

2Q FY2023 (Apr.-Sept. 2023)

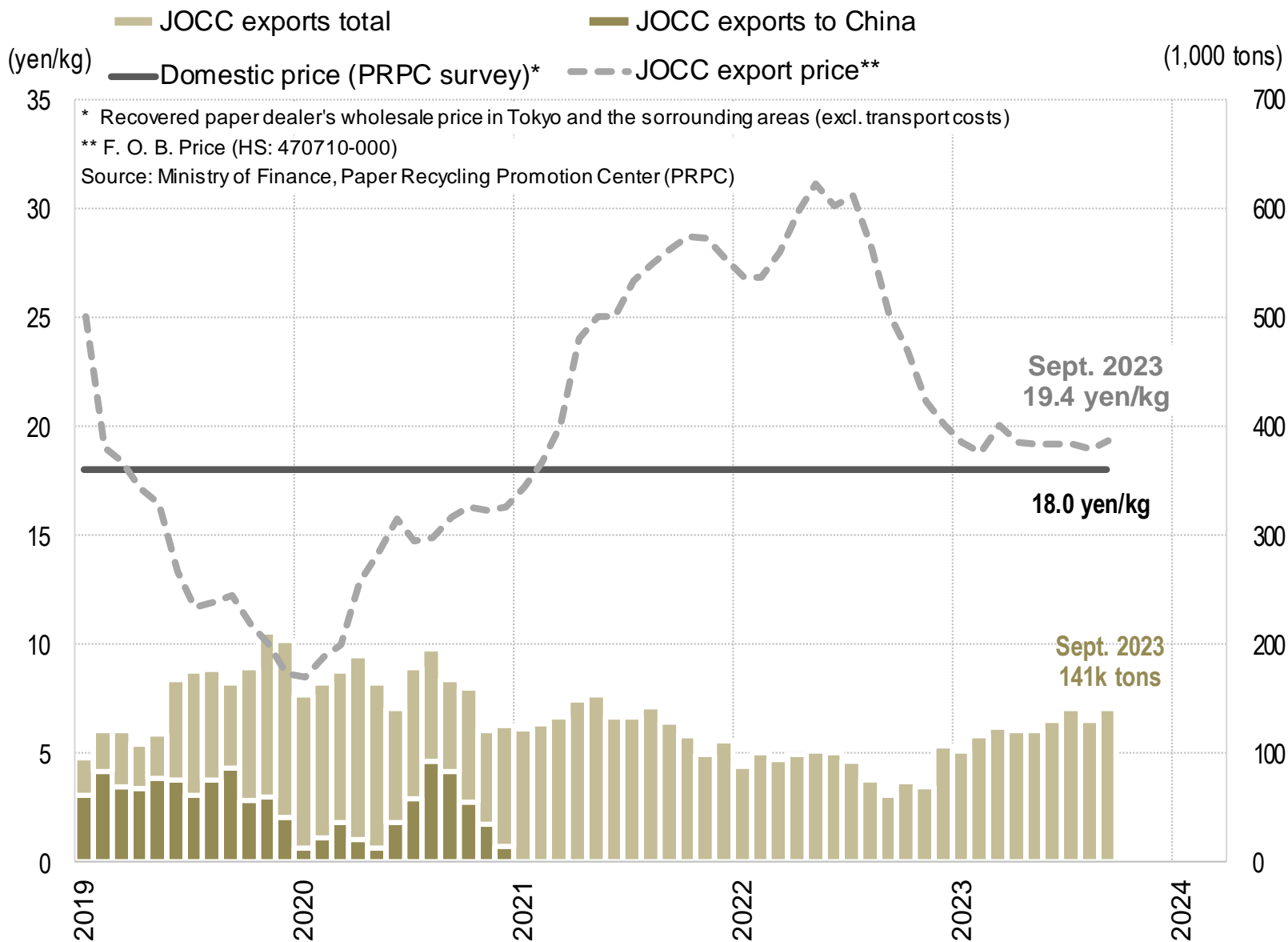
Earnings Presentation

November 8, 2023

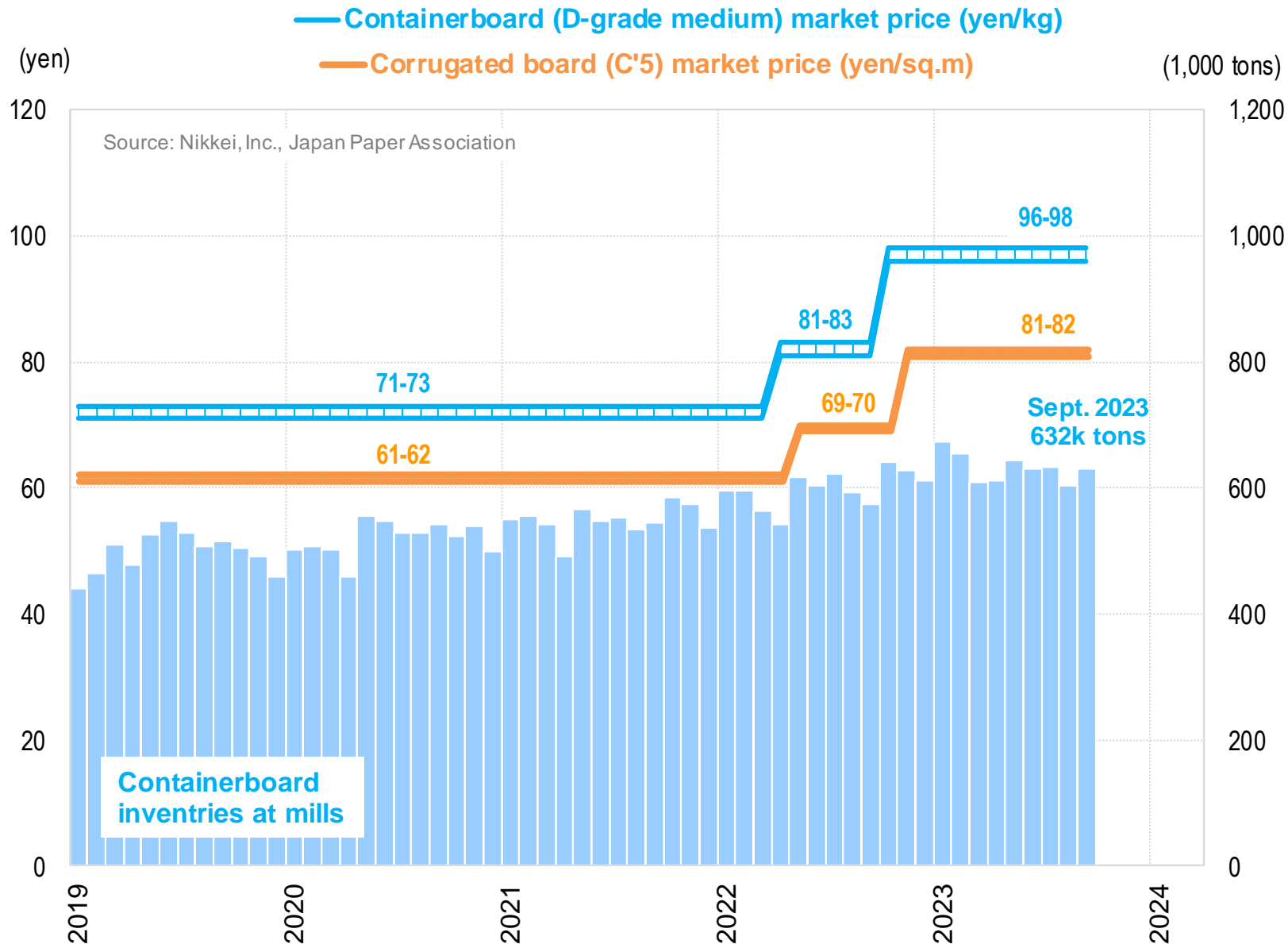
Contents

1	Trends in Old Corrugated Containers (OCC)
2	Trends in Containerboard and Corrugated Board
3	Consolidated Operating Results (YOY)
4	Breakdown of Changes in Consolidated Operating Profit (YOY)
5	Consolidated Performance Results at a Glance (YOY)
6	Consolidated Balance Sheet
7	Consolidated Statement of Cash Flow
8	Consolidated Financial Forecast for FY2023 (YOY)
9	Major Financial Indicators

1. Trends in Old Corrugated Containers (OCC)



2. Trends in Containerboard and Corrugated Board



3. Consolidated Operating Results (Year-on-year)

(billion yen)

	Apr.-Sept. 2022	Apr.-Sept. 2023	YoY	Diff.
Net sales	413.5	452.9	109.5%	39.4
Operating profit	15.5	25.7	165.3%	10.2
Ordinary profit	17.8	27.5	153.9%	9.7
Extraordinary gain and loss	0.4	-0.2	-	-0.6
Profit attributable to owners of parent	12.0	18.4	152.9%	6.4

Main factors underlying extraordinary gain and loss

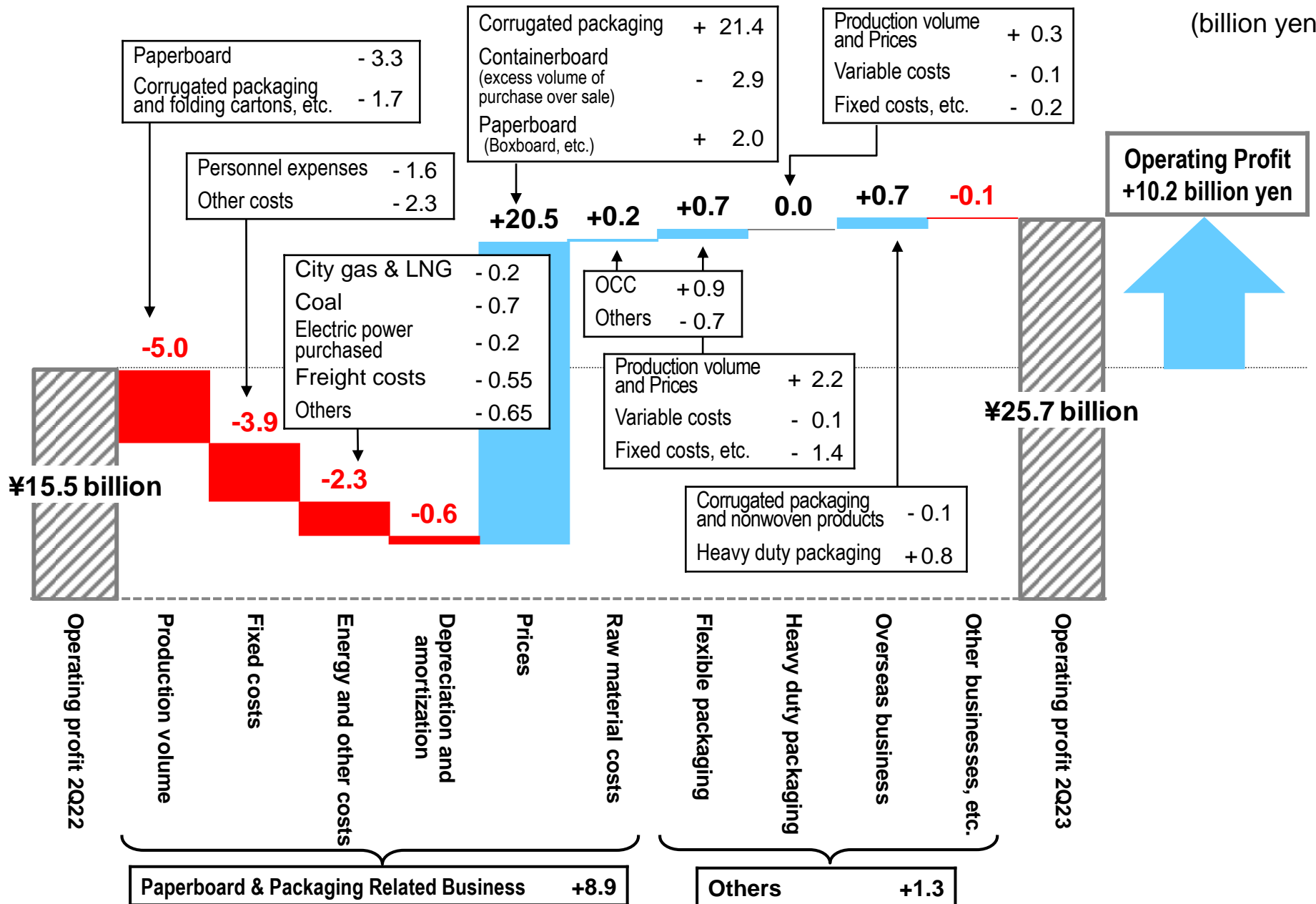
(billion yen)

	Apr.-Sept. 2022
(Extraordinary gain)	
Compensation income	3.3
Gain on sales of investment securities	0.8
(Extraordinary loss)	
Loss on reduction of noncurrent assets	2.0
Impairment loss	0.5
Loss on disaster	0.4

	Apr.-Sept. 2023
(Extraordinary gain)	
Gain on sales of noncurrent assets	0.2
Insurance income	0.2
(Extraordinary loss)	
Loss on sales/retirement of noncurrent assets	0.5

4. Breakdown of Changes in Consolidated Operating Profit (Year-on-year)

(billion yen)



5. Consolidated Performance Results at a Glance (Year-on-year)

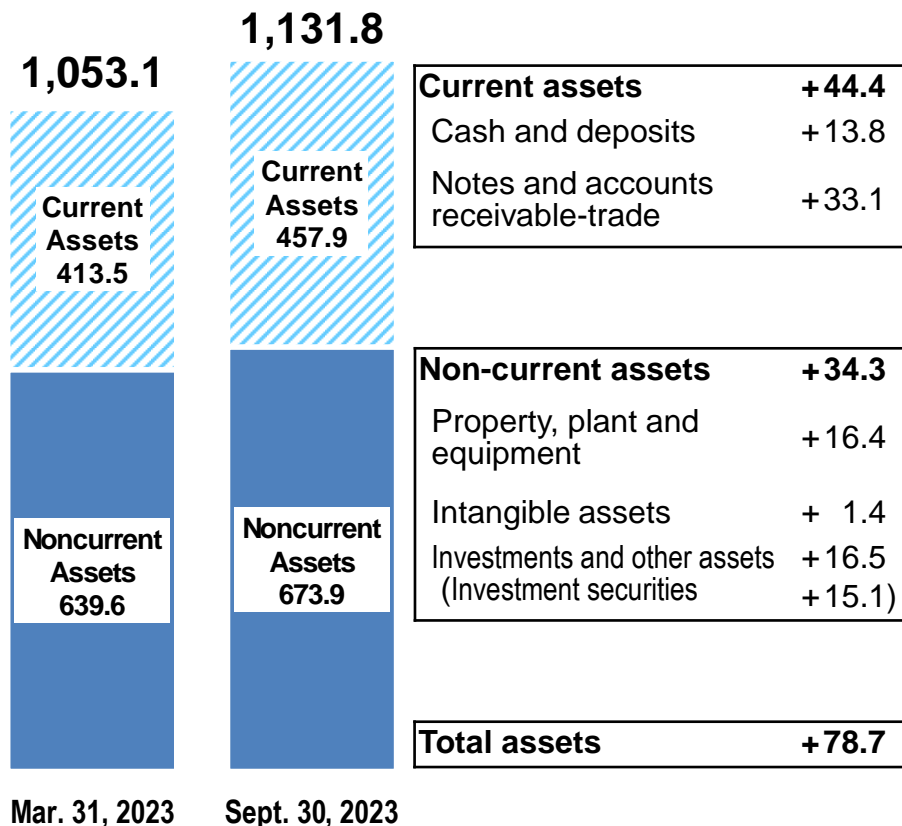
		Number of companies*		Net sales (billion yen)				Ordinary profit (million yen)				Containerboard production (1,000 MT)			Corrugated board production (million sqm.)		
		2Q22	2Q23	2Q22	2Q23	YoY %	Diff.	2Q22	2Q23	YoY %	Diff.	2Q22	2Q23	YoY %	2Q22	2Q23	YoY %
1	Rengo (unconsolidated)	1	1	170.6	183.7	107.7	13.1	9,608	17,273	179.8	7,665	952	881	92.5	1,100	1,042	94.7
2	Paper manufacturing subsidiaries	3	3	22.8	25.1	109.8	2.3	1,261	2,115	167.7	854	217	223	102.8			
3	Paperboard packaging subsidiaries	36	37	115.8	126.1	108.9	10.3	2,395	3,954	165.1	1,559				1,106	1,086	98.2
4	Flexible packaging subsidiaries	5	4	54.5	58.0	106.3	3.5	2,506	2,329	92.9	-177						
5	Heavy duty packaging subsidiaries	3	3	25.5	25.3	99.1	-0.2	1,219	1,412	115.8	193						
6	Other subsidiaries	5	5	92.9	97.2	104.6	4.3	1,240	921	74.3	-319						
Domestic total (1 to 6)		53	53	482.1	515.3	106.9	33.2	18,229	28,004	153.6	9,775	1,169	1,104	94.4	2,205	2,128	96.5
7	Paperboard packaging & nonwoven products Subs.	9	9	12.8	11.5	89.5	-1.3	214	-82	-	-296				121	117	96.7
8	Flexible packaging subsidiaries	6	6	14.0	15.9	113.7	1.9	1,245	1,391	111.7	146						
9	Heavy duty packaging subsidiaries	106	119	68.1	89.6	131.6	21.5	4,245	6,109	143.9	1,864						
Overseas total (7 to 9)		121	134	94.9	117.0	123.3	22.1	5,704	7,418	130.0	1,714	-	-	-	121	117	96.7
Simply aggregated (1 to 9)				577.0	632.2	109.6	55.2	23,933	35,422	148.0	11,489						
10	Companies subject to the equity method	16	17					797	1,162	145.8	365						
11	Intersegment eliminations			-163.5	-179.4	-	-15.9	-6,881	-9,123	-	-2,242						
Total (1 to 11)		190	204	413.5	452.9	109.5	39.4	17,849	27,461	153.9	9,612	1,169	1,104	94.4	2,327	2,245	96.5

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

- One company increased in the domestic paperboard packaging subsidiaries (Nitto Danboru Co., Ltd.).
- One company decreased in the domestic flexible packaging subsidiaries (Converting Technologies Co., Ltd.).
- 13 companies increased in the overseas heavy duty packaging subsidiaries (Rengo Europe GmbH, TRICOR Packaging Systems GmbH, and other 11 companies).
- One company, an affiliate in the Tri-Wall Group, increased in the companies subject to the equity method.

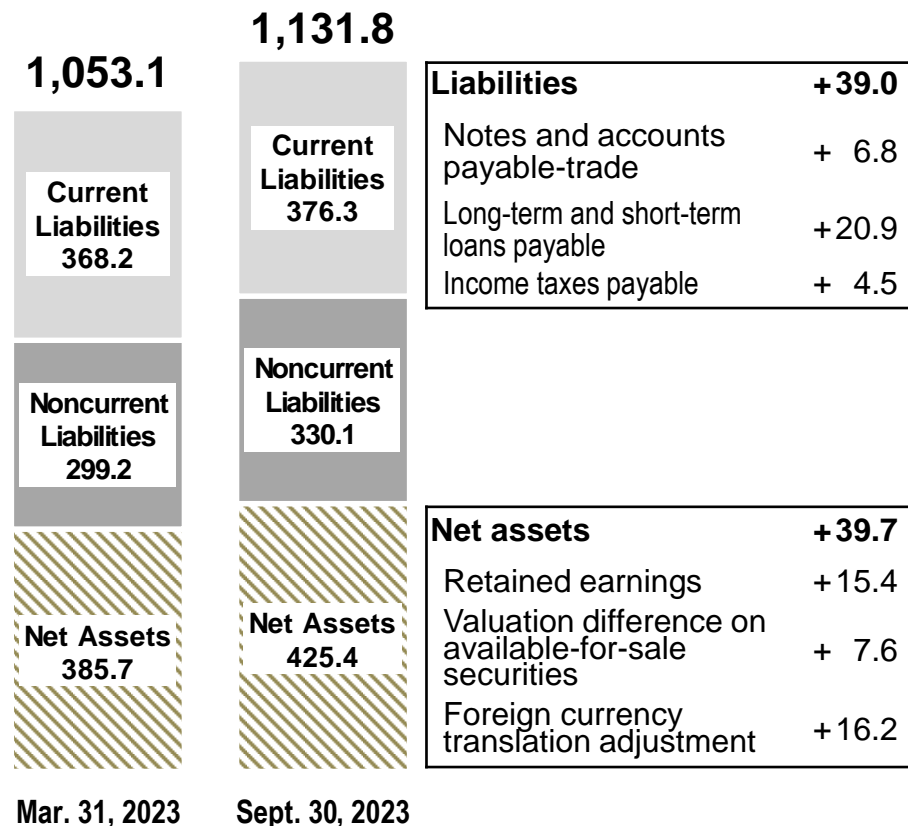
6. Consolidated Balance Sheet

Assets



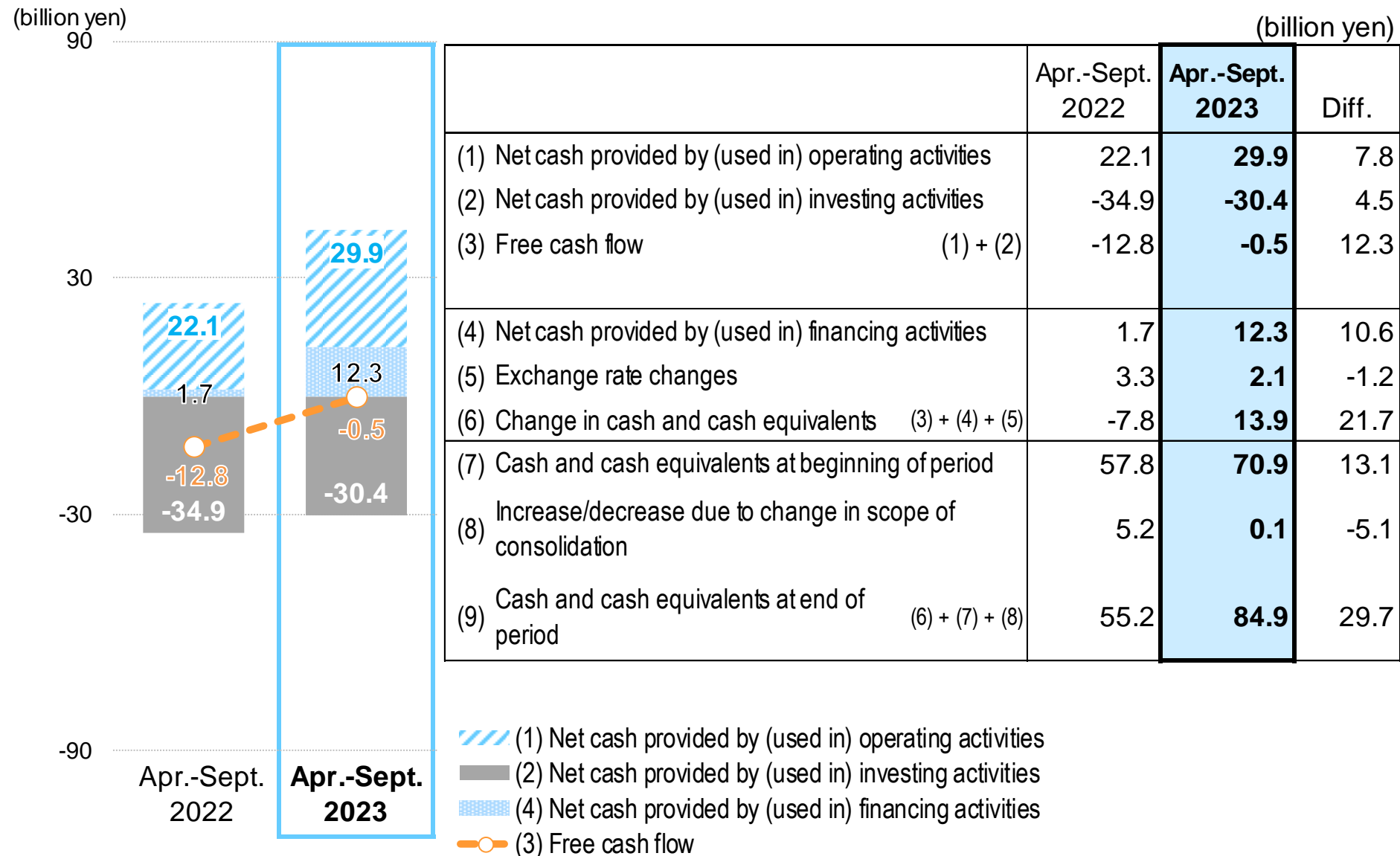
Liabilities & Net Assets

(billion yen)



	Mar. 31, 2023	Sept. 30, 2023	
Interest-bearing debt	¥404.3 bn	¥426.6 bn	(+22.3 billion yen)
Shareholders' Equity ratio	35.4 %	36.4 %	(+1.0 pts)
D/E Ratio	1.08 times	1.04 times	(-0.04 pts)

7. Consolidated Statement of Cash Flow



8. Consolidated Financial Forecast for FY2023 (Year-on-year)

(billion yen)

	2Q23 Forecast	2Q23 Results	YoY
Net sales	470.0	452.9	-17.1
Operating profit	26.0	25.7	-0.3
Ordinary profit	27.0	27.5	0.5
Profit attributable to owners of parent	17.0	18.4	1.4

FY2023 Forecast	YoY	Diff.
930.0	109.9%	83.9
47.0	181.1%	21.0
49.0	170.8%	20.3
32.0	156.7%	11.6

9. Major Financial Indicators

		(million yen)	
		FY2022	2Q23
(1) Net sales		846,080	452,874
(2) Operating profit		25,957	25,675
(3) Ordinary profit		28,682	27,461
(4) Profit attributable to owners of parent		20,425	18,409
(5) Total assets		1,053,138	1,131,787
(6) Total shareholders' equity ^{*1}		372,795	411,636
(7) Net assets		385,732	425,350
(8) Interest-bearing debt		404,289	426,578
(9) Capital expenditures		58,694	31,495
(10) Depreciation and amortization		44,848	23,442
^{*1} Total shareholders' equity = Net assets - non-controlling interests			
(11) Return on equity (ROE) ^{*2}	%	5.7	- (4) / (6)
(12) Shareholders' Equity ratio	%	35.4	36.4 (6) / (5)
(13) EBITDA	million yen	73,560	- (2)+(10)+Amortization of goodwill
(14) D/E Ratio	times	1.08	1.04 (8) / (6)
(15) Ratio of net sales to interest-bearing debt	%	47.8	- (8) / (1)
(16) Ordinary profit margin	%	3.4	6.1 (3) / (1)
^{*2} Calculated with the average of equity at the beginning and the end of the year			
Cash dividends applicable to the period	yen	24	12 Annual plan for FY2023: 24 yen

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.



Finance and Investor Relations Department

Email: ir@rengo.co.jp

<https://www.rengo.co.jp/english/>