

Financial Results

for FY ended March 2015



平成18年度 容器包装3R推進

環境大臣賞 最優秀賞

製品部門



FP Corporation

May 13, 2015



April 2007

Received the Award for Excellence in the Product Division of the First Container and Packaging 3R Promotion Minister of the Environment Awards.
http://www.env.go.jp/recycle/yoki/b_2_approach/



March 2009

Certified as a leading company in the employment of disabled workers by (received the “Heartful Ribbon Mark” from) the Japan Association of Employers of Persons with Severe Disabilities
<http://www.mhlw.go.jp/bunya/koyou/shougaisha/dl/110420-1.pdf>



February 2011

Received the Gold Prize of Eco Mark Award 2010 (first Eco Mark Award) from the Japan Environmental Association.
http://www.ecomark.jp/award/award_2010.html



April 2011

Made an “Eco-First promise” to the Environment Minister as an environmentally-advanced company and was certified as an “Eco-First company.”
<http://www.env.go.jp/guide/info/eco-first/index.html>



March 2015

Selected by the Ministry of Economy, Trade and Industry as a winner of the FY2014 Diversity Management Selection 100 project
<http://www.meti.go.jp/policy/economy/jinzai/diversity/kigyos100sen/index.html>

We have paid extremely close attention to the information provided through presentations at this session 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.**

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Results

for the fiscal year ended March 2015

Head of Finance and Accounting Division
Isao Ikegami

Financial Results Summary (Results for the fiscal year ended March 2015)

Unit: million yen	Results for Full year							Full year projections			
	FY ended March 2014		FY ended March 2015				FY ended March 2015				
	Performance	Percentage	Performance	Percentage	Increase / decrease	Year-on-year	Quantity	Planned	Percentage	Progress rate	
Trays	27,792	17.2	28,365	17.2	+572	102.1%	101.3%	27,930	16.7	101.6%	
Lunchboxes and prepared food containers	83,999	52.1	86,732	52.6	+2,733	103.3%	102.8%	86,370	51.7	100.4%	
Total	111,791	69.4	115,097	69.8	+3,306	103.0%	102.2%	114,300	68.4	100.7%	
Other products	6,614	4.1	7,139	4.3	+525	107.9%		6,700	4.0	106.6%	
Sales of products	118,406	73.5	122,237	74.1	+3,831	103.2%		121,000	72.5	101.0%	
Packaging materials	33,920	21.1	33,894	20.6	-26	99.9%		37,200	22.3	91.1%	
Other goods	8,793	5.5	8,786	5.3	-7	99.9%		8,800	5.3	99.8%	
Sales of goods	42,714	26.5	42,681	25.9	-33	99.9%		46,000	27.5	92.8%	
Net sales	161,121	100.0	164,918	100.0	+3,797	102.4%		167,000	100.0	98.8%	
Operating income	9,760	6.1	9,189	5.6	-570	94.2%		10,340	6.2	88.9%	
Ordinary income	10,054	6.2	10,106	6.1	+52	100.5%		11,100	6.6	91.0%	
Net income	6,137	3.8	6,329	3.8	+191	103.1%		6,840	4.1	92.5%	
<i>Ordinary income before depreciation and amortization</i>			19,758		21,242	+1,484	107.5%		22,335		95.1%

1Q 97.5%
2Q 101.1%
3Q 104.4%
4Q 106.2%

1Q 83.9%
2Q 80.3%
3Q 93.2%
4Q 159.8%

■ Sales Products

Although price competition, especially that in general-purpose products, stabilized, in the first half, there were the effects of revising unprofitable transactions of certain general-purpose products in FY ended March 2014.

Original products of the Company made a solid contribution.

Shipments: Rose 2.2% year-on-year

Trays: Expanded sales of products using recycled raw materials

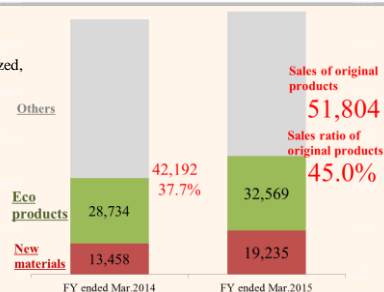
Lunchboxes and prepared food containers:

PPSA series, which are microwavable, were in good shape.

Replaced conventional OPS with OPET or new transparent PP.

Goods

Although the joint delivery operations expanded, group companies revised certain commercial distribution.



◇ Production

Expanded production facilities for original products, mainly OPET and new transparent PP.

◇ Logistics

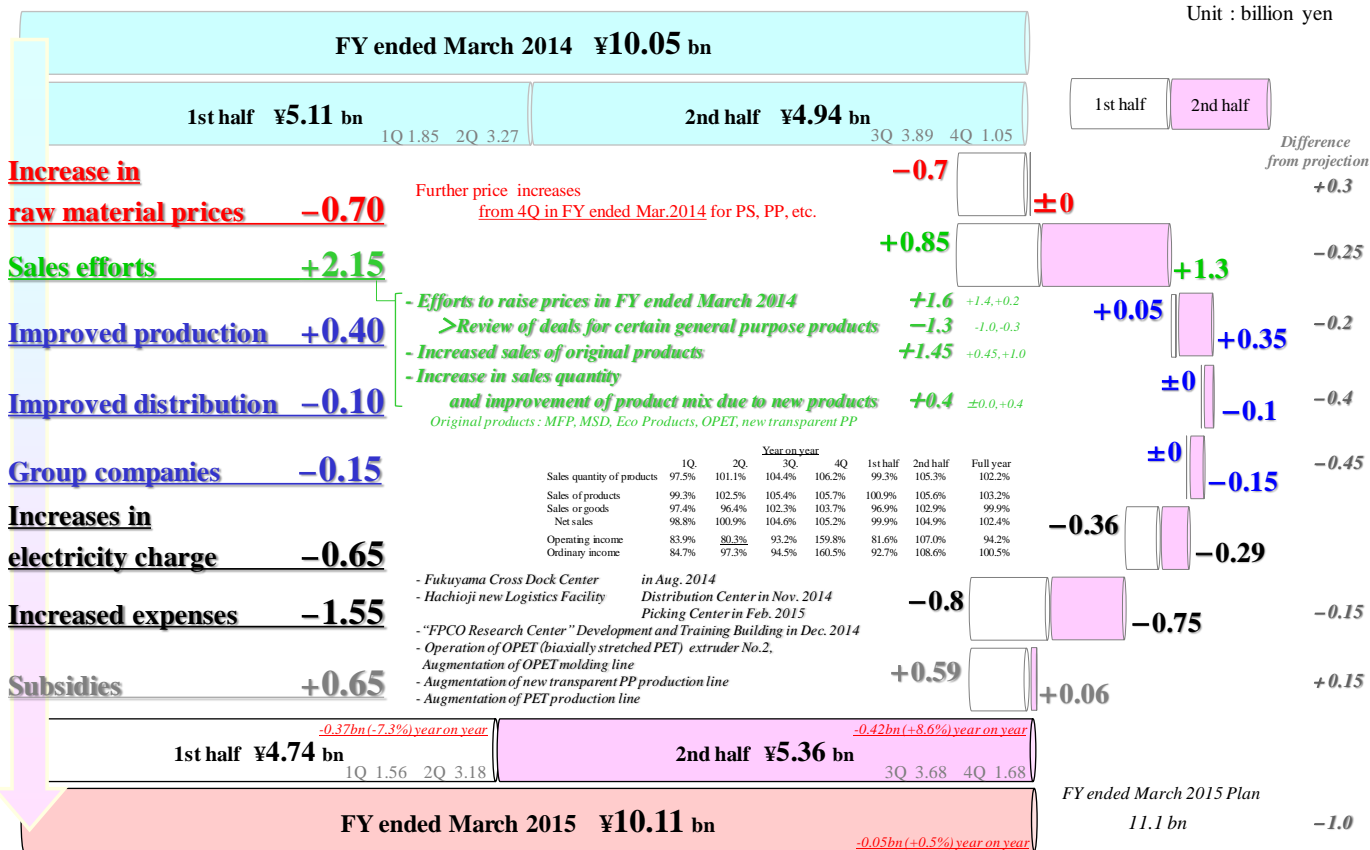
Constructed a logistical infrastructure, and started to improve efficiency in inventory storing and to significantly improve its shipping work.

◇ Environment

Enhanced PET recycling business, and promoted the employment of people with disabilities.

Increase/Decrease in Ordinary Income (Results for the fiscal year ended March 2015)

Unit : billion yen



Balance Sheet (Results for the fiscal year ended March 2015)

Unit: million yen	Previous consolidated fiscal year	Consolidated fiscal year under review			
	FY ended March 2014 (As of March 31, 2014)	(As of March 31, 2015)	Increase/decrease	Year-on-year	Breakdown of main increases and decreases
Current assets	72,001	74,120	+2,118	102.9%	Cash and deposits -2,442 Notes and accounts receivable-trade +2,278 Raw materials and supplies +813 Accounts receivable - other +1,467
Noncurrent assets	108,475	122,509	+14,034	112.9%	Tangible fixed assets +12,909 Goodwill +875
Total assets	180,476	196,629	+16,152	109.0%	
Current liabilities	59,476	64,214	+4,738	108.0%	Accounts payable-trade +1,931 Short-term borrowing payable +725 Accounts payable - other +836
Noncurrent liabilities	40,938	47,282	+6,343	115.5%	Long-term borrowing payable +6,307
Total liabilities	100,414	111,496	+11,082	111.0%	
Net assets	80,062	85,133	+5,070	106.3%	Retained earnings +4,070
Total liabilities and net assets	180,476	196,629	+16,152	109.0%	

- ◇ Assets: Tangible fixed assets increased due to strategic investment in production and logistics.
- ◇ Liabilities: Increase in long-term borrowing payable as capital for strategic investment.
- ◇ Net assets: Expanded internal reserves as preparation to deal flexibly with business expansion, improving and strengthening management structure

Cash Flows (Results for the fiscal year ended March 2015)

Unit: million yen	Results for Full year		
	FY ended March 2014 Performance	Performance	FY ended March 2015 Breakdown of Main Items
CF from operating activities	+17,981	+16,912	Net income before taxes and other adjustment ¹ +9,931 Depreciation and amortization +11,135 Increase in trade receivables -2,172 Increase in accounts receivable - others -1,356 Increase in accounts payable +1,420 Income taxes paid -3,454
CF from investing activities	-11,766	-18,397	Acquisition of tangible fixed assets -18,203
Free cash flows	+6,214	-1,485	
CF from financing activities	-4,120	-957	Net increase in borrowing +5,537 Payments of lease obligations -4,153 Cash dividends paid -2,339
Amount of increase/decrease of cash and case equivalents	+2,093	-2,442	
Balance of cash equivalents at end of period	+16,153	+13,710	

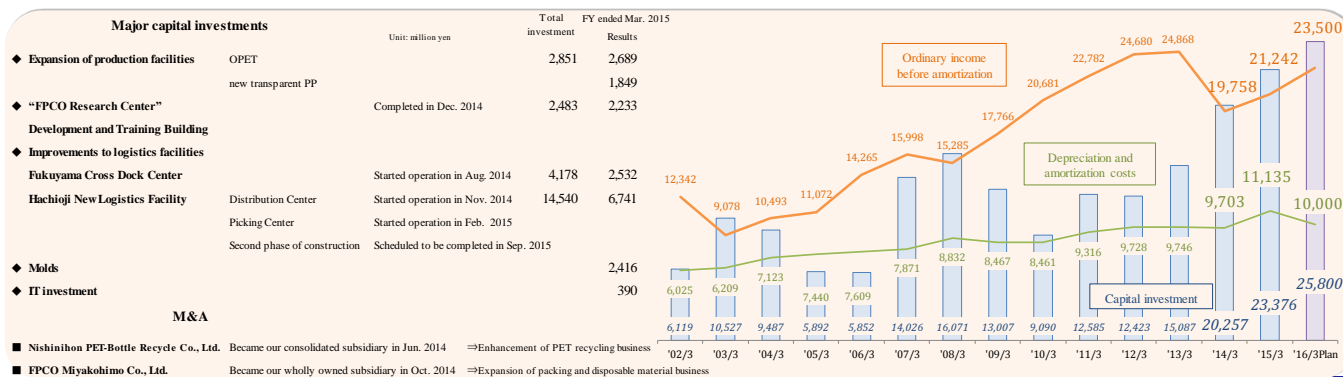
Implemented strategic investments as augmentation of production facilities for the original products such as OPET and new transparent PP, construction of logistics facilities in Fukuyama and Hachioji, and strengthening R&D bases to secure future income.

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Capital Investments and R&D Cost (Results for the fiscal year ended March 2015)

Unit : million yen	Results for Full year				Full year projections	
	FY ended March 2014 Performance	FY ended March 2015 Performance	Increase / decrease	Year-on-year	FY ended March 2015 Planned	Progress rate
Tangible fixed assets	19,750	23,051	+3,300	116.7%	25,800	89.3%
Intangible fixed assets	506	325	-181	64.1%	200	162.5%
Capital investment	20,257	23,376	+3,118	115.4%	26,000	89.9%
Depreciation and amortization costs	9,703	11,135	+1,432	114.8%	11,235	99.1%
Research and development cost	1,148	1,105	-43	96.2%	1,270	87.0%



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Plan

for the fiscal year ending March 2016

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Outline of Plan for Account Settlement (Plan for the fiscal year ending March 2016)

Unit: million yen	Results for Full year		Full year projections				First half projections			
	FY ended March 2015		FY ending March 2016				FY ending March 2016			
	Performance	Percentage	Planned	Percentage	Increase/decrease	Year-on-year	Planned	Percentage	Increase/decrease	Year-on-year
Trays	28,365	17.2	29,140	17.0	+774	102.7%	14,140	16.8	+255	101.8%
Lunchboxes and prepared food containers	86,732	52.6	91,560	53.5	+4,827	105.6%	45,160	53.8	+2,554	106.0%
Total	115,097	69.8	120,700	70.6	+5,602	104.9%	59,300	70.6	+2,809	105.0%
Other products	7,139	4.3	5,800	3.4	-1,339	81.2%	2,700	3.2	-571	82.5%
Sales of products	122,237	74.1	126,500	74.0	+4,262	103.5%	62,000	73.8	+2,238	103.7%
Packaging materials	33,894	20.6	35,710	20.9	+1,815	105.4%	17,440	20.8	+1,361	108.5%
Other goods	8,786	5.3	8,790	5.1	+3	100.0%	4,560	5.4	+3	100.1%
Sales of goods	42,681	25.9	44,500	26.0	+1,818	104.3%	22,000	26.2	+1,364	106.6%
Net sales	164,918	100.0	171,000	100.0	+6,081	103.7%	84,000	100.0	+3,602	104.5%
Operating income	9,189	5.6	12,900	7.5	+3,710	140.4%	5,900	7.0	+1,876	146.6%
Ordinary income	10,106	6.1	13,500	7.9	+3,393	133.6%	6,400	7.6	+1,658	135.0%
Net income	6,329	3.8	8,500	5.0	+2,170	134.3%	4,050	4.8	+1,058	135.4%
Ordinary income before depreciation and amortization	21,242		23,500		+2,257	110.6%	11,200		+1,320	113.4%

■ Sales Products

Increasing sales ratio of the Company's original products and new products to stabilize earnings.
Expanding sales quantity of general-purpose products.

Shipments: Rising 6% year-on-year

Trays: Expanding sales of products using recycled raw materials

Lunchboxes and prepared food containers:

Increasing sales of containers with new functions and new designs,
especially the Company's original products with functions such as cold and heat resistance.

Goods

Expanding the joint delivery operations, using Distribution network covering the entire country.

◇ Production

Chubu new plant start operation, serving as a base for integrated production covering the entire production process from the production of recycled PET flakes to the molding of Eco APET products, and augmenting capacity of OPET products.

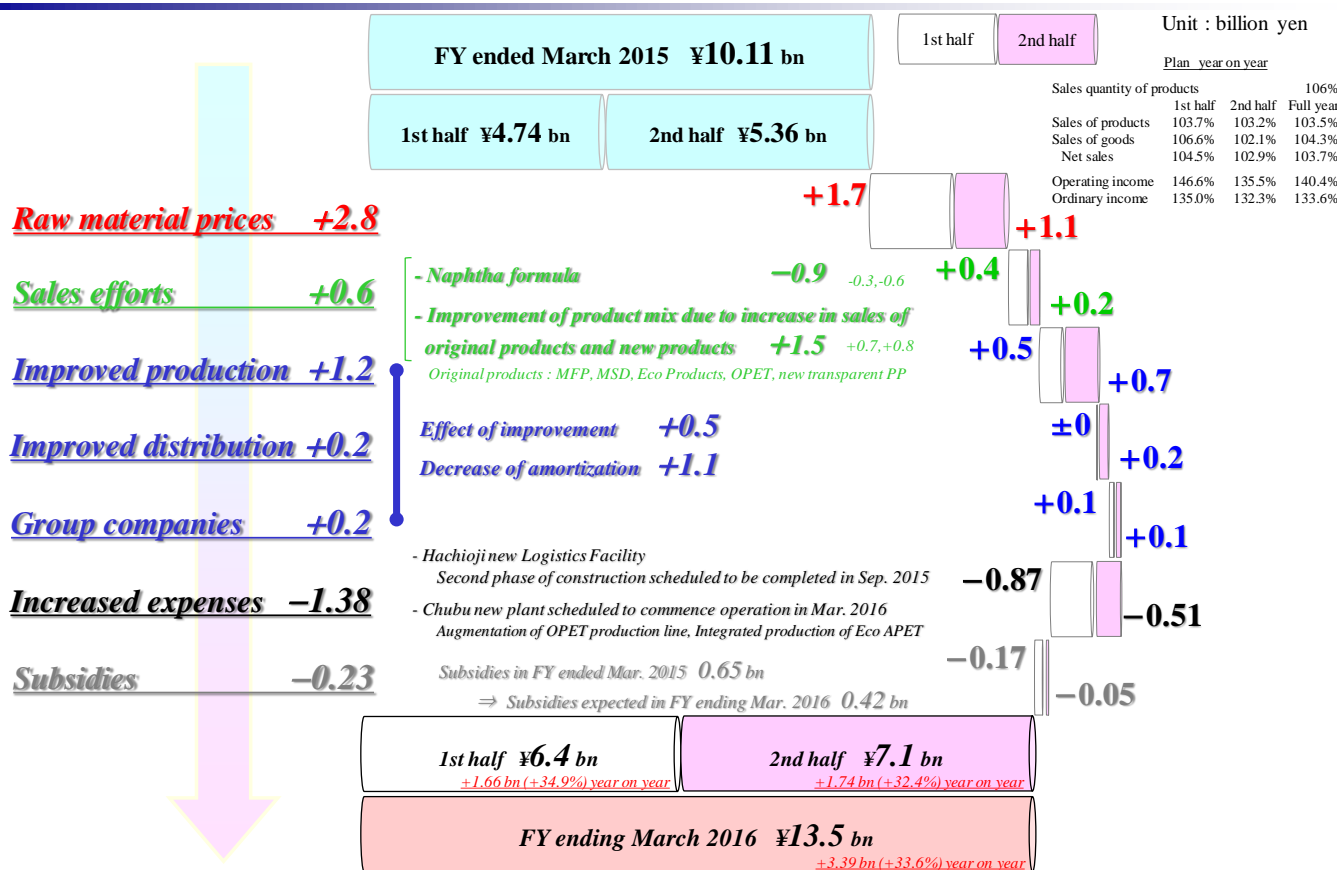
◇ Logistics

Continuing to develop a logistics network covering the whole of Japan.
Completing second phase of construction work at the Hachioji Distribution Center to further improve service levels.

◇ Environment

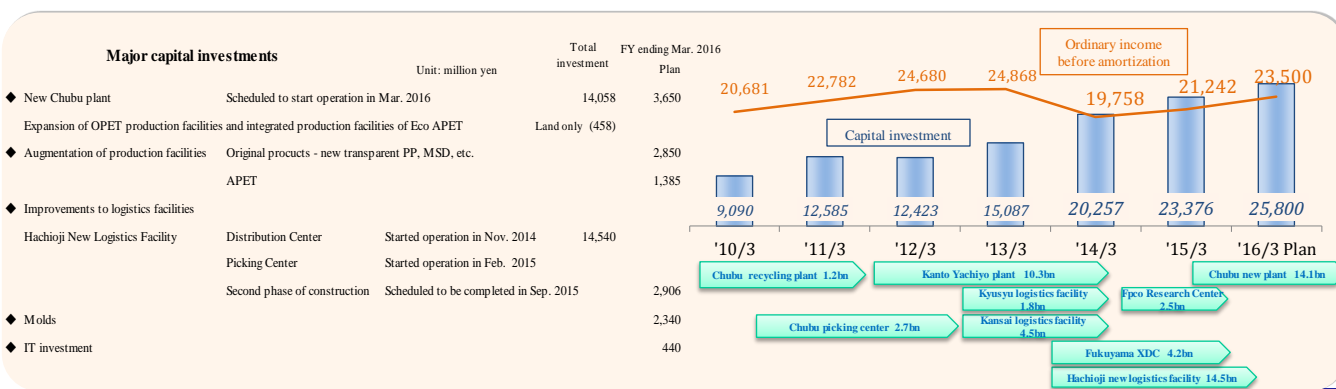
Promoting the terrestrial resource cycle and the employment of people with disabilities.

Planned Increase/Decrease in Ordinary Income (Plan for the fiscal year ending March 2016)



Planned Capital Investment and R&D Cost (Plan for the fiscal year ending March 2016)

Unit : million yen	Results for Full year	Full year projections			First half projections		
	FY ended March 2015	FY ending March 2016			FY ending March 2016		
	Performance	Planned	Increase/decrease	Year-on-year	Planned	Increase/decrease	Year-on-year
Tangible fixed assets	23,051	25,500	+2,448	110.6%	19,400	+4,344	128.9%
Intangible fixed assets	325	300	-25	92.3%	200	+70	154.3%
Capital investment	23,376	25,800	+2,423	110.4%	19,600	+4,414	129.1%
Depreciation and amortization costs	11,135	10,000	-1,135	89.8%	4,800	-337	93.4%
Research and development cost	1,105	1,190	+84	107.7%	595	+45	108.2%



Working Towards Medium- and Long-Term Targets

Chairman & CEO
Yasuhiro Komatsu

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Summary of Consolidated Financial Results and Forecast for the Future

» Product Strategy Sales expansion of original products

> World's first materials and functions

- ◇ Multi FP (MFP), Multi Solid (MSD)
- ◇ Transparent biaxially stretched PET (OPET) containers
- ◇ New transparent PP containers

> Introducing new products continuously

- ◇ Effects of FPCO Fair 2015
- ◇ New design containers
- ◇ New function containers

> Evolving towards being a recycled resin manufacturer

- ◇ Eco Tray
- ◇ Eco APET

» Strategic investments

- ☆ Fukuyama Cross Dock Center commenced operation in August 2014
- ☆ Hachioji Distribution Center new logistics facility Distribution Center commenced operation in November 2014 Picking Center commenced operation in February 2015 Second phase of construction scheduled to be completed in September 2015
- ☆ "FPCO Research Center" Development and Training building Construction completed in December 2014
- ☆ Operation of OPET (biaxially stretched PET) extruder No.2, augmentation of four molding lines
- ☆ Augmentation of new transparent PP production line
- ☆ Augmentation of APET production line
- ☆ Chubu new plant scheduled to commence operation in March 2016
 - * Integrated production of Eco APET
 - * OPET extruder No.3 and 4 + four OPET molding lines

» Initiatives to Recycle Terrestrial Resources

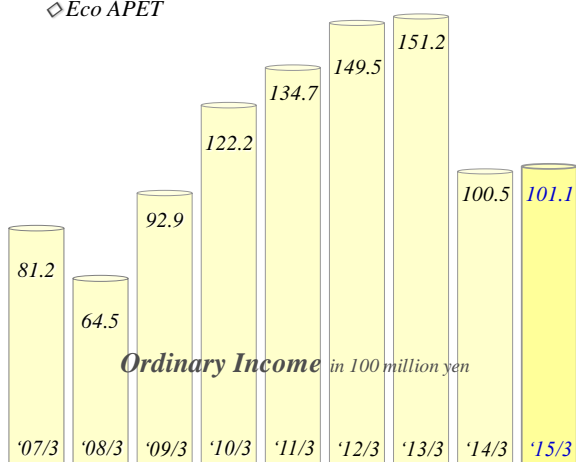
- ◇ Employment of workers with disabilities Selected for FY 2014 Diversity Management Selection 100
- ◇ Nishinohon PET-Bottle Recycle Co., Ltd. became a member of the Group in June 2014



» Expansion of commodity dealing

- ◇ Miyakohimo Co., Ltd. became a member of the Group in October 2014
- ◇ Expansion of FPCO PB products

» Extensive internal improvement



Sales

164.9 bn +2.4% year on year

Capital investment

23.4 bn

Target management indicator

Net income per share: ¥225

135

Planned Ordinary Income

13.5 bn +33.6% year on year

Planned Sales

171 bn +3.7% year on year

Planned Capital Investment

25.8 bn

'16/3

Original products : Increase sales ratio to improve and stabilize earnings

Reference: Page 39

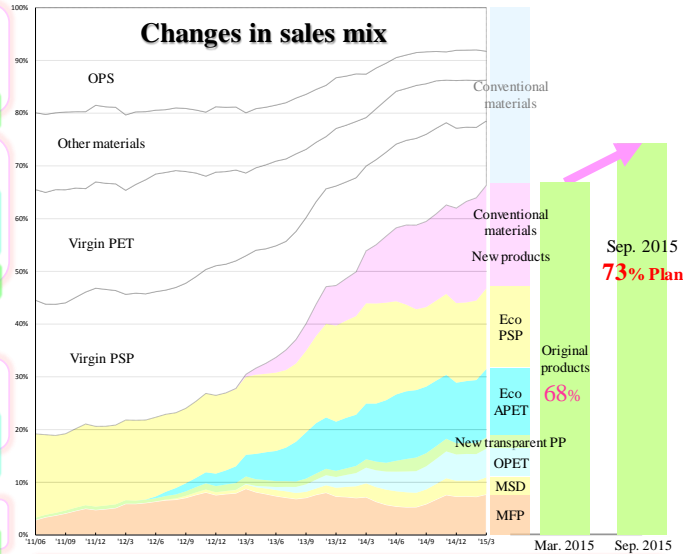
Multi FP (MFP) Chillable and microwaveable foamed PS containers
Multi Solid (MSD) Non-foamed PS containers produced from MFP remnants
 Annual sales **11.6 billion yen**

OPET (biaxially stretched PET) PET transparent containers that overcome the problems of OPS
 From OPS transparent lid to OPET transparent lid
 From OPS hood pack to OPET hood pack
 Annual sales **5.5 billion yen**

New transparent PP Microwaveable transparent containers
 Sales expansion of PPSA series
 From OPS hood pack to PP hood pack or PP snap-lock hood pack

Eco Tray Recycled PSP containers
 Annual sales **18.7 billion yen**

Eco APET Recycled PET transparent containers
 Annual sales **13.9 billion yen**
 Chubu new plant for integrated production of Eco APET scheduled to start operation in March 2016



Containers with new functions and new designs, high value added
 Emphasis on containers that are not apt to leak, keep their contents from shifting, reduce garnish, and appear roomy...
 Sales expansion of 'Oribako' type (wooden-like) containers

General-purpose products : Prepare for increased sales by comprehensively reducing costs

Sales Strategy

Based on the success of FPCO Fair 2015



March 11 to 13, 2015
 Tokyo Big Sight [West 1 Hall]
14,000 visitors



Carefully selected information on popular products and current trends from across the country



Collectively introduced most-advanced success cases



Support your challenge through co-creation with food manufacturers and vendors

Collaboration with 29 food manufacturers, vendors, etc.

Cutting logistical costs and constructing a logistical infrastructure

Fukuyama Cross Dock Center Started operation in Aug. 2014



Three stories above ground
Total floor area: 10,200 tsubo
Investment: 4.2 billion yen

Hachioji Distribution Center

Distribution Center
Started operation in Nov. 2014
Picking Center
Started operation in Feb. 2015
Second phase of construction
Scheduled to be completed in Sep. 2015



Five stories above ground
Total floor area: 23,700 tsubo
Investment: 14.5 billion yen

Kyushu Logistics Facility
Upgraded and expanded in Jul. 2013



Three stories above ground
Total floor area: 5,700 tsubo
Investment: 1.8 billion yen

Kansai Logistics Facility
Upgraded and expanded in Oct. 2013

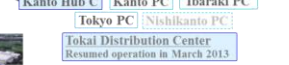


Five stories above ground
Total floor area: 11,800 tsubo
Investment: 4.6 billion yen

May 2010: Upgrade and Expansion of Fukuyama Picking Center



April 2012: Upgrade and Expansion of Kanto PC



May 2011: Chubu Distribution Center's Upgrade and Expanded



Picking quality with 2 ppm errors

At end of FY2015			
DC: Distribution Center	9 bases	149,000 tsubo	
PC: Picking Center	12 bases	40,000 tsubo	

Initiatives to Recycle Terrestrial Resources

Evolving into a recycled material manufacturer

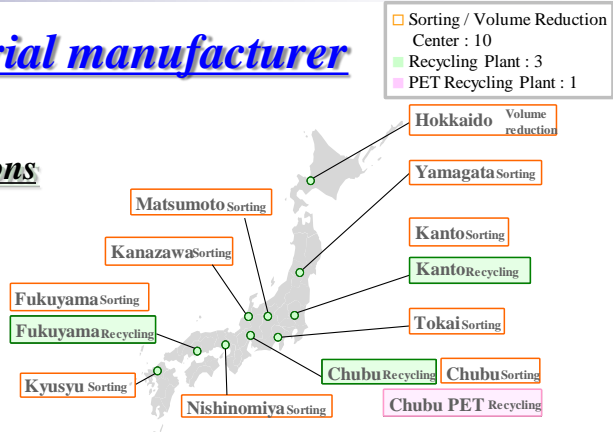
Making the environment and disabled employees an integrated part of our operations

645.5 employees with disabilities as of the end of Mar. 2015
(current number of employees: 373 + 43)

- Special subsidiary company
- Support for continuous employment (Type A)

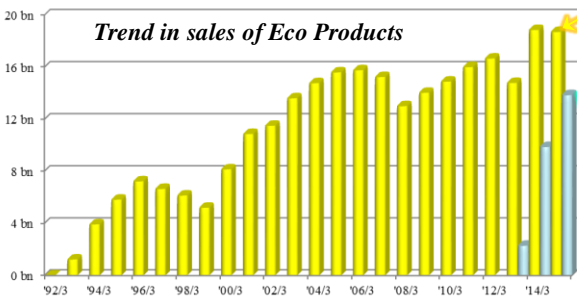
Employment Rate: 15%
as of Mar. 1, 2015 temporary

Mar. 2015
Selected by the Ministry of Economy, Trade and Industry as a winner of the FY2014 Diversity Management Selection 100 project



Jun. 2014
Made Nishinohon PET-Bottle Recycle Co., Ltd. a member of the Group to expand our PET recycling production system

PET recycling capacity: 30,000 tons
- Krones : 20,000 tons
- Nishinohon PET-Bottle Recycle Co., Ltd : 10,000 tons



Eco PSP Released in Mar. 1992
FY ended Mar. 2015 **18.7** billion yen

Eco APET Released in May 2012
FY ended Mar. 2015 **13.9** billion yen

Toward COP21

Japan with a focus on the environment

Integrated Production from Collection ⇒ Recycling ⇒ Eco Products



Construction is underway for operations to commence in March 2016

Strategic Investment

★Logistics

- **Fukuyama Cross Dock Center**
Started operation in Aug.2014
- **Hachioji Distribution Center** : new logistics facility
Distribution Center started operation in Nov.2014
Picking Center started operation in Feb.2015
Second phase of construction scheduled to be completed in Sep.2015



★Production

- **OPET extruder No.2** started operation : Kanto Yachiyo Plant
Four OPET molding lines augmented : Fukuyama Kannabe Plant
- **MFP/MSD production line** augmented
- **New transparent PP production line** augmented
- **APET production line** augmented
- **Chubu new plant** scheduled to start operation in Mar. 2016
Integrated production of Eco APET
OPET extruder No.3 and 4 + four OPET molding lines



Second phase of construction
 scheduled to be completed in Sep. 2015

★Development

- **“FPCO Research Center”** Development and Training building
FPCO Research Center Construction completed in Dec. 2014



Capital investment for fiscal year ended March 2015

23.4 billion yen



Capital investment planned for fiscal year ending March 2016

25.8 billion yen

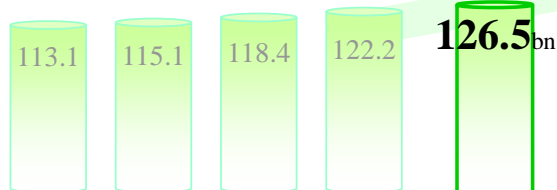
Medium-Term Goals

= Refer to Explanations of Terms p. 38 =

Ordinary profit Margin 12%

Expanding our share in a ¥500 billion market

Product sales



- ★ World's first sheets and materials
- ★ Creating new markets
- ★ Introduction of sustainable new products
- ★ M&A

◇ Global market

Products
200 bn

Taking on a ¥2 trillion market

Goods sales



- ★ Accelerate development of B-to-B operations
- ★ Expansion of FPCO PB products
- ★ Support wholesalers -using infrastructure
 - Cooperative purchasing
 - Cooperative distribution
- ★ M&A

Ordinary profit Margin 6%

Goods
100 bn

Sales	155.7	158.2	161.1	164.9	171.0	300
Ordinary income	14.95	15.12	10.05	10.11	13.5	30
Capital investment	12.4	15.1	20.3	23.4	25.8	
Ordinary income before amortization	24.68	24.87	19.75	21.24	23.5	
	'12/3	'13/3	'14/3	'15/3	'16/3 Plan	

< Strategic upfront investment >

Medium-Term Goals

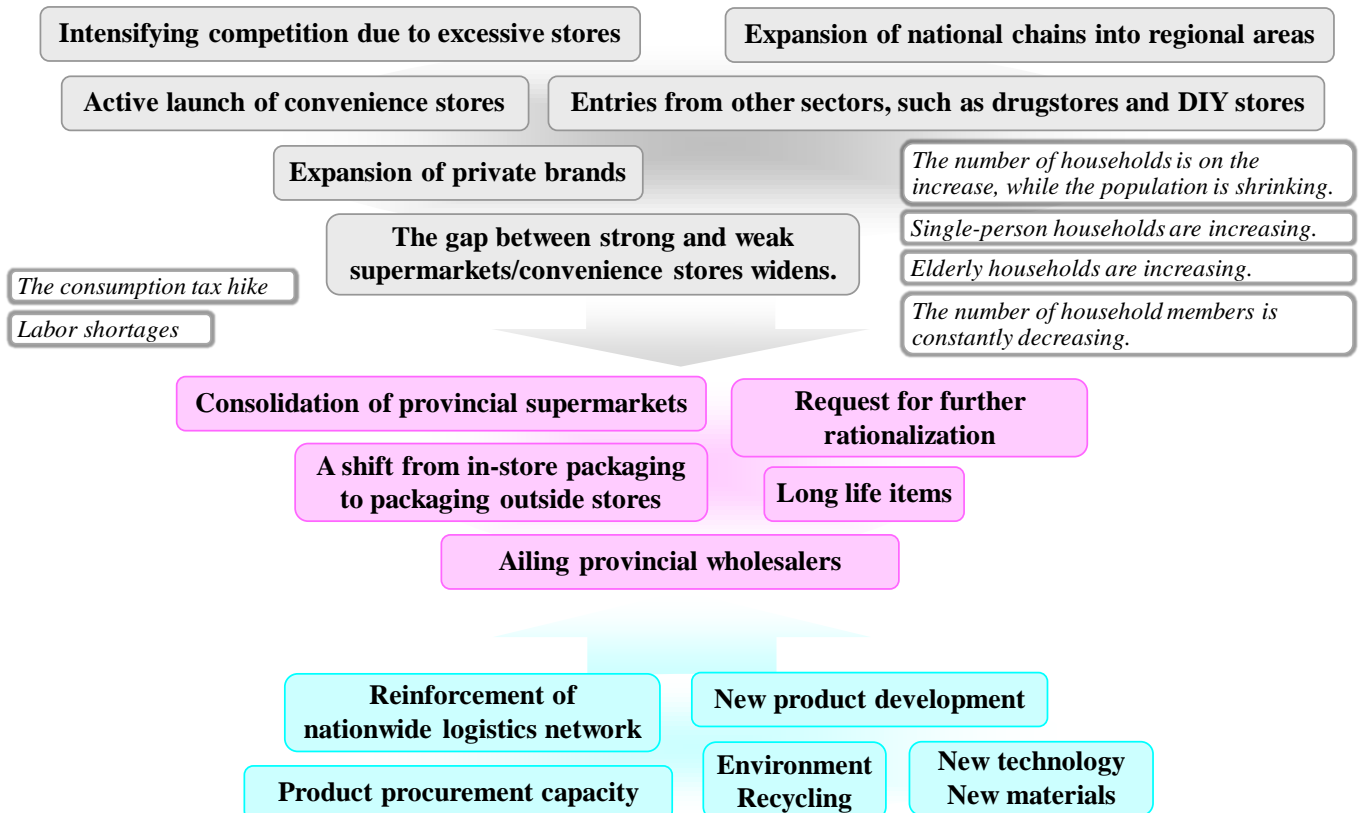
Target management indicator

Net income per share: ¥225

For Expansion of Corporate Value

President & COO
Morimasa Sato

Market Circumstances



Trends of Capital Investment

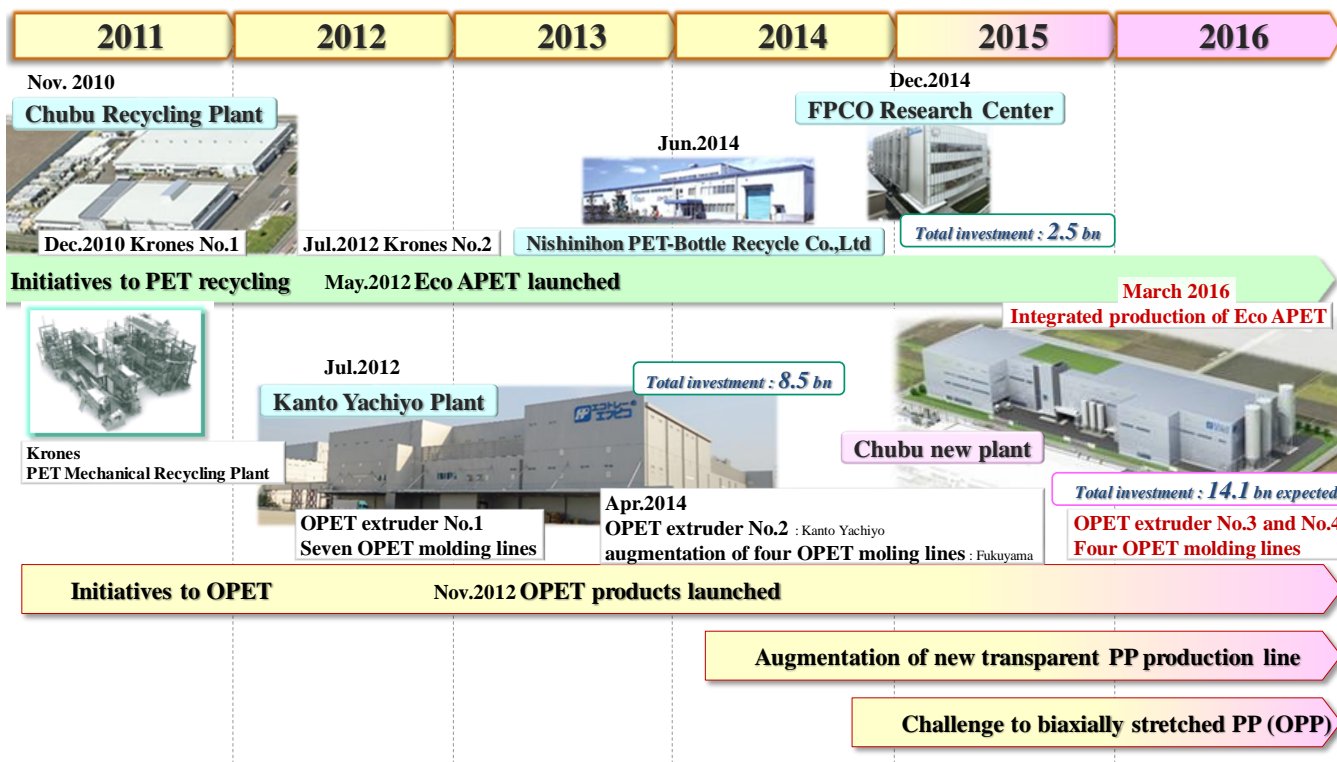
Continue upfront investment to increase corporate value

	2011	2012	2013	2014	2015	2016		
Unit : 100 million yen	Performance						Plan	
	2011/3	2012/3	2013/3	2014/3	2015/3	5 years total	2016/3	Total
Production	34	60	59	39	95	287	135	422
Logistics	25	17	50	114	93	299	70	369
Molds	18	19	14	22	24	98	24	122
Recycling	37	11	11	2	1	63	6	69
System	3	5	4	6	4	22	4	26
Group companies	8	12	12	20	16	69	18	87
Total	126	124	151	203	234	837	258	1,096

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Production - 1

Preparing for original products expansion



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Switchover in Transparent Container Materials

Safety/Security

OPS *biaxially stretched polystyrene*

- ★ Weak in Oil resistance
- ★ Limitations on weight reduction



OPET *biaxially stretched polyethylene terephthalate*

- ★ Excellent in Oil resistance
 - ★ Weight reduction through stretching
- OPET extruder No.3 and No.4
+ four OPET molding lines
scheduled in Chubu new plant

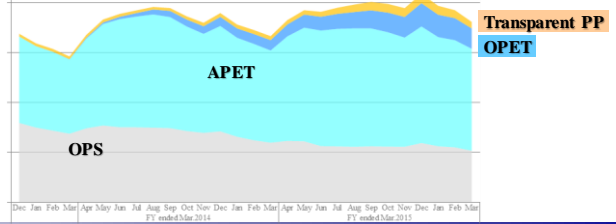
Creation of new market

New transparent PP *polypropylene*

- ★ Excellent in Heat resistance
 - ★ Excellent in Oil resistance
- Challenge to biaxially stretching PP
-Weight reduction and improve transparency







	OPS	OPET	New transparent PP
Transparency	Good	Excellent	Good
Heat resistance	+80 degrees	+80 degrees	+110 degrees
Oil resistance	Weak	Excellent	Excellent

Trend in sales quantity of transparent containers



Logistics - 1

Curbing increases in logistics costs and stable supply

2011	2012	2013	2014	2015	2016
<p>Chubu expansion</p>  <p>Total investment: 2.7 bn May 2011</p>	<p>Kanto expansion</p>  <p>July 2012</p>	<p>Kyushu expansion</p>  <p>Total investment: 1.8 bn July 2013</p>	<p>Kansai expansion</p>  <p>Total investment: 4.5 bn October 2013</p>	<p>Fukuyama XDC</p>  <p>Total investment: 4.2 bn Warehouse in August 2014, Sorter in October 2014</p>	<p>Hachioji new facility</p>  <p>Total investment: 14.5 bn DC in November 2014, PC in February 2015 2nd phase construction is scheduled to be completed in September 2015</p>

Preparation for increases in supply volume and distribution costs

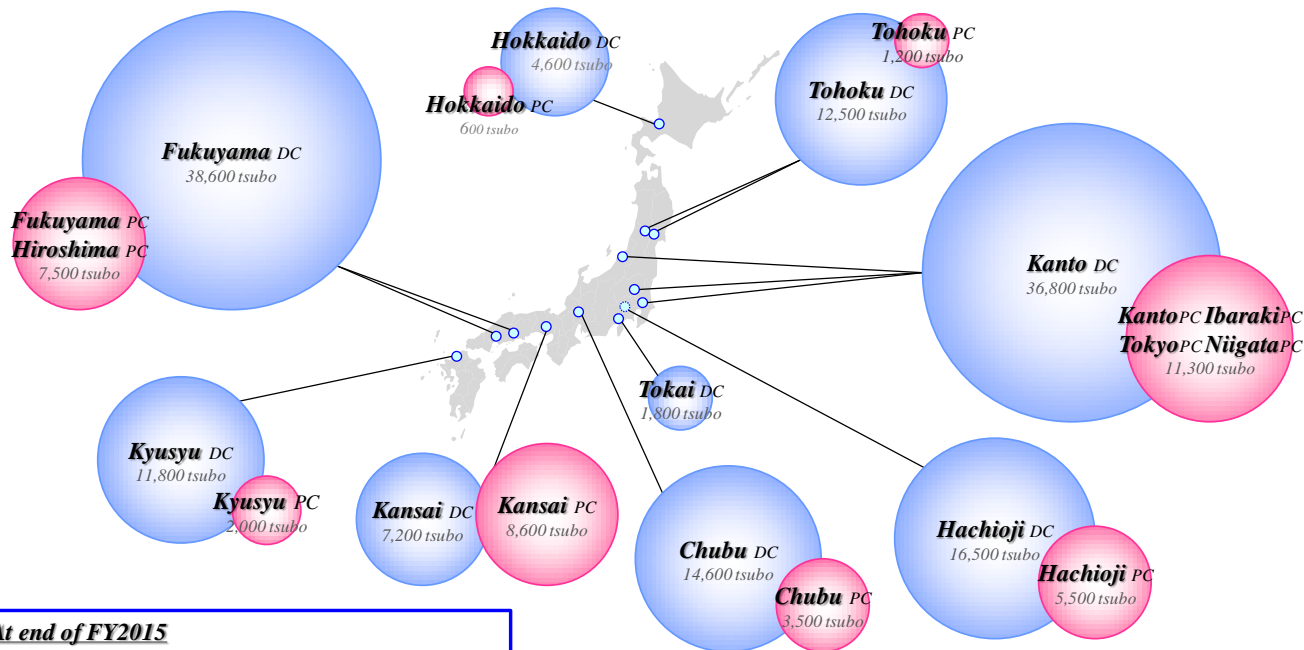


Construction of a system with greater speed and accuracy

- Router planner
- S&S system *Soft & Schedule System*
- RD Check System *Real Delivery Check System*
- Packaging size optimization
- Voice pick

Logistics - 2

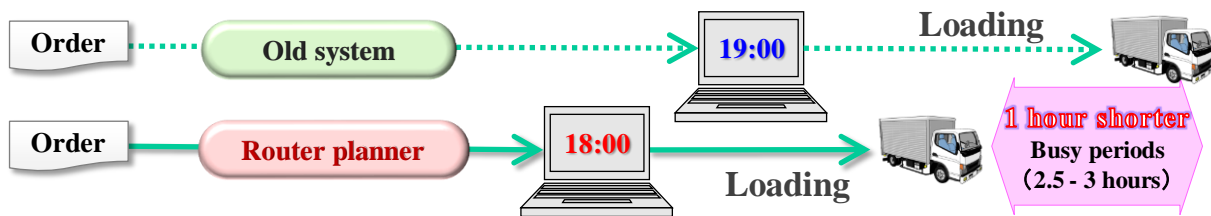
Logistics services of high quality and high efficiency will cover the entire country



At end of FY2015
 DC: Distribution Center 9 bases 149,000 tsubo
 PC: Picking Center 12 bases 40,000 tsubo

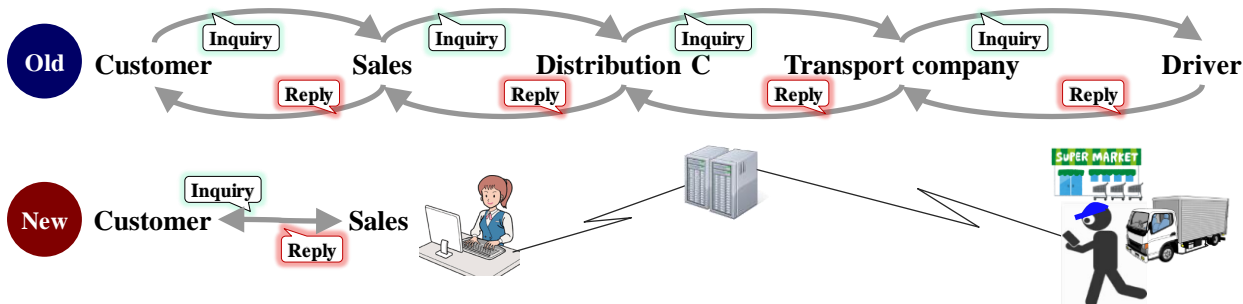
Logistics - 3 Construction of a system with greater speed and accuracy

《1》 Vehicle allocation system (Router planner)



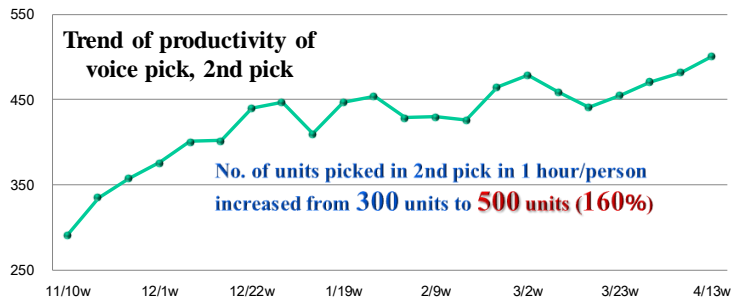
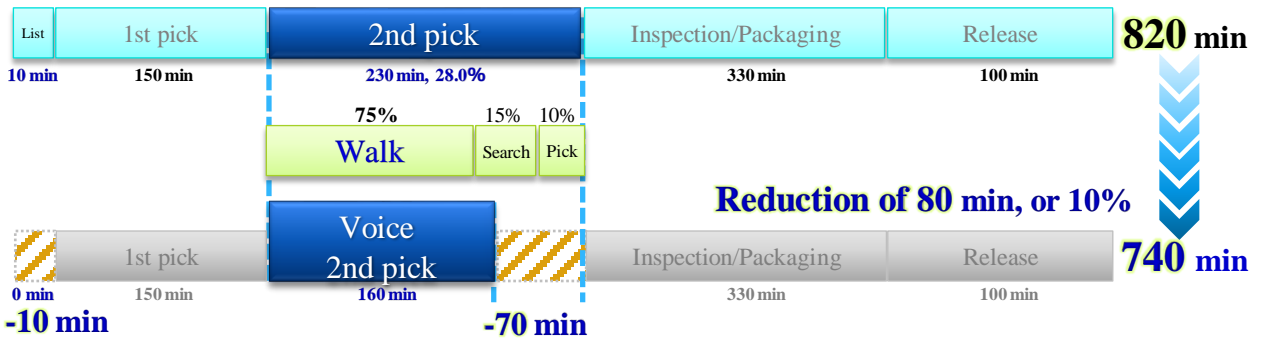
《2》 Delivery status check system (RD Check System)

Real Delivery Check System



《3》 Voice pick

Pick of 1,200 units



Construct a system for a more efficient overall pick process to be introduced nationwide

Sales - 1

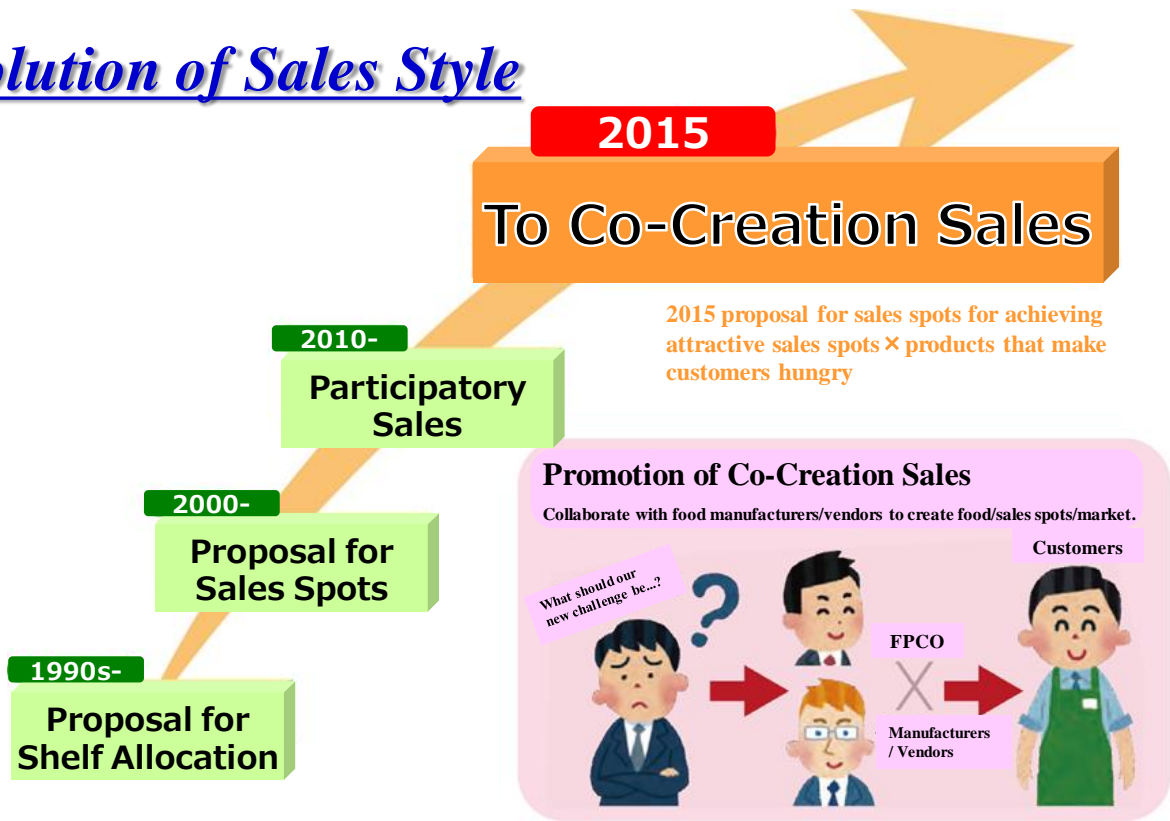
Build on Microwavable Deli



Initiatives for new customers, business categories, market areas

New approach

Evolution of Sales Style



Based on the success of FPCO Fair 2015

Attractive sales spots \times Products that make customers hungry
 FPCO Fair 2015

March 11 to 13, 2015
 Tokyo Big Sight [West 1 Hall]

14,000 visitors



Carefully selected information on popular products and current trends from across the country



Collectively introduced most-advanced success cases

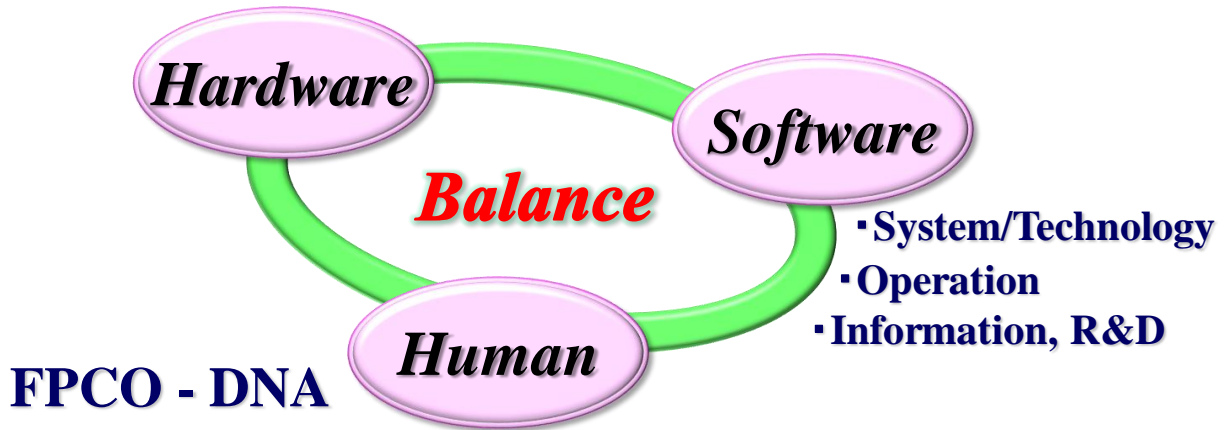


Support your challenge through co-creation with food manufacturers and vendors

Collaboration with 29 food manufacturers, vendors, etc.

Thorough hands-on approach, problem-solving proposal

Strategic investment
for one step further

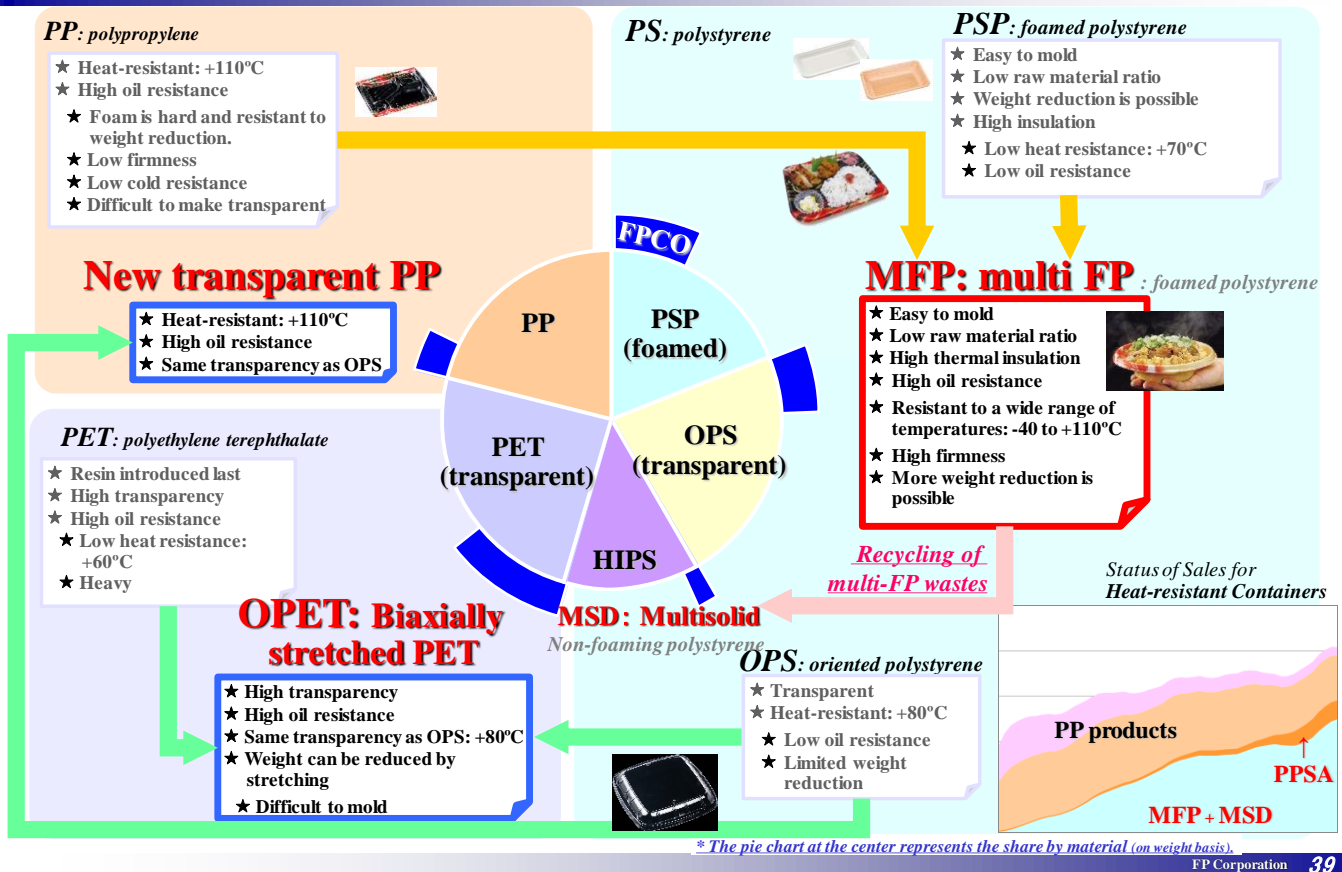


Balance of “Human” + “Hardware” + “Software”

Supporting Data

Explanations of terms

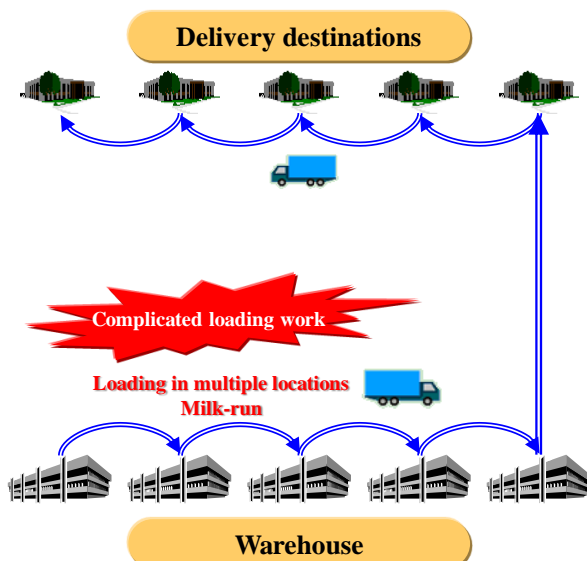
- PS : Polystyrene PET : Polyethylene terephthalate PP : Polypropylene
- Multi FP (MFP)** : An formed PS (polystyrene) container with cold and heat resistance to temperatures between -40°C and +110°C and with superior oil and acid resistance and thermal insulation.
- Multi Solid (MSD)** : A non-formed PS (polystyrene) container with a heat resistance temperature of +110°C that is able to create sharp figures by using scraps of materials from the Multi FP, while maintaining the characteristics of the Multi FP.
- OPET transparent container** : A polyethylene terephthalate transparent container with a heat resistance temperature of +80°C that is molded from biaxially stretched PET sheets, with superior oil and acid resistance and transparency, achieving the same thermal insulation as the OPS.
- New transparent PP container** : A transparent PP container with a heat resistance temperature of +110°C, which has achieved the same transparency as OPS using standard-grade polypropylene raw material.
- PPSA Series** : A snap-lock hood pack made from a transparent PP container with a heat resistance temperature of +110°C
- OPS transparent container** : A conventional transparent container with a heat resistance temperature of +80°C that is molded from the bi-axially oriented polystyrene sheets.
- Eco Tray** : A recycled foamed 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** : A recycled PET transparent container for which PET transparent containers collected at supermarket shop counters, PET bottles and scrap pieces collected within plants are used as raw materials (sales commenced in 2012).
- Hood pack** : A general-purpose transparent container having a hood connected to the main body, which is used, for example, at a selling space for fried foods at a supermarket.
- Cross Dock Center** : A center that achieves a cross-docking method of gathering all the products to be shipped in one place, and loading them in order of delivery after an all-in assortment by each delivery route, replacing the method of loading products sent to customers using individual delivery trucks making rounds of visits to warehouses.
- Distribution Center** : Ships products by unit of case
- Picking Center** : Conduct picking operations for products and goods by small lots and ship
- Sorting Center** : Sorts PS containers collected from stores according to white and other colors, and transparent containers collected from stores according to materials such as PS, PET and PP.



Difference Between Distribution Systems

Milk-run system

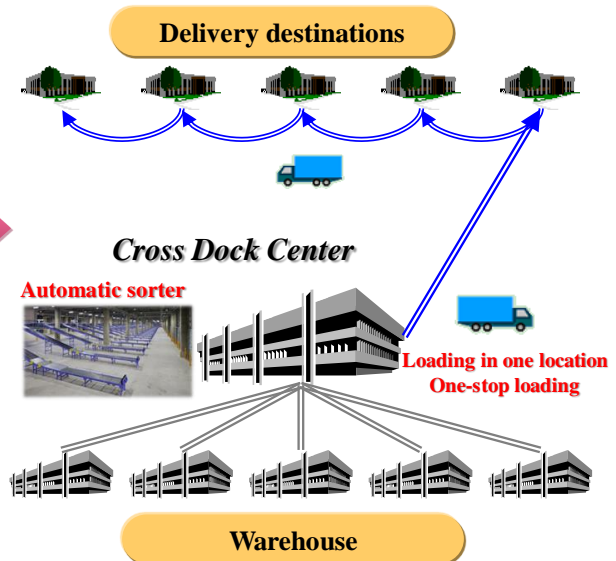
Release for each vehicle : Release to loading takes time
 Loading in multiple locations : Errors in sorting/loading occur



Release/Pick-up for each vehicle

Cross docking system

Release by each batch : Release to loading takes less time
 Loading in one location : Shorter loading time/More accurate delivery



Release equivalent to about 20 vehicles

From **Milk-run** system to **Cross docking** system

- ★ Reduce drivers' actual working hours: **1 to 1.5 hours/unit**
- ★ Consolidation from rental warehouse to own building
- ★ Introduce a sorter, following Kanto Hub Center (2003)



Three stories above ground
Total floor area: 10,200 tsubo
Total investment: 4.2 billion yen

Connection of conveyors



1st floor sorter

Facilities with sorter: Kanto Hub C, Hachioji HC, Fukuyama XDC

Solar power generation commenced operation in January 2015



CO2 reduction: About 300 tons/year
Total investment: 0.23 billion yen

About 6,000 m²

Kansai Distribution Center in September 2015
Solar power generation is scheduled to start operation

CO2 reduction: About 150 tons/year
Total investment: 0.13 billion yen

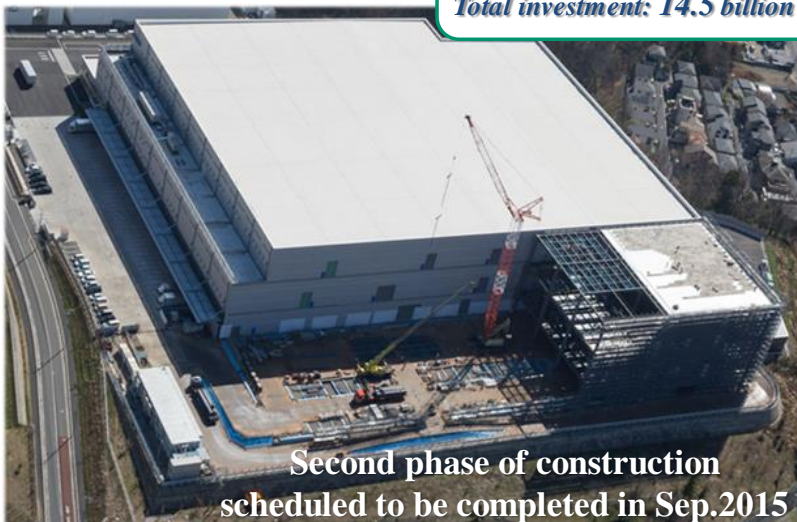
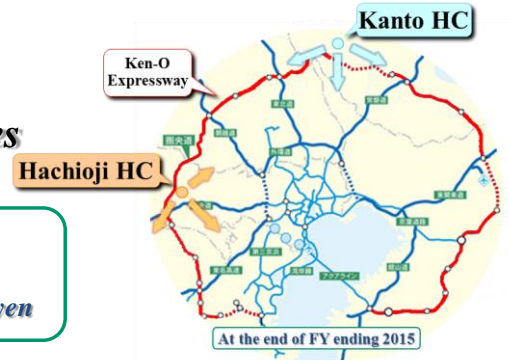
*CO² reduction: by Eco Products About 89,000 tons/year (2013)

Hachioji Distribution Center

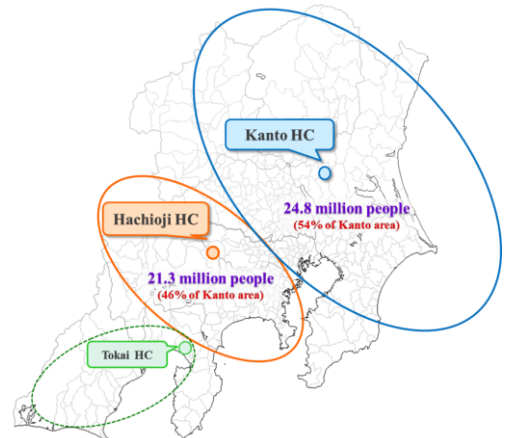
Distribution Center started operation in Nov. 2014
Picking Center started operation in Feb. 2015

- Coverage of entire Kanto region from East to West
- Reduced total costs and returning warehouses
- Risk diversification

Five stories above ground
Total floor area: 23,700 tsubo
Total investment: 14.5 billion yen



Second phase of construction scheduled to be completed in Sep.2015



June. 2014

Nishinihon PET-Bottle Recycle Co., Ltd.

Wakamatsu-ku, Kitakyusyu-shi, Fukuoka



- ◇ Establishment : Operation commenced in April 1998 (Japan's first eco-town business by METI)
 - ◇ Type of business : Material recycling of collected PET bottles to produce recycled PET Resin
 - ◇ Ratio of shareholding : FP Corp. 52.45%, Teijin Ltd. 14.65%, Nippon Steel & Sumitomo Metal Corp. 9.90%,
Nippon Express 9.00%, Sankyu Inc. 9.00%, Kitakyushu city 5.00%
- * As a PET bottle recycler and a member of the Japan Containers and Packaging Recycling Association, a public interest corporation, is qualified to participate in tenders on the largest scale.*

Enhancement of PET recycling business

FP Corporation 43

New Group Company - 2

October 2014

FPCO Miyakohimo Co., Ltd.

(Miyakohimo Co., Ltd.)

Sumida-ku, Tokyo



- ◇ Establishment: April 1957
- ◇ Type of business: Sales and wholesale of packing materials and goods
- * *Engaged in the business of packing materials and goods mainly for foods since its foundation in 1921*

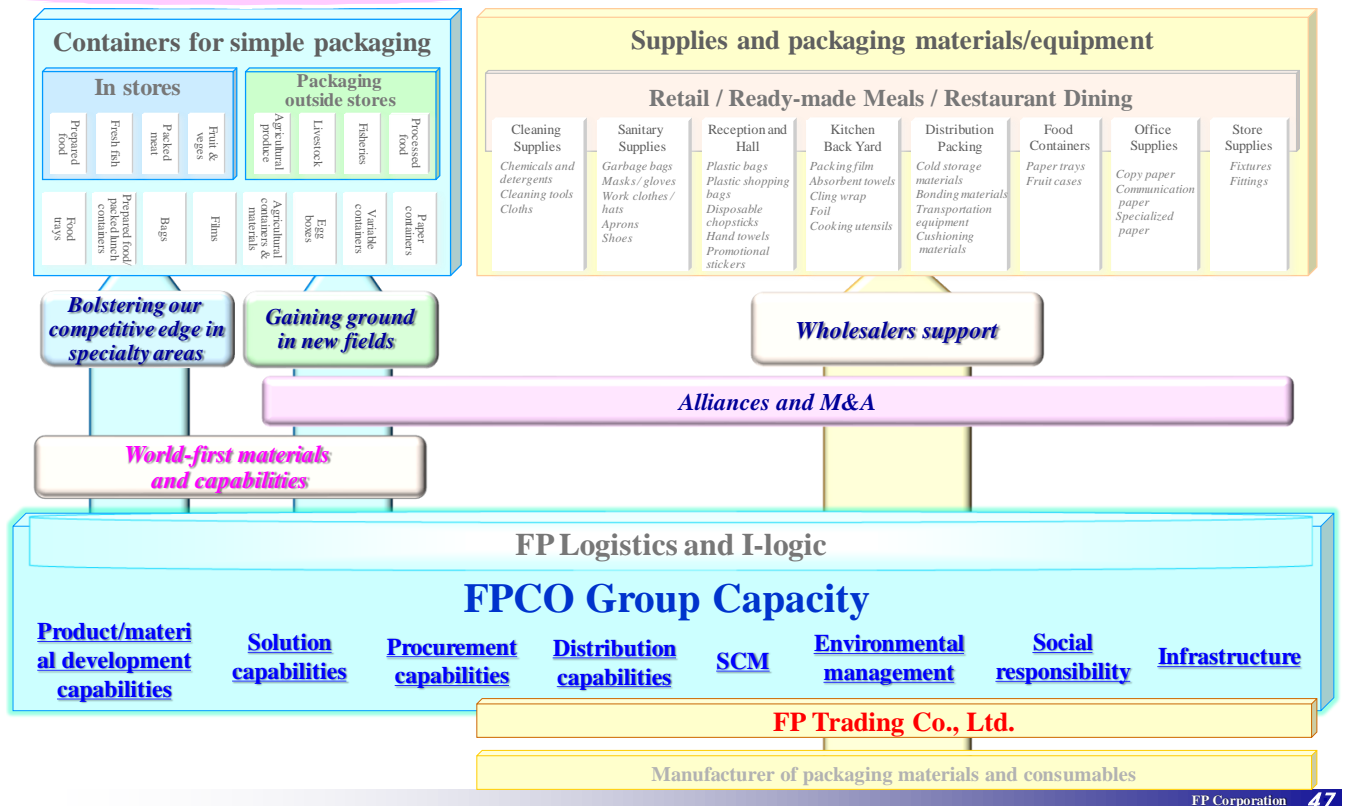
Expansion of packing and disposable material business

FP Corporation 44

Initiatives to Market

Products Market size: ¥500 billion

Goods Market scale: Over ¥2 trillion



【Information on the Facility Tour】

Contact Kodama or Takashima at the Corporate Planning Department (+81-3-5325-7756) at a convenient time for you.

An opportunity to take a look at the state-of-the-art production, distribution, recycling operations

Kanto 30 minutes from Koga station on JR East Lines.
Kanto Hub Center No.2



OPET production facilities



Hachioji 20 minutes from Akigawa station on JR East Lines.



Fukuyama 30 minutes from Fukuyama station on JR West Lines.



Chubu 20 minutes from Gifuhashima station on JR Tokai Lines.



PET Mechanical Recycling