

# ***Financial Results***

## ***for the Six Months Ended September 30, 2022***

We have paid extremely close attention to the information provided and contained in the handouts. The forward-looking statements included in the information are our estimates based on the information available at the time of publication, and therefore contain potential risks and uncertainties.

Therefore, changes in a number of factors could cause actual results to differ materially from the future prospects described. Information contained in the handouts for this session **must not be quoted, reprinted or copied without our prior permission.**

# Financial Results Summary

(For the Six Months Ended September 30, 2022)

	1st half Performance							1 <sup>st</sup> half projections			Full year projections		
Unit: million yen	FY ended March 2022		FY ending March 2023					FY ending March 2023			FY ending March 2023		
	Performance	Percentage	Performance	Percentage	Increase/ decrease	Year-on -year	Quantity	Planned	Percentage	Progress rate	Planned	Percentage	Progress rate
Trays	19,559	20.1	19,785	19.3	+226	101.2%	94.6%	20,660	20.0	95.8%	42,820	20.2	46.2%
Lunchboxes and prepared food containers	54,237	55.7	58,691	57.2	+4,453	108.2%	100.0%	58,330	56.4	100.6%	120,920	57.0	48.5%
Subtotal	73,797	75.8	78,477	76.5	+4,679	106.3%	98.1%	78,990	76.4	99.4%	163,740	77.2	47.9%
Other products	1,566	1.6	1,964	1.9	+398	125.4%		1,810	1.8	108.6%	3,630	1.7	54.1%
Sales of products	75,364	77.4	80,442	78.4	+5,077	106.7%		80,800	78.1	99.6%	167,370	78.9	48.1%
packaging materials	20,995	21.6	21,127	20.6	+131	100.6%		21,610	20.9	97.8%	42,630	20.1	49.6%
Other goods	1,008	1.0	992	1.0	-15	98.5%		1,000	1.0	99.3%	2,000	0.9	49.6%
Sales of goods	22,003	22.6	22,119	21.6	+116	100.5%		22,610	21.9	97.8%	44,630	21.1	49.6%
Net Sales	97,367	100.0	102,562	100.0	+5,194	105.3%		103,410	100.0	99.2%	212,000	100.0	48.4%
Operating profit	8,548	8.8	6,072	5.9	-2,475	71.0%		5,050	4.9	120.3%	16,400	7.7	37.0%
Ordinary profit	8,907	9.1	6,409	6.2	-2,497	72.0%		5,400	5.2	118.7%	17,000	8.0	37.7%
Profit attribute to owners of parent	5,803	6.0	4,131	4.0	-1,672	71.2%		3,560	3.4	116.0%	11,230	5.3	36.8%
Ordinary profit before depreciation and amortization	15,632		13,437		-2,194	86.0%		12,420	108.2%		31,380		42.8%

**Record high**  
**Highest sales ever for 8 consecutive years**

## ◇Sales

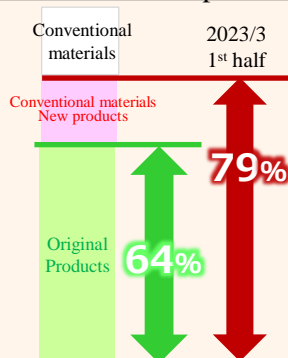
### Products>

- Reactionary fall of general-purpose containers for fresh food.
- Shipments of prepared food containers were firm.
- First product price revisions (announced in October 2021): Effects reflected.
- Second product price revisions (announced in April 2022): Negotiations completed. Early partial revisions to begin in 2Q. Activities to expand sales to be resumed in 3Q or thereafter.

### Goods>

- Expansion of sales channels through Pack Market, an e-commerce site.

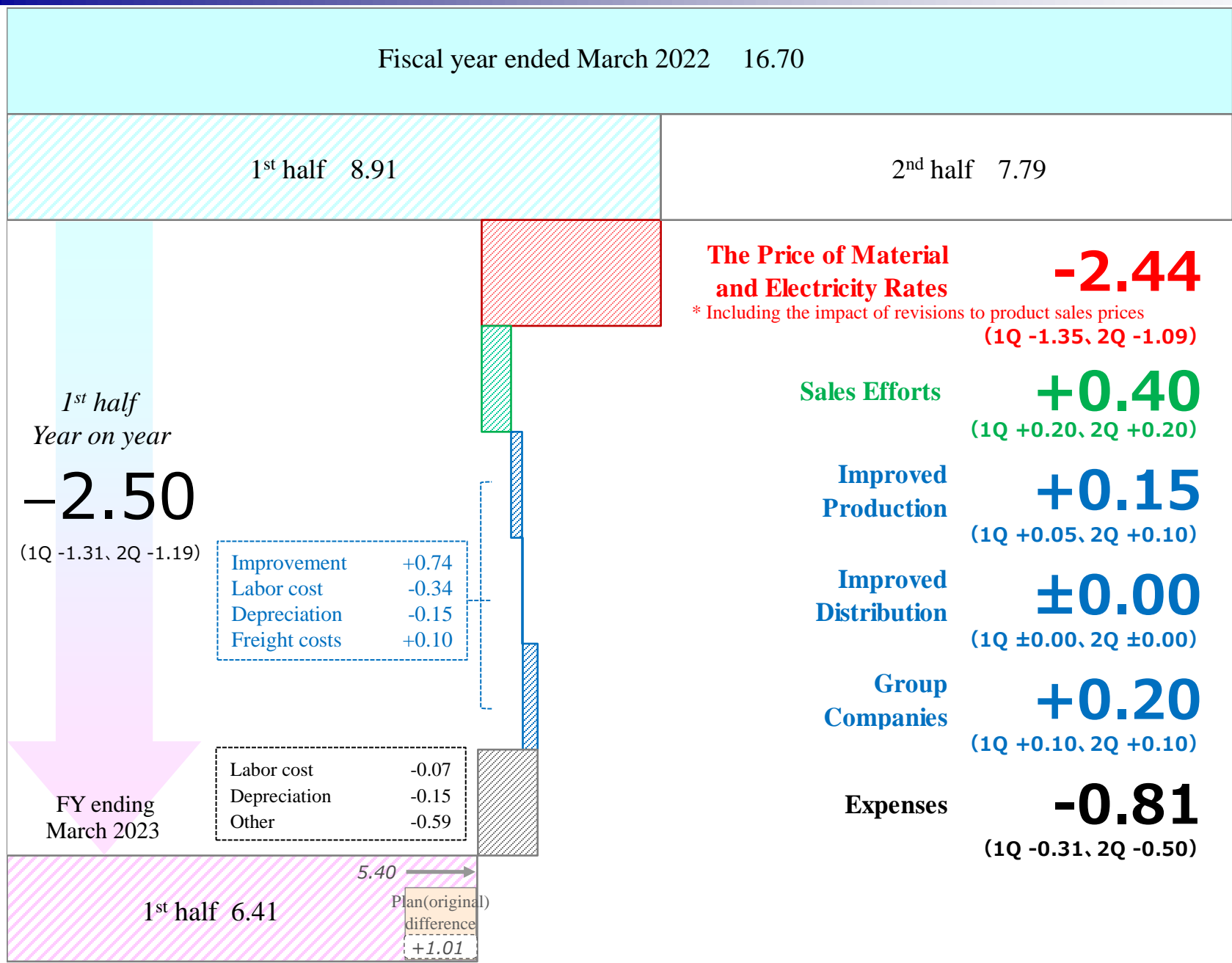
## ◇Product sales composition



## ◇Year-on-year

	1Q results	2Q results	1 <sup>st</sup> half results	Full year plan (original)
Sales of products	104.9%	108.5%	106.7%	110.3%
Quantity	98.1%	98.2%	98.1%	103.0%
Compared to FY2021	104.2%	104.6%	104.4%	
Ordinary profit	69.4%	74.3%	72.0%	101.8%
Ordinary profit ratio	6.0%	6.5%	6.2%	8.0%

# Results for Increase/Decrease in Ordinary Profit (For the Six Months Ended September 30, 2022)



Unit: billion yen

Plan(original) difference  
+1.01

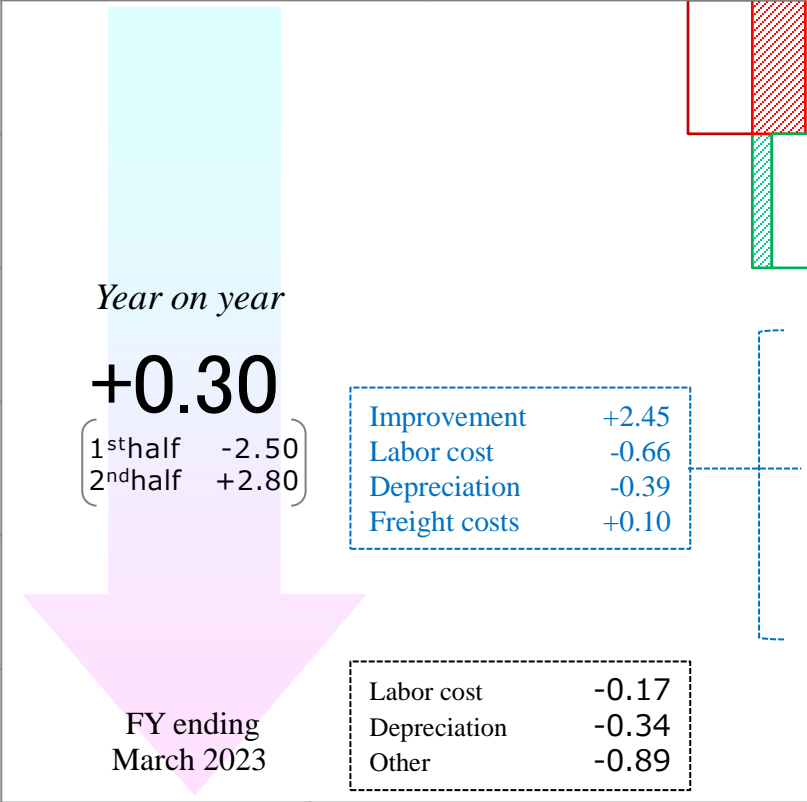
Early realization of second price increases

# Outlook for Increase/Decrease in Ordinary Profit

Outlook (Oct.30)

Unit: billion yen

Fiscal year ended March 2022    16.70	
1 <sup>st</sup> half    8.91	2 <sup>nd</sup> half    7.79



1 <sup>st</sup> half    6.41	2 <sup>nd</sup> half outlook    10.59
Plan(original) difference    +1.01	Plan(original) difference    -1.01

Fiscal year ending March 2023    17.00	
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**The Price of Material and Electricity Rates**  
\* Including the impact of revisions to product sales prices  
(1<sup>st</sup> half -2.44, 2<sup>nd</sup> half +1.34)

**-1.10**

**Sales Efforts**  
(1<sup>st</sup> half +0.40, 2<sup>nd</sup> half +0.90)

**+1.30**

**Improved Production**  
(1<sup>st</sup> half +0.15, 2<sup>nd</sup> half +0.65)

**+0.80**

**Improved Distribution**  
(1<sup>st</sup> half ±0.00, 2<sup>nd</sup> half ±0.00)

**±0.00**

**Group Companies**  
(1<sup>st</sup> half +0.20, 2<sup>nd</sup> half +0.50)

**+0.70**

**Expenses**  
(1<sup>st</sup> half -0.81, 2<sup>nd</sup> half -0.59)

**-1.40**

Plan(original) difference  
±0.0

1<sup>st</sup> half difference  
+1.01

Changes in the 2<sup>nd</sup> half outlook  
-1.01

Early realization of second price increases

Further rise in electricity rates also expected

# Capital Investments and R&D Costs

(Result for the Six Months Ended September 30, 2022)

Unit: million yen	1st half performance				1 <sup>st</sup> half projections		Full year projections	
	FY ended March 2022	FY ending March 2023			FY ending March 2023		FY ending March 2023	
	Performance	Performance	Increase / decrease Year-on-year		Planned	Progress rate	Planned	Progress rate
Tangible fixed assets	14,860	20,593	+5,732	138.6%	24,000	85.8%	32,800	62.8%
Intangible fixed assets	182	276	+93	150.9%	90	306.7%	200	138.0%
Capital investments	15,043	20,869	+5,825	138.7%	24,090	86.6%	33,000	63.2%
Depreciation and amortization costs	6,725	7,027	+302	104.5%	7,020	100.1%	14,380	48.9%
Research and development costs	563	613	+50	109.0%	718	85.5%	1,397	43.9%

## Major Capital Investments

Unit: million yen

### Investment in original products:

#### Improving production capacity and quality of Eco APET products

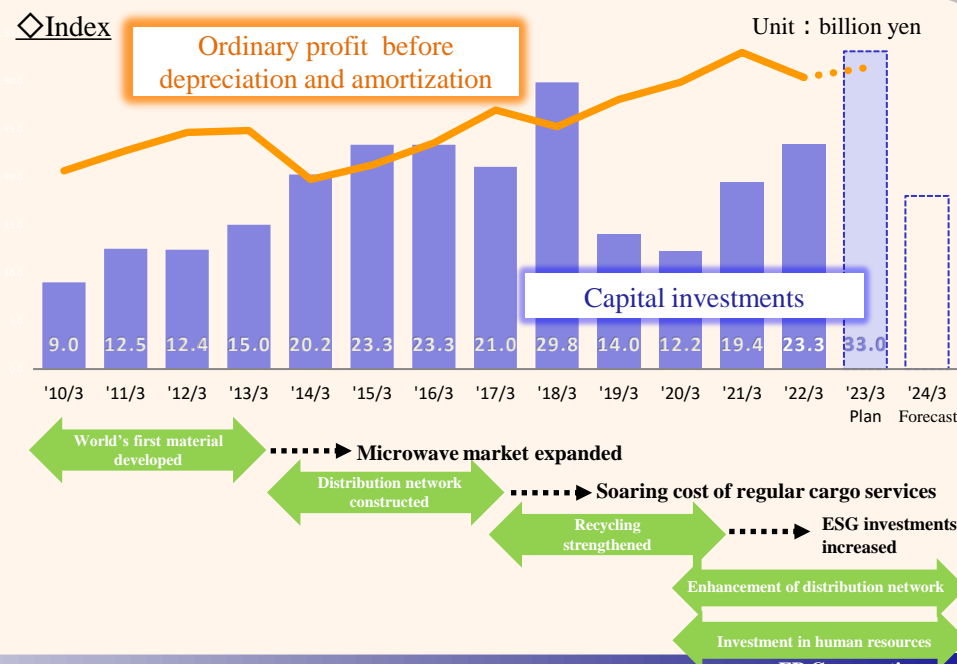
	Total investment	Plan in period	1st half performance
◆ Eco APET materials: Increase in the productivity (Kanto, Chubu)	393	393	31
◆ Eco APET materials: Reinforcement of the production capacity (Nishinohon PET-Bottle recycle Co., Ltd.)	754	754	6

### Investment corresponding to expansion of the sales quantity:

#### Stable supply, Efficiency improvement, Maintenance of working environment

	Total investment	Plan in period	1st half performance
◆ Introduction of automation facilities		76	-
◆ Reinforcement of the production capacity of Conventional material products	1,149	1,149	682
◆ Rebuilding of Chubu Plant 1	8,530	5,529	5,570
	6,301	3,301	3,341
◆ Kansai Plant and Kansai Hub Center	25,261	17,238	10,607
◆ Pico House No.5	2,173	1,548	1,549
◆ Enhancement of Group companies' production sites			
Expansion of cardboard factory	3,173	341	419
◆ Molds		1,710	888
◆ IT investments		568	329

◇Index



# Balance Sheet

(Result for the Six Months Ended September 30, 2022)

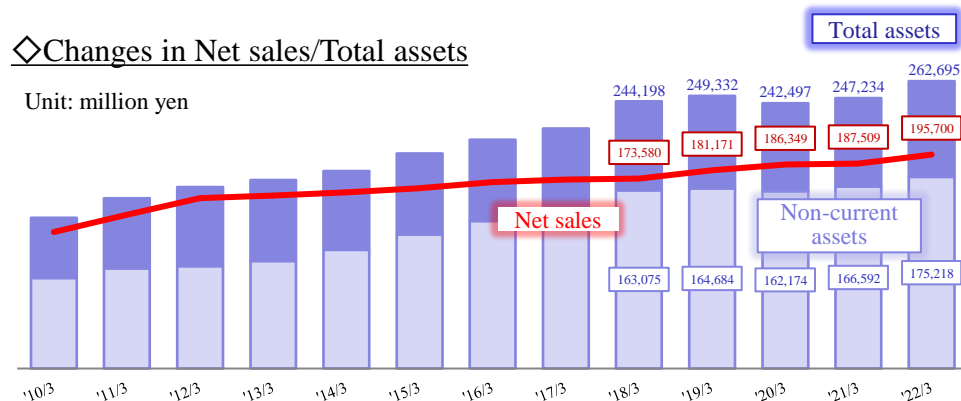
Unit: million yen	Previous consolidated fiscal year	First half of the consolidated fiscal year				
	FY ended March 2022 As of March 31, 2022	FY ending March 2023				
		As of September 30, 2023	Increase/ decrease	Year-on- year	Breakdown of main increases and decreases	
Current assets	87,477	105,267	+17,789	120.3%	Cash and deposits	+9,638
					Notes and accounts receivable-trade	+3,893
					Merchandise and finished goods	+1,563
					Raw materials and supplies	+965
Noncurrent assets	175,218	195,540	+20,322	111.6%	Buildings and structures, net	+22,039
					Construction in progress	△9,610
					Investment securities (LSSPI)	+6,835
Total assets	262,695	300,807	+38,111	114.5%		
Current liabilities	76,807	89,383	+12,575	116.4%	Accounts payable - trade	+3,021
					Short-term loans payable	+1,841
					Accounts payable - other	+9,195
Noncurrent liabilities	53,432	76,990	+23,557	144.1%	Long-term loans payable	+23,464
Total liabilities	130,239	166,373	+36,133	127.7%		
Net assets	132,455	134,434	+1,978	101.5%	Retained earnings	+2,044
Total liabilities and net assets	262,695	300,807	+38,111	114.5%		

Equity ratio 44.5%

- Assets Strategic investments for boosting the production capacity of original products and ensuring stable supply
- Liabilities Utilization of borrowing as capital for strategic investment
- Net assets Strengthening of the management structure  
Preparation for expanding business flexibly

## ◇Changes in Net sales/Total assets

Unit: million yen



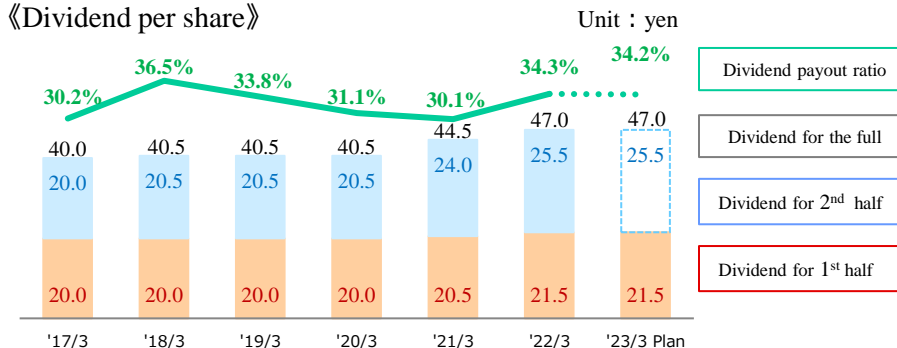
# Cash Flows

(Result for the Six Months Ended September 30, 2022)

Unit: million yen	Results for 1st half		
	FY ended March 2022 Performance	Performance	FY ending March 2023 Breakdown of main items
CF from operating activities	9,274	6,785	Profit before income taxes 6,137 Depreciation 7,027 Decrease (increase) in notes and accounts receivable - trade -3,839 Decrease (increase) in inventories -2,532
CF from investing activities	-9,114	-19,615	Purchase of property, plant and equipment -12,833 Purchase of shares of an associate (LSSPI) -6,800
Free cash flows	159	-12,829	
CF from financing activities	1,535	22,468	Proceeds from long-term loans payable 33,000 Repayment of long-term loans payable -7,693 Repayments of lease obligations -719 Cash dividends paid -2,084
Net increase(decrease)in cash and cash equivalents	1,695	9,638	
Cash and cash equivalents at end of period	19,580	29,383	

- CF from operating activities  
Ensuring profit by selling original products and streamlining efforts
- CF from investing activities  
Strategic investment to construct the bases to make a profit for future
- CF from financing activities  
Borrowing for strategic investments  
Continuously stable dividend

《Dividend per share》



\* On October 1, 2020, the Company implemented a two-for-one common stock split.  
The indicated dividend amount is based on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2017.