

FY2022 (Apr. 2022-Mar. 2023)

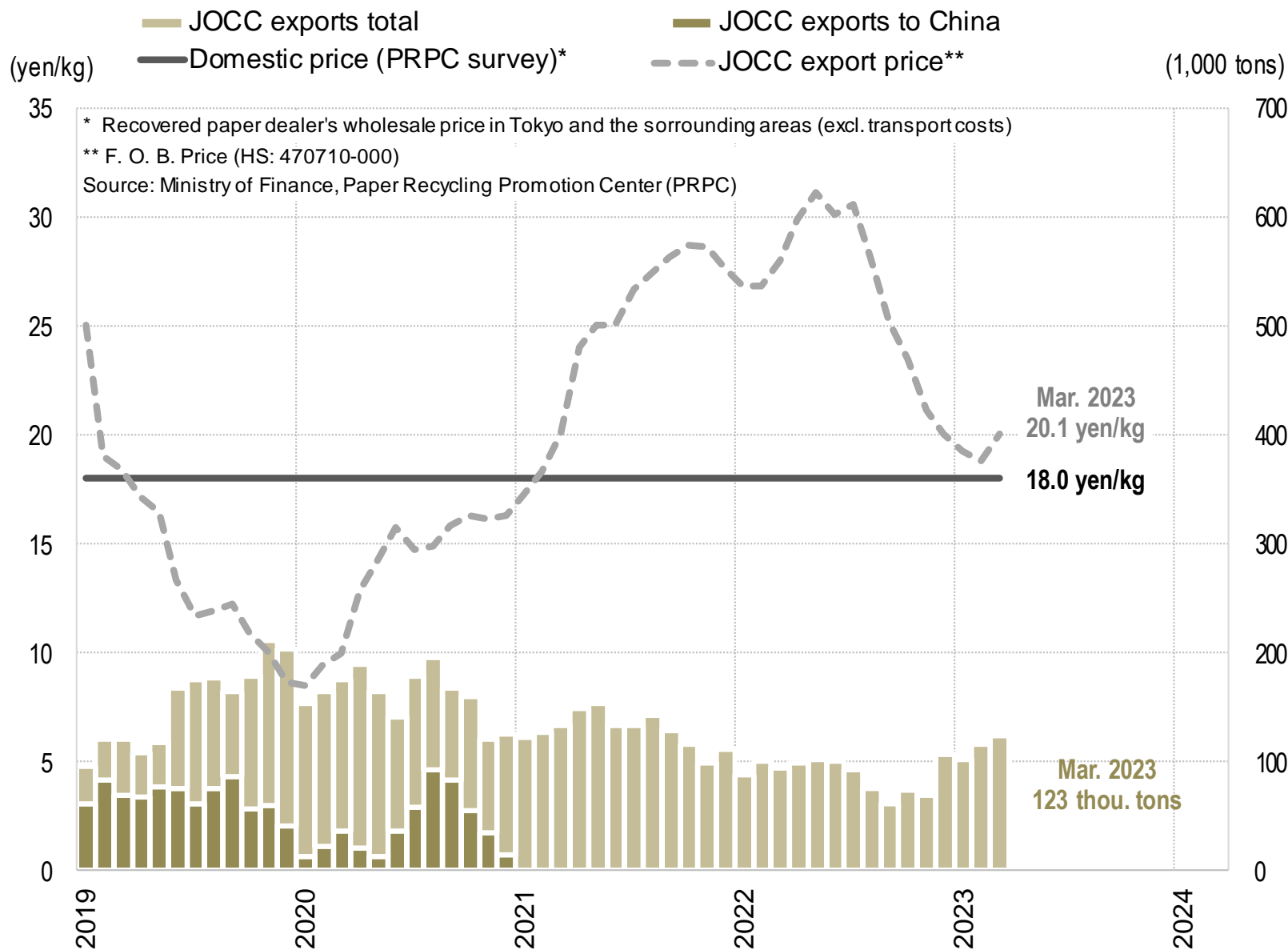
Earnings Presentation

May 16, 2023

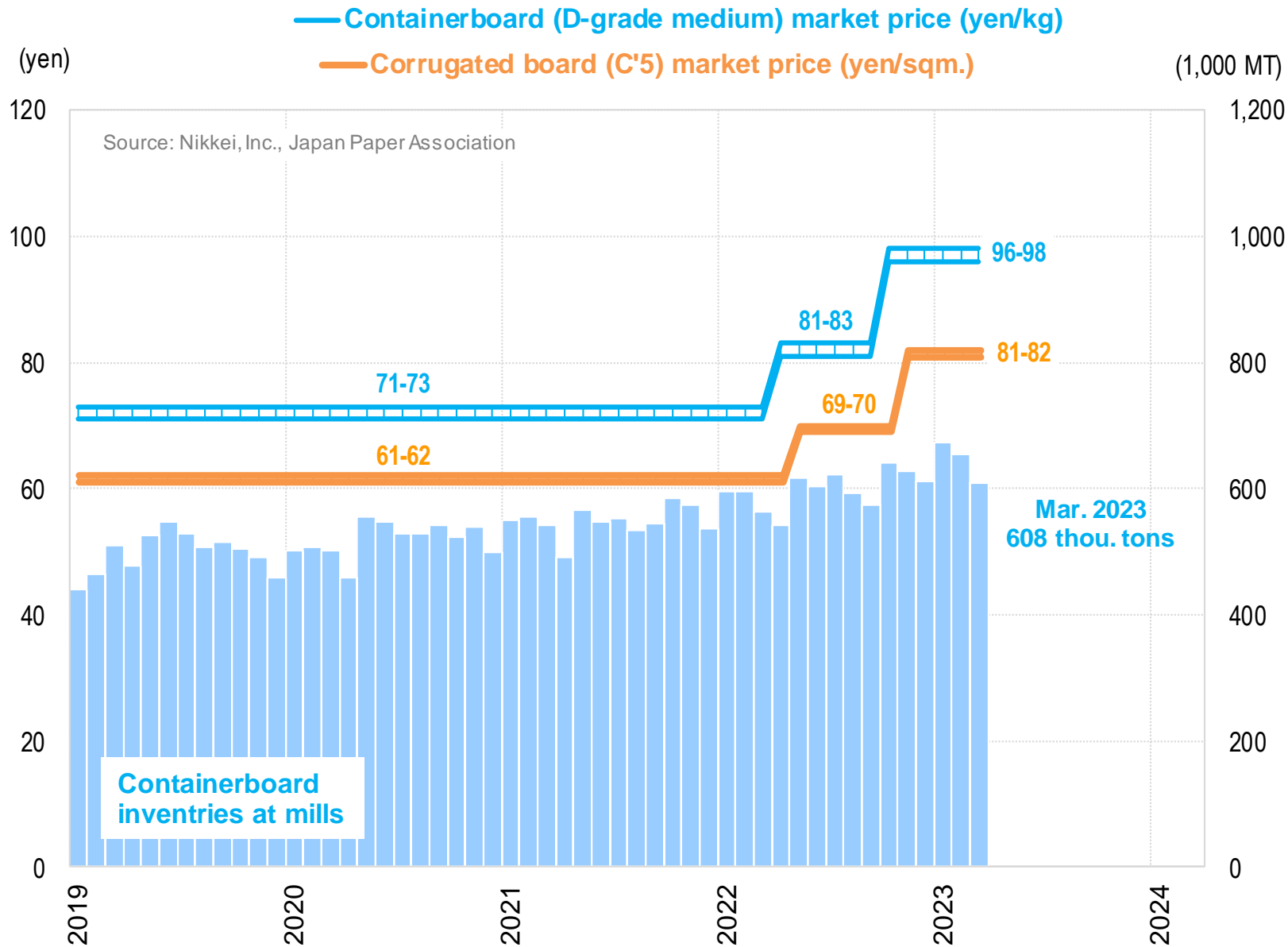
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1. Trends in Old Corrugated Containers (OCC)



2. Trends in Containerboard and Corrugated Board



3. Rengo Group's Measures in FY2022

| | | Topics | Release date |
|-------------------------------------|----------------------|--|----------------|
| Capital Investments, Establishments | Paperboard | Rengo installs new biomass boiler for power generation at Tonegawa Division | July 2022 |
| | Corrugated Packaging | Rengo announces construction of Ehime Toon Plant (Toon-shi, Ehime Pref.) to relocate Matsuyama Plant (Matsuyama-shi, Ehime Pref.) | October 2022 |
| | Overseas | Rengo establishes a wholly-owned subsidiary (Rengo Europe GmbH) in Germany | May 2022 |
| | | Tri-Wall establishes Action Wood Solutions, LLC of a heavy duty packaging materials manufacturer in the United States | August 2022 |
| M & A | Corrugated Packaging | Rengo acquires Marufuku Co., Ltd. (HQ: Hakusan-shi, Ishikawa Pref.) | September 2022 |
| | | Rengo acquires Nitto Danboru Co., Ltd. (HQ: Okegawa-shi, Saitama Pref.) | February 2023 |
| | Overseas | Rengo acquires THIMM Packaging Systems GmbH & Co.KG (current TRICOR Packaging Systems GmbH), a heavy duty packaging manufacturer in Germany, through Rengo Europe GmbH and TRICOR Packaging & Logistics AG | May 2022 |
| | | Tri-Wall acquires Corrugated Case Holdings Limited, a heavy duty packaging manufacturer in Germany, through its subsidiary | August 2022 |
| | Machinery | Rengo invests in FCL Co., Ltd. (HQ: Nagakute-shi, Aichi Pref.) | June 2022 |

4. Consolidated Operating Results (Year-on-year)

(billion yen)

| | FY2021 | FY2022 | YoY | Diff. | | FY2022 forecasted* | A/F | Diff. |
|--|--------|--------|--------|-------|--|-----------------------|--------|-------|
| Net sales | 746.9 | 846.1 | 113.3% | 99.2 | | 845.0 | 100.1% | 1.1 |
| Operating profit | 33.3 | 26.0 | 78.0% | -7.3 | | 25.5 | 101.8% | 0.5 |
| Ordinary profit | 36.6 | 28.7 | 78.3% | -7.9 | | 28.5 | 100.6% | 0.2 |
| Extraordinary gain and loss | 4.8 | 2.2 | 45.4% | -2.6 | | - | - | - |
| Profit attributable to owners of parent | 28.2 | 20.4 | 72.5% | -7.8 | | 20.0 | 102.1% | 0.4 |

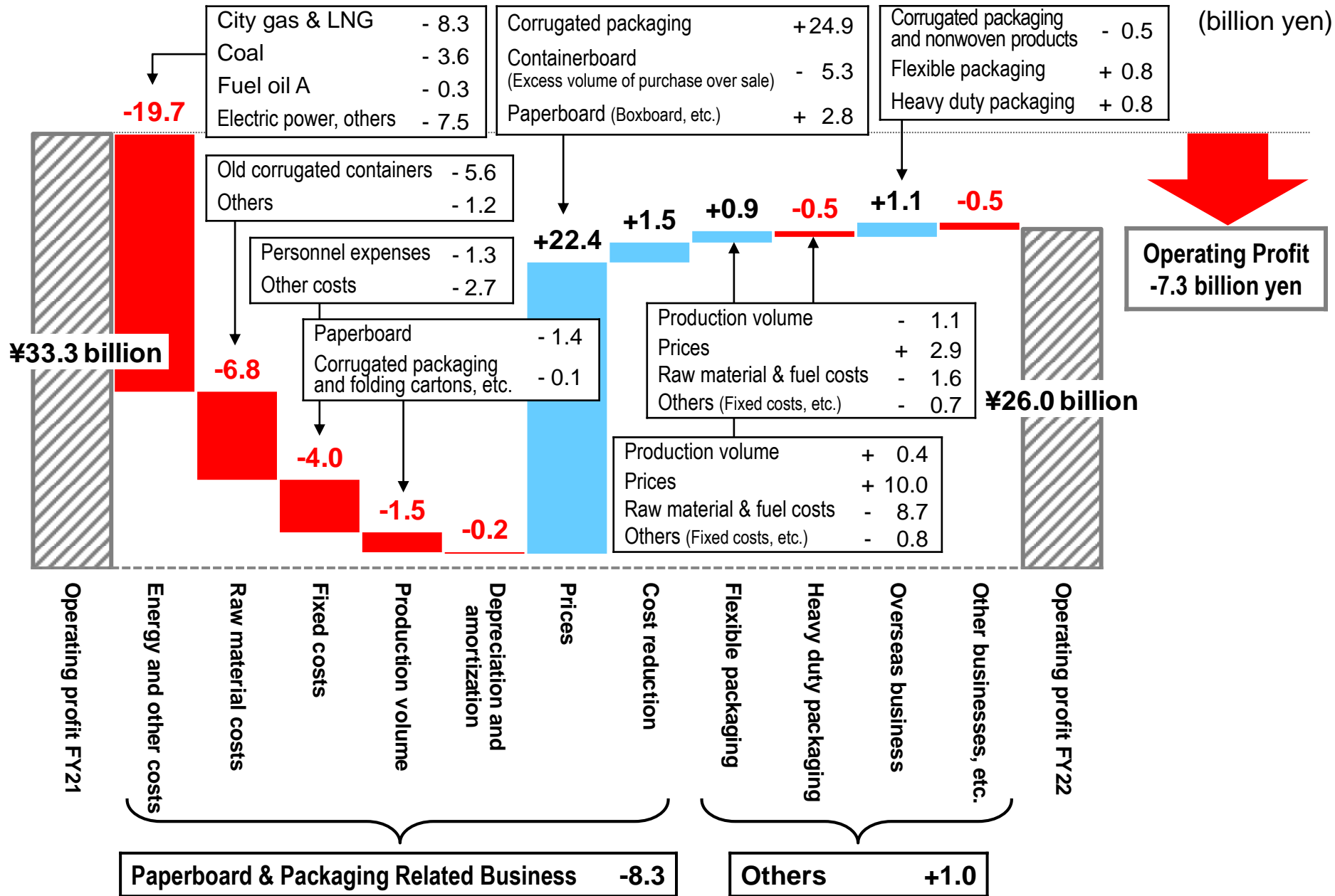
*Disclosed on April 28, 2023

Main factors underlying extraordinary gain and loss

(billion yen)

| | FY2021 | | FY2022 |
|---|--------|---|--------|
| (Extraordinary gain) | | (Extraordinary gain) | |
| Gain on sales of noncurrent assets | 4.6 | Compensation income | 3.3 |
| Gain on sales of investment securities | 2.2 | Gain on sales of noncurrent assets | 3.1 |
| Insurance income | 1.1 | Gain on sales of investment securities | 0.8 |
| Subsidy income | 0.9 | | |
| (Extraordinary loss) | | (Extraordinary loss) | |
| Loss on reduction of noncurrent assets | 0.9 | Loss on reduction of noncurrent assets | 2.0 |
| Loss on disaster | 0.7 | Loss on sales/retirement of noncurrent assets | 0.9 |
| Loss on sales of investment securities | 0.6 | Plant renewal expenses | 0.7 |
| Loss on sales/retirement of noncurrent assets | 0.6 | Loss on disaster | 0.6 |
| COVID-19 related expenses | 0.3 | | |

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



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

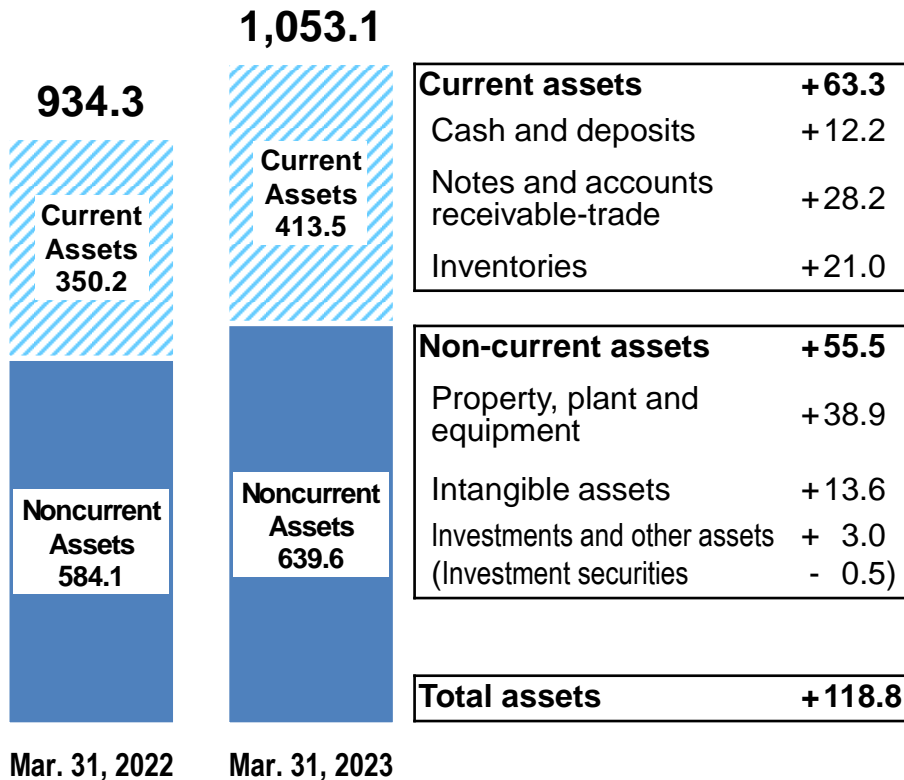
| | | Number of companies* | | Net sales (billion yen) | | | | Ordinary profit (million yen) | | | | Containerboard production (1,000 MT) | | | Corrugated board production (million sqm.) | | |
|-----------------------------------|--|----------------------|------------|-------------------------|----------------|--------------|--------------|-------------------------------|---------------|--------------|---------------|--------------------------------------|--------------|-------------|--|--------------|-------------|
| | | FY21 | FY22 | FY21 | FY22 | YoY % | Diff. | FY21 | FY22 | YoY % | Diff. | FY21 | FY22 | YoY % | FY21 | FY22 | YoY % |
| 1 | Rengo (unconsolidated) | 1 | 1 | 317.9 | 344.1 | 108.2 | 26.2 | 18,509 | 13,021 | 70.3 | -5,488 | 1,905 | 1,840 | 96.6 | 2,098 | 2,116 | 100.9 |
| 2 | Paper manufacturing subsidiaries | 3 | 3 | 35.8 | 47.2 | 131.8 | 11.4 | 2,894 | 2,590 | 89.5 | -304 | 421 | 422 | 100.2 | | | |
| 3 | Paperboard packaging subsidiaries | 35 | 36 | 222.1 | 237.5 | 106.9 | 15.4 | 6,230 | 2,505 | 40.2 | -3,725 | | | | 2,259 | 2,220 | 98.3 |
| 4 | Flexible packaging subsidiaries | 2 | 4 | 86.9 | 111.1 | 127.9 | 24.2 | 1,707 | 3,503 | 205.2 | 1,796 | | | | | | |
| 5 | Heavy duty packaging subsidiaries | 3 | 3 | 48.1 | 50.3 | 104.6 | 2.2 | 2,479 | 1,919 | 77.4 | -560 | | | | | | |
| 6 | Other subsidiaries | 5 | 5 | 157.7 | 192.7 | 122.2 | 35.0 | 2,639 | 2,309 | 87.5 | -330 | | | | | | |
| Domestic total (1 to 6) | | 49 | 52 | 868.6 | 982.9 | 113.2 | 114.3 | 34,458 | 25,847 | 75.0 | -8,611 | 2,326 | 2,262 | 97.2 | 4,356 | 4,336 | 99.5 |
| 7 | Paperboard packaging & nonwoven products Subs. | 9 | 9 | 25.8 | 24.1 | 93.6 | -1.7 | 646 | 294 | 45.5 | -352 | | | | 304 | 240 | 78.9 |
| 8 | Flexible packaging subsidiaries | 3 | 6 | 15.4 | 28.7 | 186.8 | 13.3 | 1,159 | 1,972 | 170.1 | 813 | | | | | | |
| 9 | Heavy duty packaging subsidiaries | 107 | 118 | 109.4 | 150.9 | 138.0 | 41.5 | 7,954 | 9,800 | 123.2 | 1,846 | | | | | | |
| Overseas total (7 to 9) | | 119 | 133 | 150.5 | 203.8 | 135.4 | 53.3 | 9,759 | 12,066 | 123.6 | 2,307 | - | - | - | 304 | 240 | 78.9 |
| Simply aggregated (1 to 9) | | | | 1,019.1 | 1,186.7 | 116.4 | 167.6 | 44,217 | 37,913 | 85.7 | -6,304 | | | | | | |
| 10 | Companies subject to the equity method | 16 | 17 | | | | | 2,274 | 1,377 | 60.6 | -897 | | | | | | |
| 11 | Intersegment eliminations | | | -272.2 | -340.6 | - | -68.4 | -9,850 | -10,608 | - | -758 | | | | | | |
| Total (1 to 11) | | 184 | 202 | 746.9 | 846.1 | 113.3 | 99.2 | 36,641 | 28,682 | 78.3 | -7,959 | 2,326 | 2,262 | 97.2 | 4,661 | 4,575 | 98.2 |

* 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.

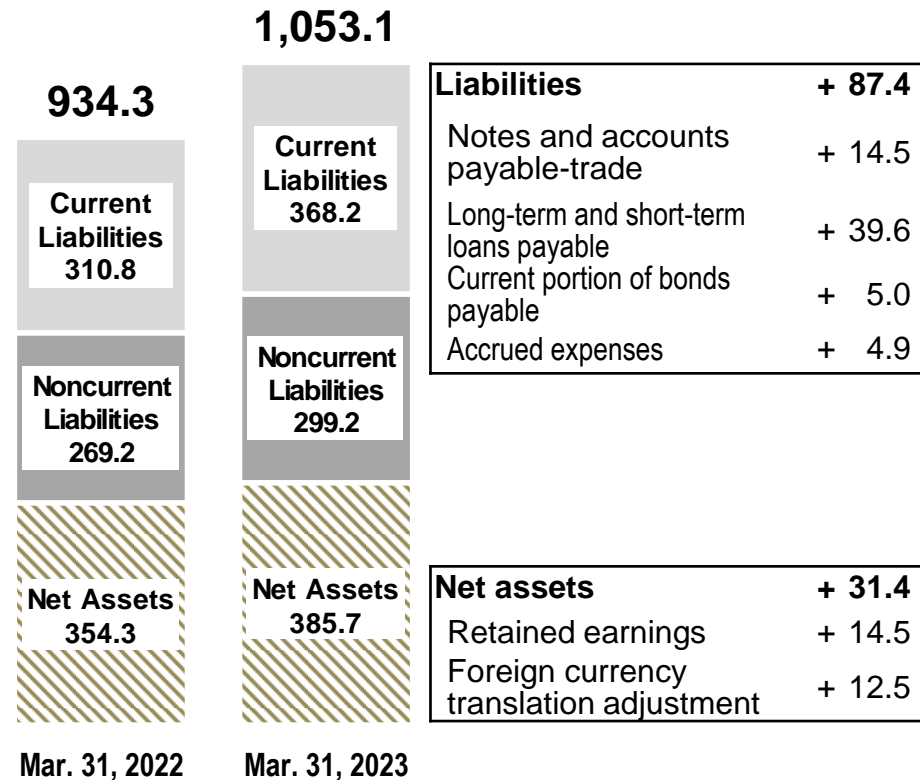
7. Consolidated Balance Sheet

Assets



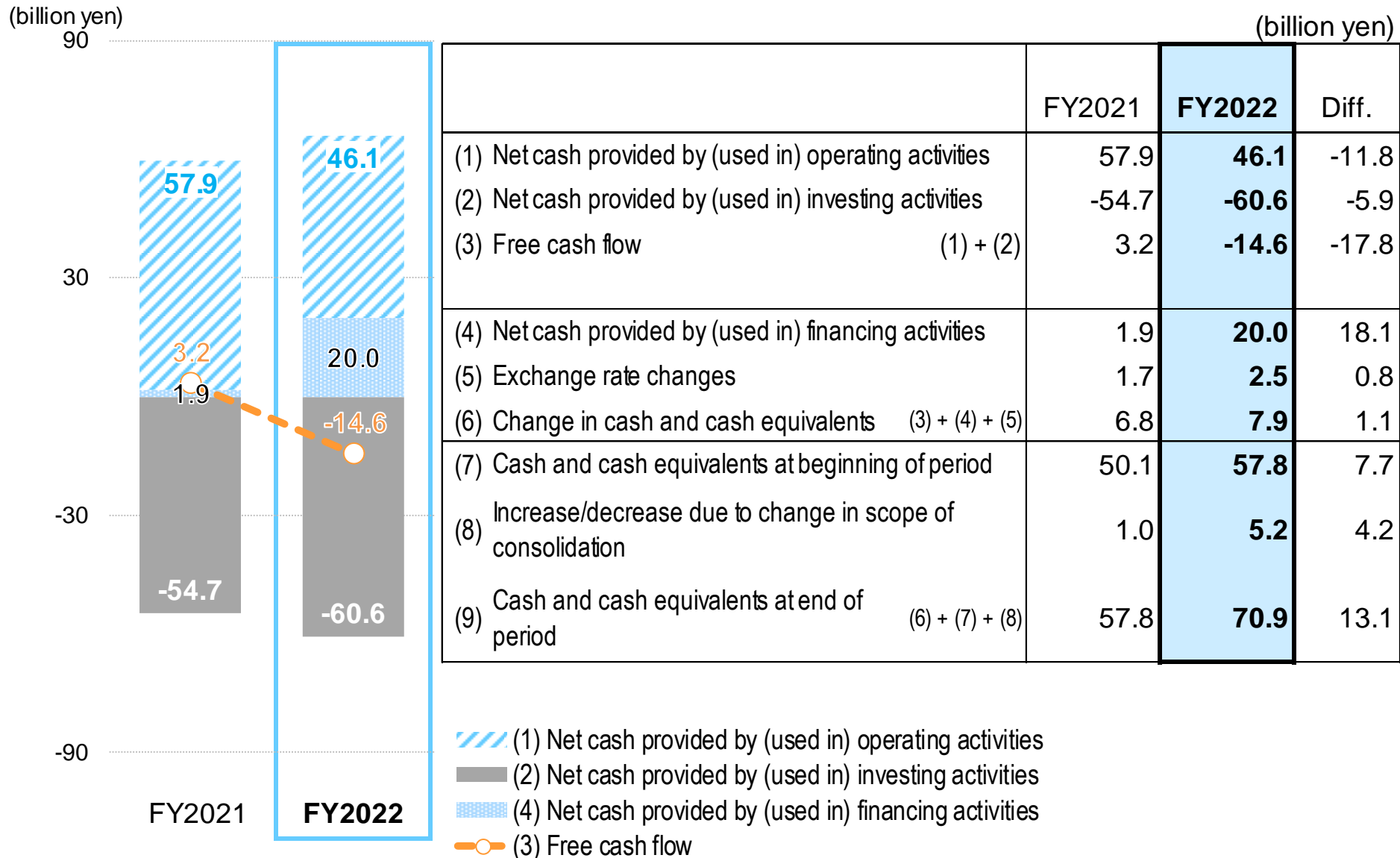
Liabilities & Net Assets

(billion yen)



| | Mar. 31, 2022 | Mar. 31, 2023 | |
|----------------------------|---------------|-------------------|---------------------|
| Interest-bearing debt | ¥353.4 bn | ¥404.3 bn | (+50.9 billion yen) |
| Shareholders' Equity ratio | 36.6 % | 35.4 % | (-1.2 pts) |
| D/E Ratio | 1.03 times | 1.08 times | (+0.05 pts) |
| EBITDA | ¥77.2 bn | ¥73.6 bn | (-3.6 billion yen) |

8. Consolidated Statement of Cash Flow



9. Consolidated Financial Forecast for FY2023 (Year-on-year)

(billion yen)

| | FY2022 | FY2023 Forecasts | YoY | Diff. |
|--|--------------|---------------------|---------------|-------------|
| Net sales | 846.1 | 930.0 | 109.9% | 83.9 |
| Operating profit | 26.0 | 47.0 | 181.1% | 21.0 |
| Ordinary profit | 28.7 | 49.0 | 170.8% | 20.3 |
| Profit attributable to owners of parent | 20.4 | 32.0 | 156.7% | 11.6 |

Assumption for the forecast

Production volume (domestic) YoY

| | | |
|-------------------------|--------------|---------------|
| Containerboard | 97.2% | 99.7% |
| Corrugated board | 99.5% | 101.0% |

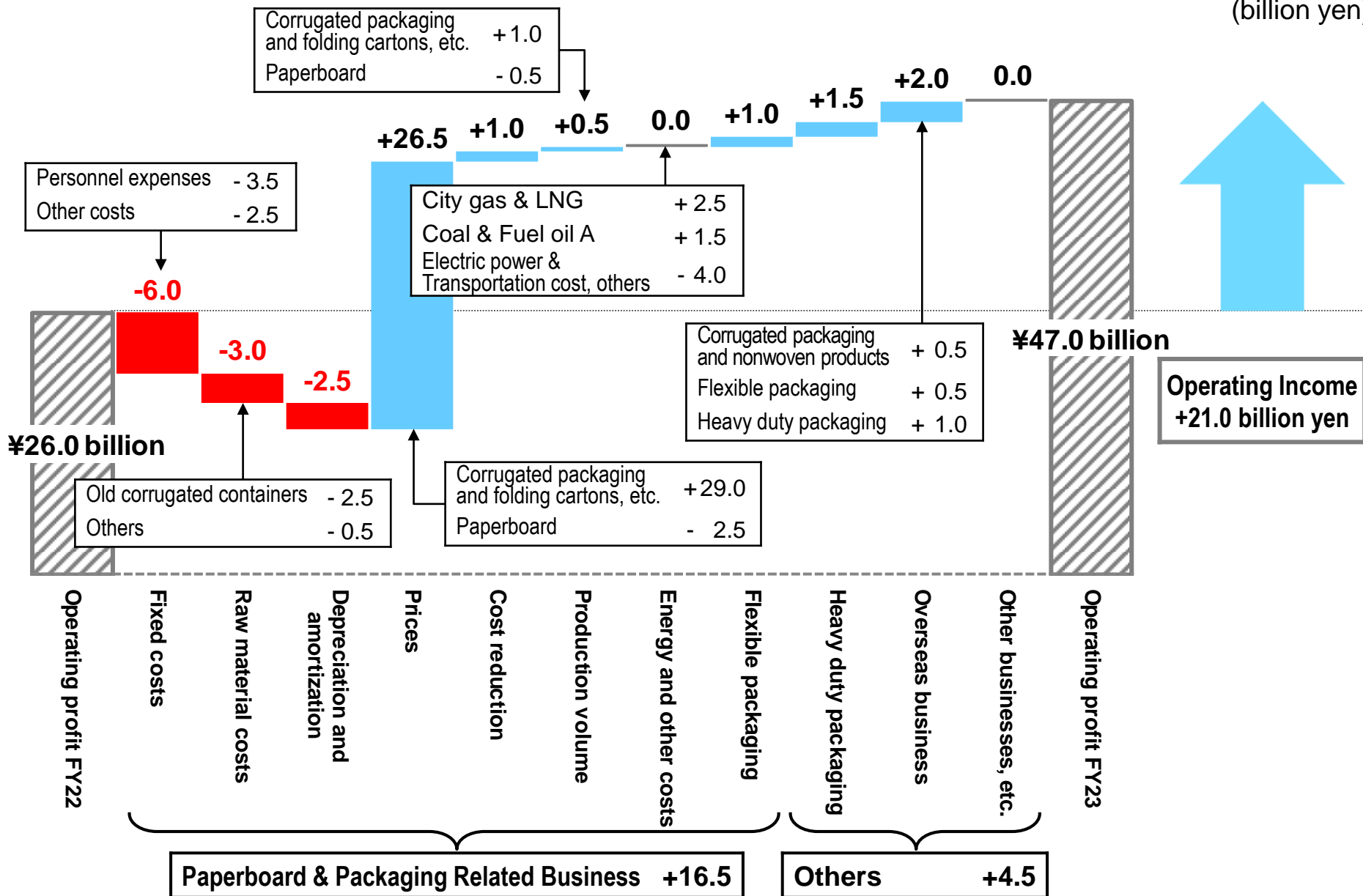
| | | |
|--------------------------------|------------|---------------------|
| FX rate* | 135 | 130 yen/US\$ |
| Crude oil price (Dubai) | 93 | 85 US\$/bbl |

* Annual average of the spot rate at 17:00 in JST, Tokyo Market

The forecast of the financial results described in this material is based on the information currently available.
The figures indicated above do not constitute a guarantee of future performance.

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

(billion yen)



11. Forecast by Reportable Segment for FY2023 (Year-on-year)

(billion yen)

| | Net sales | | | | Operating profit | | | |
|---|--------------|---------------------|---------------|-------------|------------------|---------------------|---------------|-------------|
| | FY2022 | FY2023 Forecasts | YoY | Diff. | FY2022 | FY2023 Forecasts | YoY | Diff. |
| Paperboard and Packaging-Related Business | 483.9 | 526.9 | 108.9% | 43.0 | 14.3 | 30.8 | 215.4% | 16.5 |
| Flexible Packaging-Related Business | 115.5 | 119.5 | 103.5% | 4.0 | 3.0 | 4.0 | 133.3% | 1.0 |
| Heavy Duty Packaging-Related Business | 45.1 | 52.1 | 115.5% | 7.0 | 1.1 | 2.6 | 236.4% | 1.5 |
| Overseas Business | 166.3 | 196.3 | 118.0% | 30.0 | 6.0 | 8.0 | 133.3% | 2.0 |
| Other Businesses, etc. | 35.3 | 35.3 | - | - | 1.5 | 1.5 | - | - |
| Total | 846.1 | 930.0 | 109.9% | 83.9 | 26.0 | 47.0 | 181.1% | 21.0 |

The forecast of the financial results described in this material is based on the information currently available.

The figures indicated above do not constitute a guarantee of future performance.

Other Businesses, etc. including rounding error may not match with the total.

12. Major Financial Indicators

| | | | | (million yen) | | |
|---|-------------|---------|------------------|--------------------|-----------------------------------|--|
| | | FY2021 | FY2022 | FY2023 Forecast | | |
| (1) Net sales | | 746,926 | 846,080 | 930,000 | | |
| (2) Operating profit | | 33,279 | 25,957 | 47,000 | | |
| (3) Ordinary profit | | 36,641 | 28,682 | 49,000 | | |
| (4) Profit attributable to owners of parent | | 28,188 | 20,425 | 32,000 | | |
| (5) Total assets | | 934,345 | 1,053,138 | 1,128,000 | | |
| (6) Total shareholders' equity ^{*1} | | 341,909 | 372,795 | 399,000 | | |
| (7) Net assets | | 354,289 | 385,732 | 413,000 | | |
| (8) Interest-bearing debt | | 353,415 | 404,289 | 435,000 | | |
| (9) Capital expenditures | | 49,509 | 58,694 | 80,000 | | |
| (10) Depreciation and amortization | | 41,723 | 44,848 | 49,500 | | |
| *1 Total shareholders' equity = Net assets - non-controlling interests | | | | | | |
| (11) Return on equity (ROE) ^{*2} | % | 8.6 | 5.7 | 8.3 | (4) / (6) | |
| (12) Shareholders' Equity ratio | % | 36.6 | 35.4 | 35.4 | (6) / (5) | |
| (13) EBITDA | million yen | 77,193 | 73,560 | 99,700 | (2)+(10)+Amortization of goodwill | |
| (14) D/E Ratio | times | 1.03 | 1.08 | 1.09 | (8) / (6) | |
| (15) Ratio of net sales to interest-bearing debt | % | 47.3 | 47.8 | 46.8 | (8) / (1) | |
| (16) Ordinary profit margin | % | 4.9 | 3.4 | 5.3 | (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 | 24 | 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.



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