

# Consolidated Financial Results

## 2Q FY2016 (Apr.-Sept. 2016)

November 2, 2016

Contents	
1	Consolidated Statement of Income (YOY)
2	Breakdown of Changes in Consolidated Operating Income (YOY)
3	Consolidated Balance Sheet
4	Detailed Consolidated Performance (YOY)

# 1. Consolidated Statement of Income

(Year-on-year)

(billion yen)

	Apr.-Sept. 2015	Apr.-Sept. 2016	YoY	Diff.
<b>Net sales</b>	265.8	270.5	101.8%	4.7
<b>Operating income</b>	5.8	13.7	235.2%	7.9
<b>Ordinary income</b>	6.4	14.1	220.1%	7.7
<b>Extraordinary gain and loss</b>	0.1	-0.6	-	-0.7
<b>Profit attributable to owners of the parent</b>	3.5	8.7	249.1%	5.2

## Main factors underlying extraordinary gain and loss

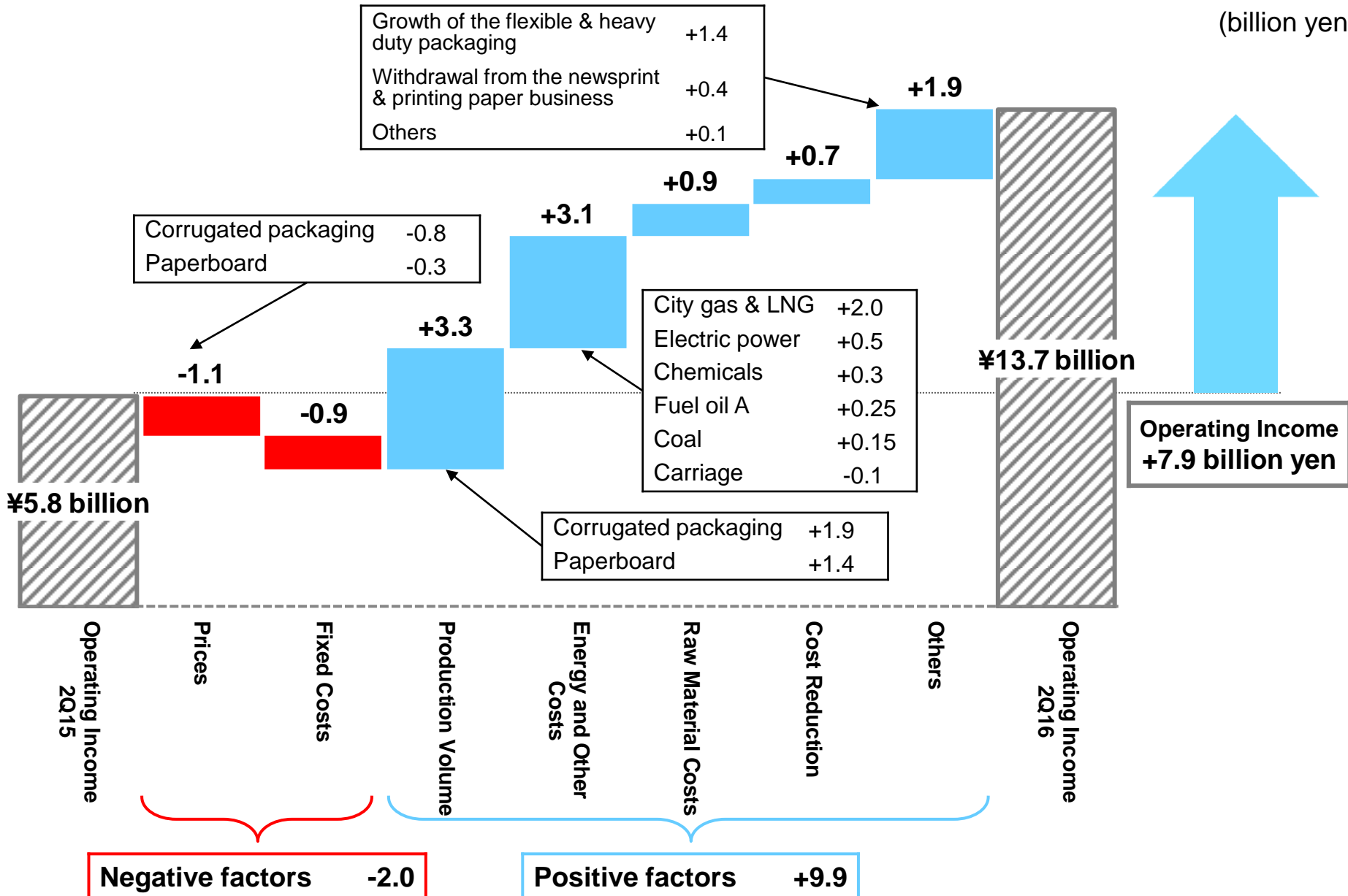
(billion yen)

	Apr.-Sept. 2015
<b>(Extraordinary gain)</b>	
Insurance income	0.4
Compensation income	0.3
Subsidy income	0.1
<b>(Extraordinary loss)</b>	
Loss on sales/retirement of noncurrent assets	0.4
Loss on valuation of investment securities	0.2
Loss on reduction of noncurrent assets	0.1

	Apr.-Sept. 2016
<b>(Extraordinary gain)</b>	
Gain on sales of noncurrent assets	0.1
<b>(Extraordinary loss)</b>	
Impairment loss	0.3
Loss on sales/retirement of noncurrent assets	0.2
Plant renewal expenses	0.1

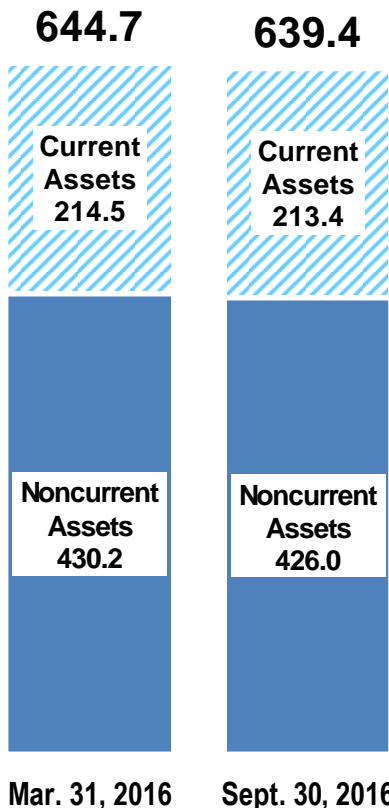
## 2. Breakdown of Changes in Consolidated Operating Income (Year-on-year)

(billion yen)



### 3. Consolidated Balance Sheet

#### Assets



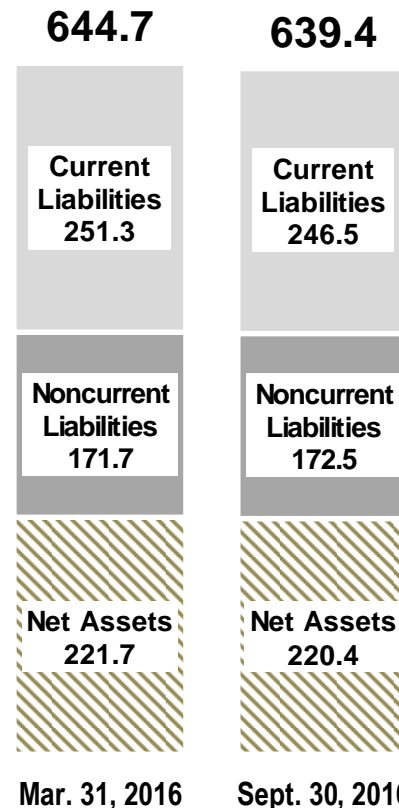
<b>Current assets</b>	- 1.1
Cash and deposits	- 2.2
Notes and accounts receivable-trade	+ 1.5

<b>Noncurrent assets</b>	- 4.2
Investments and other assets	- 4.4
(Investment securities)	- 2.5)
(Long-term loans receivable)	- 1.8)

<b>Total assets</b>	- 5.3
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#### Liabilities & Net Assets

(billion yen)



<b>Liabilities</b>	- 4.0
Bonds payable	- 5.0

<b>Net assets</b>	- 1.3
Retained earnings	+ 6.8
Foreign currency translation adjustment	- 8.3

	Mar. 31, 2016	Sept. 30, 2016	
Interest-bearing debt*	¥264.7 bn	<b>¥258.4 bn</b>	(-6.3 billion yen)
Capital adequacy ratio	33.5 %	<b>33.6 %</b>	(+0.1 pts)
D/E Ratio	1.23 times	<b>1.20 times</b>	(-0.03 pts)

\*Including discounted bills.

## 4. Detailed Consolidated Performance (Year-on-year)

		No. of companies*		Net sales (billion yen)				Ordinary income (million yen)				Containerboard production (1,000 MT)			Corrugated board production (million sqm.)		
		2Q15	2Q16	2Q15	2Q16	YoY %	Diff.	2Q15	2Q16	YoY %	Diff.	2Q15	2Q16	YoY %	2Q15	2Q16	YoY %
1	Rengo (unconsolidated)	1	1	136.9	144.1	105.3	7.2	1,678	6,442	383.9	4,764	820	887	108.2	962	1,027	106.8
2	Paper manufacturing Subs	2	2	12.0	11.7	97.6	-0.3	-1,732	-58	-	1,674	148	180	121.6			
3	Paperboard packaging Subs	29	31	80.2	84.3	105.1	4.1	3,644	3,681	101.0	37				864	921	106.6
4	Flexible packaging Subs	1	1	27.4	28.2	102.9	0.8	1,844	2,511	136.2	667						
5	Heavy duty packaging Subs	1	1	21.6	20.6	95.5	-1.0	1,033	1,769	171.2	736						
6	Other Subs	5	5	60.6	63.4	104.7	2.8	885	1,116	126.1	231						
<b>Domestic total (1 to 6)</b>		<b>39</b>	<b>41</b>	<b>338.7</b>	<b>352.4</b>	<b>104.0</b>	<b>13.7</b>	<b>7,352</b>	<b>15,461</b>	<b>210.3</b>	<b>8,109</b>	<b>968</b>	<b>1,068</b>	<b>110.3</b>	<b>1,826</b>	<b>1,948</b>	<b>106.7</b>
7	Paperboard packaging & nonwoven products Subs	9	9	9.8	7.7	78.9	-2.1	-193	-356	-	-163				123	131	106.5
8	Flexible packaging Subs	1	1	4.0	3.4	85.1	-0.6	446	607	136.1	161						
9	Heavy duty packaging Subs	3	3	3.3	2.5	75.8	-0.8	-1	-79	-	-78						
<b>Overseas total (7 to 9)</b>		<b>13</b>	<b>13</b>	<b>17.2</b>	<b>13.7</b>	<b>79.8</b>	<b>-3.5</b>	<b>252</b>	<b>172</b>	<b>68.3</b>	<b>-80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123</b>	<b>131</b>	<b>106.5</b>
10	Companies subject to the equity method	8	9					628	606	96.5	-22						
<b>Intersegment elimination</b>				<b>-90.0</b>	<b>-95.5</b>	<b>-</b>	<b>-5.5</b>	<b>-1,843</b>	<b>-2,178</b>	<b>-</b>	<b>-335</b>						
<b>Total</b>		<b>60</b>	<b>63</b>	<b>265.8</b>	<b>270.5</b>	<b>101.8</b>	<b>4.7</b>	<b>6,389</b>	<b>14,061</b>	<b>220.1</b>	<b>7,672</b>	<b>968</b>	<b>1,068</b>	<b>110.3</b>	<b>1,949</b>	<b>2,079</b>	<b>106.7</b>

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

(Consolidated subsidiaries)

- Tohoku Shiki Co., Ltd. and Fuji-Hoso Shiki Co., Ltd. have been consolidated.

(Companies subject to the equity method)

- Sun-Tox Co., Ltd. became an affiliated company in the previous 3Q.

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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.