



## **Consolidated Financial Results and Forecasts**

for the year ended March 2025  
and the year ending March 2026

May 9, 2025

**Rengo Co., Ltd.**  
(TSE: 3941)

Please refrain from copying, using, or disclosing all or part of the information contained in this document to third parties without permission.  
© Rengo Co., Ltd. All rights reserved.

We appreciate you being here to attend our Financial Results Briefing despite your busy schedule.

Now, let us explain a summary of consolidated financial results for the fiscal year ended March 2025, and forecasts for fiscal year ending March 2026, in accordance with the slides.

## Consolidated financial results for the year ended March 2025

### Basic Policy on Selection of Accounting Standards

- The Rengo Group applies Japanese accounting standards.
- We will address the application of International Financial Reporting Standards (IFRS) appropriately after taking into consideration various circumstances in Japan and abroad.

In the first half, we will provide an overview of consolidated financial results for the fiscal year ended March 2025.

Consolidated financial results for the year ended March 2025

## 1. Overview of financial performance and business environment

### Consolidated income statement

(billion yen)

	FY3/2024	FY3/2025	Y/Y (%)	Diff.
Net sales	900.8	993.3	110.3	+ 92.5
Operating profit	48.9	37.4	76.6	- 11.5
Ordinary profit	48.0	39.2	81.6	- 8.8
Extraordinary gain/loss	2.3	3.6	156.5	+ 1.3
Profit attributable to owners of parent	33.0	29.0	87.7	- 4.0

### Main factors underlying extraordinary gain and loss

(billion yen)

	FY3/2024		FY3/2025
(Extraordinary gain)		(Extraordinary gain)	
Gain on sales of investment securities	3.7	Gain on bargain purchase	5.3
Subsidy income	1.3	Gain on sales of investment securities	3.1
		Subsidy income	2.3
(Extraordinary loss)		(Extraordinary loss)	
Loss on sales/retirement of noncurrent assets	1.4	Loss on reduction of noncurrent assets	2.3
Plant renewal expenses	0.7	Loss on sales/retirement of noncurrent assets	1.4
Impairment loss	0.5	Plant renewal expenses	0.9

### External environment

- The Japanese economy in FY3/2025 faced various challenges, including rising prices and labor shortages.
- The gradual trend toward recovery continued with improvements in the employment and income environment, increases in inbound demand and a pickup in capital investment, despite some signs of stagnation remaining.

### Overview of our group

- The Rengo Group devoted itself to the competition of its medium-term vision, Vision 115, the final year of which was FY 3/2025, and worked diligently to expand business and increase earning capacity with strengthened marketing capabilities as well as active capital investment and mergers and acquisitions as "General Packaging Industry (GPI) Rengo." In this way the Company offers innovative solutions that meet all the packaging needs of various industries.
- We are pushing forward with efforts to establish a sustainable pricing system for:
  - ✓ Corrugated products
  - ✓ Folding carton products
  - ✓ Boxboard.

As it has become difficult to cope with changes in cost structures across the entire value chain through in-house efforts alone, such as increases in logistics costs, personnel expenses, and capital investments for environmental measures and labor environment improvements.

The General Packaging Industry RENG0 3

First, we will provide an overview of financial performance and business environment for the fiscal year ended March 2025.

The net sales for this fiscal year was ¥993.3 billion, up 10.3% year on year. This sales increase was attributed to increase in the number of consolidated subsidiaries, the impact of the yen depreciation on foreign currency-denominated sales, and contributions from product price revisions.

Operating profit was ¥37.4 billion, a ¥11.5 billion decrease from ¥48.9 billion in the previous fiscal year, which represents a 23.4% decrease. Detailed factors for the increase and decrease will be explained later. Ordinary profit was ¥39.2 billion, a decrease of ¥8.8 billion from the previous year, which represents a 18.4% decrease.

Regarding extraordinary gain and loss, the extraordinary gain was ¥11.5 billion in total, including the gain on bargain purchase and on sales of investment securities among others. On the other hand, the extraordinary loss was ¥7.9 billion in total, including loss on reduction of noncurrent assets and plant renewal expenses. The net amount was a gain of ¥3.6 billion.

As a result, net profit attributable to owners of parent decreased by ¥4.0 billion from the previous year to ¥29.0 billion which represents a 12.3% decrease.

In the fiscal year ended March 2025, we faced changes in cost structures due to increases in logistics costs, personnel expenses, and capital investments for environmental measures and labor environment improvements. As it has become difficult to cope with these changes through in-house efforts alone, we are pushing forward with efforts to establish a sustainable pricing system for corrugated products, folding carton products, and boxboard.

Consolidated financial results for the year ended March 2025

## 2. Segment performance summary

### Paperboard and Packaging-Related Business

- Profit decreased due to higher fixed costs, increased prices for raw materials and fuels, and other factors, despite product price revisions helping realize improved sales.

### Flexible Packaging-Related Business

- Achieve higher sales and profits due to product price revisions and an increase in the number of consolidated subsidiaries.

### Heavy Duty Packaging-Related Business

- Sales and profit increased due to strong sales of industrial resins.

### Overseas Business

- While reporting higher sales supported by an increase in the number of consolidated subsidiaries and other factors, profit decreased due to worsening profitability in the heavy duty packaging business in Europe and other factors.

### Other Businesses

- Net sales and profit increased due to the increase in the number of consolidated subsidiaries, improved profitability in the transport business, and other factors.

### Net sales and operating profit by segment

(billion yen)

	Net Sales				Operating profit			
	FY3/2024	FY3/2025	Y/Y (%)	Diff.	FY3/2024	FY3/2025	Y/Y (%)	Diff.
Paper and Packaging-Related Business	510.9	514.7	100.7	+ 3.8	35.0	23.4	67.0	- 11.5
Flexible Packaging-Related Business	121.3	181.6	149.8	+ 60.3	4.8	5.1	106.1	+ 0.3
Heavy Duty Packaging-Related Business	44.3	45.0	101.4	+ 0.6	0.9	1.7	185.9	+ 0.8
Overseas Business	189.2	213.1	112.6	+ 23.9	6.8	4.9	72.7	- 1.9
Other Businesses	35.1	38.9	110.9	+ 3.8	1.4	2.3	159.8	+ 0.9
Consolidated total	900.8	993.3	110.3	+ 92.5	48.9	37.4	76.6	- 11.5

\*Includes inter-segment transaction eliminations in consolidation adjustments. Due to rounding differences, "Diff." figures may not match the calculated values.

The General Packaging Industry RENG0

4

Next, we will provide a segment performance summary.

First, in the Paperboard and Packaging-Related Business, although product price revisions helped realize improved sales, profit decreased due to higher fixed costs, increased prices for raw materials and fuels.

As a result, sales in this segment was ¥514.7 billion, and operating profit was ¥23.4 billion.

Next, in the Flexible Packaging-Related Business, we achieved both higher sales and profits due to product price revisions and an increase in the number of consolidated subsidiaries. As a result, sales in this segment was ¥181.6 billion, and operating profit was ¥5.1 billion.

Continuing with the Heavy Duty Packaging-Related Business, strong performance in industrial resins led to increased sales and profit. As a result, sales in this segment was ¥45 billion, and operating profit was ¥1.7 billion.

In the Overseas Business, while reporting higher sales supported by an increase in the number of consolidated subsidiaries, profit decreased due to worsening profitability in the heavy duty packaging business in Europe. As a result, sales in this segment was ¥213.1 billion, and operating profit was ¥4.9 billion.

Finally, in Other Businesses, net sales and profit increased due to the increase in the number of consolidated subsidiaries, improved profitability in the transport business.

Consolidated financial results for the year ended March 2025

### 3. Overview of Paperboard and Packaging-Related Business

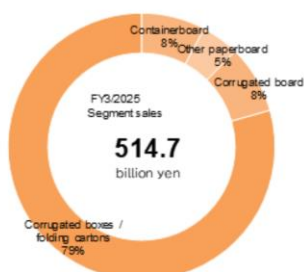
#### Segment sales composition ratio of total consolidated sales



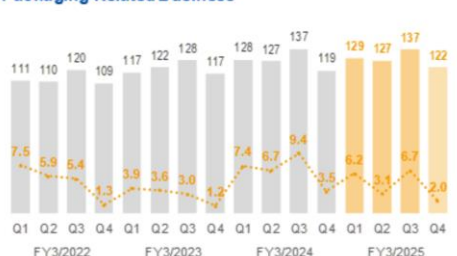
#### Industry environment

- The production volume in the paperboard industry remained stable compared to the previous fiscal year, supported by steady domestic demand despite sluggish exports.
- The production volume in the corrugated packaging industry remained consistent with the previous fiscal year, driven by strong sales of beverages and other processed food products, despite sluggish demand for fruits and vegetables due to unfavorable weather conditions.
- The production volume in the folding cartons industry remained consistent with the previous fiscal year, driven by strong demand for packaging for souvenirs and regional specialty products, resulting from increased movement of people, despite continued contraction in the gift-related market.

#### Net sales breakdown by product



#### Sales and profit margins of Paperboard and Packaging-Related Business



The General Packaging Industry RENG0 5

Next, we will provide an overview of Paperboard and Packaging-Related Business.

Segment sales was ¥514.7 billion, accounting for 52% of the total consolidated sales. The breakdown of sales includes 8% of corrugated board and 79% of corrugated boxes and folding cartons, with a total of 87% derived from corrugated packaging and folding cartons.

Regarding the industry environment, in the paperboard industry, the production volume remained stable compared to the previous fiscal year, supported by steady domestic demand despite sluggish exports. The production volume in the corrugated packaging industry remained consistent with the previous fiscal year, driven by strong sales of beverages and other processed food products, despite sluggish demand for fruits and vegetables due to unfavorable weather conditions.

In the folding cartons industry, the production volume remained consistent with the previous fiscal year, driven by strong demand for packaging for souvenirs and regional specialty products, resulting from increased foot traffic, despite continued contraction in the gift-related market.

Consolidated financial results for the year ended March 2025

## 4. Paperboard and corrugated production volume

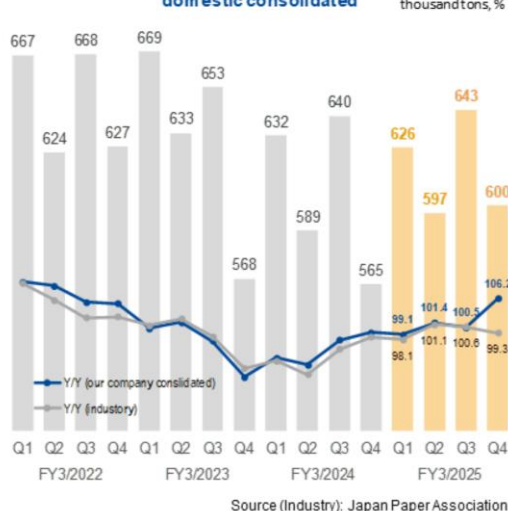
### Paperboard products

- Paperboard production volume totaled 2,467 thousand tons, representing 101.6% year-on-year growth, supported by steady domestic demand. Of this total, containerboard comprised 2,229 thousand tons, also 101.6% year-on-year.

### Corrugated boards/boxes

- The production volume reached 4,226 million square meters for corrugated boards, marking 100.2% year-on-year growth, and 3,581 million square meters for corrugated boxes, marking 101.4% year-on-year growth. This increase was driven by strong sales of beverages and other processed food products, despite sluggish demand for fruits and vegetables due to unfavorable weather conditions.

Trends in paperboard production,  
domestic consolidated



Trends in corrugated production,  
domestic consolidated



The General Packaging Industry RENG0

6

Next, we will explain paperboard and corrugated production volume.

First, regarding paperboard products, supported by steady domestic demand, the production volume totaled 2,467 thousand tons, representing year-on-year growth of 1.6%. Of this total, containerboard comprised 2,229 thousand tons, also up 1.6% year-on-year. The industry's overall paperboard production volume was 11,502 thousand tons, which represents 0.2% decrease year-on-year, with containerboard at 9,443 thousand tons, a year-on-year decrease of 0.6%.

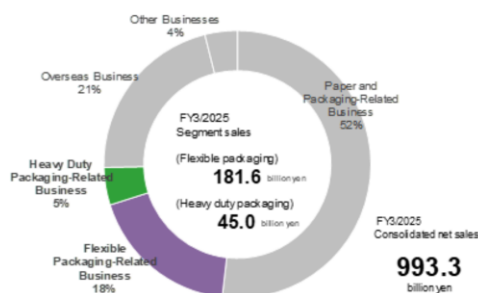
Next, concerning corrugated production, despite sluggish demand for fruits and vegetables due to unfavorable weather conditions, strong sales of beverages and other processed food products drove production. As a result, the production volume was 4,226 million square meters for corrugated boards, marking a year-on-year growth of 0.2%, and 3,581 million square meters for corrugated boxes, marking a year-on-year growth of 1.4%. The industry's overall corrugated production volume was 14,066 million square meters, at 100.1% year-on-year.



Consolidated financial results for the year ended March 2025

## 5. Overview of Flexible and Heavy Duty Packaging-Related Business

Segment sales composition ratio of total consolidated sales



Sales and profit margins of Flexible Packaging-Related Business



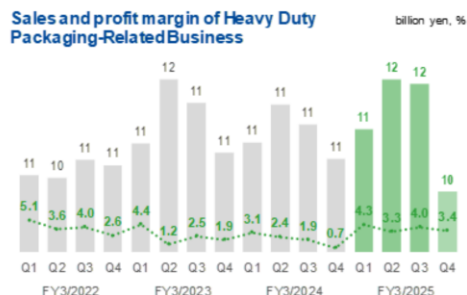
### Industry environment of flexible packaging

- The production volume in the flexible packaging industry exceeded that of the previous fiscal year, driven by increased inbound demand and signs of recovery in personal consumption during the latter half of the year.
- In April 2024, with the aim of bolstering the integrated system in its flexible packaging business, our group integrated Sun-Tox Co., Ltd. in Taito-ku, Tokyo, with the packaging solution business of Mitsui Chemicals Tohcello, Inc. in Chiyoda-ku, Tokyo, and then established a new subsidiary called RM TOHCELLO CO., LTD. in Chiyoda-ku, Tokyo.

### Industry environment of heavy duty packaging

- The production volume in the heavy duty packaging industry was lower than in the previous fiscal year due to the decline in petrochemical-related demand.

Sales and profit margin of Heavy Duty Packaging-Related Business



The General Packaging Industry RENO

7

Next, we will provide an overview of Flexible and Heavy Duty Packaging-Related business.

First, in the Flexible Packaging-Related business, segment sales amounted to ¥181.6 billion, accounting for 18% of the total consolidated sales. The production volume in the flexible packaging industry exceeded that of the previous fiscal year, driven by increased inbound demand and signs of recovery in personal consumption during the latter half of the year.

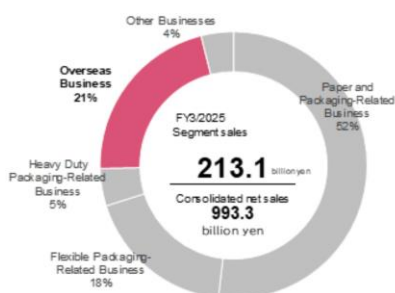
In April 2024, with the aim of bolstering the integrated system in its flexible packaging business, our group integrated Sun-Tox Co., Ltd. with the packaging solution business of Mitsui Chemicals Tohcello, Inc. and then established a new subsidiary called RM TOHCELLO CO., LTD.

Next, in the Heavy Duty Packaging-Related business, segment sales amounted to ¥45 billion, accounting for 5% of the total consolidated sales. The production volume in the heavy duty packaging industry was lower than in the previous fiscal year due to the decline in petrochemical-related demand.

Consolidated financial results for the year ended March 2025

## 6. Overview of Overseas Business

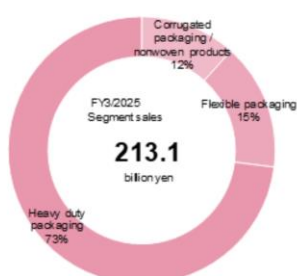
Segment sales composition ratio of total consolidated sales



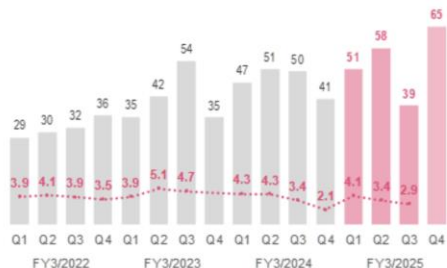
Initiatives in Overseas Business

- In August 2024, Tri-Wall Limited in Hong Kong made a capital investment in Concept Packaging Group LLC, a heavy-duty packaging materials manufacturer in the U.S.
- In December 2024, the acquisition of Pronk India, located in India.
- In March 2025, the acquisition of equity in Pronk Dubai, located in the United Arab Emirates.

Net sales breakdown by product



Sales and profit margin of Overseas Business



The General Packaging Industry RENO 8

Next, we will provide an overview of Overseas Business.

Segment sales amounted to ¥213.1 billion, accounting for 21% of the total consolidated sales. The breakdown of sales includes 12% from corrugated packaging and nonwoven products, 15% from flexible packaging, and 73% from heavy duty packaging.

Regarding initiatives in Overseas Business, in August 2024, Tri-Wall Limited in Hong Kong made a capital investment in Concept Packaging Group LLC, a heavy-duty packaging materials manufacturer in the U.S. In December 2024, the acquisition of Pronk India was completed. In March 2025, the acquisition of equity in Pronk Dubai was finalized.



## 7. Overseas sales by region and product



		FY3/2024		FY3/2025				FY3/2024		FY3/2025		(billion yen, %)	
		Net sales	Composition ratio	Net sales	Composition ratio			Net sales	Composition ratio	Net sales	Composition ratio		
Europe		93.9	49.6	97.1	45.6	America		13.6	7.2	19.1	9.0		
Corrugated packaging		-		-		Corrugated packaging		3.4		4.0			
Flexible packaging		0.5		0.6		Flexible packaging		3.6		6.5			
Heavy duty packaging		93.4		96.5		Heavy duty packaging		6.7		8.6			
China		57.9	30.6	63.7	29.9	Others		2.2	1.2	3.4	1.6		
Corrugated/Nonwoven products		16.1		16.9		Corrugated packaging		0.0		-			
Flexible packaging		18.4		19.6		Flexible packaging		0.4		0.6			
Heavy duty packaging		23.4		27.2		Heavy duty packaging		1.8		2.9			
Asia excluding China		21.5	11.4	29.8	14.0								
Corrugated packaging		3.2		3.9									
Flexible packaging		2.7		5.5									
Heavy duty packaging		15.6		20.4									
Overseas Business total		189.2						213.1					

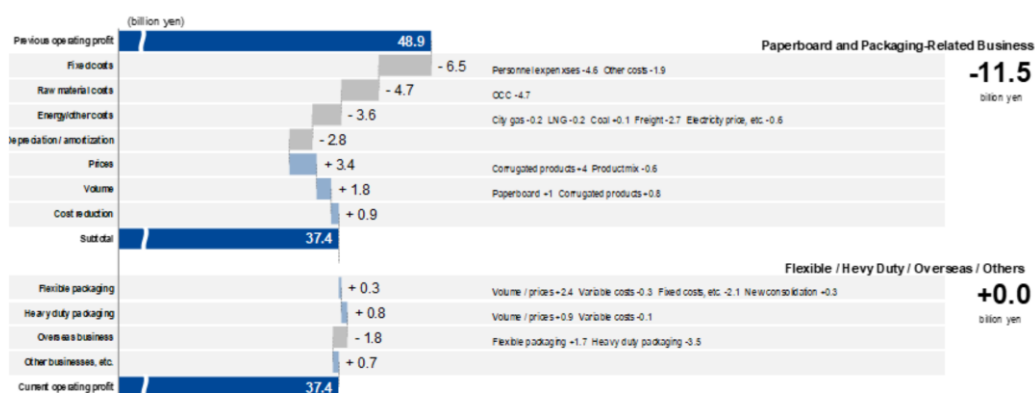
Next, we will provide Overseas sales by region and product.

Sales by region are as follows: Europe accounts for 45.6%, China for 29.9%, Asia excluding China for 14.0%, America for 9.0%, and others for 1.6%.

Notably, heavy duty packaging business in Europe holds a relatively significant weight in this distribution.

Consolidated financial results for the year ended March 2025

## 8. Factors for increase/decrease in operating profit (Y/Y differences)



## Key information on factors affecting changes in operating profit

			FY3/2024	FY3/2025	Y/Y (%)	Diff.
Production	Containerboard	1,000 tons	2,194	2,229	101.6	+35
	Corrugated board	million sqm	4,217	4,226	100.2	+9
Raw material and fuel price-related	OCC <sup>(1)</sup>	JPY/kg	18 and up	18 and up	100.0	Flat
	Dubai crude oil	USD/bbl	82.6		96.2	-3.2
	Annual impact of \$1 fluctuation*		0.2 bn. yen	0.2 bn. yen	-	-
	Foreign exchange	JPY/USD	144.6	152.5	105.5	+7.9
	Annual impact of 1 yen fluctuation (benefit from yen appreciation)		0.2 bn. yen	0.2 bn. yen	-	-
Product price-related	Containerboard <sup>(2)</sup>	JPY/kg	from 96 to 98	from 96 to 98	100.0	Flat
	(Grade 0 medium)					
	Corrugated board <sup>(2)</sup>	JPY/sqm	from 81 to 82	from 81 to 82	100.0	Flat
	(C's)					

\* Crude oil price changes impact profit or loss after around six months.

Source: (1) Paper Recycling Promotion Center (Recovered paper wholesaler's store price)  
(2) Nikkei Inc.

The General Packaging Industry RENG0 10

Next, we will explain factors for increase and decrease in operating profit.

First, the Paperboard and Packaging-Related Business decreased operating profit by ¥11.5 billion. Profit decreasing factors were, fixed costs increase of ¥6.5 billion, raw material costs increases of ¥4.7 billion, energy costs and freight increase of ¥3.6 billion, and depreciation/amortization increase of ¥2.8 billion, total profit decreasing factors of ¥17.6 billion. On the other hand, profit increasing factors were, price factors of ¥3.4 billion, volume factors of ¥1.8 billion, and cost reduction of ¥0.9 billion, total profit increasing factors of ¥6.1 billion, resulting in a net decrease of ¥11.5 billion.

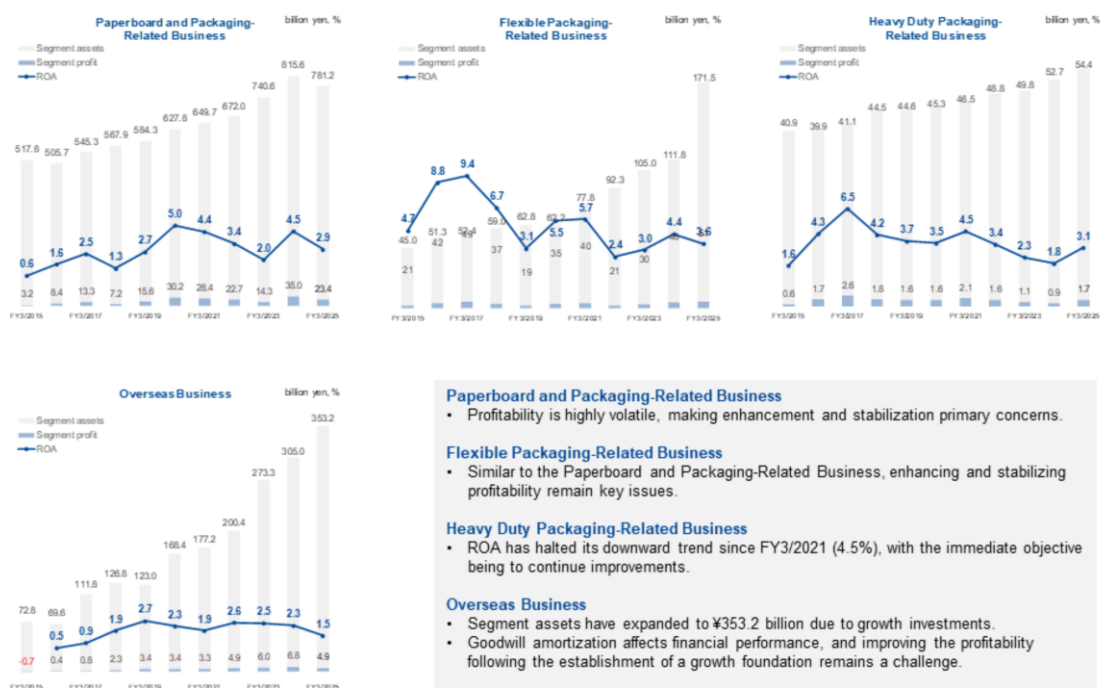
Businesses other than the Paperboard and Packaging-Related Business were almost in line with the previous year. Details were, ¥0.3 billion increase in the Flexible Packaging-Related Business, ¥0.8 billion increase in the Heavy Duty Packaging-Related Business, and ¥1.8 billion decrease in the Overseas Business (+¥1.7 billion from flexible packaging, -¥3.5 billion from heavy duty packaging, and neutral from corrugated/nonwoven products), and other businesses increased by ¥0.7 billion.

As a result, the overall operating profit decreased by ¥11.5 billion.

For key information on factors affecting changes in operating profit, including the production volume of containerboard and corrugated board, raw material and fuel price-related, and product price-related market conditions, please refer to the table in the margin.

Consolidated financial results for the year ended March 2025

## 9. Trends in assets, profit, and ROA by segment



The General Packaging Industry RENGU 11

Next, we will provide trends in assets, profit, and ROA by segment.

This slide summarizes the trends in segment assets, segment profit, and ROA for Paperboard and Packaging-Related Business, Flexible Packaging-Related Business, Heavy Duty Packaging-Related Business, and Overseas Business.

Taking these conditions into account, we will strive to improve profitability and efficiency across the entire management of our group in the future.

## Consolidated financial results for the year ended March 2025

## 10. Cash flows

**Operating CF: 77 billion yen (Y/Y -12.6 billion yen)**

(Main components)

Profit before income taxes: ¥42.8 billion, Depreciation: ¥56.0 billion, Income taxes paid: ¥19.8 billion

**Investing CF: -97.3 billion yen (Y/Y -21.3 billion yen)**

(Main components)

Expenditure for acquisition of property, plant and equipment: ¥96.1 billion, Expenditure for acquisition of subsidiary shares resulting in change in scope of consolidation: ¥7.5 billion, Net increase in time deposits: ¥4.6 billion

**Financing CF: -14.5 billion yen (Y/Y -31.8 billion yen)**

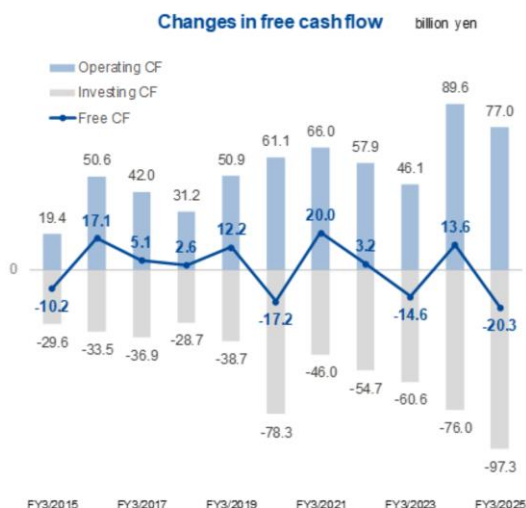
(Main components)

Net increase in long- and short-term borrowings: ¥5.8 billion, Expenditure for redemption of bonds: ¥5.0 billion, Dividends paid: ¥8.2 billion, Expenditure for repayment of lease liabilities: ¥6.4 billion

**Free CF: -20.3 billion yen (Y/Y -33.9 billion yen)**

Free cash flow decreased by ¥33.9 billion due to a reduction in cash inflows from operating activities and an increase in cash outflows from investing activities.

	(billion yen)		
	FY3/2024	FY3/2025	Diff.
[1] Net cash provided by (used in) operating activities	89.6	77.0	-12.6
[2] Net cash provided by (used in) investing activities	-76.0	-97.3	-21.3
[3] Free cash flow (= [1]+[2])	13.6	-20.3	-33.9
[4] Net cash provided by (used in) financing activities	17.3	-14.5	-31.8
[5] Exchange rate changes	1.9	3.0	+1.1
[6] Change in cash and cash equivalents (= [3]+[4]+[5])	32.8	-31.7	-64.5
[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	-1.5	-1.6
[9] Cash and cash equivalents at end of period (= [6]+[7]+[8])	103.8	70.6	-33.2



The General Packaging Industry RENO

12

Next, we will explain the cash flow situation.

Operating cash flow was ¥77 billion, a decrease of ¥12.6 billion year-on-year.

Investing cash flow was negative ¥97.3 billion, a decrease of ¥21.3 billion year-on-year.

As a result, free cash flow was negative ¥20.3 billion, a decrease of ¥33.9 billion compared to the previous year.

## Full-year forecast for the year ending March 2026

### Disclaimer

- 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.

Let us now provide an explanation regarding the full-year forecast for the fiscal year ending March 2026.

Taking into account the future business environment and our strategic initiatives, we will present the company's outlook.

## 1. Summary of financial indicators

	FY3/2025 results	FY3/2026 forecasts	Y/Y (%)	Difference
<b>Consolidated Balance Sheets</b>				
Equity capital	464.0 bl. Yen	465.0 bl. Yen	100.2	+1.0 bl. Yen
Interest bearing debt	448.5	485.0	108.1	+36.5
Total assets	1,243.1	1,306.0	105.1	+62.9
Debt to equity ratio	1.0 x	1.0 x		
Net debt to equity ratio	0.8 x	0.8 x		
Shareholders' equity ratio	37.3 %	35.6 %		
<b>Consolidated Statements of Income</b>				
Net sales	993.3 bl. Yen	1,005.0 bl. Yen	101.2	+11.7 bl. Yen
Operating profit	37.4	40.0	106.9	+2.6
Ordinary profit	39.2	40.0	102.1	+0.8
Profit attributable to owners of parent	29.0	24.0	82.8	-5.0
Depreciation and amortization	56.0	59.0	105.4	+3.0
EBITDA	97.1	102.9	106.0	+5.8
<b>Financial KPI</b>				
ROE	6.5 %	5.2 %		
Net debt to EBITDA ratio	3.8 x	3.9 x		

First, we will explain a summary of financial indicators for the fiscal year ending March 2026.

This slide presents the key financial indicators for the fiscal year ending March 2026, compared to the results for the fiscal year ended March 2025.

I will explain these details next.



## 2. Outlook for profit and business environment

### Consolidated income statement

(billion yen)

	FY3/2025 results	FY3/2026 forecasts	Y/Y (%)	Diff.
Net sales	993.3	1,005.0	101.2	+ 11.7
Operating profit	37.4	40.0	106.9	+ 2.6
Ordinary profit	39.2	40.0	102.1	+ 0.8
Profit attributable to owners of parent	29.0	24.0	82.8	- 5.0

### Outlook for external environment

- The Japanese economy is expected to be supported by gradual recovery due to improvements in employment and income conditions, as well as the effects of various policies.
- However, there are increasing downside risks to the economy due to the impact of U.S. trade policies.
- Continued price increases also pose a risk to the economy by affecting personal consumption.

### Outlook for our group

- Increases in logistics and labor costs, as well as higher depreciation expenses due to capital investments for environmental measures and labor environment improvements.
- Worsening profitability in the heavy duty packaging business due to the economic downturn in Europe.
- Product price revisions completed last year are expected to contribute positively.

We will now provide the outlook for profit and business environment for the fiscal year ending March 2026.

We anticipate net sales of ¥1,005 billion, a ¥11.7 billion increase. Operating profit is expected to be ¥40 billion, a ¥2.6 billion increase. Ordinary profit is also projected to be ¥40 billion, with an increase of ¥0.8 billion. However, profit attributable to owners of parent is forecasted to be ¥24 billion, a decrease of ¥5 billion.

For our group, we expect increases in logistics and labor costs, as well as higher depreciation expenses due to capital investments for environmental measures and labor environment improvements. Additionally, while there is a possibility of worsening profitability in the heavy duty packaging business due to the economic downturn in Europe, we expect a positive contribution from the product price revisions completed last year.

### 3. Performance forecast by segment

#### Net sales and operating profit by segment

(billion yen)

	Net Sales				Operating profit			
	FY3/2025 results	FY3/2026 forecasts	Y/Y (%)	Diff.	FY3/2025 results	FY3/2026 forecasts	Y/Y (%)	Diff.
Paper and Packaging-Related Business	514.7	516.0	100.2	+ 1.3	23.4	28.3	120.7	+ 4.9
Flexible Packaging-Related Business	181.6	193.0	106.3	+ 11.4	5.1	6.2	122.5	+ 1.1
Heavy Duty Packaging-Related Business	45.0	47.9	106.5	+ 2.9	1.7	2.3	136.6	+ 0.6
Overseas Business	213.1	208.7	97.9	- 4.4	4.9	1.9	38.5	- 3.0
Other Businesses	38.9	39.4	101.4	+ 0.5	2.3	1.3	56.8	- 1.0
Consolidated total	993.3	1,005.0	101.2	+ 11.7	37.4	40.0	106.9	+ 2.6

\*Includes inter-segment transaction eliminations in consolidation adjustments. Due to rounding differences, "Diff." figures may not match the calculated values.

Next, performance forecast by segment for the fiscal year ending March 2026.

This table presents net sales and operating profit forecasts by segment for the fiscal year ending March 2026, compared to the results for the fiscal year ended March 2025. Please refer to the slide for further details.

Full-year forecast for the year ending March 2026

#### 4. Factors for increase/decrease in forecasted operating profit (Y/Y differences)

(billion yen)			
Previous operating profit	37.4		
Fixed costs	-7.0		
Depreciation/amortization	-2.2		
Energy/other costs	-0.3		
Price	+9.6		
Volume	+3.7		
Raw material costs	+0.9		
Cost reduction	+0.2		
Subtotal	42.3		
Flexible packaging	+1.1		
Heavy duty packaging	+0.6		
Overseas business	-3.0		
Other business, etc.	-1.0		
Current operating profit	40.0		

**+4.9**  
billion yen

**-2.3**  
billion yen

##### Key assumptions regarding major factors affecting operating profit

		FY3/2026 forecasts
Production	Containerboard	Y/Y 101.7%
	Corrugated board	Y/Y 102.1%
Raw material and fuel price-related	Purchase price of OCC	Generally flat from the previous year
	Dubai crude oil	70.0 (Decrease by \$9.4)
		0.2 bn. yen
	Foreign exchange	145.0 (Appreciation of JPY by 7.5 yen)
Product price-related	Containerboard	Generally flat from the previous year
	Corrugated board	Slight increase from the previous year

\* Crude oil price changes impact profit or loss after around six months.

Next, we will explain factors for increase and decrease in forecasted operating profit for the fiscal year ending March 2026.

First, in the Paperboard and Packaging-Related Business, we anticipate operating profit increase of ¥4.9 billion. Profit decreasing factors will include fixed costs increase of ¥7 billion, depreciation/amortization increase of ¥2.2 billion, and energy cost and freight increase of ¥0.3 billion, total profit decreasing factors of ¥9.5 billion. On the other hand, we expect profit increasing factors will be, price factors of ¥9.6 billion, volume factors of ¥3.7 billion, raw material costs (OCC) of ¥0.9 billion, and cost reduction of ¥0.2 billion, total profit increasing factors of ¥14.4 billion, resulting in a net increase of ¥4.9 billion.

In the businesses other than the Paperboard and Packaging-Related Business, we forecast a decrease in profit of ¥2.3 billion. The breakdown includes ¥1.1 billion increase in the Flexible Packaging-Related Business, ¥0.6 billion increase in the Heavy Duty Packaging-Related business, ¥3 billion decrease in Overseas Business, and other businesses decreased by ¥1 billion.

Key assumptions regarding major factors affecting operating profit are listed in the table in the margin. Regarding production volume, we expect up 1.7% year-on-year for containerboard and up 2.1% for corrugated board.

As for raw material and fuel price, the purchase price of OCC is assumed to remain generally flat from the previous year. Dubai crude oil price is expected to decrease by 9.4 dollars to 70 dollars, and we estimate that the annual benefits from the decline in energy prices will result in approximately ¥0.2 billion per \$1 fluctuation, with a time lag of about six months. Regarding exchange rates, we assume an appreciation of the yen by ¥7.5 to ¥145 compared to the previous year, and we estimate that the annual benefits from the decline in energy prices will result in approximately ¥0.2 billion per ¥1 appreciation.

Additionally, regarding product price, we expect containerboard to remain generally flat, while corrugated board are expected to see a slight increase.

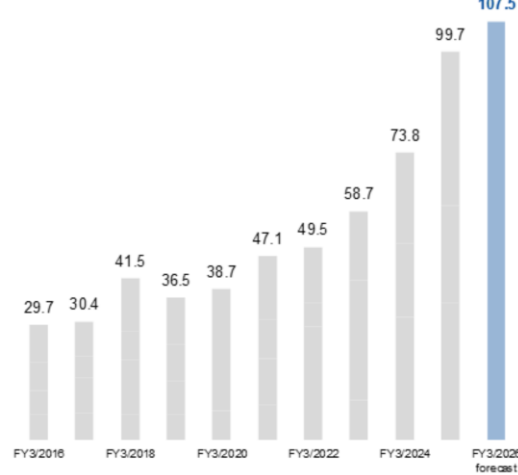
Full-year forecast for the year ending March 2026

# 5. Trends in capital expenditures and depreciation

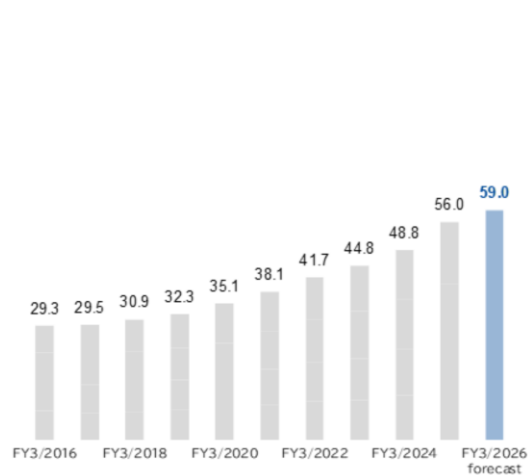
## Major capital investments planned for completion this fiscal year

- Rengo Co., Ltd. Tokyo Plant: Expansion of factory building, etc.
- Rengo Co., Ltd. Kanazu Mill: Fuel conversion (introduction of gas cogeneration system)
- Rengo Co., Ltd. Shimizu Plant: Renovation and facility enhancement
- TRICOR Packaging & Logistics AG: Construction of Goch Plant
- Rengo Co., Ltd. corrugated / folding cartons plants: Heat countermeasures (Phase 3)

Changes in the capital expenditure billion yen



Changes in the depreciation/amortization billion yen



The General Packaging Industry RENG

Next, we will explain trends in capital expenditure and depreciation.

Regarding the total amount of capital expenditure, the result for the previous fiscal year was ¥99.7 billion, while we plan ¥107.5 billion for the current fiscal year.

Major capital investments planned for completion this fiscal year include:  
 Rengo Co., Ltd. Tokyo Plant: We are proceeding with the renewal construction that began in April 2021,  
 Rengo Co., Ltd. Kanazu Mill: As part of our initiative to zero-coal consumption, we will introduce a gas cogeneration system for fuel conversion,  
 Rengo Co., Ltd. corrugated and folding cartons plants: We will implement Phase 3 of heat countermeasures,  
 Rengo Co., Ltd. Shimizu Plant: We will carry out renovation and facility enhancement, and  
 TRICOR Packaging & Logistics AG: Construction of the Goch Plant is underway.

Regarding depreciation and amortization, the result for the previous fiscal year was ¥56 billion, and we forecast ¥59 billion for the current fiscal year.

Full-year forecast for the year ending March 2026

## 6. Profitability and Financial Soundness

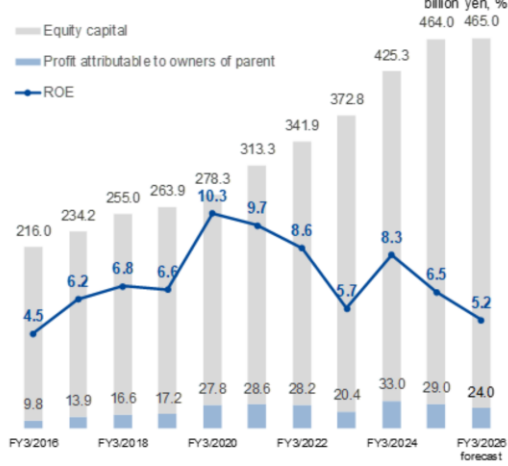
### ROE

- The current fiscal year is projected at 5.2%, 1.3 percentage points lower than the previous year.

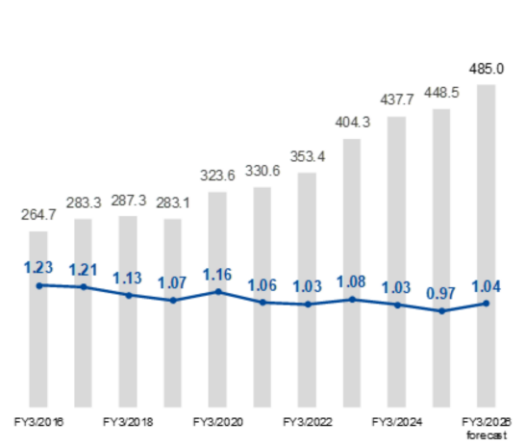
### D/E Ratio

- The current fiscal year is expected to maintain a level below the financial soundness benchmark of 1.5 times, with a ratio of 1.04 times.

Changes in profit, equity capital, and ROE



Changes in interest-bearing debt and debt to equity ratio



The General Packaging Industry RENO

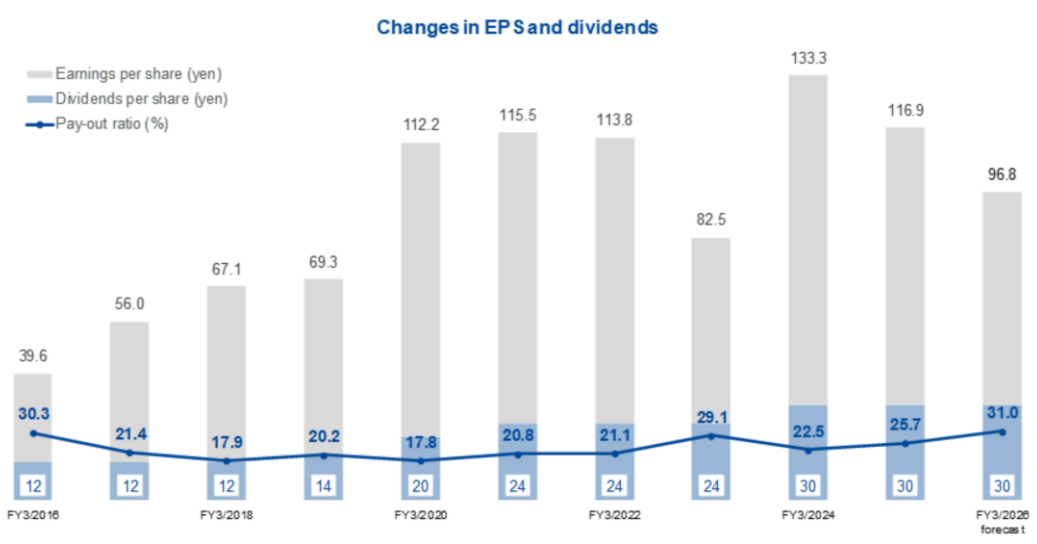
Next, we will explain profitability and financial soundness.

In the current fiscal year, ROE is projected at 5.2%, 1.3 percentage points lower than the previous year's 6.5%.

Additionally, in the current fiscal year, debt to equity ratio is expected to maintain a level below the financial soundness benchmark of 1.5 times, with a ratio of 1.04 times.

# 7. Shareholder Returns

- Basic Policy**
  - Our progressive dividend policy aims to increase dividends in line with profit growth while maintaining continuous and stable dividends, considering performance trends, financial position, and future business expansion comprehensively and over the long term.
- Current Fiscal Year Plan**
  - An interim dividend of ¥15, a year-end dividend of ¥15, totaling ¥30 annually, with a projected payout ratio of 31.0%.



Finally, We would like to explain our shareholder returns.

As a basic policy, we have a progressive dividend policy that aims to increase dividends in line with profit growth.

For the current fiscal year, we plan to distribute an interim dividend of ¥15 and a year-end dividend of ¥15, totaling ¥30 annually, with a projected payout ratio of 31.0%.

\* \* \*

This concludes our explanation of the consolidated financial results for the fiscal year ended March 2025 and the full-year forecast for the fiscal year ending March 2026.

Additionally, we are scheduled to present our five-year medium-term vision, “Vision120,” covering the period from the fiscal year ending March 2026 to the fiscal year ending March 2030, at a management conference on May 16, 2025.

Thank you for your attention.



# Rengo Co., Ltd.

Nakanoshima Central Tower, 2-2-7, Nakanoshima, Kita ku, Osaka, Japan 530 0005  
<https://www.rengo.co.jp>

## Disclaimer

The business strategies, performance forecasts, and other content included in this material are based on information available at the present time. The performance forecast figures and other information provided do not guarantee the realization of future plans.

Reproducing or redistributing all or part of the information contained in this document without permission is prohibited.  
© Rengo Co., Ltd. All rights reserved.