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Securities Code No. 7864

June 4, 2019

President & CEO Shigeko Okazaki

Fuji Seal International, Inc.

4-1-9, Miyahara, Yodogawa-ku, Osaka

Convocation Notice of the 61th Annual General Meeting of Shareholders

To our shareholders, thank you for your support.

You are cordially invited to attend the 61th Annual General Meeting of Shareholders as follows.

If you are unable to attend in person on the day, you can exercise your voting rights by mail (voting form) or electronic voting (Internet). Please exercise your vote by 5:00 p.m. on June 24, 2019, after examining the following “Reference Documents for the General Meeting of Shareholders” and the “Guide to Exercising Voting Rights” on the following page.

Thank you.

1. Date and Time	11:00 a.m. on June 25, 2019 (Tuesday) (Reception will open from 10:30 a.m.)
2. Venue	5F “Canale,” Mielparque Osaka 4-2-1, Miyahara, Yodogawa-ku, Osaka
3. Agenda	Matters to be Reported 1. Report on the Business Report and the consolidated financial statements for the 61th business year (April 1, 2018 to March 31, 2019), and report on the audit results of the Business Report and consolidated financial statements by the outside accounting auditor and the Audit Committee 2. Report on the non-consolidated financial statements for the 61th business year (April 1, 2018 to March 31, 2019) Matters to be Resolved Proposal Election of eight directors

- If attend the meeting, kindly submit the enclosed voting form at reception. Also, please bring this Notice of Convocation with you to the meeting.

- In accordance with laws and regulations and Article 14 of the Company's Articles of Incorporation, certain documents to be submitted, specifically the "Consolidated Statements of Changes in Net Assets," "Notes to the Consolidated Financial Statements," "Non-Consolidated Statements of Changes in Net Assets" and "Notes to the Non-Consolidated Financial Statements," are available on the Company's website, rather than being attached to this Notice of Convocation.
- Any amendments to the Reference Documents for General Meeting of Shareholders, the Business Report, the consolidated financial statements, or the non-consolidated financial statements will be posted on the Company's website.
- Please note in advance that the results of the resolutions will be posted on the Company's website rather than being sent out in writing.

Company's website (<http://www.fujiseal.com>)

Reference Documents for the Annual General Meeting of Shareholders

Proposals and Reference Information

Proposal: Election of Eight (8) Directors

All nine (9) directors' terms of office will expire at the end of this General Meeting of Shareholders. Accordingly, the Company requests the election of eight (8) directors based on the decision of the Nomination Committee. The Nomination Committee has selected appropriate candidates for directors, making reference to the Selection Criteria for Directors.

The Director candidates are as follows:

Candidate No.	Name	Candidate characteristics	Present position and responsibilities
1	Fumio Kato	Reelection Outside Independent	Outside Director
2	Hiroumi Shioji	Reelection Outside Independent	Outside Director
3	Tatsundo Maki	Reelection Outside Independent	Outside Director
4	Yuichi Seki	New appointment Outside Independent	–
5	Shigeko Okazaki	Reelection	Director, President & CEO
6	Takato Sonoda	Reelection	Director, Executive Officer (In charge of Finance)
7	Rikio Furusawa	Reelection	Director, Executive Officer (In charge of Manufacturing)
8	Masayuki Shirokawa	Reelection	Director, Executive Officer (In charge of the Americas, ASEAN and India operations and Development)

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
<p>1</p> <p>Fumio Kato</p> <p>Reelection Outside Independent</p> <p>Born May 7, 1948</p>	<p><u>Career and Positions Held in the Company</u></p> <p>April 1972 Joined Tomen Corporation</p> <p>May 1998 Joined Zoshinkai Publishers Inc.</p> <p>April 2005 President, Representative Director, Zoshinkai Publishers Inc.</p> <p>June 2012 Director of the Company (current)</p> <p>October 2013 Chairman of the Board of Education, Shizuoka Prefecture</p> <p><u>Reasons for Nomination as Outside Director</u></p> <p>Mr. Kato has abundant experience and broad insight as the manager of a holding company and through his involvement in education. He has been nominated as a candidate for outside director to provide accurate advice and supervision for enhancing the Group's functional systems and promoting Group management as a holding company.</p> <p><u>Number of Years since Appointment as an Outside Director</u></p> <p>7 years</p> <p><u>Significant Concurrent Posts</u></p> <p>–</p> <p><u>Number of the Company's Shares Owned</u></p> <p>– shares</p>
<p>2</p> <p>Hiroumi Shioji</p> <p>Reelection Outside Independent</p> <p>Born January 28, 1957</p>	<p><u>Career and Positions Held in the Company</u></p> <p>April 1987 Registered as a lawyer</p> <p>April 1991 Established Shioji Law Office</p> <p>Director, Shioji Law Office (current)</p> <p>June 2015 Director of the Company (current)</p> <p><u>Reasons for Nomination as Outside Director</u></p> <p>Mr. Shioji has abundant experience and broad insight cultivated through his work as a lawyer. He has been nominated as a candidate for outside director to provide accurate advice and supervision regarding the Company's management structure. Furthermore, although until now Mr. Shioji has no experience of direct involvement in corporate management other than as an outside director, the Company considers him capable of performing the duties</p>

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
	<p>of an outside director appropriately for the reasons stated above.</p> <p><u>Number of Years since Appointment as an Outside Director</u> 4 years</p> <p><u>Significant Concurrent Posts</u> Director of Shioji Law Office Outside Auditor of TACHIBANA ELETECH CO.,LTD.</p> <p><u>Number of the Company's Shares Owned</u> – shares</p>
<p>3</p> <p>Tatsundo Maki</p> <p>Reelection Outside Independent</p> <p>Born September 14, 1972</p>	<p><u>Career and Positions Held in the Company</u></p> <p>April 1997 Joined Asahi Audit Corp. (currently KPMG AZSA LLC) April 2000 Registered as a certified public accountant April 2009 Director of SCS Global Co., Ltd. (current) June 2017 Director of the Company (current)</p> <p><u>Reasons for Nomination as Outside Director</u> Mr. Maki has abundant experience and broad insight in global accounting, finance and taxation as a certified public accountant. He has been nominated as a candidate for outside director to provide accurate advice and supervision regarding promotion of the Company's global management and Group management based on his expert perspective.</p> <p><u>Number of Years since Appointment as an Outside Director</u> 2 year</p> <p><u>Significant Concurrent Posts</u> Director of SCS Global Co., Ltd. Director of SCS Global Consulting KK</p> <p><u>Number of the Company's Shares Owned</u> – shares</p>
<p>4</p> <p>Yuichi Seki</p> <p>New appointment</p>	<p><u>Career and Positions Held in the Company</u></p> <p>April 1978 Joined Kobe Steel, Ltd. June 2011 Senior Managing Director and General Manager of Technical Development Group, Kobe Steel, Ltd.</p>

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
<p>Outside Independent</p> <p>Born June 28, 1953</p>	<p>June 2012 Representative Director, Member of the Board & Executive Vice President, OSAKA Titanium technologies Co.,Ltd.</p> <p>June 2014 Representative Director, Member of the Board & President, OSAKA Titanium technologies Co.,Ltd.</p> <p><u>Reasons for Nomination as Outside Director</u></p> <p>Mr. Seki has broad insight as a supervisor of safety, disaster preparedness and manufacturing primarily in the technology development field, as well as experience as the manager of a publicly listed company. He has been nominated as a candidate for outside director to provide accurate advice and supervision regarding the Company's technology management base.</p> <p><u>Number of Years since Appointment as an Outside Director</u></p> <p>– year</p> <p><u>Significant Concurrent Posts</u></p> <p>–</p> <p><u>Number of the Company's Shares Owned</u></p> <p>– shares</p>
<p>5</p> <p>Shigeko Okazaki</p> <p>Reelection</p> <p>Born April 5, 1957</p>	<p><u>Career and Positions Held in the Company</u></p> <p>August 1990 Joined the Company</p> <p>December 1999 General Manager, Corporate Planning Department</p> <p>January 2001 General Manager, Corporate Planning Center</p> <p>June 2002 Director</p> <p>June 2004 Director, Executive Officer</p> <p>June 2006 Director, Executive Officer (in charge of Corporate Planning)</p> <p>March 2007 Representative Director and President of Fuji Seal Europe S.A.S.</p> <p>June 2007 Director, Executive Officer (in charge of Corporate Planning, Europe Operations)</p> <p>March 2008 Director, President and CEO (current)</p> <p><u>Reasons for Nomination as Director</u></p> <p>Ms. Okazaki has abundant experience and broad insight in management overall, including management strategies, as the manager of the Group. She</p>

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions																
	<p>has been nominated as a candidate for director by the Nomination Committee in light of the Company's Selection Criteria for Directors, as she can be expected to effectively strengthen the decision-making and supervisory capabilities of the Board of Directors.</p> <p><u>Significant Concurrent Posts</u> Representative Director and President, Soho KK</p> <p><u>Number of the Company's Shares Owned</u> 1,801,720 shares</p>																
<p>6 Takato Sonoda Reelection Born April 3, 1955</p>	<p><u>Career and Positions Held in the Company</u></p> <table border="0"> <tr> <td>March 1979</td> <td>Joined the Company</td> </tr> <tr> <td>April 1999</td> <td>General Manager, Osaka Office</td> </tr> <tr> <td>August 2000</td> <td>Representative Director and President, Fuji Seal Europe Ltd.</td> </tr> <tr> <td>November 2002</td> <td>Representative Director and President, Fuji Seal Europe S.A.S.</td> </tr> <tr> <td>June 2004</td> <td>Director, Executive Officer</td> </tr> <tr> <td>October 2004</td> <td>Director, Executive Officer (in charge of the Americas Operations) Representative Director and President, American Fuji Seal, Inc.</td> </tr> <tr> <td>August 2011</td> <td>Director, Executive Officer (in charge of Japan Operations) Representative Director and President, Fuji Seal, Inc.</td> </tr> <tr> <td>June 2015</td> <td>Director, Executive Officer (current)</td> </tr> </table> <p><u>Reasons for Nomination as Director</u> Mr. Sonoda has abundant experience and broad insight in management overall, including the sales divisions, as a manager of a Group operating company. He has been nominated as a candidate for director by the Nomination Committee in light of the Company's Selection Criteria for Directors, as he can be expected to effectively strengthen the decision-making and supervisory capabilities of the Board of Directors.</p> <p><u>Area of Responsibility</u> In charge of Finance</p>	March 1979	Joined the Company	April 1999	General Manager, Osaka Office	August 2000	Representative Director and President, Fuji Seal Europe Ltd.	November 2002	Representative Director and President, Fuji Seal Europe S.A.S.	June 2004	Director, Executive Officer	October 2004	Director, Executive Officer (in charge of the Americas Operations) Representative Director and President, American Fuji Seal, Inc.	August 2011	Director, Executive Officer (in charge of Japan Operations) Representative Director and President, Fuji Seal, Inc.	June 2015	Director, Executive Officer (current)
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June 2015	Director, Executive Officer (current)																

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
	<p><u>Significant Concurrent Posts</u></p> <p>–</p> <p><u>Number of the Company’s Shares Owned</u></p> <p>24,020 shares</p>
<p>7</p> <p>Rikio Furusawa</p> <p>Reelection</p> <p>Born January 29, 1957</p>	<p><u>Career and Positions Held in the Company</u></p> <p>January 1987 Joined the Company</p> <p>July 2001 General Manager, Tsukuba Factory, Production Division (Executive Officer)</p> <p>June 2004 General Manager, Production Division (Executive Officer)</p> <p>June 2005 Director, General Manager, Production Division</p> <p>June 2008 Director, Executive Officer (in charge of Japan Operations) Representative Director and President, Fuji Seal, Inc.</p> <p>August 2011 Director, Executive Officer (in charge of the Americas Operations) Representative Director and President, American Fuji Seal, Inc.</p> <p>June 2014 Director, Executive Officer (current)</p> <p><u>Reasons for Nomination as Director</u></p> <p>Mr. Furusawa has abundant experience and broad insight in management overall, including manufacturing, as a manager of a Group operating company. He has been nominated as a candidate for director by the Nomination Committee in light of the Company’s Selection Criteria for Directors, as he can be expected to effectively strengthen the decision-making and supervisory capabilities of the Board of Directors.</p> <p><u>Area of Responsibility</u></p> <p>(In charge of Manufacturing)</p> <p><u>Significant Concurrent Posts</u></p> <p>–</p> <p><u>Number of the Company’s Shares Owned</u></p>

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
	7,382 shares
<p>8</p> <p>Masayuki Shirokawa</p> <p>Reelection</p> <p>Born February 20, 1963</p>	<p><u>Career and Positions Held in the Company</u></p> <p>March 1985 Joined the Company</p> <p>September 1998 General Manager, Europe Sales Division of Fuji Seal Europe Ltd.</p> <p>January 2000 General Manager, Sale Division of American Fuji Seal, Inc.</p> <p>October 2011 Vice President of American Fuji Seal, Inc.</p> <p>June 2014 Executive Officer of the Company (In charge of the Americas Operations)</p> <p> Representative Director and President of American Fuji Seal, Inc.</p> <p>June 2018 Director 、 Executive Officer (current)</p> <p><u>Reasons for Nomination as Director</u></p> <p>Mr. Shirokawa has abundant experience and broad insight in management overall as a manager of a Group operating company, in addition to extensive experience in the management of overseas businesses. He has been nominated as a candidate for director by the Nomination Committee in light of the Company's Selection Criteria for Directors, as he can be expected to effectively strengthen the decision-making and supervisory capabilities of the Board of Directors.</p> <p><u>Area of Responsibility</u></p> <p>(In charge of the Americas, ASEAN and India operations and Development)</p> <p><u>Significant Concurrent Posts</u></p> <p>Director of American Fuji Seal, Inc.</p> <p>Director of American Fuji Technical Services, Inc.</p> <p>Director of Fuji Seal Packaging de Mexico, S.A. de C.V.</p> <p>Director and Chairperson, Fuji Seal Vietnam Co., Ltd.</p> <p><u>Number of the Company's Shares Owned</u></p> <p>8,593 shares</p>

Notes:

1. No special interest exists between the candidates and the Company.

2. Selection Criteria for Directors

In the selection process for directors, the Company's Nomination Committee selects candidates based on the following Selection Criteria for Directors:

Field	Criteria
Basic	Practices the corporate philosophy
	Proactive participation
	Awareness of change
Formulation of strategy	Articulates vision
	Develops and decides on strategies
	Ability to set goals
Implementation of priorities	Ability to implement and execute
	Ability to solve problems
	Sensitivity to risk
	Leadership
Leadership	Sensitivity to change
	AmbitionChallenging spirit
Personal character	Reputation inside the company
	Reputation outside the company
	Earns trust
Experience and knowledge	Track record of developing new fields
	Performance history
	Expertise, experience

3. Fumio Kato, Hiroumi Shioji, Tatsundo Maki and Yuichi Seki are candidates for outside directors as provided in Article 2, paragraph 3, item 7 of the Ordinance for Enforcement of the Companies Act. The Company has submitted notification that Fumio Kato, Hiroumi Shioji, and Tatsundo Maki are independent corporate officers as stipulated by Tokyo Stock Exchange, Inc. If their reelection is approved, the Company intends to continue to deem them to be independent corporate officers. Moreover, Mr. Yuichi Seki meets the requirements of independent corporate officer as stipulated by Tokyo Stock Exchange, Inc. If his election is approved, the Company intends to deem him to be an independent corporate officer.
4. The Company has concluded liability limitation agreements to limit the liability of Fumio Kato, Hiroumi Shioji, and Tatsundo Maki to the minimum liability amount stipulated in Article 425 paragraph 1 of the Companies Act of Japan. If their re-election is approved, the Company plans to continue the same liability limitation agreements with them again. If the election of Mr. Yuichi Seki is approved, the Company plans to conclude the same liability limitation agreement with him.

5. The Company's Nomination Committee deems the outside director candidates to be sufficiently independent for outside directors. They meet the criteria for outside directors stipulated in the Companies Act of Japan, as well as the criteria for independence of outside directors in the Selection Criteria for Directors determined by the Company's Nomination Committee.

Reference: Criteria for Independence of Outside Directors

As a criteria for independence of outside directors, the Selection Criteria for Directors stipulates that none of the following cases may apply to outside directors.

[Person Related to the Fuji Seal Group]

- A person from the Fuji Seal Group
- A person whose family member (spouse, child, relative within the second degree by blood or marriage) has been a director, executive officer, corporate auditor, or member of corporate management within the past five years

[Person Related to an Important Transaction Partner]

- An executive director, executive officer, or employee of an important transaction partner, where the transaction has accounted for 2% or more of net sales over the past three consecutive years of both or either of the Fuji Seal Group and the company to which the candidate belongs

[Person Providing Specialist Services (Lawyer, Accountant, Tax Accountant, Attorney, Judicial Scrivener, etc.)]

- A person who has received compensation from the Fuji Seal Group of ¥10 million or more within the past five years

[Other]

- A person participating in a mutual dispatch of directors with another company
- A person in any other material interest in the Fuji Seal Group

Business Report
(April 1, 2018 to March 31, 2019)

1. Status of the Group

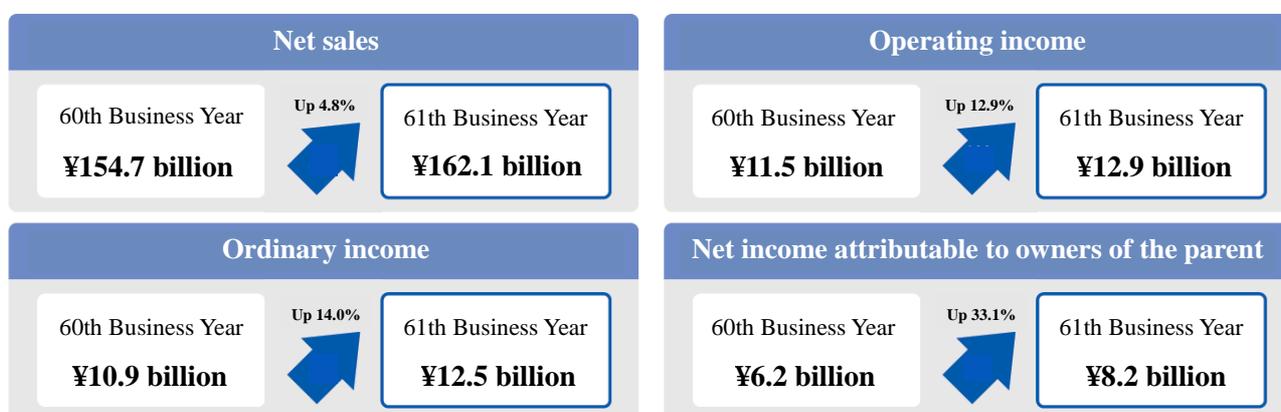
(1) Status of operations during the fiscal year under review

(i) Business conditions and results

The Fuji Seal Group has embraced the mission statement of “Each day with renewed commitment we create new value through packaging.” Guided by this mission, the Group seeks to increase its corporate value by growing together with its customers. In addition, the Group has adopted the following basic policy: “To always be the customers’ first choice as partner, we provide differentiated products and services by comprehending customers’ needs for packaging.” In accordance with this policy, we aim to remain a No.1 global packaging company that is chosen by employees, suppliers, shareholders, and societies.

Under our medium-term management plan, which was launched in the fiscal year ended March 31, 2019, we are targeting consolidated net sales of ¥180.0 billion, an operating income margin of 10%, and a double-digit ROE for the fiscal year ending March 31, 2021. Eyeing these targets, the Company will strive to increase its corporate value through sustained business growth.

As a result of our efforts, during the fiscal year ended March 31, 2019, net sales at Fuji Seal International, Inc. came to ¥162,189 million (up 4.8% year on year), operating income was ¥12,986 million (up 12.9%) and ordinary income totaled ¥12,542 million (up 14.0%). The Company recorded net income attributable to owners of the parent of ¥8,259 million (up 33.1%).



The following is a breakdown of business performance by segment.

[Japan]

Sales of shrink labels increased 3.2% year on year to ¥48,527 million. Sales of self-adhesive labels decreased by 0.9% to ¥11,979 million. Sales of soft pouches increased 4.3% to ¥14,894 million. Machinery sales climbed 20.3% to ¥8,140 million. Pharmaceuticals and other order-customized packaging sales increased 30.1% to ¥6,774 million. Sales of other products downed 15.1% to ¥6,995 million.

As a result, total sales in Japan came to ¥97,310 million (up 4.0% year on year). On the earnings front, operating income declined 1.1% to ¥9,903 million.

In non-operating expenses, equity in loss of affiliates accounting for ¥233 million by the equity method was recorded in relation to Fuji Ace Co., Ltd., an equity-method associate.

[Americas]

Sales of shrink labels increased 5.9% (up 7.5% on a local currency basis) year on year to ¥27,038 million. Sales of other labels declined 6.5% (down 5.0% on a local currency basis) to ¥1,565 million. Sales of self-adhesive labels declined 15.1% (down 13.8% on a local currency basis) to ¥1,236 million. Sales of soft pouches increased 9.0% (up 10.7% on a local currency basis) to ¥1,750 million. Machinery sales increased 26.6% (up 28.6% on a local currency basis) to ¥3,288 million.

As a result, total sales in the Americas increased 6.1% (up 7.8% on a local currency basis) to ¥34,879 million. On the earnings front, operating income declined 1.5% (up 0.1% on a local currency basis) to ¥3,083 million.

[Europe]

Sales of shrink labels rose 7.3% (up 4.3% on a local currency basis) to ¥13,116 million. Sales of self-adhesive labels increased 57.1% (up 52.7% on a local currency basis) to ¥1,378 million. Sales of soft pouches increased 0.6% (down 2.2% on a local currency basis) to ¥872 million. Machinery sales increased 20.0% (up 16.7% on a local currency basis) to ¥4,892 million.

As a result, total sales in Europe increased 12.3% (up 9.1% on a local currency basis) to ¥20,260 million. On the earnings front, an operating income of ¥38 million was recorded (compared to an operating loss of ¥964 million in the corresponding period of the previous fiscal year).

Furthermore, as a result of the transfer of part of the self-adhesive labels business from PAGO to Europe, sales were adjusted to the previous year's results also.

[PAGO]

Sales of self-adhesive labels declined 4.1% (down 6.8% on a local currency basis) to ¥11,094 million. On the earnings front, there was an operating loss of ¥87 million (compared to an operating loss of ¥690 million in the corresponding period of the previous fiscal year).

[ASEAN]

Sales increased 35.5% (up 37.6% on a local currency basis) to ¥4,347 million. On the earnings front, operating income was ¥23 million (compared to an operating loss of ¥47 million in the corresponding period of the previous fiscal year).

(ii) Status of capital investment

Capital investment during the fiscal year under review (excluding eliminations on consolidation) came to ¥7,535 million.

The investment focused mainly on increasing production equipment for shrink label, self-adhesive label, and soft pouch businesses.

Breaking the amount down by segment, the Group spent ¥4,381 million in the Japan segment, ¥1,659 million in the Americas segment, ¥1,123 million in the Europe segment, ¥281 million in the PAGO segment, and ¥90 million in the ASEAN segment.

(iii) Status of fund procurement

The Company did not undertake significant fund procurement during the fiscal year under review.

The Company met funding requirements for capital investment from its own funds.

(2) Status of assets and earnings in the last three business years

	58th Business Year (Fiscal year ended March 2016)	59th Business Year (Fiscal year ended March 2017)	60th Business Year (Fiscal year ended March 2018)	61th Business Year (Fiscal year ended March 2019) (Fiscal year under review)
Net sales (¥ million)	138,488	141,977	154,724	162,189
Operating income (¥ million)	8,792	9,763	11,505	12,986
Ordinary income (¥ million)	8,400	9,993	10,998	12,542
Net income attributable to owners of the parent (¥ million)	4,187	5,659	6,204	8,259
Earnings per share (¥)	73.64	99.34	108.91	144.78
Total assets (¥ million)	140,294	142,945	149,507	152,131
Net assets (¥ million)	80,069	81,834	89,344	95,897
Net assets per share (¥)	1,405.42	1,436.43	1,566.53	1,681.01

Notes:

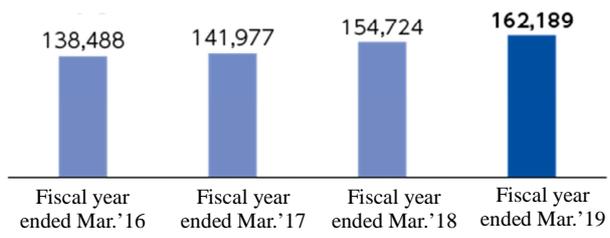
1. Earnings per share is calculated based on the total average number of issued shares during the fiscal year (excluding treasury stock), and net assets per share is calculated based on the total number of issued shares at the end of the fiscal year (excluding treasury stock).

Treasury stock for the 58th business year includes shares of the Company held by a performance incentive-type employee stock ownership plan (ESOP) trust account.

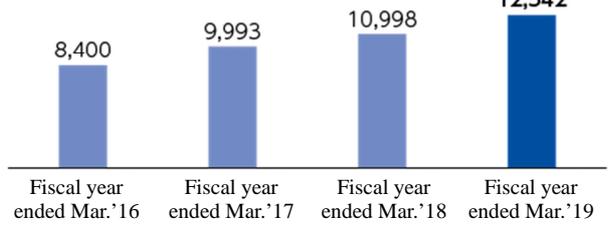
Moreover, the performance incentive-type ESOP was terminated at the end of the 58th business year.

2. The Company conducted a two-for-one stock split of its common stock on January 1, 2017. Earnings per share and net assets per share have been calculated as though the stock split had been conducted at the start of the 58th business year.
3. From the beginning of the fiscal year ended March 31, 2019, the Company has adopted “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, February 16, 2018) and related implementation guidance. The figure for total assets for the 60th business year has been retrospectively restated to reflect the application of this accounting standard and related implementation guidance.

Net sales

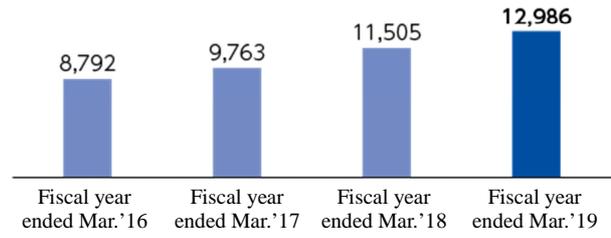


Ordinary income

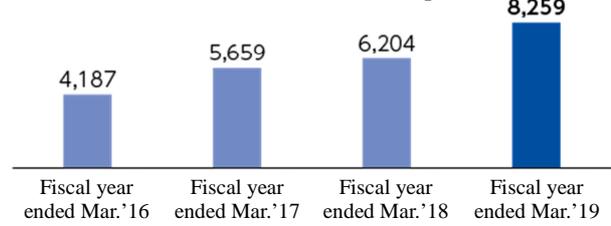


Operating income

(¥ million)



Net income attributable to owners of the parent



(4) Issues to be addressed by the Group

The Group recognizes that continuing global growth increasingly depends on the ability to respond rapidly to the diversifying economic situation, accelerating markets, and changes in customers' needs.

- Build, maintain, and develop a global manufacturing system that can address customers' changing needs and swiftly provide solutions, as well as providing further services.
- Get close up with customers on their front lines to hear about their packaging challenges, improve the speed and quality of packaging solutions, and strengthen our developing systems to answer for the challenges of in the upcoming future.
- Accelerate development of human resources who will share the Fuji Seal Group's values and lead our growth.
- Remain constantly aware of growing risks such as market changes and natural disasters, build a risk management system appropriate to the changes, and implement it properly.
- Aim to strengthen the Group's financial structure , effective use and management of global funds to reinforce the financial base, while promoting upgrades to regulation systems in response to changes in risk and bolstering of the legal foundation.

To continue to be recognized as the preferred partner by all stakeholders, including customers, employees, business partners, shareholders, societies, the Company will promote ESG management.

- The Company will recognize that environmental problems are an important issue shared by all humankind, and continue to rise to the challenge of creative manufacturing that considers environmental aspects. In addition to reducing the Group's environmental impact, the Company aims to develop and manufacture environmental-friendly products and strives to solve environmental problems through its business activities.
- The Company aims to contribute to societies through “people-friendly” packaging, and will promote and support such activities by encouraging and funding research and development and nurturing those engaging in that endeavor.
- The Company will strengthen corporate governance as a mechanism for transparent, fair, speedy, and bold decision-making.

2. Current Status of the Company

(1) Status of shares (March 31, 2019)

(i) Total number of shares authorized to be issued by the Company

200,000,000 shares

(ii) Total number of issued shares

60,161,956 shares

(iii) Number of shareholders

4,554 shareholders

(iv) Major shareholders (top 10)

Name of shareholder	Number of shares (thousand)	Percentage of shares held (%)
Soho KK	6,240	10.9
GOLDMAN, SACHS&CO. REG	5,134	9.0
Fuji Seal Packaging Education and Scholarship Foundation	4,800	8.4
Japan Trustee Services Bank, Ltd. (Trust account)	3,369	5.9
The Master Trust Bank of Japan, Ltd. (Trust account)	2,712	4.8
BBH FOR MATTHEWS ASIA DIVIDEND FUND	2,621	4.6
Shigeiko Okazaki	1,801	3.2
The Master Trust Bank of Japan, Ltd. (Retail trust account 820079255)	1,800	3.2
Hiroko Fujii	1,784	3.1
JP MORGAN CHASE BANK 385632	1,677	2.9

Notes:

1. The Company holds 3,114,573 shares of treasury stock, but has been excluded from the above major shareholders.
2. Treasury stock is excluded when calculating the percentage of shares held.

(v) Other important matters concerning shares

No applicable information.

(2) Status of stock acquisition rights

No applicable information.

(3) Status of directors and executive officers

i) Status of directors and executive officers (as of March 31, 2019)

Position	Name	Duties	Significant concurrent posts
Director	Fumio Kato	–	–
Director	Akira Toyama	–	Corporate auditor of Fuji Seal Inc.
Director	Hiroumi Shioji	–	Director of Shioji Law Office Outside Auditor of TACHIBANA ELETECH CO.,LTD.
Director	Tatsundo Maki	–	Director of SCS Global Co., Ltd. Director of SCS Global Consulting KK
Director, President & CEO	Shigeko Okazaki	–	Representative Director and President, Soho KK
Director, Executive Officer	Takato Sonoda	In charge of Finance	–
Director, Executive Officer	Rikio Furusawa	In charge of Manufacturing	–
Director, Executive Officer	Ritsuo Aikawa	In charge of Soft Pouch Division	–
Director, Executive Officer	Masayuki Shirokawa	In charge of the Americas, ASEAN and India operations and Development	Director of American Fuji Seal, Inc. Director of American Fuji Technical Services, Inc. Director of Fuji Seal Packaging de Mexico, S.A. de C.V. Director and Chairperson, Fuji Seal Vietnam Co., Ltd.
Executive Officer	Yoshinao Sakaguchi	In charge of Europe operations	Representative Director and President of Fuji Seal B.V. Representative Director and President of Fuji Seal Europe S.A.S. Representative Director and President of Fuji Seal France Ltd. Director of Fuji Seal Europe Ltd.
Executive Officer	Shinichiro Furuse	In charge of Japan operations	Representative Director and President of Fuji Seal, Inc.

Position	Name	Duties	Significant concurrent posts
Executive Officer	Takeshi Kyogane	In charge of Self-adhesive Labels Division	Representative Director and President of Fuji Tack, Inc. Representative Director and President of Fuji Tack East, Inc. Representative Director and Chairman of PAGO AG

Notes:

1. Directors Fumio Kato, Akira Toyama, Hiroumi Shioji, and Tatsundo Maki are outside directors pursuant to Article 2, item 15 of the Companies Act of Japan.
2. After March 31, 2018, the following changes in executive officers occurred:
Mr. Kenji Takahashi (in charge of Soft Pouch Division) retired upon completion of his term of office on June 22, 2018.
3. Committee members of the Company with a nomination committee as provided in the Companies Act Article 2 item 12 were selected at the Board of Directors meeting held on June 22, 2018 and appointed on the same day, pursuant to the Companies Act Article 400 paragraph 2.
Nomination Committee: Shigeko Okazaki (chairperson), Fumio Kato, Akira Toyama, Hiroumi Shioji, and Tatsundo Maki
Compensation Committee: Shigeko Okazaki (chairperson), Fumio Kato, Akira Toyama, Hiroumi Shioji, and Tatsundo Maki
Audit Committee: Fumio Kato (chairperson), Akira Toyama, Hiroumi Shioji, and Tatsundo Maki
4. Directors Fumio Kato, Akira Toyama, Hiroumi Shioji, and Tatsundo Maki have been designated as independent directors as stipulated in the Securities Listing Regulations of Tokyo Stock Exchange, Inc. and the Company has submitted notification of this to the exchange.
5. The Company has assigned a full-time internal audit staff member to assist the Audit Committee in its duties and therefore does not appoint a full-time corporate auditor.
6. Director Tatsundo Maki is a certified public accountant and has knowledge of finance and accounting.

ii) Policy regarding determination of remuneration for directors and executive officers by the Compensation Committee

The Compensation Committee has decided on the following policy regarding determination of remuneration details for individual directors and executive officers.

a. Basic policy

The remuneration for the Company's directors and executive officers is to be determined giving consideration to factors such as each individual's career, work history, duties, and responsibilities, and the Company's performance and economic environment.

b. Director remuneration

Director remuneration comprises a fixed salary, the level of which is decided based on the basic policy for each fiscal year, giving consideration to their full-time or part-time engagement, and the nature of

their duties as a director.

Directors who serve concurrently as executive officers receive executive officer remuneration as their primary consideration.

c. Executive officer remuneration

Executive officer remuneration comprises basic remuneration and performance-linked remuneration. Basic remuneration is a fixed salary reflecting each executive officer's duties and responsibilities, and performance-linked remuneration is an amount determined in accordance with the degree to which the divisions overseen by each executive officer achieve their performance targets.

When a certain level has been reached, part of the performance-linked remuneration is paid in shares of the Company.

iii) Total amounts of remuneration paid to directors and executive officers

Classification	Total number of payees	Paid amount
Directors	4	¥28,775 thousand
(Of which, Outside Directors)	(4)	(¥28,775 thousand)
Executive Officers	8	¥249,216 thousand
Total	12	¥277,991 thousand

Notes:

1. Number of personnel as of March 31, 2019 was nine directors (including four outside directors), and eight executive officers (including five serving concurrently as directors).
2. Remuneration for directors serving concurrently as executive officers is presented in the column for executive officers.
3. Remuneration of executive officers serving concurrently as managing executive officers of subsidiaries is paid by the subsidiaries.
4. In addition to the above, outside directors received remuneration of ¥1,200 thousand as executives of the Company's subsidiaries in the fiscal year under review.
5. The above paid amount includes remuneration of ¥9,185 thousand for restricted stock.

iv) Matters concerning outside directors

- a. Status of concurrent important positions held at other legal entities and relationship between the Company and the other legal entities

Director Fumio Kato	—
Director Akira Toyama	Corporate auditor at Fuji Seal Inc. (Note)
Director Hiroumi Shioji	Director of Shioji Law Office Outside Auditor of TACHIBANA ELETECH CO.,LTD.
Director Tatsundo Maki	Director of SCS Global Co., Ltd. Director of SCS Global Consulting KK

Note:

Fuji Seal Inc. is a wholly owned subsidiary of the Company and has transactions with the Company involving royalties and so forth.

There are no other special relationships between the Company and the companies where the outside corporate officers hold key concurrent positions.

b. Status of principal activities during the business year under review

Name (position)	Status of activities in the business year under review
Director Fumio Kato	Mr. Fumio Kato attended all five meetings of the Board of Directors and all six meetings of the Audit Committee held in the business year under review. He contributed necessary opinions in the deliberation of proposals and so forth, drawing on his abundant experience and broad insight as the manager of a holding company and a person involved in education.
Director Akira Toyama	Mr. Akira Toyama attended all five meetings of the Board of Directors and all six meetings of the Audit Committee held in the business year under review. He contributed necessary opinions in the deliberation of proposals and so forth, drawing on his abundant experience and broad insight in manufacturing as a manager responsible for safety, projects, and technology development, mainly in the engineering field.
Director Hiroumi Shioji	Mr. Hiroumi Shioji attended all five meetings of the Board of Directors and all six meetings of the Audit Committee held in the business year under review. He contributed necessary opinions in the deliberation of proposals and so forth, drawing on his abundant experience and broad insight cultivated through his work as a lawyer over many years.
Director Tatsundo Maki	Mr. Tatsundo Maki attended all five meetings of the Board of Directors and all six meetings of the Audit Committee held in the business year under review. He contributed necessary opinions in the deliberation of proposals and so forth, drawing on his abundant experience and broad insight in global accounting, finance, and taxation.

Note:

Meetings of the Company's Board of Directors require two days of deliberations for every meeting, in principle. In the business year under review, a total of more than 49 hours of deliberations were held over nine days. In addition to the above meetings held by the Board of Directors, there were 21 resolutions in writing, which are deemed to be equivalent to resolutions passed in meetings of the Board of Directors, in accordance with Article 370 and Article 22 of the Company's Articles of Incorporation.

c. Outline of limitation of liability agreement

To ensure that it can obtain useful human resources to serve as outside directors, the Company's current Articles of Incorporation have a provision enabling it to enter agreements with its outside directors for limiting

their liability to the Company within a certain scope. In accordance with this provision, outside directors Fumio Kato, Akira Toyama, Hiroumi Shioji, and Tatsundo Maki have entered such limitation of liability agreements with the Company.

An overview of these agreements is as follow.

“If the outside director becomes liable for damages to the Company due to negligence of duties, he or she shall bear this liability, limited to the minimum liability amount provided in Article 425 paragraph 1 of the Companies Act of Japan. The above liability limitation may be recognized only in cases where the outside director has acted in good faith and without gross negligence in executing the duty that caused his or her liability.”

d. Criteria for Independence of Outside Directors

Criteria for independence are listed in the “Reference Documents for the General Meeting of Shareholders” in this convocation notice.

(4) Outside accounting auditor

i) Name Deloitte Touche Tohmatsu LLC

ii) Remuneration amount

	Amount payable
1. Amount of remuneration payable to the outside accounting auditor for the fiscal year under review for duties provided under Article 2 paragraph 1 of the Certified Public Accountants Act	¥35,600 thousand
2. The total amount of remuneration and other financial benefits payable to the outside accounting auditor by the Company and its subsidiaries	¥48,050 thousand

Notes:

1. Important consolidated subsidiaries of the Company overseas are audited by certified public accountants and auditing companies (including entities with corresponding qualifications in overseas countries) other than the outside accounting auditor of the Company. They are audited only on the items specified by the Companies Act and the Financial Instruments & Exchange Act, or corresponding laws of overseas companies.
2. The amount of remuneration for audits pursuant to the Companies Act and the amount of remuneration for audits pursuant to the Financial Instruments and Exchange Act are not divided in the auditing agreement concluded between the Company and the outside accounting auditor. Since they are not practically separable, the total amount of remuneration is presented for the fiscal year under review.
3. The Audit Committee performed the required verification of the outside accounting auditor’s audit plan details, the status of accounting audit execution, and the grounds for calculation of the remuneration estimate and so forth to determine whether they were appropriate, and aligned with the outside accounting auditor’s remuneration amount pursuant to the Article 399 paragraph 1 of the Companies Act.

iii) Details of non-auditing duties

The Company has paid the outside accounting auditor with consideration for advisory services related to crisis management, risk management and other such areas, which are classified as duties other than the duties provided under Article 2, paragraph 1 of the Certified Public Accountants Act.

iv) Dismissal or Non-reappointment of Accounting Auditor

If the Audit Committee judges that it is appropriate to dismiss or not reappoint the outside accounting auditor, it determines the details of a proposal for the dismissal or non-reappointment of the outside accounting auditor to be submitted at the General Meeting of Shareholders in accordance with the Audit Committee Regulations.

If the Audit Committee acknowledges that the outside accounting auditor is subject to any of the conditions set forth in Article 340 paragraph 1 of the Companies Act, it shall dismiss that outside accounting auditor by a unanimous resolution of all the Audit Committee members. In such cases, the dismissal and the reason shall be reported at the next General Meeting of Shareholders held after the dismissal by an Audit Committee member appointed by the Audit Committee.

v) Outline of Limitation of liability agreement

No applicable information.

(5) System for ensuring appropriate business execution

The Company has a system for ensuring that the directors' execution of duties complies with laws and regulations and with the Articles of Incorporation, and a system for ensuring that other operations of the corporate group formed by the Company and its subsidiaries (hereinafter "the Group") are appropriate. An overview of the details decided for these systems is given below.

i) Matters concerning directors and employees assigned to assist the duties of the Audit Committee

The Group Internal Audit Office is the organization responsible for assisting the duties of the Audit Committee. The employees responsible for providing assistance (hereinafter "audit officers, etc.") are the Group Internal Audit Office Manager and other staff of the Group Internal Audit Office, who are assigned to that office, as well as other audit officers who are appointed by the Group Internal Audit Office Manager with the approval of the Audit Committee.

ii) Matters regarding the independence of the directors and executive officers of the preceding item, and matters regarding ensuring the effectiveness of instructions given by the Audit Committee

Transfers, performance reviews, and salary revision of audit officers, etc. shall require prior consent of the Audit Committee.

Moreover, executive officers must take care that audit officers, etc., are not subject to unjustified restrictions in the execution of their duties. If the audit officers, etc. are subject to unjustified restrictions in the course of executing their duties, they shall be able to report this to the Audit Committee or to an Audit Committee member and request the unjustified restriction to be lifted. Audit officers must follow the instructions of the Audit Committee.

iii) System for reporting by the Group’s directors, executive officers, and employees to the Audit Committee and system for other reports made to the Audit Committee

The Audit Committee may have persons other than Audit Committee members attend its meetings as needed to hear their reports and opinions. In this way, the directors, executive officers, and other employees (hereinafter “executives and employees”) who attend an Audit Committee meeting must explain matters to the Audit Committee as the Committee requests. Executives and employees shall be able to report to the Audit Committee via the Group Internal Audit Office. The Company is not allowed to dismiss the executives and employees who make such reports or subject them to any other disadvantage because of having made those reports.

Executives and employees should report the following matters.

- a. Matters regarding the reporter’s decision on a matter entrusted by a resolution of the Board of Directors
- b. Discovered facts that could cause significant loss to the Company

iv) Matters regarding policies on prepayment of expenses incurred by Audit Committee members when executing their duties, reimbursement procedures, and other handling of expenses and liabilities arising in connection to the duties

When Audit Committee members request prepayment of expenses and so forth for executing their duties, as provided by the Companies Act, , the Company shall promptly process the liabilities, including such expenses, after eliminating the execution of the duties which is considered unnecessary.

v) Other systems for ensuring that Audit Committee’s audits are conducted effectively

The Audit Committee conducts regular liaison meetings to report and regulate with the Group Internal Audit Office.

Furthermore, the Audit Committee has established the Group Internal Audit Regulations, and has a structure in place to manage internal audits smoothly and effectively. Furthermore, the committee maintains close coordination with the outside accounting auditor and holds regular meetings with the outside accounting auditor to exchange opinions about the audit policy and audits.

The Group Internal Audit Office establishes the internal audit mechanisms for the Group, and oversees policy and management risk. In this way, the office aims to maintain the Group’s internal controls and upgrade the internal audit system.

vi) System for ensuring appropriateness of reports to the Company on matters relating to execution of duties by the directors and other executives in the Group and business execution by the Company

As a holding company, the Company manages and administers the entire Group in line with the Group management strategy. The Board of Directors therefore decides and approves important matters concerning Group management, and hears reports on business execution by all Group companies.

The Company has formulated the Group Company Management Regulations, clarified the basic policy on Group management, the management system, operation standards, and so forth, and stipulated positional

authority for the entire Group. These regulations set the systems for making approval requests and reports to the Company, which are used to achieve integrated operation, management, and support for the business activities of the Group companies.

The Group Internal Audit Office coordinates with the departments responsible for the operations of each Group company to determine their internal control status. The office reports on this to the Audit Committee and proposes measures for improvement.

vii) System for ensuring execution of duties by the Group's directors, other executives, and employees is compliant with laws and regulations, and with the Articles of Incorporation

The FSG Code of Ethics sets forth the universal standards that every individual director, executive officer, corporate officer and employee should observe from the corporate ethic standpoint to gain society's trust as the Ethical Standard, and the standards of behavior that support faithful implementation of Ethical Standard in its Conduct and Behavior Standard. In addition, the Group Compliance Management Regulations set out the Group's compliance policy, systems, procedures, and so forth.

The Compliance Committee (at the Group and regional levels) deliberates and decides on revisions of operation processes and other measures to prevent recurrences of material problems and serious infringements, as well as other relevant issues. The committee reports to the Board of Directors on the maintenance, and upgrading of the compliance system, as well as awareness raising and education, and requests the deliberation and decision of the board in cases that require important management decisions. Moreover, the Consultation Hotline provides a system that enables personnel to report directly to a consultation and reporting desk (including an outside law office and the Group's Internal Audit Office) regarding suspicious behavior and so forth. This enables the Company to quickly identify compliance issues and respond to them appropriately.

The Company has also taken steps to ensure and reinforce the appropriateness of its financial reporting by formulating the Group Internal Control Regulations and establishing the Internal Control Committee.

viii) System for storing and managing of information relating to the execution of duties by executive officers

Executive officers shall store important information relating to the executives execution of duties, such as minutes of General Meetings of Shareholders and Board of Directors meetings of Group companies, approval request documents, calculation documents relating to financial reports, and contracts, for at least 10 years. Moreover, they shall take the required measures in accordance with the Group Information Security Policy and be prepared to accommodate requests to browse the documents from the Audit Committee and others.

ix) Rules and other systems related to managing the risk of loss in the Group

The Group has established the Group Risk Management Regulations, which stipulate the basic policy and management system regarding business execution risks facing the Group. Through these regulations, the Group strives to ensure sound, stable management, thereby enhancing management efficiency and increasing shareholder benefit and trust in the Company.

In accordance with the Group Risk Management Regulations, the Group has established disaster response and crisis management systems. The Group strives to make foreseeable risks known to employees

and share this information with them. It will also implement measures to relay information and respond rapidly and appropriately in case a risk should materialize, and take action to prevent a recurrence.

x) System for ensuring the efficient execution of duties by the Group's directors and other officers

The Company has established a system for correct and efficient execution of duties through positional authority and decision-making rules based on a system of regulations centered on the abovementioned Group Company Management Regulations.

Based on the medium-term management plan and the annual business plan formulated in line with the corporate philosophy, the executive officers work to achieve the targets, report the status of their execution of duties to the Board of Directors, and receive an assessment from the Board of Directors. The Company uses IT to streamline operations through teleconferencing and other means. It and has a system for identifying important management information through business reports, risk reports, and so forth provided regularly and as needed, and securely feeding this information back to the Board of Directors.

(6) Overview of operational status of systems for ensuring appropriate business execution

i) Operational status of Group compliance system

The Group's Compliance Committee held regular meetings, set themes related to compliance and matters to be addressed and reported on implementation and plans for awareness-raising activities. The Group's executives have signed a compliance declaration and Compliance Cards have been distributed to Group executives and employees in addition to an education program. Through these measures, the Group provided clear guidance on observing laws and regulations, as well as internal company regulations, and acting in accordance with corporate ethics, and took initiatives to ensure their effectiveness.

With regard to the Consultation Hotline, the Group ensures that the confidentiality of informants is protected and that informants are not subjected to disadvantages. The status of reports to the hotline is reported regularly to the Compliance Committee, the Board of Directors and the Audit Committee.

ii) Operation status of the Group's risk management system

The Group has organized the materiality of latent risks on a Groupwide and regional basis into a risk map, based on the Group Risk Management Regulations. For each risk, systems have been established, action plans for each region have been formulated based on the risk map, and initiatives are continuously carried out. At the same time, an emergency contact network has been established for the case of an irregular situation that could have a serious impact on the Group's management.

As a risk monitoring function, internal audits are conducted by the Group Internal Audit Office under the direction of the Audit Committee, and risk management system audits are conducted by independent auditors as needed. The results are reported to the Audit Committee and the president & CEO.

iii) Status of execution of duties by directors and others in the Group

The Group held 5 Board of Directors meetings during the fiscal year under review, in accordance with the Rules for Directors.

The Board of Directors deliberated on the state of the Group's management and relationships with stakeholders, such as the medium-term management plan, business strategy, the annual business plan, the investment strategy, and financial management. Furthermore, the board heard reports on the status of execution of duties at each Group company, and discussed progress on achieving targets, management priorities and risks, and related response measures.

iv) Status of initiatives to ensure appropriate operations within the Group

The Audit Committee met 6 times during the fiscal year under review in accordance with the Audit Committee Regulations. The Audit Committee deliberated on the audit plan and audit policy, internal controls, and related matters.

The Group Internal Audit Office conducted an audit of the Group companies based on the direction of the Audit Committee, and proposed improvements. A Consultation Hotline Desk was also established in the Internal Audit Office, so that reports can now also be made to the Audit Committee, which is composed solely of outside directors.

(7) Policy regarding determination of dividend from surplus

Amid a business environment that is rapidly changing and intensifying, Fuji Seal International has sought to raise corporate value by achieving sustained growth.

Two years ago, the Fuji Seal Group celebrated the 120th anniversary of its founding, and its new medium-term management plan, which is a three-year plan that will conclude in the fiscal year ending March 31, 2021, has been positioned as a three-year period to build a foundation for the next 60 years of growth and development.

The Company will further strengthen the competitiveness of its current businesses globally, and strive to deepen and expand its business activities with customers by enhancing its ability to solve problems and increasing the speed of its response.

The Company considers the following to be its most important management challenges: 1) returning profits to shareholders based on Company performance and 2) continuing to increase the shareholder returns in a sustained manner. To that end, the Company will accelerate investment for continued growth, through such means as utilizing internal reserves, developing technologies that will make the Group even more competitive, and training personnel and creating mechanisms to enable the Group to solve problems faster.

The Company aims to achieve a medium-term minimum payment ratio target of 20% on a consolidated basis, and aims to increase the dividend per share in a stable and sustained manner. To raise long-term corporate value, the Company takes a flexible approach to the acquisition and disposal of treasury stock while also considering necessary capital investments, funding requirements for mergers and acquisitions, and raising capital efficiency.

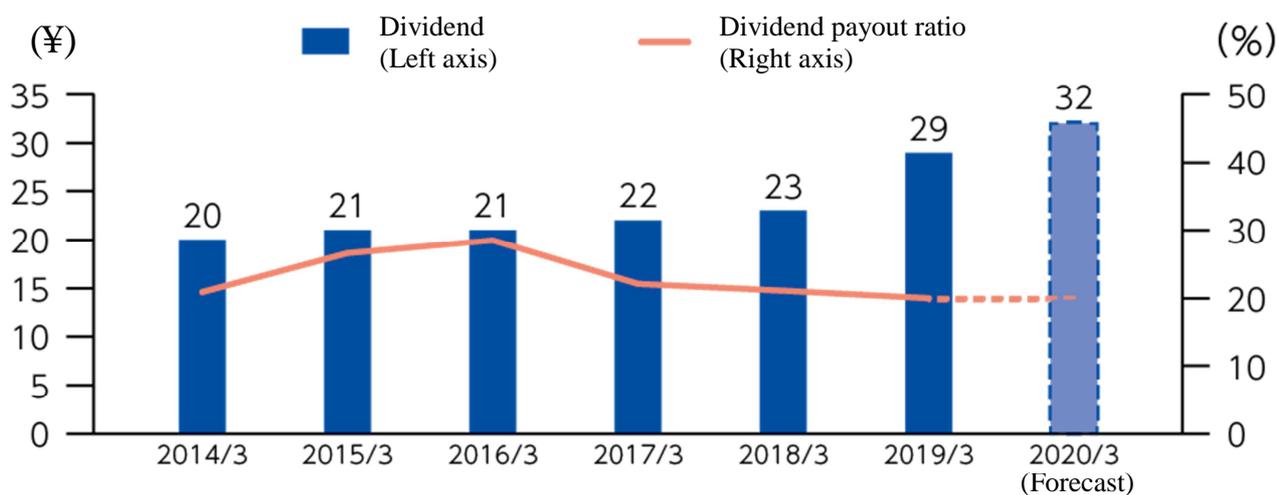
The Board of Directors decided at a meeting held on May 16, 2019 to pay a year-end dividend for the fiscal year ended March 31, 2019 of ¥16 per share, an increase of ¥2 from the initial forecast of ¥14 per share. The Company will thus pay an annual dividend of ¥29 per share for the fiscal year ended March 31, 2019, which includes the already paid interim dividend (¥13 per share), for a consolidated dividend payout ratio of

20.0%.

The starting date for the year-end dividend payment will be June 5, 2019.

In the fiscal year ending March 31, 2020, the Group plans to pay an annual dividend of ¥32 per share, also based on the aforementioned basic policies.

As a result, the Group expects to achieve a consolidated dividend payout ratio of 20.1% for the fiscal year ending March 31, 2020.



(Monetary amounts and numbers of shares presented in this business report have been rounded down to the units of presentation, while year-on-year comparisons and other figures have been rounded to the nearest unit.)

(Unit: ¥ Thousand)

Assets		Liabilities	
Item	Amount	Item	Amount
Total current assets	82,777,476	Total current liabilities	48,483,186
Cash and deposits	10,392,385	Notes and accounts payable	11,778,320
Notes and accounts receivable	39,790,071	Electronically recorded monetary obligations	12,979,001
Electronically recorded monetary claims	8,431,990	Short-term borrowings	8,408,864
Merchandise and finished products	9,614,795	Current portion of long-term debt	1,850,000
Work in process	3,683,929	Lease obligations	73,599
Raw materials and supplies	6,707,731	Other accounts payable	3,853,446
Other current assets	4,300,967	Income taxes payable	1,155,071
Allowance for doubtful accounts	(144,393)	Accrued bonuses	1,566,628
Total noncurrent assets	69,354,275	Other current liabilities	6,818,255
Total tangible fixed assets	55,606,152	Total long-term liabilities	7,751,314
Buildings and structures - net	23,206,703	Long-term debt	3,450,000
Machinery, equipment and vehicles -net	22,991,108	Lease obligations	169,843
Land	5,402,426	Deferred tax liabilities	1,776,133
Lease assets - net	319,692	Net defined benefit liabilities	1,996,057
Construction in progress	2,454,175	Other	359,280
Other - net	1,232,046	Total liabilities	56,234,501
Total intangible assets	1,410,108	Net assets	
Total investments and other assets	12,338,014	Total shareholders' equity	89,218,199
Investment securities	7,589,407	Common stock	5,990,186
Net defined benefit asset	2,018,103	Capital surplus	6,525,388
Deferred tax assets	2,056,367	Retained earnings	79,786,148
Other	718,601	Treasury stock	(3,083,523)
Allowance for doubtful accounts	(44,464)	Total accumulated other comprehensive income	6,679,051
		Unrealized gain on available-for-sale securities	1,630,766
		Deferred gain or loss on hedge	(5,788)
		Foreign currency translation adjustments	3,947,249
		Remeasurements of defined benefit plans	1,106,823
		Total net assets	95,897,251
Total assets	152,131,752	Total liabilities and net assets	152,131,752

Consolidated Statements of Income

(April 1, 2018 to March 31, 2019)

(Unit: ¥ Thousand)

Item	Amount	
Net sales		162,189,267
Cost of sales		130,478,708
Gross profit		31,710,559
Selling, general and administrative expenses		18,724,225
Operating income		12,986,334
Non-operating income		
Interest income	19,582	
Dividend income	54,598	
Recycling income	35,513	
Other	38,912	148,606
Non-operating expenses		
Interest expenses	101,533	
Equity in loss of affiliates	233,408	
Foreign exchange loss	153,718	
Other	104,044	592,703
Ordinary income		12,542,237
Extraordinary gains		
Gain on sale of tangible fixed assets	109,399	
Gain on abolishment of retirement benefit system	219,815	
Insurance income	245,862	
Subsidy income	295,845	870,923
Extraordinary losses		
Loss on sale and disposal of tangible fixed assets	406,441	
Impairment loss	852,954	
Loss on abolishment of retirement benefit system	299,871	1,559,268
Income before income taxes		11,853,892
Current	4,188,759	
Deferred	(593,966)	3,594,792
Net income		8,259,099
Net income attributable to owners of the parent		8,259,099