

# Consolidated Financial Results

## 3Q FY2019 (Apr.-Dec. 2019)

February 5, 2020

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# 1. Consolidated Statement of Income

## (Year-on-year)

(billion yen)

	Apr.-Dec. 2018	Apr.-Dec. 2019	YoY	Diff.
<b>Net sales</b>	495.6	513.6	103.6%	18.0
<b>Operating income</b>	21.0	34.9	166.4%	13.9
<b>Ordinary income</b>	23.0	36.5	158.4%	13.5
<b>Extraordinary gain and loss</b>	-1.3	-0.3	-	1.0
<b>Profit attributable to owners of the parent</b>	14.9	25.0	168.2%	10.1

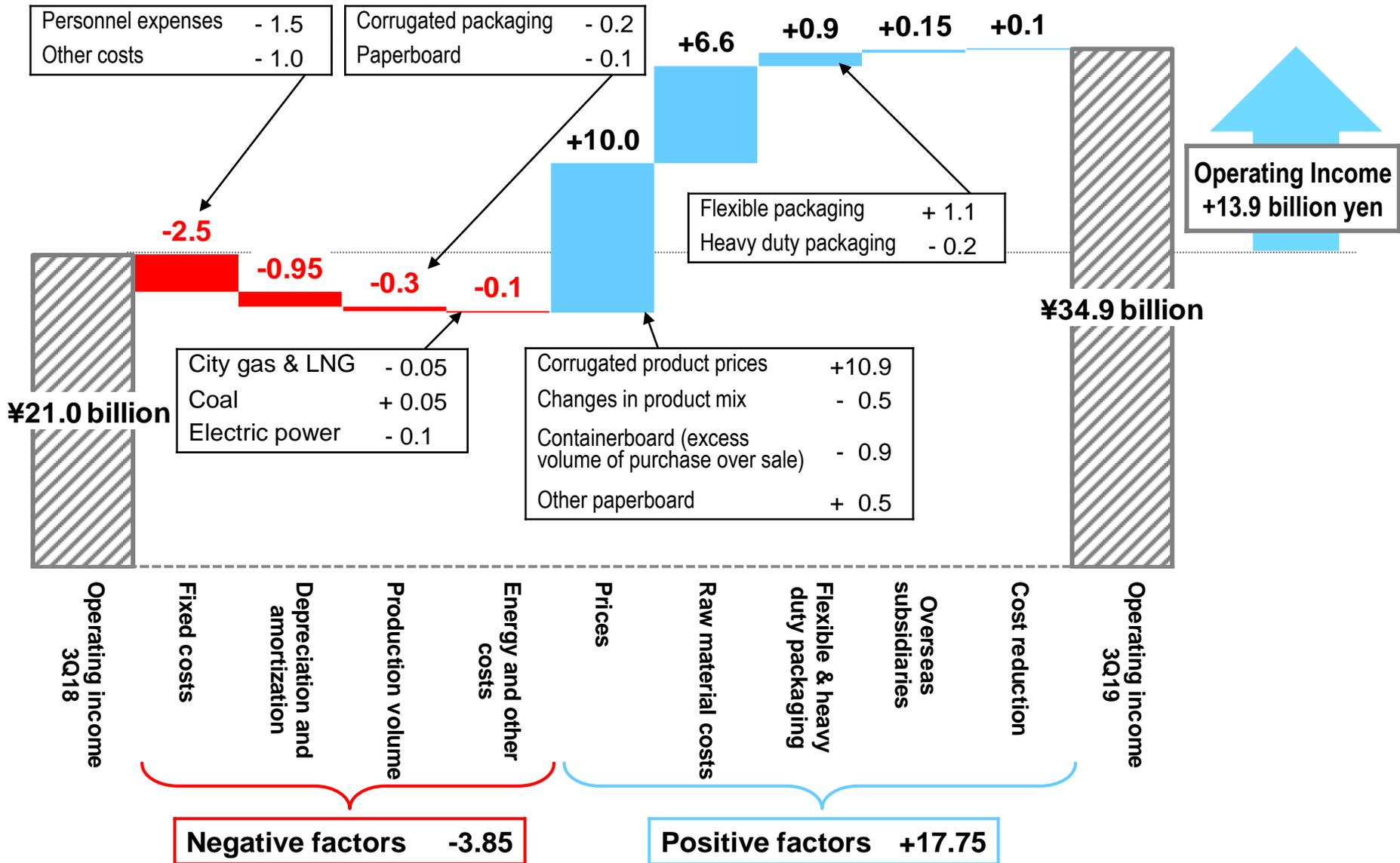
### Main factors underlying extraordinary gain and loss

(billion yen)

	Apr.-Dec. 2018		Apr.-Dec. 2019
<b>(Extraordinary gain)</b>		<b>(Extraordinary gain)</b>	
Insurance income	0.1	Gain on sales of investment securities	0.8
Gain on sales of noncurrent assets	0.1	Insurance income	0.2
<b>(Extraordinary loss)</b>		<b>(Extraordinary loss)</b>	
Loss on liquidation of subsidiaries and associates	0.3	Loss on sales/retirement of noncurrent assets	0.4
Loss on disaster	0.3	Plant renewal expenses	0.3
Plant renewal expenses	0.3	Loss on plant closing	0.3
Loss on sales/retirement of noncurrent assets	0.2	Loss on disaster	0.2

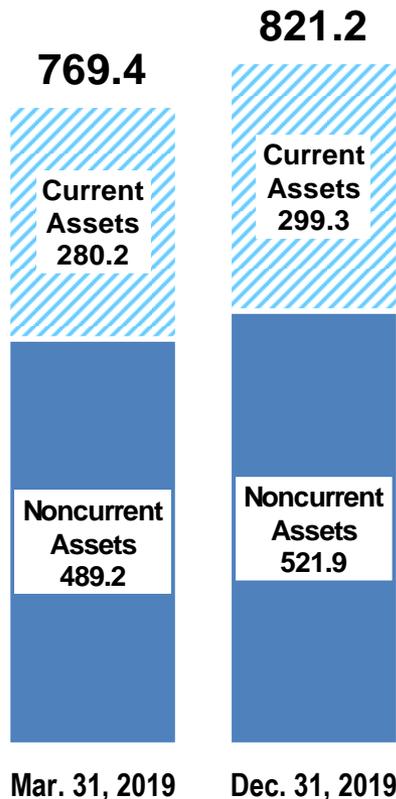
## 2. Breakdown of Changes in Consolidated Operating Income (Year-on-year)

(billion yen)



### 3. Consolidated Balance Sheet

#### Assets



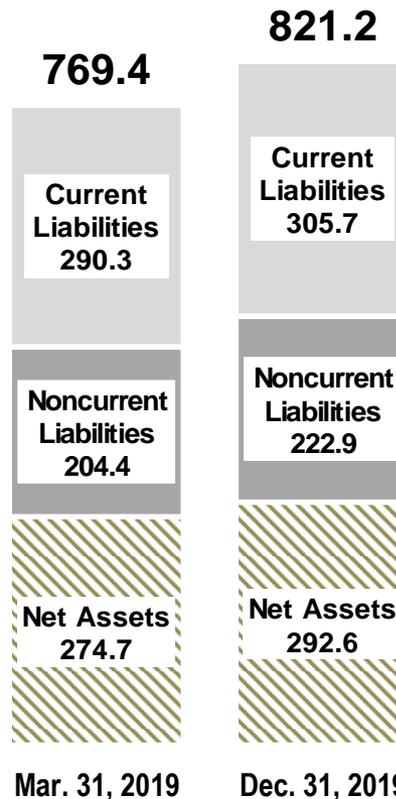
<b>Current assets</b>	<b>+19.1</b>
Cash and deposits	+ 2.9
Notes and accounts receivable-trade	+ 13.2

<b>Non-current assets</b>	<b>+32.7</b>
Property, plant and equipment	+15.1
Intangible assets	+18.7

<b>Total assets</b>	<b>+51.8</b>
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#### Liabilities & Net Assets

(billion yen)



<b>Liabilities</b>	<b>+33.9</b>
Notes and accounts payable-trade	- 5.0
Long-term and short-term loans payable	+25.6
Bonds payable	+10.0

<b>Net assets</b>	<b>+17.9</b>
Retained earnings	+20.8
Foreign currency translation adjustment	- 2.4

	Mar. 31, 2019	Dec. 31, 2019	
Interest-bearing debt	¥283.1 bn	<b>¥321.0 bn</b>	(+37.9 billion yen)
Capital adequacy ratio	34.3 %	<b>34.3 %</b>	-
D/E Ratio	1.07 times	<b>1.14 times</b>	(+0.07 pts)

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

		Number of companies*		Net sales (billion yen)				Ordinary income (million yen)				Containerboard production (1,000 MT)			Corrugated board production (million sqm.)		
		3Q18	3Q19	3Q18	3Q19	YoY %	Diff.	3Q18	3Q19	YoY %	Diff.	3Q18	3Q19	YoY %	3Q18	3Q19	YoY %
1	Rengo (unconsolidated)	1	1	247.5	254.7	102.9	7.2	11,052	20,315	183.8	9,263	1,388	1,379	99.4	1,681	1,662	98.9
2	Paper manufacturing subsidiaries	2	2	22.3	24.0	107.3	1.7	1,997	3,834	192.0	1,837	311	317	101.9			
3	Paperboard packaging subsidiaries	33	33	151.0	164.7	109.1	13.7	3,522	5,116	145.3	1,594				1,558	1,619	103.9
4	Flexible packaging subsidiaries	1	1	46.6	48.4	103.7	1.8	1,509	2,274	150.7	765						
5	Heavy duty packaging subsidiaries	1	1	33.3	32.4	97.5	-0.9	2,033	1,818	89.4	-215						
6	Other subsidiaries	5	5	119.4	126.5	106.0	7.1	2,467	2,417	98.0	-50						
<b>Domestic total (1 to 6)</b>		<b>43</b>	<b>43</b>	<b>620.1</b>	<b>650.6</b>	<b>104.9</b>	<b>30.5</b>	<b>22,580</b>	<b>35,774</b>	<b>158.4</b>	<b>13,194</b>	<b>1,699</b>	<b>1,696</b>	<b>99.8</b>	<b>3,238</b>	<b>3,282</b>	<b>101.4</b>
7	Paperboard packaging & nonwoven products Subs.	8	9	17.2	15.9	92.9	-1.3	712	699	98.2	-13				204	222	108.8
8	Flexible packaging subsidiaries	3	3	7.9	7.9	99.8	0.0	509	758	148.9	249						
9	Heavy duty packaging subsidiaries	88	102	45.5	44.6	98.0	-0.9	3,510	2,911	82.9	-599						
<b>Overseas total (7 to 9)</b>		<b>99</b>	<b>114</b>	<b>70.6</b>	<b>68.4</b>	<b>97.0</b>	<b>-2.2</b>	<b>4,731</b>	<b>4,368</b>	<b>92.3</b>	<b>-363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>204</b>	<b>222</b>	<b>108.8</b>
10	Companies subject to the equity method	16	16					1,797	1,512	84.1	-285						
<b>Intersegment eliminations</b>				<b>-195.1</b>	<b>-205.5</b>	<b>-</b>	<b>-10.4</b>	<b>-6,096</b>	<b>-5,193</b>	<b>-</b>	<b>903</b>						
<b>Total</b>		<b>158</b>	<b>173</b>	<b>495.6</b>	<b>513.6</b>	<b>103.6</b>	<b>18.0</b>	<b>23,012</b>	<b>36,461</b>	<b>158.4</b>	<b>13,449</b>	<b>1,699</b>	<b>1,696</b>	<b>99.8</b>	<b>3,442</b>	<b>3,504</b>	<b>101.8</b>

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

- One company increased in the overseas paperboard packaging and nonwoven products subsidiaries (Settsu Carton Vietnam Corporation).
- 14 companies increased in the overseas heavy duty packaging subsidiaries (each of them belongs to the Tri-Wall Group including TRICOR Packaging & Logistics and Gutmann).

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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.