

2Q FY2023 (Apr.-Sept. 2023)

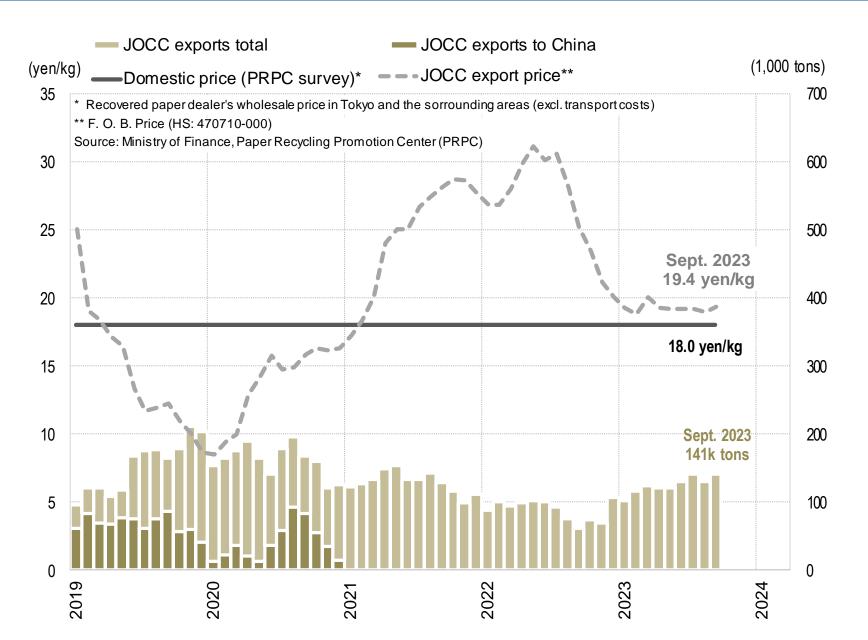
Earnings Presentation

November 8, 2023



Cor	ntents
1	Trends in Old Corrugated Containers (OCC)
2	Trends in Containerboard and Corrugated Board
3	Consolidated Operating Results (YOY)
4	Breakdown of Changes in Consolidated Operating Profit (YOY)
5	Consolidated Performance Results at a Glance (YOY)
6	Consolidated Balance Sheet
7	Consolidated Statement of Cash Flow
8	Consolidated Financial Forecast for FY2023 (YOY)
9	Major Financial Indicators

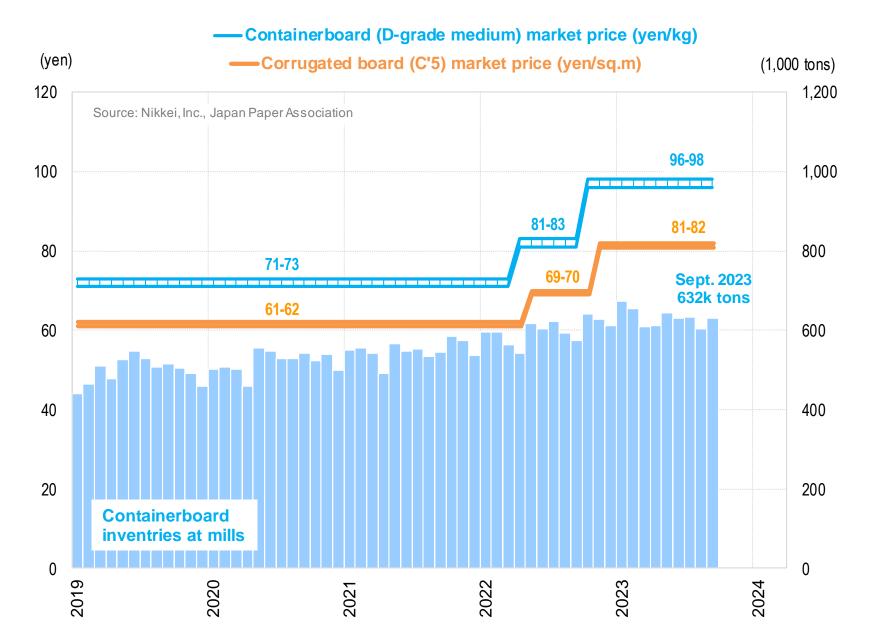






Corrugated Board

The General Packaging Industry





(Year-on-year)

The General Packaging Industry

			()	billion yen)
	AprSept.	AprSept.		
	2022	2023	YoY	Diff.
Net sales	413.5	452.9	109.5%	39.4
Operating profit	15.5	25.7	165.3%	10.2
Ordinary profit	17.8	27.5	153.9%	9.7
Extraordinary gain and loss	0.4	-0.2	-	-0.6
Profit attributable to owners of parent	12.0	18.4	152.9%	6.4

Main factors underlying extraordinary gain and loss

(billion yen)

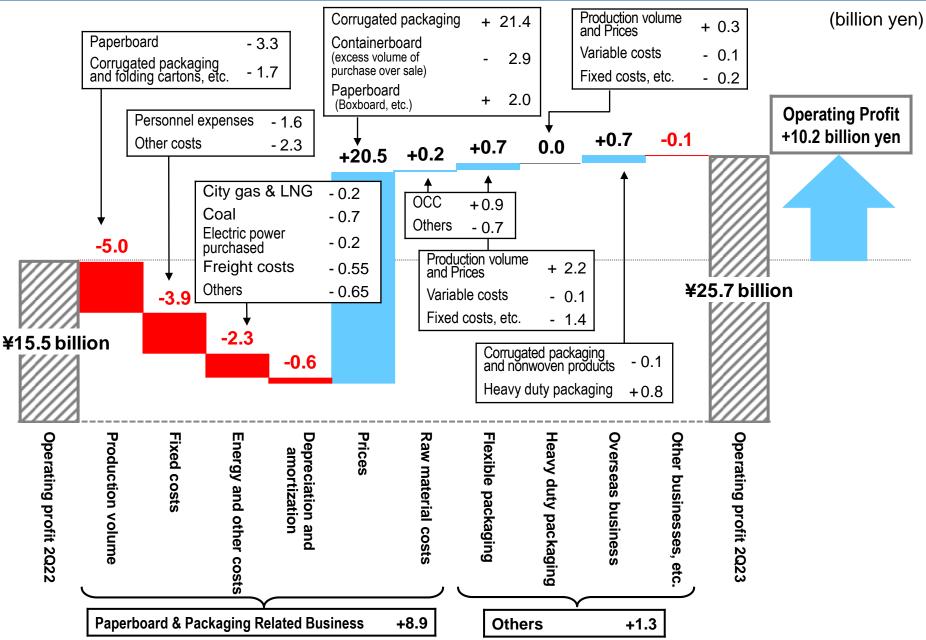
	AprSept.
	2022
(Extraordinary gain)	
Compensation income	3.3
Gain on sales of investment securities	0.8
(Extraordinary loss)	
Loss on reduction of noncurrent assets	2.0
Impairment loss	0.5
Loss on disaster	0.4

(DI	llion yen)
	AprSept.
	2023
(Extraordinary gain)	
Gain on sales of noncurrent assets	0.2
Insurance income	0.2
(Extraordinary loss)	
Loss on sales/retirement of noncurrent assets	0.5



4. Breakdown of Changes in Consolidated Operating Profit (Year-on-year) The

The General Packaging Industry





5. Consolidated Performance Results at a Glance

(Year-on-year)

The General Packaging Industry

			Numb comp		Net	t sales (bi	llion yen)	Ordina	ary profit	(million	yen)		rboard proc 1,000 MT)	luction	•	d board pro illion sqm.)	
			2Q22	2Q23	2Q22	2Q23	YoY %	Diff.	2Q22	2Q23	YoY %	Diff.	2Q22	2Q23	YoY %	2Q22	2Q23	YoY %
	1	Rengo (unconsolidated)	1	1	170.6	183.7	107.7	13.1	9,608	17,273	179.8	7,665	952	881	92.5	1,100	1,042	94.7
	2	Paper manufacturing subsidiaries	3	3	22.8	25.1	109.8	2.3	1,261	2,115	167.7	854	217	223	102.8			
	3	Paperboard packaging subsidiaries	36	37	115.8	126.1	108.9	10.3	2,395	3,954	165.1	1,559				1,106	1,086	98.2
	4	Flexible packaging subsidiaries	5	4	54.5	58.0	106.3	3.5	2,506	2,329	92.9	-177						
	5	Heavy duty packaging subsidiaries	3	3	25.5	25.3	99.1	-0.2	1,219	1,412	115.8	193						
	6	Other subsidiaries	5	5	92.9	97.2	104.6	4.3	1,240	921	74.3	-319						
D	ome	stic total (1 to 6)	53	53	482.1	515.3	106.9	33.2	18,229	28,004	153.6	9,775	1,169	1,104	94.4	2,205	2,128	96.5
	7	Paperboard packaging & nonwoven products Subs.	9	9	12.8	11.5	89.5	-1.3	214	-82	-	-296				121	117	96.7
	8	Flexible packaging subsidiaries	6	6	14.0	15.9	113.7	1.9	1,245	1,391	111.7	146						
	9	Heavy duty packaging subsidiaries	106	119	68.1	89.6	131.6	21.5	4,245	6,109	143.9	1,864						
0	vers	eas total (7 to 9)	121	134	94.9	117.0	123.3	22.1	5,704	7,418	130.0	1,714	-	-	-	121	117	96.7
S	imply	aggregated (1 to 9)			577.0	632.2	109.6	55.2	23,933	35,422	148.0	11,489						
Γ	10	Companies subject to the equity method	16	17					797	1,162	145.8	365						
	11	Intersegment eliminations			-163.5	-179.4	-	-15.9	-6,881	-9,123	-	-2,242						
Т	otal (1 to 11)	190	204	413.5	452.9	109.5	39.4	17,849	27,461	153.9	9,612	1,169	1,104	94.4	2,327	2,245	96.5

* Changes in subsidiaries and affiliates compared to the prior year are as follows.

- One company increased in the domestic paperboard packaging subsidiaries (Nitto Danboru Co., Ltd.).

- One company decreased in the domestic flexible packaging subsidiaries (Converting Technologies Co., Ltd.).

- 13 companies increased in the overseas heavy duty packaging subsidiaries (Rengo Europe GmbH, TRICOR Packaging Systems GmbH, and other 11 companies).

- One company, an affiliate in the Tri-Wall Group, increased in the companies subject to the equity method.



Ass	sets			Liabilities 8	Net Assets	(bill	ion yen)
4 052 4	1,131.8			4 052 4	1,131.8		
1,053.1		Current assets	+44.4	1,053.1		Liabilities	+39.0
	Current	Cash and deposits Notes and accounts	+13.8		Current Liabilities	Notes and accounts payable-trade	+ 6.8
Current Assets	Assets 457.9	receivable-trade	+33.1	Current Liabilities 368.2	376.3	Long-term and short-term loans payable	+20.9
413.5				300.2		Income taxes payable	+ 4.5
		Non-current assets	+34.3		Noncurrent		
		Property, plant and equipment	+16.4	Noncurrent Liabilities 299.2	Liabilities 330.1		
Noncurrent	Noncurrent	Intangible assets	+ 1.4			Net assets	+39.7
Assets	Assets 673.9	Investments and other assets (Investment securities	+16.5 +15.1)			Retained earnings	+15.4
639.6	010.0	(+13.1)	Net Assets 385.7	Net Assets 425.4	Valuation difference on available-for-sale securities	+ 7.6
		Total assets	+78.7			Foreign currency translation adjustment	+16.2
Mar 24 2022	Sant 20 2022			Mar 24 2022	Samt 20 2022		

Mar. 31, 2023

Sept. 30, 2023

Mar. 31, 2023 Sept. 30, 2023

	Mar. 31, 2023	Sept. 30, 2023	
Interest-bearing debt	¥404.3 bn	¥426.6 bn	(+22.3 billion yen)
Shareholders' Equity ratio	35.4 %	36.4 %	(+1.0 pts)
D/E Ratio	1.08 times	1.04 times	(-0.04 pts)



(billion yen) 90				(bill	ion yen)
			AprSept. 2022	AprSept. 2023	Diff.
		(1) Net cash provided by (used in) operating activities	22.1	29.9	7.8
		(2) Net cash provided by (used in) investing activities	-34.9	-30.4	4.5
	29.9	(3) Free cash flow (1) + (2)	-12.8	-0.5	12.3
30					
/22.1//		(4) Net cash provided by (used in) financing activities	1.7	12.3	10.6
1.7	12.3	(5) Exchange rate changes	3.3	2.1	-1.2
	-0.5	(6) Change in cash and cash equivalents $(3) + (4) + (5)$	-7.8	13.9	21.7
-12.8	00.4	(7) Cash and cash equivalents at beginning of period	57.8	70.9	13.1
-30 -34.9	-30.4	(8) Increase/decrease due to change in scope of consolidation	5.2	0.1	-5.1
		(9) Cash and cash equivalents at end of period $(6) + (7) + (8)$	55.2	84.9	29.7
-90 AprSept. A 2022	AprSept. 2023	 (1) Net cash provided by (used in) operating activitie (2) Net cash provided by (used in) investing activitie (4) Net cash provided by (used in) financing activitie (3) Free cash flow 	S		



for FY2023 (Year-on-year)

The General Packaging Industry

(billion yen)

	2Q23 Forecast	2Q23 Results	YoY	FY2023 Forecast	YoY	Diff.
Net sales	470.0	452.9	-17.1	930.0	109.9%	83.9
Operating profit	26.0	25.7	-0.3	47.0	181.1%	21.0
Ordinary profit	27.0	27.5	0.5	49.0	170.8%	20.3
Profit attributable to owners of parent	17.0	18.4	1.4	32.0	156.7%	11.6



			(million yen)
		FY2022	2Q23	
(1) Net sales		846,080	452,874	
(2) Operating profit		25,957	25,675	
(3) Ordinary profit		28,682	27,461	
(4) Profit attributable to owners of parent		20,425	18,409	
(5) Total assets		1,053,138	1,131,787	
(6) Total shareholders' equity ^{*1}		372,795	411,636	
(7) Net assets		385,732	425,350	
(8) Interest-bearing debt		404,289	426,578	
(9) Capital expenditures		58,694	31,495	
(10) Depreciation and amortization		44,848	23,442	
*1 Total shareholders' equity = Net assets - non-controlling	interests			
(11) Return on equity (ROE) ^{*2}	%	5.7	-	(4) / (6)
(12) Shareholders' Equity ratio	%	35.4	36.4	(6) / (5)
(13) EBITDA milli	ion yen	73,560	-	(2)+(10)+Amortization of go
(14) D/E Ratio t	times	1.08	1.04	(8) / (6)
(15) Ratio of net sales to interest-bearing debt	%	47.8	-	(8) / (1)
(16) Ordinary profit margin	%	3.4	6.1	(3) / (1)
*2 Calculated with the average of equity at the beginning	and the	end of the year		
Cash dividends applicable to the period	yen	24	12	Annual plan for FY2023: 24

The description of the business plan and the financial forecasts is based on the information currently available. Any forward-looking information is not a guarantee of future performance.



Finance and Investor Relations Department

Email: ir@rengo.co.jp

https://www.rengo.co.jp/english/