

OVOL



Paper, and beyond

Ever since its founding in 1845, Japan Pulp & Paper Co., Ltd. has grown while meeting the needs of society as a paper trading company that has played an essential role in industrial and cultural development. Today, along with its mainstay Japan Wholesaling business, the Company has expanded into the Non-Japan Wholesaling, Paper Manufacturing & Processing, Resources & Environment, and Real Estate Leasing businesses. By generating Group synergy, the Japan Pulp & Paper Group aims to maximize its overall corporate value.

Paper is always around us in our daily lives. And beyond it lie infinite possibilities. The Group is seeking to generate new value by working to solve the issues facing society while pursuing the infinite possibilities of paper. We remain committed to earning the trust of all stakeholders as we work toward our mission of creating a better future for society and the environment.

Corporate Philosophy

Our Corporate Spirit

Nurture people through **integrity**, foster trust through **fairness**, support society through **harmony**.

Our Mission

Carving a better future for society and the environment.

Our Principles

- Change** Change ourselves as society changes.
- Challenge** Challenge new fields with conviction and ambitious spirit.
- Create** Create fresh global value through diversity.

Corporate Slogan

"Paper, and beyond"



The two Os in the OVOL logo symbolize the global expansion of the Japan Pulp & Paper Group. The shape of the striking logo is not only reminiscent of a celestial orbit and ovals, but the repetition within the letter O represents a smooth and never ending continuity, nature and familiarity, as well as the direction of the Japan Pulp & Paper Group in its global expansion, and these are conveyed in a unique way that is both visual and almost aural. The letters of the logo include the word “VOL,” which conveys an image of flying in languages with a Latin origin such as French, and the four letters of “OVOL” represent both “the power to fly into the future” and the possibilities of a story’s new beginning.

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Forward-Looking Statements

This report includes projections, forecasts and other forward-looking statements made by the Company at the time the report was produced, based on information then available to the Company. All such statements are subject to certain risks and uncertainties, and are not a guarantee of future performance. Readers are cautioned that actual results may differ significantly from any projections or forecasts presented herein.

**We pursue
the infinite
possibilities
of paper.**

Our Vision for the Future

Creating a circular economy through the paper-related business and the renewable energy power generation business

Pursuing the benefits and appeal of paper to realize better living

Harnessing AI and IoT to improve productivity in the paper distribution industry

Becoming well-known and respected in global markets

Becoming a company that all employees are proud of

Issues to Address

Enhance profitability and work on solutions to environment-related issues

Ensure sustainability in the domestic paper industry

Improve brand recognition and standing around the world

Streamline operations for a leaner corporate structure

Strengthen governance and compliance in line with Group expansion

Demand for paper is forecast to continue growing in emerging markets in both the graphic and the packaging sectors. In Japan and other developed countries, a return to paper, thanks to a reassessment of its unique benefits and appeal, can be expected in the graphic sector in reaction to excesses in the trend toward going electronic and paperless. Particular key points for encouraging this return are the development of new value in paper and the creation of applications and products that are highly convenient and environmentally friendly. To achieve this, it is also essential to promote automation and greater efficiency in paper distribution, and to provide customers with appropriate and speedy services.

We take pride in the various resources we have cultivated in the 170 years since our foundation and a 120-year history of doing business overseas, and will continue to pursue the possibilities of paper.

**We have
continually
expanded our
expertise in the
paper business.**

Business Development and Progress

Expansion of Our Network Worldwide

1899
Shanghai Nakai established.

1955
Hong Kong Representative Office opened (now Japan Pulp & Paper (H.K.)).

1967
New York Representative Office opened.

1972
Dusseldorf Representative Office opened (now Japan Pulp & Paper GmbH).

1981
Beijing Representative Office opened (now Japan Pulp & Paper (Shanghai) – Beijing Branch Office).

2010
Gould Paper, a leading U.S. paper merchant, joins the Group, expanding the Group's business activities in the U.S. and Europe.

2012
KCT Trading, an Indian paper merchant, joins the Group, expanding the Group's business activities in India.

2017
Ball & Doggett Group joins the Group, strengthening the Group's business platform in Oceania.

2018
Southeast Asia paper merchants Spicers Paper (Singapore) (now OVOL Singapore) and Spicers Paper (Malaysia) (now OVOL Malaysia) join the Group.

2019
Premier Paper Group, a leading paper merchant in the U.K., joins the Group, expanding the Group's wholesaling business in the U.K.

Contribution to Stable Supplies of Paper

1845
Echisan Shoten established in Kyoto as a merchant in the trade of traditional Japanese *washi* paper.

1876
First in Japan to trade in machine-made paper.

1970
Japan Pulp & Paper formed through a merger with Fuji Yoshiten Company.

1979
JP Information Center established, marking the Group's entry into the ICT business.

2016
Arise Innovation established, commencing the Group's full-scale participation in the AI business.

Invested in JasmineSoft, strengthening the Group's ICT business.

Recycling of Limited Natural Resources

1973
JP Resources established, commencing the Group's full-scale involvement in the wastepaper recycling business.

1998
Safeshred (of the U.S.) joins the Group, marking the Group's full-scale entry into the wastepaper recycling business outside Japan.

2004
Kawabe Biomass Power Generation established, begins power generation from renewable energy sources.

2007
Eco-Port Kyushu established, expanding the Group's recycling business to waste plastic and other materials.

2015
Eco Power JP (established 2013) begins operation of the Kushiro solar power generation plant.

2016
Noda Bio Power JP (established 2014) begins power generation from woody biomass.

2017
Fukudasansho, a major Japanese wastepaper trading company, joins the Group.

2018
OVOL New Energy established, begins collection, sales and export of PKS in Malaysia.
OVOL Fibre Solution India established, strengthening the wastepaper recycling business in India.

Use of Localized Real Estate Assets

2014
Construction of Nihombashi Nichigin-Dori Building in Tokyo completed.

2018
Construction of OVOL Nihombashi Building in Tokyo completed.

2019
Construction of OVOL Kyoto Ekimae Building in Kyoto completed.

Promotion of Environmentally Conscious Paper Manufacturing and Processing

1981
Mikunishiko joins the Group.

2003
Taiho Paper and Oriental Asahi JP Carton Box join the Group.

2009
Transfer of the paper manufacturing business of Tokiwa Group to Eco Paper JP.

2011
Corelex Group joins the Group.

2015
Corelex Group begins operation of a new mill for recycled household paper in Shizuoka.



Paper Manufacturing & Processing



Non-Japan Wholesaling



Japan Wholesaling



Resources & Environment



Real Estate Leasing

Value

**With new value,
we help to solve
social issues and
build a circular
economy.**

Expanding the possibilities of paper and the value we provide to address social issues and customer needs.



Performance

(As of March 31, 2019)



Consolidated Ordinary Profit

¥10.7 billion

We have enhanced our already diversified individual businesses and created synergies between segments, which led to record ordinary profit.



Net Sales among Japanese Pulp and Paper Trading Companies

No. 1

As Japan's industry leader, the Japan Pulp & Paper Group is using its unique business frameworks to venture into new fields globally.



Ratio of Group to Parent Company Employees

5.5:1

As our businesses and workforce become more diversified, we are enhancing cohesion within the Group under the OVOL brand and accelerating our growth strategy.



Ratio of Sales Outside of Japan

38%

In the paper and paperboard industry, we have built a global procurement and supply network as one of the world's leading paper trading companies, and will continue to expand and strengthen our global network.

Highlights

Strengthening Our Business Base through M&A

With operating bases in 110 locations in 21 countries (as of August 1, 2019), the Japan Pulp & Paper Group has built one of the world's largest paper and paperboard distribution networks. We are using this network to increase earning power in our Non-Japan Wholesaling segment, while developing businesses that are rooted in local communities. In July 2018, Western-BRW Paper, a subsidiary of Japan Pulp & Paper's North American consolidated subsidiary Gould Paper, acquired the business assets of a janitorial and sanitation (JanSan) business.* Western-BRW Paper, a wholesale paper merchant based in Texas, supplies copy paper and a wide range of other products to government offices and educational institutions. Entering the JanSan business will facilitate efforts to expand its product offerings and enhance the functions of its core paper wholesaling business.

In September 2018, Spicers Paper (Singapore) (now OVOL Singapore) and Spicers Paper (Malaysia) (now OVOL Malaysia), which are paper and paperboard distributors in Southeast Asia, became wholly owned subsidiaries of Japan Pulp & Paper. Solid growth in demand is expected for paper and paperboard in Singapore and Malaysia, and the addition of these companies to the Group will greatly boost our presence in the paper distribution industry. We will continue to strengthen and leverage our global network.

In addition, in July 2019 the Company made a capital participation in Radms Paper (Radms) of the U.K. In doing so, Radms' core operating company, Premier Paper Group (Premier), became a Japan Pulp & Paper Group company. Premier, which is predominantly involved in the import and wholesale of paper and packaging materials, has 18 facilities in the U.K. and uses its comprehensive low-cost operations as a competitive advantage. A strategic linkage between Premier and the Japan Pulp & Paper Group's global network will contribute to the expansion and development of the Company's wholesale business in the U.K.

* JanSan business: A business that provides cleaning services, sales of related products (toilet paper, tissues, paper towels, trash cans, cleaning equipment, detergents, etc.), repairs, training and other services.



Group Companies

112

Our paper-focused business encompasses everything from the supply of raw materials to the manufacturing, processing and sale of paper and related products, and wastepaper collection and recycling. We are focusing on realizing a circular economy and strengthening our global network.



Power Generation Facilities

6 locations

To provide a stable supply of clean and safe electric power, we operate six power generation facilities – three using woody biomass and three using solar power. These businesses also benefit nearby communities in ways such as promoting local job creation.



Premier Paper

Message from the President

— Contributing to a Prosperous Future —



Soaring Ahead with New Value for the Future

Japan Pulp & Paper Co., Ltd. was founded in Kyoto in 1845 as a merchant of Japanese *washi* paper. Over time, the Company has developed into a diversified, global business centered on paper that continues to achieve steady growth despite the trend toward going paperless.

Going forward, we consider it important that we realize the “power to fly into the future” that our Group brand OVOL represents, and exercise leadership over the industry as a whole. We will continue to take up further challenges, such as the addition of new capabilities, the likes of which have never been seen in our company or any existing paper distribution companies, and provide our stakeholders with new value that lies in “paper, and beyond.”

Overview of the Medium-term Business Plan 2019

Basic Direction

Further enhance individual business segments and ensure stable profit

Invigorate our already diversified individual business segments to help establish a stable profit platform for the Japan Pulp & Paper Group

Operational Strategy by Business Segment

Japan Wholesaling	Expand sales share, increase sales of functional materials and enhance ICT operations
Non-Japan Wholesaling	Establish an operational framework to help drive our quest to become the world's leading paper distribution company
Paper Manufacturing & Processing	Boost competitiveness by strengthening all supply-chain processes from raw materials procurement through manufacturing and sales
Resources & Environment	Strengthen the resource business and stabilize energy generation operations
Real Estate Leasing	Efficient operation of current real-estate holdings and pursuit of new projects

Projected Attainment of the Medium-term Business Plan Target Addressing the Task of Reviewing Unprofitable Businesses

Our fiscal 2018 results showed an increase in sales from fiscal 2017 and record-high levels of consolidated operating profit and ordinary profit. We are projecting that we will be able to attain the final target of 13 billion yen in consolidated ordinary profit posted in the Group Medium-term Business Plan 2019 – Paper, and beyond. Meanwhile, issues have surfaced that are making it difficult to ensure earnings in certain businesses. To reach the final target, I see an urgent need for further acceleration of efforts to resolve these issues. I must also note that, although domestic prices for paper and paperboard were revised in January 2019, a rise in distribution costs and other factors have also made reform of our price structure in the Japan Wholesaling business a priority. At our OVOL Bridges 2018 forum in November 2018, we managed to deepen communication with paper wholesalers, who we consider our assets. While having our wholesalers share our intentions and with a view to preserving the profitability of the paper business, we will endeavor to provide our customers with even more added value and try to heighten their degree of satisfaction with our services.

I would like to take this opportunity to offer my heartfelt apologies for the inconvenience and concern that was caused to our stakeholders by the improper disposal of industrial waste by one of our subsidiaries. We are determined to reinforce the organizational setup and tighten compliance throughout our entire Group to see that this sort of impropriety never happens again.

Heightening the Added Value of Paper as an Environment-friendly Material through Expert Planning and Proposal Capabilities

Adding Value from a Global Perspective

I predict that the decrease in demand for paper resulting from the trend of going electronic and paperless will eventually stop, and that we will instead see a new appreciation of paper's exceptional features. As such, I believe we must not only work to expand the scale of our sales, but also increase the stability of our earnings. To this end, we must redouble our efforts to instill paper with new added value while further refining our planning and proposal capabilities.

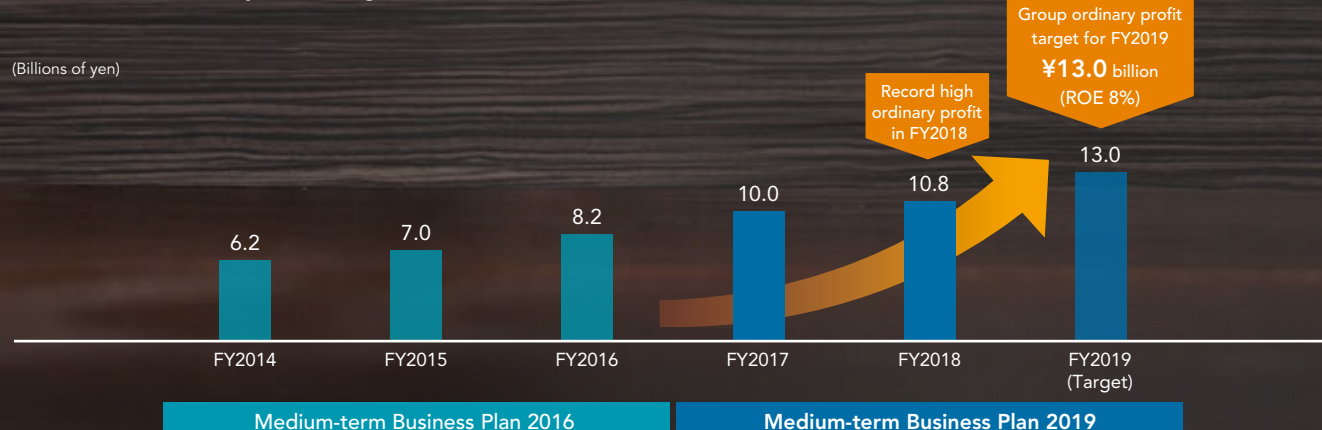
As paper is a recyclable material, we are also strengthening the wastepaper recycling business and putting our efforts into the development of our environmental business. Outside Japan, we are promoting the glocalization of our activities, aspiring to become the "world's leading paper distribution company," and setting about the construction of both a global network and local distribution systems.

In this way, we are determined to make a positive contribution to the building of a sustainable society through the development of multifaceted business by the Group, and will do our utmost to create a prosperous future for all of our stakeholders.



Akihiko Watanabe
Representative Director, President

Consolidated Ordinary Profit Target



Our Businesses

Japan
Wholesaling



ICT System Development

Non-Japan
Wholesaling



Main Products & Services

Newsprint & Printing Papers



Digital & Communication Papers



Containerboard & Paperboard Products



Packaging Papers



Plastics & Chemical Products



Industrial Papers & Electronics-Related Materials



The Japan Pulp & Paper Group has been actively diversifying its businesses, which now encompass five segments. In addition to Japan Wholesaling, its mainstay business, the Group's operations include Non-Japan Wholesaling, which leverages the Group's world-class paper and paperboard distribution network; Paper Manufacturing & Processing, which entails the paper manufacturing business, the manufacturing of packaging materials, and paper and film processing; Resources & Environment, which is working to create a circular economy; and Real Estate Leasing utilizing the Group's real estate assets.

Paper Manufacturing & Processing



Resources & Environment



Real Estate Leasing



Household Papers



Other Related Products



Wastepaper



Machinery



ICT System Development



Palm Kernel Shell (PKS)



Japan Wholesaling



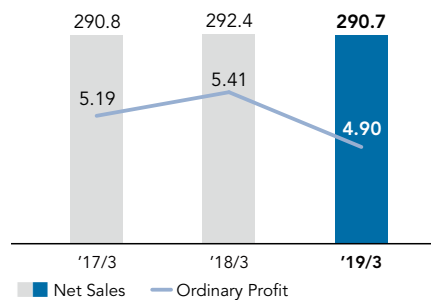
The Leading Company in Paper Distribution

Based on the expertise it has accumulated since its establishment, the Japan Pulp & Paper Group sells paper, paperboard and related products as a distribution agent for manufacturers. While we propose and supply various materials and household and industrial goods with a wide range of applications, we also conduct proposals and sales of more specialized functional materials, such as eco-friendly films.

In addition, we are mobilizing the Group's collective capabilities to diversify our businesses. One example is our entry into the development and sale of ICT systems and AI services for the paper industry.

Net Sales/Ordinary Profit

(Billions of yen)



Highlights of Fiscal Year Ended March 2019

Net Sales

Price adjustments contributed to sales, but did not fully offset the drop in sales volume as demand for paper continued to decline and supplies tightened due to natural disasters and other factors. Sales decreased 0.6% as a result.

Ordinary Profit

Ordinary profit decreased 9.4% due to the decline in sales volume, a drop in electronics-related sales, provisions for doubtful accounts at a subsidiary, and an increase in depreciation expenses.

Business Flow



ICT system development

We develop and sell business support system packages for sales agents, wholesalers and distributors in the paper industry.

Nationwide distribution network for storage, shipping and processing

Using information systems, we provide a stable supply of products to fit the diverse needs of customers.



Non-Japan Wholesaling

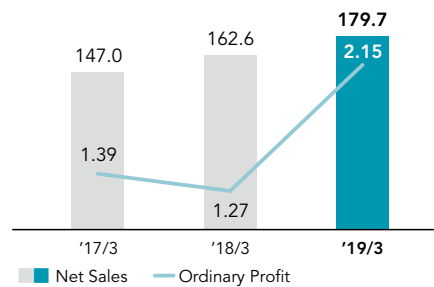


One of the World's Leading Specialist Paper Trading Companies

Our first foray into the global arena dates back to 1899. Since then we have continued to do business in a number of countries and regions with differing cultures and business customs. We have firmly established ourselves in each region and are building on our know-how as we continue to expand our business activities throughout the world. We currently have paper distribution operations with storage and shipping functions in the U.S., the U.K., Oceania, India, Hong Kong, Singapore and Malaysia, and have established systems to enable the stable supply of products throughout each region. We have also extended our range of services beyond merely supplying printing and paper processing companies, to now include the delivery of products such as photo copying papers directly to consumers. A "glocal" entity such as ours, with its expanding global paper wholesaling business and a strong local presence in each region is unparalleled anywhere in the world. We will create synergies on a global scale as we work to become the world's leading paper distribution company.

Net Sales/Ordinary Profit

(Billions of yen)



Highlights of Fiscal Year Ended March 2019

Net Sales

Sales increased 10.5%, largely because the full-year results of the Ball & Doggett Group, which became a consolidated subsidiary in the second quarter of the previous fiscal year, were reflected in the results. An increase in exports also contributed to sales.

Ordinary Profit

Ordinary profit increased 68.9%, because the full-year results of the Ball & Doggett Group were reflected in the profits, which more than offset poor results at some subsidiaries in the U.S.



Gould Paper

Gould Paper, a leading U.S. paper merchant, joined the Group in 2010, expanding the Group's business activities in the U.S. and Europe.



Ball & Doggett Group

In 2017, Ball & Doggett Group joined the Japan Pulp & Paper Group, strengthening the Group's business platform in Oceania.



Paper Manufacturing & Processing



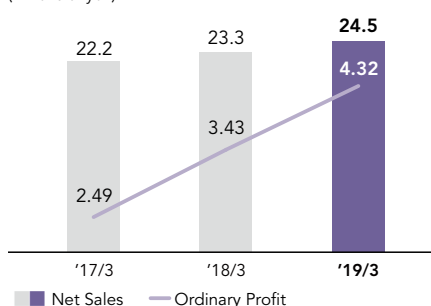
Environmentally Conscious Paper Manufacturing and Processing Businesses

The Japan Pulp & Paper Group is developing its paper manufacturing business using recovered wastepaper as furnish for household paper, containerboard and printing paper. In our recycled household paper business, we are building a stable global supply structure centered on the Corelex Group, which holds the top market share in Japan. In the processing business, the Japan Pulp & Paper Group is focusing on investment in production facilities for containerboard manufacturing, and on building a processing structure capable of meeting diverse needs.

Throughout this segment, we are optimizing the supply chain from raw material procurement to manufacturing and sales, and are cutting costs to further strengthen our competitiveness.

Net Sales/Ordinary Profit

(Billions of yen)



Highlights of Fiscal Year Ended March 2019

Net Sales

Sales increased 5.1% as sales volume increased in the recycled household paper business, paperboard manufacturing business and overseas containerboard processing business.

Ordinary Profit

Ordinary profit increased 25.9%, reflecting the effects of containerboard price adjustments implemented in November 2018.

Resources & Environment



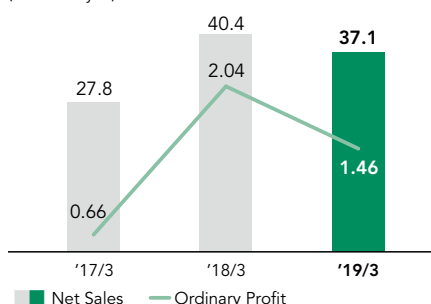
Building a Circular Economy by Recycling Resources

In this segment, the Japan Pulp & Paper Group is focused on the wastepaper recycling business in Japan and other countries, the comprehensive recycling business, which aims to efficiently recycle plastic and other waste, and the power generation business, which includes solar and woody biomass power. In the wastepaper recycling business in 2017, we further enhanced our nationwide wastepaper recovery network and bolstered procurement and supply with the acquisition of Fukudasansho. We also expanded our network outside Japan with the establishment of OVOL Fibre Solution India, which began business operations in 2018.

In addition, we established OVOL New Energy in Malaysia to strengthen our biomass fuel business. This company collects palm kernel shells (PKS), a fuel source for woody biomass power generation plants, and exports them to Japan. It will supply PKS to woody biomass power generation plants within the Japan Pulp & Paper Group as well as to outside companies.

Net Sales/Ordinary Profit

(Billions of yen)



Highlights of Fiscal Year Ended March 2019

Net Sales

Although sales improved temporarily because of a rise in year-end demand for wastepaper for China, sales decreased 8.0% due to the effect of restrictions on waste imports in China.

Ordinary Profit

Ordinary profit decreased 28.4% due to the effect of restrictions on waste imports in China.

Real Estate Leasing



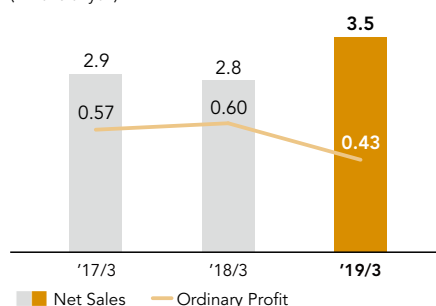
Using Our Real Estate Assets Based on Local Needs

In our real estate leasing business, we lease our properties in areas including Tokyo, Osaka and Kyoto for use as offices, multi-dwelling residences and hotels. In June 2018, construction was completed on the OVOL Nihonbashi Building, which is one of the projects in the second phase of the Nihonbashi Revitalization Plan. Furthermore, the OVOL Kyoto Ekimae Building was completed in March 2019. This building opened as the Richmond Hotel Premier Kyoto Ekimae in May, and will meet diverse needs of customers, from foreign tourists visiting Japan to businesspersons.

The Japan Pulp & Paper Group will continue to make effective use of its real estate assets as a source of stable income while contributing to new urban development.

Net Sales/Ordinary Profit

(Billions of yen)



Highlights of Fiscal Year Ended March 2019

Net Sales

Sales increased 24.2% owing to continued high occupancy rates at existing tenant buildings, and the start of operation of the OVOL Nihonbashi Building (completed in June 2018), a complex that consists of offices, a hotel and commercial outlets.

Ordinary Profit

Ordinary profit decreased 28.3% as depreciation expenses, property management fees and other expenses of the OVOL Nihonbashi Building outweighed the rental income from office tenants that was generated as tenants gradually moved in.

OVOL Nihonbashi Building



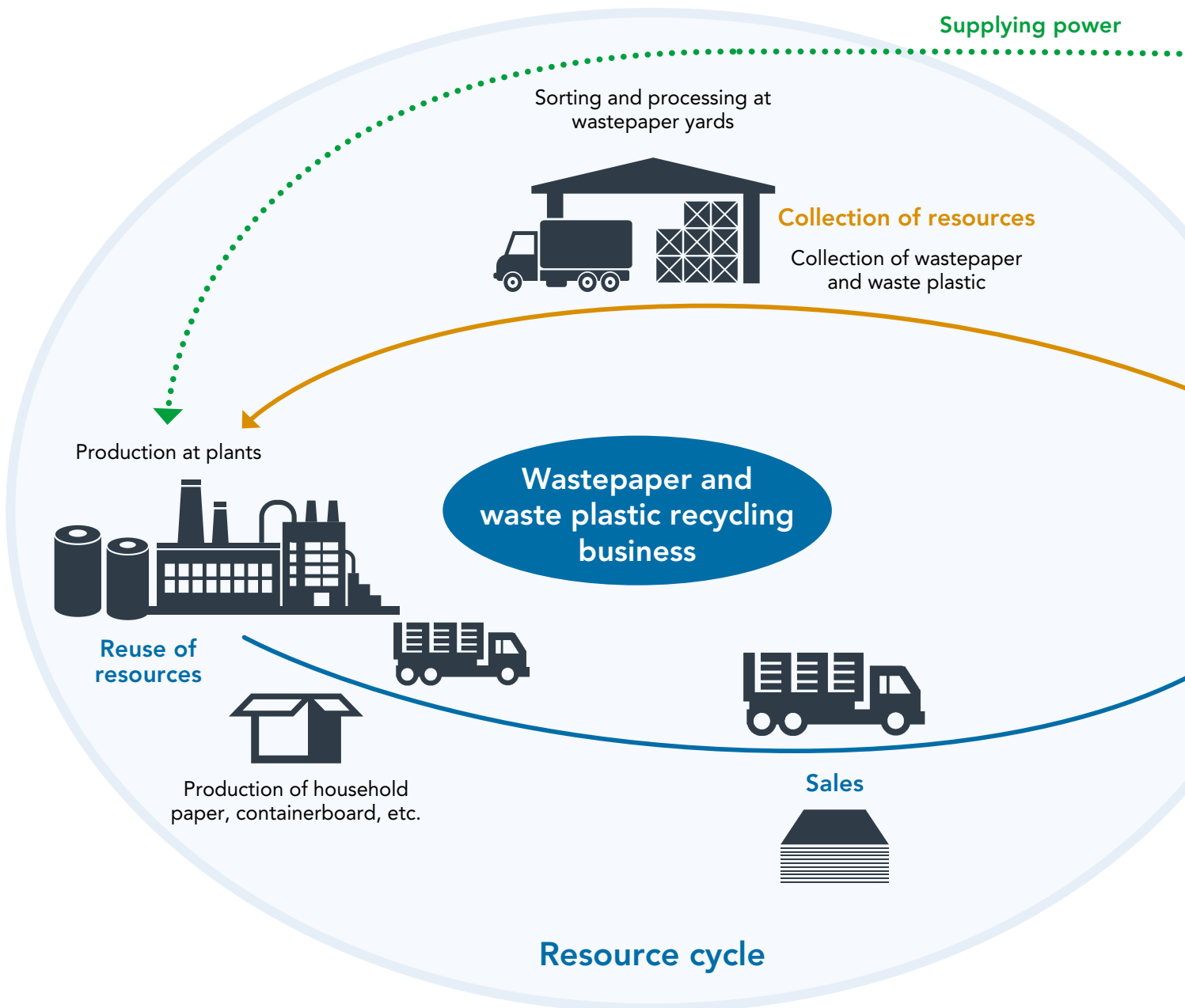
OVOL Kyoto Ekimae Building



Realizing a Circular Economy

The Japan Pulp & Paper Group is helping to realize a circular economy through its business activities as part of its mission to carve a better future for society and the environment.

In the resource cycle, the business of recycling wastepaper, which is increasing in importance as a raw material used for papermaking, and the paper manufacturing business, which uses wastepaper as a raw material, are interrelated. In terms of the energy cycle, we are developing renewable energy power generation businesses.



Production of recycled household paper

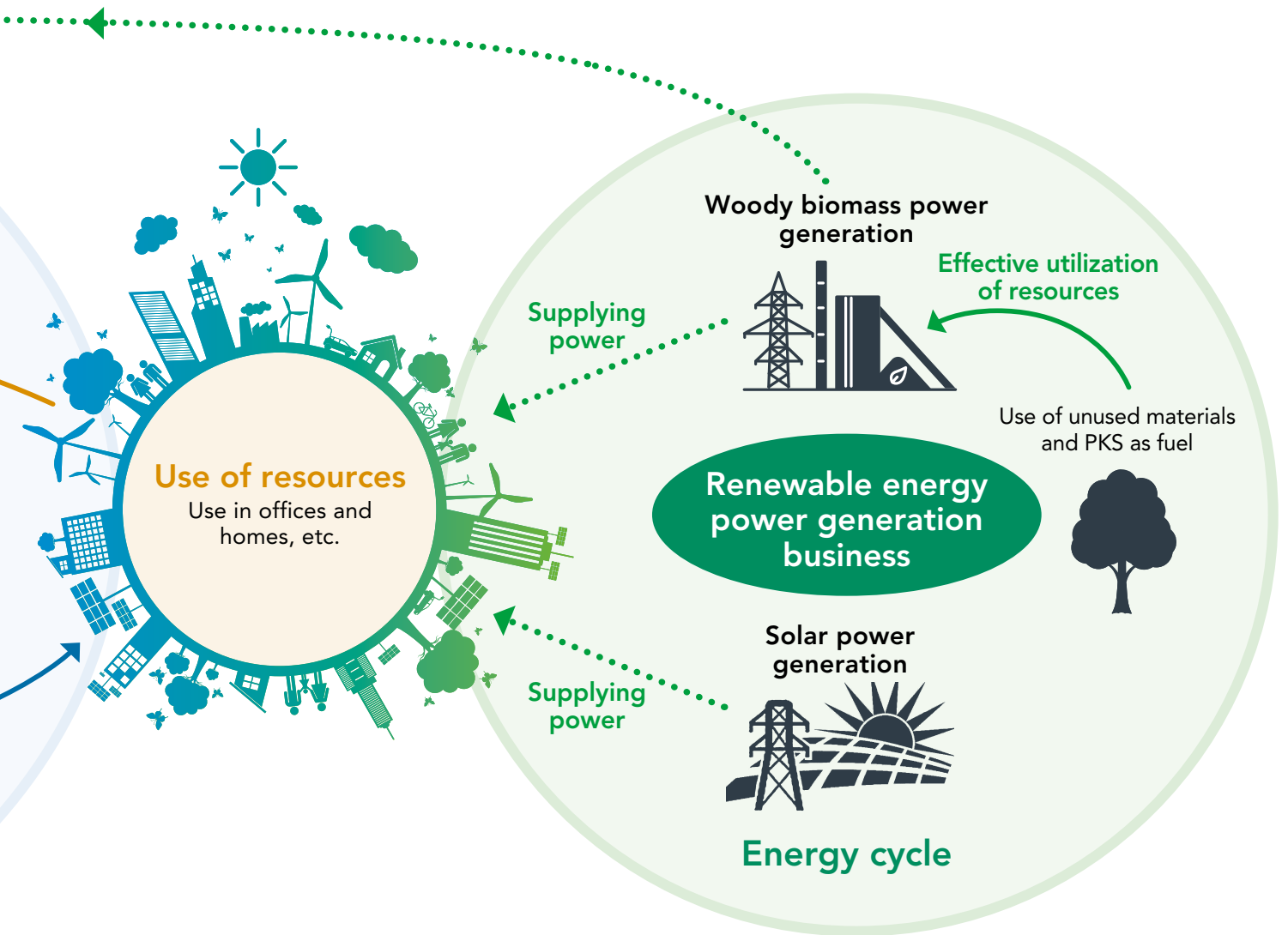


Production of containerboard and printing paper

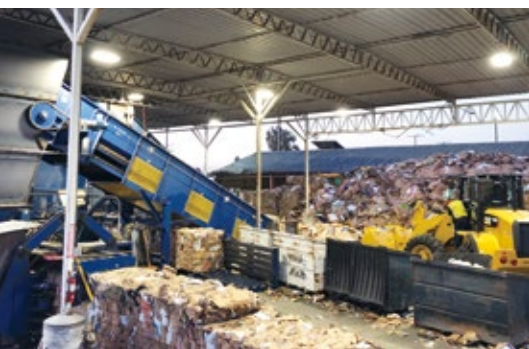


Manufacturing and processing of packaging materials





Recycling of wastepaper



Recycling of waste plastic



Power generation from renewable energy



Japan Network

(As of August 1, 2019)

Japan Pulp & Paper Co., Ltd.

Head Office (Tokyo)

Kansai Branch

**Kansai Branch,
Kyoto Sales Department**

Chubu Branch

Kyushu Branch

**Kitanihon Branch,
Tohoku Sales Department**

**Kitanihon Branch,
Hokkaido Sales Department**

Wholesaling



JP Household Supply Co., Ltd.
(Tokyo)

West Japan Sales Department

Kurashi Net JP Co., Ltd.
(Tokyo)

Kyoto Kami Shoji Co., Ltd.
(Kyoto)

Shiga Branch
Kisshoin Distribution Center

Koyosha Co., Ltd.
(Osaka)

Kobe Branch

Gokura Co., Ltd.
(Ehime)

Tokyo Branch
Osaka Branch
Plant and Distribution Center

Cosmo Paper Trading Co., Ltd.
(Tokyo)

Nagoya Branch
Osaka Branch

Honshu Electrical Materials Sales Co., Ltd.
(Osaka)

Nagoya Office

Tokyo Sangyo Yoshi Co., Ltd.
(Tokyo)

Kohoku Warehouse

Maruni Chikiriya Co., Ltd.
(Nagano)

Matsumoto Branch
Nagano Branch
Maebashi Branch

Akazawa Paper Co., Ltd.
(Iwate)

Sendai Branch

Yoshimoto Yoshiten Co., Ltd.
(Tokyo)

Atsugi Branch

Logistics



JP Loginet Co., Ltd.
(Tokyo)

JCL Ariake Distribution Center
JCL Itabashi Distribution Center
Itabashi Distribution Center
Iwatsuki Distribution Center
Keihinjima Distribution Center

JP Transport Service Co., Ltd.
(Tokyo)

Itabashi Center/Wako Depot

Sapporo Kami Ryutsu Center Co., Ltd.
(Hokkaido)

Hakozaki Kami Ryutsu Center Co., Ltd.
(Fukuoka)

Nanko Paper Center Co., Ltd.
(Osaka)

Itabashi Paper Distribution Center Co., Ltd.
(Tokyo)

Osaka Kami Kyodo Soko Co., Ltd.
(Osaka)

Seihoku Paper Depot Co., Ltd.
(Tokyo)

Tokorozawa Distribution Center

Itabashi Kyoudo Sagyo Co., Ltd.
(Tokyo)

Note: Group companies are listed in bold.
Place names shown in parentheses
indicate locations of head offices.



Paper Manufacturing & Processing



JP Corelex Holdings Co., Ltd.
(Shizuoka)

Corelex San-Ei Co., Ltd.
(Shizuoka)
Tokyo Office
Tokyo Mill

Corelex Shin-Ei Co., Ltd.
(Shizuoka)
Tokyo Office

Corelex Doh-Ei Co., Ltd.
(Hokkaido)
Fuji Mill
Sapporo Office
Tokyo Office

Eco Paper JP Co., Ltd.
(Aichi)
Tokyo Office

Taiho Paper Co., Ltd.
(Gifu)

Kawabe Biomass Power Generation Co., Ltd.
(Gifu)

Showa Packaging Industry Co., Ltd.
(Gifu)
Tsushima Plant
Nakatsugawa Branch Plant

Nakatsugawa Packaging Industrial Co., Ltd.
(Aichi)
Kakegawa Plant
Kameyama Office
Nakatsugawa Office
Nakatsugawa Plant
Kanto Office

Mikunishiko Co., Ltd.
(Osaka)
Osaka Branch
Kyushu Plant/Kyushu Branch
Tokyo Branch

Sanpei Kogyo Co., Ltd.
(Osaka)
Yao Plant

Resources & Environment



Fukudasansho Co., Ltd.
(Aichi)

Kofu Branch
Hamamatsu Branch
Toyohashi Branch
Okazaki Branch
Toyota Branch
Anjo Branch
Handa Branch
Meinan Branch
Fukufune Branch
Meihoku Branch
Fujimae Branch
Kasugai Branch
Komaki Branch
Ichinomiya Branch
Gifu Branch
Hashima Branch
Kawagoe Branch
Yokkaichi Branch
Oyama Branch
Yachiyo Branch
Higashimurayama Branch
Inuyama Branch
Nanko Branch
Hirabayashi Branch
Ogori Branch

Koyazawa Co., Ltd.
(Nagano)
Yanagihara Plant

Hokkai Shigyo Co., Ltd.
(Hokkaido)

JP Hokkai Co., Ltd.
(Hokkaido)
Ebetsu Plant

JH Recycle Co., Ltd.
(Fukushima)
Fukushima Plant

JK Recycle Co., Ltd.
(Tokyo)
Konosu Plant

Eco-Port Kyushu Co., Ltd.
(Kumamoto)

Eco Power JP Co., Ltd.
(Hokkaido)

Noda Bio Power JP Co., Ltd.
(Iwate)

Noda Bio Fuel JP Co., Ltd.
(Iwate)

Matsue Biomass Power Co., Ltd.
(Shimane)

Sun Energy Hirono Co., Ltd.
(Iwate)

Other

Kotobuki Shigyo Co., Ltd.
(Tokyo)

JP Information Center Co., Ltd.
(Tokyo)

JP System Solution Co., Ltd.
(Tokyo)

Arise Innovation, Inc.
(Tokyo)

JasmineSoft Co., Ltd.
(Okinawa)
Tokyo Office

Global Network

(As of August 1, 2019)

North America

U.S.A./Los Angeles

- Japan Pulp & Paper (U.S.A.) Corp.
- Safeshred Co., Inc.
- JRS Resources, Inc.

U.S.A./New York

- Gould Paper Corporation
- Price & Pierce International Inc.

U.S.A./New Jersey

- Gould Paper Corporation – Metro Division

U.S.A./Boston

- Gould Paper Corporation
– Publishing & Catalog Division

U.S.A./Dallas

- Western-BRW Paper Co., Inc.
- Western-BRW Paper Co., Inc. – Baxter Clean Care
- Western-BRW Paper Co., Inc. – High Point

U.S.A./Longview

- Western-BRW Paper Co., Inc. – Baxter Clean Care

U.S.A./Tyler

- Western-BRW Paper Co., Inc. – Baxter Clean Care

U.S.A./Houston

- Bosworth Papers, Inc.
- Western-BRW Paper Co., Inc. – High Point

U.S.A./Austin

- Bosworth Papers, Inc. – Austin

U.S.A./Miami

- Gould Paper South, LLC

U.S.A./Chico

- Weiss McNair, LLC

U.S.A./Phoenix

- JRS Resources, Inc. – Phoenix

Central and South America

Mexico/Mexico City

- Talico, S.A. de C.V.

Mexico/Guadalajara

- Talico, S.A. de C.V. – Guadalajara Branch Office

Mexico/Monterrey

- Talico, S.A. de C.V. – Monterrey Branch Office

Europe

Germany/Dusseldorf

- Japan Pulp & Paper GmbH

U.K./London

- Gould International UK Limited
- Gould Publication Papers UK Limited
- Gould Paper Sales UK Limited
- Harlech PPM Limited

U.K./Birmingham

- Premier Paper Group Limited

U.K./Castle Donington

- Premier Paper Group Limited

U.K./East Midlands

- Premier Paper Group Limited

U.K./Bury St Edmunds

- Premier Paper Group Limited

U.K./Northampton

- Premier Paper Group Limited

U.K./Manchester

- Premier Paper Group Limited

U.K./Glasgow

- Premier Paper Group Limited
- Price & Pierce Oy
– Tissue Representative Office

U.K./Liverpool

- Premier Paper Group Limited

U.K./Leeds

- Premier Paper Group Limited

U.K./Washington

- Premier Paper Group Limited

U.K./Bristol

- Premier Paper Group Limited

U.K./Newton Abbot

- Premier Paper Group Limited

U.K./Cheltenham

- Premier Paper Group Limited

U.K./Southampton

- Premier Paper Group Limited

U.K./Langley

- Premier Paper Group Limited

U.K./Dartford

- Premier Paper Group Limited

France/Paris

- Gould Papiers France

Finland/Helsinki

- Price & Pierce Oy

Netherlands/Amsterdam

- Price & Pierce Fiber
– a Division of Price & Pierce Oy

Russia/Moscow

- Japan Pulp & Paper GmbH
– Moscow Representative Office
- Price & Pierce (Russia) Representative Office

- Japan Pulp & Paper Co., Ltd.
(Representative Office)
- ■ Wholesaling
- Paper Manufacturing & Processing
- ■ Resources & Environment
- Other ● Head Office
- Business Location

South Asia, Middle East

India/Kolkata

- KCT Trading Private Limited
- OVOL Fibre Solution India Private Limited

India/Mumbai

- KCT Trading Private Limited – Mumbai
- OVOL Fibre Solution India Private Limited

India/Delhi

- KCT Trading Private Limited – Delhi

India/Chennai

- KCT Trading Private Limited – Chennai

India/Bangalore

- Tokyo Sangyo Yoshi Co., Ltd.
- India Liaison Office

U.A.E./Dubai

- Middle East Office

Southeast Asia

Thailand/Bangkok

- Japan Pulp & Paper (Thailand) Co., Ltd.

Vietnam/Hanoi

- Hanoi Representative Office
- JP Corelex (Vietnam) Co., Ltd.

Vietnam/Ho Chi Minh

- Ho Chi Minh Representative Office
- OVOL Singapore Pte. Ltd.

Malaysia/Kuala Lumpur

- Japan Pulp & Paper (M) Sdn. Bhd.
- JP Asian Electronics Materials (M) Sdn. Bhd.
- OVOL Malaysia Sdn. Bhd.
- Fine Paper Takeo (M) Sdn. Bhd.
- OVOL New Energy Sdn. Bhd.

Malaysia/Penang

- OVOL Malaysia Sdn. Bhd.

Malaysia/Ipoh

- OVOL Malaysia Sdn. Bhd.

Malaysia/Johor Bahru

- OVOL Malaysia Sdn. Bhd.
- Encore Lami Sdn. Bhd.

Malaysia/Kota Kinabalu

- OVOL Malaysia Sdn. Bhd.

Malaysia/Kuching

- OVOL Malaysia Sdn. Bhd.

Singapore

- OVOL Singapore Pte. Ltd.

Philippines/Manila

- Manila Representative Office

Indonesia/Jakarta

- Jakarta Representative Office
- PT. Oriental Asahi JP Carton Box

East Asia

China/Hong Kong

- Japan Pulp & Paper Co., (H.K.) Ltd.
- Tai Tak Paper Co., Ltd.
- Tai Tak Takeo Fine Paper Co., Ltd.

China/Shenzhen

- Tai Tak Paper (Shenzhen) Co., Ltd.
- Wotai Paper (Shenzhen) Co., Ltd.

China/Shanghai

- Japan Pulp & Paper (Shanghai) Co., Ltd.
- JPTS Electronics Materials (Shanghai) Co., Ltd.
- Price & Pierce (Shanghai)

China/Beijing

- Japan Pulp & Paper (Shanghai) Co., Ltd.
- Beijing Branch Office

Taiwan/Taipei

- Japan Pulp & Paper (Taiwan) Co., Ltd.

South Korea/Seoul

- Japan Pulp & Paper (Korea) Co., Ltd.

Oceania

Australia/Sydney

- Japan Pulp & Paper (Australia) Pty Ltd
- Ball & Doggett Pty Ltd

Australia/Melbourne

- Ball & Doggett Group Pty Ltd
- Ball & Doggett Pty Ltd

Australia/Brisbane

- Ball & Doggett Pty Ltd

Australia/Perth

- Ball & Doggett Pty Ltd

Australia/Adelaide

- Ball & Doggett Pty Ltd

Australia/Hobart

- Ball & Doggett Pty Ltd

New Zealand/Auckland

- BJ Ball Limited
- Aarque Group Limited

New Zealand/Christchurch

- BJ Ball Limited
- Aarque Group Limited

New Zealand/Wellington

- BJ Ball Limited
- Aarque Group Limited

New Zealand/Dunedin

- BJ Ball Limited
- Aarque Group Limited

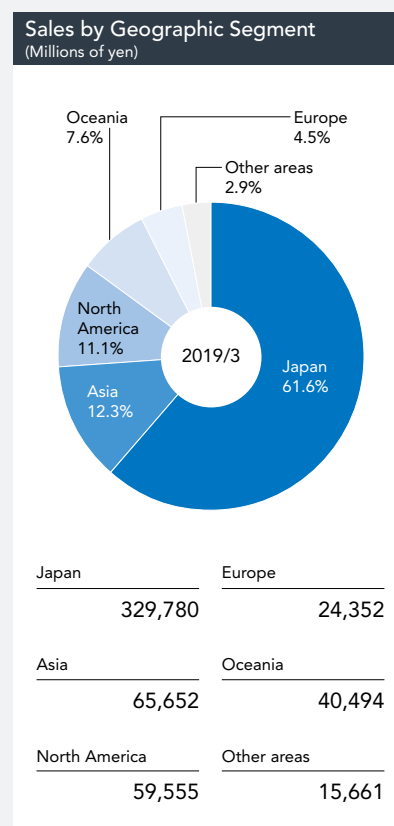
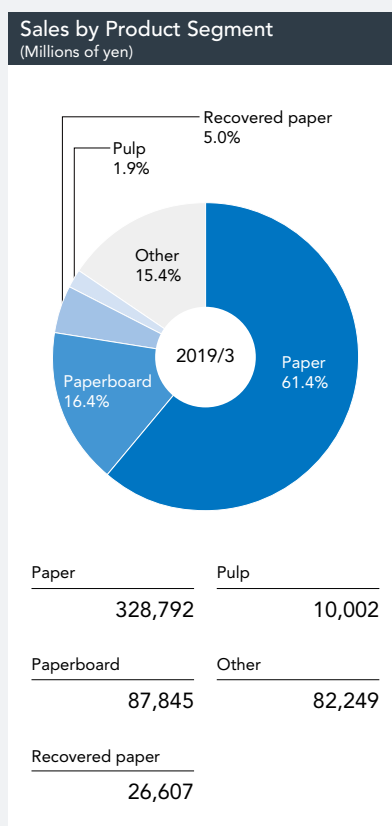
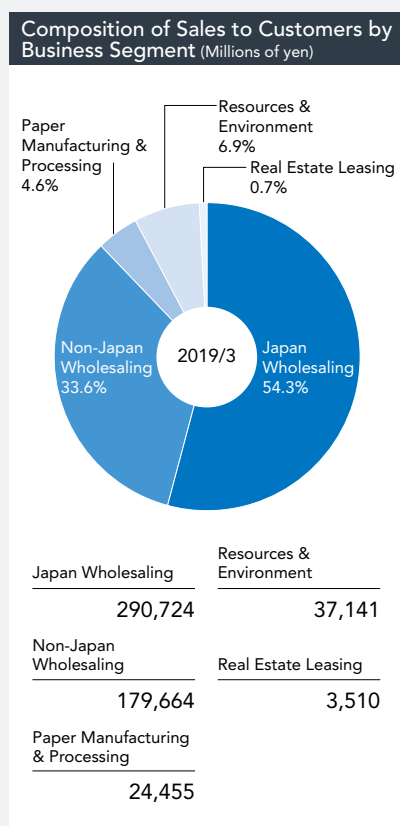
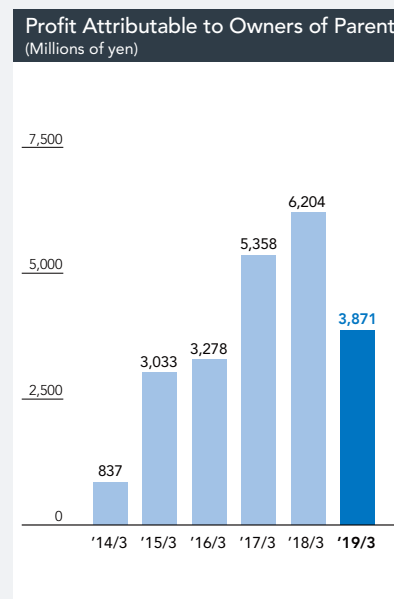
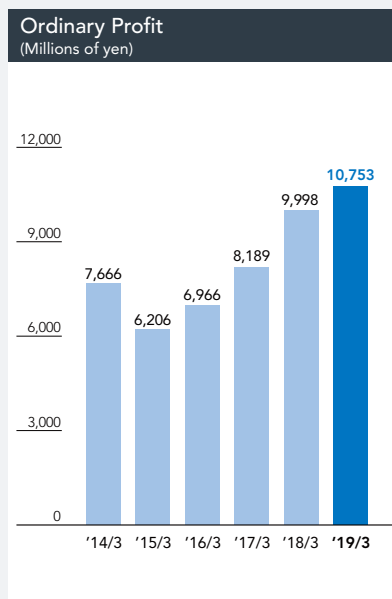
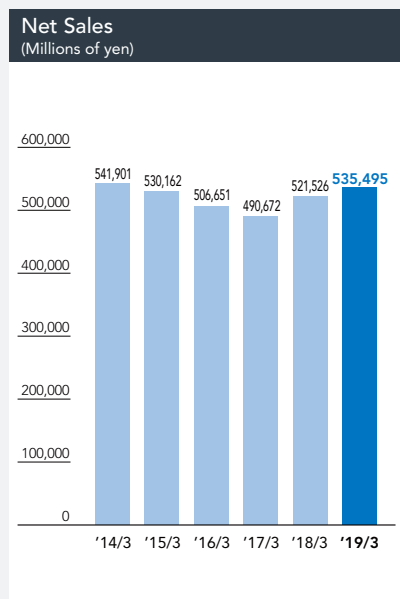
New Zealand/Hamilton

- Aarque Group Limited

New Zealand/Palmerston North

- Aarque Group Limited

Consolidated Financial Highlights



Note: Segments are based on the location of customers.

	2014/3	2015/3	2016/3	2017/3	2018/3	2019/3
Net sales (Millions of yen/Millions of U.S. dollars)	¥541,901	¥530,162	¥506,651	¥490,672	¥521,526	¥535,495 \$4,825
Operating profit (Millions of yen/Millions of U.S. dollars)	¥7,716	¥6,344	¥6,339	¥8,276	¥10,125	¥10,805 \$97
Ordinary profit (Millions of yen/Millions of U.S. dollars)	¥7,666	¥6,206	¥6,966	¥8,189	¥9,998	¥10,753 \$97
Profit attributable to owners of parent (Millions of yen/Millions of U.S. dollars)	¥837	¥3,033	¥3,278	¥5,358	¥6,204	¥3,871 \$35
Comprehensive income (Millions of yen/Millions of U.S. dollars)	¥6,000	¥8,876	¥(1,539)	¥6,809	¥11,379	¥1,847 \$17
Net assets (Millions of yen)	¥74,439	¥82,121	¥76,181	¥80,784	¥94,735	¥94,745
Total assets (Millions of yen)	¥292,407	¥309,656	¥296,970	¥287,863	¥337,323 ⁽⁶⁾	¥349,656
Net assets per share (Yen)	¥496.09	¥540.57	¥520.30	¥559.06	¥6,170.79 ⁽⁷⁾	¥6,143.16
Basic earnings per share (Yen)	¥5.82	¥21.11	¥23.57	¥39.27	¥429.20 ⁽⁷⁾	¥274.69
Diluted earnings per share (Yen)	¥5.80	¥20.99	¥23.43	¥39.00	¥426.83 ⁽⁷⁾	¥273.12
Cash dividends per share (Yen)	¥10	¥10	¥10	¥10	— ⁽⁵⁾	¥110
Payout ratio (%)	171.7	47.4	42.4	25.5	23.3	40.0
Capital adequacy ratio (%)	24.4	25.1	24.2	26.4	25.8 ⁽⁶⁾	24.8
Return on equity (ROE) (%)	1.2	4.1	4.4	7.2	7.6	4.5
Price/Earnings ratio (PER) (Times)	60.1	15.4	13.7	9.4	10.0	15.1
Cash flows from operating activities (Millions of yen)	¥7,559	¥7,545	¥12,929	¥16,282	¥8,698	¥13,660
Cash flows from investing activities (Millions of yen)	¥(10,762)	¥(18,517)	¥(7,817)	¥367	¥(13,283)	¥(14,355)
Cash flows from financing activities (Millions of yen)	¥2,707	¥11,004	¥(5,448)	¥(15,641)	¥4,361	¥1,735
Cash and cash equivalents at end of period (Millions of yen)	¥4,863	¥5,569	¥5,328	¥6,157	¥6,837	¥7,788
Number of employees	3,146	3,164	3,110	3,099	3,692	3,893

Notes:

1. This financial information is presented based on generally accepted accounting principles in Japan.
2. Consumption tax has not been included in net sales.
3. Results for the fiscal year ended March 31, 2017 and prior fiscal years have been amended and restated to correct for inadequate accounting treatment by a non-consolidated subsidiary, and to correct for other immaterial differences not retrospectively amended (as disclosed in Japanese news release dated February 3, 2016 and elsewhere).
4. Profit attributable to owners of parent for the fiscal year ended March 31, 2014 was ¥837 million after the recording of an extraordinary loss of ¥3,139 million due to the occurrence of uncollectable or overdue receivables in both China and Europe.
5. Effective October 1, 2017, the Company conducted a consolidation of shares in which 10 shares of common shares were consolidated into one share. For the fiscal year ended March 31, 2018, the interim dividend per share of ¥5 would have been ¥50 after factoring in the consolidation of shares, and the year-end dividend per share was ¥50. The annual dividend per share would therefore have been ¥100 after factoring in the aforementioned consolidation.
6. Figures for the fiscal year ended March 31, 2018 have been reclassified to conform with "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28).
7. Net assets per share, basic earnings per share and diluted earnings per share for the fiscal year ended March 31, 2018 have been calculated under the assumption that the consolidation of shares described in Note 5 was conducted at the beginning of the fiscal year.
8. All U.S. dollar amounts are presented solely for the readers' convenience and are converted at the exchange rate (TTM) of 110.99 yen to the dollar as of March 31, 2019.

Sustainability Section

▶ For more detailed information about our environment and CSR-related initiatives, please refer to the Japan Pulp & Paper website. www.kamipa.co.jp/eng/activity/

In keeping with our corporate spirit of integrity, fairness and harmony, Japan Pulp & Paper undertakes its corporate activities in compliance with laws and regulations, ethically and with consideration of social norms.

Going forward, the Company will further solidify its bonds of trust with stakeholders and carve a better future for society and the environment by steadily promoting corporate social responsibility (CSR) activities and environmental initiatives, and thereby help to create a sustainable society through its business activities.

Japan Pulp & Paper Group Charter of Corporate Behavior

As a means of ensuring that the Japan Pulp & Paper Group's entire managerial and regular workforce are aware of the values that the Group has always held dear and that these values are put into practice, the Group created the Japan Pulp & Paper Group Charter of Corporate Behavior.

In this Charter of Corporate Behavior, we have established nine action guidelines, disclosed them publicly and are further committing ourselves to the pursuit of these principles both internally and externally to fulfill our corporate social responsibility in undertaking our business activities in all countries and regions.

The Japan Pulp & Paper Group aims to realize a sustainable society by sharing the values created through its business activities with its various stakeholders. To achieve this objective, the Group will steadily implement the Charter of Corporate Behavior.

1. Contribute to Society through Business Activities
2. Absolute Compliance with Laws and Regulations
3. Free, Fair and Transparent Business Practices
4. Ensure the Trust of Stakeholders
5. Provide a Safe and Healthy Working Environment
6. Respect for Human Rights
7. Promote Environmental Protection Activities
8. Respect for Communications with Stakeholders
9. Harmony with Society and the Community

Society

The Japan Pulp & Paper Group is working to build a sustainable society as a company that plays an important part in the distribution of paper, a vital material in everyday life and industry. We conduct our business activities in harmony with local communities to ensure that we grow hand-in-hand with their development.

▶ For more detailed information, please refer to the Japan Pulp & Paper website. www.kamipa.co.jp/eng/activity/

Interactive Community Event

In September 2018, Group company Corelex Shin-Ei held a paper-themed, interactive community event beside the Fuji River in Fuji City. This event, in which visitors bring used paper cartons and other paper items, is organized annually to deepen relationships with local residents. In 2018, it set records for the number of visitors (approximately 8,000) and the amount of recyclables collected (more than 20 tons).

Additionally, the event featured information on disaster prevention, a quiz about recycled paper, and a variety of other activities associated with paper. These activities helped to raise awareness about environmental issues and recycling.

Milk Cartons as a Raw Material for Recycled Household Paper

Milk cartons have potential as an important raw material for paper manufacturing. Since October 2017, Group employees and management at the Head Office building have been collecting milk cartons and aluminum-lined paper packs used at the office and by their families.

Cartons collected by employees are made into tissues by the Corelex Group and distributed as novelty goods. As of June 2019, employees have collected the equivalent of 46,000 milk cartons weighing 1,480 kilograms in total.



Environment

Our mission in the Japan Pulp & Paper Group is to carve a better future for society and the environment. Accordingly, we work to reduce the burden on the environment and actively undertake various environmental programs based on our recognition that protecting the Earth's environment is a fundamental principle of corporate management.

▶ For more detailed information, please refer to the Japan Pulp & Paper website. www.kamipa.co.jp/eng/activity/

Contributing to the Environment through Our Business Activities

The Japan Pulp & Paper Group is helping to create a circular economy through businesses such as its recovered paper recycling business and its renewable energy power generation business. Based on our mission of carving a better future for society and the environment, we are committed to meeting the needs of society by working on solutions to environment-related issues.



Promoting the Recycling of Wastepaper

We believe that recycling wastepaper and using it as a raw material for paper manufacturing promotes the effective use of forest resources. Through the recycling of used paper, the Japan Pulp & Paper Group is contributing to the creation of a circular economy. The Japan Pulp & Paper Group fully entered the recovered paper recycling business in 1973, and today has a recovered paper collection network that spans all of Japan. Drawing on our experience and expertise from that business, we have expanded our recycling operations to include the U.S., Europe and India. By taking a global perspective, our system for reusing recovered paper, an increasingly important raw material for paper manufacturing, provides stable supplies of recycled household paper, containerboard and printing paper.

Reuse of Waste Plastic

In addition to the recycling of recovered paper, the Japan Pulp & Paper Group reuses waste plastic through its comprehensive recycling business. Plastic discarded by businesses and communities is collected and sorted for either material recycling and use as a raw material, or thermal recycling and use as a solid fuel. Through this combination of material and thermal recycling, we have achieved more efficient recycling, and are promoting effective use of recycled resources and reduced use of fossil fuels, a limited resource.

Product Development to Reduce Environmental Impact

The Japan Pulp & Paper Group is working to reduce the environmental impact of its businesses by developing products that contribute to creating a circular economy. In September 2018, we developed a paper cup that uses BioPBS™, a plant-based, biodegradable plastic. When buried, BioPBS™ is naturally broken down into water and carbon dioxide by microorganisms in the soil. During development, we focused on its environmentally friendly qualities and high water and heat resistance that make it ideal for use in the lamination of paper cups. We will look to develop applications in laminated products other than paper cups, and also plan to expand this business outside Japan.

Supplying Power from Renewable Energy

Since the Great East Japan Earthquake, Japanese societal demand for electric power from energy sources that are safer and have less impact on the environment has increased. The Japan Pulp & Paper Group's power generation business uses renewable solar and woody biomass energy, which can be procured domestically, as alternatives to fossil fuel energy, which is sourced almost entirely through imports. The Group operates a woody biomass power plant in Iwate Prefecture and supplies solar power in cooperation with local governments in Hokkaido, Iwate and Miyagi prefectures.



Employees

Our employees are our greatest resource. They are the foundation of the Japan Pulp & Paper Group's business competitiveness, and will be the driving force for achieving sustained growth in the future. Accordingly, we have taken steps to create working environments and systems that enable all employees to thrive.

► For more detailed information, please refer to the Japan Pulp & Paper website. www.kamipa.co.jp/eng/activity/

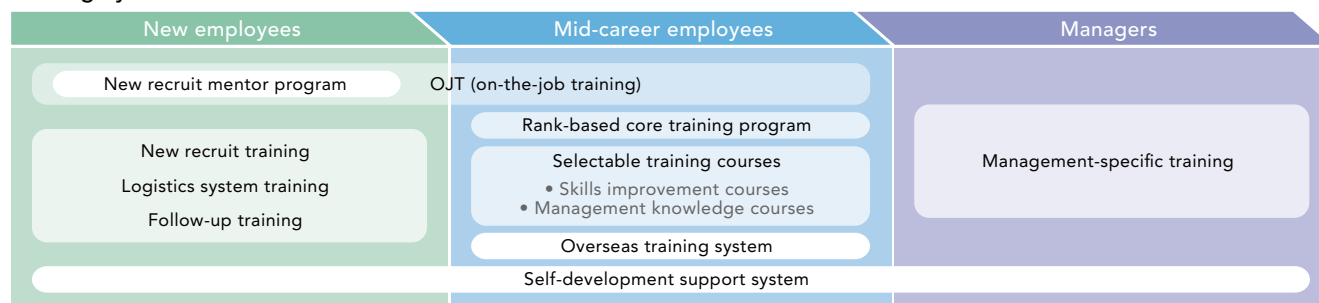
Personnel System and Utilization of Human Resources

Enhancing the Personnel System

Japan Pulp & Paper has adopted a personnel system centered on the "Role Responsibility System" and is working to vitalize human resources by developing and utilizing its employees. The Role Responsibility System focuses on organizational management, as well as on the promotion and recruitment of highly skilled and motivated persons for job types that contribute to business results through the development of new businesses and utilization of expertise. Under our personnel evaluation system, we set lofty goals and medium- and long-term goals based on new ideas, and emphasize the process of attaining those goals in evaluating performance.

In terms of education and training systems aimed at developing human resources, we created a program aimed at raising the skills of each and every individual and vitalizing people and organizations based on the concepts of "developing human resources able to fulfill their roles and responsibilities" and "developing personnel with self-initiative who are able to respond to times of change."

Training System



Comfortable Workplace Environments

Promoting Work-Life Balance Measures

Japan Pulp & Paper offers work styles that enable a good work-life balance and seeks to create workplaces and systems in which each employee can work with peace of mind and to the best of his or her ability.

In addition, the Company has formulated an action plan and is taking concrete steps on what can be done now regarding issues such as eliminating excessive overtime and encouraging employees to take paid leave, both of which are important in achieving work-life balance. We are also working to establish systems that enable flexible work styles such as systems for extending the period of shortened working hours, working in shifts or area-limited employment arrangements.

Utilizing Diverse Human Resources

Japan Pulp & Paper aims to create workplaces in which everyone can work to his or her full potential irrespective of gender, age or other factors. Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, we have set goals such as increasing the percentage and retention rate of female employees, and are taking various measures to achieve these goals. We also utilize senior human resources through a continuing employment system for people over 60 years of age based on the revised Act on Stabilization of Employment of Elderly Persons. In addition, we actively employ persons with disabilities.

Japan Pulp & Paper seeks to create new value by ensuring that each employee maximizes his or her potential, and continues to emphasize the value of diversity.

Creating Safe and Secure Workplaces

Japan Pulp & Paper is promoting initiatives in conjunction with industrial physicians, full-time nurses and health administrators in order to ensure a work environment in which employees can work with peace of mind.

We are also taking steps to ensure we are prepared for an emergency, including the introduction of a system to confirm the safety of employees and their families in the event of a major earthquake or disaster. In addition, we stockpile and monitor emergency-use food and bedding.



Corporate Governance

▶ For more detailed information concerning corporate governance, please refer to the Corporate Governance Report submitted to the Tokyo Stock Exchange. (Japanese language site only)
www.kamipa.co.jp/company/governance/

Basic Stance

The Japan Pulp & Paper Group has established its Corporate Philosophy, which consists of "Our Corporate Spirit" (the values we cherish), "Our Mission," and "Our Principles," which states the principles that the Group's management and employees practice. The Group conducts Group-wide business activities based on the slogan, "Paper, and beyond." In addition, we formulated the Japan Pulp & Paper Group Charter of Corporate Behavior. The charter sets out guidelines for behavior, including complying with laws and regulations, promoting free, fair and transparent business activities, and ensuring the trust of stakeholders.

In line with our Corporate Philosophy and the Group Charter of Corporate Behavior, our basic philosophy of corporate governance is to fulfill our accountability, build good relationships with shareholders and investors, customers, business partners, local communities and all other stakeholders, and practice efficient, fair and transparent management to ensure the Group's sustainable growth and increase corporate value over the medium to long term.

Overview of Corporate Governance Structure

Japan Pulp & Paper aims to maintain and improve management efficiency based on a Board of Directors consisting of directors who have thorough knowledge of the Group's businesses. Additionally, the Company has introduced an executive officer system for the purpose of clarifying duties and responsibilities and increasing flexibility in the execution of operations to respond to rapid changes in the business environment.

Japan Pulp & Paper, as a company with an Audit & Supervisory Board, assures enhanced monitoring and supervising functions and the transparency of decision-making by ensuring the adequate monitoring of management by the Audit & Supervisory Board members that include outside members.

To further enhance management supervisory functions, starting June 2017 the Company reduced the number of directors and increased the number of outside directors by one, establishing a six-member Board of Directors (including two outside directors). The two outside directors are both registered with the Tokyo Stock Exchange as independent directors, and provide appropriate input and recommendations from an objective standpoint. As key members of the Nomination Advisory Committee and

Compensation Advisory Committee, they also participate in the nomination of candidates and in the process of determining director compensation to ensure objectivity and transparency.

Establishment of an Internal Control System

At the meeting of the Board of Directors on May 19, 2006, Japan Pulp & Paper set the Basic Policies Concerning the Establishment of an Internal Control System and revised these policies at the meeting of the Board of Directors on April 24, 2015.

We believe that establishing an effective internal control structure for reducing risk in business activities and assuring proper and efficient business operations is a crucial management issue.

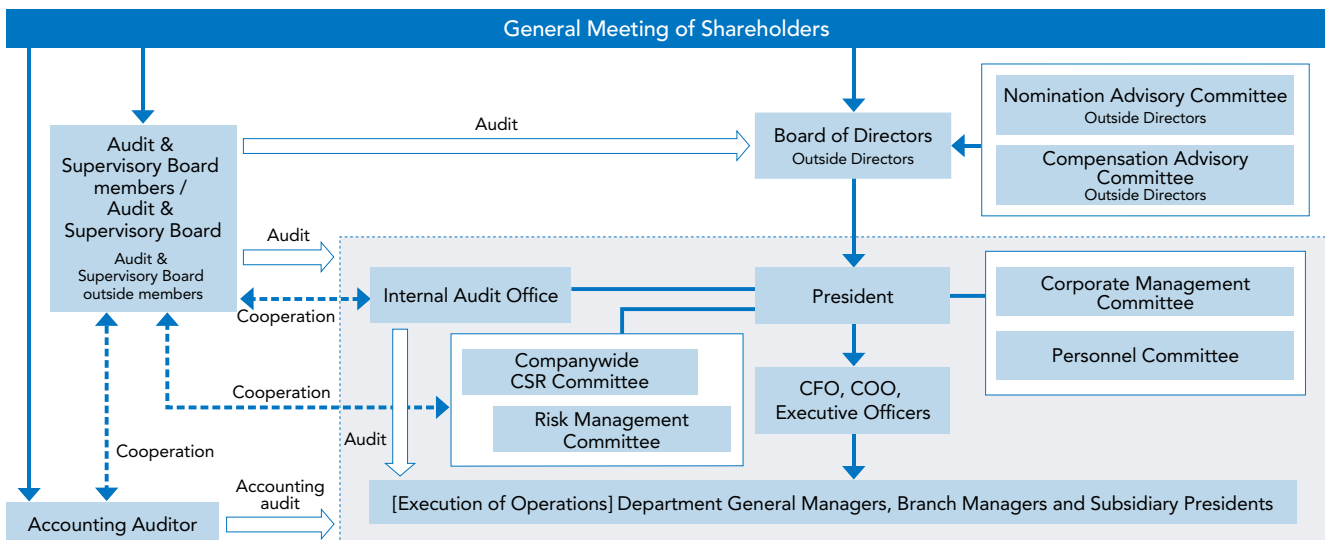
Based on this thinking, the Company enhances and implements its internal control system while continually monitoring the state of progress of this system with the aim of further raising corporate value.

Collaboration among Audit & Supervisory Board Members, Accounting Auditor, the Internal Auditing Departments and Others

Audit & Supervisory Board members receive reports concerning the auditing plan and auditing results from the Accounting Auditor and the Internal Audit Office and utilize these reports in the auditor's audit. Additionally, Audit & Supervisory Board members convey their auditing plan and audit results to the Accounting Auditor and the Internal Audit Office and mutually confirm the basic policies, priority issues, relevant departments, individual themes, timing, scope and structure of the audit and use this information to improve its effectiveness.

The Accounting Auditor explains the general outline of its audit and quarterly review plan to the Audit & Supervisory Board members and provides an overview of its conclusion or opinion of each quarterly audit or the quarterly review. Moreover, in such cases, outside directors and the Internal Audit Office also attend and exchange information and facilitate communications and adequate collaboration. The Internal Audit Office shares relevant information regarding departments that undergo operational audits with the Accounting Auditor. In addition, a liaison meeting attended by the Audit & Supervisory Board members, the Accounting Auditor and the Internal Audit Office is held regularly to provide information support.

Management Control Structure (As of June 26, 2019)



Directors of the Board, Audit & Supervisory Board Members and Executive Officers

(As of June 26, 2019)

Directors of the Board



Representative Director, President

Akihiko Watanabe

1982 Joined Japan Pulp & Paper Co., Ltd.
 2009 Corporate Officer
 Deputy General Manager, Global Business Division
 2010 Executive Officer
 General Manager, Sales Promotion Division
 2012 Executive Officer
 General Manager, International Business Division
 2013 Executive Officer
 President, Japan Pulp & Paper (U.S.A.) Corp.
 2015 Executive Vice President
 President, Japan Pulp & Paper (U.S.A.) Corp.
 2016 Executive Vice President, Global Business
 General Manager, International Sales Division
 2017 Representative Director, President



Representative Director

Chihiro Katsuta*

1982 Joined Japan Pulp & Paper Co., Ltd.
 2009 Corporate Officer
 Deputy General Manager, Finance & Administration Division
 2010 Executive Officer
 General Manager, Management Planning Division
 2014 Executive Vice President
 General Manager, Chubu Branch
 2016 Director of the Board
 Executive Vice President, Household Paper
 2017 Director of the Board, Senior Executive Vice President and CFO
 2019 Representative Director, Senior Executive Vice President and CFO



Director of the Board

Tomoyuki Miyazaki*

1977 Joined Japan Pulp & Paper Co., Ltd.
 2010 Executive Officer
 General Manager, Kyushu Branch
 2013 Executive Vice President
 General Manager, Kyushu Branch
 2014 Executive Vice President
 General Manager, Newsprint & Publication Paper Sales Division
 2015 Director of the Board, Executive Vice President, Paper Sales & Marketing
 2016 Director of the Board, Senior Executive Vice President and COO, Paper Sales & Marketing
 2017 Director of the Board, Senior Executive Vice President and COO, Paper Sales & Marketing
 2018 Director of the Board, Senior Executive Vice President and COO, Raw Materials & Environment



Director of the Board

Kazuhiko Sakurai*

1982 Joined Japan Pulp & Paper Co., Ltd.
 2011 Executive Officer
 General Manager, Hokkaido Branch
 2013 Executive Officer
 General Manager, Kitanihon Branch
 2015 Director of the Board, Executive Vice President, Paperboard & Household Paper
 2016 Director of the Board
 Executive Vice President, Paperboard
 2017 Senior Executive Vice President, Paperboard & Household Paper
 2019 Director of the Board
 Senior Executive Vice President, Paperboard & Household Paper



Director of the Board

Itaru Masuda**

1974 Joined Mitsui Trust and Banking Company, Limited
 1999 Director, Mitsui Trust and Banking Company, Limited
 2000 Executive Officer, Chuo Mitsui Trust and Banking Company, Limited
 2002 Managing Executive Officer, Chuo Mitsui Trust and Banking Company, Limited
 2004 Managing Director, Sumitomo Mitsui Trust Holdings, Inc.
 2006 Senior Managing Executive Officer, Chuo Mitsui Trust and Banking Company, Limited
 Director, Senior Managing Executive Officer, Chuo Mitsui Trust and Banking Company, Limited
 2010 Director and Deputy President, Chuo Mitsui Trust and Banking Company, Limited
 2012 Corporate Advisor, Sumitomo Mitsui Trust Bank, Limited
 Outside Director, Three F Co., Ltd. (current)
 Outside Audit & Supervisory Board Member, Keisei Electric Railway Co., Ltd.
 2016 Outside Corporate Auditor, Japan Steel Works, Ltd. (current)
 2017 Outside Director, Fujicito Co., Ltd. (current)
 Outside Director of the Board, Japan Pulp & Paper Co., Ltd. (current)



Director of the Board

Sumiko Takeuchi**

1994 Joined Tokyo Electric Power Company, Incorporated
 2012 Director and Senior Fellow, International Environment and Economy Institute (current)
 Director, Foreststock Association
 2014 Assistant Project Leader, The 21st Century Public Policy Institute (current)
 2016 Visiting Professor, University of Tsukuba (current)
 External Advisor, Accenture Japan Ltd.
 Joint Representative, Matrix Associates LLP (current)
 2018 Visiting Professor, Kansai University (current)
 External Advisor, McKinsey & Company (current)
 Joint Founder and Representative Director, U3Innovations LLC (current)
 2019 Outside Director of the Board, Japan Pulp & Paper Co., Ltd. (current)

* Director of the Board also serving as an Executive Officer

** Outside Director as provided for in Article 2-15 of the Companies Act. Designated as Independent Director as specified by the Tokyo Stock Exchange and other exchanges in Japan.

Audit & Supervisory Board Members



Audit & Supervisory Board Member

Satoshi Sakai

1980 Joined Japan Pulp & Paper Co., Ltd.
 2009 Corporate Officer
 General Manager, Global Business Division
 2010 Executive Officer
 President, Japan Pulp & Paper (U.S.A.) Corp.
 Chairman, Gould Paper
 2013 Executive Officer
 General Manager, Accounting Division
 2015 Senior Executive Officer
 General Manager, Finance & Administration
 Division
 2016 Full-time Audit & Supervisory Board Member



Audit & Supervisory Board Member

Katsunori Kitamura

1984 Appointed as judge
 1989 Seconded to Ministry of Posts and
 Telecommunications (name at the time)
 1991 Returned to position as judge
 1996 Retired from position as judge
 Registered as attorney-at-law (Marunouchi Law
 Office) (current)
 2012 Outside Audit & Supervisory Board Member,
 Kataoka & Co., Ltd. (current)
 2015 Outside Audit & Supervisory Board Member,
 Japan Pulp & Paper Co., Ltd. (current)



Audit & Supervisory Board Member

Naofumi Higuchi

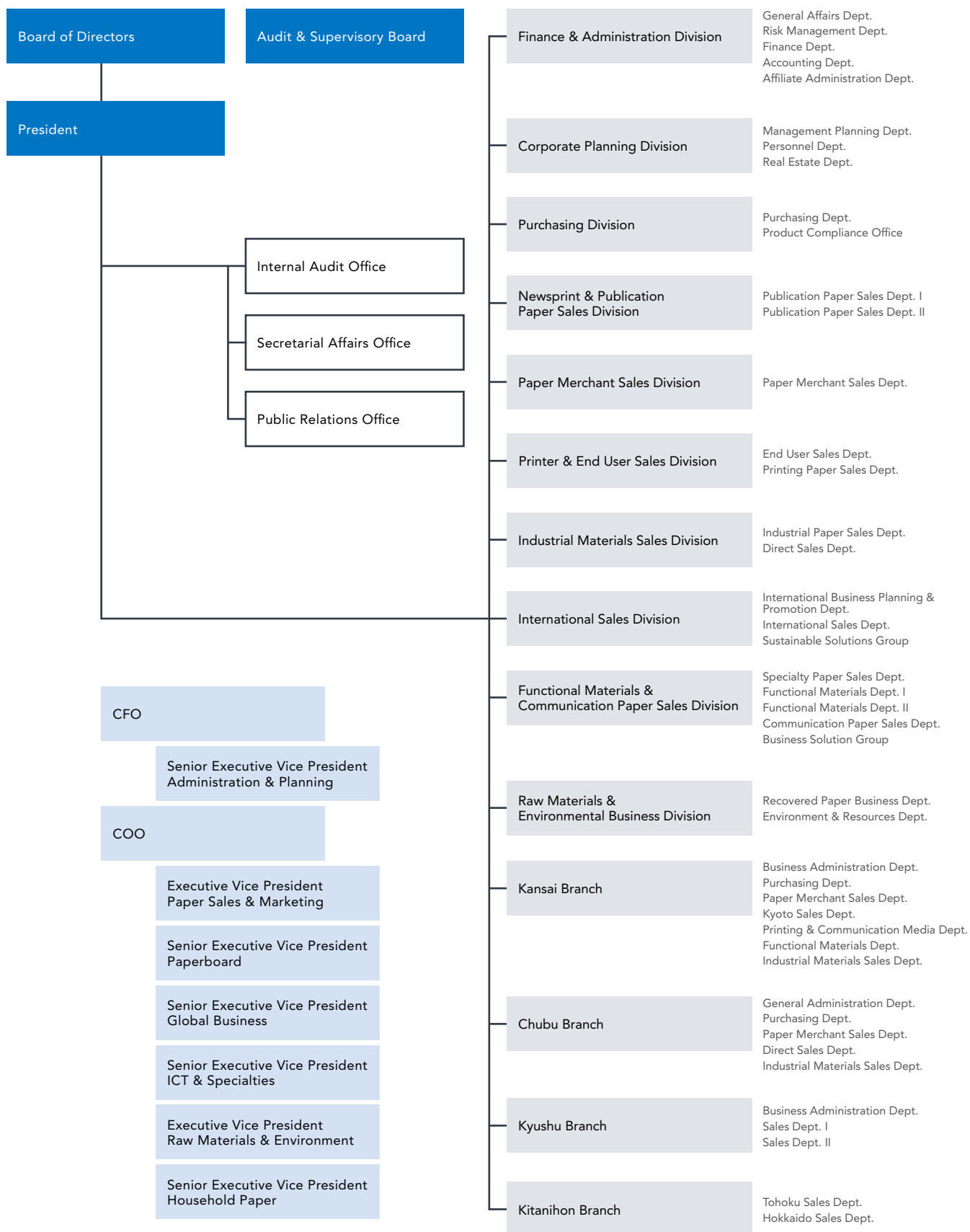
1997 Joined Chuo Audit Corporation (name at the time)
 2001 Registered as Certified Public Accountant
 2007 Joined Mizuho Securities Co., Ltd.
 2009 Began working at the Japanese Institute of
 Certified Public Accountants
 2012 Associate Professor, Tohoku University
 Accounting School
 2013 Joined Grant Thornton Taiyo ASG LLC
 2016 Representative Director, Yamabiko Accounting
 LLC (current)
 Representative, Higuchi Certified Public
 Accountant Office (current)
 Outside Audit & Supervisory Board Member,
 Japan Pulp & Paper Co., Ltd. (current)
 2018 Professor, Tohoku University Accounting School
 (current)

Executive Officers

Senior Executive Vice Presidents	Chihiro Katsuta	CFO
	Tomoyuki Miyazaki	COO, Raw Materials & Environment
	Kazuhiko Sakurai	Paperboard & Household Paper
	Tokuhichi Dazai	Global Business, ICT & Specialties
Executive Vice Presidents	Tetsuo Izawa	Paper Sales & Marketing, General Manager, Paper Merchant Sales Division
	Toru Teshima	General Manager, Kansai Branch
	Koji Kassai	President, Eco Paper JP Co., Ltd.
Senior Vice Presidents	Mitsutoshi Imamura	Global Business, ICT & Specialties
	Akio Ando	Raw Materials & Environment
	Yasushi Takei	General Manager, Corporate Planning Division
	Hiroshi Ebihara	General Manager, Purchasing Division
	Makoto Shimada	General Manager, Printer & End User Sales Division
	Susumu Tanaami	General Manager, Chubu Branch
	Fumio Watanabe	President, JP Information Center Co., Ltd.
Executive Officers	Kagetaka Matsuura	President, JP Loginet Co., Ltd.
	Kenichiro Fujii	General Manager, Finance & Administration Division
	Koji Ukeguchi	General Manager, Newsprint & Publication Paper Sales Division
	Kozo Nishio	General Manager, Industrial Materials Sales Division
	Hiroshi Kashima	General Manager, International Sales Division
	Seiichi Suganuma	General Manager, Functional Materials & Communication Paper Sales Division
	Makoto Shirovani	General Manager, Raw Materials & Environmental Business Division
	Nobuyuki Matsuura	Deputy General Manager, Kansai Branch
	Ryoichi Nagato	General Manager, Kyushu Branch
	Toshihiko Kitayama	General Manager, Kitanihon Branch
	Shinichiro Yamamoto	Vice President, Eco Paper JP Co., Ltd.
	Hiroyuki Ito	Vice President, JP Corelex Holdings Co., Ltd.
	Masaaki Sato	President, Japan Pulp & Paper (U.S.A.) Corp.
	Takahiro Miyata	Director, Ball & Doggett Group Pty Ltd

Organizational Structure [Japan Pulp & Paper Non-Consolidated]

(As of June 26, 2019)

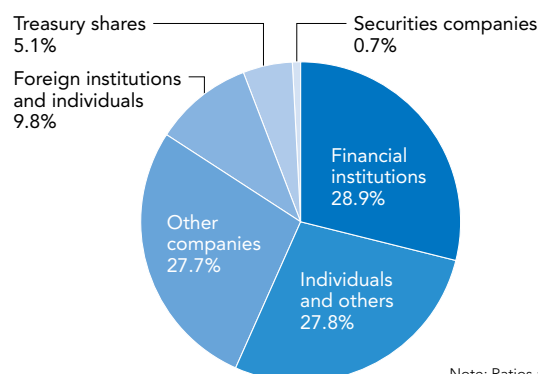


Corporate Data

(As of March 31, 2019)

Corporate Name	Japan Pulp & Paper Co., Ltd.
Head Office	Forefront Tower, 3-12-1 Kachidoki, Chuo-Ku, Tokyo 104-8656 Japan Tel: +81-3-3534-8522 Fax: +81-3-5548-4287 International Sales Department Tel: +81-3-5548-4245 Fax: +81-3-5548-4337
Representative	Akihiko Watanabe, President
Foundation	1845
Date of Establishment	December 15, 1916
Capital	¥16,648.92 million
Fiscal Year-End	March 31
Number of Employees	Consolidated: 3,893 Non-consolidated: 714
Major Activities	Import and export, sale, distribution and manufacturing of paper, paperboard, pulp and paper-related products; real estate leasing; generation, purchase, sale and provision of electricity
Domestic Bases	Kansai Branch; Kansai Branch, Kyoto Sales Dept.; Chubu Branch; Kyushu Branch; Kitanihon Branch, Tohoku Sales Dept.; Kitanihon Branch, Hokkaido Sales Dept.
Consolidated Subsidiaries	69
Associated Companies (Equity-Method)	9
Main Banks	Mizuho Bank, Ltd.; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; The Norinchukin Bank; The Shizuoka Bank, Ltd.
Stock Information	
Stock Listing (Common Stock)	Tokyo Stock Exchange, First Section (Code 8032)
Number of Shares	29,560,300
Common Shares Issued & Outstanding	15,021,551
Number of Shareholders	10,902
Major Shareholders	Oji Holdings Corporation; Retirement Benefit Account re-entrusted by Mizuho Trust and Banking Co., Ltd.; Trust & Custody Services Bank, Ltd. as trustee for Nippon Paper Industries Co., Ltd.; Japan Trustee Services Bank, Ltd. (Trust Account); The Master Trust Bank of Japan, Ltd. (Trust Account); Hokuetsu Corporation; JP Employee Shareholding Association; Chuetsu Pulp & Paper Co., Ltd.; Mizuho Bank, Ltd.; Japan Trustee Services Bank, Ltd. (Trust Account 5)

Composition of Shareholders



Note: Ratios are rounded off to one decimal place.

Paper, and beyond

OVOL

Japan Pulp & Paper Co., Ltd.

Forefront Tower, 3-12-1 Kachidoki, Chuo-Ku, Tokyo 104-8656 Japan
www.kamipa.co.jp/eng/



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2019.8 Printed in Japan