

# ***Financial Results***

## ***for the Six Months Ended September 30, 2023***

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, 2023)

Unit: million yen	1 <sup>st</sup> half Performance							1 <sup>st</sup> half projections			Full year projections		
	FY ended March 2023		FY ending March 2024					FY ending March 2024			FY ending March 2024		
	Performance	Percentage	Performance	Percentage	Increase/ decrease	Year-on -year	Quantity	Planned	Percentage	Progress rate	Planned	Percentage	Progress rate
Trays	19,785	19.3	20,640	19.0	+854	104.3%	98.3%	21,500	19.5	96.0%	43,600	19.7	47.3%
Lunchboxes and prepared food	58,691	57.2	62,860	57.8	+4,169	107.1%	99.0%	64,100	58.3	98.1%	128,000	57.8	49.1%
Subtotal	78,477	76.5	83,501	76.8	+5,024	106.4%	98.8%	85,600	77.8	97.5%	171,600	77.5	48.7%
Other products	1,964	1.9	1,980	1.8	+15	100.8%		1,950	1.8	101.6%	3,900	1.8	50.8%
Sales of products	80,442	78.4	85,482	78.6	+5,040	106.3%		87,550	79.6	97.6%	175,500	79.3	48.7%
packaging materials	21,127	20.6	22,014	20.2	+886	104.2%		21,450	19.5	102.6%	43,700	19.7	50.4%
Other goods	992	1.0	1,229	1.1	+237	123.9%		1,000	0.9	123.0%	2,100	0.9	58.6%
Sales of goods	22,119	21.6	23,244	21.4	+1,124	105.1%		22,450	20.4	103.5%	45,800	20.7	50.8%
Net Sales	102,562	100.0	108,726	100.0	+6,164	106.0%		110,000	100.0	98.8%	221,300	100.0	49.1%
Operating profit	6,072	5.9	6,981	6.4	+909	115.0%		6,250	5.7	111.7%	17,350	7.8	40.2%
Ordinary profit	6,409	6.2	7,235	6.7	+825	112.9%		6,600	6.0	109.6%	18,000	8.1	40.2%
Profit attribute to owners of parent	4,131	4.0	5,122	4.7	+991	124.0%		4,345	4.0	117.9%	11,808	5.3	43.4%
Ordinary profit before depreciation	13,437		14,816		+1,378	110.3%		14,180		104.5%	33,200		44.6%

**Record high**  
Highest sales ever for 9 consecutive years

## ◇Sales

### Products

- Sales of high value-added products for eco-friendly products and prepared food as well as were strong
- Increased sales effect of the second product price revisions (announced in April 2022)
- Strong sales of high value-added products such as eco-friendly products and products for prepared foods  
Quantity of 1<sup>st</sup> half results : 98.8% (September: 100.6%)

### Goods

- Penetration of revised prices
- Proposal for efficiency improvement using the FPCO Group's infrastructure
- Expansion of sales channels through Pack Market, an e-commerce site

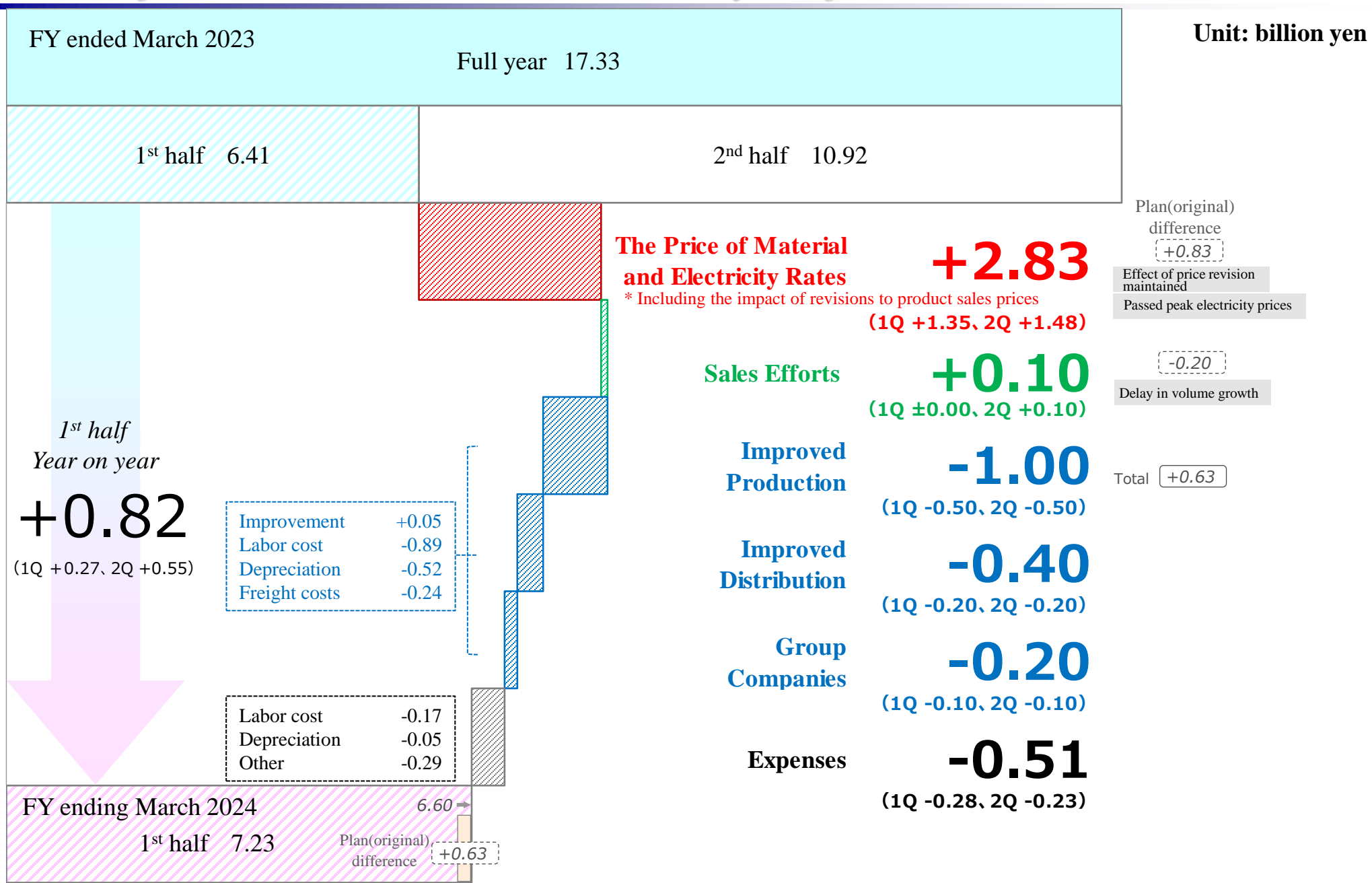
## ◇Product sales composition



## ◇Year-on-year

	1Q results	2Q results	1 <sup>st</sup> half results	2 <sup>nd</sup> half plan	Full year plan (original)
Sales of products	108.7%	104.0%	106.3%	102.7%	105.7%
Quantity	98.4%	99.2%	98.8%	104.0%	102.5%
Ordinary profit	109.1%	116.2%	112.9%	104.4%	103.9%
Ordinary profit ratio	6.1%	7.2%	6.7%	10.2%	8.1%

# Results for Increase/Decrease in Ordinary Profit (For the Six Months Ended September 30, 2023)



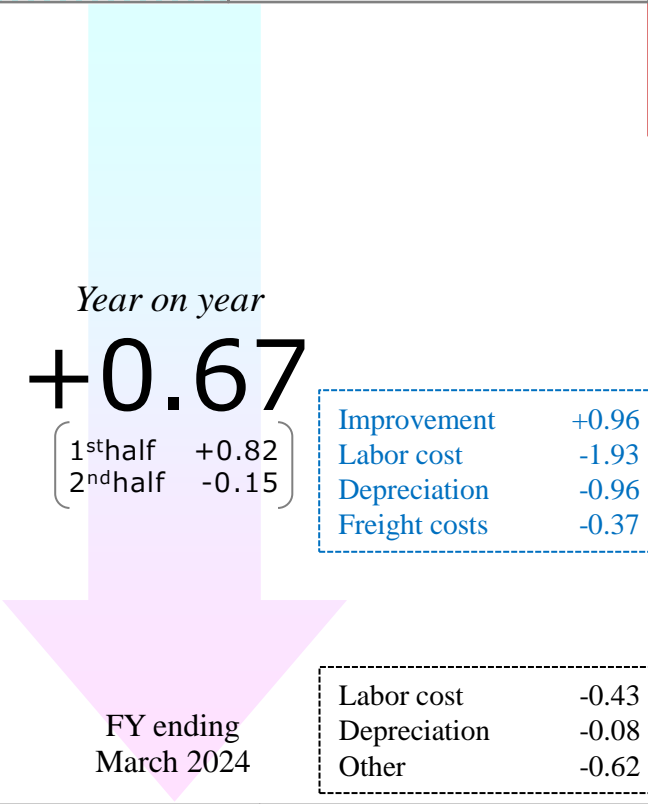
# Outlook for Increase/Decrease in Ordinary Profit

Outlook (Oct.30)

Unit: billion yen

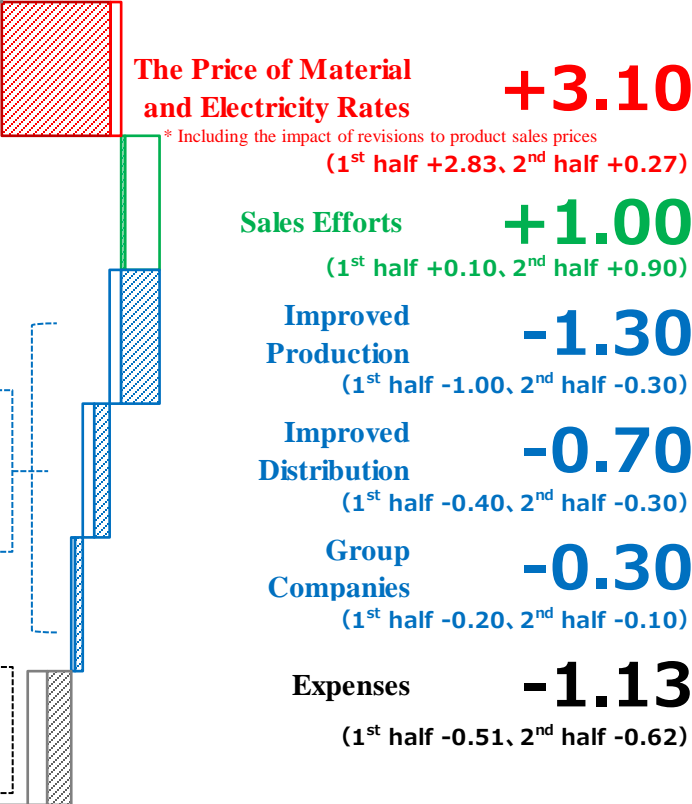
FY ended March 2023		
Full year 17.33		

1 <sup>st</sup> half	6.41	2 <sup>nd</sup> half	10.92
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1 <sup>st</sup> half	6.60	2 <sup>nd</sup> half outlook	11.40
Plan(original) difference	+0.63	Plan(original) difference	-0.63

Full year outlook 18.00	
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Plan(original) difference		Changes in the 2 <sup>nd</sup> half outlook	Full year
1 <sup>st</sup> half difference			
	+0.83	+0.27	+1.10
Effect of price revision maintained		Decrease in the price of recycled PET raw materials	
Passed peak electricity prices		Passed peak electricity prices	
	-0.20	-0.60	-0.80
Delay in volume growth		Year-on-year volume growth trend from September	
	±0.00	Delayed volume growth compared to plan	
		Delayed volume growth compared to plan	
Total	+0.63	-0.63	±0.00

# Capital Investments and R&D Costs

(Result for the Six Months Ended September 30, 2023)

Unit: million yen	1 <sup>st</sup> half performance				1 <sup>st</sup> half projections		Full year projections	
	FY ended March 2023	FY ending March 2024			FY ending March 2024		FY ending March 2024	
	Performance	Performance	Increase / decrease	Year-on-year	Planned	Progress rate	Planned	Progress rate
Tangible fixed assets	20,593	3,305	-17,287	16.1%	5,000	66.1%	12,500	26.4%
Intangible fixed assets	276	174	-101	63.2%	200	87.2%	500	34.9%
Capital investments	20,869	3,479	-17,389	16.7%	5,200	66.9%	13,000	26.8%
Depreciation	7,027	7,580	+552	107.9%	7,580	100.0%	15,200	49.9%
Research and development costs	613	640	+26	104.3%	744	86.1%	1,506	42.5%

Discrepancies in timing of acceptance inspection

## Major Capital Investments

Unit: million yen

### Investment in original products:

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

	Total investment	Plan in period	1 <sup>st</sup> half performance
◆ Eco APET materials:Increase in the productivity (Kanto, Chubu)	547	547	160
◆ Eco APET materials:Reinforcement of the production capacity (Nishinohon PET-Bottle recycle Co., Ltd.)	455	455	10
◆ Eco APET products:Reinforcement of the production capacity	240	240	68

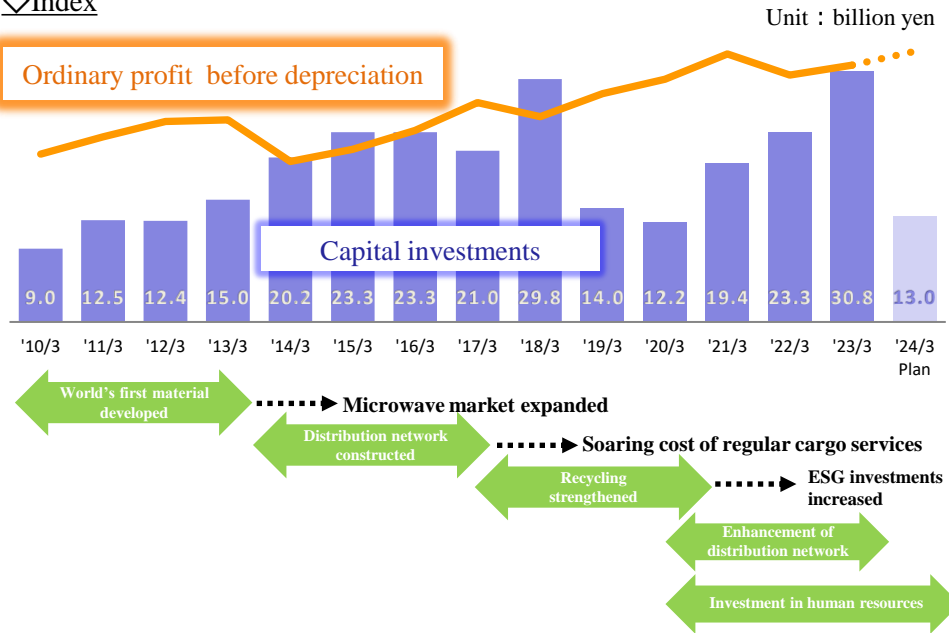
### Investment corresponding to expansion of the sales quantity:

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

	Total investment	Plan in period	1 <sup>st</sup> half performance
◆ Introduction of automation facilities		294	64
◆ Reinforcement of the production capacity of Conventional material products	1,777	1,579	489
◆ Kansai Sorting Plant To be completed in Sep. 2024	944	391	30
◆ Enhancement of Group companies' production sites			
Expansion of cardboard factory To be completed in Aug. 2024	3,527	986	207
◆ Molds		1,785	778
◆ IT investments		720	249

## ◇Index

Ordinary profit before depreciation



# Balance Sheet

(Result for the Six Months Ended September 30, 2023)

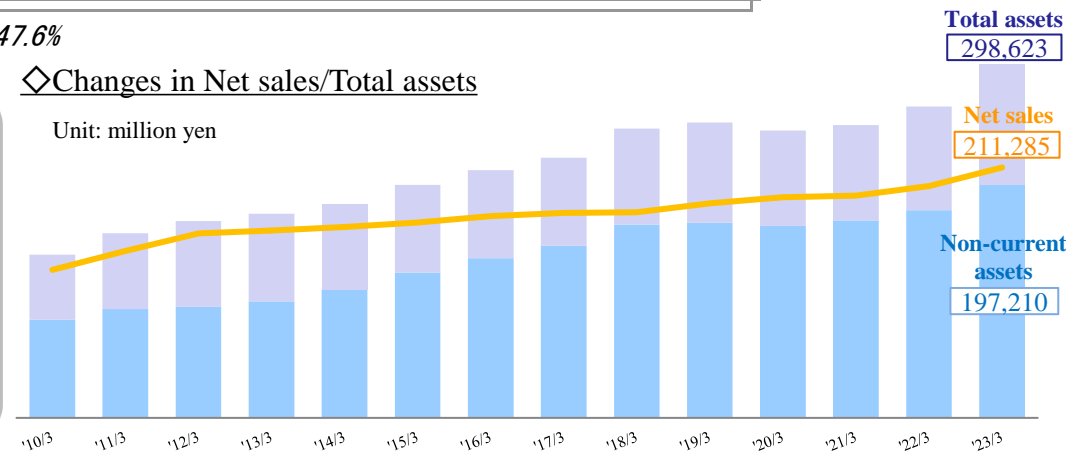
Unit: million yen	Previous consolidated fiscal year	1 <sup>st</sup> half of the consolidated fiscal year				
	FY ended March 2023 As of March 31, 2023	As of September 30, 2024	Increase/ decrease	FY ending March 2024 Year-on- year	Breakdown of main increases and decreases	
Current assets	101,413	104,866	+ 3,453	103.4%	Notes and accounts receivable-trade	+ 5,891
Noncurrent assets	197,210	195,160	- 2,049	99.0%	Buildings and structures, net	- 2,465
					Machinery, equipment and vehicles, net	- 1,879
					Goodwill	+ 1,507
Total assets	298,623	300,027	+ 1,403	100.5%		
Current liabilities	83,883	86,616	+ 2,732	103.3%	Notes and accounts payable-trade	+ 3,948
Noncurrent liabilities	74,568	69,876	- 4,692	93.7%	Long-term loans payable	- 4,782
Total liabilities	158,452	156,492	- 1,959	98.8%		
Net assets	140,171	143,534	+ 3,363	102.4%	Retained earnings	+ 3,035
Total liabilities and net assets	298,623	300,027	+ 1,403	100.5%		

Equity ratio

47.6%

## ◇Changes in Net sales/Total assets

Unit: million yen



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

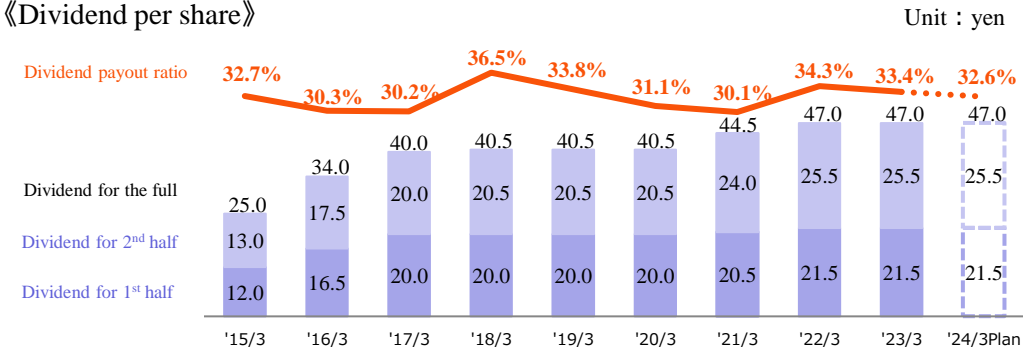
# Cash Flows

(Result for the Six Months Ended September 30, 2023)

Unit: million yen	Results for 1 <sup>st</sup> half		
	FY ended March 2023 Performance	Performance	FY ending March 2024 Breakdown of main items
CF from operating activities	6,785	14,021	Profit before income taxes 7,509 Depreciation 7,580 Decrease (increase) in notes and accounts receivable - trade -5,877 Increase (decrease) in notes and accounts payable - trade 2,732
CF from investing activities	-19,615	-6,912	Purchase of property, plant and equipment -7,064
Free cash flows	-12,829	7,109	
CF from financing activities	22,468	-7,162	Proceeds from long-term loans payable 3,000 Repayment of long-term loans payable -7,441 Repayments of lease obligations -600 Cash dividends paid -2,086
Net increase(decrease)in cash and cash equivalents	9,638	-52	
Cash and cash equivalents at end of period	29,383	22,202	

- 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 M&A to expand products and services and leverage logistics infrastructure
- CF from financing activities  
Continuously stable dividend  
Consider agile and flexible returns, taking into account financial soundness, strategic investments, stock price levels, etc.

## 《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, 2015