,578	15,578
Retained earnings	130,911	130,481
Treasury shares	(8,418)	(8,418)
Total shareholders' equity	151,221	150,791
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,105	1,256
Foreign currency translation adjustment	625	740
Remeasurements of defined benefit plans	476	450
Total accumulated other comprehensive income	2,207	2,446
Non-controlling interests	685	675
Total net assets	154,114	153,913
Total liabilities and net assets	292,226	293,563

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

(Quarterly Consolidated Statement of Income)

(First three-month period)

(Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	55,131	57,813
Cost of sales	39,274	39,508
Gross profit	15,856	18,305
Selling, general and administrative expenses	13,666	14,375
Operating profit	2,190	3,930
Non-operating income		
Interest income	0	0
Dividend income	52	34
Gain on sale of scraps	34	34
Subsidy income	0	35
Other	107	139
Total non-operating income	195	244
Non-operating expenses		
Interest expenses	42	62
Share of loss of entities accounted for using equity method	72	37
Other	25	40
Total non-operating expenses	140	140
Ordinary profit	2,244	4,034
Extraordinary losses		
Loss on sale and retirement of non-current assets	9	19
Total extraordinary losses	9	19
Profit before income taxes	2,235	4,014
Income taxes - current	1,368	1,889
Income taxes - deferred	(601)	(668)
Total income taxes	767	1,220
Profit	1,467	2,793
Profit (loss) attributable to non-controlling interests	15	(10)
Profit attributable to owners of parent	1,452	2,804

(Quarterly Consolidated Statement of Comprehensive Income)

(First three-month period)

(Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	1,467	2,793
Other comprehensive income		
Valuation difference on available-for-sale securities	11	151
Remeasurements of defined benefit plans, net of tax	(8)	(25)
Share of other comprehensive income of entities accounted for using equity method	364	114
Total other comprehensive income	367	239
Comprehensive income	1,834	3,033
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,819	3,043
Comprehensive income attributable to non-controlling interests	15	(10)

(3) Quarterly Consolidated Statement of Cash Flows

(Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	2,235	4,014
Depreciation	3,716	3,613
Increase (decrease) in provision for bonuses	(1,512)	(1,640)
Increase (decrease) in provision for bonuses for directors	(142)	(147)
Increase (decrease) in allowance for doubtful accounts	(0)	(1)
Increase (decrease) in provision for retirement benefits for directors	5	(32)
Increase (decrease) in provision for executive officers' retirement benefits	(12)	(29)
Increase (decrease) in retirement benefit liability	61	0
Interest and dividend income	(53)	(34)
Interest expenses	42	62
Share of loss (profit) of entities accounted for using equity method	72	37
Loss (gain) on sale and retirement of non-current assets	6	19
Decrease (increase) in trade receivables	926	406
Decrease (increase) in inventories	(992)	(1,417)
Decrease (increase) in accounts receivable - other	934	61
Increase (decrease) in trade payables	2,090	(754)
Other, net	1,039	4,001
Subtotal	8,416	8,160
Interest and dividends received	104	34
Interest paid	(39)	(60)
Income taxes paid	(2,557)	(3,577)
Net cash provided by (used in) operating activities	5,923	4,557
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,150)	(2,725)
Payments for acquisition of businesses	–	(201)
Other, net	(329)	165
Net cash provided by (used in) investing activities	(2,480)	(2,760)
Cash flows from financing activities		
Proceeds from long-term borrowings	–	5,000
Repayments of long-term borrowings	(3,115)	(2,822)
Repayments of lease liabilities	(277)	(270)
Dividends paid	(2,821)	(3,186)
Net cash provided by (used in) financing activities	(6,215)	(1,279)
Net increase (decrease) in cash and cash equivalents	(2,772)	516
Cash and cash equivalents at beginning of period	23,707	19,020
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	393	–
Cash and cash equivalents at end of period	21,328	19,537

(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

Notes on Segment Information, Etc.

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

Important Subsequent Events

Not applicable