

Consolidated Financial Results
for the Year Ended March 31, 2026(unaudited)
[Japanese GAAP]

Company name: **Rengo Co., Ltd.**
Listing: Tokyo Stock Exchange
Code No.: 3941 URL: <https://www.rengo.co.jp/>
Representative: Yosuke Kawamoto, Representative Director, President & COO
Contact: Hironobu Yamasaki, Managing Executive Officer, Member of the Senior Executives Meeting & General Manager, Finance & Accounting Group
TEL: +81 - (0) 6 - 6223 -2371
Scheduled date of the ordinary general meeting of shareholders: June 26, 2026
Scheduled date to file securities report: June 25, 2026
Scheduled date to commence dividend payments: June 29, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Year Ended March 31, 2026(April 1, 2025 - March 31, 2026)

(1) Consolidated Operating Results

(Percentages indicate changes from the same period of previous fiscal year.)

Year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	1,008,337	1.5	37,090	(0.9)	37,419	(4.5)	21,005	(27.5)
March 31, 2025	993,251	10.3	37,408	(23.4)	39,178	(18.4)	28,979	(12.3)

Note: Comprehensive income

Year ended March 31, 2026: 36,707 million yen (23.2%)

Year ended March 31, 2025: 47,822 million yen (20.8%)

Year ended	Basic earnings per share	Diluted earnings per share	Return on Shareholders' equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	84.70	—	4.4	2.9	3.7
March 31, 2025	116.94	—	6.5	3.2	3.8

Reference: Share of profit (loss) of entities accounted for using equity method

Year ended March 31, 2026: 1,306 million yen

Year ended March 31, 2025: 1,884 million yen

(2) Consolidated Financial Position

As of	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	1,313,086	528,554	37.3	1,972.64
March 31, 2025	1,243,116	500,244	37.3	1,872.24

Reference: Shareholders' equity As of March 31, 2026: 489,300 million yen

As of March 31, 2025: 463,968 million yen

(3) Consolidated Cash Flows

Year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	78,164	(70,739)	8,769	89,388
March 31, 2025	77,008	(97,283)	(14,485)	70,551

2. Cash Dividends

	Annual dividends per share					Total dividends (annual)	Dividend payout ratio (consolidated)	Ratio of dividend payout to net assets (consolidated)
	1Q end	2Q end	3Q end	Fiscal Year-end	Total			
Fiscal year	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
ended March 31, 2025	—	15.00	—	15.00	30.00	7,487	25.7	1.7
ended March 31, 2026	—	20.00	—	20.00	40.00	9,982	47.2	2.1
ending March 31, 2027 (Forecast)	—	25.00	—	25.00	50.00		40.0	

3. Consolidated Financial Forecasts for the Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(Percentages indicate changes from the same period of previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2nd Quarter (cumulative)	545,000	9.6	25,000	25.2	24,000	19.8	17,000	54.1	68.54
Full fiscal year	1,090,000	8.1	46,000	24.0	44,000	17.6	31,000	47.6	124.98

* In calculating basic earnings per share, the impact of the repurchase of treasury shares announced today has not been taken into account.

4. Notes

(1) Changes in significant subsidiaries during the period

Newly included: 8 companies Tri-Wall Hungary Kft. and 7 other companies.

Excluded: 3 companies OASIS EXPRESS Inc.

TRANSCOR s.r.o.

TRICOR Packaging Systems Management s.r.o.

(2) Changes in accounting policies, changes in accounting estimates and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies other than (i) above: Yes

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026 271,056,029 Shares

As of March 31, 2025 271,056,029 Shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026 23,012,676 Shares

As of March 31, 2025 23,241,683 Shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Year ended March 31, 2026 247,990,275 Shares

Year ended March 31, 2025 247,808,355 Shares

(Note) The Company has introduced a stock compensation plan using a Trust for Directors and executive officers, and its shares held by the Trust are included in the number of treasury shares.

(Reference) Summary of Non-consolidated Financial Results for the Year Ended March 31, 2026**(April 1, 2025 - March 31, 2026)****(1) Non-consolidated Operating Results**

(Percentages indicate changes from the same period of previous fiscal year.)

Year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	378,786	2.7	16,562	22.6	22,948	16.5	25,809	124.6
March 31, 2025	368,898	1.5	13,512	(44.0)	19,691	(30.4)	11,490	(37.0)

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	104.08	—
March 31, 2025	46.37	—

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	740,260	230,393	31.1	928.84
March 31, 2025	699,894	212,464	30.4	857.35

Reference: Shareholders' equity As of March 31, 2026: 230,393 million yen

As of March 31, 2025: 212,464 million yen

* This report is not subject to audit by certified public accountants or audit corporations.

* Explanation for the appropriate use of financial forecasts and other notes:

Any statement in this document regarding the forecasts is based on the information currently available to the Company and certain assumptions the Company considers reasonable. The actual results may differ significantly from these forecasts due to various factors.

* This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Table of Contents - Attachments

1. Overview of Operating Results, etc.	2
(1) Overview of Operating Results for the Fiscal Year under Review	2
(2) Overview of Financial Position for the Fiscal Year under Review	4
(3) Overview of Cash Flows for the Fiscal Year under Review	4
(4) Future Outlook	5
(5) Basic Policy on the Distribution of Profits and Dividends for the Fiscal Year under Review and the Next Fiscal Year	5
2. Basic Policy on Selection of Accounting Standards	6
3. Consolidated Financial Statements and Principal Notes	7
(1) Consolidated Balance Sheets	7
(2) Consolidated Statements of Income and Comprehensive Income	9
Consolidated Statements of Income	9
Consolidated Statements of Comprehensive Income	10
(3) Consolidated Statements of Changes in Equity	11
(4) Consolidated Statements of Cash Flows	13
(5) Notes to Consolidated Financial Statements	15
(Notes on going concern assumption)	15
(Changes in accounting policies)	15
(Additional information)	15
(Segment information, etc.)	16
(Per share information)	19
(Significant subsequent events)	20

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2026, the Japanese economy continued on a gradual trend toward recovery, supported by a pickup in personal consumption and capital investment, although the effects of U.S. trade policies persisted. However, uncertainty regarding economic conditions increased following a conflict that arose in the Middle East at the end of February 2026.

In such an economic environment, the production volume in the paperboard industry was lower than in the previous fiscal year due to ongoing changes in packaging formats and continued efforts to reduce weight of items.

The production volume in the corrugated packaging industry was slightly lower than in the previous fiscal year due to consumers' continued tendency to save money amid rising prices, as well as the impact of record-breaking heat.

The production volume in the folding cartons industry was lower than in the previous fiscal year due to sluggish demand for foods and the continued contraction in the gift-related market.

The production volume in the flexible packaging industry was on par with the previous fiscal year, supported by demand for foods and daily necessities in spite of the negative impact of efforts to reduce the bulk and weight of items in accordance with environmental concerns.

The production volume in the heavy duty packaging industry was lower than in the previous fiscal year due to the decline in agricultural and petrochemical-related demand.

Under such circumstances, the Rengo Group has formulated its medium-term vision, Vision 120, covering the period through March 2030, in order to ensure that we can continue to provide new and even greater value into 2050 and beyond as "General Packaging Industry (GPI) Rengo" offering innovative solutions that meet all the packaging needs of various industries. We have commenced Group-wide efforts toward establishing an even more robust foundation for value creation.

In addition, in response to changes in cost structures across the entire value chain, such as rising logistics and personal expenses, capital investment for environmental measures, and the implementation of fair transactions in line with our Declaration of Partnership Building, we revised the prices for our paperboard, corrugated board, and folding carton products to ensure a stable supply of our products and to maintain quality.

With regard to mergers and acquisitions, in April 2025, we made a capital investment in Kinkidanboru Co., Ltd. (Kusatsu City, Shiga Prefecture) and made Shinko Inc. (Higashimurayama City, Tokyo) a subsidiary of the Company. In January 2026, we additionally acquired shares in Okaji Logistics Co., Ltd. (Kainan City, Wakayama Prefecture), followed by the additional acquisition of shares in Murase Danboru Ltd. (Konan City, Aichi Prefecture) in March, thereby strengthening our corrugated board business. In addition, in April 2026, the Company established a joint venture company (company name: RS Wood Refinery CO., LTD.) with SUMITOMO FORESTRY CO., LTD. (Chiyoda-ku, Tokyo) and commenced initiatives aimed at strengthening the procurement system for wood chip raw materials and commercializing second-generation bioethanol. Overseas, in July 2025, Tri-Wall Limited (Hong Kong) acquired 100% equity in Scart Imballaggi, a heavy duty packaging materials manufacturer in Italy. In November, a new plant of TRICOR Packaging & Logistics AG in Germany began operations in the country, and a new plant of Fengyuan Tri-Wall Packaging (Shandong) Co., Ltd. (Shandong Province, China), established in 2024, also commenced operations, further enhancing the Company's global strategy.

At the 2025 Japan Expo (Osaka Expo), we provided tube board and building materials made of recovered paper to Dome C of the BLUE OCEAN DOME (ZERI JAPAN), a pavilion themed around regeneration of the oceans. In addition to other initiatives, we also hosted a permanent exhibition in which we demonstrated the Rengo Group's efforts to address issues facing oceans and seas.

Environmental initiatives as part of ESG management are top priority issues for the Rengo Group which advocates "Less is more." as its key phrase. The Company has made further progress to address key issues, including tackling climate change, expansion of the circular economy, and conservation of natural capital, to

achieve the greenhouse gas emission reduction target “46% reduction compared to FY2013” by FY2030.

As a result, for the fiscal year under review, net sales were ¥1,008,337 million (101.5% year on year), operating profit was ¥37,090 million (99.1% year on year), ordinary profit was ¥37,419 million (95.5% year on year), and profit attributable to owners of parent was ¥21,005 million (72.5% year on year). In addition, we recorded compensation income in connection with the partial expropriation of the Company’s Shonan Plant site and gain on sale of investment securities resulting from the disposal of cross-shareholdings as extraordinary income, while impairment losses related to TRICOR Packaging & Logistics AG was recorded as extraordinary losses.

An overview of each segment for the fiscal year under review is as follows.

[Paperboard and Packaging-Related Business]

The Paperboard and Packaging-Related Business reported higher sales and profit due to the product price revisions, despite rising fixed costs and logistics expenses and other factors.

As a result, net sales were ¥521,869 million (101.4% year on year) and operating profit was ¥25,676 million (109.5% year on year).

The production volume of main products was as follows.

(Paperboard products)

Paperboard production volume was 2,481 thousand tons (100.6% year on year) due to an increase in intra-group supply, including overseas.

(Corrugated boards/boxes)

With regard to corrugated boards/boxes, the production volume was 4,231 million square meters (100.1% year on year) in corrugated boards and 3,597 million square meters (100.4% year on year) in corrugated boxes despite sluggish sales of beverages and fruits and vegetables, due to firm order intake in other fields.

[Flexible Packaging-Related Business]

The Flexible Packaging-Related Business reported higher sales and profit due to product price revisions and an increase in sales volume.

As a result, net sales were ¥191,529 million (105.5% year on year) and operating profit was ¥9,372 million (185.1% year on year).

[Heavy Duty Packaging-Related Business]

The Heavy Duty Packaging-Related Business reported higher sales and profit due to product price revisions.

As a result, net sales were ¥46,419 million (103.2% year on year) and operating profit was ¥1,897 million (112.6% year on year).

[Overseas Business]

In the Overseas Business, net sales and profit decreased mainly due to worsening profitability in heavy duty corrugated packaging, as affected by a sluggish automotive industry in Europe.

As a result, net sales were ¥209,092 million (98.1% year on year) and operating loss was ¥1,628 million (operating profit of ¥4,931 million in the previous fiscal year).

[Other Businesses]

In the Other Businesses, net sales increased, supported by price revisions in the transport business, but profit decreased due to rising personnel expenses and other factors.

As a result, net sales were ¥39,425 million (101.5% year on year) and operating profit was ¥1,367 million (69.6% year on year).

(2) Overview of Financial Position for the Fiscal Year under Review

Total assets as of the end of the fiscal year under review were ¥1,313,086 million, an increase of ¥69,969 million from the end of the previous fiscal year. The increase was mainly due to increases in property, plant and equipment and notes and accounts receivable - trade.

Total liabilities amounted to ¥784,531 million, an increase of ¥41,659 million from the end of the previous fiscal year. The increase was mainly due to increases in bonds payable, and income taxes payable.

Net assets were ¥528,554 million, an increase of ¥28,310 million from the end of the previous fiscal year. This was due to an increase in retained earnings as a result of reporting profit attributable to owners of parent and an increase in foreign currency translation adjustment resulting from exchange rate fluctuation.

As a result, the shareholders' equity ratio remained unchanged from the previous fiscal year at 37.3%.

(3) Overview of Cash Flows for the Fiscal Year under Review

As of the end of the fiscal year under review, cash and cash equivalents amounted to ¥89,388 million, an increase of ¥18,837 million from the end of the previous fiscal year. The status of cash flows is as follows.

Net cash provided by operating activities amounted to ¥78,164 million, an increase in inflows of ¥1,155 million compared to the previous fiscal year. The main items were profit before income taxes of ¥42,411 million, depreciation of ¥58,985 million and income taxes paid of ¥13,054 million.

Net cash used in investing activities was ¥70,739 million, a decrease in outflows of ¥26,543 million compared to the previous fiscal year. The main items were purchase of property, plant and equipment amounting to ¥88,970 million, proceeds from sale and redemption of investment securities amounting to ¥15,349 million, a net decrease in time deposits amounting to ¥7,162 million, subsidies received amounting to ¥6,935 million, purchase of investment in capital of subsidiaries resulting in change in scope of consolidation amounting to ¥6,243 million, and purchase of shares of subsidiaries and associates amounting to ¥4,140 million.

Net cash flow provided by financing activities was ¥8,769 million, an increase in inflows of ¥23,254 million compared to the previous fiscal year. The main items were proceeds from issuance of bonds amounting to ¥30,100 million, dividends paid amounting to ¥8,734 million, repayments of lease liabilities amounting to ¥7,173 million, and ¥4,260 million in net decreases in long- and short-term borrowings.

(Reference) Trend in cash flow indicators

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Shareholders' equity ratio (%)	36.6	35.4	36.3	37.3	37.3
Shareholders' equity ratio on a market value basis (%)	20.7	20.2	24.7	15.8	23.7
Ratio of cash flow to interest-bearing debt (years)	6.1	8.8	4.9	5.8	6.2
Interest coverage ratio (times)	35.8	23.4	27.8	17.8	14.3

Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio on a market value basis: Market capitalization / Total assets

Ratio of cash flow to interest-bearing debt: Interest-bearing debt / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payments

(Notes)

1. Each indicator is calculated using financial figures on a consolidated basis.
2. Market capitalization is calculated as the product of the closing share price at the end of the fiscal year and the total number of issued shares at the end of the fiscal year (excluding treasury shares).
3. Operating cash flow refers to "cash flows from operating activities" on the consolidated statements of cash flows.

4. Interest-bearing debt refers to all liabilities recorded on the consolidated balance sheets on which interest is paid.
5. Interest payments refer to “interest paid” on the consolidated statements of cash flows.

(4) Future Outlook

Although expectations are for the Japanese economy to gradually recover, aided by improvements in the employment and income environment and the effects of various government policies, uncertainty in the global economy is increasing, and it is necessary to pay close attention to developments such as the situation in the Middle East, fluctuations in financial and capital markets, and the impact of U.S. policy trends.

In view of this outlook, the Rengo Group projects the following financial results for the fiscal year ending March 31, 2027 due to expectations of higher prices for raw materials as well as increases in logistics and personnel expenses. However, we also expect that the effects of product price revisions that we implemented last year will have a positive effect on our financial results.

	Fiscal year ended March 31, 2026	Fiscal year ending March 31, 2027 (Forecast)	Year-on-year
Net sales (millions of yen)	1,008,337	1,090,000	108.1%
Operating profit (millions of yen)	37,090	46,000	124.0%
Ordinary profit (millions of yen)	37,419	44,000	117.6%
Profit attributable to owners of parent (millions of yen)	21,005	31,000	147.6%
Profit per share (yen)	84.70	124.98	40.28 yen
Capital expenditures (millions of yen)	93,626	88,000	94.0%
Depreciation and amortization (millions of yen)	58,985	64,000	108.5%

- (Notes) 1. In calculating profit per share, the impact of the repurchase of treasury shares announced today has not been taken into account.
2. The above financial results forecasts are based on certain assumptions that the Company currently believes to be reasonable. However, actual results may differ from the forecasts as there is a possibility that uncertainties may increase beyond current assumption with regard to geopolitical risks such as developments in the Middle East, and changes in trade policy, among others.

(5) Basic Policy on the Distribution of Profits and Dividends for the Fiscal Year under Review and the Next Fiscal Year

The Company’s basic stance has been, to date, to aim for a progressive dividend, while aiming for a progressive dividend policy to increase dividends in line with profit growth, based on a comprehensive and long-term consideration of factors such as performance trends, financial position, and future business expansion. However, recognizing shareholder returns as a key management priority, from FY2026 onward, the Company will maintain a basic policy of providing continuous and stable returns in line with the consolidated financial results. The Company will target a consolidated dividend payout ratio of 40% and adopt a dividend on equity (DOE) of 3% as a minimum guideline.

With regard to internal reserves, the Company will allocate funds to capital investment to enhance its competitive strength, research and development investment, and growth investments such as M&A, in order to achieve sustainable enhancement of corporate value. At the same time, the Company will ensure appropriate consideration of the maintenance and enhancement of financial soundness and capital efficiency, and will

utilize its financial resources effectively.

Upon consideration of its financial position and other factors, the Company has decided to pay a year-end dividend of ¥20 per share for the fiscal year under review.

For the next fiscal year, the Company plans to pay an interim dividend of ¥25 and a year-end dividend of ¥25 for annual dividends of ¥50 per share.

2. Basic Policy on Selection of Accounting Standards

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

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	80,563	92,217
Notes and accounts receivable - trade	270,404	282,531
Merchandise and finished goods	56,066	57,297
Work in process	7,341	7,252
Raw materials and supplies	41,266	45,322
Other	14,993	18,061
Allowance for doubtful accounts	(1,154)	(2,570)
Total current assets	469,481	500,111
Non-current assets		
Property, plant and equipment		
Buildings and structures	376,177	401,854
Accumulated depreciation	(220,981)	(231,364)
Buildings and structures, net	155,196	170,490
Machinery, equipment and vehicles	761,529	798,692
Accumulated depreciation	(611,368)	(635,577)
Machinery, equipment and vehicles, net	150,161	163,114
Land	155,496	155,063
Leased assets	41,232	51,283
Accumulated depreciation	(20,370)	(25,040)
Leased assets, net	20,862	26,242
Construction in progress	36,219	36,433
Other	33,966	35,468
Accumulated depreciation	(25,785)	(27,237)
Other, net	8,180	8,230
Total property, plant and equipment	526,116	559,574
Intangible assets		
Goodwill	26,751	17,829
Other	20,947	19,727
Total intangible assets	47,698	37,557
Investments and other assets		
Investment securities	156,961	167,241
Long-term loans receivable	736	799
Retirement benefit asset	8,737	9,612
Deferred tax assets	2,409	2,900
Other	31,886	36,182
Allowance for doubtful accounts	(911)	(893)
Total investments and other assets	199,819	215,843
Total non-current assets	773,634	812,974
Total assets	1,243,116	1,313,086

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	155,252	147,709
Short-term borrowings	157,722	152,747
Current portion of bonds payable	55	30,000
Lease liabilities	6,191	7,552
Accrued expenses	38,910	39,838
Income taxes payable	8,972	15,133
Provision for bonuses for directors (and other officers)	471	486
Other	43,903	45,130
Total current liabilities	411,479	438,599
Non-current liabilities		
Bonds payable	95,000	95,100
Long-term borrowings	174,717	180,302
Lease liabilities	14,842	18,277
Deferred tax liabilities	31,435	34,303
Provision for retirement benefits for directors (and other officers)	860	887
Provision for share awards for directors (and other officers)	997	1,027
Factory move cost reserve	-	2,377
Retirement benefit liability	10,661	10,745
Other	2,877	2,911
Total non-current liabilities	331,392	345,931
Total liabilities	742,872	784,531
Net assets		
Shareholders' equity		
Share capital	31,066	31,066
Capital surplus	34,776	34,995
Retained earnings	300,680	312,904
Treasury shares	(12,457)	(12,260)
Total shareholders' equity	354,065	366,705
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	42,210	46,389
Deferred gains or losses on hedges	-	0
Foreign currency translation adjustment	57,241	65,075
Remeasurements of defined benefit plans	10,451	11,129
Total accumulated other comprehensive income	109,903	122,594
Non-controlling interests	36,276	39,254
Total net assets	500,244	528,554
Total liabilities and net assets	1,243,116	1,313,086

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	993,251	1,008,337
Cost of sales	811,460	820,314
Gross profit	181,790	188,022
Selling, general and administrative expenses		
Freight and packing costs	32,127	33,467
Salaries and allowances	44,962	47,054
Amortization of goodwill	3,685	3,771
Other	63,606	66,637
Total selling, general and administrative expenses	144,382	150,931
Operating profit	37,408	37,090
Non-operating income		
Interest income	1,065	704
Dividend income	2,568	2,967
Rental income	1,133	1,101
Share of profit of entities accounted for using equity method	1,884	1,306
Other	3,352	4,129
Total non-operating income	10,004	10,209
Non-operating expenses		
Interest expenses	4,334	5,556
Salaries paid to dispatched employees	903	1,074
Other	2,997	3,248
Total non-operating expenses	8,234	9,879
Ordinary profit	39,178	37,419
Extraordinary income		
Compensation income	10	14,866
Gain on sale of investment securities	3,065	11,743
Subsidy income	2,338	3,688
Gain on bargain purchase	5,302	-
Other	748	4,091
Total extraordinary income	11,465	34,389
Extraordinary losses		
Impairment losses	516	19,057
Loss on tax purpose reduction entry of non-current assets	2,354	3,738
Factory relocation expenses allowance	-	2,377
Other	4,985	4,224
Total extraordinary losses	7,856	29,397
Profit before income taxes	42,788	42,411
Income taxes - current	13,082	19,518
Income taxes - deferred	(855)	(503)
Total income taxes	12,227	19,014
Profit	30,561	23,396
Profit attributable to non-controlling interests	1,581	2,391
Profit attributable to owners of parent	28,979	21,005

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	30,561	23,396
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,086)	4,143
Deferred gains or losses on hedges	-	0
Foreign currency translation adjustment	10,404	7,795
Remeasurements of defined benefit plans, net of tax	3,485	863
Share of other comprehensive income of entities accounted for using equity method	5,458	507
Total other comprehensive income	17,261	13,310
Comprehensive income	47,822	36,707
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	45,414	33,650
Comprehensive income attributable to non-controlling interests	2,407	3,056

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	31,066	33,663	279,627	(12,556)	331,801
Changes during period					
Dividends of surplus			(8,235)		(8,235)
Profit attributable to owners of parent			28,979		28,979
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		100	100
Other		1,113	308		1,421
Net changes in items other than shareholders' equity					
Total changes during period	-	1,113	21,052	98	22,263
Balance at end of period	31,066	34,776	300,680	(12,457)	354,065

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	44,310	-	41,976	7,204	93,491	13,684	438,978
Changes during period							
Dividends of surplus							(8,235)
Profit attributable to owners of parent							28,979
Purchase of treasury shares							(1)
Disposal of treasury shares							100
Other							1,421
Net changes in items other than shareholders' equity	(2,100)	-	15,264	3,247	16,411	22,591	39,002
Total changes during period	(2,100)	-	15,264	3,247	16,411	22,591	61,266
Balance at end of period	42,210	-	57,241	10,451	109,903	36,276	500,244

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	31,066	34,776	300,680	(12,457)	354,065
Changes during period					
Dividends of surplus			(8,734)		(8,734)
Profit attributable to owners of parent			21,005		21,005
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		199	199
Other		218	(45)		172
Net changes in items other than shareholders' equity					
Total changes during period	-	218	12,224	197	12,640
Balance at end of period	31,066	34,995	312,904	(12,260)	366,705

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	42,210	-	57,241	10,451	109,903	36,276	500,244
Changes during period							
Dividends of surplus							(8,734)
Profit attributable to owners of parent							21,005
Purchase of treasury shares							(1)
Disposal of treasury shares							199
Other							172
Net changes in items other than shareholders' equity	4,179	0	7,834	677	12,691	2,978	15,669
Total changes during period	4,179	0	7,834	677	12,691	2,978	28,310
Balance at end of period	46,389	0	65,075	11,129	122,594	39,254	528,554

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	42,788	42,411
Depreciation	55,958	58,985
Impairment losses	571	19,057
Amortization of goodwill	3,668	3,769
Gain on bargain purchase	(5,302)	-
Compensation income	(10)	(14,866)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	69	26
Increase (decrease) in provision for share awards for directors (and other officers)	197	29
Increase (decrease) in retirement benefit liability	(3,640)	(114)
Interest and dividend income	(3,633)	(3,671)
Interest expenses	4,334	5,556
Share of loss (profit) of entities accounted for using equity method	(1,884)	(1,306)
Loss (gain) on sale of investment securities	(3,065)	(11,754)
Loss (gain) on valuation of investment securities	419	1,606
Loss (gain) on sale of property, plant and equipment	(222)	(373)
Loss on retirement of property, plant and equipment	1,769	1,082
Decrease (increase) in trade receivables	24,117	(7,107)
Decrease (increase) in inventories	(6,119)	(3,023)
Increase (decrease) in trade payables	(10,351)	(10,573)
Other, net	(4,242)	959
Subtotal	95,420	80,693
Interest and dividends received	5,700	5,544
Proceeds from compensation	10	10,462
Interest paid	(4,334)	(5,480)
Income taxes paid	(19,787)	(13,054)
Net cash provided by (used in) operating activities	77,008	78,164
Cash flows from investing activities		
Net decrease (increase) in time deposits	4,583	7,162
Purchase of property, plant and equipment	(96,121)	(88,970)
Proceeds from sale of property, plant and equipment	1,441	3,108
Purchase of intangible assets	(2,187)	(1,882)
Purchase of investment securities	(272)	(605)
Proceeds from sale and redemption of investment securities	4,436	15,349
Purchase of shares of subsidiaries and associates	(2,182)	(4,140)
Purchase of investments in capital of subsidiaries and associates	(2,522)	(51)
Net decrease (increase) in short-term loans receivable	(1,231)	(2,234)
Long-term loan advances	(102)	(145)
Proceeds from collection of long-term loans receivable	105	91
Subsidies received	4,114	6,935
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	316	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(7,546)	-
Purchase of investment in capital of subsidiaries resulting in change in scope of consolidation	-	(6,243)
Other, net	(115)	885
Net cash provided by (used in) investing activities	(97,283)	(70,739)

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,357	(9,547)
Proceeds from long-term borrowings	39,206	55,752
Repayments of long-term borrowings	(35,763)	(50,465)
Proceeds from issuance of bonds	-	30,100
Redemption of bonds	(5,010)	(55)
Purchase of treasury shares	(1)	(1)
Proceeds from sale of treasury shares	100	199
Dividends paid	(8,235)	(8,734)
Repayments of lease liabilities	(6,350)	(7,173)
Other, net	(788)	(1,305)
Net cash provided by (used in) financing activities	(14,485)	8,769
Effect of exchange rate change on cash and cash equivalents	3,014	2,642
Net increase (decrease) in cash and cash equivalents	(31,745)	18,837
Cash and cash equivalents at beginning of period	103,782	70,551
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	308	-
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(1,794)	-
Cash and cash equivalents at end of period	70,551	89,388

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

(Changes in the translation method of revenue and expenses at overseas group companies)

Revenue and expenses of overseas group companies had been translated into Japanese yen at the spot exchange rates as of their respective fiscal year-end dates; however, from the beginning of the fiscal year under review, the translation method was changed to use the average exchange rates during the period. In the current economic climate with significant fluctuations in exchange rates, this change in the translation method is intended to more accurately reflect their performance in the consolidated financial statements by mitigating the impact of temporary fluctuations in exchange rates on profit and loss, as the significance of their net sales and profit or loss is expected to increase in the future, in step with the expansion of the Rengo Group's overseas business. This change has not been applied retrospectively as its impact is immaterial.

(Additional information)

(Impairment loss on a consolidated subsidiary)

With respect to TRICOR Packaging & Logistics AG, included in the Overseas Business, its performance has fallen below the original plan due to the worsening profitability in the heavy duty corrugated packaging business in Europe, as affected by the sluggish European automotive industry in recent years. Accordingly, the business plan was reviewed and an impairment test was conducted. As a result, it was determined that the recoverable amount of the company was significantly lower than its carrying amount. Consequently, an impairment loss of ¥18,910 million (¥9,167 million in property, plant and equipment, ¥9,013 million in goodwill, and ¥729 million in other intangible assets) was recorded as extraordinary losses. As a result, the carrying amount of the company's assets amounted to ¥42,943 million, consisting of ¥39,776 million in property, plant and equipment, ¥ - million in goodwill, and ¥3,167 million in other intangible assets. The recoverable amount was estimated based on value in use, in accordance with the income approach.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Company's reportable segments are the business units for which separate financial information is available and which are periodically reviewed by the Board of Directors for the purposes of monitoring to determine the allocation of business resources and evaluate business performance.

To fulfill the multiple needs of packaging as "General Packaging Industry (GPI) Rengo," the Companies expanded the business field into flexible packaging and heavy duty packaging also overseas, and had been making plans for a comprehensive strategy about products in each business field, in addition to the integrated production from paperboard to corrugated boxes. The Company has designated four reportable segments, which are the "Paperboard and Packaging-Related Business," "Flexible Packaging-Related Business," "Heavy Duty Packaging-Related Business," and "Overseas Business" segments, based on the business field.

The "Paperboard and Packaging-Related Business" segment includes manufacturing and sales of paperboard, corrugated board, and corrugated boxes domestically. The "Flexible Packaging-Related Business" segment includes manufacturing and sales of flexible packaging and cellophane domestically. The "Heavy Duty Packaging-Related Business" segment includes manufacturing and sales of heavy duty packaging products domestically. The "Overseas Business" segment includes manufacturing and sales of paperboard, corrugated board, corrugated boxes, flexible packaging, heavy duty packaging and nonwoven products in overseas operations.

2. Method of calculating sales, profit or loss, assets and other material items by reportable segment

Figures for reportable segment profit (loss) are based on operating profit. Internal transactions are based on the current market prices.

3. Information on sales, profit or loss, assets and other material items by reportable segment
For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment					Other Businesses *1	Adjustments *2	Total *3
	Paperboard and Packaging-Related Business	Flexible Packaging-Related Business	Heavy Duty Packaging-Related Business	Overseas Business	Subtotal			
Sales								
Sales to third parties	514,720	181,614	44,977	213,094	954,406	38,844	-	993,251
Intersegment sales and transfers	2,425	738	4,212	8,791	16,167	33,566	(49,734)	-
Total sales	517,145	182,352	49,190	221,886	970,574	72,411	(49,734)	993,251
Segment profit	23,443	5,062	1,684	4,931	35,122	1,963	322	37,408
Segment assets	781,227	171,494	54,405	353,183	1,360,311	46,600	(163,795)	1,243,116
Other items								
Depreciation and amortization	31,203	7,148	1,394	14,601	54,348	1,520	(90)	55,778
Amortization of goodwill	218	128	34	3,261	3,643	42	-	3,685
Investment in equity method associates	776	-	-	65,595	66,372	1,221	-	67,593
Increase in property, plant and equipment and intangible assets	63,127	8,450	881	25,686	98,147	1,762	(234)	99,675

*1 "Other Businesses" are businesses which are not included in reportable segments and include domestic manufacturing and sales of nonwoven products, paper packaging machinery and other businesses such as transport, insurance agency, leasing and real estate.

*2 "Adjustments" were as follows:

- (1) The adjustment of segment profit of ¥322 million was from the elimination of intersegment transactions.
- (2) The adjustment of segment assets of ¥(163,795) million was from the elimination of intersegment transactions.
- (3) The adjustment of depreciation and amortization of ¥(90) million was from the elimination of intersegment transactions.
- (4) The adjustments of increase in property, plant and equipment, and intangible assets of ¥(234) million were from the elimination of intersegment transactions.

*3 The segment profit was reconciled with operating profit in the consolidated statements of income.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment					Other Businesses *1	Adjustments *2	Total *3
	Paperboard and Packaging-Related Business	Flexible Packaging-Related Business	Heavy Duty Packaging-Related Business	Overseas Business	Subtotal			
Sales								
Sales to third parties	521,869	191,529	46,419	209,092	968,911	39,425	-	1,008,337
Intersegment sales and transfers	2,405	588	4,129	11,322	18,445	34,016	(52,461)	-
Total sales	524,275	192,118	50,548	220,414	987,356	73,441	(52,461)	1,008,337
Segment profit (loss)	25,676	9,372	1,897	(1,628)	35,318	1,367	404	37,090
Segment assets	829,833	186,389	60,410	355,840	1,432,474	47,281	(166,669)	1,313,086
Other items								
Depreciation and amortization	33,058	6,859	1,435	15,939	57,292	1,646	(93)	58,846
Amortization of goodwill	110	64	-	3,555	3,729	42	-	3,771
Investment in equity method associates	808	-	-	65,391	66,199	1,368	-	67,568
Increase in property, plant and equipment and intangible assets	50,729	10,861	1,114	27,938	90,645	3,043	(62)	93,626

*1 “Other Businesses” are businesses which are not included in reportable segments and include domestic manufacturing and sales of nonwoven products, paper packaging machinery and other businesses such as transport, insurance agency, leasing and real estate.

*2 “Adjustments” were as follows:

- (1) The adjustment of segment profit (loss) of ¥404 million was from the elimination of intersegment transactions.
- (2) The adjustment of segment assets of ¥(166,669) million was from the elimination of intersegment transactions.
- (3) The adjustment of depreciation and amortization of ¥(93) million was from the elimination of intersegment transactions.
- (4) The adjustments of increase in property, plant and equipment, and intangible assets of ¥(62) million were from the elimination of intersegment transactions.

*3 The segment profit (loss) was reconciled with operating profit in the consolidated statements of income.

(Per share information)

Net assets per share and the basis of calculation thereof and basic earnings per share and the basis of calculation thereof are shown below.

	As of March 31, 2025	As of March 31, 2026
(1) Net assets per share (yen)	1,872.24	1,972.64
(Basis for calculation)		
Total net assets on the consolidated balance sheets (millions of yen)	500,244	528,554
Total net assets relating to common shares (millions of yen)	463,968	489,300
Main differences		
Non-controlling interests (millions of yen)	36,276	39,254
Total number of issued shares that are common shares (thousand shares)	271,056	271,056
Number of treasury shares that are common shares (thousand shares)	23,241	23,012
Number of common shares used to calculate net assets per share (thousand shares)	247,814	248,043

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
(2) Basic earnings per share (yen)	116.94	84.70
(Basis for calculation)		
Profit attributable to owners of parent (millions of yen)	28,979	21,005
Profit attributable to owners of parent relating to common shares (millions of yen)	28,979	21,005
Average number of common shares outstanding during the period (thousand shares)	247,808	247,990

- (Notes) 1. Diluted earnings per share is not presented for the fiscal year under review as there are no dilutive shares.
2. Shares of the Company held in the trust account for the Stock Compensation Plan are included in the number of treasury shares (1,757 thousand shares and 1,526 thousand shares for the fiscal years ended March 31, 2025 and 2026, respectively) that are deducted from the total number of issued shares at the end of the fiscal year for the purposes of calculating net assets per share. Shares of the Company held in the trust account for the Stock Compensation Plan are included in the number of treasury shares (1,763 thousand shares and 1,580 thousand shares for the fiscal years ended March 31, 2025 and 2026, respectively) that are deducted from the average number of shares outstanding during the period for the purposes of calculating basic earnings per share.

(Significant subsequent events)

(Repurchase of treasury shares)

At the Board of Directors meeting held on May 14, 2026, the Company resolved, pursuant to Article 459, Paragraph 1 of the Companies Act and the relevant provisions of the Articles of Incorporation, to repurchase up to 25,000,000 treasury shares for an aggregate amount of up to ¥25,000 million. For further details, please refer to the “Notice Regarding Decision on Matters Related to Acquisition of Treasury Stock” announced today.