

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 <under Japanese GAAP>

Company name: FP CORPORATION
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 7947 URL: <https://www.fpco.jp/>
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Scheduled date for ordinary general meeting of shareholders: June 25, 2026
 Scheduled date for commencement of dividend payments: June 8, 2026
 Scheduled date for filing of securities report: June 19, 2026
 Supplementary documents for financial results: Yes
 Financial results briefing: Yes (for institutional investors and analysts)
 (Amounts of less than one million yen are truncated.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2026	240,490	2.1	21,614	17.0	21,768	18.0	14,869	19.1
March 31, 2025	235,628	6.1	18,471	12.4	18,451	10.0	12,486	6.5

(Note) Comprehensive income: Fiscal year ended March 31, 2026: 16,806 million yen (31.2%)
 Fiscal year ended March 31, 2025: 12,812 million yen (2.6%)

	Net income per share (basic)	Net income per share (diluted)	Return on equity	Ratio of ordinary profit to total assets	Operating margin
	Yen	Yen	%	%	%
Fiscal year ended					
March 31, 2026	183.87	–	9.4	7.3	9.0
March 31, 2025	154.46	–	8.4	6.2	7.8

(Reference) Shares of (profit) loss of entities accounted for using equity method: Fiscal year ended March 31, 2026: -79 million yen
 Fiscal year ended March 31, 2025: -336 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
March 31, 2026	304,062	165,171	54.1	2,033.28
March 31, 2025	292,226	154,114	52.5	1,897.68

(Reference) Equity: As of March 31, 2026: 164,444 million yen
 As of March 31, 2025: 153,428 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended				
March 31, 2026	29,981	(16,594)	(6,928)	25,478
March 31, 2025	27,919	(14,929)	(18,070)	19,020

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			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2025	–	21.50	–	40.00	61.50	4,972	39.8	3.3
March 31, 2026	–	31.50	–	41.50	73.00	5,904	39.7	3.7
Fiscal year ending								
March 31, 2027 (forecast)	–	31.50	–	41.50	73.00		–	

(Note) The Company pays progressive dividends, not reducing dividends in principle, with the goal of increasing the dividend payout ratio to 40% on a consolidated basis. While the Company has yet to formulate its business performance forecasts, its policy is to maintain or increase dividends.

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2027 (April 1, 2026 – March 31, 2027)

Consolidated forecasts have not yet been formulated because it is difficult to reasonably calculate them at present due to the continuing uncertainty of the business environment surrounding the Group, including the surge in crude oil prices due to the Middle East situation. The Group will disclose its consolidated forecasts as soon as it is possible to reasonably calculate them.

* Notes

- (1) Important changes in the scope of consolidation during the period: No
 New — (Company name), Excluding — (Company name)
- (2) 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
- (3) Number of shares outstanding (common stock)
 (i) Number of shares outstanding at end of period (including treasury shares)
 As of March 31, 2026: 84,568,424 shares As of March 31, 2025: 84,568,424 shares
 (ii) Number of treasury shares at end of period
 As of March 31, 2026: 3,691,650 shares As of March 31, 2025: 3,717,694 shares
 (iii) Average number of shares outstanding during the period:
 Fiscal year ended March 31, 2026: 80,868,761 shares Fiscal year ended March 31, 2025: 80,841,890 shares

(Reference) Overview of Non-Consolidated Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026)

(1) Non-Consolidated Results of Operations

(Percentages show year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2026	189,293	1.4	14,779	26.9	27,279	102.2	22,618	129.8
March 31, 2025	186,749	5.9	11,648	23.1	13,488	20.4	9,843	20.6

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Fiscal year ended		
March 31, 2026	279.69	–
March 31, 2025	121.77	–

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
March 31, 2026	276,955	137,635	49.7	1,701.79
March 31, 2025	267,459	120,311	45.0	1,488.07

(Reference) Equity As of March 31, 2026: 137,635 million yen
 As of March 31, 2025: 120,311 million yen

Reason for differences between non-consolidated results of operations in the fiscal year under review and the previous fiscal year
 The difference between the results for the fiscal year under review and those for the previous fiscal year was due to a 10,796 million yen increase in dividend income received from consolidated subsidiaries, which is recorded as non-operating income. The dividend income is from consolidated subsidiaries and therefore does not affect consolidated financial results.

* This summary of financial statements is outside the scope of audit procedures by certified public accountants and an audit firm.

* 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 (2) Projections of 1. Overview of Consolidated Results of Operations, Etc. on page 5.

(Financial results briefing session and how to obtain the supplementary documents for financial results)

The Company will hold a financial results briefing session for financial analysts and institutional investors on April 30, 2026 (Thursday). The financial results briefing will be held in person and also streamed live. Materials used for the presentations of the financial results and the video of the presentations given at the analyst meeting are planned to be posted at the Company's official website on the following dates.

- Materials used for the presentations of the financial results: Thursday, April 30, 2026
- Video of the presentations given at analyst meeting: Friday, May 15, 2026

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1. Overview of Consolidated Results of Operations, Etc.

(1) Overview of Consolidated Results of Operations and Financial Situation for the Fiscal Year Ended March 31, 2026

1) Overview of Consolidated Results of Operations for the Fiscal Year Ended March 31, 2026

(Net sales and profits)

For the fourth quarter

(Million yen)

	Fourth quarter ended March 31, 2025	Fourth quarter ended March 31, 2026	YoY	
			Change	(%)
Net sales	54,022	54,050	28	100.1%
Sales of products	41,923	41,541	(382)	99.1%
Sales of goods	12,098	12,508	410	103.4%
Operating profit	3,559	3,819	259	107.3%
Ordinary profit	3,461	3,840	379	111.0%
Profit attributable to owners of parent	2,387	2,611	223	109.4%

For the consolidated fiscal year

(Million yen)

	Results for the previous fiscal year	Results for the fiscal year under review	YoY	
			Change	(%)
Net sales	235,628	240,490	4,861	102.1%
Sales of products	180,770	184,503	3,733	102.1%
Sales of goods	54,858	55,986	1,128	102.1%
Operating profit	18,471	21,614	3,143	117.0%
Ordinary profit	18,451	21,768	3,316	118.0%
Profit attributable to owners of parent	12,486	14,869	2,382	119.1%

Net sales and sales volume of products

Net sales increased 2.1% year on year. This was the 16th consecutive year that net sales rose to a new record high. The sales volume of products decreased 0.3% year on year, mainly due to a decrease in the number of items purchased at convenience stores and other retailers, amid inflation. On a quarterly basis, the sales volume of products has been trending toward a recovery, with a year-on-year decrease of 2.2% recorded in the first quarter, a year-on-year decline of 1.7% in the second quarter, a year-on-year increase of 1.2% in the third quarter, and a year-on-year increase of 1.5% in the fourth quarter. This reflects the increased sales of high value-added products, including eco-friendly products (Eco Tray, Eco APET, and Eco OPET).

Major factors for increase/decrease of ordinary profit

Ordinary profit was 21,768 million yen, a year-on-year increase of 3,316 million yen. This was a new record high. The increase was mainly due to raw material prices, which boosted ordinary profit by 830 million yen, and sales activities, mainly product price revisions, which contributed an additional 4,570 million yen. On the other hand, the main factors for the decrease included an increase in logistics costs, which decreased ordinary profit by 950 million yen, and higher production costs which decreased it by 750 million yen.

(Sales activities)

While the prices of food ingredients have continued to soar, there is growing demand in the retail industry for container size optimization due to net volume changes and fewer food items per container. The Company responded to these customer needs by making additional investments in molds for its mainstay product series, which increased the size options and enhanced the lineup of products.

In addition, the Company collaborates with supermarkets in the Store-to-Store circular recycling system, a circular recycling initiative centered around supermarkets. The Company began collaborating with Chugoku CGC Co., Ltd. (Headquarters: Hiroshima City, Hiroshima) on this initiative in November 2022, and as of March 31, 2026, it has been expanded to more than 5,000 stores operated by 140 companies. (As of April 30, 2026: 5,261 stores operated by 141 companies) As a result, in terms of

quantity, sales of eco-friendly products increased 2.1% year on year in the fiscal year ended March 31, 2026. It grew 13.4% compared to the fiscal year ended March 31, 2023, when collaboration began. The Company will continue to move forward with this initiative to further promote recycling efforts, aiming to include 10,000 stores operated by 300 companies in the program.

As needs become more diverse, mainly due to the labor shortage and the aging of society, the Company has been proposing high-functional containers that help address operational challenges at retail stores. In addition to the DP series of products, which do not require absorbent paper to be laid beneath the contents of packages, cold-resistant PPIP-talc is a new material that does not break easily, even at freezing temperatures. It is expected that it will be used more widely, particularly in medical and nursing care food applications.

(Production)

At its main plants, the Group is expanding the use of automated guided vehicles and industrial robots. It is also further increasing automation and production efficiency through efforts such as testing small box-packing robots, which are able to handle a wide range of products. Meanwhile, the efforts to shorten production cycles based on a newly calculated theoretical cycle time resulted in productivity improvements that more than offset the decrease in the number of operating days. In addition, the Group is continuing to improve its production systems through measures such as technological innovations to increase manufacturing speed.

(Logistics)

The Group has developed a nationwide logistics network that covers 85% of Japan's population within a 100 km radius of one of its distribution centers. 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, under which 85% of deliveries are completed within 15 minutes of the scheduled delivery time.

In the current environment, it is difficult to secure vehicles due to the driver shortage and the regulations regarding the time they spend at work. To address this, the Group is leveling delivery workloads. In the summer of 2025, the Group began limiting deliveries to customers requiring small-lot shipments to two designated days per week in order to improve delivery efficiency. In addition, delivery dates were moved up in the year-end busy season, which resulted in a 3% year-on-year reduction in the number of vehicles used on peak delivery days. Further, the Group has decided to build the Bando Distribution Center (tentative name) in Bando City, Ibaraki. The Group will increase its logistics capacity in the Tokyo Metropolitan Area using the network formed by this distribution center and the surrounding bases, further solidifying its stable supply structure.

(Overseas business)

Regarding equity method affiliate Lee Soon Seng Plastic Industries Sdn. Bhd. (Headquarters: Malaysia), the Company has 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. Further, the Company is launching containers with new designs onto the market by deepening its marketing activities and identifying market needs. As a result, both sales and profit are improving at present. In anticipation of an increase in demand for food containers in Southeast Asia due to the population and people's incomes increasing, the Company is focusing its efforts on increasing its market share in Malaysia and other countries in the region.

(Status of new material development)

In April 2024, the Company announced that it succeeded in developing ultra-high-rigidity biaxially oriented polypropylene sheet (hereinafter the new OPP sheet) and the OPP multi-layer plate. Both of these new materials have a superior balance of physical properties, including high rigidity and impact resistance over a wide range of temperatures, from very low to high temperatures, in addition to excellent heat, cold and oil resistance.

The superior physical properties of the new OPP sheet (product name: OPTENA) are enabling the Company to work with related companies to develop applications for it, positioning it as a new material that can be used for industrial purposes as well as for containers for frozen foods and other food items.

The OPP multi-layer plate (product name: FORTENA) is made by heat-fusing the new OPP sheet or other materials. Despite its light weight, this plate features high rigidity, impact resistance, and high ductility. In addition, it excels in terms of its decorativeness due to its 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.

Most notably, motorcycle and automotive manufacturers have praised both the sheet and the plate as materials that will help increase their recycled material usage rates and facilitate weight reduction. At present, they are being evaluated for introduction in various fields. They are attracting attention as excellent, highly functional materials with a superior balance of physical properties.

To establish a system for the full-scale mass production of these new materials, the Company has decided to build a new plant in Bando City, Ibaraki. Moving forward, the Company will start commercial production of the OPP multi-layer plate at the Kannabe Plant (Fukuyama City, Hiroshima) in early 2027. The raw material used to manufacture this plate is OPP film, and the Company outsources the production of this film. Following this, the Company will install equipment for manufacturing the new OPP sheet in the new plant to be built in Bando City, Ibaraki, with the goal of starting commercial production of the new OPP sheet and the OPP multi-layer plate, which is made by layering new OPP sheets, in 2029.

For more information about the construction of the new plant, see the Notice of Acquisition of Non-current Assets (Construction of New Plant and New Distribution Center) published on April 30, 2026.

(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 March 31, 2026, there are 11,600 collection points for this project. In addition, since 2012, the Group has also been working on the “Bottle to Transparent Container” project for recycling used PET bottles. In recent years, to further drive and expand these FPCO methods of recycling, 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 outreach classes at elementary schools and other venues and holding environmental events at retail stores. These activities have resulted in a continuous increase in the total weight of trays and transparent containers collected from stores, which rose 7.5% year on year, and the weight of PET bottles collected, which grew by 11.6% year on year. Amid uncertainty surrounding raw material trends, the Company is able to secure recovered raw materials through its own collection network. This capability has become a unique competitive advantage that contributes to the stable procurement of raw materials and greater price stability.

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. In this initiative, DIC’s technologies are used to remove coloring components from colored and patterned foamed polystyrene containers, which have traditionally been recycled only into daily necessities, sundry goods and other items due to quality constraints, with the goal of recycling these containers into Eco Tray products that the Group sells. As the only company in the world that collects trays on its own and produces trays from them, the Company will continue to pursue both container functionality and sustainability.

(Initiatives on ESG)

The Group aims to build a workplace environment that allows individual employees to fully display their abilities and characteristics in the fulfillment of their duties and to work in a motivated and fulfilling manner. As part of its investments in human capital, the Company has continued to raise salaries—it has increased base pay for 12 consecutive years. The Company also increased the number of days off work in the production department and enhanced its offices, and it is taking other initiatives to improve the work environment.

Further, to promote good health among employees, the Company strives to implement the Workplace Health Promotion Project, which promotes employee health through various initiatives and information sharing, and also to improve the environment. As a result of these initiatives, the Company has been recognized under the KENKO Investment for Health Program (large enterprise category) for five consecutive years. Going forward, FPCO Group companies will also step up initiatives to be recognized under the KENKO Investment for Health Program. In addition, the Group’s employees with disabilities engage in core operations, including manufacturing of food containers and sorting of used food containers. As of March 2026, the employment rate for employees with disabilities in the FPCO Group has reached 12.5%.

2) Overview of Financial Situation in the Fiscal Year Ended March 31, 2026

Consolidated assets at the end of the fiscal year under review totaled 304,062 million yen, up 11,836 million yen from the end of the previous fiscal year. This was mainly due to a 6,458 million yen increase in cash and deposits and a 5,923 million yen increase in construction in progress related to the new OPP sheet manufacturing device.

Consolidated liabilities amounted to 138,891 million yen, up 779 million yen from the end of the previous consolidated fiscal year. This was chiefly due to a decrease in accounts payable - trade of 1,442 million yen, which resulted mainly from a decline in raw material prices, as well as an increase in accounts payable - other including accounts payable - facilities of 924 million yen and an increase in accrued consumption taxes of 680 million yen.

Consolidated net assets totaled 165,171 million yen, up 11,056 million yen from the end of the previous fiscal year. This change mainly reflected an increase of 14,869 million yen due to the recording of profit attributable to owners of parent, and a decrease of 5,781 million yen due to dividends of surplus.

3) Overview of Cash Flows in the Fiscal Year Ended March 31, 2026

Consolidated cash and cash equivalents (hereinafter, "cash") at the end of the fiscal year under review totaled 25,478 million yen, up 6,458 million yen from the end of the previous fiscal year.

Cash flows from the respective activities and the factors affecting them are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities came to 29,981 million yen, up 2,061 million yen from a year earlier.

This results mainly from a cash increase with profit before income taxes of 21,457 million yen, depreciation of 14,594 million yen and an increase in accrued consumption taxes of 1,006 million yen as well as a cash decrease following a decline in notes and accounts payable - trade of 1,442 million yen and income taxes paid of 6,576 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 16,594 million yen, up 1,665 million yen from the previous fiscal year.

This was due mainly to 16,012 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 was 6,928 million yen, down 11,142 million yen from the previous fiscal year.

This primarily reflected proceeds from long-term borrowings of 15,486 million yen, repayment of long-term borrowings of 15,528 million yen, repayment of lease liabilities of 1,070 million yen and cash dividends paid of 5,778 million yen.

(2) Projections

The business environment surrounding the Group has been uncertain, mainly due to the surge of crude oil prices and concerns regarding the stable procurement of raw materials due to the situation in the Middle East. Presently, raw materials for the period up to the end of June have been secured, but consolidated forecasts have yet to be formulated because it is difficult to reasonably calculate them. The Group will disclose consolidated forecasts as soon as a reasonable calculation has become possible.

At present, the prices of raw materials, including polystyrene, a key raw material used by the Group, have been soaring due to the rising prices of domestically produced naphtha and benzene. In addition, it is expected that the total cost of manufacturing, including logistics and electricity expenses, will increase in the future. Reflecting these circumstances, the Company announced on April 30, 2026 that it will revise the prices of products by 20% or more, starting with products shipped on June 1, 2026. The purpose of the price revisions is to establish a stable supply system for delivering products to customers, which the Company considers its top priority as a company supporting food infrastructure, and to regain profitability by passing increased production costs on through product prices. The Company will continue to revise prices appropriately in line with the raw materials procurement situation and cost trends to maintain and improve profitability.

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

The Company regards the return of profits to shareholders as a top priority and has maintained or increased its dividend, without any cut, since the fiscal year ended March 31, 2016. The Company will continue to pay progressive dividends, that is, to maintain or increase dividends, without reducing dividends, in principle, with a target dividend payout ratio of 40%.

Regarding dividends for the fiscal year under review, the Company plans to increase the year-end dividend by 1.50 yen, from 40.00 yen per share in the previous projection to 41.50 yen, in addition to the interim dividend of 31.50 yen, in accordance with the above policy. As a result, the amount of annual dividends is forecast to be 73.00 yen per share and the consolidated dividend payout ratio

is expected to be 39.7%. Regarding the annual dividends forecast for the next fiscal year, the Company has yet to formulate its business performance forecasts, but its policy is to maintain or increase dividends.

The Company will continue to implement initiatives with the goal of improving capital efficiency and increasing shareholder return.

(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 +60°C
Eco OPET:	A recycled oriented PET (OPET) transparent container molded from the biaxially 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 biaxially oriented polystyrene sheets). Heat resistance temperature of +80°C
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.
Cold-resistant PPiP-talc:	A cold-resistant PP filler container, which uses 25% less plastic than conventional cold-resistant PP due to the blending of two inorganic materials. It is equivalent to existing products in terms of resistance to cold and shock, top-to-bottom compressive strength and weight.
New OPP sheet:	Ultra-high-rigidity biaxially oriented polypropylene sheet with a thickness of 150 to 300 microns, which is made by simultaneously extending a polypropylene sheet biaxially, or in the longitudinal and horizontal directions. It features superior transparency, heat resistance, and high rigidity. It was successfully developed in April 2024. Product name: OPTENA
OPP multi-layer plate:	An ultra-high-rigidity plate with a thickness of 1-4 mm, which is made by heat-fusing OPP film or 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. Product name: FORTENA

2. Management Policy

(1) Management's Basic Principle

Based on the management philosophies of "Hands-on Approach" and "Customer First," the Group consistently focuses on the environment, safety, security and health. It operates its businesses to provide products, services and proposals that respond to a broad array of customers and expectations. It is also making efforts to spread its FPCO recycling method to build a recycling-oriented society.

The Group will aim to become "a corporate group that creates comfortable dietary lives for customers through food containers" and pursue "reliably deliver the most environmentally friendly products of the highest quality," "at the most competitive prices," "whenever they are needed." It will continue to create value for customers by further strengthening its value chain, where its marketing, product development capability, ability to make suggestions, manufacturing technologies, logistics network, stable supply ensured by SCM, recycling, and IT systems all complement each other. In doing so, it will aim for sustainable growth and the medium- to long-term improvement in its corporate value in its management efforts.

(2) Targeted Management Indicators

As per its consolidated management targets, the Group aims to achieve net sales of 300,000 million yen and ordinary profit of 30,000 million yen. The Group has selected the ratio of ordinary profit to net sales and net income per share as consolidated management indicators and set targets for them of 10% or higher and at 250 yen, respectively, aiming to improve capital efficiency.

(3) Business Environment

The food container market continued to grow in line with the market for home meal replacements, centering on boxed meals and prepared food, amid changes in the structure of households and the increased diversity of lifestyles. The market for takeout and delivered food was established due to the COVID-19 pandemic. In addition, the expansion of the market for medical and nursing care food and the frozen food market has also been a positive factor.

Recently, while supermarkets and convenience stores have been striving to maintain and increase sales prices and reduce costs in response to soaring ingredient prices, demand has remained steady for containers with high added value, including creative measures devised for their depth and partitions and designs with a touch of class.

Meanwhile, against the backdrop of a labor shortage, the food retail industry is under pressure to save labor and increase efficiency. In addition, its business environment has been experiencing a number of changes, including hikes in raw material, staffing, and logistics costs, mounting hygienic demand for food safety and security, and growing public interest in reducing CO2 emissions and marine plastic waste.

In response, the Group will not only support a safe, secure dietary life but will also be proactive in making proposals that will help customers improve productivity, create value, and increase their income with containers.

(4) Challenges to Be Addressed

(i) Stable procurement of raw materials

As a company supporting food infrastructure, the Group positions the stable supply of products as one of its top-priority tasks. At present, the environment for procuring raw materials has remained uncertain due to the growing tension in the Middle East. The Group will remain fully committed to securing a stable supply of raw materials and further reinforcing its stable supply structure, which is unlikely to be affected by the external environment, through efforts such as reducing plastic usage by lightweighting products, optimizing material composition, and promoting the recycling of domestic resources through the FPCO recycling method. The Group will pass on increases in procurement costs via product prices appropriately in line with market trends to maintain and improve profitability.

(ii) Environmentally friendly operation

The Group has set medium- to long-term targets aimed at achieving carbon neutrality by 2050. The Group has disclosed its governance, strategies, and other initiatives for achieving these targets in accordance with the TCFD Recommendations.

At its business locations, the Group is introducing renewable energy and energy-efficient equipment, and solar power generation facilities have begun operating in Kanto, Chubu, and Kansai areas. Thus, the Group has established a system for using renewable energy for all processes of the manufacturing of recycled materials at its three used tray recycling plants in Japan. In November 2025, the Group installed solar power generation equipment at Chubu Plant 1 as an initiative to use more renewable energy.

The Group also manufactures and sells eco-friendly products based on the “Tray to Tray” and “Bottle to Transparent Container” recycling systems. With these initiatives, the Group has promoted waste reduction and cyclic use of resources through the recycling of used containers, contributing to reducing CO₂ emissions from the entire supply chain.

The Group will continue to strengthen the development of containers with low environmental impact, the control of waste emissions from business activities, and the recycling of the waste, through technological innovations, the use of new materials, and environmentally friendly designs.

(iii) Attracting and retaining workers

The Group understands that the most important element in business continuity is to attract and retain excellent workers. Its efforts in the past several years include a review of the retirement benefit program, as well as revisions to various allowances at manufacturing companies in the Group. In the fiscal year ended March 31, 2026, the Group increased salaries by approximately 5% on average and implemented base pay increases for the 12th consecutive year. The base pay paid by the Group has increased for 12 consecutive years. In addition, as a measure for creating a pleasant workplace environment, over three years the Group increased the number of annual holidays in its production departments from 104 days to 120 days. Through these and other initiatives, the Group will continue to improve its treatment of its human resources to attract and retain them.

(iv) Technological innovation and development of new products

The Group has introduced state-of-the-art production facilities and replaced equipment. At the same time, it is pressing forward with comprehensive technological innovation, including the reduction of product weight and the development of new functions and materials. The Group will apply the biaxial orientation technology cultivated through its OPET in its new OPP and use its layering technology to further expand the applications for its products.

(v) Suggestions on marketing and value creation

The food market is changing constantly. The markets for medical and nursing care food and frozen food continue to grow. In response to these changes, the Group provides optimal solutions and develops new products based on the identified needs of its customers and the issues they face.

In addition, the Group proposes comprehensive solutions to shared issues in the retail industry, including environmentally friendly actions through a reduction in CO₂ emissions, improved productivity in response to labor shortages and reduced logistics costs leveraging its logistics network.

(vi) Reinforcing the stable supply system

The Group’s manufacturing and logistics network covers 85% of Japan’s population within a 100 km radius of at least one of its distribution centers, and it operates this network and its supply chain management system to ensure a stable supply of products and the optimization of total cost. In addition, the Group has introduced state-of-the-art equipment to reduce labor and increase productivity. This includes industrial robots used in its production activities as well as automated carriers and automated sorting shipment systems in its distribution activities.

(vii) Management emphasizing social responsibility

The Group positions employees with disabilities as important human resources for main operations such as the manufacturing of food containers and the sorting of used food containers that have been collected. The Group also supports its business partners and others in creating jobs for people with disabilities.

In addition, the Group has installed emergency power generators at all of its 22 major logistics facilities in Japan. Thus, the Group has established a system capable of providing electricity for 72 hours. As a company supporting food infrastructure, the Group strives to maintain its logistics functions even in the event of power failure caused by a disaster or other reasons, and to ensure a stable supply of products.

(viii) Enhancement of intellectual property rights

To ensure uniqueness and differentiation advantage of its products in the market, the Group applies for patents, utility model rights and design registrations, to enhance corporate value through the acquisition of intellectual property rights.

(ix) Promoting decent work

The Group is aware that providing its individual employees with an environment that allows them to display their abilities and characteristics to the fullest degree in order to fulfill their roles and feel fulfilled and satisfied while working vigorously is a management issue that leads to enhanced corporate value. Based on this awareness the Group is pushing forward with initiatives to help employees to work in diverse ways. They include the introduction of a program for staggered working hours, an obligation to take paid leave for five consecutive days, the introduction of an hourly paid leave program, and the introduction of a program that permits employees to choose their mandatory retirement age from 60 to 65. Further, the Company is working towards recognition as one of the White 500 enterprises under the KENKO Investment for Health Program. It is also stepping up Group-wide efforts to have Group companies recognized as Outstanding Organizations under the KENKO Investment for Health Program and to have them certified under other programs.

3. Basic Approach to Selection of Accounting Standards

The Group has decided to adopt Japanese Accounting Standards for the time being. However, it plans to conform to IFRS (International Financial Reporting Standards) as appropriate upon consideration of domestic developments and the situation in other countries.

4. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	19,020	25,478
Notes and accounts receivable - trade	42,620	42,187
Merchandise and finished goods	26,019	26,328
Work in process	150	136
Raw materials and supplies	5,514	6,243
Accounts receivable - other	4,690	4,224
Other	854	864
Allowance for doubtful accounts	(22)	(23)
Total current assets	98,847	105,439
Non-current assets		
Property, plant and equipment		
Buildings and structures	173,377	175,215
Accumulated depreciation	(80,382)	(85,688)
Buildings and structures, net	92,995	89,527
Machinery, equipment and vehicles	97,663	103,339
Accumulated depreciation	(65,902)	(71,372)
Machinery, equipment and vehicles, net	31,760	31,967
Land	40,522	40,873
Lease assets	2,973	3,004
Accumulated depreciation	(1,549)	(1,440)
Leased assets, net	1,423	1,563
Construction in progress	2,768	8,692
Other	22,574	23,433
Accumulated depreciation	(18,376)	(18,847)
Other, net	4,198	4,586
Total property, plant and equipment	173,668	177,211
Intangible assets		
Goodwill	557	494
Other	2,695	2,721
Total intangible assets	3,252	3,216
Investments and other assets		
Investment securities	10,274	12,178
Deferred tax assets	4,346	4,390
Other	1,856	1,648
Allowance for doubtful accounts	(19)	(22)
Total investments and other assets	16,457	18,195
Total non-current assets	193,378	198,622
Total assets	292,226	304,062

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	28,055	26,612
Short-term borrowings	14,752	15,738
Commercial papers	18,000	18,000
Lease liabilities	843	907
Accounts payable - other	7,674	8,599
Income taxes payable	3,869	4,113
Accrued consumption taxes	817	1,497
Provision for bonuses	3,417	3,576
Provision for bonuses for directors	197	197
Other	6,745	6,974
Total current liabilities	84,372	86,218
Non-current liabilities		
Long-term borrowings	46,191	45,162
Lease liabilities	727	820
Deferred tax liabilities	345	326
Provision for retirement benefits for directors	170	156
Provision for executive officers' retirement benefits	106	97
Retirement benefit liability	5,110	5,002
Other	1,086	1,107
Total non-current liabilities	53,739	52,672
Total liabilities	138,111	138,891
Net assets		
Shareholders' equity		
Share capital	13,150	13,150
Capital surplus	15,578	15,587
Retained earnings	130,911	139,999
Treasury shares	(8,418)	(8,359)
Total shareholders' equity	151,221	160,377
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,105	1,621
Foreign currency translation adjustment	625	1,824
Remeasurements of defined benefit plans	476	621
Total accumulated other comprehensive income	2,207	4,066
Non-controlling interests	685	726
Total net assets	154,114	165,171
Total liabilities and net assets	292,226	304,062

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

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	235,628	240,490
Cost of sales	162,556	162,066
Gross profit	73,071	78,423
Selling, general and administrative expenses	54,600	56,809
Operating profit	18,471	21,614
Non-operating income		
Interest income	12	41
Dividend income	89	67
Subsidy income	16	64
Rent income	101	78
Gain on sale of scraps	164	129
Gain on sale of investment securities	23	100
Other	320	319
Total non-operating income	728	800
Non-operating expenses		
Interest expenses	198	329
Share of loss of entities accounted for using equity method	336	79
Other	213	238
Total non-operating expenses	748	647
Ordinary profit	18,451	21,768
Extraordinary income		
Gain on sale of investment securities	349	–
Total extraordinary income	349	–
Extraordinary losses		
Loss on sale and retirement of non-current assets	476	310
Impairment loss	37	–
Total extraordinary losses	513	310
Profit before income taxes	18,286	21,457
Income taxes - current	6,192	6,875
Income taxes - deferred	(399)	(364)
Total income taxes	5,793	6,510
Profit	12,493	14,946
Profit attributable to non-controlling interests	6	77
Profit attributable to owners of parent	12,486	14,869

(Consolidated Statement of Comprehensive Income)

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	12,493	14,946
Other comprehensive income		
Valuation difference on available-for-sale securities	(516)	516
Remeasurements of defined benefit plans, net of tax	293	144
Share of other comprehensive income of entities accounted for using equity method	542	1,198
Total other comprehensive income	318	1,859
Comprehensive income	12,812	16,806
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,805	16,729
Comprehensive income attributable to non- controlling interests	6	77

(3) Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2025

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	13,150	15,573	123,003	(8,483)	143,244
Changes of items during period					
Dividends of surplus			(4,607)		(4,607)
Profit attributable to owners of parent			12,486		12,486
Purchase of treasury share				(0)	(0)
Disposal of treasury shares		4		65	69
Changes resulting from a change in accounting period of subsidiaries			28		28
Net changes of items other than shareholders' equity					
Total changes of items during period	-	4	7,907	65	7,977
Balance at end of current period	13,150	15,578	130,911	(8,418)	151,221

(Million yen)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,621	83	182	1,888	712	145,844
Changes of items during period						
Dividends of surplus						(4,607)
Profit attributable to owners of parent						12,486
Purchase of treasury share						(0)
Disposal of treasury shares						69
Changes resulting from a change in accounting period of subsidiaries						28
Net changes of items other than shareholders' equity	(516)	542	293	318	(26)	292
Total changes of items during period	(516)	542	293	318	(26)	8,269
Balance at end of current period	1,105	625	476	2,207	685	154,114

Fiscal year ended March 31, 2026

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	13,150	15,578	130,911	(8,418)	151,221
Changes of items during period					
Dividends of surplus			(5,781)		(5,781)
Profit attributable to owners of parent			14,869		14,869
Purchase of treasury share				(0)	(0)
Disposal of treasury shares		9		59	68
Net changes of items other than shareholders' equity					
Total changes of items during period	–	9	9,088	58	9,156
Balance at end of current period	13,150	15,587	139,999	(8,359)	160,377

(Million yen)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,105	625	476	2,207	685	154,114
Changes of items during period						
Dividends of surplus						(5,781)
Profit attributable to owners of parent						14,869
Purchase of treasury share						(0)
Disposal of treasury shares						68
Net changes of items other than shareholders' equity	516	1,198	144	1,859	40	1,900
Total changes of items during period	516	1,198	144	1,859	40	11,056
Balance at end of current period	1,621	1,824	621	4,066	726	165,171

(4) Consolidated Statement of Cash Flows

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	18,286	21,457
Depreciation	14,751	14,594
Impairment loss	37	–
Increase (decrease) in provision for bonuses	219	159
Increase (decrease) in provision for bonuses for directors	5	(0)
Increase (decrease) in allowance for doubtful accounts	(13)	3
Increase (decrease) in provision for retirement benefits for directors	21	(14)
Increase (decrease) in provision for executive officers' retirement benefits	6	(9)
Increase (decrease) in retirement benefit liability	(205)	(108)
Interest and dividend income	(101)	(108)
Interest expenses	198	329
Share of loss (profit) of entities accounted for using equity method	336	79
Loss (gain) on sale and retirement of non-current assets	430	308
Loss (gain) on sale of investment securities	(349)	–
Decrease (increase) in trade receivables	4,884	427
Decrease (increase) in inventories	(2,739)	(979)
Decrease (increase) in accounts receivable - other	(7)	229
Increase (decrease) in trade payables	(930)	(1,442)
Increase (decrease) in other assets/liabilities	688	299
Increase (decrease) in accrued consumption taxes	(3,252)	1,006
Other, net	874	532
Subtotal	33,141	36,764
Interest and dividends received	187	143
Interest paid	(218)	(350)
Income taxes paid	(5,191)	(6,576)
Net cash provided by (used in) operating activities	27,919	29,981
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,828)	(16,012)
Purchase of intangible assets	(528)	(520)
Proceeds from sale of investment securities	480	155
Payments for acquisition of businesses	–	(201)
Other, net	(53)	(16)
Net cash provided by (used in) investing activities	(14,929)	(16,594)

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(60)	–
Proceeds from long-term borrowings	2,000	15,486
Repayments of long-term borrowings	(14,274)	(15,528)
Purchase of treasury shares	(0)	(0)
Repayments of lease liabilities	(1,096)	(1,070)
Dividends paid	(4,605)	(5,778)
Dividends paid to non-controlling interests	(33)	(36)
Net cash provided by (used in) financing activities	(18,070)	(6,928)
Net increase (decrease) in cash and cash equivalents	(5,079)	6,458
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	19,020	25,478

(5) Notes to Consolidated Financial Statements

Note to Going Concern Assumption

Not applicable

Notes on Segment Information, Etc.

Fiscal year ended March 31, 2025 and fiscal year ended March 31, 2026

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

Notes on Per Share Information

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share (yen)	1,897.68	2,033.28
Net income per share (yen)	154.46	183.87

(Notes) 1. Diluted net income per share was not presented because there was no dilution for the fiscal year.

2. The basis for estimating net income per share is as follows:

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent (million yen)	12,486	14,869
Amount not attributable to common shareholders (million yen)	–	–
Profit attributable to owners of parent and attributable to common stock (million yen)	12,486	14,869
Average number of common stocks outstanding during the year (thousands of shares)	80,841	80,868

Notes on Important Subsequent Events

Important capital investment

The Company resolved at the meeting of the Board of Directors held on April 30, 2026, to acquire non-current assets (a new plant and a new distribution center).

For details, see the Notice of Acquisition of Non-current Assets (Construction of New Plant and New Distribution Center) published on April 30, 2026.