



**Consolidated Financial Results**  
for the 3<sup>rd</sup> quarter of the year ending March 2026

February 3, 2026

**Rengo Co., Ltd.**  
(TSE: 3941)

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We will explain the summary of financial results for the third quarter of the fiscal year ending March 2026 and the full-year forecast.

## Consolidated financial results for the 3<sup>rd</sup> quarter of the year ending March 2026

### Basic Policy on Selection of Accounting Standards

- The Rengo Group applies Japanese accounting standards.
- We will address the application of International Financial Reporting Standards (IFRS) appropriately after taking into consideration various circumstances in Japan and abroad.

Consolidated financial results for the 3<sup>rd</sup> quarter of the year ending March 2026

## 1. Overview of financial performance and business environment

### Consolidated income statement

(billion yen)

|   | Apr.-Dec.<br>2024 | Apr.-Dec.<br>2025 | Y/Y (%) | Diff.  |
|---|-------------------|-------------------|---------|--------|
| Net sales                               | 741.5             | <b>758.8</b>      | 102.3   | + 17.3 |
| Operating profit                        | 33.4              | <b>33.0</b>       | 98.9    | - 0.4  |
| Ordinary profit                         | 35.3              | <b>33.7</b>       | 95.6    | - 1.6  |
| Extraordinary gain/loss                 | 2.7               | <b>15.3</b>       | 558.2   | + 12.6 |
| Profit attributable to owners of parent | 26.4              | <b>30.1</b>       | 114.3   | + 3.7  |

### Overview of business performance

- Net sales increased, supported by the effects of product price revisions that we implemented in the previous fiscal year.
- Operating profit and ordinary profit decreased, mainly due to rising fixed costs and logistics expenses.
- Profit attributable to owners of parent increased due to recording of the compensation received for the partly expropriated land of the Company's Shonan Plant as extraordinary gain.

### Main factors underlying extraordinary gain and loss

(billion yen)

|   | Apr.-Dec.<br>2024 |   | Apr.-Dec.<br>2025 |
|---|-------------------|---|-------------------|
| <b>(Extraordinary gain)</b>                   |                   | <b>(Extraordinary gain)</b>                   |                   |
| Gain on bargain purchase                      | 5.4               | Compensation income                           | 14.9              |
|   |                   | Gain on sales of investment securities        | 3.2               |
| <b>(Extraordinary loss)</b>                   |                   | <b>(Extraordinary loss)</b>                   |                   |
| Loss on sales/retirement of noncurrent assets | 1.0               | Plant relocation expense allowance            | 2.4               |
| Plant renewal expenses                        | 0.9               | Loss on sales/retirement of noncurrent assets | 0.5               |
| Business structure improvement expenses       | 0.5               | Loss on reduction of noncurrent assets        | 0.3               |
| Loss on disaster                              | 0.3               |   |                   |

The General Packaging Industry RENG0 3

First, we will review the profit and business environment for the quarter.

Net sales for this consolidated fiscal year were ¥758.8 billion, representing a year-on-year increase of ¥17.3 billion. This growth was primarily driven by the effects of product price revisions that we implemented in the previous fiscal year.

However, due to rising fixed costs and logistics expenses, operating profit decreased by ¥0.4 billion to ¥33.0 billion, and ordinary profit decreased by ¥1.6 billion to ¥33.7 billion.

Profit attributable to owners of parent increased due to the recording of compensation received for the partly expropriated land of the Company's Shonan Plant as an extraordinary gain.

## 2. Segment performance summary

### Net sales and operating profit by segment

(billion yen)

|                                       | Net Sales      |                |         |        | Operating profit |                |         |       |
|---------------------------------------|----------------|----------------|---------|--------|------------------|----------------|---------|-------|
|                                       | Apr.-Dec. 2024 | Apr.-Dec. 2025 | Y/Y (%) | Diff.  | Apr.-Dec. 2024   | Apr.-Dec. 2025 | Y/Y (%) | Diff. |
| Paper and Packaging-Related Business  | 393.0          | <b>397.2</b>   | 101.1   | + 4.1  | 21.0             | <b>21.7</b>    | 103.1   | + 0.6 |
| Flexible Packaging-Related Business   | 137.2          | <b>145.5</b>   | 106.1   | + 8.3  | 4.1              | <b>8.2</b>     | 200.0   | + 4.1 |
| Heavy Duty Packaging-Related Business | 34.7           | <b>35.0</b>    | 100.8   | + 0.3  | 1.3              | <b>1.6</b>     | 118.3   | + 0.2 |
| Overseas Business                     | 148.1          | <b>152.1</b>   | 102.7   | + 4.0  | 5.2              | <b>0.2</b>     | 3.5     | - 5.0 |
| Other Businesses                      | 28.5           | <b>29.0</b>    | 101.9   | + 0.5  | 1.8              | <b>1.3</b>     | 80.9    | - 0.5 |
| Consolidated total                    | 741.5          | <b>758.8</b>   | 102.3   | + 17.3 | 33.4             | <b>33.0</b>    | 98.9    | - 0.4 |

\*Includes inter-segment transaction eliminations in consolidation adjustments. Due to rounding differences, "Diff." figures may not match the calculated values.

Next, we will explain the segment performance.

In the Paperboard and Packaging-Related Business, despite increases in fixed costs and logistics expenses, sales and profit increased due to the product price revisions implemented in the previous fiscal year. As a result, sales in this segment were ¥397.2 billion, and operating profit was ¥21.7 billion.

In the Flexible Packaging-Related Business, sales and profit increased due to product price revisions and increased sales volume. As a result, sales in this segment were ¥145.5 billion, and operating profit was ¥8.2 billion.

In the Heavy Duty Packaging-Related Business, sales and profit increased due to robustness in the electrical materials sector and the product price revisions. As a result, sales in this segment were ¥35.0 billion, and operating profit was ¥1.6 billion.

In the Overseas Business, sales increased due to the increase in the number of consolidated subsidiaries.

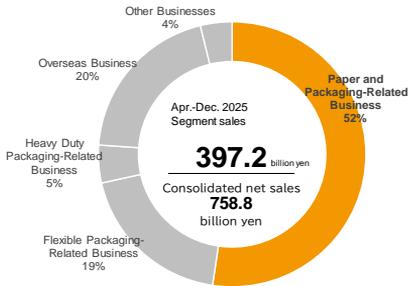
However, profit decreased due to deteriorating profitability in heavy duty corrugated packaging, led by the downturn in the automotive industry in Europe. As a result, sales in this segment were ¥152.1 billion, and operating profit was ¥0.2 billion.

Finally, in Other Businesses, sales increased due to the increase in the number of consolidated subsidiaries, but profit decreased due to rising labor costs in the transportation business. As a result, sales in this segment were ¥29.0 billion, and operating profit was ¥1.3 billion.

Consolidated financial results for the 3<sup>rd</sup> quarter of the year ending March 2026

### 3. Overview of Paperboard and Packaging-Related Business

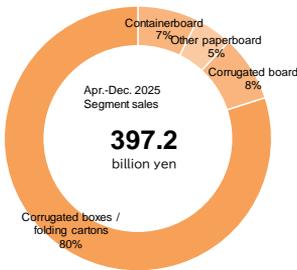
#### Segment sales composition ratio of total consolidated sales



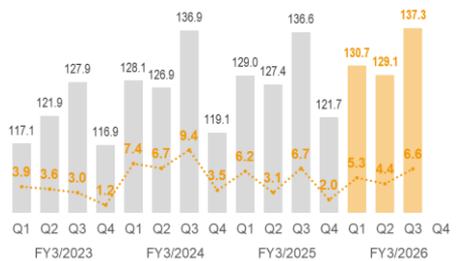
#### Business environment

- Despite increases in fixed costs and logistics expenses, sales and profit increased due to the product price revisions negotiated last year.

#### Net sales breakdown by product



#### Sales and profit margins of Paperboard and Packaging-Related Business



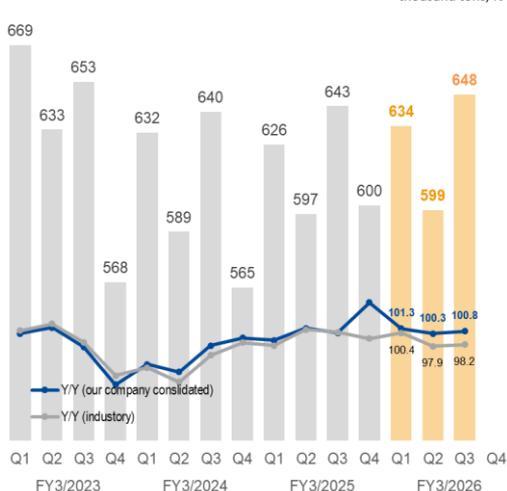
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Next, we will provide an overview of the Paperboard and Packaging-Related Business.

Sales in this segment were ¥397.2 billion, accounting for 52% of the total consolidated sales. The breakdown of sales includes 8% from corrugated board and 80% from corrugated boxes and folding cartons, with a total of 88% derived from corrugated packaging and folding carton products.

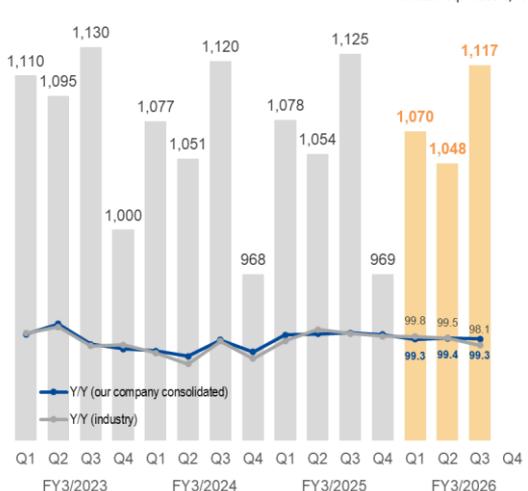
## 4. Paperboard and corrugated production volume

Trends in paperboard production, domestic consolidated



Source (Industry): Japan Paper Association

Trends in corrugated production, domestic consolidated



Source (Industry): Japan Corrugated Case Association

Next, we will explain the production volume of paperboard products and corrugated products.

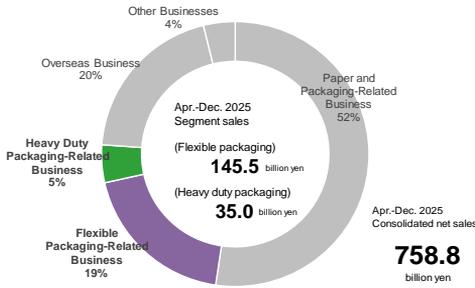
For paperboard products, our group's domestic production volume was 648 thousand tons or 100.8% of the same period last year, for the three months of the third quarter. Of this total, containerboard comprised 586 thousand tons or 100.7% of the same period last year. The industry's overall paperboard production volume was 2,954 thousand tons or 98.2% of the same period last year, with containerboard at 2,425 thousand tons, or 98.3% of the same period last year.

For corrugated products, our group's domestic production volume of corrugated board was 1,117 million square meters, or 99.3% of the same period last year, and corrugated boxes were 950 million square meters, or 99.3% of the same period last year. The industry's overall production volume of corrugated board was 3,659 million square meters, or 98.1% of the same period last year.

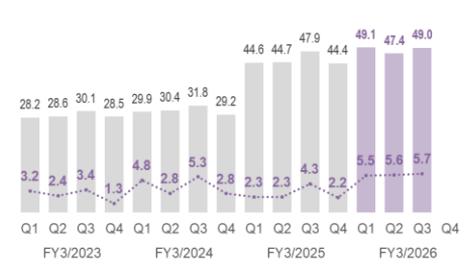
Consolidated financial results for the 3<sup>rd</sup> quarter of the year ending March 2026

## 5. Overview of Flexible and Heavy Duty Packaging-Related Business

Segment sales composition ratio of total consolidated sales



Sales and profit margins of Flexible Packaging-Related Business



Sales and profit margin of Heavy Duty Packaging-Related Business



**Business environment of flexible packaging**

- Sales and profit increased due to product price revisions and increased sales volume.

**Business environment of heavy duty packaging**

- Sales and profit increased due to robustness in the electrical materials sector and product price revisions.

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Next, we will provide an overview of the Flexible Packaging-Related Business and Heavy Duty Packaging-Related Business.

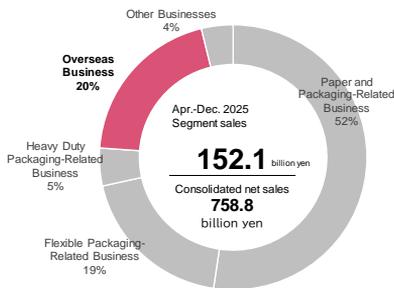
Sales in the Flexible Packaging-Related Business were ¥145.5 billion, accounting for 19% of the total consolidated net sales. Sales and profit increased due to product price revisions and an increase in sales volume.

Sales in the Heavy Duty Packaging-Related Business were ¥35.0 billion, accounting for 5% of the total consolidated net sales. Sales and profit increased due to robustness in the electrical materials sector and product price revisions.

Consolidated financial results for the 3<sup>rd</sup> quarter of the year ending March 2026

## 6. Overview of Overseas Business

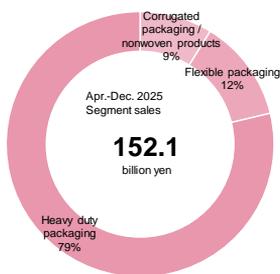
### Segment sales composition ratio of total consolidated sales



### Business environment

- Sales increased due to the increase in the number of consolidated subsidiaries.
- Profit decreased due to the deterioration in profitability of heavy duty corrugated packaging, led by the downturn in the automotive industry in Europe.

### Net sales breakdown by product



### Sales and profit margin of Overseas Business



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Next, we will provide an overview of the Overseas Business.

Sales in this segment were ¥152.1 billion, accounting for 20% of the total consolidated net sales. The breakdown of sales shows that heavy duty packaging accounts for approximately 80%, followed by flexible packaging, corrugated packaging and nonwoven products.

In this segment, the downturn in the automotive industry in Europe led to deteriorating profitability in heavy duty corrugated packaging business, including TRICOR, leading to a substantial decrease in profit.

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## 7. Factors for increase/decrease in operating profit (Y/Y differences)

| (billion yen)                                    |      |  |                  |
|--|------|--|------------------|
| Previous operating profit                        | 33.4 |  |                  |
| <b>Paperboard and Packaging-Related Business</b> |      |  |                  |
| Fixed costs                                      | -6.2 | Personnel expenses -3  | Other costs -3.2 |
| Depreciation / amortization                      | -1.2 |  |                  |
| Prices   | +7.1 | Corrugated products +8.1 Paper/paperboard -0.4 Product mix -0.6 (Paperboard)               |                  |
| Raw material costs                               | +0.8 | OCC +1.1 Wood chips / Pulp -0.3  |                  |
| Energy/other costs                               | +0.2 | City gas +0.6 LNG +0.05 Coal +0.2 Fuel oil -0.1 Freight -0.4 Electricity price, etc. -0.15 |                  |
| Cost reduction                                   | 0.0  |  |                  |
| Volume   | 0.0  | Paper/paperboard +0.3 Corrugated products -0.3   |                  |
| Subtotal   | 34.1 |  |                  |
| <b>Flexible / Heavy Duty / Overseas / Others</b> |      |  |                  |
| Flexible packaging                               | +4.1 | Volume / prices +5.8 Variable costs -0.8 Fixed costs, etc. -0.9                            |                  |
| Heavy duty packaging                             | 0.2  | Volume / prices +0.3 Variable costs +0.2 Fixed costs, etc. -0.3                            |                  |
| Overseas business                                | -5.0 | Corrugated / nonwoven fabric +0.3 Flexible packaging -1.3 Heavy duty packaging -4          |                  |
| Other businesses, etc.                           | -0.4 |  |                  |
| Current operating profit                         | 33.0 |  |                  |

**+0.7**  
billion yen

**-1.1**  
billion yen

### Key information on factors affecting changes in operating profit

|  |   | Apr.-Dec. 2024 | Apr.-Dec. 2025 | YY (%)        | Diff. |        |
|--|---|----------------|----------------|---------------|-------|--------|
| Production   | Containerboard                                    | 1,000 tons     | 1,687          | 1,699         | 100.7 | + 12   |
|  | Corrugated board                                  | million sqm    | 3,258          | 3,235         | 99.3  | - 23   |
| Raw material and fuel price-related                                | OCC <sup>(1)</sup>                                | JPY/kg         | from 5 to 8    | from 5 to 8   | 100.0 | Flat   |
|  | Dubai crude oil                                   | USD/bbl        | 80.3           | 67.0          | 83.4  | - 13.4 |
|  | Annual impact of \$1 fluctuation*                 |                | 0.2 bn. yen    | 0.2 bn. yen   | -     | -      |
|  | Foreign exchange                                  | JPY/USD        | 152.5          | 148.7         | 97.5  | - 3.8  |
| Annual impact of 1 yen fluctuation (benefit from yen appreciation) |   | 0.2 bn. yen    | 0.2 bn. yen    | -             | -     |        |
| Product price-related  | Containerboard <sup>(2)</sup><br>(Grade D medium) | JPY/kg         | from 96 to 98  | from 96 to 98 | 100.0 | Flat   |
|  | Corrugated board <sup>(2)</sup><br>(C'S)          | JPY/sqm        | from 81 to 82  | from 81 to 82 | 100.0 | Flat   |

\* Crude oil price changes impact profit or loss after around six months.

Source: (1) Nikkei Inc. purchased price of collected waste paper by wholesalers, Tokyo  
(2) Nikkei Inc. Broker's wholesale price, Tokyo

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Next, we will explain the factors for increase and decrease in operating profit.

First, in the Paperboard and Packaging-Related Business, there was an increase in profit of ¥0.7 billion. The total negative factors amounted to ¥7.4 billion, with the breakdown as follows: an increase in fixed costs of ¥6.2 billion, depreciation/amortization of ¥1.2 billion. The positive factors totaled ¥8.1 billion, including ¥7.1 billion from price factors. This includes an ¥8.1 billion contribution from product price revisions implemented in the previous fiscal year, partially offset by a ¥1.0 billion negative impact from a deterioration in the sales price mix of paperboard. Additionally, raw material prices contributed ¥0.8 billion, and energy prices contributed ¥0.2 billion to the increase in profit.

For segments other than the Paperboard and Packaging-Related Business, there was an increase in profit of ¥4.1 billion in the Flexible Packaging-Related Business, and ¥0.2 billion in the Heavy Duty Packaging-Related Business. On the other hand, the Overseas Business experienced a profit decrease of ¥5.0 billion, and Other Businesses saw a profit decrease of ¥0.4 billion, resulting in a total negative impact of ¥1.1 billion.

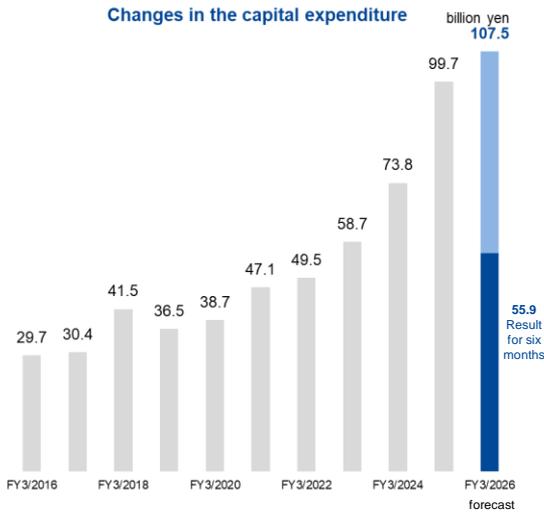
As a result, the overall operating profit decreased by ¥0.4 billion. In the Overseas Business, which experienced a significant decrease in profit, the corrugated and nonwoven subsidiaries saw an increase in profit due to improved performance at Wuxi Rengo Packaging Co., Ltd. However, the flexible packaging subsidiaries experienced a decrease in profit due to the deconsolidation of a subsidiary. The heavy duty packaging business saw a decrease in profit due to the impact of the sluggish automotive industry in Europe.

## 8. Trends in capital expenditures and depreciation

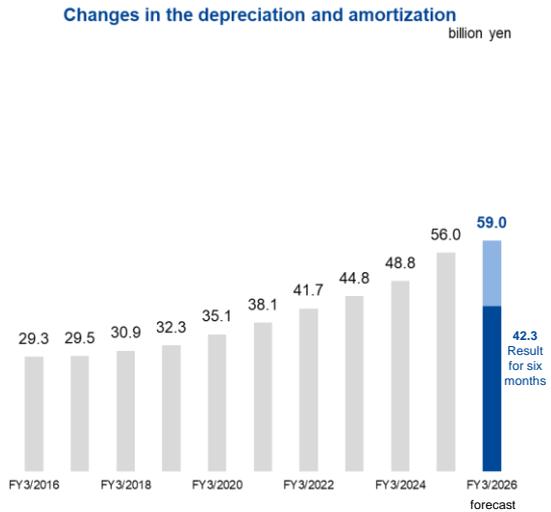
### Major investments completed / planned for completion this fiscal year

- Rengo Co., Ltd. Tokyo Plant: Expansion of factory building, etc.
- Rengo Co., Ltd. Kanazu Mill: Fuel conversion (introduction of gas cogeneration system)
- Rengo Co., Ltd. corrugated / folding cartons plants: Heat countermeasures (Phase 3)
- Rengo Co., Ltd. Shimizu Plant: Renovation and facility enhancement
- TRICOR Packaging & Logistics AG: Construction of Goch Plant

Changes in the capital expenditure



Changes in the depreciation and amortization



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Next, we will explain the trends in capital expenditure and depreciation.

Regarding the total amount of capital expenditures, we forecast ¥107.5 billion for the full year, but due to partial delays in construction schedules and the shelving of certain plans, the cumulative total by the end of the third quarter was ¥55.9 billion.

Major capital investments for this fiscal year include the expansion of the plant building at the Tokyo Plant, which began in 2021, and the fuel conversion and introduction of a gas cogeneration system at the Kanazu Mill, which started in 2023 and was completed in January 2026. Additionally, TRICOR has completed the construction of the new Goch Plant, which began in 2023, and commenced operations in the last July.

Regarding depreciation and amortization, we forecast ¥59.0 billion for the full year, with a total of ¥42.3 billion recorded on a cumulative basis by the end of the third quarter.

This concludes the overview of the third quarter of the fiscal year ending March 2026.

There are no revisions from the most recently disclosed performance forecast.

## Full-year forecast for the year ending March 2026

### Disclaimer

- 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.

Currently, part of the land of our Shonan Plant, which operates in Kanagawa Prefecture, is designated as a project site for the urban planning road "Shonandai Okami Isehara Line," and it has been decided to relocate to a new plant planned for construction within the prefecture.

This quarter, the compensation received for this partly expropriated site was recorded as extraordinary gain, resulting in quarterly profit attributable to owners of parent exceeding the initial full-year forecast. However, due to several uncertainties at this time, such as the feasibility of compression accounting for fixed assets related to this matter and other impairment processing, we have maintained our forecast.

## 1. Summary of financial indicators

|  | FY3/2025<br>results | FY3/2026<br>forecasts  | Y/Y (%) | Difference    |
|--|---------------------|------------------------|---------|---------------|
| <b>Consolidated Balance Sheets</b>       |                     |                        |         |               |
| Equity capital                           | 464.0 bl. Yen       | <b>465.0</b> bl. Yen   | 100.2   | +1.0 bl. Yen  |
| Interest bearing debt                    | 448.5               | <b>485.0</b>           | 108.1   | +36.5         |
| Total assets                             | 1,243.1             | <b>1,306.0</b>         | 105.1   | +62.9         |
| Debt to equity ratio                     | 1.0 x               | <b>1.0</b> x           |         |               |
| Net debt to equity ratio                 | 0.8 x               | <b>0.8</b> x           |         |               |
| Shareholders' equity ratio               | 37.3 %              | <b>35.6</b> %          |         |               |
| <b>Consolidated Statements of Income</b> |                     |                        |         |               |
| Net sales                                | 993.3 bl. Yen       | <b>1,005.0</b> bl. Yen | 101.2   | +11.7 bl. Yen |
| Operating profit                         | 37.4                | <b>40.0</b>            | 106.9   | +2.6          |
| Ordinary profit                          | 39.2                | <b>40.0</b>            | 102.1   | +0.8          |
| Profit attributable to owners of parent  | 29.0                | <b>24.0</b>            | 82.8    | -5.0          |
| Depreciation and amortization            | 56.0                | <b>59.0</b>            | 105.4   | +3.0          |
| EBITDA                                   | 97.1                | <b>102.9</b>           | 106.0   | +5.8          |
| <b>Financial KPI</b>                     |                     |                        |         |               |
| ROE                                      | 6.5 %               | <b>5.2</b> %           |         |               |
| Net debt to EBITDA ratio                 | 3.8 x               | <b>3.9</b> x           |         |               |

Full-year forecast for the year ending March 2026

## 2. Outlook for profit and business environment

### Consolidated income statement

(billion yen)

|   | FY3/2025<br>results | FY3/2026<br>forecasts | Y/Y (%) | Diff.  |
|---|---------------------|-----------------------|---------|--------|
| Net sales                               | 993.3               | 1,005.0               | 101.2   | + 11.7 |
| Operating profit                        | 37.4                | 40.0                  | 106.9   | + 2.6  |
| Ordinary profit                         | 39.2                | 40.0                  | 102.1   | + 0.8  |
| Profit attributable to owners of parent | 29.0                | 24.0                  | 82.8    | - 5.0  |

#### Outlook for external environment

- The Japanese economy is expected to be supported by gradual recovery due to improvements in employment and income conditions, as well as the effects of various policies.
- However, there are increasing downside risks to the economy due to the impact of U.S. trade policies.
- Continued price increases also pose a risk to the economy by affecting personal consumption.

#### Outlook for our group

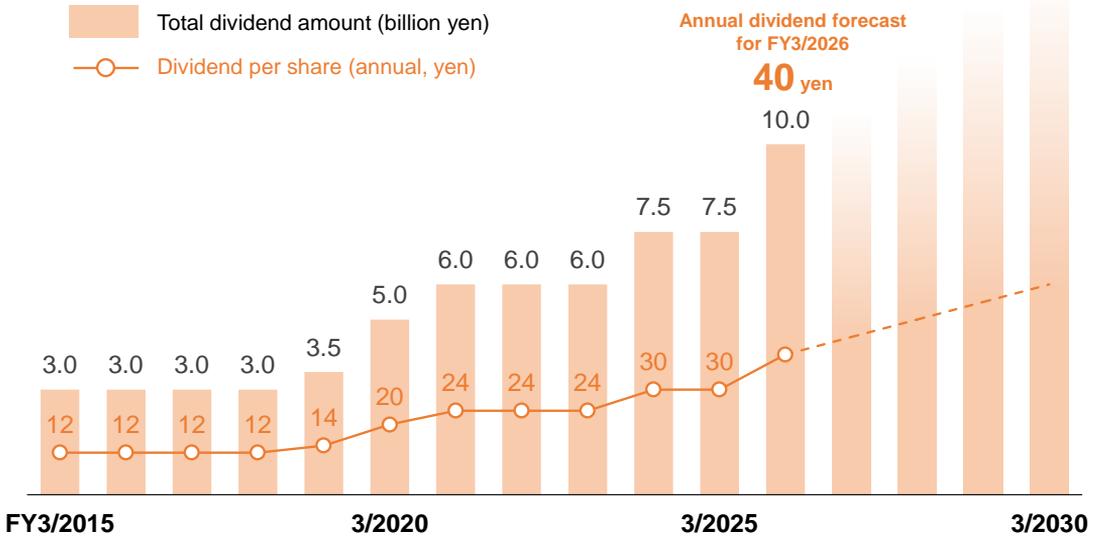
- Increases in logistics and labor costs, as well as higher depreciation expenses due to capital investments for environmental measures and labor environment improvements.
- Worsening profitability in the heavy duty packaging business due to the economic downturn in Europe.
- Product price revisions completed last year are expected to contribute positively.

Full-year forecast for the year ending March 2026

### 3. Year-end dividend

**Dividend policy**

**Progressive dividend policy** aiming for increases in line with profit growth, maintaining continuous and stable payouts with comprehensive and long-term consideration of financial performance and conditions, future business developments, and other factors

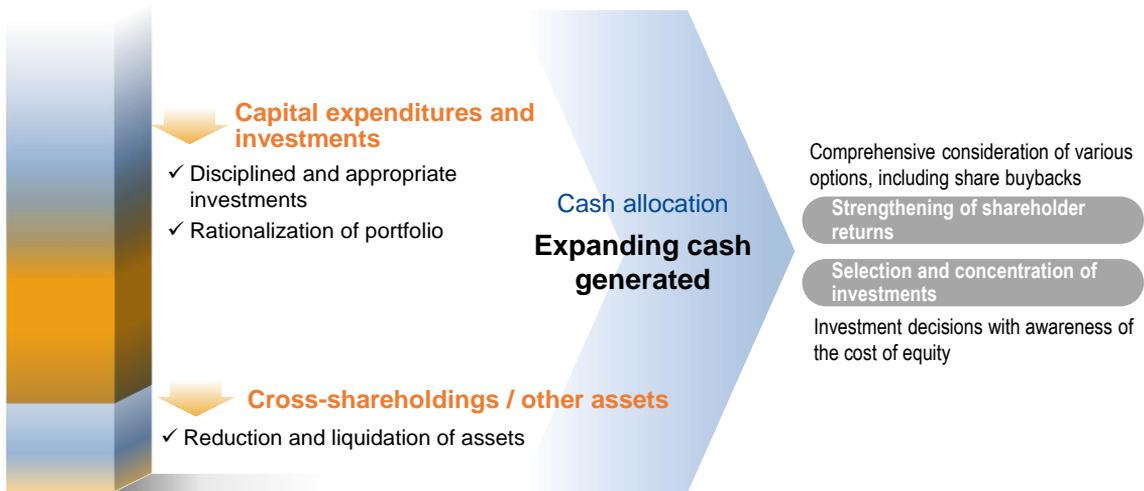


Direction for asset and capital optimization and shareholder returns

## Consideration of specific measures to improve capital efficiency

Management with a focus on improving ROE and maintaining a PBR of 1.0x

Reassessing the relationship between market capitalization and asset value, and actively engaging in capital strategy



Finally, we will explain our approach to direction for asset and capital optimization and shareholder returns.

As part of our management with a focus on improving ROE and a PBR of 1.0x in mind, we are considering specific measures to improve capital efficiency.

In the future, we aim to enhance shareholder returns by comprehensively considering various options, including share buybacks, funded by the expansion of cash flow generated through these measures. Additionally, based on investment decisions made with an awareness of the cost of equity, we will advance selection and concentration of investments to achieve sustainable growth.

This concludes the explanation of the financial results and our future policies.

# Rengo Co., Ltd.

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