

Consolidated Financial Results

3Q FY2022 (Apr.-Dec. 2022)

February 7, 2023

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1. Consolidated Operating Results

(Year-on-year)

(billion yen)

	Apr.-Dec. 2021	Apr.-Dec. 2022	YoY	Diff.
Net sales	558.9	645.3	115.5%	86.4
Operating profit	29.7	23.6	79.5%	-6.1
Ordinary profit	32.6	26.0	79.9%	-6.6
Extraordinary gain and loss	4.7	-0.1	-	-4.8
Profit attributable to owners of parent	25.9	17.5	67.5%	-8.4

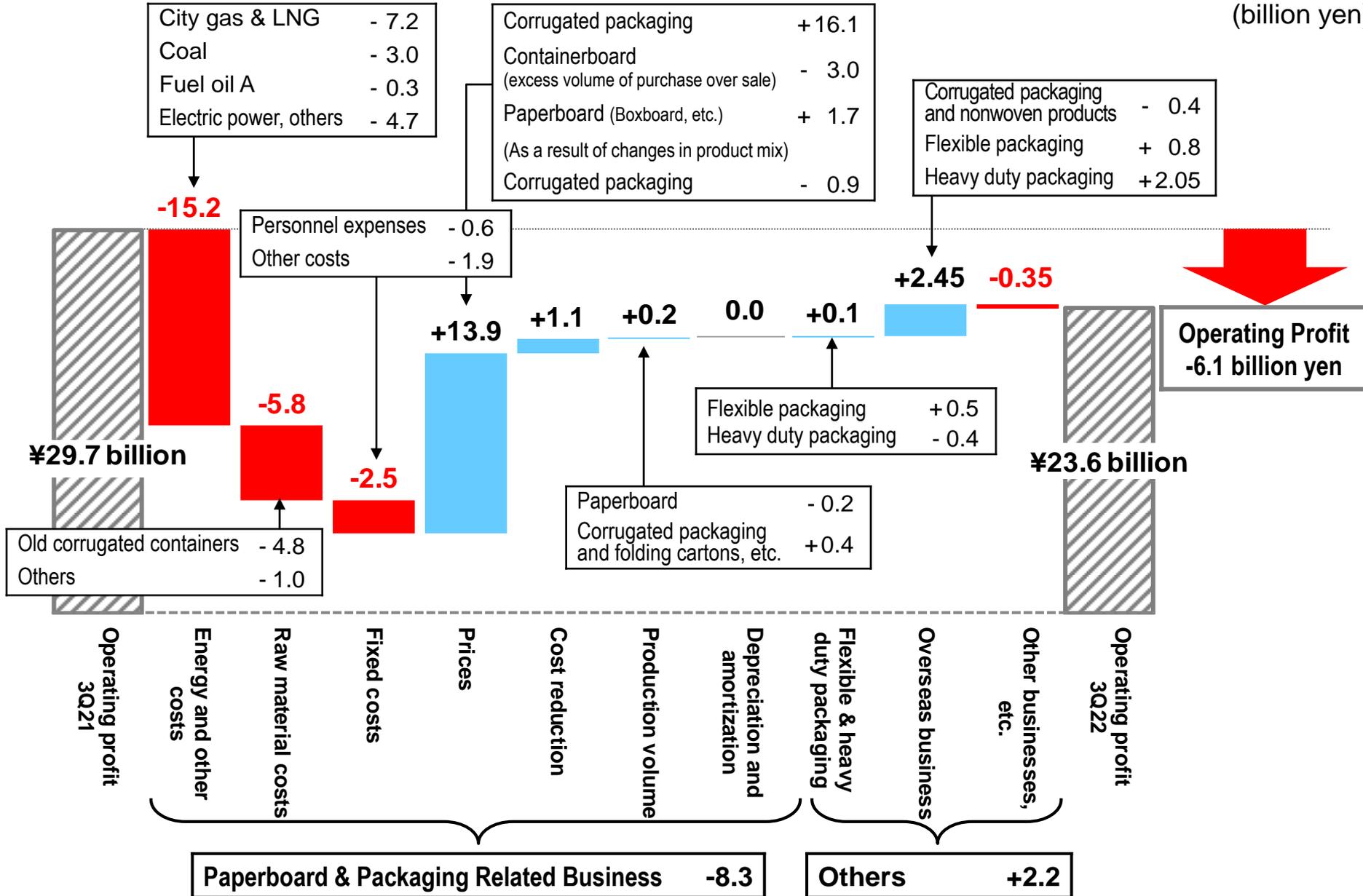
Main factors underlying extraordinary gain and loss

(billion yen)

	Apr.-Dec. 2021		Apr.-Dec. 2022
(Extraordinary gain)		(Extraordinary gain)	
Gain on sales of noncurrent assets	4.5	Compensation income	3.3
Gain on sales of investment securities	1.7	Gain on sales of investment securities	0.8
(Extraordinary loss)		(Extraordinary loss)	
Loss on sales of investment securities	0.6	Loss on reduction of noncurrent assets	2.0
Loss on sales/retirement of noncurrent assets	0.4	Impairment loss	0.5
Environmental expenses	0.3	Loss on sales/retirement of noncurrent assets	0.5
COVID-19 related expenses	0.2	Loss on disaster	0.5

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

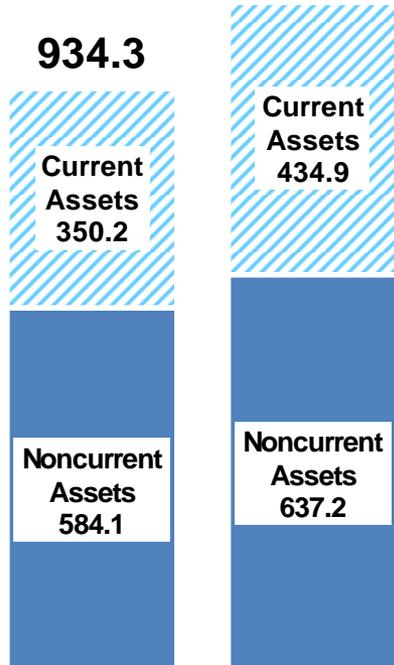
(billion yen)



3. Consolidated Balance Sheet

Assets

1,072.1



Current assets	+ 84.7
Cash and deposits	+ 9.3
Notes and accounts receivable-trade	+ 50.0
Inventories	+ 22.3

Non-current assets	+ 53.1
Property, plant and equipment	+ 33.3
Intangible assets	+ 18.1
Investments and other assets (Investment securities)	+ 1.7 - 2.6

Total assets **+137.8**

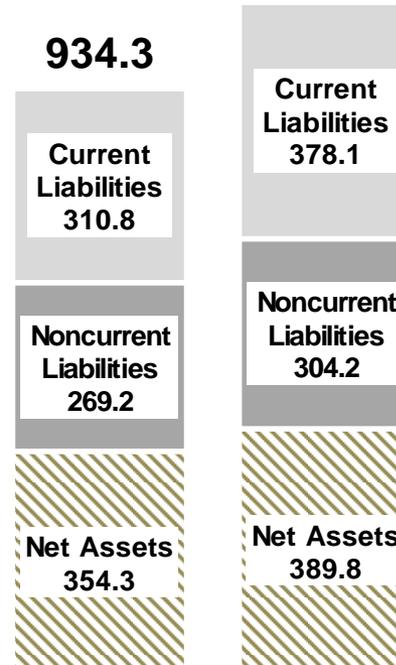
Mar. 31, 2022

Dec. 31, 2022

Liabilities & Net Assets

(billion yen)

1,072.1



Liabilities	+102.3
Notes and accounts payable-trade	+ 28.5
Long-term and short-term loans payable	+ 47.8
Current portion of bonds payable	+ 5.1
Accrued expenses	+ 4.1

Net assets	+ 35.5
Retained earnings	+ 11.5
Foreign currency translation adjustment	+ 23.0

Mar. 31, 2022

Dec. 31, 2022

	Mar. 31, 2022	Dec. 31, 2022	
Interest-bearing debt	¥353.4 bn	¥412.2 bn	(+58.8 billion yen)
Shareholders' Equity ratio	36.6 %	35.1 %	(-1.5 pts)
D/E Ratio	1.03 times	1.09 times	(+0.06 pts)

4. Consolidated Performance Results at a Glance (Year-on-year)

		Number of companies*		Net sales (billion yen)				Ordinary profit (million yen)				Containerboard production (1,000 MT)			Corrugated board production (million sqm.)		
		3Q21	3Q22	3Q21	3Q22	YoY %	Diff.	3Q21	3Q22	YoY %	Diff.	3Q21	3Q22	YoY %	3Q21	3Q22	YoY %
1	Rengo (unconsolidated)	1	1	241.4	263.7	109.2	22.3	17,655	15,237	86.3	-2,418	1,432	1,425	99.5	1,612	1,640	101.7
2	Paper manufacturing subsidiaries	3	3	26.3	36.5	138.6	10.2	3,150	3,254	103.3	104	332	330	99.4			
3	Paperboard packaging subsidiaries	35	36	169.3	179.5	106.0	10.2	5,250	-701	-	-5,951				1,717	1,696	98.8
4	Flexible packaging subsidiaries	2	4	65.2	83.8	128.7	18.6	1,776	3,220	181.3	1,444						
5	Heavy duty packaging subsidiaries	3	3	36.0	38.4	106.7	2.4	2,088	1,591	76.2	-497						
6	Other subsidiaries	5	5	118.2	146.8	124.3	28.6	2,106	1,847	87.7	-259						
Domestic total (1 to 6)		49	52	656.4	748.7	114.1	92.3	32,025	24,448	76.3	-7,577	1,764	1,756	99.5	3,329	3,336	100.2
7	Paperboard packaging & nonwoven products Subs.	9	9	18.2	20.0	110.2	1.8	528	391	74.1	-137				224	184	82.1
8	Flexible packaging subsidiaries	3	6	11.0	22.7	206.5	11.7	890	1,669	187.5	779						
9	Heavy duty packaging subsidiaries	106	117	77.4	117.5	151.8	40.1	4,796	7,499	156.4	2,703						
Overseas total (7 to 9)		118	132	106.5	160.2	150.4	53.7	6,214	9,559	153.8	3,345	-	-	-	224	184	82.1
Simply aggregated (1 to 9)				762.9	908.9	119.1	146.0	38,239	34,007	88.9	-4,232						
10	Companies subject to the equity method	16	17					1,945	1,221	62.8	-724						
11	Intersegment eliminations			-204.0	-263.6	-	-59.6	-7,625	-9,211	-	-1,586						
Total (1 to 11)		183	201	558.9	645.3	115.5	86.4	32,559	26,017	79.9	-6,542	1,764	1,756	99.5	3,554	3,520	99.0

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

- One company increased in the domestic paperboard packaging subsidiaries (Hiropax Co., Ltd.).
- Two companies increased in the domestic flexible packaging subsidiaries (Takigawa Corporation Japan, which merged a flexible packaging subsidiary Converting Technologies Co., Ltd. into itself on Oct. 1 2022, and Nissio Gravure Co., Ltd.).
- Three companies increased in the overseas flexible packaging subsidiaries (Takigawa Corporation Singapore Pte. Ltd., Takigawa Corporation America and Takigawa Corporation Vietnam).
- Eleven companies increased in the overseas heavy duty packaging subsidiaries (Rengo Europe GmbH and Tri-Wall Group subsidiaries including TRICOR Packaging Systems GmbH).
- One company, an affiliate in the Tri-Wall Group, increased in the companies subject to the equity method.

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.



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