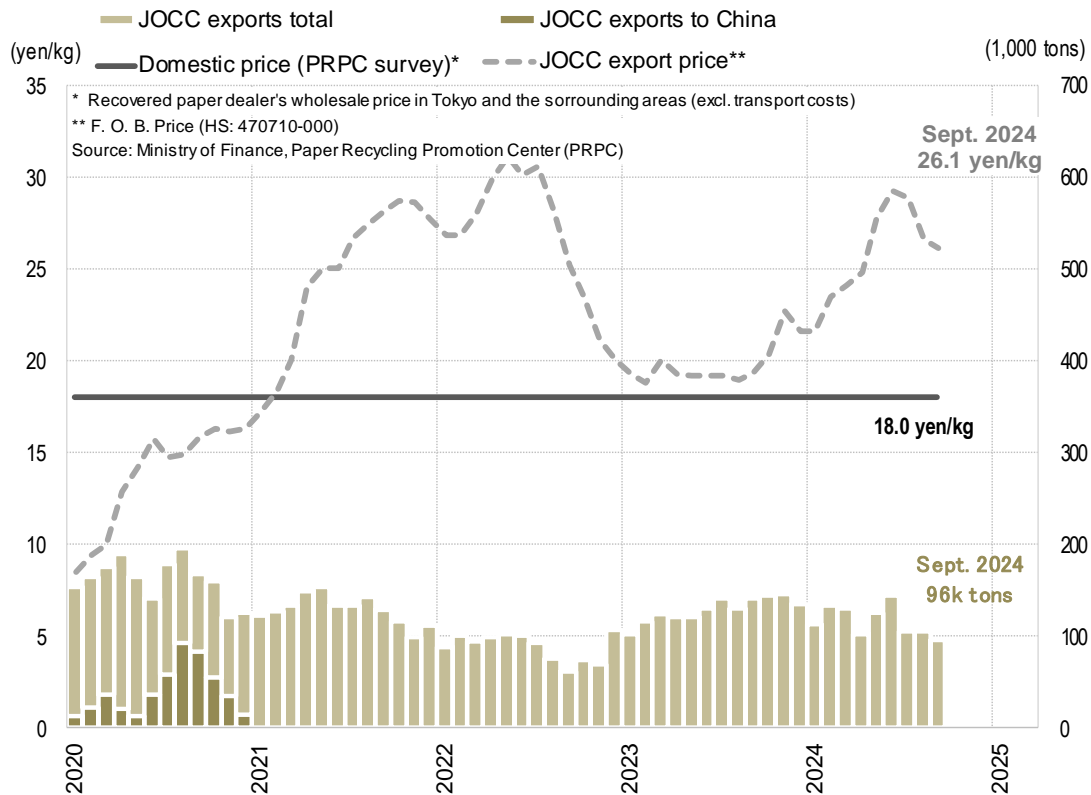


Now, let me explain a summary of the financial results for the interim period of the fiscal year ending March 2025, and the earnings forecasts for the full year in accordance with the slides.

## 1. Trends in Old Corrugated Containers (OCC)

The General Packaging Industry



First, please look at the Trends in Old Corrugated Containers (OCC). The dotted graph shows the export price trend of OCC, and the solid line shows the domestic price trend. The bar graphs at the bottom show the export volume of OCC, with the darker part, which disappears after 2021, representing exports to China.

The export price of OCC continued to rise after January 2024, but this trend showed signs of a moderate decline between July and September. One of the factors behind the continued rise in export prices was the heightened tensions in the Middle East. OCC exports from Europe and America were avoiding the Suez Canal, causing delays and cancellations in cargo receipt. It is also said that an increase in the production of containerboard using OCC as the main raw material has reduced the OCC export capacity in Europe and America.

On the other hand, the operating rates of paper manufacturers in Southeast Asia, the destination for exports, have slowed down following the downturn in the Chinese economy, which is believed to have capped the upside for OCC export prices to some extent.

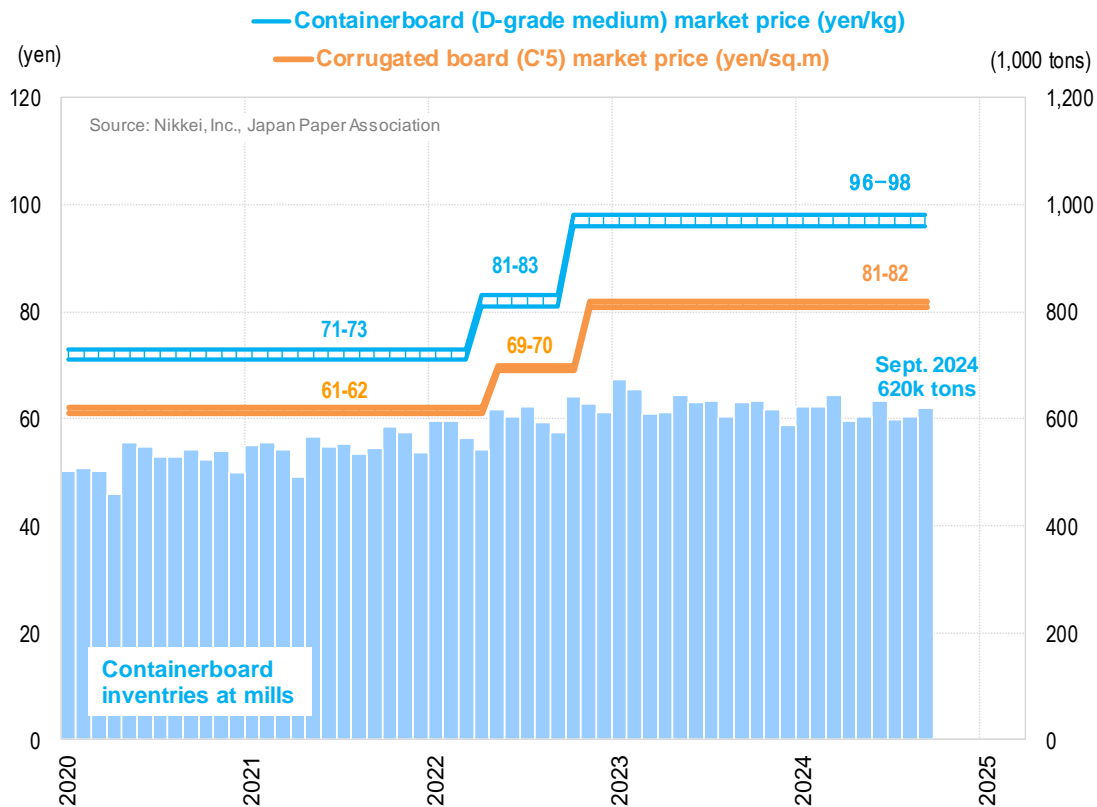
Domestically, while the benchmark price at OCC wholesalers remains flat at 18 yen per kilogram, this price is strictly a reference point for domestic manufacturers, and the actual price is the sum of this benchmark price plus transportation costs to the mill and other expenses.

Because domestic corrugated production volume declined from the previous year, the amount of OCC generated domestically is also decreasing. In addition, the volume of OCC exports remained high until recently.

As a result, the supply-demand balance for OCC in Japan has tightened, and actual OCC prices have risen.

## 2. Trends in Containerboard and Corrugated Board

The General Packaging Industry



Please see the next Trends in Containerboard and Corrugated Board.

The bar graph shows the inventory quantity of containerboard manufacturers. Industry inventory has remained at around 600,000 tons since 2022.

The top blue lines in the graph represent containerboard (D-grade corrugating medium), and the orange lines below them show the price trends of corrugated board in the Nikkei Commodity Price Index.

As you can see, in response to the soaring costs of raw materials and other expenses, the price revisions for containerboard and corrugated board/boxes we announced twice in 2022 are reflected in the Nikkei commodity prices.

In addition, to address the new cost structure changes across the entire value chain, such as securing personnel, logistics issues, and environmental challenges, we announced on March 1, 2024 that we would revise the prices of corrugated packaging and folding carton products. We are currently negotiating with our customers.

### 3. Consolidated Operating Results (Year-on-year)

The General Packaging Industry

(billion yen)

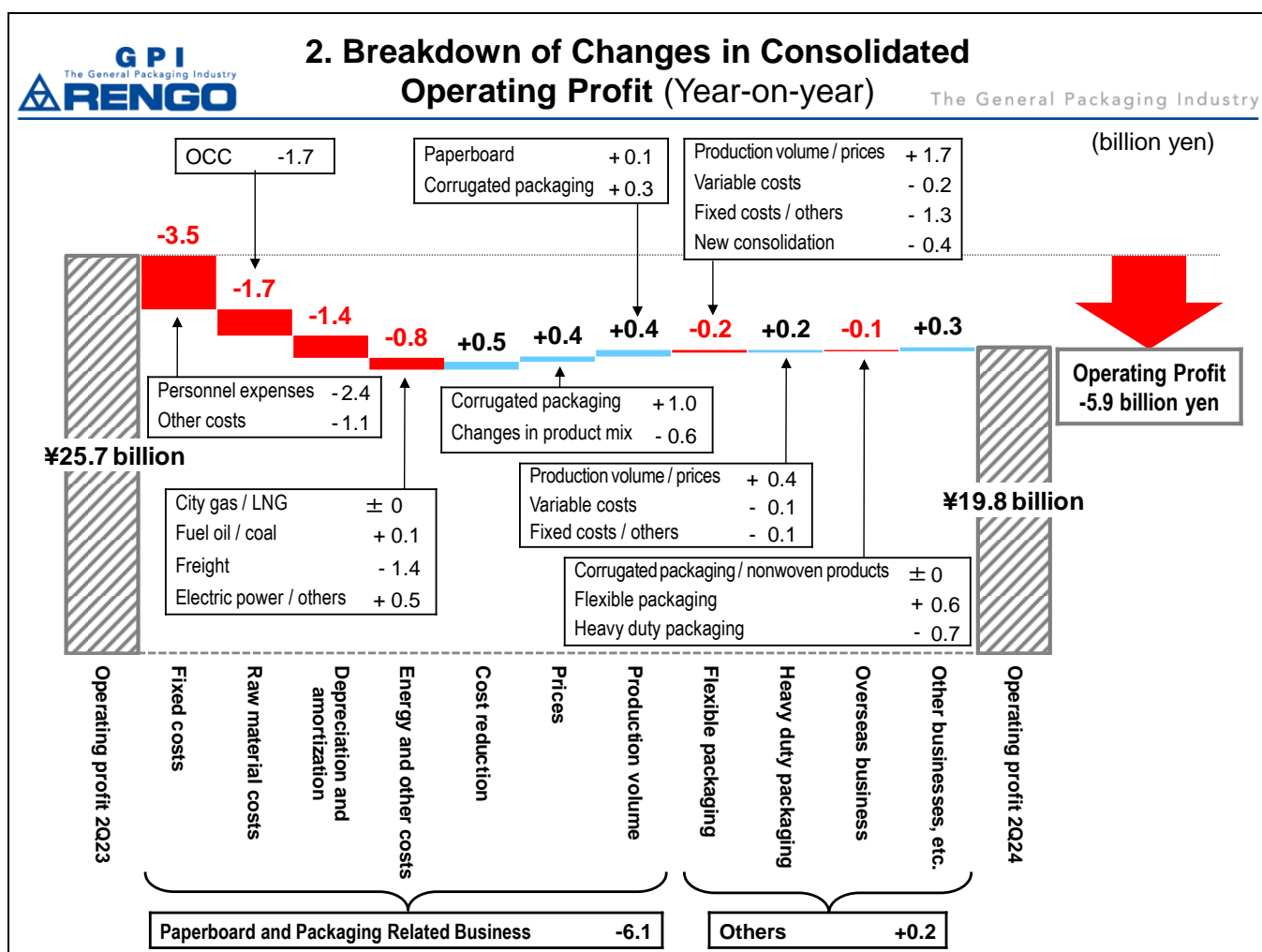
	Apr.-Sept. 2023	Apr.-Sept. 2024	YoY	Diff.
Net sales	452.9	495.1	109.3%	42.2
Operating profit	25.7	19.8	77.1%	-5.9
Ordinary profit	27.5	21.9	79.6%	-5.6
Extraordinary gain and loss	-0.2	3.9	-	4.1
Profit attributable to owners of parent	18.4	18.9	102.6%	0.5

#### Main factors underlying extraordinary gain and loss

(billion yen)

	Apr.-Sept. 2023		Apr.-Sept. 2024
<b>(Extraordinary gain)</b>		<b>(Extraordinary gain)</b>	
Gain on sales of noncurrent assets	0.2	Gain on bargain purchase	5.4
Insurance income	0.2		
<b>(Extraordinary loss)</b>		<b>(Extraordinary loss)</b>	
Loss on sales/retirement of noncurrent assets	0.5	Loss on sales/retirement of noncurrent assets	0.6
		Plant renewal expenses	0.6
		Loss on disaster	0.3

Now, let me explain our business performance. Please look at the Consolidated Operating Results. First, net sales increased by 42.2 billion yen to 495.1 billion yen due to the increase in consolidated subsidiaries and the impact of the yen depreciation on foreign currency-denominated sales. Operating profit was 19.8 billion yen, a decrease of 5.9 billion yen from 25.7 billion yen in the previous year. I will show the breakdown of factors influencing changes in this later. Ordinary profit was 21.9 billion yen, a decrease of 5.6 billion yen from the previous year. Regarding extraordinary gains and losses, the extraordinary gain was 5.9 billion yen in total, including 5.4 billion yen from the gain on a bargain purchase arising from the acquisition of RM Tohcello shares, among others. Extraordinary loss was 2.0 billion yen in total, including 0.6 billion yen in loss on sales/retirement of noncurrent assets and 0.6 billion yen in plant renewal expenses. The net amount was a gain of 3.9 billion yen. As a result, net income attributable to parent increased by 0.5 billion yen from the previous year to 18.9 billion yen.



Here is the breakdown of factors influencing changes in operating profit. Red indicates decreasing factors and blue indicates increasing factors.

First, the Paperboard and Packaging Related Business decreased operating profit by 6.1 billion yen. Profit decreasing factors were, from the left, fixed cost increase of 3.5 billion yen, raw material cost increase of 1.7 billion yen, depreciation/amortization increase of 1.4 billion yen, energy/other costs increase of 0.8 billion yen (+0.1 billion yen from coal cost decrease, -1.4 billion yen from freight increase, +0.5 billion yen from electric power/other prices decrease), total profit decreasing factors of 7.4 billion yen.

On the other hand, profit increasing factors were cost reduction of 0.5 billion yen, prices increase of 0.4 billion yen, production volume increase of 0.4 billion yen, total profit increasing factors of 1.3 billion yen, resulting in a net decrease of 6.1 billion yen.

Businesses other than the paperboard and packaging related business were almost unchanged from the previous year. Details were, flexible packaging decreased by 0.2 billion yen (+1.7 billion yen from production volume / price factors, -0.2 billion yen from variable costs, -1.3 billion yen from fixed costs / others, -0.4 billion yen from new consolidation), heavy duty packaging increased by 0.2 billion yen (+0.4 billion yen from production volume / price factors, -0.2 billion yen from other factors), overseas business decreased by 0.1 billion yen (neutral from corrugated packaging / nonwoven products, +0.6 billion yen from flexible packaging, -0.7 billion yen from heavy duty packaging), and other businesses increased by 0.3 billion yen.

As a result, operating profit for the period decreased by 5.9 billion yen year on year.

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

The General Packaging Industry

		Number of companies*		Net sales (billion yen)				Ordinary profit (million yen)				Containerboard production (1,000 MT)			Corrugated board production (million sqm.)		
		2Q23	2Q24	2Q23	2Q24	YoY %	Diff.	2Q23	2Q24	YoY %	Diff.	2Q23	2Q24	YoY %	2Q23	2Q24	YoY %
1	Rengo (unconsolidated)	1	1	183.7	184.0	100.2	0.3	17,273	12,073	69.9	-5,200	881	894	101.5	1,042	1,048	100.6
2	Paper manufacturing subsidiaries	3	3	25.1	25.0	99.6	-0.1	2,115	1,450	68.6	-665	223	212	95.1			
3	Paperboard packaging subsidiaries	37	35	126.1	126.1	100.0	0.0	3,954	4,110	103.9	156				1,086	1,084	99.8
4	Flexible packaging subsidiaries	4	5	58.0	91.4	157.7	33.4	2,329	2,916	125.2	587						
5	Heavy duty packaging subsidiaries	3	3	25.3	25.8	102.1	0.5	1,412	1,697	120.2	285						
6	Other subsidiaries	5	6	97.2	97.0	99.8	-0.2	921	1,174	127.5	253						
Domestic total (1 to 6)		53	53	515.3	549.2	106.6	33.9	28,004	23,420	83.6	-4,584	1,104	1,105	100.1	2,128	2,132	100.2
7	Paperboard packaging & nonwoven products Subs.	9	9	11.5	12.8	111.2	1.3	-82	-46	-	36				117	102	87.2
8	Flexible packaging subsidiaries	6	7	15.9	19.6	123.1	3.7	1,391	2,470	177.6	1,079						
9	Heavy duty packaging subsidiaries	119	123	89.6	100.6	112.3	11.0	6,109	5,642	92.4	-467						
Overseas total (7 to 9)		134	139	117.0	133.0	113.7	16.0	7,418	8,066	108.7	648	-	-	-	117	102	87.2
Simply aggregated (1 to 9)				632.2	682.2	107.9	50.0	35,422	31,486	88.9	-3,936						
10	Companies subject to the equity method	17	17					1,162	1,605	138.1	443						
11	Intersegment eliminations			-179.4	-187.0	-	-7.6	-9,123	-11,220	-	-2,097						
Total (1 to 11)		204	209	452.9	495.1	109.3	42.2	27,461	21,871	79.6	-5,590	1,104	1,105	100.1	2,245	2,235	99.6

\* Changes in the number of companies compared to the previous year are as follows ([1] [2] [3] [4] are part of RM TOHCELLO Group).

- Two companies decreased (Nitto Shiki Kogyo Co., Ltd. and Tachikawa Danboru Kogyo Co., Ltd.) in the domestic paperboard packaging subsidiaries.
- Two companies increased (RM TOHCELLO CO., LTD.<sup>[1]</sup> and Shikoku Tohcello Co., Ltd.<sup>[2]</sup>) and one company decreased (Sun-Tox Co., Ltd.) in the domestic flexible packaging subsidiaries.
- One company increased (Tohcello Logistics Co., Ltd.<sup>[3]</sup>) in the other subsidiaries.
- One company increased (SIAM TOHCELLO CO., LTD.<sup>[4]</sup>) in the overseas flexible packaging subsidiaries.
- Four new subsidiaries have been added to the overseas heavy duty packaging, all of which belong to Tri-Wall Group.

The following summarizes the consolidated performance of subsidiaries by business domain. Please note that the business domain classifications do not correspond to the categories based on segment accounting standards due to the inclusion of allocations derived from Rengo's standalone performance. Changes in consolidated subsidiaries are noted in the footnote. There are 192 companies in the scope of consolidation, including Rengo, and 17 companies subject to the equity method.

Now, let me explain the status, focusing on ordinary profit.

First, Rengo's non-consolidated ordinary profit was 12,073 million yen. Although there were signs of recovery in volume, the profit decreased by 5.2 billion yen from the 17,273 million yen from the previous year due to factors such as increased fixed costs.

The second domestic paper manufacturing subsidiaries saw a decrease in profit of 665 million yen to 1.45 billion yen due to factors such as increased fixed costs.

The third domestic paperboard packaging subsidiaries saw an increase in profit of 156 million yen to 4.11 billion.

The fourth domestic flexible packaging subsidiaries saw an increase in profit of 587 million yen to 2.916 billion yen owing to increased profit at Howa Sangyo and the contribution of newly consolidated RM Tohcello.

The fifth domestic heavy duty packaging subsidiaries saw an increase in profit of 285 million yen to 1.697 billion yen owing to favorable performance of industrial resin products.

The sixth other subsidiaries saw an increase in profit of 253 million yen to 1.174 billion yen owing to improvements in the profitability of transportation operations.

The seventh overseas paperboard packaging and nonwoven products subsidiaries recorded a loss of 46 million yen, an improvement of 36 million yen, owing to efforts such as developing new customers and expanding sales, despite incurring expenses associated with the reorganization of consolidated subsidiaries.

The eighth overseas flexible packaging subsidiaries saw an increase in profit of 1.079 billion yen to 2.47 billion yen owing to factors including a recovery in demand for pet food bound for Europe at Takigawa Corporation Vietnam and the contribution of newly consolidated SIAM TOHCELLO.

The ninth overseas heavy duty packaging subsidiaries saw a decrease in profit of 467 million yen to 5.642 billion yen owing to worsening profitability in Europe.

The tenth companies subject to the equity-method saw an increase in profit of 443 million yen to 1.65 billion yen owing chiefly to improved performance at Thai Containers Group.

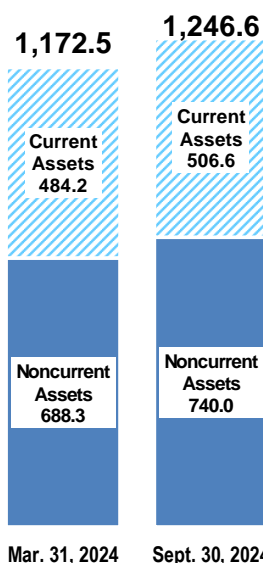
Factoring in consolidation adjustments, consolidated ordinary profit was 21.871 billion yen, a decrease in profit of 5.59 billion yen. Consolidation eliminations at the ordinary profit amounted to 11.22 billion yen, consisting mainly of eliminations of dividend income received from affiliates and goodwill amortization.

Production volume of major products at Rengo and its domestic subsidiaries was 1.105 million tons of containerboard, up 0.1% year on year, and 21.32 billion square meters of corrugated board, also up 0.2%.

## 6. Consolidated Balance Sheet

The General Packaging Industry

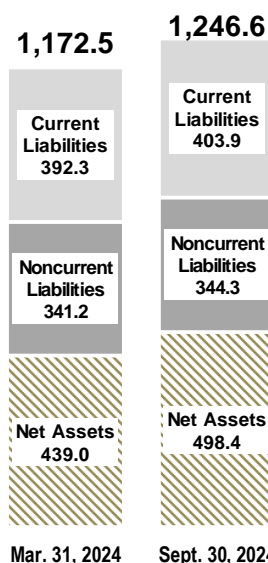
### Assets



<b>Current assets</b>	<b>+22.4</b>
Cash and deposits	-14.2
Notes and accounts receivable-trade	+14.6
Inventories	+20.2
<b>Non-current assets</b>	<b>+51.7</b>
Property, plant and equipment	+37.6
Investments and other assets (Investment securities)	+11.6 (+10.2)
<b>Total assets</b>	<b>+74.1</b>

### Liabilities & Net Assets

(billion yen)



<b>Liabilities</b>	<b>+14.7</b>
Notes and accounts payable-trade	+9.1
Long-term and short-term loans payable	+8.4
Income taxes payable	-5.4
<b>Net assets</b>	<b>+59.4</b>
Retained earnings	+14.7
Foreign currency translation adjustment	+20.5
Non-controlling interests	+22.5

	Mar. 31, 2024	Sept. 30, 2024	
Interest-bearing debt	¥437.7 bn	¥447.1 bn	(+9.4 billion yen)
Shareholders' Equity ratio	36.3 %	37.1 %	(+0.8 pts)
D/E Ratio	1.03 times	0.97 times	(-0.06 pts)

Here are comparisons between the balance sheet at the end of the current period and the end of the previous period.

First, looking at assets, total assets were 1,246.6 billion yen, an increase of 74.1 billion yen compared to the end of the previous period. Current assets were 506.6 billion yen, an increase of 22.4 billion yen from the end of the previous period, and fixed assets were 740.0 billion yen, an increase of 51.7 billion yen.

The main breakdown of the changes in current assets includes a 14.2 billion yen decrease in cash and deposits due to the payment of 10.9 billion yen to acquire RM Tohcello shares. Meanwhile, there was a 14.6 billion yen increase in notes and accounts receivable-trade and a 20.2 billion yen increase in inventories due to the new consolidation of the RM Tohcello Group.

For non-current assets, there was a capital expenditure of 34.8 billion yen during the period, an 8.6 billion yen increase due to the weaker yen on foreign currency-denominated assets, and a 17.9 billion yen increase due to the new consolidation of the RM Tohcello Group. Decreasing factors included 24.9 billion yen in depreciation and amortization expenses, resulting in a net increase of 37.6 billion yen.

For investment and other assets, there was a 1.5 billion yen increase in listed stocks due to rising stock prices, a 3.3 billion yen increase due to the new consolidation of the RM Tohcello Group, and a 6.6 billion yen increase in investments in capital of subsidiaries and associates due to the establishment of a new subsidiary by Howa Sangyo in Thailand along with the effects of the weaker yen, among other factors, resulting in a total increase of 11.6 billion yen.



Moving on to liabilities, current liabilities were 403.9 billion yen and non-current liabilities were 344.3 billion yen, totaling 748.2 billion yen, an increase of 14.7 billion yen from the end of the previous period. The main breakdown was a 9.1 billion yen increase in notes and accounts payable-trade. Additionally, as noted at the bottom of the table, the total amount of interest-bearing debt, including lease liabilities, was 447.1 billion yen, an increase of 9.4 billion yen.

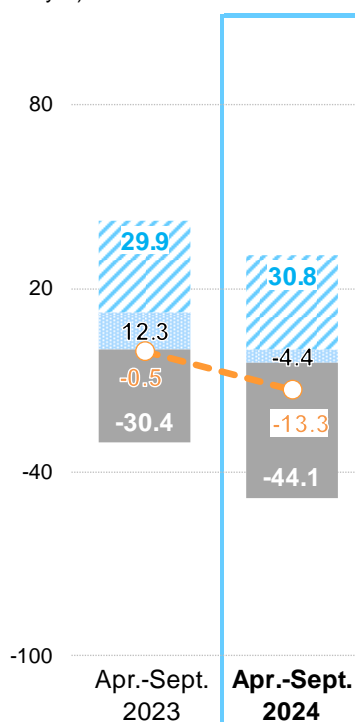
For net assets, the amount was 498.4 billion yen, an increase of 59.4 billion yen. The main breakdown was a 14.7 billion yen increase in retained earnings, a 20.5 billion yen increase in the foreign currency translation adjustment due to the weaker yen compared to the end of the previous period, a 22.5 billion yen increase in non-controlling interests due to the new consolidation of the RM Tohcello Group, among other factors.

As a result, the equity ratio was 37.1%, an increase of 0.8 percentage points from the end of the previous period, and the D/E ratio went from 1.03 times to 0.97 times.

## 7. Consolidated Statement of Cash Flow

The General Packaging Industry

(billion yen)



	Apr.-Sept. 2023	Apr.-Sept. 2024	Diff.
(1) Net cash provided by (used in) operating activities	29.9	30.8	0.9
(2) Net cash provided by (used in) investing activities	-30.4	-44.1	-13.7
(3) Free cash flow (1) + (2)	-0.5	-13.3	-12.8
(4) Net cash provided by (used in) financing activities	12.3	-4.4	-16.7
(5) Exchange rate changes	2.1	3.6	1.5
(6) Change in cash and cash equivalents (3) + (4) + (5)	13.9	-14.1	-28.0
(7) Cash and cash equivalents at beginning of period	70.9	103.8	32.9
(8) Increase/decrease due to change in scope of consolidation	0.1	-	-0.1
(9) Cash and cash equivalents at end of period (6) + (7) + (8)	84.9	89.7	4.8

- ▨ (1) Net cash provided by (used in) operating activities
- (2) Net cash provided by (used in) investing activities
- ▨ (4) Net cash provided by (used in) financing activities
- (3) Free cash flow

The following shows the cash flow statement for the current period. However, due to time constraints, I will omit the explanation of its contents.

## 8. Consolidated Financial Forecast for FY2024 (Year-on-year)

The General Packaging Industry

(billion yen)						
	2Q24 Forecast	2Q24 Results	YoY	FY2024 Forecast	YoY	Diff.
<b>Net sales</b>	500.0	495.1	-4.9	<b>1,000.0</b>	<b>111.0%</b>	<b>99.2</b>
<b>Operating profit</b>	21.0	19.8	-1.2	<b>50.0</b>	<b>102.3%</b>	<b>1.1</b>
<b>Ordinary profit</b>	22.0	21.9	-0.1	<b>52.0</b>	<b>108.4%</b>	<b>4.0</b>
<b>Profit attributable to owners of parent</b>	17.0	18.9	1.9	<b>35.0</b>	<b>106.0%</b>	<b>2.0</b>

Next, regarding the full-year earnings forecast for the fiscal year ending March 2025, net sales are forecast to increase 11.0% year on year to 1 trillion yen, operating profit is forecast to increase 2.3% to 50.0 billion yen, ordinary profit is forecast to increase 8.4% to 52.0 billion yen, and profit attributable to owners of parent is forecast to increase 6.0% to 35.0 billion yen, unchanged from the May forecast. Looking ahead, the employment and income environment is expected to improve, and the economy is expected to follow a gradual recovery trend, aided by the effects of various government policies. Demand for packaging products such as corrugated packaging and flexible packaging is also expected to gradually recover. On the other hand, there are risks that situations such as those in Ukraine and the Middle East, and sudden exchange rate fluctuations, could negatively impact the economy. However, in light of a number of uncertainties at the moment, we have not revised the full-year earnings forecast.

## 9. Major Financial Indicators

The General Packaging Industry

		(million yen)	
		FY2023	2Q24
(1) Net sales		900,791	495,134
(2) Operating profit		48,855	19,798
(3) Ordinary profit		47,984	21,871
(4) Profit attributable to owners of parent		33,025	18,883
(5) Total assets		1,172,515	1,246,611
(6) Total shareholders' equity <sup>*1</sup>		425,294	462,214
(7) Net assets		438,978	498,427
(8) Interest-bearing debt		437,669	447,124
(9) Capital expenditures		73,833	35,376
(10) Depreciation and amortization		48,761	26,891
<sup>*1</sup> Total shareholders' equity = Net assets - non-controlling interests			
(11) Return on equity (ROE) <sup>*2</sup>	%	8.3	-
(12) Shareholders' Equity ratio	%	36.3	37.1
(13) EBITDA	million yen	101,054	-
(14) D/E Ratio	times	1.03	0.97
(15) Ratio of net sales to interest-bearing debt	%	48.6	-
(16) Ordinary profit margin	%	5.3	4.4
<sup>*2</sup> Calculated with the average of equity at the beginning and the end of the year			
Cash dividends applicable to the period	yen	30	15

Annual plan for FY2024: 30 yen

Finally, please see the summary of key financial indicators for the current period as shown.

That concludes my explanation of the financial results for the interim period of the fiscal year ending March 2025 and the full-year forecast. Thank you for your attention.