

Financial Results

for the Nine Months Ended December 31, 2018

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.

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P/L (Results for the 9 months of the fiscal year ending March 2019)

Record high
Highest sales ever

Unit: million yen	Results for Nine Months							Results for Third quarter					full year projections				
	FY ended March2018		FY ending March2019					FY ended March2018		FY ending March2019			FY ending March2019				
	Performance	percentage	Performance	percentage	increase/ decrease	Year-on -year	Quantity	Performance	percentage	Performance	percentage	increase/ decrease	Year-on -year	Quantity	Planned	percentage	progress rate
Trays	23,040	17.1	25,441	18.1	+2,401	110.4%	104.6%	8,191	17.0	9,379	18.3	+1,187	114.5%	106.9%	31,570	17.6	80.6%
Lunchboxes and prepared food containers	74,510	55.3	78,882	56.0	+4,371	105.9%	102.9%	26,828	55.8	28,617	55.8	+1,788	106.7%	102.7%	100,670	56.2	78.4%
Subtotal	97,551	72.5	104,324	74.1	+6,772	106.9%	103.4%	35,020	72.9	37,996	74.1	+2,976	108.5%	104.1%	132,240	73.9	78.9%
Other products	2,534	1.9	2,596	1.8	+62	102.5%		862	1.8	932	1.8	+69	108.0%		3,410	1.9	76.1%
Sales of products	100,085	74.3	106,920	75.9	+6,835	106.8%		35,883	74.6	38,928	75.9	+3,045	108.5%		135,650	75.8	78.8%
packaging materials	29,113	21.6	29,092	20.7	-21	99.9%		10,538	21.9	10,393	20.3	-144	98.6%		39,120	21.9	74.4%
Other goods	5,426	4.0	4,860	3.4	-566	89.6%		1,648	3.4	1,973	3.8	+325	119.7%		4,230	2.4	114.9%
Sales of goods	34,539	25.7	33,952	24.1	-587	98.3%		12,186	25.4	12,366	24.1	+180	101.5%		43,350	24.2	78.3%
Net Sales	134,625	100.0	140,872	100.0	+6,247	104.6%		48,069	100.0	51,295	100.0	+3,225	106.7%		179,000	100.0	78.7%
Operating profit	11,161	8.3	11,635	8.3	+473	104.2%		4,874	10.1	5,475	10.7	+600	112.3%		14,300	8.0	81.4%
Ordinary profit	11,648	8.7	12,085	8.6	+436	103.7%		5,019	10.4	5,601	10.9	+582	111.6%		14,800	8.3	81.7%
Profit attribute to owners of parent	7,875	5.9	8,715	6.2	+839	110.7%		3,454	7.2	4,369	8.5	+915	126.5%		9,900	5.5	88.0%

Ordinary profit before depreciation and amortization 20,254 21,911 +1,657 108.2% 7,948 8,922 +974 112.3% 28,200 77.7%

Sales

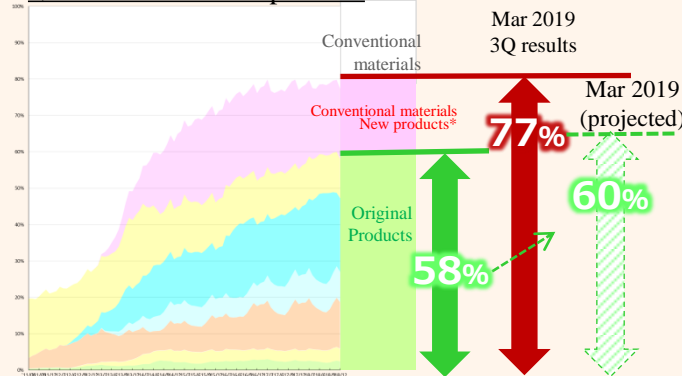
Products

- Sales of microwavable containers, recycled Eco Trays and Eco APET containers were strong.
- High value-added products were increased in response to the labor shortage.

Goods

- Expansion of FPCO MD products
- Withdrawal from the unprofitable transactions

Product sales composition



Year-on-year

	1Q results	2Q results	3Q results	Full-year plan
Sales of products	105.4%	106.4%	108.5%	104.7%
Quantity	103.9%	102.2%	104.1%	104.0%
Ordinary profit	86.7%	106.8%	111.6%	109.2%

Increase/Decrease in Ordinary Profit (Results for the first 9 months of FY ending March 2019)

Unit: billion yen

Fiscal year ended March 2018 13.55	
First half 6.63	Second half 6.92

9 months 11.65

Year on year

+0.43

(1st half -0.15
3Q +0.58)

Fiscal year ending March 2019

9 months 12.08

1 st half 6.48	2 nd half outlook 8.32
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Full year outlook 14.80

Results

The Price of material	-2.38	} +0.43
<small>(1st half -1.48, 3Q -0.90)</small>		
Sales Price	+2.81	
<small>(1st half +1.36, 3Q +1.45)</small>		
Sales Efforts	+0.89	
<small>(1st half +0.45, 3Q +0.44)</small>		
Improved Production	-0.05	} -0.32
<small>(1st half -0.05, 3Q ±0.00)</small>		
Improved Distribution	-0.35	
<small>(1st half -0.15, 3Q -0.20)</small>		
Group Companies	+0.08	
<small>(1st half +0.05, 3Q +0.03)</small>		
Increased Expenses	-0.57	
<small>(1st half -0.33, 3Q -0.24)</small>		
Total	+0.43	
<small>(1st half -0.15, 3Q +0.58)</small>		

Improvement	+1.65
Labor cost	-0.29
Depreciation	-1.17
Electric power charges	-0.51

Labor cost	-0.11
Depreciation	-0.05
Other	-0.41

3Q Difference

※Difference from outlook(Nov 7)

±0.00	} ±0.00
±0.00	
+0.05	
+0.10	} -0.05
-0.15	
±0.00	
±0.00	
±0.00	

Outlook for the Planned Ordinary Profit

(Plan for the FY ending March 2019)

Unit: billion yen

Fiscal year ended March 2018	
13.55	
First half 6.63	Second half 6.92

1st half	2nd half
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Outlook (Feb 5)

The Price of material	-3.03	+1.13
(1st half -1.48, 2nd half -1.55) (1Q -0.68, 2Q -0.80, 3Q -0.90, 4Q -0.65)		
Sales Price	+4.16	
(1st half +1.36, 2nd half +2.80) (1Q +0.13, 2Q +1.23, 3Q +1.45, 4Q +1.35)		
Sales Efforts	+1.27	
(1st half +0.45, 2nd half +0.82) (1Q +0.38, 2Q +0.07, 3Q +0.44, 4Q +0.38)		
Improved Production	-0.05	-0.40
(1st half -0.05, 2nd half ±0.00) (1Q -0.02, 2Q -0.03, 3Q ±0.00, 4Q ±0.00)		
Improved Distribution	-0.45	
(1st half -0.15, 2nd half -0.30) (1Q ±0.00, 2Q -0.15, 3Q -0.20, 4Q -0.10)		
Group Companies	+0.10	
(1st half +0.05, 2nd half +0.05) (1Q -0.02, 2Q +0.07, 3Q +0.03, 4Q +0.02)		
Increased Expenses	-0.75	
(1st half -0.33, 2nd half -0.42) (1Q -0.18, 2Q -0.15, 3Q -0.24, 4Q -0.18)		
Total	+1.25	
(1st half -0.15, 2nd half +1.40) (1Q -0.39, 2Q +0.24, 3Q +0.58, 4Q +0.82)		

Full-year Difference

※Difference from outlook(Nov 7)

+0.05	+0.05
(3Q ±0.00, 4Q +0.05)	
±0.00	
(3Q ±0.00, 4Q ±0.00)	
+0.10	
(3Q +0.05, 4Q +0.05)	
+0.15	-0.15
(3Q +0.10, 4Q +0.05)	
-0.30	
(3Q -0.15, 4Q -0.15)	
±0.00	
(3Q ±0.00, 4Q ±0.00)	
±0.00	
(3Q ±0.00, 4Q ±0.00)	
±0.00	
(3Q ±0.00, 4Q ±0.00)	

Year on year

+1.25

1st half	-0.15
2nd half	+1.40

Fiscal year ending March 2019

1st half 6.48	2nd half outlook 8.32
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Full year outlook 14.80

Improvement	+2.09
Labor cost	-0.50
Depreciation	-1.48
Electric power charges	-0.51

Labor cost	-0.22
Depreciation	-0.08
Other	-0.45

Capital Investments and R&D Cost (Results for the 9 months of the fiscal year ending March 2019)

Unit: million yen	Results for Nine Months				full year projections	
	FY ended March 2018 Performance	FY ending March 2019			FY ending March 2019	
		Performance	Increase / decrease	Year-on-year	Planned	Progress rate
Tangible fixed assets	21,360	10,538	-10,821	49.3%	17,950	58.7%
Intangible fixed assets	266	397	+131	149.4%	350	113.7%
Capital investment	21,626	10,936	-10,690	50.6%	18,300	59.8%
Depreciation and	8,605	9,826	+1,220	114.2%	13,400	73.3%
Research and	934	880	-54	94.2%	1,220	72.2%

Major capital investments

Investment in production of the world's first original products

- ◆ Production facilities of Eco OPET

Investment corresponding to expansion of the sales quantity

- ◆ Introduction of automation facilities
- ◆ Reinforcement of bases of Group Company

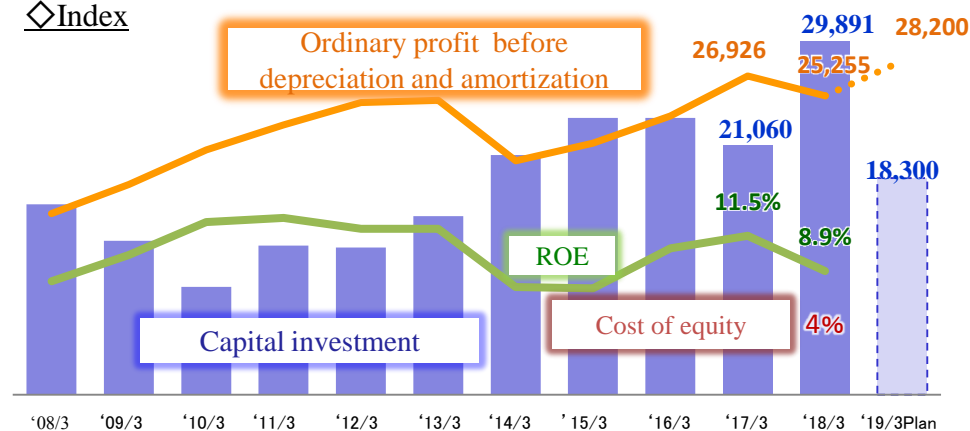
		Total investment	Plan in period	Results for Nine Months
Film Plant	Inaugurated in Mar. 2018	4,750	2,020	1,982
Reinforcement of production facilities(recycling pellets)			1,240	417
Office and Warehouse in Hiroshima	Inaugurated in Oct. 2018	1,450	950	944
FPCO International Package Co., Ltd. Warehouse	Inaugurated in Nov. 2018	790	680	681
Headquarters	To be inaugurated in Mar. 2019	920	880	406

- ◆ Molds

- ◆ IT investments

	Total investment	Plan in period	Results for Nine Months
Production facilities of Eco OPET		350	320
Introduction of automation facilities		570	91
Molds		2,210	995
IT investments		510	270

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※ROE = Profit attributable to owners of parent ÷ Equity