

Investor Meeting

Consolidated Performance
(Results for FY2009 and Projections for FY2010)

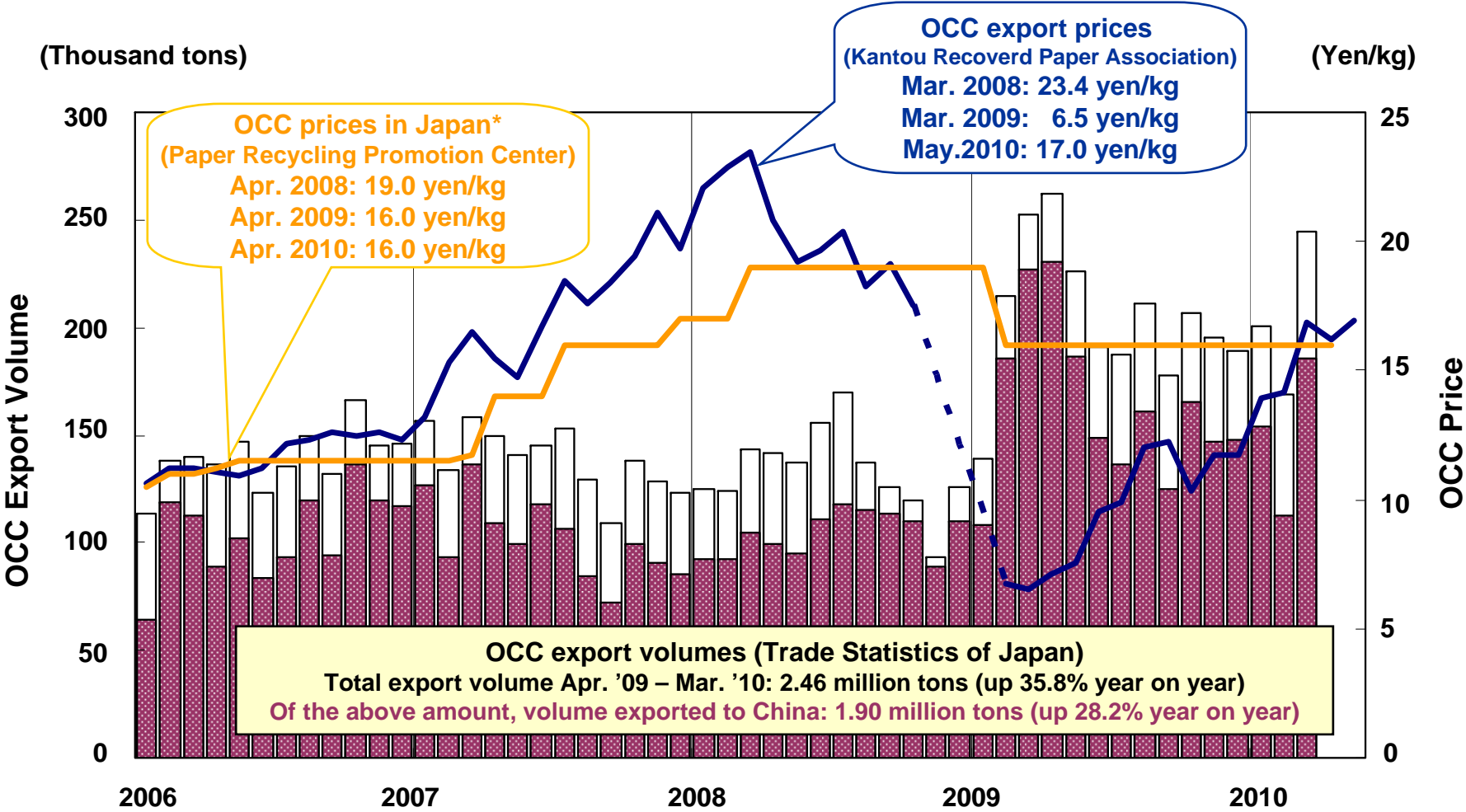
Rengo Co., Ltd.

May 21, 2010

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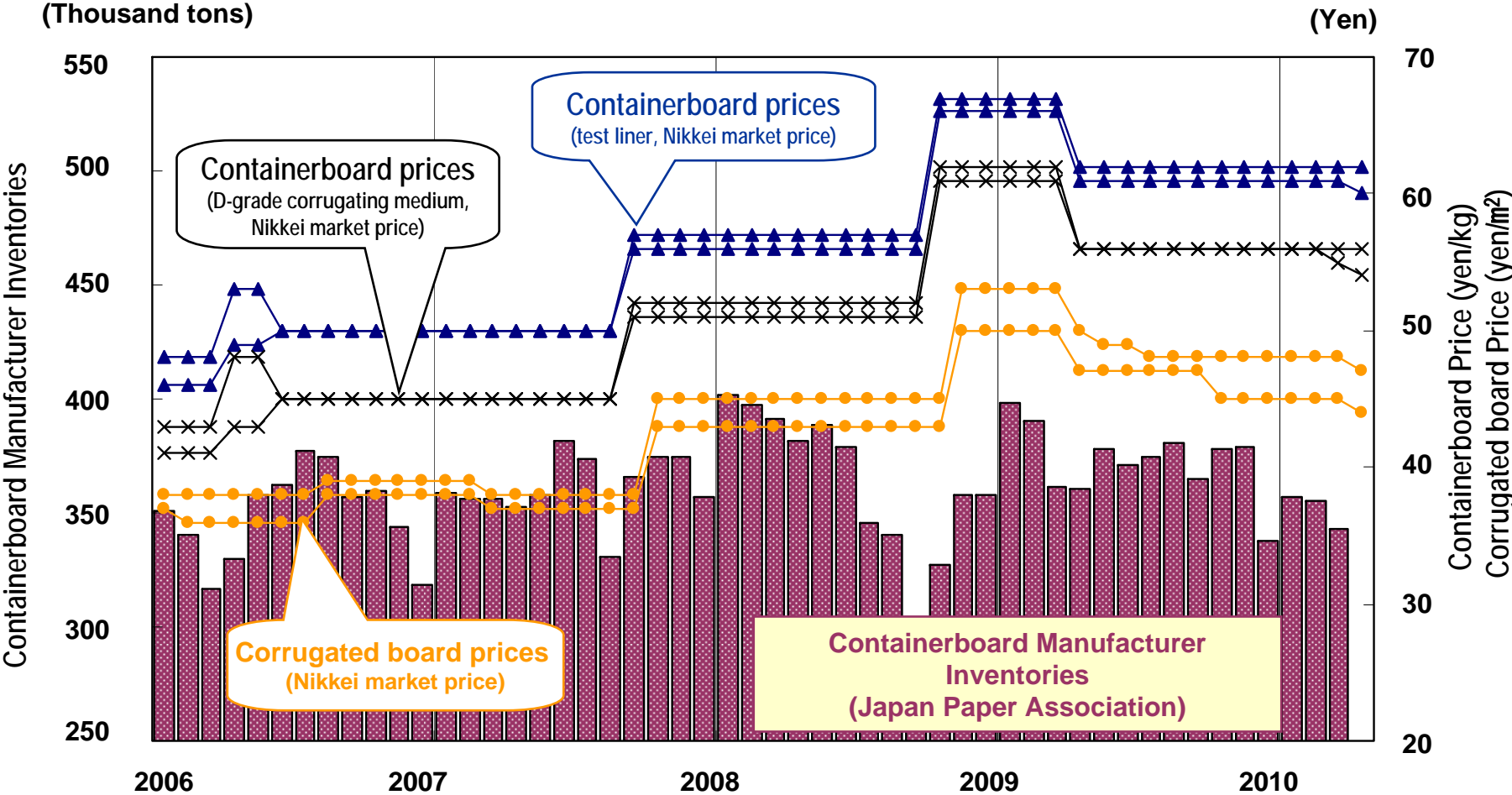
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1. Status of Old Corrugated Containers (OCC)



* Transport costs to the plant (approx. 1 yen/kg) are included.

2. Status of Corrugated Board and Containerboard



3. Activities by the Rengo Group in FY2009

3-Business Integration Reform	<p>Mar. 2009 Construction begins on Fukushima Yabuki corrugated plant, which will cut CO2 emissions by 40%</p> <p>Mar. 2009 Production structures in Paperboard Business Unit reviewed, including suspension of operation of paper machine</p> <p>Apr. 2009 Containerboard and corrugated packaging prices revised</p> <p>Mar. 2010 Paper machine scraped and Paperboard Business Unit production structures modified</p>
Environmental Activities	<p>May 2009 Rengo Group Environmental Charter adopted</p> <p>Oct. 2009 Rengo wins 3R Promotion Council Chairman's Award</p> <p>Oct. 2009 Rengo wins Clean Japan Center Chairman's Award for C-flute</p> <p>Dec. 2009 Rengo exhibits at Eco-Products 2009, one of Japan's largest environmental trade shows</p> <p>Feb. 2010 Takefu Plant switches fuel from heavy oil to liquefied natural gas (LNG)</p> <p>Apr. 2010 Yashio Mill wins Energy Conservation Center, Japan award</p>
Measures to Enhance Group Capabilities	<p>Apr. 2009 All Rengo Service Co., Ltd. employees hired as Rengo Co., Ltd. employees</p> <p>May 2009 Rengo acquires shares of Nihon Matai Co., Ltd. through a third-party allotment</p> <p>Dec. 2009 Nihon Matai becomes a wholly-owned subsidiary</p>
Measures to Reinforce Technological and Proposal Development Abilities	<p>Jul. 2009 Rengo sells face masks to be stocked by businesses in preparation for H1N1 influenza</p> <p>Sep. 2009 Rengo receives awards in 2009 Japan Packaging Contest</p> <p>Feb. 2010 Rengo wins World Packaging Organization WorldStar (Packaging) Award</p>
Measures to Reinforce Overseas Business	<p>Apr. 2009 Corrugated packaging joint-venture business in the Philippines dissolved</p> <p>Jul. 2009 Qingdao Rengo Packaging Co., Ltd. relocates and opens new plant</p> <p>Nov. 2009 Agreement for acquisition of corrugated manufacturer in Vietnam concluded</p> <p>Jan. 2010 Joint-venture paper mill begins full operations in Vietnam</p>

4. Consolidated Statement of Income (YOY)

(Unit: billion yen)

	Results for FY2008	Results for FY2009	YOY	Difference
Net sales	446.7	457.4	2.4%	10.7
Operating income	15.2	33.7	121.7%	18.5
Ordinary income	13.0	31.4	141.1%	18.4
Extraordinary gain and loss	1.2	-1.8	-	-3.0
Net income	7.8	17.0	116.9%	9.2

Main factors underlying extraordinary gain and loss (FY2009)

Extraordinary gain

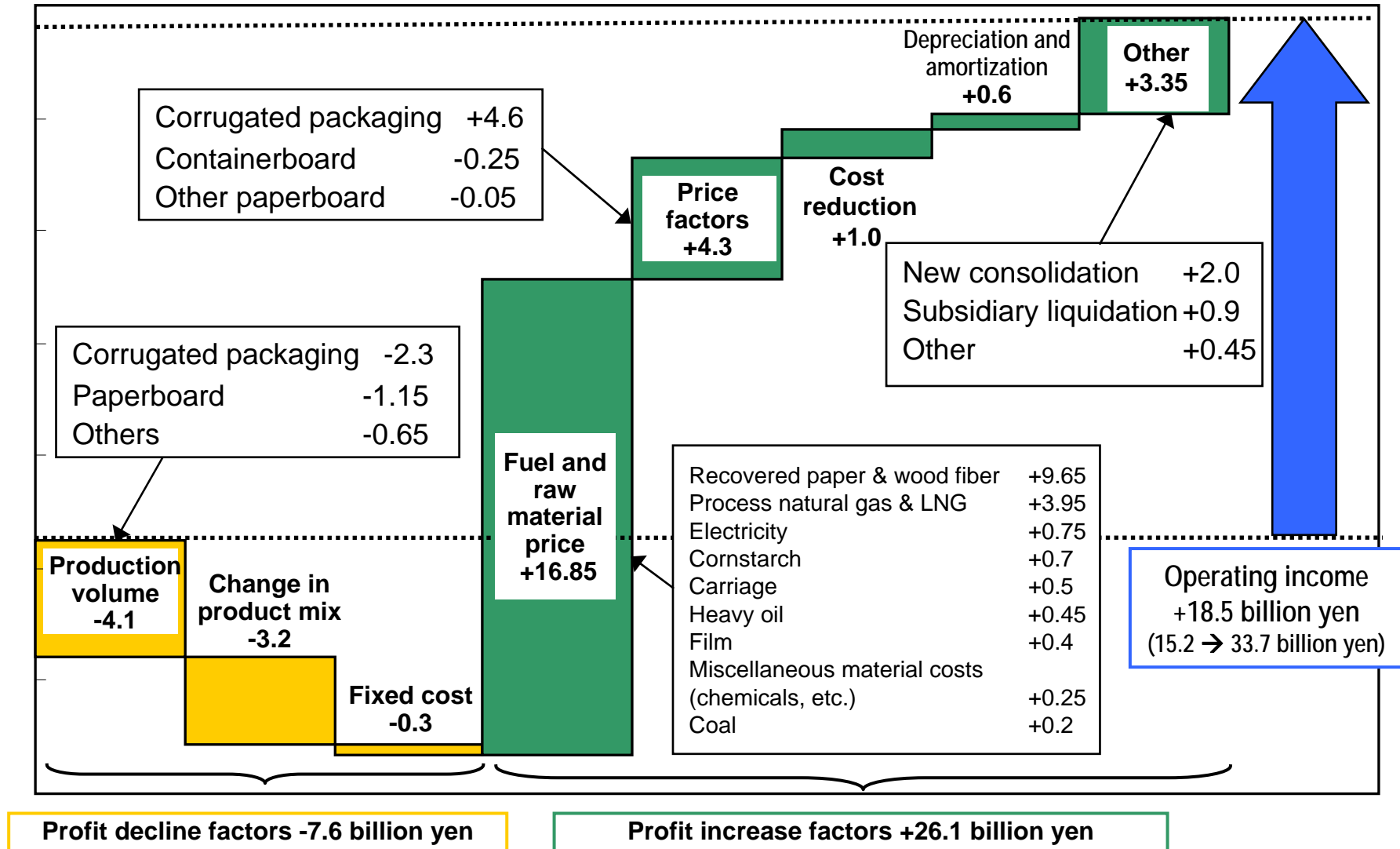
Subsidies and compensation received
1.4 billion yen

Extraordinary losses

Fixed asset advanced depreciation charge 0.9 billion yen
Business reorganization expenses 0.8 billion yen
Loss on retirement and sale of fixed assets 0.6 billion yen

5. Factors Contributing to Change in Consolidated Operating Income (YOY)

(Unit: billion yen)



6. Consolidated Statement of Income (compared with projections)

(Unit: billion yen)

	Projections for FY2009	Results for FY2009	YOY	Difference
Net sales	455.0	457.4	0.5%	2.4
Operating income	31.5	33.7	7.1%	2.2
Ordinary income	29.0	31.4	8.2%	2.4
Extraordinary loss	-2.5	-1.8	-	0.7
Net income	15.0	17.0	13.2%	2.0

Main factors underlying extraordinary gain and loss (FY2009)

Extraordinary gain

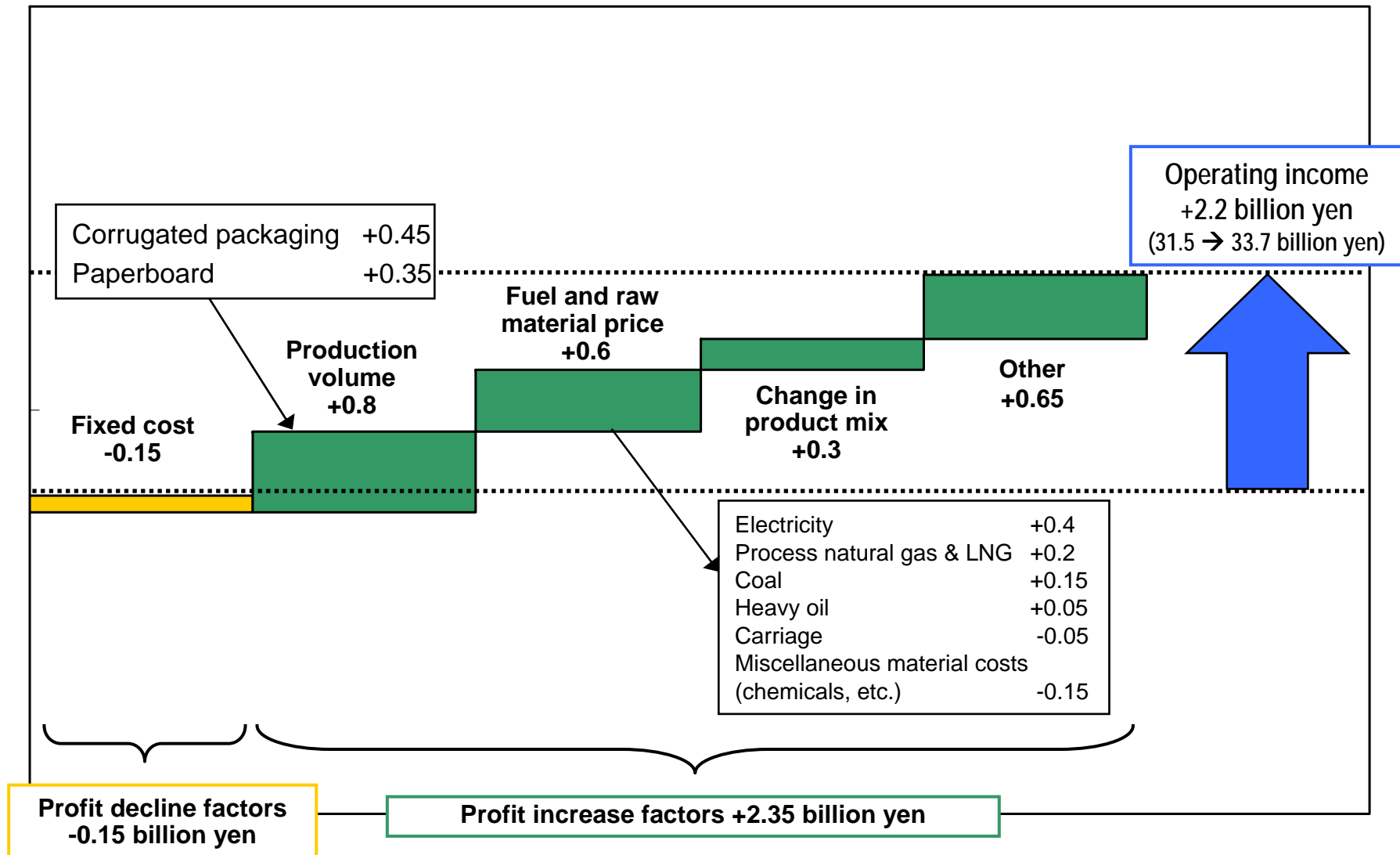
Subsidies and compensation received
1.4 billion yen

Extraordinary losses

Fixed asset advanced depreciation charge	0.9 billion yen
Business reorganization expenses	0.8 billion yen
Loss on retirement and sale of fixed assets	0.6 billion yen

7. Factors Contributing to Change in Consolidated Operating Income (compared with projections)

(Unit: billion yen)



8. Detailed Consolidated Performance (Results for FY2009)

		No. of Companies subject to consolidated accounting ¹		Net sales (billion yen)			Ordinary income (million yen)			Production volume of containerboard (thousand tons)			Production volume of corrugated board (million m ²)		
		Results for FY2008	Results for FY2009	Results for FY2008	Results for FY2009	YOY	Results for FY2008	Results for FY2009	YOY	Results for FY2008	Results for FY2009	YOY	Results for FY2008	Results for FY2009	YOY
1	Rengo (unconsolidated)	1	1	290.1	280.3	- 3.4%	10,501	22,180	111.2%	1,562	1,511	- 3.3%	1,987	1,923	-3.2%
2	Paper manufacturing subsidiaries in Japan	2	2	23.6	22.2	- 6.2%	248	2,326	837.9%	256	238	- 7.0%			
3	Corrugated packaging subsidiaries in Japan	21	26	125.7	135.1	7.4%	2,772	4,807	73.4%				1,407	1,500	6.6%
4	Flexible packaging subsidiaries in Japan	2	3	48.8	65.2	33.7%	1,025	1,847	80.2%						
5	Other subsidiaries	7	4	94.1	77.5	-17.6%	-12	748	—						
Consolidated totals for Japan		33	36	582.4	580.3	- 0.3%	14,534	31,908	119.5%	1,818	1,749	- 3.8%	3,394	3,423	0.9%
6	Overseas corrugated packaging subsidiaries	6	6	10.7	8.6	-19.2%	-167	333	—				205	179	-12.7%
7	Overseas flexible packaging subsidiaries	0	2	—	3.8	—	—	201	—						
8	Companies subject to the equity method	9	8				- 71	- 183	—						
Intersegment elimination				- 146.4	- 135.4	—	-1,281	- 874	—						
Total		48	52	446.7	457.4	2.4%	13,015	31,385	141.1%						

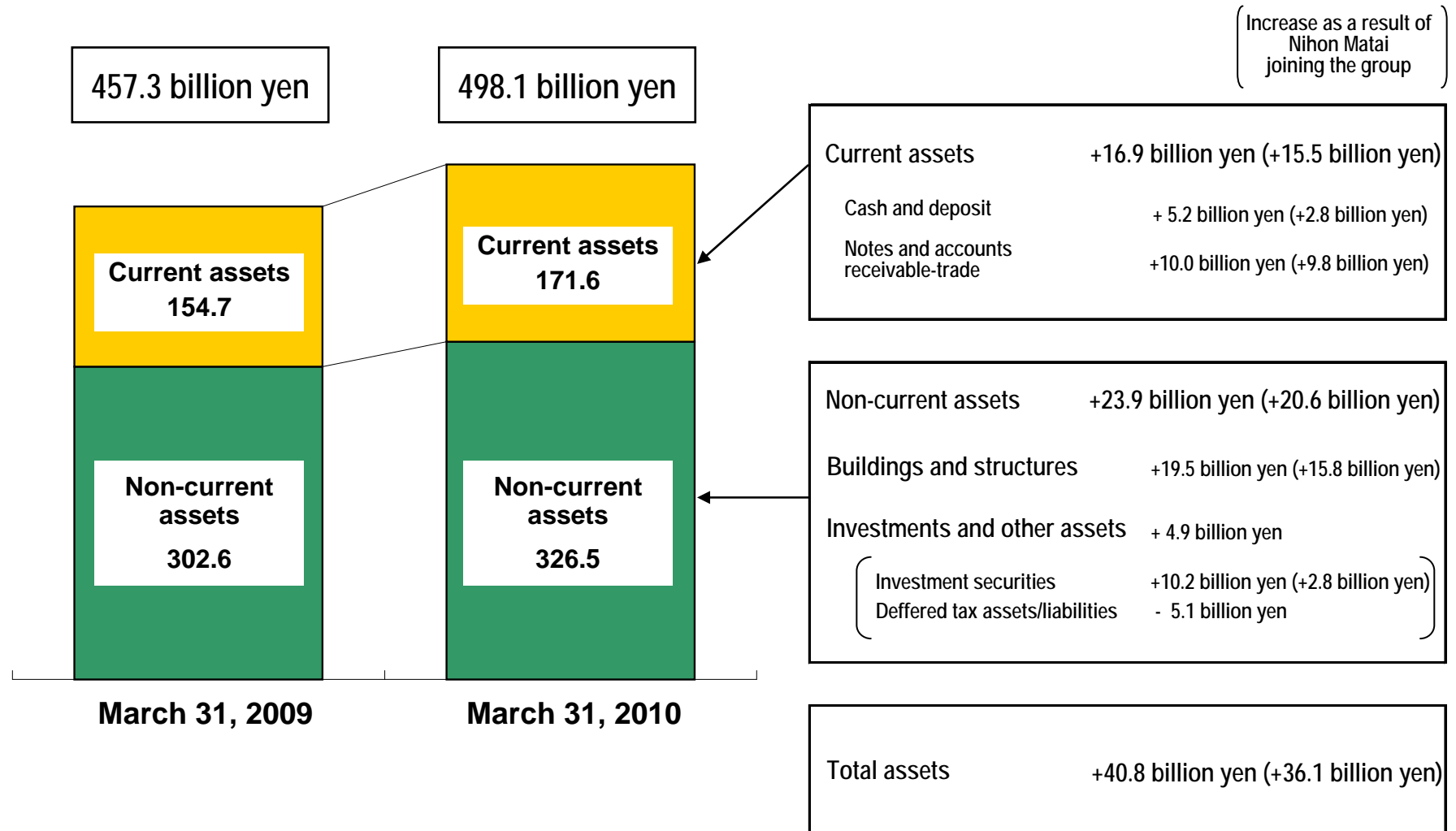
1 million m² = 10.8 million square feet

1. Changes in subsidiaries compared to the prior fiscal year are as follows.

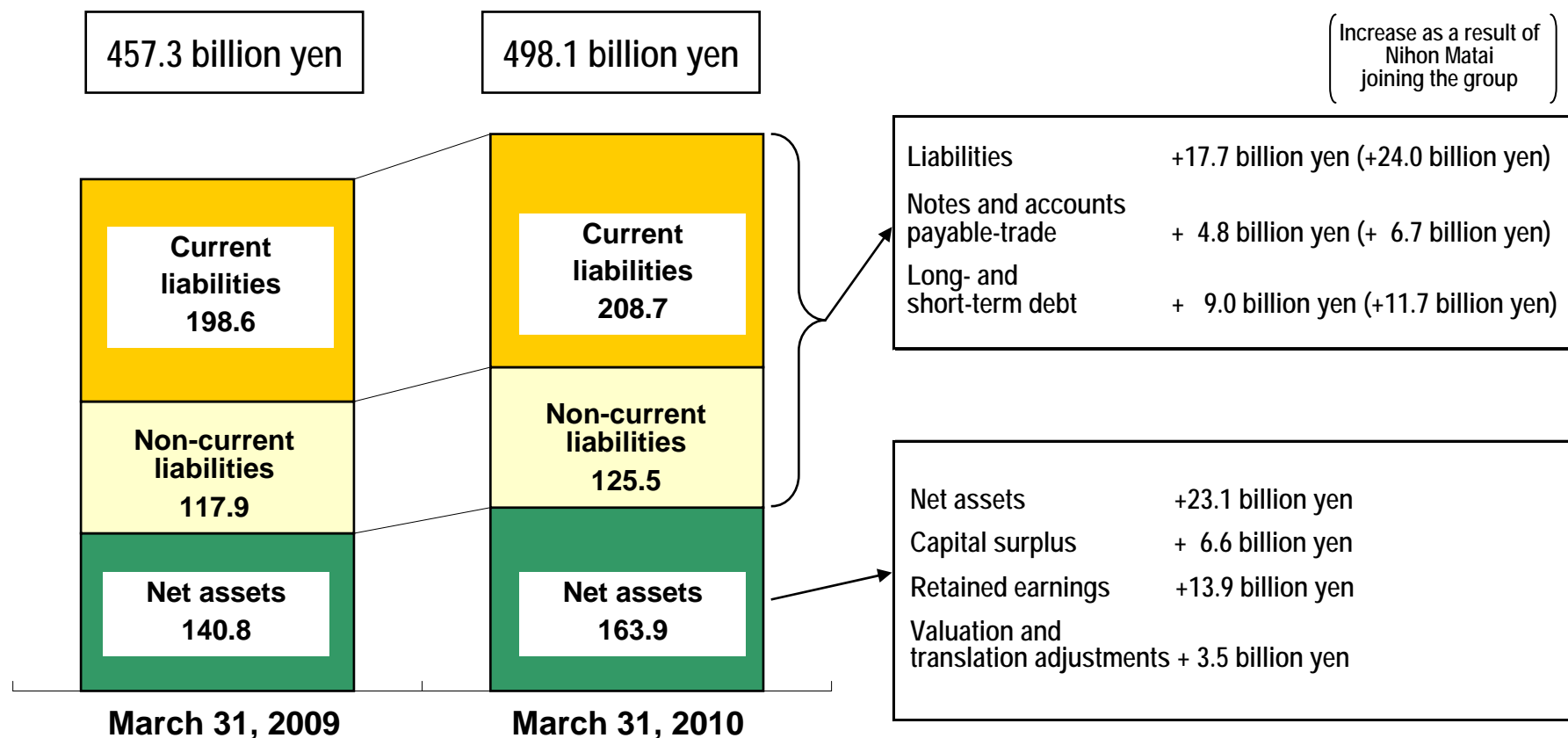
- Kowa Sangyo Co., Ltd., Sankyo Danboru Co., Ltd., Taiko Seikan Co., Ltd., Nihon Matai Co., Ltd., Matai Shiko Co., Ltd., Tohoku Asahi Danboru Co., Ltd., Tachikawa Danboru Kogyo Co., Ltd., Nikko Resin Co., Ltd., Jiangsu Zhongjin Matai Medicinal Packaging Co., Ltd., and Matai (Vietnam) Co., Ltd. became consolidated subsidiaries.
- Daiichi Package Co., Ltd., Shin Jis Grande Co., Ltd., Hamada Printing Press Co., Ltd., Weihai Hamada Printing Press Co., Ltd., and Rengo Service Co., Ltd. were removed from the scope of consolidation.
- Vina Kraft Paper Co., Ltd. was added to those companies subject to the equity method.
- San Miguel Rengo Packaging Corporation and Mindanao Corrugated Fiberboard, Inc. are no longer subject to the equity method.

2. The effective year-on-year comparison excludes the effects from changes concerning subsidiaries.

9. Consolidated Assets



10. Consolidated Liabilities and Net Assets



Change in interest-bearing debt (including discounted bills)

March 31, 2009: 193.7 billion yen

March 31, 2010: 199.5 billion yen, up 5.8 billion yen

(Increase from Nihon Matai joining the group: +12.9 billion yen)

11. Consolidated Statement of Cash Flows

(Unit: billion yen)

	Results for FY2008	Results for FY2009
Cash flow from operating activities	29.3	45.7
Cash flow from investing activities	-18.6	-23.0
Cash flow from financing activities	-7.8	-18.2
Exchange rate changes	-0.1	0.0
Change in cash and cash equivalents	2.7	4.6
Balance of cash and cash equivalents at beginning of fiscal year	6.5	9.6
Change in cash and cash equivalents as a result of changes in consolidation	0.4	0.0
Balance of cash and cash equivalents at end of fiscal year	9.6	14.3
Interest coverage ratio (times)	10.9	15.8

12. Assumptions Concerning Projections for FY2010

The assumptions underlying the calculation of projected financial results are as follows.

Containerboard

Raw materials (recovered paper) costs:	Current levels
Domestic production volume:	1.4% higher than FY2009
Sales prices	Current sales prices

Corrugated packaging

Domestic production volume:	2.2% higher than FY2009
Sales prices	Current sales prices

Notes concerning Projections of Financial Results

The content of the projections of financial results stated in these materials was prepared based on information currently available. The projected values indicated do not constitute a guarantee that future plans will be achieved.

13. Projections of Consolidated Statement of Income for FY2010 (YOY)

(Unit: billion yen)

	Results for FY2009	Projections for FY2010	YOY	Difference
Net sales	457.4	473.0	3.4%	15.6
Operating income	33.7	28.5	-15.5%	-5.2
Ordinary income	31.4	27.0	-14.0%	-4.4
Extraordinary loss	-1.8	-1.5	-	0.3
Net income	17.0	15.0	-11.7%	-2.0

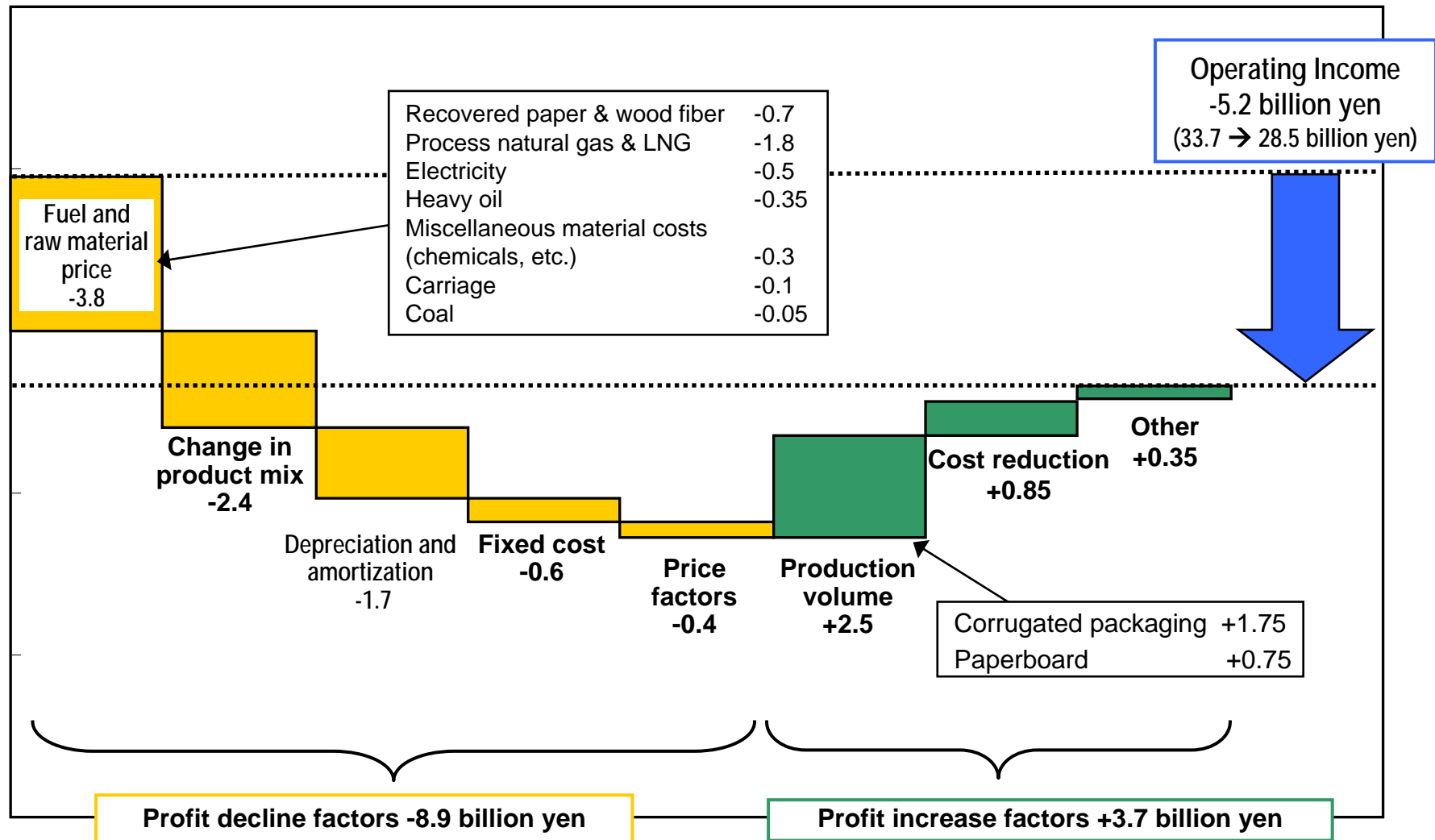
Main factors underlying extraordinary gain and loss (FY2010)

Extraordinary losses

Environmental measures expenses 0.8 billion yen
 Asset retirement obligations reported 0.4 billion yen

14. Factors Contributing to Change in Projected Consolidated Operating Income (YOY)

(Unit: billion yen)



15. Detailed Consolidated Performance (Projections for FY2010)

		No. of Companies subject to consolidated accounting ¹		Net sales (billion yen)			Ordinary income (million yen)			Production volume of containerboard (thousand tons)			Production volume of corrugated board (million m ²)		
		Results for FY2009	Projections for FY2010	Results for FY2009	Projections for FY2010	YOY	Results for FY2009	Projections for FY2010	YOY	Results for FY2009	Projections for FY2010	YOY	Results for FY2009	Projections for FY2010	YOY
1	Rengo (unconsolidated)	1	1	280.3	283.0	0.9%	22,180	18,000	-18.8%	1,511	1,529	1.2%	1,923	1,963	2.1%
2	Paper manufacturing subsidiaries in Japan	2	2	22.2	22.0	-0.7%	2,326	1,824	-21.6%	238	245	2.9%			
3	Corrugated packaging subsidiaries in Japan	26	27	135.1	139.3	3.1%	4,807	4,263	-11.3%				1,500	1,568	4.5%
4	Flexible packaging subsidiaries in Japan	3	3	65.2	71.3	9.3%	1,847	2,014	9.0%						↑
5	Other subsidiaries	4	4	77.5	81.7	5.3%	748	573	-23.4%						Effective year-on-year comparison (subsidiaries in Japan) 2.3% ²
Consolidated totals for Japan		36	37	580.3	597.3	2.9%	31,908	26,674	-16.4%	1,749	1,774	1.4%	3,423	3,531	3.2%
6	Overseas corrugated packaging subsidiaries	6	7	8.6	10.4	20.9%	333	271	-18.6%				179	211	17.9%
7	Overseas flexible packaging subsidiaries	2	2	3.8	5.9	52.2%	201	324	61.2%						↑
8	Companies subject to the equity method	8	8				- 183	226	-						Effective year-on-year comparison (consolidated total for Japan) 2.2% ²
Intersegment elimination				- 135.4	- 140.6	-	- 874	- 495	-						Effective year-on-year comparison (overseas subsidiaries) 9.7% ²
Total		52	54	457.4	473.0	3.4%	31,385	27,000	-14.0%						

- Changes in subsidiaries compared to the prior fiscal year are as follows.
 - Chuo Danboru Co., Ltd. and Dalian Guoli Packaging Co., Ltd. become consolidated subsidiaries.
- The effective year-on-year comparison excludes the effects from changes concerning subsidiaries.

16. Major Financial Indicators

(Unit: million yen)

	Results for FY2008	Results for FY2009	Projections for FY2010
Net sales	446,659	457,386	473,000
Net income	7,831	16,986	15,000
Total assets	457,263	498,137	505,000
Equity capital ¹	136,174	159,384	165,000
Net assets	140,778	163,926	170,000
Interest-bearing debt	193,669	199,508	200,000
Capital expenditures	20,526	29,363	31,000
Depreciation and amortization	24,337	25,222	27,000
Return on equity (ROE) ²	5.6%	11.5%	9.2%
Total shareholders' equity to total assets ³	29.8%	32.0%	32.7%
EBITDA ⁴	39,550	58,948	55,500
D/E ratio ⁵	1.4	1.3	1.2
Ratio of net sales to interest-bearing debt ⁶	43.4%	43.6%	42.3%
Recurring profit margin	2.9%	6.9%	5.7%

1. Equity capital = Net assets – Minority interests

2. Return on equity (ROE) = Net income/average equity capital during the fiscal year × 100 (%)

3. Capital adequacy ratio = Equity capital at end of year/total assets at end of year × 100 (%)

4. EBITDA = Operating income + depreciation expenses

5. D/E ratio = Interest-bearing debt/Equity capital (times)

6. Ratio of net sales to interest-bearing debt = Interest-bearing debt/Net sales × 100 (%)

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