April 30, 2020

Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 <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, President
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Scheduled date for ordinary general meeting of shareholders:	June 25, 2020
Scheduled date of commencement of dividend payment:	June 5, 2020
Scheduled date for filing of securities report:	June 26, 2020
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 Fiscal Year Ended March 31, 2020 (April 1, 2019 – March 31, 2020)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2020	186,349	2.9	15,507	11.2	16,274	9.5	10,777	8.9
March 31, 2019	181,171	4.4	13,949	8.3	14,861	9.7	9,901	7.9

(Note) Comprehensive income: Fiscal year ended March 31, 2020: 10,461 million yen (12.1%)
Fiscal year ended March 31, 2019: 9,332 million yen (-4.8%)

	Net income per share (basic)	Net income per share (diluted)	Return on equity	Ratio of ordinary profit to total assets	Operating margin
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2020	260.71	–	9.4	6.6	8.3
March 31, 2019	239.51	–	9.1	6.0	7.7

(Reference) Shares of (profit) loss of entities accounted for using equity method: Fiscal year ended March 2020: 32 million yen
Fiscal year ended March 2019: 17 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2020	242,497	119,301	49.0	2,872.14
March 31, 2019	249,332	112,198	44.8	2,703.33

(Reference) Equity: As of March 31, 2020: 118,733 million yen
As of March 31, 2019: 111,755 million yen

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2020	27,770	(10,989)	(15,643)	20,288
March 31, 2019	25,510	(17,109)	(4,908)	19,151

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, 2019	–	40.00	–	41.00	81.00	3,348	33.8	3.1
March 31, 2020	–	40.00	–	41.00	81.00	3,348	31.1	2.9
Fiscal year ending March 31, 2021 (forecast)	–	40.00	–	41.00	81.00		29.7	

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2021 (April 1, 2020 – March 31, 2021)

(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 cumulative period	94,900	2.2	7,820	10.2	8,110	8.9	5,213	7.7	126.10
Year ending March 31, 2021	190,000	2.0	16,700	7.7	17,400	6.9	11,290	4.8	273.10

* Notes

(1) Changes of important subsidiaries during the period (change in specific subsidiaries accompanied by a change in the scope of consolidation): No

(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 the end of the period (including treasury shares)
      As of March 31, 2020: 44,284,212 shares
      As of March 31, 2019: 44,284,212 shares
   (ii) Number of treasury shares at the end of the period:
      As of March 31, 2020: 2,944,405 shares
      As of March 31, 2019: 2,944,292 shares
   (iii) Average number of shares outstanding during the period:
      Fiscal year ended March 31, 2020: 41,339,861 shares
      Fiscal year ended March 31, 2019: 41,339,947 shares

(Reference) Overview of Non-Consolidated Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (April 1, 2019 – March 31, 2020)

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

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2020	149,995	3.1	10,427	14.9	12,284	5.8	8,710	3.8
March 31, 2019	145,472	4.0	9,078	11.8	11,614	(10.3)	8,391	(17.0)

	Net income per share (basic)	Net income per share (diluted)
Fiscal year ended	Yen	Yen
March 31, 2020	210.71	–
March 31, 2019	203.00	–

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2020	220,479	95,899	43.5	2,319.78
March 31, 2019	226,652	91,036	40.2	2,202.15

(Reference) Equity: As of March 31, 2020: 95,899 million yen
As of March 31, 2019: 91,036 million yen

* This summary of financial statements is outside the scope of audit procedures by certified public accountants and 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 (1) Overview of Consolidated Results of Operations and Financial Situation for the Fiscal Year Ended March 31, 2020 of 1. Overview of Consolidated Results of Operations, Etc. on page 2.

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

The Company's financial results briefing for financial analysts and institutional investors was scheduled to take place on Friday, May 8, but it has been cancelled in view of the implementation of state-of-emergency measures against the novel coronavirus (COVID-19). Instead, documents and a video will be published on the Company's website on Friday, May 8, 2020.

Accompanying Materials – Contents

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, 2020

1) Overview of Consolidated Results of Operations for the Fiscal Year Ended March 31, 2020

The Group ensures the Hands-on Approach and Customer-First Concept as its source and practices the three basic pillars of a manufacturer, that is, “reliably deliver the most environmentally friendly products of the highest quality at the most competitive prices whenever they are needed.” In addition, the Group set “Balance” as the theme for 2020. The Group will aim to achieve both customers’ prosperity and the growth of the Company in a well-balanced manner by developing products that cater to customers’ needs and making proposals that lead to the solution of customers’ issues. At the same time, the Group will proceed with initiatives for achieving a balance between the values in each sector, such as the balance between sales and profits and the balance between quality and productivity.

(Influence of COVID-19)

The Company expresses its condolences to the families of those who have passed away due to COVID-19 and wishes all patients a quick recovery. In addition, it extends its sincere gratitude to medical professionals and everyone working to stop the spread of infections.

Since February 2020, consumption matched with stay-at-home lifestyles has been on the rise. With respect to eating lifestyles, people are shifting to cooking at home and eating ready-made meals. Demand has been soaring for takeout and delivered food from restaurants. Some supermarkets have replaced the buffet style with food items in containers in their prepared food sections. Demand for containers with fitted lids and others grew, while containers for events and containers for boxed meals sold at railway stations declined as a result of the cancellation of events.

In response to the declaration of a state of emergency, the Group has instructed its employees in sales and administrative sections to work from home except in the case of an emergency. Its production and distribution sections will remain in normal operation while thoroughly implementing necessary infection control measures in an effort to stably supply products.

(Net sales)

Net sales in the fiscal year under review (from April 1, 2019 to March 31, 2020) stood at 186,349 million yen, up 5,178 million yen or 2.9% year on year, marking a record high. During the fiscal year under review, net sales of products manufactured by the Group rose 3.8% year on year to 142,831 million yen, while the sales volume of such products rose 3.6% year on year. Net sales of goods purchased from external parties fell 0.2% year on year to 43,518 million yen. The Company’s original products with specific functions have experienced strong sales, including microwavable products and ones with reduced CO_2 emissions. In particular, demand for eco-friendly products has been growing due to rising environmental awareness among consumers. Examples of such products include Eco Tray, which our clients adopt proactively.

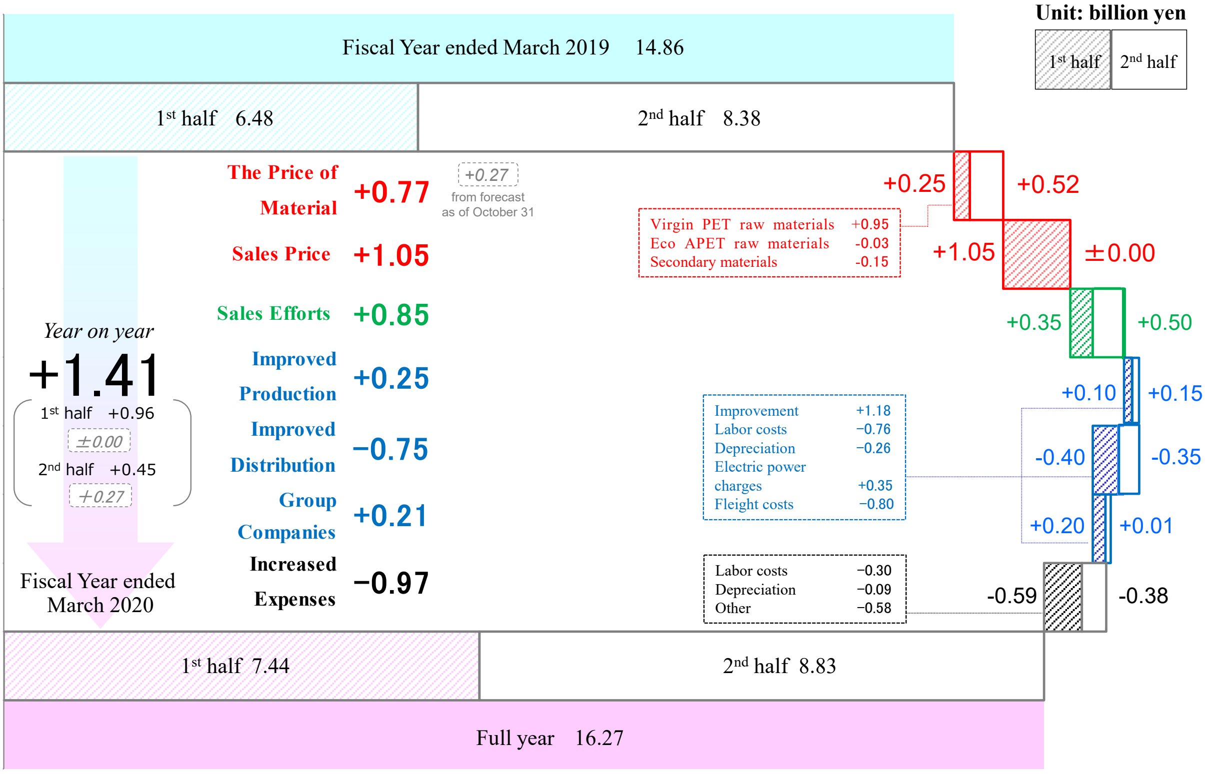
(Profits)

For the consolidated fiscal year under review, operating profits increased 1,557 million yen or 11.2% year on year to hit the record high at 15,507 million yen, ordinary profit also increased 1,412 million yen (*1) or by 9.5% year on year to set an all-time high of 16,274 million yen, ordinary profit before depreciation and amortization increased 6.3% year on year to the highest-ever figure of 29,807 million yen, and profit attributable to owners of parent increased 8.9% year on year to 10,777 million yen. With regard to factors for the increase/decrease of ordinary profit, profits increased thanks to the effects of the price revision that was implemented in response to the increase of raw material prices in the previous consolidated fiscal year and the strong sales of our original and new products, while we also saw an increase in costs including labor expenses, depreciation expenses, and logistics costs.

Against the projected levels for the full fiscal year announced in the Consolidated Financial Results for Fiscal Year Ended March 31, 2019 on May 8, 2019, operating profit was 7 million yen (0.0%) above the projected level, ordinary profit 274 million yen (1.7%) above the projected level, and profit attributable to owners of parent 177 million yen (1.7%) above the projected level.

(*1) Factor for the increase/decrease of ordinary profit

Increase/Decrease in Ordinary Profit



(Sales activities)

The Group is speeding up the development and widening of lineups of high value-added products matched with consumers' lifestyles and increase product sales and the profit ratio. While food retailers faced a more serious staff shortage, the Group focused on proposing containers that would achieve labor reduction and efficiency improvement. Rectangular trays for shelf stocking, containers suited to container sizes, securely closed tape-free containers, and containers with interior structures for fixed meals are increasingly being adopted. For Namakara Sozai with microwavable Multi FP containers, retailers and food manufacturers are working to develop seasonal food options in pursuit of a new selling approach that delivers the flavors of fresh ingredients. As they began to be featured in TV programs all over the country in March 2019, these containers gathered public attention and became a commonly seen product in selling spaces.

The FPCO Fair 2020 was cancelled due to the novel coronavirus. However, images and videos showing proposals are available on the Company's website.

(Production)

In the production sector of the Group, improvement efforts were made, including skills improvement of operators, reduction of preparation time, improvement of the performance of manufacturing facilities, and improvement of metal molds and trimming dies. As a result, the number of shots per hour was improved by 15% compared to the level in the fiscal year ended March 31, 2008. The Company's molding plants around the country operate 73 pieces of automated equipment in 42 production process lines for the purpose of labor saving and the automation of the production process.

In addition, 16 production plants of the Company had acquired FSSC 22000 food safety management certification as of March 31, 2020. The Company will work to obtain this certification for 21 main plants. Further, in the supply chain management system, the Company commenced AI-based sales forecasting for around 3,500 of its approximately 10,000 items in October 2019. The Company increased the number of items covered by the forecast to around 5,100 as of the end of March 2020. It will then endeavor to improve its accuracy and efficiency.

(Logistics)

Amid soaring transportation unit prices across the country due to the labor shortage faced by transport operators, the Group will increase the ratio of use of its own trucks and increase the loading efficiency of each truck in an effort to cut logistical expenses.

In addition, the Company began introducing unmanned carriers (automatic guided vehicles: AGVs) in August 2017 to streamline operations in the warehouse and to save labor. As of March 31, 2020, the Company has introduced 29 AGVs to seven locations in Japan. The Company also plans to introduce unmanned forklifts (automated guided forklifts) and accelerate initiatives for saving labor. In addition, the Company has increased the productivity of picking operations by introducing a voice picking system. It will proceed with other initiatives to ensure stable supply during peak periods.

With regard to transportation between the Company's locations, all cargo handling operations, including loading and unloading products to and from trucks, were previously carried out manually. The Company began to undertake pallet transportation, or the loading of products placed on pallets onto trucks. This has enabled a significant reduction in the time taken for cargo handling. As of March 31, 2020, pallet transportation has been introduced to five routes. The Company will proceed to expand this method to other routes.

During the Golden Week holidays (late April to early May) and Bon holidays (mid-August) in the fiscal year under review, when providers of consolidated cargo services suspended the services or restricted the collection of goods, the Company was able to deliver products and goods to customers without significant disruptions thanks to the preparations it had made for delivery by using its own trucks during this period.

In addition to the above, as part of our Business Continuity Plan (BCP), the Company has installed emergency power-generating equipment and the storage of sufficient fuel to secure an electricity supply for 72 hours, or three days, in 21 locations nationwide to ensure that operations for warehousing and shipping will be continued even in the event of serious incidents, such as an electricity outage caused by a disaster. In the natural disasters that occurred in 2019, including the typhoons, the Company remained able to deliver products and goods as usual by activating the emergency power-generating equipment. In December 2019, the Company was certified by the Development Bank of Japan for excellence in activities for disaster risk control and business continuity management and enjoyed loans under the DBJ BCM Rated Loan Program.

For the purposes of meeting future demand growth and ensuring the stable supply of products, the Company will expand the Kyushu Distribution Center (additional floor area of 3,554 m^2, with the completion expected in September 2020), the Fukuyama Distribution Center (additional floor area of 23,722 m^2, with the completion expected in November 2020) and the Chubu Distribution Center (additional floor area of 27,551 m^2, with the completion expected in July 2021) by constructing additional facilities adjacent to their respective existing logistical facilities. In addition, the Company will be introducing a sorter system to the Chubu Distribution Center. This system will automatically sort products according to their delivery areas. The Company will continue to upgrade its logistical networks.

(Workstyle reform initiatives)

The Group works to create a working environment that is friendly to workers in consideration of tasks in which employees with disabilities can play fulfilling roles, and strives to hire more workers with disabilities with a view to enhancing diversity. As of March 31, 2020, 13.3% of employees had disabilities in the FPCO Group. In association with initiatives to expand women's occupational domains, to help women to remain employed, and to increase the number of women in managerial positions, the Company posted its *Positive Action* declaration on the Positive Action Portal operated by the Ministry of Health, Labour and Welfare. The Company set the target ratio of female employees for the main career track for 2019 and thereafter at 30% or more and the target number of female managers at 50 by 2022. The Company is implementing a range of initiatives to achieve these targets.

In addition to the above, the Company has put in place a staggered working hour scheme under which the start and finish times may be shifted in a bid to broaden the working hour options and to press ahead with workstyle reform for reducing overtime work by encouraging employees to work intensively in busy time slots on their respective duties and thereby to improve work productivity. In addition, in the fiscal year ended March 2019, the Company began to require each employee to take paid leave of five consecutive days in an attempt to help refresh their mental and physical condition and enliven the workplaces.

In support for the employees' work environment, the Company provides Pico House No. 1 (Chikusei City, Ibaraki Prefecture; 150 units; completed in January 2017) and Pico House No. 2 (Wanouchi Town, Ampachi County, Gifu Prefecture; 102 units; completed in March 2017), company dormitories for single employees which have furniture and home appliances. In addition, Pico House No. 3 (renovation of a bachelors' dormitory in Koga City, Ibaraki Prefecture; 63 units; completed in March 2020) reached completion, and construction of Pico House No. 4 (to be newly built in Fukuyama City, Hiroshima Prefecture; 18 units; to be completed in October 2020) is in progress. In addition, the Company provides a group home for people with disabilities (20 units; completed in April 2020) to improve the work environment for employees with disabilities.

(Initiatives aimed at realizing a recycling-based society)
The FPCO Group considers marine plastic waste and climate change as material issues to be tackled, and works to seriously address recycling throughout the Group. In 1990, the Group embarked on circular recycling using the FPCO method with collection boxes at six collection points in supermarkets. Thanks to the understanding and cooperation of consumers, the number of used container collection points exceeded 9,300 as of March 31, 2020. Combined with the system for segregation and collection based on the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging that was established in 1997, the above voluntary initiative of the Company has taken root as social infrastructure for making effective use of used containers as resources.
To collect more used containers, the Group has created posters to promote recycling, which feature the celebrity LiLiCo. These posters say, "We will never say that they are disposable!!" and "Say 'No!' to disposal. Recycle them into containers." As of March 31, 2020, these posters are displayed in 7,272 stores of 205 supermarket companies. In addition, the Group is proactive in organizing tours to recycling plants at recycling bases all over Japan. Every year, around 20,000 people, including consumers and people from business partners, educational institutions, and administrative bodies, are invited to participate in the tours. The Group will continue to explain to more consumers that food containers are not disposable but can be recycled as valuable resources.

The percentage of sales of eco-friendly products (Eco Tray, Eco APET container and Eco OPET container) to the product sales of the Group reached 42% in the fiscal year under review, up 4% year on year. The percentage of sales of eco-friendly products made from recycled PET materials (APET and OPET containers) reached 99% to sales of PET transparent containers.
To enable increased sales of ECO APET and ECO OPET containers made from recycled PET materials, the Company made a capital investment in Kanto Eco PET Plant in May 2019 to increase its capacity to produce recycled PET materials by around 2,000 tons per year. This has resulted in a new record of monthly production volume. In June 2019, Nishinihon PET-Bottle Recycle Co., Ltd., a consolidated subsidiary, made a capital investment to increase its capacity to produce recycled PET materials by around 5,000 tons per year. The new equipment began operation in October. Due to efforts to improve production efficiency as well as these capital investments, the Group's total capacity to produce recycled PET materials is expected to increase from approx. 50,000 tons per year to approx. 60,000 tons in the next fiscal year. In addition, the Company will acquire land for a new plant in Ono City, Hyogo Prefecture in May 2020 in a bid to increase the production capacity of recycled PET materials and Eco APET products made from them. The new plant will have the capacity of producing around 20,000 tons of recycled PET materials per year and will bring the Group's annual recycled PET material production capacity from around 60,000 tons to approximately 80,000 tons. This plant's completion date and total investments will be announced as soon as they are confirmed.
Given the growing concern over the marine plastic waste issue in recent years, the G20 Ministerial Meeting on Energy Transitions and Global Environment for Sustainable Growth was held in Karuizawa, Nagano Prefecture, on June 15 and 16, 2019. The Company was selected as an exhibitor at the G20 Innovation Exhibition, an outdoor exhibition that was hosted by the Government of Japan and held on the sidelines of the G20 Ministerial Meeting, and exhibited its Tray to Tray recycling (*2). For people related to the G20 Ministerial Meeting and visitors to the event, the Company explained the advantages of Tray to Tray recycling, including lower CO_2 emissions at the stage of material production than at the stage for containers made from virgin materials, and CO_2 emissions that would be smaller by 30% in the overall life cycle including distribution and disposal.
Marine plastic waste and other environmental issues cannot be resolved by the activities of a single company. They should be addressed through the concerted efforts of different companies and organizations. Based on this thinking, we launched the FP Corporation Environment Fund (*3) in April 2020 with a view to offer financial support to non-profit organizations and other entities conducting activities with a focus on environmental conservation. For the fiscal year ending March 31, 2021, the Fund will openly invite applications from April 1 to June 30. Eligible activities are those to be conducted from October 1, 2020 to March 31, 2021, and a maximum of one million yen will be provided per project approved.
The Group's initiatives to tackle environmental issues are highly rated by supermarkets, other users, and dealers of packaging materials. This has accelerated their proactive selection of environmentally friendly packaging materials, including Eco Tray.

Based on the idea that established recycling technologies and systems exist for products made of a single material, the FPCO Group considers the expansion and promotion of recycling as an effective measure for tackling the marine plastic waste and climate change issues, and it will implement the FPCO method of Tray to Tray and Bottle to Tray recycling. At the same time, the Group will continue collecting information about materials as alternatives to petroleum-derived plastics, such as paper and biomass, and promoting research and development of various recycling methods, by assuming that technologies will continue to progress. At the same time, the Group will develop industry-leading containers in terms of low environmental impact that feature environmentally friendly designs, with the aim of achieving a recycling-based society and building a sustainable society.

(*2) FP Corporation selected as an exhibitor at the G20 Innovation Exhibition, introducing its recycling initiatives

(*3) Logo of the FP Corporation Environment Fund

エフピコ環境基金
The FP Corp. Environment Fund

(Initiatives on ESG and SDGs)
Measures taken by the Company include enhancement of initiatives related to supply chain management and human rights and disclosure of a wider range of information, in addition to circular recycling using the FPCO method and employment of disabled workers.
As a result of these initiatives, the Company was selected as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index, which were developed by FTSE Russell, for the first time in June 2019. In addition, as of June 2019, the Company has continued to be selected as a constituent of the MSCI Japan Empowering Women (WIN) Select Index, which was established by MSCI Inc.
Further, the Company received the Excellence Award in the ESG category of The Japan Times Satoyama & ESG Awards 2019. Established in the fiscal year ended March 31, 2019 by The Japan Times, Ltd., this award program aims to commend companies and organizations that have made remarkable achievements in promoting and spreading the effective use of *satoyama* (woodlands near villages) and *satoumi* (a coastal area where biological productivity and biodiversity has increased through human interaction) in rural areas and ESG investments.
In the future, we will continue to accelerate our efforts to achieve the Sustainable Development Goals (SDGs) and to increase our actions for achieving a recycling-based society by steadily implementing the FPCO method of recycling and by offering financial support to organizations combating environmental issues through the FP Corporation Environmental Fund.

2) Overview of Financial Situation in the Fiscal Year Ended March 31, 2020

Consolidated assets at the end of the fiscal year under review totaled 242,497 million yen, down 6,835 million yen from the end of the previous fiscal year. That was mainly due to a decrease in notes and accounts receivable – trade by 4,288 million yen that resulted chiefly from the fact that the final day of the previous consolidated financial fiscal year was a non-business day for financial institutions, and a decrease in property, plant and equipment by 2,009 million yen resulting from the depreciation exceeding the acquisition value.

Consolidated liabilities amounted to 123,196 million yen, down 13,937 million yen from the end of the previous fiscal year. It is attributable chiefly to a decrease in accounts payable – trade by 1,644 million yen explained by the fact that the final day of the previous consolidated financial fiscal year was a non-business day for financial institutions, and a decrease in loans payable (short-term and long-term) by 9,638 million yen following a decline in spending after acquisition of non-current assets.

Consolidated net assets reached 119,301 million yen, up 7,102 million yen from the end of the previous fiscal year. This change mainly reflected the profit attributable to owners of parent of 10,777 million yen and dividends of surplus of 3,348 million yen.

3) Overview of Cash Flows in the Fiscal Year Ended March 31, 2020

Consolidated cash and cash equivalents (hereinafter, “cash”) at the end of the fiscal year under review totaled 20,288 million yen, up 1,136 million yen from the end of the previous fiscal year.

The status of cash flows from the respective activities and the causes are described as follows.

(Cash flows from operating activities)

Net cash provided by operating activities came to 27,770 million yen, up 2,260 million yen from a year earlier.

This results mainly from a cash increase with profit before income taxes of 15,972 million yen, depreciation of 13,532 million yen and a decrease in notes and accounts receivable – trade of 4,272 million yen as well as a cash decrease following a decline in notes and accounts receivable of 1,644 million yen and income taxes paid of 5,588 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 10,989 million yen, down 6,119 million yen from the previous fiscal year.

It was due mainly to 10,654 million yen spent on the purchase of property, plant and equipment in connection with automation equipment and other production equipment.

(Cash flows from financing activities)

Net cash used in financing activities came to 15,643 million yen (an increase of 10,735 million yen from a year earlier).

This primarily reflected proceeds from long-term loans payable of 6,099 million yen, repayment of long-term loans payable of 15,738 million yen, repayment of lease obligations of 2,645 million yen and cash dividends paid of 3,349 million yen.

(2) Projections

As COVID-19 cases spread, people are refraining from going out. Accordingly, they are shifting to cooking at home and eating ready-made meals. Demand is growing for containers for takeout food and food deliveries from restaurants, whereas demand for containers for events is expected to decrease. The Company will continue monitoring future demand trends. The Group will endeavor to stably supply its products with the smallest possible delays using its nationwide production and logistics networks even in the case where any worker at a production plant or a distribution center becomes infected and where business activities at the location are temporarily suspended.

With a view to cultivate new markets, the Company is working to expand its business to a market of frozen food containers by taking advantage of the features of its original Multi FP containers such as cold and heat resistance to temperatures between -40°C and +110°C and thermal insulation, in addition to its actions for propagating containers for delivered food items in collaboration with a major delivery portal operator and containers for hospital meals and meals served at nursing care facilities in collaboration with a leading healthcare food service company. The Group’s packaging material dealers will increase sales efforts to small-sized, small-lot customers through the Pack Market e-commerce site offering packaging materials.

With respect to raw materials, the Company foresees some impact from the price falls of polystyrene and other main materials for its products and selling prices to customers to whom naphtha-linked pricing applies from the second quarter of the fiscal year ending March 31, 2021 onwards. However, the future outlook is uncertain at the moment. The Company will be closely watching future developments.

Meanwhile, the Company will construct company dormitories for single employees, raise the pay level and otherwise enhance the working environment with a view to securing and retaining workers for production plants and distribution centers.

For the consolidated fiscal year ending March 31, 2021, the Group forecasts that it will achieve net sales of 190,000 million yen, up 2.0% year on year, operating profit of 16,700 million yen, up 7.7%, ordinary profit of 17,400 million yen, up 6.9%, and profit attributable to owners of parent of 11,290 million yen, up 4.8%. The forecast mentioned above reflects judgments based on currently available information, and actual financial results and position may be affected by the spread of COVID-19 infections and various other factors. Information that should be disclosed will be announced as soon as it arises.

(Explanations of terms)

Multi FP:	A formed PS (polystyrene) container with cold and heat resistance to temperatures between -40ºC and +110ºC and with superior oil and thermal insulation (sales commenced in 2010).
Eco Tray:	A recycled expanded polystyrene container for which polystyrene containers collected at supermarket shop counters and scrap pieces collected within plants are used as raw materials (sales commenced in 1992).
Eco APET container:	A recycled PET transparent container for which PET transparent containers collected at supermarket shop counters, PET (polyethylene terephthalate) bottles and scrap pieces collected within plants are used as raw materials. Heat resistance temperature of +60ºC (sales commenced in 2012).
Eco OPET container:	A recycled OPET transparent container molded from the bi-axially oriented PET sheets, which use the same raw materials as an Eco APET container 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 (sales commenced in 2016).

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

Providing shareholders with a return on their investment is one of the most important goals of the Group. While aiming to improve profitability and strengthen our financial standing, we will seek to pay consistent dividends, and maintain retained earnings as sources for the flexible strengthening of management and strategic investment in business expansion. According to our dividend policy, we have set a target of achieving a ratio of consolidated dividend payout to profit attributable to owners of parent of the Group of 30%. For the fiscal year under review, we have decided to pay an interim dividend of 40 yen per year and a year-end dividend of 41 yen per share, which results in an annual dividend of 81 yen per share as forecast at the beginning of fiscal year to ensure the continuity of stable dividend payments. As a result, the consolidated payout ratio is 31.1%. For the next fiscal year, we will be paying a dividend of 81 yen per share to ensure the continuity of dividend payments similarly to the fiscal year under review, expecting a consolidated payout ratio of 29.7%.

2. Management Policy

(1) Management's Basic Principle

Based on the management philosophies of "Hands-on Approach" and "Customer First," FP Corporation consistently focuses on the environment, safety, security and health. We operate our businesses to provide products, services and proposals that respond to a broad array of customer and expectations. To fulfill our social responsibility, we have been promoting our environmental management system, making efforts to spread our FPCO recycling method (Tray-to-Tray and Bottle-to-Tray) to build a recycling-oriented society.

Our Medium- to Long-term Management Strategy is aimed at maximizing our corporate value, and will make active strategic investments to realize this goal. Through these investments, we will aim to become "a corporate group that creates comfortable dietary lives for customers through food containers" and pursue our three basic objectives as a manufacturer: "reliably delivering as needed" "environmentally friendly products with paramount quality" "at the most competitive price."

We recognize our responsibility as one of the supporters of the dietary environment, and aim to enhance our capacity in material and product development, sales, and distribution, as well as improve quality, productivity, and service. We will continue to reduce total costs and build a solid base for corporate management.

In addition, we will make efforts to maintain positive and open relationships with customers, clients, society, employees, shareholders, and other stakeholders, and aim to sustain growth and improve corporate value in the medium to long term.

(2) Targeted Management Indicators

According to the Group's consolidated management targets, we aim to achieve ordinary profit of 20,000 million yen. For practicing business administration with a focus on shareholders, we will steadily implement different measures in the Group's management plan with a view to increasing corporate value. We have defined the ratio of ordinary profit to consolidated net sales and net profit per share as our management indicators and set their targets at 10% or higher and at 330 yen, respectively. In the dividend policy, we have set the target for the consolidated ratio of dividend payout to profit attributable to owners of parent of the Group at 30%.

(3) Challenges to Be Addressed

(i) Technological innovation and development of new products

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

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

An increasing number of people are changing their lifestyles and eating ready-made meals at home instead of dining out or cooking at home. In response to this trend, which can partly be explained by the increase in elderly people and working women, food retailers are seeing an increase in sales of ready-made meals, especially delicatessen items.

We will strive to stay ahead of this change and provide products that meet the needs of our clients, such as microwavable containers, enabling them to differentiate their sales space from others.

We will also support clients taking environmentally friendly actions through the reduction of CO_2 emissions, improving work productivity to deal with labor shortages, or working to cut logistics costs by providing FPCO's logistics network. We aim to provide comprehensive solutions to issues shared within the retail industry.

(iii) Enhancement of supply system

We will work to further enhance our supply chain management (SCM), saving labor and improving work productivity by introducing industrial robots in production and voice-activated picking systems, unmanned carriers (AGVs), and automatic sorter systems in distribution. We will continue to take steps to curb production and distribution costs, working to create an entire system of procurement, production and logistics with optimized and reduced costs.

In addition, we will make efforts to fully utilize our nationwide logistics network to provide an even more streamlined logistics service and stable supply of products.

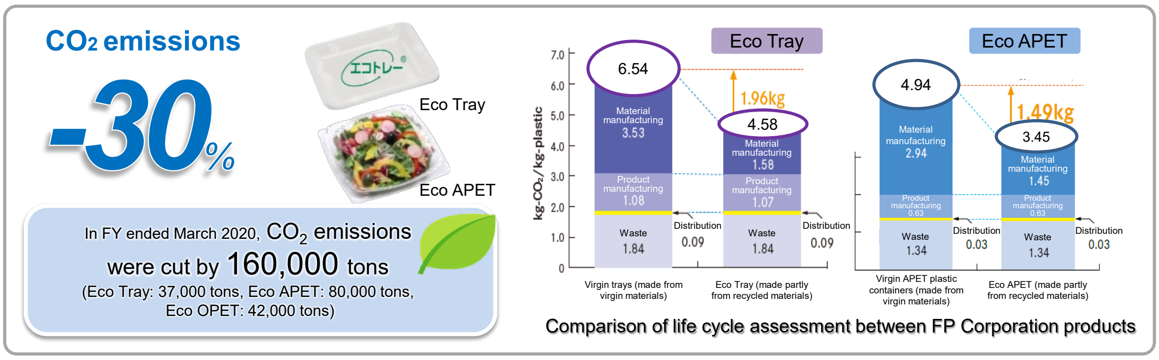
(iv) Environmentally friendly operation

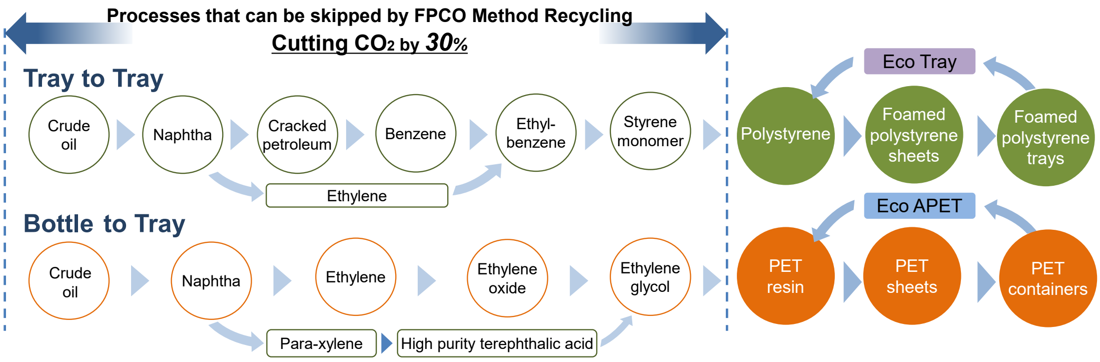
We will execute a new Medium-Term Environmental Management Plan, FP Corporation Eco Action 50, as a more advanced version of the Five-Year Environmental Management Plan. Under FP Corporation Eco Action 50, we have established a working group under the product, production, logistics, sales, and office sectors. We carry out activities by setting a range of goals voluntarily, taking initiatives aimed at reducing total CO_2 emissions from the FPCO Group.

Additionally, the Company, as the leading company in the industry, aims at a sustainable world by achieving a recycling-oriented society through our business activities centering on FPCO recycling methods such as “Tray to Tray” and “Bottle to Tray,” and contributes to carbon dioxide emissions reduction by promoting its recycled products (Eco Tray, Eco APET). Compared to non-recycled products, our Eco Tray and Eco APET have realized a 30% reduction in CO2 emissions, respectively.

Furthermore, through the design and development of environment-conscious products with one of the lowest levels of environmental impact in the industry, we will implement various measures such as taking initiatives to reduce and recycle industrial waste created through business activities. From the fiscal year ending March 31, 2021 onwards, we will be offering financial support to non-profit and other organizations conducting activities with a focus on environmental conservation through the FP Corporation Environment Fund in a more intensive effort to build a recycling-based society.

Eco Tray / Eco APET CO_2 Reduction





(v) Management emphasizing social responsibility

We understand that positive involvement in disability employment support and the building of trust from local communities form part of management aimed at boosting corporate value.

In order to aid our clients’ business continuity, we will install an emergency power generator to provide power to continue logistics operations in the event of a blackout caused by natural disasters, etc. We will establish a system that will provide 72 hours’ (3 days’) worth of electricity.

We also believe that intangible value comprises social responsibility. Based on this idea, we will build a cooperative relationship with customers, clients, society, employees, shareholders, and other stakeholders by creating opportunities for further communication. These will include tours of our recycling plants, sorting plants, and plants that have hired disabled workers.

Diversity Management Making Maximal Use of Capabilities

Sorting of used trays at **10** facilities

Production of wood-like box-type containers and secondary processing at **7** facilities

Manufacturing of containers (foamed and transparent) at **3** facilities

In the FPCO Group as of March 2020

Number of employees with disabilities	**358**
Adjusted number of employees with disabilities	**615**
Ratio of employees with disabilities	**13.3%**

Recognition concerning employment of workers with disabilities

- January 2019
  Ministry of Health, Labour and Welfare
  FY2018 People with Disabilities Active Company Certification
  (FPCO Ducks Corporation)
- October 2019
  Toyo Keizai Inc.
  Ranked 2nd in ratio of employees with disabilities
  * Ranked 1st for four consecutive years (2014-2017)

(vi) Enhancement of intellectual property rights

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

(vii) Preparation for expansion of the market for home meal replacements

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

Apart from that, we are exploring the possibility of entering the markets for frozen food as well as takeout and delivered food from small restaurants, which are expected to grow further in the future.

(viii) Workstyle reform initiatives

We are aware that providing the Group's 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. On the basis of this notion, our separate departments are working to increase productivity and introduce a program for commuting outside rush hour and an obligation to take paid leave for five consecutive days in a bid to encourage staff members to think independently about work time management and optimize their working hours.

3. Basic Approach to Selection of Accounting Standards

The Group has decided to adopt Japanese Accounting Standards for the time being. However, we plan 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, 2019	As of March 31, 2020
Assets			
Current assets			
Cash and deposits		19,151	20,288
Notes and accounts receivable - trade	*1	38,512	34,223
Merchandise and finished goods		18,687	18,667
Work in process		136	107
Raw materials and supplies		3,714	3,641
Accounts receivable - other		3,891	2,869
Other		572	545
Allowance for doubtful accounts		(19)	(19)
Total current assets		84,647	80,322
Non-current assets			
Property, plant and equipment			
Buildings and structures		134,538	136,053
Accumulated depreciation		(57,735)	(61,317)
Buildings and structures, net		76,802	74,735
Machinery, equipment and vehicles		69,090	74,433
Accumulated depreciation		(35,914)	(41,087)
Machinery, equipment and vehicles, net		33,175	33,345
Lands		33,072	33,327
Lease assets, net		15,409	13,758
Accumulated depreciation		(10,724)	(10,404)
Leased assets, net		4,685	3,353
Construction in progress		898	1,815
Other, net		21,295	21,319
Accumulated depreciation		(16,631)	(16,608)
Other, net		4,664	4,710
Total property, plant and equipment		153,298	151,289
Intangible assets			
Goodwill		1,255	974
Other		1,347	1,482
Total intangible assets		2,602	2,456
Investments and other assets			
Investment securities		4,458	3,703
Deferred tax assets		3,224	3,650
Other		1,151	1,140
Allowance for doubtful accounts		(51)	(66)
Total investments and other assets		8,783	8,428
Total non-current assets		164,684	162,174
Total assets		249,332	242,497

(Million yen)

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Accounts payable - trade	20,954	19,309
Short-term loans payable	15,883	21,939
Commercial papers	18,000	18,000
Lease obligations	2,439	2,057
Accounts payable - other	7,953	7,552
Income taxes payable	3,365	3,011
Accrued consumption taxes	2,218	1,470
Provision for bonuses	2,191	2,368
Provision for directors' bonuses	96	104
Other	3,751	3,756
Total current liabilities	76,854	79,569
Non-current liabilities		
Long-term loans payable	52,455	36,760
Lease obligations	2,623	1,584
Provision for directors' retirement benefits	623	558
Provision for executive officers' retirement benefits	31	37
Net defined benefit liability	4,284	4,396
Other	260	289
Total non-current liabilities	60,279	43,626
Total liabilities	137,133	123,196
Net assets		
Shareholders' equity		
Capital stock	13,150	13,150
Capital surplus	15,864	15,864
Retained earnings	86,728	94,157
Treasury shares	(5,094)	(5,095)
Total shareholders' equity	110,648	118,077
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,260	762
Remeasurements of defined benefit plans	(154)	(106)
Total valuation and translation adjustments	1,106	656
Non-controlling interests	443	567
Total net assets	112,198	119,301
Total liabilities and net assets	249,332	242,497

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

(Consolidated Statements of Income)

(Million yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020
Net sales		181,171		186,349
Cost of sales	*2	122,190	*2	123,235
Gross profit		58,980		63,114
Selling, general and administrative expenses	*1 *2	45,031	*1 *2	47,606
Operating profit		13,949		15,507
Non-operating income				
Interest income		1		1
Dividends income		106		118
Share of profit of entities accounted for using equity method		17		32
Subsidy income		338		276
Rent income		95		86
Gain on sales of scraps		157		155
Other		520		372
Total non-operating income		1,236		1,042
Non-operating expenses				
Interest expenses		114		95
Other		211		180
Total non-operating expenses		325		276
Ordinary profit		14,861		16,274
Extraordinary income				
Gain on sales of non-current assets	*3	736		–
Total extraordinary income		736		–
Extraordinary losses				
Loss on sales and retirement of non-current assets	*4	272	*4	209
Loss on valuation of investment securities		–		91
Impairment loss	*5	100		–
Retirement benefit expenses		823		–
Total extraordinary losses		1,196		301
Profit before income taxes		14,401		15,972
Income taxes - current		4,875		5,291
Income taxes - deferred		(445)		(229)
Total income taxes		4,430		5,061
Profit		9,970		10,911
Profit attributable to non-controlling interests		69		133
Profit attributable to owners of parent		9,901		10,777

(Consolidated Statement of Comprehensive Income)

(Million yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Profit	9,970	10,911
Other comprehensive income		
Valuation difference on available-for-sale securities	(615)	(498)
Remeasurements of defined benefit plans, net of tax	(22)	47
Share of other comprehensive income of entities accounted for using equity method	(0)	(0)
Total other comprehensive income	(638)	(450)
Comprehensive income	9,332	10,461
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,262	10,327
Comprehensive income attributable to non-controlling interests	69	133

(3) Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2019

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	13,150	15,860	80,175	(5,093)	104,092
Changes of items during period					
Dividends of surplus			(3,348)		(3,348)
Profit attributable to owners of parent			9,901		9,901
Purchase of treasury share				(0)	(0)
Purchase of shares of consolidated subsidiaries		3			3
Net changes of items other than shareholders' equity					
Total changes of items during period	–	3	6,552	(0)	6,556
Balance at end of current period	13,150	15,864	86,728	(5,094)	110,648

(Million yen)

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,876	(131)	1,745	381	106,219
Changes of items during period					
Dividends of surplus					(3,348)
Profit attributable to owners of parent					9,901
Purchase of treasury share					(0)
Purchase of shares of consolidated subsidiaries					3
Net changes of items other than shareholders' equity	(615)	(22)	(638)	61	(576)
Total changes of items during period	(615)	(22)	(638)	61	5,979
Balance at end of current period	1,260	(154)	1,106	443	112,198

Fiscal year ended March 31, 2020

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	13,150	15,860	86,728	(5,094)	110,648
Changes of items during period					
Dividends of surplus			(3,348)		(3,348)
Profit attributable to owners of parent			10,777		10,777
Purchase of treasury share				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	7,429	(0)	7,428
Balance at end of current period	13,150	15,864	94,157	(5,095)	118,077

(Million yen)

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,260	(154)	1,106	443	112,198
Changes of items during period					
Dividends of surplus					(3,348)
Profit attributable to owners of parent					10,777
Purchase of treasury share					(0)
Net changes of items other than shareholders' equity	(498)	47	(450)	124	(326)
Total changes of items during period	(498)	47	(450)	124	7,102
Balance at end of current period	762	(106)	656	567	119,301

(4) Consolidated Statement of Cash Flows

(Million yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from operating activities		
Profit before income taxes	14,401	15,972
Depreciation	13,170	13,532
Impairment loss	100	–
Increase (decrease) in provision for bonuses	105	177
Increase (decrease) in provision for directors' bonuses	11	7
Increase (decrease) in allowance for doubtful accounts	(4)	15
Increase (decrease) in provision for directors' retirement benefits	41	(65)
Increase (decrease) in provision for executive officers' retirement benefits	6	6
Increase (decrease) in net defined benefit liability	1,028	111
Loss (gain) on valuation of investment securities	–	91
Interest and dividends income	(107)	(120)
Interest expenses	114	95
Share of loss (profit) of entities accounted for using equity method	(17)	(32)
Loss (gain) on sales and retirement of non-current assets	(477)	201
Decrease (increase) in notes and accounts receivable - trade	(1,035)	4,272
Decrease (increase) in inventories	(323)	122
Decrease (increase) in accounts receivable - other	(401)	575
Increase (decrease) in notes and accounts payable - trade	(607)	(1,644)
Increase (decrease) in other assets/liabilities	492	(70)
Increase (decrease) in accrued consumption taxes	2,232	(361)
Other, net	438	449
Subtotal	29,166	33,339
Interest and dividend income received	107	120
Interest expenses paid	(114)	(100)
Income taxes paid	(3,650)	(5,588)
Net cash flows from operating activities	25,510	27,770
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,808)	(10,654)
Proceeds from sales of property, plant and equipment	1,537	162
Purchase of intangible assets	(636)	(529)
Purchase of investment securities	(302)	(26)
Proceeds from sales of investment securities	–	5
Payments for acquisition of businesses	(874)	–
Payments of long-term loans receivable	(26)	(27)
Collection of long-term loans receivable	31	31
Other, net	(30)	47
Net cash flows from investing activities	(17,109)	(10,989)

(Million yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(800)	–
Proceeds from long-term loans payable	17,000	6,099
Repayment of long-term loans payable	(14,858)	(15,738)
Purchase of treasury shares	(0)	(0)
Repayments of lease obligations	(2,893)	(2,645)
Cash dividends paid	(3,351)	(3,349)
Dividends paid to non-controlling interests	–	(9)
Other, net	(4)	–
Net cash provided by (used in) financing activities	(4,908)	(15,643)
Net increase (decrease) in cash and cash equivalents	3,492	1,136
Cash and cash equivalents at beginning of period	15,659	19,151
Cash and cash equivalents at end of period	19,151	20,288

(5) Notes to Consolidated Financial Statements

Note to Going Concern Assumption

Not applicable

Consolidated Balance Sheet

*1. Bills that matured on the closing date of the consolidated fiscal year

The accounting treatment of bills that matured on the closing date of the consolidated fiscal year was processed on the date of bill clearance. Given that the closing date of the consolidated fiscal year under review was a non-business day of financial institutions, the balance as of the closing date of the consolidated fiscal year includes bills that will mature on the closing date of the next consolidated fiscal year.

(Million yen)

	As of March 31, 2019	As of March 31, 2020
Notes receivable	2,817	–

*2. Overdraft agreements and agreements for loan commitments

The Company and its consolidated subsidiaries have concluded overdraft agreements and agreements for loan commitments for the effective procurement of operating funds. The unexercised outstanding of loans as of the end of March 31, 2019 and 2020 under these agreements is as follows:

(Million yen)

	As of March 31, 2019	As of March 31, 2020
Total of overdraft limit and loan commitments	58,050	55,150
Exercised outstanding	364	364
Difference	57,686	54,786

Consolidated Statement of Income

*1. Of selling, general and administrative expenses, the major expense items and their amounts are as follows:

(Million yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Promotion expenses	4,472	4,855
Warehousing and carrying charges	16,429	17,254
Remuneration for officers	506	513
Salaries for employees	7,397	7,733
Provision for reserve for bonuses to officers	94	102
Provision for reserve for bonuses	1,014	1,114
Retirement benefit expenses	417	431
Provision for reserve for officer’s retirement	49	116
Provision for reserve for executive officer’s retirement	9	13
Depreciation and amortization	3,219	3,370
Provision for allowance for doubtful accounts	(1)	15

*2. Total research and development costs included in selling, general and administrative expenses as well as manufacturing costs

(Million yen)

Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
1,159	1,229

*3. Details of gain on sales of non-current assets are as follows:

(Million yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Land	736	–

*4. Details of loss on sales and retirement of non-current assets are as follows:

(Million yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
(Loss on retirement of non-current assets)		
Buildings and structures	98	8
Machinery, equipment and vehicles	63	44
Other	71	82
Subtotal	233	136
(Loss on sales of non-current assets)		
Buildings and structures	20	17
Machinery, equipment and vehicles	0	0
Land	16	52
Other	1	3
Subtotal	39	73
Total	272	209

*5. Impairment loss

Fiscal year ended March 31, 2019

The Group posted an impairment loss in the asset groups below.

Location	Use	Type
Hiroshima, Hiroshima	Sold assets	Land and others

In principle, the Group’s business assets are grouped according to region of plants. As for the Group’s idle assets and leased assets, each property is a unit of grouping.

In the consolidated fiscal year under review, the book value of the above sold assets was reduced to a recoverable amount, and the reduction is posted as an impairment loss (100 million yen) in extraordinary losses. It consists of a loss on land worth 92 million yen and a loss on buildings worth 7 million yen.

The recoverable amount of the sold assets was measured according to their net sales price. The net sales price is the expected sales price under the contract less anticipated expenses for the disposal of the relevant property.

Fiscal year ended March 31, 2020
No impairment loss

Segment Information
Fiscal year ended March 31, 2019 and fiscal year ended March 31, 2020
As the Group has a single segment of the simplified food container business, the description is omitted.

Per Share Information

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Net assets per share	2,703.33	2,872.14
Net income per share	239.51	260.71

(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, 2019	Fiscal year ended March 31, 2020
Profit attributable to owners of parent (million yen)	9,901	10,777
Amount not attributable to common shareholders (million yen)	–	–
Profit attributable to owners of parent and attributable to common stock (million yen)	9,901	10,777
Average number of common stocks outstanding during the year (thousands of shares)	41,339	41,339

Important Subsequent Events
Not applicable

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

5. Other
(1) Change in Officers
Please refer to “Notice Regarding Changes in Officers” released on April 30, 2020.