

Consolidated Financial Results

1Q FY2018 (Apr.-June 2018)

August 2, 2018

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1. Consolidated Statement of Income

(Year-on-year)

(billion yen)

	Apr.-June 2017	Apr.-June 2018	YoY	Diff.
Net sales	146.1	159.6	109.2%	13.5
Operating income	4.7	9.0	189.9%	4.3
Ordinary income	5.5	9.8	177.9%	4.3
Extraordinary gain and loss	0.3	-0.2	-	-0.5
Profit attributable to owners of the parent	3.4	6.6	191.5%	3.2

Main factors underlying extraordinary gain and loss

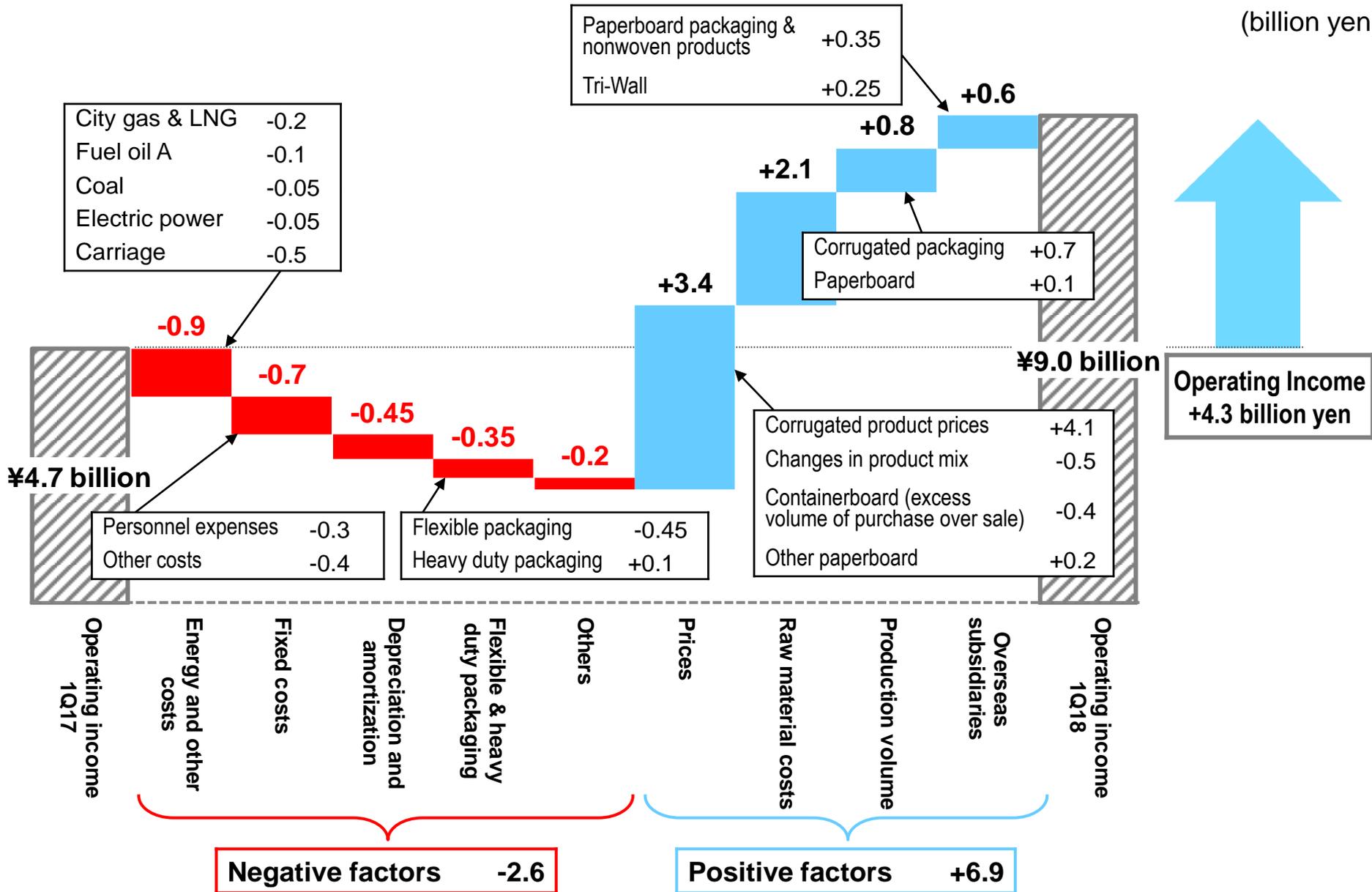
(billion yen)

	Apr.-June 2017
(Extraordinary gain)	
Insurance income	0.3
Gain on sales of noncurrent assets	0.15
(Extraordinary loss)	
Loss on sales/retirement of noncurrent assets	0.05

	Apr.-June 2018
(Extraordinary gain)	
(Extraordinary loss)	
Loss on plant closing	0.1

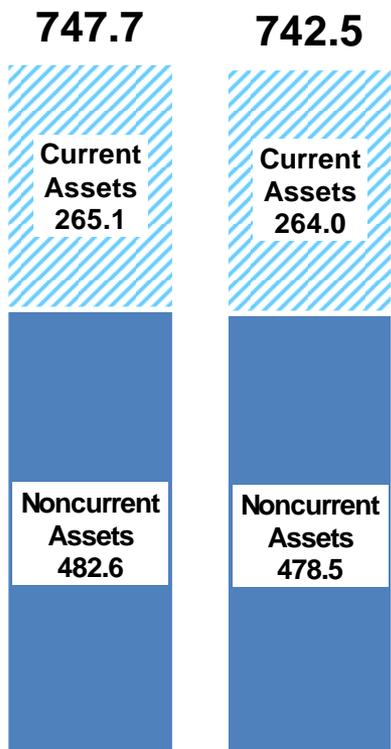
2. Breakdown of Changes in Consolidated Operating Income (Year-on-year)

(billion yen)



3. Consolidated Balance Sheet

Assets



Mar. 31, 2018

June 30, 2018

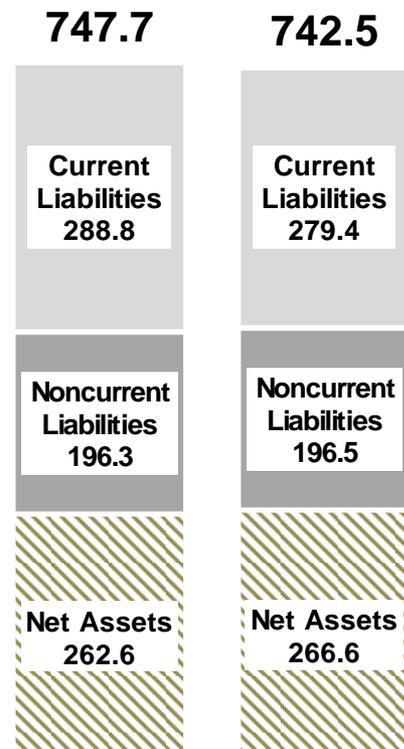
Current assets	- 1.1
Cash and deposits	- 3.0
Notes and accounts receivable-trade	+ 2.2

Non-current assets	- 4.1
Property, plant and equipment	- 2.3
Intangible assets	- 1.9

Total assets	- 5.2
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Liabilities & Net Assets

(billion yen)



Mar. 31, 2018

June 30, 2018

Liabilities	- 9.2
Notes and accounts payable-trade	- 2.8
Long-term and short-term loans payable	- 4.2

Net assets	+ 4.0
Retained earnings	+ 5.1
Valuation difference on available-for-sale securities	+ 2.4
Foreign currency translation adjustment	- 3.4

	Mar. 31, 2018	June 30, 2018	
Interest-bearing debt	¥287.3 bn	¥282.9 bn	(-4.4 billion yen)
Capital adequacy ratio	34.1 %	34.9 %	(+0.8 pts)
D/E Ratio	1.13 times	1.09 times	(-0.04 pts)

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.)		
		1Q17	1Q18	1Q17	1Q18	YoY %	Diff.	1Q17	1Q18	YoY %	Diff.	1Q17	1Q18	YoY %	1Q17	1Q18	YoY %
1	Rengo (unconsolidated)	1	1	74.2	80.9	109.0	6.7	3,493	7,663	219.4	4,170	462	460	99.6	541	558	103.1
2	Paper manufacturing Subs	2	2	6.0	7.3	122.3	1.3	-552	991	-	1,543	100	109	109.0			
3	Paperboard packaging Subs	32	32	43.3	46.5	107.3	3.2	1,351	905	67.0	-446				485	492	101.4
4	Flexible packaging Subs	1	1	14.4	15.3	106.3	0.9	983	563	57.3	-420						
5	Heavy duty packaging Subs	1	1	10.2	11.0	108.2	0.8	964	1,052	109.1	88						
6	Other Subs	5	5	33.5	38.2	113.8	4.7	503	843	167.6	340						
Domestic total (1 to 6)		42	42	181.6	199.1	109.6	17.5	6,742	12,017	178.2	5,275	562	568	101.1	1,026	1,049	102.2
7	Paperboard packaging & nonwoven products Subs	9	8	5.2	5.5	105.5	0.3	-56	256	-	312				73	62	84.9
8	Flexible packaging Subs	3	3	2.3	2.8	120.0	0.5	257	202	78.6	-55						
9	Heavy duty packaging Subs	79	85	10.1	13.7	135.5	3.6	447	777	173.8	330						
Overseas total (7 to 9)		91	96	17.7	22.0	124.7	4.3	648	1,235	190.6	587	-	-	-	73	62	84.9
10	Companies subject to the equity method	15	15					456	381	83.6	-75						
Intersegment eliminations				-53.1	-61.5	-	-8.4	-2,359	-3,870	-	-1,511						
Total		148	153	146.1	159.6	109.2	13.5	5,487	9,763	177.9	4,276	562	568	101.1	1,099	1,111	101.1

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

- One company decreased in the overseas paperboard packaging and nonwoven products subsidiaries (Guangdong Rengo Packaging).
- Six companies increased in the overseas heavy duty packaging subsidiaries (Tri-Wall Group).

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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.