

Consolidated Financial Results FY2019 (Apr. 2019-Mar. 2020)

May 13, 2020

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1. Consolidated Statement of Income

(Year-on-year)

The General Packaging Industry

(billion yen)

	FY2018	FY2019	YoY	Diff.	FY2019 forecasted*	A/F	Diff.
Net sales	653.1	683.8	104.7%	30.7	685.0	99.8%	-1.2
Operating income	25.3	41.2	163.0%	15.9	41.0	100.6%	0.2
Ordinary income	27.5	43.2	157.4%	15.7	43.0	100.5%	0.2
Extraordinary gain and loss	-2.4	-2.1	-	0.3	-1.7	-	-0.4
Profit attributable to owners of the parent	17.2	27.8	161.9%	10.6	28.0	99.3%	-0.2

*Disclosed on February 3, 2020

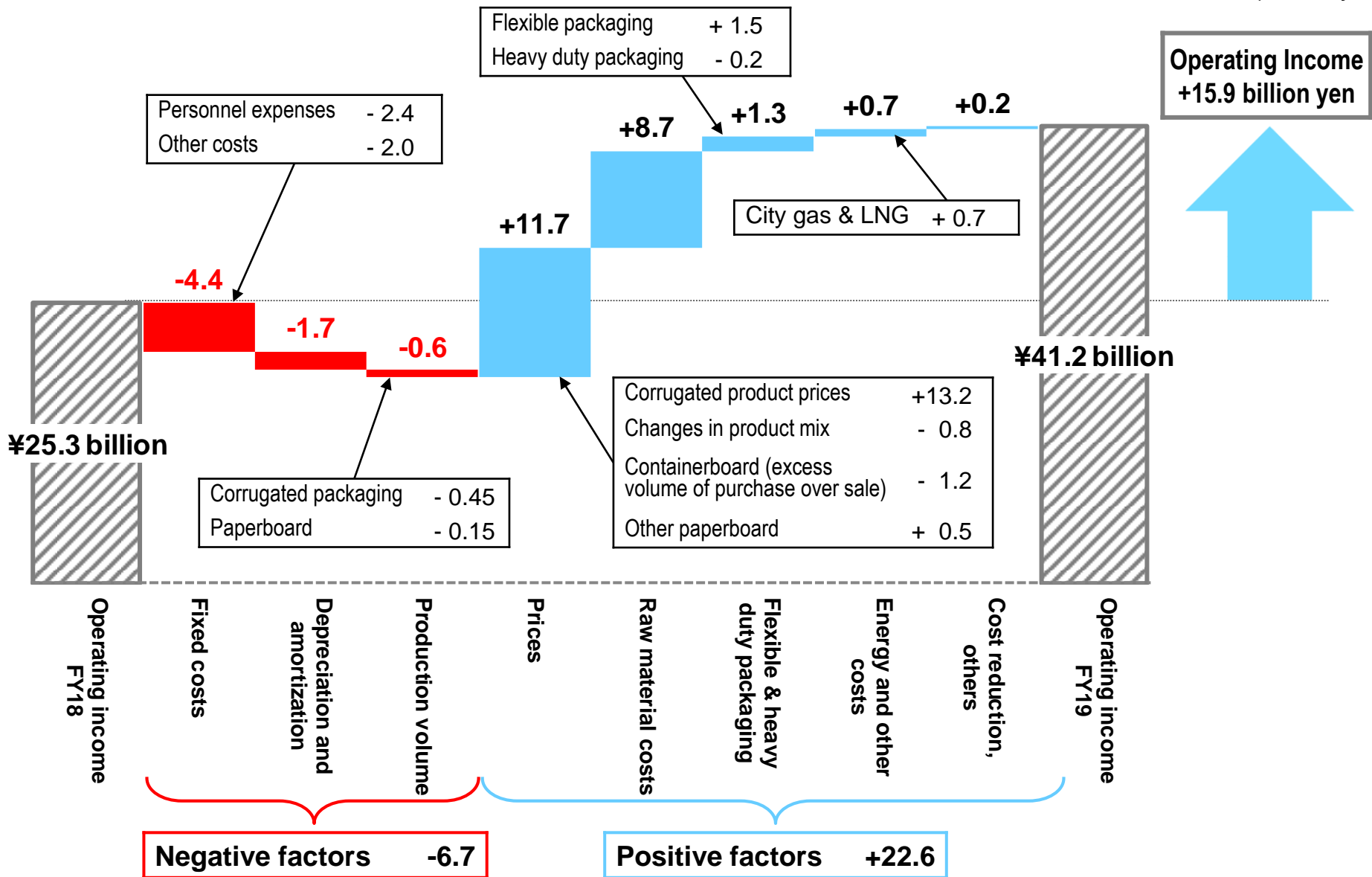
Main factors underlying extraordinary gain and loss

(billion yen)

	FY2018		FY2019
(Extraordinary gain)		(Extraordinary gain)	
Insurance income	0.1	Gain on sales of investment securities	1.0
		Subsidy income	0.6
		Gain on bargain purchase	0.3
(Extraordinary loss)		(Extraordinary loss)	
Plant renewal expenses	0.7	Loss on plant closing	1.0
Loss on sales/retirement of noncurrent assets	0.5	Loss on sales/retirement of noncurrent assets	0.9
Loss on plant closing	0.4	Plant renewal expenses	0.7
Loss on disaster	0.4	Loss on reduction of noncurrent assets	0.6
Loss on liquidation of subsidiaries and associates	0.3	Loss on valuation of investment securities	0.5

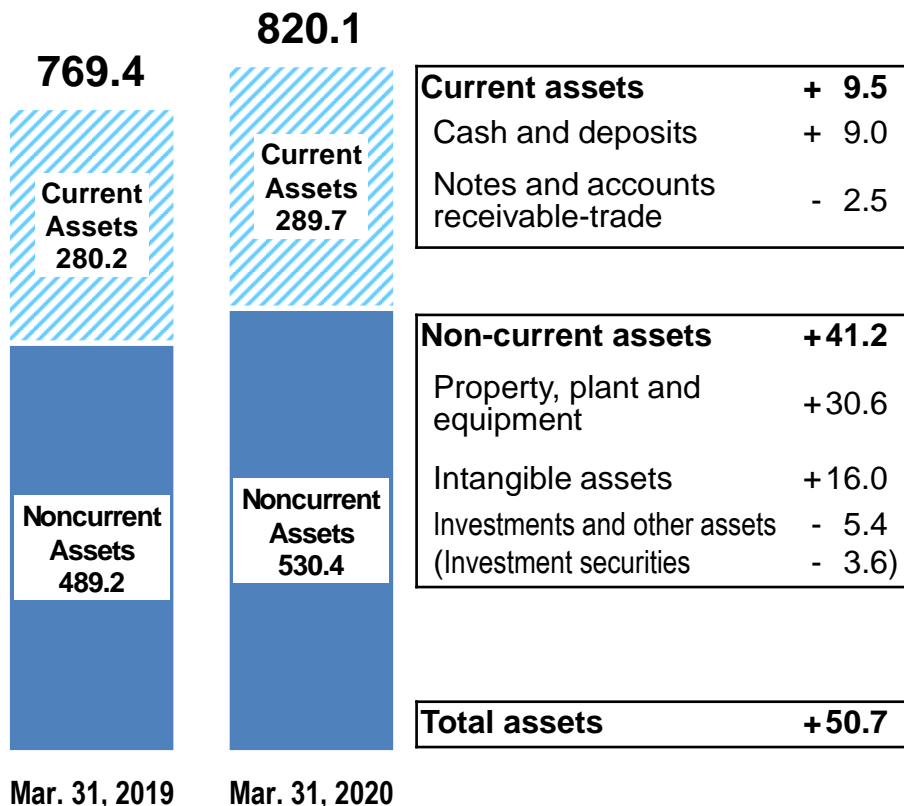
2. Breakdown of Changes in Consolidated Operating Income (Year-on-year)

(billion yen)



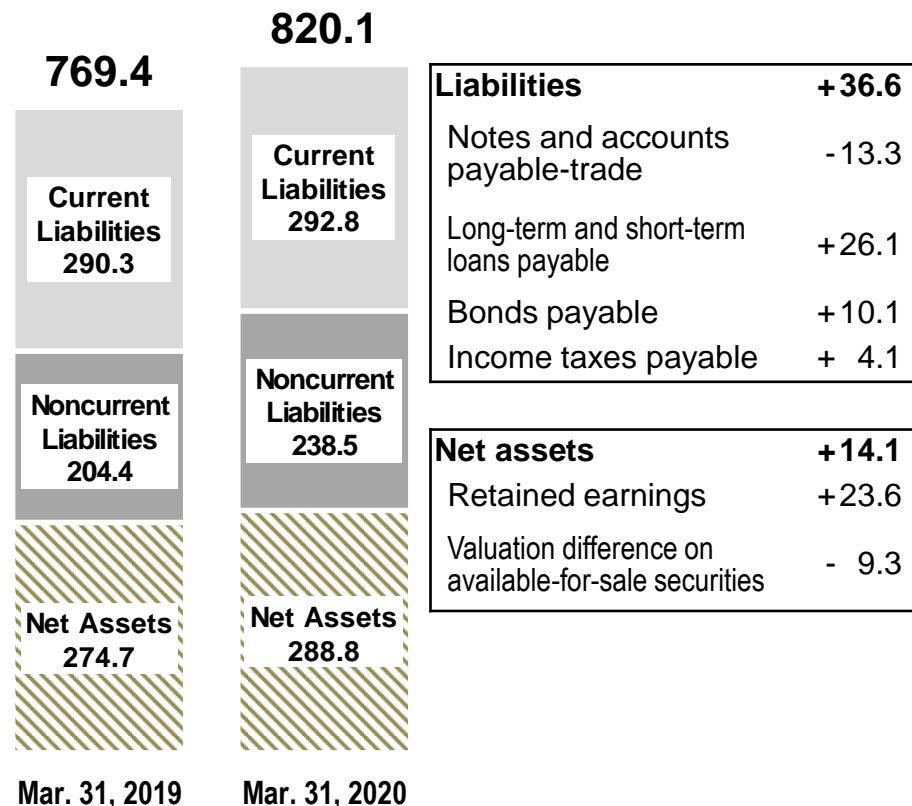
3. Consolidated Balance Sheet

Assets



Liabilities & Net Assets

(billion yen)



	Mar. 31, 2019	Mar. 31, 2020	
Interest-bearing debt	¥283.1 bn	¥323.6 bn	(+40.5 billion yen)
Capital adequacy ratio	34.3 %	33.9 %	(-0.4 pts)
D/E Ratio	1.07 times	1.16 times	(+0.09 pts)
EBITDA	¥59.0 bn	¥77.7 bn	(+18.7 billion yen)

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.)		
		FY18	FY19	FY18	FY19	YoY %	Diff.	FY18	FY19	YoY %	Diff.	FY18	FY19	YoY %	FY18	FY19	YoY %
1	Rengo (unconsolidated)	1	1	324.0	331.1	102.2	7.1	12,569	22,940	182.5	10,371	1,837	1,821	99.1	2,170	2,150	99.1
2	Paper manufacturing subsidiaries	2	2	29.1	30.7	105.6	1.6	2,116	4,079	192.8	1,963	398	408	102.5			
3	Paperboard packaging subsidiaries	33	35	201.5	217.0	107.7	15.5	4,669	6,476	138.7	1,807				2,061	2,131	103.4
4	Flexible packaging subsidiaries	1	1	61.0	63.6	104.3	2.6	1,607	2,866	178.3	1,259						
5	Heavy duty packaging subsidiaries	1	3	43.6	45.6	104.4	2.0	2,491	2,344	94.1	-147						
6	Other subsidiaries	5	5	158.2	165.3	104.5	7.1	3,168	3,077	97.1	-91						
Domestic total (1 to 6)		43	47	817.4	853.3	104.4	35.9	26,620	41,782	157.0	15,162	2,236	2,229	99.7	4,231	4,281	101.2
7	Paperboard packaging & nonwoven products Subs.	8	9	22.7	22.0	96.7	-0.7	957	850	88.8	-107				269	301	111.9
8	Flexible packaging subsidiaries	3	3	10.4	11.0	105.4	0.6	679	1,000	147.3	321						
9	Heavy duty packaging subsidiaries	93	102	58.9	66.1	112.2	7.2	4,213	4,697	111.5	484						
Overseas total (7 to 9)		104	114	92.1	99.1	107.6	7.0	5,849	6,547	111.9	698	-	-	-	269	301	111.9
10	Companies subject to the equity method	16	16					2,045	1,989	97.3	-56						
Intersegment eliminations				-256.4	-268.6	-	-12.2	-7,060	-7,119	-	-59						
Total		163	177	653.1	683.8	104.7	30.7	27,454	43,199	157.4	15,745	2,236	2,229	99.7	4,499	4,582	101.8

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

- Two companies increased in the domestic paperboard packaging subsidiaries (Takedashiki Co., Ltd. and Tarutani Packaging Co., Ltd.).
- Two companies increased in the domestic heavy duty packaging subsidiaries (TARUTANI Industrial Packaging Corporation and Sanyo Kakoshi Co., Ltd.).
- One company increased in the overseas paperboard packaging and nonwoven products subsidiaries (Settsu Carton Vietnam Corporation).
- Nine companies increased in the overseas heavy duty packaging subsidiaries (each of them belongs to the Tri-Wall Group including TRICOR Packaging & Logistics and Gutmann).

5. Consolidated Income Statement Forecast for FY2020 (Year-on-year)

(billion yen)

	FY2019	FY2020 Forecasts	YoY	Diff.
Net sales	683.8	697.0	101.9%	13.2
Operating income	41.2	40.0	97.0%	-1.2
Ordinary income	43.2	42.0	97.2%	-1.2
Profit attributable to owners of the parent	27.8	28.0	100.8%	0.2

Assumption for the forecast

Production volume (domestic) YoY

Containerboard	99.7%	101.0%
Corrugated board	101.2%	101.0%

FX rate*	109	110	yen/US\$
Crude oil price (Dubai)	60	45	US\$/bbl

* Annual average of the spot rate at 17:00 in JST, Tokyo Market

The forecast of the financial results described in this material is based on the information currently available.
The figures indicated above do not constitute a guarantee of future performance.

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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.