

Consolidated Financial Results FY2016 (Apr. 2016-Mar. 2017)

May 12, 2017

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1. Consolidated Statement of Income

(Year-on-year)

The General Packaging Industry

(billion yen)

	FY2015	FY2016	YoY	Diff.	FY2016 previous forecast*	A/F	Diff.
Net sales	532.5	545.5	102.4%	13.0	558.0	97.8%	-12.5
Operating income	15.7	23.6	150.3%	7.9	24.0	98.5%	-0.4
Ordinary income	16.6	25.2	151.6%	8.6	24.0	105.1%	1.2
Extraordinary gain and loss	-0.4	-1.0	-	-0.6	-0.4	-	-0.6
Profit attributable to owners of the parent	9.8	13.9	141.4%	4.1	14.5	95.7%	-0.6

*Disclosed on May 13, 2016

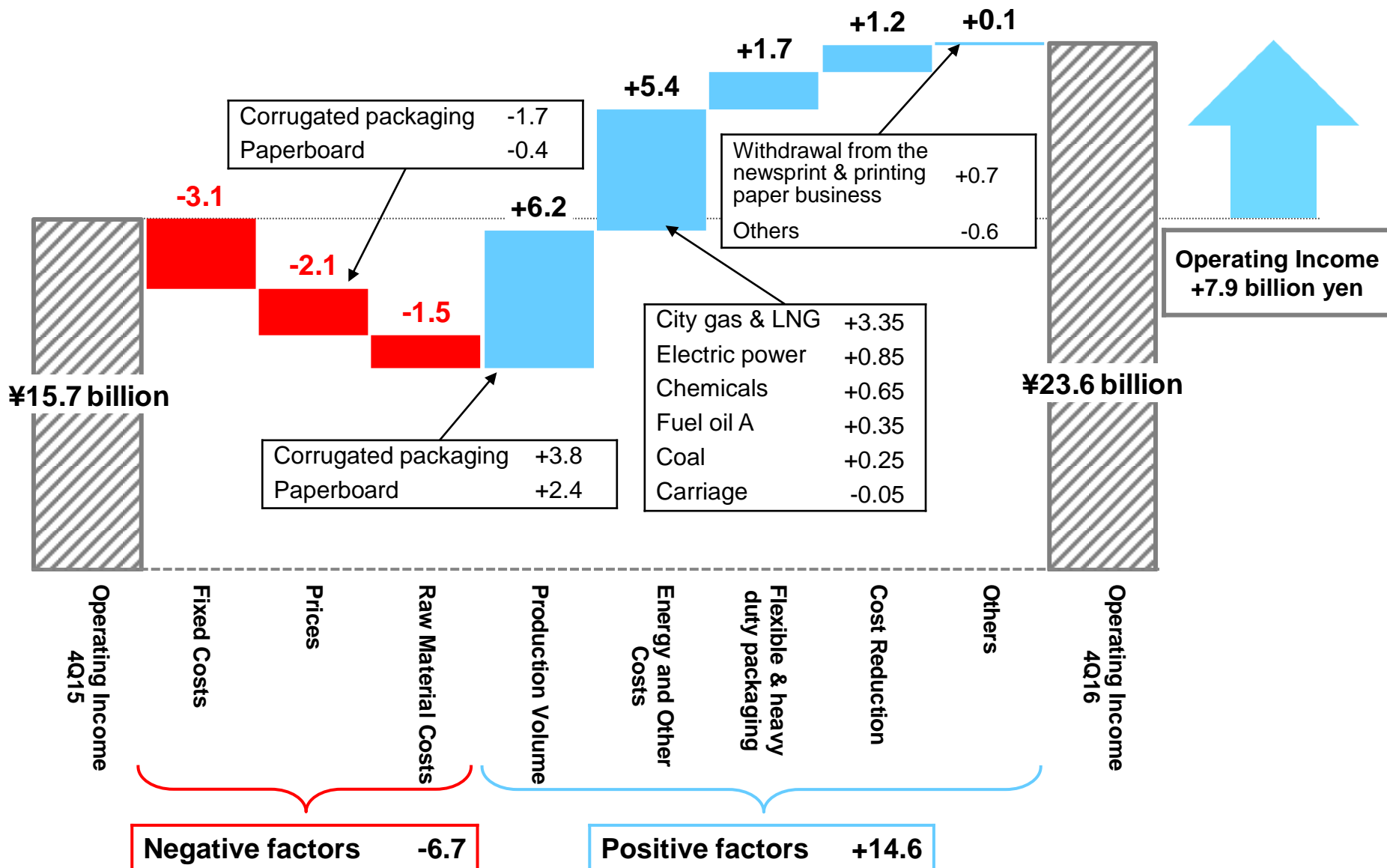
Main factors underlying extraordinary gain and loss

(billion yen)

	FY2015		FY2016
(Extraordinary gain)		(Extraordinary gain)	
Subsidy income	11.8	Gain on sales of investment securities	0.7
Gain on sales of investment securities	1.1	Gain on sales of noncurrent assets	0.3
Insurance income	0.4		
Compensation income	0.3		
(Extraordinary loss)		(Extraordinary loss)	
Loss on reduction of noncurrent assets	11.1	Removal expenses of business offices and plant	0.5
Loss on business withdrawal	1.3	Loss on sales/retirement of noncurrent assets	0.5
Loss on sales/retirement of noncurrent assets	0.9	Amortization of goodwill	0.4
Impairment loss	0.4	Plant renewal expenses	0.3
Loss on valuation of investment securities	0.1	Loss on reduction of noncurrent assets	0.2

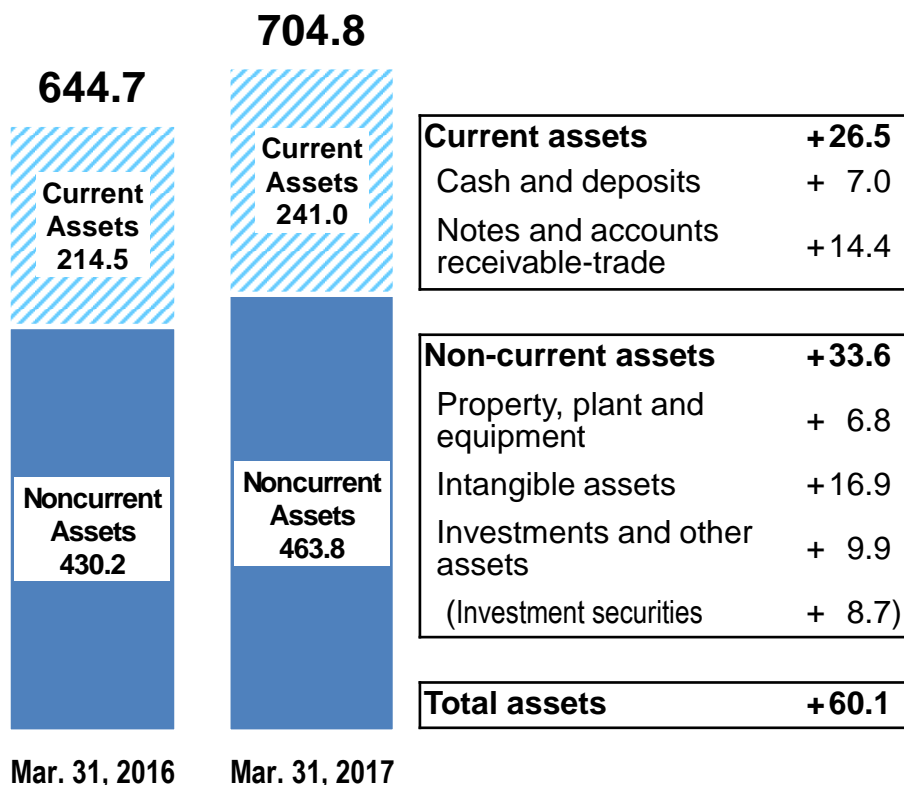
2. Breakdown of Changes in Consolidated Operating Income (Year-on-year)

(billion yen)



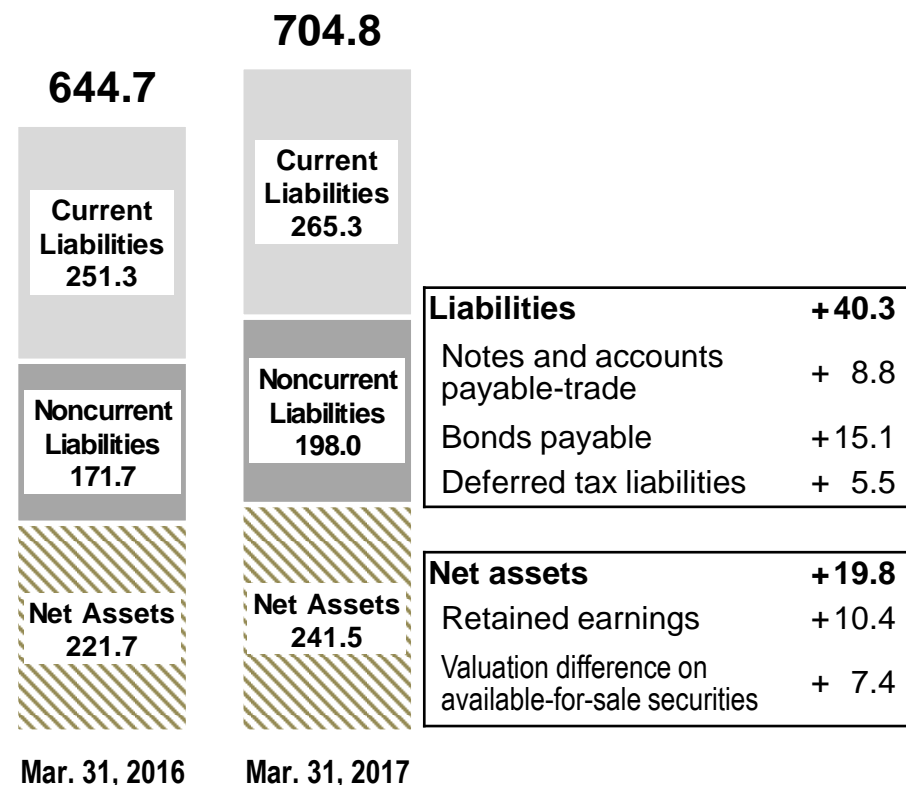
3. Consolidated Balance Sheet

Assets



Liabilities & Net Assets

(billion yen)



	Mar. 31, 2016	Mar. 31, 2017	
Interest-bearing debt	¥264.7 bn	¥283.4 bn	(+18.7 billion yen)
Capital adequacy ratio	33.5 %	33.2 %	(-0.3 pts)
D/E Ratio	1.23 times	1.21 times	(-0.02 pts)
EBITDA	¥46.5 bn	¥54.4 bn	(+7.9 billion yen)

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.)		
		4Q15	4Q16	4Q15	4Q16	YoY %	Diff.	4Q15	4Q16	YoY %	Diff.	4Q15	4Q16	YoY %	4Q15	4Q16	YoY %
1	Rengo (unconsolidated)	1	1	274.2	286.1	104.3	11.9	3,532	9,398	266.1	5,866	1,683	1,807	107.4	1,892	2,005	106.0
2	Paper manufacturing Subs	2	2	24.2	22.9	94.9	-1.3	-2,594	-853	-	1,741	314	360	114.6			
3	Paperboard packaging Subs	29	32	163.2	174.3	106.8	11.1	7,675	7,956	103.7	281				1,772	1,897	107.1
4	Flexible packaging Subs	1	1	54.2	55.5	102.3	1.3	3,764	4,452	118.3	688						
5	Heavy duty packaging Subs	1	1	42.2	40.9	96.8	-1.3	2,368	3,291	139.0	923						
6	Other Subs	5	5	123.9	128.8	103.9	4.9	2,072	2,430	117.3	358						
Domestic total (1 to 6)		39	42	682.0	708.5	103.9	26.5	16,817	26,674	158.6	9,857	1,998	2,167	108.5	3,665	3,902	106.5
7	Paperboard packaging & nonwoven products Subs	9	9	18.5	17.7	96.1	-0.8	-86	-323	-	-237				247	279	113.0
8	Flexible packaging Subs	1	2	7.5	7.8	103.7	0.3	987	1,352	137.0	365						
9	Heavy duty packaging Subs	3	3	6.5	5.9	89.7	-0.6	80	47	58.8	-33						
Overseas total (7 to 9)		13	14	32.5	31.4	96.6	-1.1	981	1,076	109.7	95	-	-	-	247	279	113.0
10	Companies subject to the equity method	9	9					1,319	1,656	125.5	337						
Intersegment elimination				-182.0	-194.4	-	-12.4	-2,484	-4,192	-	-1,708						
Total		61	65	532.5	545.5	102.4	13.0	16,633	25,214	151.6	8,581	1,998	2,167	108.5	3,912	4,181	106.9

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

(Domestic consolidated subsidiaries)

- Tohoku Shiki Co., Ltd. has been consolidated.
- Fuji-Hoso Shiki Co., Ltd. has been consolidated.
- Kato Danboru Co., Ltd. has been consolidated.

(Overseas consolidated subsidiaries)

- Howa Taiwan Co., Ltd. has been consolidated.
- Tri-Wall Group is excluded from the above companies because its balance sheet has been only included in the current period.

5. Consolidated Income Statement Forecast for FY2017 (Year-on-year)

(billion yen)

	FY2016	FY2017 Forecast	YOY (%)	Difference
Net sales	545.5	600.0	110.0%	54.5
Operating income	23.6	24.0	101.5%	0.4
Ordinary income	25.2	25.5	101.1%	0.3
Extraordinary gain and loss	-1.0	-0.5	-	0.5
Profit attributable to owners of the parent	13.9	15.5	111.7%	1.6

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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