

Annual Report 2020

**OVOL**

**Japan Pulp & Paper Co.,Ltd.**



# Paper, and beyond

## Corporate Philosophy

### Our Corporate Spirit

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

### Our Mission

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**Carving a better future for society and the environment.**

### Our Principles

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**Change** Change ourselves as society changes.

**Challenge** Challenge new fields with conviction and ambitious spirit.

**Create** Create fresh global value through diversity.

### Corporate Slogan

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**"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 “carving a better future for society and the environment.”



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 attributes 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.

FUTURE

We pursue the  
infinite possibilities  
of paper.





### Issues to Address

- Achieve growth as a company and work on solutions to environmental and other social issues
- Ensure sustainability in the paper and paperboard distribution business
- Strengthen governance and compliance in line with Group expansion
- Continue to streamline business operations for a leaner corporate structure
- Improve brand recognition and standing around the world

Demand for paper is forecast to continue to grow in emerging markets in both the graphic and the packaging sectors. In Japan and other developed countries, the reaction to an excessive digitalization in the field of graphics has resulted in a reevaluation of paper's low environmental impact and a review of the value and role of paper, such as its warmth as a material and the sense of well-being it provides. In this context, the slowdown in social and economic activity caused by the global COVID-19 pandemic has also had a major impact on our Group. However, we believe that we can help create a better future by responding to the new values of people in a COVID-19 world.

It has been 175 years since our foundation and more than 120 years since we first entered overseas markets. Drawing on the various resources we have cultivated in that time, including deep relationships of trust with customers, we will continue to pursue the infinite possibilities of paper and set our sights on new challenges beyond the paper industry.

**ROOTS**

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



**Business Development and Progress**

	1845	1970	2000	2010
 <p><b>Paper Manufacturing &amp; Processing</b></p>			<p><b>1981</b> Mikunishiko joins the Group.</p>	<p><b>2003</b> Taiho Paper and Oriental Asahi JP Carton Box join the Group.</p> <p><b>2009</b> Transfer of the paper manufacturing business of Tokiwa Group to Eco Paper JP.</p> <p><b>2011</b> Corelex Group joins the Group.</p>
 <p><b>Non-Japan Wholesaling</b></p>	<p><b>1899</b> Shanghai Nakai established.</p> <p><b>1955</b> Hong Kong Representative Office opened (now Japan Pulp &amp; Paper (H.K.)).</p>	<p><b>1967</b> New York Representative Office opened.</p> <p><b>1972</b> Dusseldorf Representative Office opened (now Japan Pulp &amp; Paper GmbH).</p>		<p><b>2010</b> Gould Paper, a leading U.S. paper merchant, joins the Group, expanding the Group's business activities in the U.S. and Europe.</p>
 <p><b>Japan Wholesaling</b></p>	<p><b>1845</b> Echisan Shoten established in Kyoto as a merchant in the trade of traditional Japanese washi paper.</p> <p><b>1876</b> First in Japan to trade in machine-made paper.</p>	<p><b>1970</b> Japan Pulp &amp; Paper formed through a merger with Fuji Yoshiten Company.</p> <p><b>1979</b> JP Information Center established, marking the Group's entry into the ICT business.</p>	<p><b>2000</b> Launched "Paper &amp; Goods" e-commerce site centered on digital on-demand printing</p>	
 <p><b>Resources &amp; Environment</b></p>		<p><b>1973</b> JP Resources established, commencing the Group's full-scale involvement in the wastepaper recycling business.</p>	<p><b>1998</b> Safeshred (of the U.S.) joins the Group, marking the Group's full-scale entry into the wastepaper recycling business outside Japan.</p>	<p><b>2004</b> Kawabe Biomass Power Generation established, begins power generation from renewable energy sources.</p> <p><b>2007</b> Eco-Port Kyushu established, expanding the Group's recycling business to waste plastic and other materials.</p>
 <p><b>Real Estate Leasing</b></p>				



## 2020

### 2015

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

## Promotion of Environmentally Conscious Paper Manufacturing and Processing

### 2012

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

## Expansion of Our Network Worldwide

### 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

### 2016

Arise Innovation established, commencing the Group's full-scale participation in the AI business. Invested in JasmineSoft, strengthening the Group's ICT business.

### 2019

Launched "Paper & Green" e-commerce site specializing in environmentally conscious products

## Recycling of Limited Resources

### 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 Nihonbashi Building in Tokyo completed.

### 2019

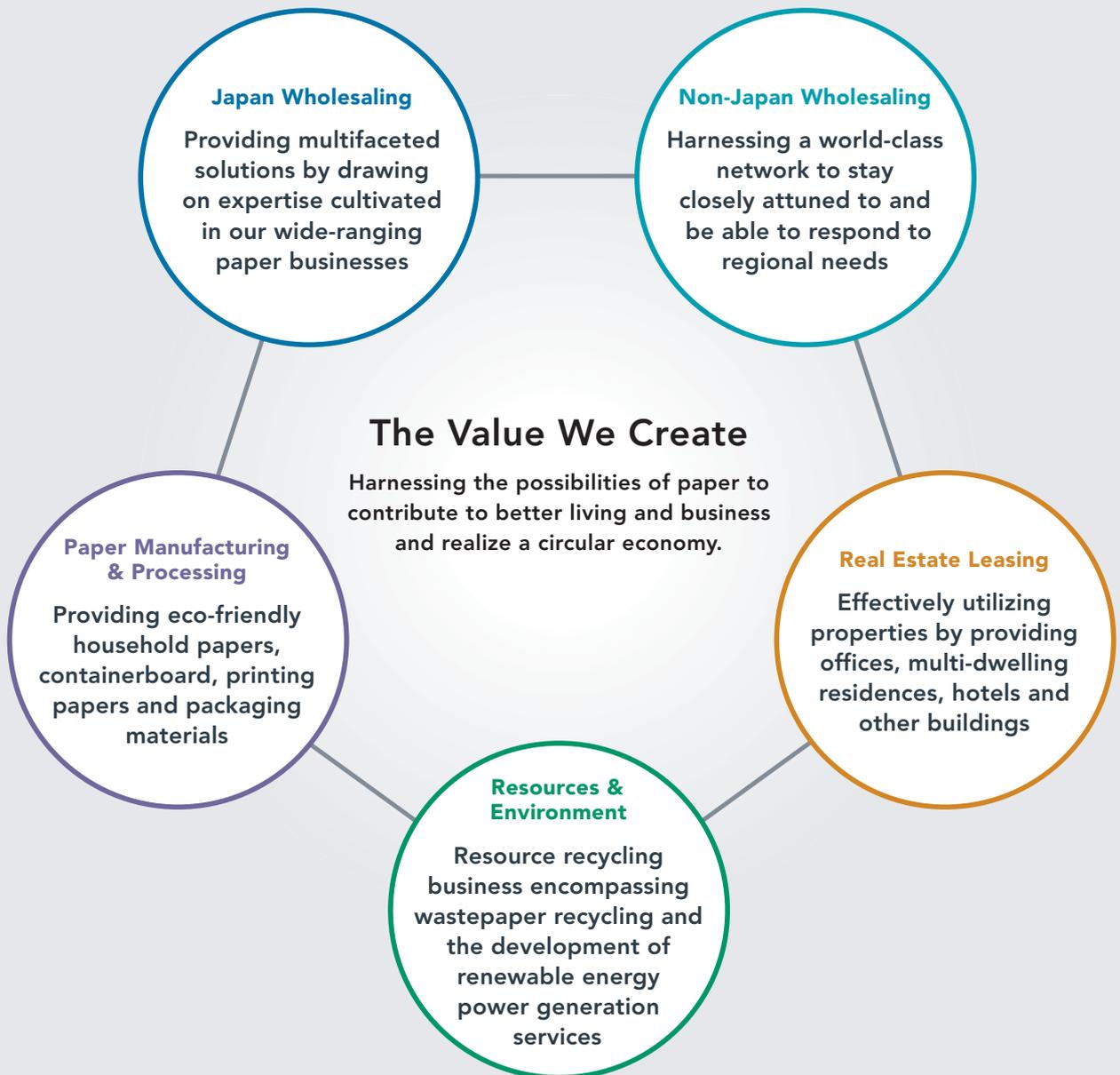
Construction of OVOL Kyoto Ekimae Building in Kyoto completed.



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.



We have been diversifying from our core paper wholesaling business in an effort to broaden the possibilities of paper and expand the value we provide. In particular, we are strengthening our business of recycling paper, which is a renewable material, in order to contribute to the realization of a circular economy. We also engage in waste plastic recycling, solar power generation, and woody biomass power generation, which makes use of unused biomass materials including the palm kernel shells (PKS) that remain after palm oil is taken from palms in Southeast Asia. Today, as environmental problems and other global social issues become more diverse, we are seeking to contribute more widely to the development of a sustainable society by creating new value through our business segments.

We will also deliver value that improves the quality of life of our customers, shareholders, employees and other stakeholders.

# Performance

(As of March 31, 2020)



Consolidated Ordinary Profit

**¥9.8 billion**

We have enhanced our already diversified individual businesses and created synergies between segments, establishing a stable earnings foundation for the Group.



Net Sales among Japanese Pulp and Paper Trading Companies

**No.1**

As Japan's leading paper trading company, the Japan Pulp & Paper Group is using its unique business frameworks to venture into new fields globally.



Consolidated Employees

**4,298**

Our businesses and workforce have become more diversified, and the ratio of Group to parent company employees has risen to 6:1. 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



### Group Companies

# 118

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.

## Group Efforts to Solve the Issue of Plastic Waste

Recently, efforts to realize a sustainable society have become more urgent. In order to resolve the increasingly serious problem of plastic marine garbage, in addition to achieving proper waste management, it has become critical to promote the 3Rs as they relate to plastic products, use plastic with superior biodegradability, and develop and popularize the spread of alternative materials, such as paper. In response to this situation, the Group is striving to reduce the environmental impact of its business activities by developing products that contribute to the realization of a circular economy and sustainable society.



### ■ Initiatives That Transcend Business Boundaries

Japan's Ministry of the Environment launched the campaign "Plastics Smart - for Sustainable Oceans," to encourage collaboration among a wide range of entities, including individuals, local governments, NGOs, companies, and research institutes, with the aim of addressing the global issue of marine plastic waste. In addition to participating in this campaign, we have joined the Clean Ocean Material Alliance, which promotes the sustainable use of plastic products, and the development and introduction of alternative materials in Japan. We are accelerating innovation as part of our participation in proactive initiatives that transcend business boundaries.

### ■ Launch of an E-commerce Site Specializing in Environmentally Conscious Products

With environmental problems becoming more serious, more consumers and companies are choosing products that have less impact on the environment. In response to this increasing demand, in September 2019 we launched Paper & Green, an e-commerce website (Japanese only) that specializes in environmentally conscious products, such as paper files and containers, and plastic products made from plant-based resin. We have created pages that



explain various products from an environmental point of view to help our customers make product choices and solve issues for a better future.

# Message from the President

— Contributing to a Prosperous Future —

## Overcoming Global Challenges & Creating New Value for the Future

175 years have passed since Japan Pulp & Paper Co., Ltd. was founded. The Company is currently developing diverse, global businesses centered on paper in order to realize its “power to fly into the future” commitment embodied in the OVOL brand.

In addition to declining demand, mainly for commercial printing-based graphic papers in our primary market of Japan due to the country’s declining population and the digitalization of society, the Group is also facing difficulties brought on by the global outbreak of COVID-19. However, we will take on the challenge of creating new value by leveraging the strengths we have built up over the years since our founding. We will surely overcome this situation and contribute to the realization of a circular economy and sustainable society.



**Akihiko Watanabe**

President, Representative Director

### **Q1 | Please tell us about the results for the fiscal year ended March 2020 and the Medium-term Business Plan 2019 (fiscal year ended March 2018 to March 2020).**

Consolidated net sales for the fiscal year ended March 2020 totaled JPY 534,782 million, down 0.1% from the previous fiscal year. Operating profit was a record high of JPY 10,924 million, up 1.1%, ordinary profit was down 8.9% to JPY 9,800 million, and profit attributable to owners of parent was up 30.5% to JPY 5,053 million.

Under the Medium-term Business Plan 2019, we established the basic policy of further enhancing and stabilizing profits in each business segment, and as a result of focusing on various measures, we have been able to largely achieve these targets in the Japan Wholesaling, Paper Manufacturing & Processing, and Real Estate Leasing business segments. In particular, we have been able to maintain the recently revised prices for paper and paperboard in the Japan Wholesaling segment, which is a major success. This is an extremely important achievement as in the future we will place greater emphasis on profitability and efficiency rather than on sales volume and market share.



In the fiscal year ended March 2019, the second year of the plan, the Group as a whole achieved record-high ordinary profit of over JPY 10.7 billion. In the fiscal year ended March 2020, however, we were regrettably unable to achieve our final target of JPY 13 billion in ordinary profit, due to a significant decline in ordinary profit in the overseas businesses of the Non-Japan Wholesaling and Resources & Environment segments. In the Non-Japan Wholesaling segment in particular, the development of a platform\* to solidify our position at the global level through the implementation of M&A in strategic markets and an increase in sales were major achievements, despite finally posting an ordinary loss. Major reasons for this decrease in ordinary profit include a substantial decline in gross profit due to a drop in the prices of commodity products in major overseas markets, the amortization of goodwill, stock acquisition costs arising from M&A activities, and foreign currency translation losses. In addition, we recorded inventory valuation losses and provisions for doubtful accounts at Group companies in China, Hong Kong and the United States. However, this was the result of rationalization through the review of unprofitable businesses and unprofitable divisions as outlined in Medium-term Business Plan 2019, and we believe that this elimination of waste will lead to a recovery in profits in the future.

\* As of August 1, 2020, we have built a network of 64 companies in 21 countries around the world.



## Q2 | What is the impact of COVID-19 on the business environment and business continuity?

In the Japan Wholesaling and Non-Japan Wholesaling segments, demand for paper and paperboard, which are our mainstay products, has declined markedly, particularly since April 2020. Demand for newspaper insert flyers and travel pamphlets declined sharply in Japan. Sales of containerboard for general consumer goods, particularly processed foods, were robust, while sales for export products declined significantly.

In the Paper Manufacturing & Processing segment, demand for household tissue increased substantially as consumers became concerned about a shortage of toilet paper as the end of the fiscal year ended March 2020 approached. Nevertheless, it returned to normal levels from May 2020.

The Resources & Environment segment was not affected by COVID-19 infections and we expect operations at each plant to remain stable.

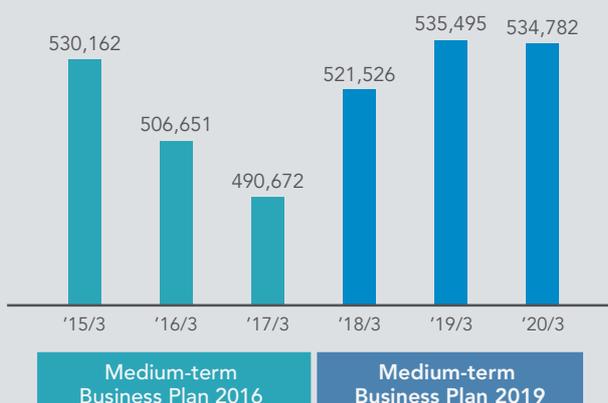
In the Real Estate Leasing segment, attention should be paid to requests for rent reductions from some tenants and an increase in vacancies due to tenants vacating in the event that COVID-19 has a prolonged impact on the economy.

Meanwhile, in response to the Japanese government's declaration of a state of emergency in April 2020, to ensure business continuity we proactively introduced remote working from home practices, primarily in the wholesale business, and worked to maintain seamless transactions with suppliers and customers. We quickly provided laptop computers and other mobile terminals, and improved the capacity of communication lines, all of which were inadequate, and put in place a system to ensure smooth telecommuting capabilities if a similar situation occurs in the future.

### Six-Year Summary

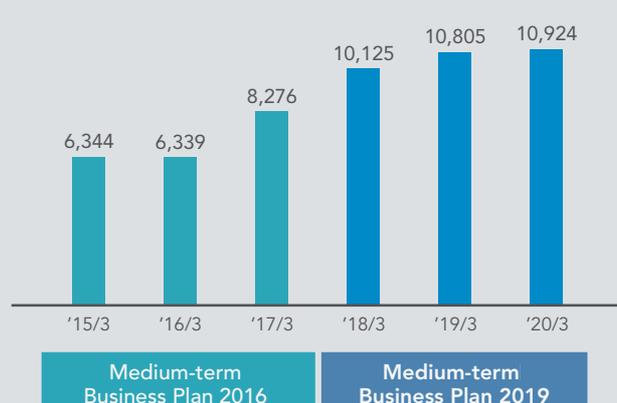
#### ● Net Sales

(Millions of yen)



#### ● Operating Profit

(Millions of yen)



Looking at Group companies outside of Japan, Gould Paper had already adopted a style of work that enabled staff to work from home, so in spite of its head office in New York being subject to the lockdown, no major operational issues arose in either of the sales or administrative departments.

### Q3 | What do you see as management issues in the future?

In the Japan Wholesaling segment, a shrinking market due to a declining population and a decline in demand for paper due to the digitalization of society are inevitable. Therefore, we need to emphasize profit efficiency while placing top priority on maintaining paper and paperboard prices.

In the Non-Japan Wholesaling segment, conditions in developed countries have been severe due to a decline in demand for some time. For this reason, we started streamlining operations early on, and in the fiscal year ended March 2020 we took bold action to liquidate non-performing inventory and receivables. As a result, despite a decline in ordinary income, we have built the foundations to realize our goal of becoming “the world’s leading paper distribution company.” In the future, we believe we can make a contribution to profits based on these foundations. Nevertheless, we will continue to implement appropriate rationalization measures, and we also intend to position the formulation of a global procurement strategy and the strengthening of local functions and sales capabilities as the next issues to address.

Unlike wholesaling, the Paper Manufacturing & Processing segment requires large-scale production facilities, and it also requires human resources with production know-how and experience. The challenge is to ensure the sustainability of our businesses from both perspectives. In the containerboard business, we will work to strengthen our business by forming alliances with other companies from the same industry and by developing products that will help in the “new normal” day-to-day living with COVID-19.

In the Resources & Environment segment, we have accumulated know-how on environmental preservation and safety measures in our main businesses of recycling wastepaper and plastic and renewable energy power generation. We intend to explore ways to commercialize this know-how in the future.

In the Real Estate Leasing segment, we would like to set a new direction for the development of properties owned by the Company in the Kachidoki area of Tokyo where our head office is located and tenant buildings owned in Kyoto.

#### ● Ordinary Profit

(Millions of yen)



#### ● Profit Attributable to Owners of Parent

(Millions of yen)



## **Q4 | Based on the resolution of these issues, what form do you see as ideal for the Group?**

I have drawn up a corporate image consisting of three visions that I see as ideal for the Group. The first image is of a corporate group that is “the world’s leading paper distribution company.” That is to say, to further consolidate our position as the dominant leader in the Japanese market we need to expand the functions of our Group and raise our level of service even further.

The second is to become a corporate group that always emphasizes the Group’s Corporate Philosophy, which embodies the concepts, “nurture people through integrity, foster trust through fairness, and support society through harmony,” and that is strongly aware of the need to create a circular economy. We have actively promoted the creation of a circular economy. However, in the future, we will work from a broader perspective of sustainability and make achieving the 17 Sustainable Development Goals (SDGs) a compass for management in order to contribute to the realization of a global society in which everyone can lead fulfilling lives.

As part of our SDGs initiatives, we aim to maximize the satisfaction and fulfillment of each employee. People say that they are able to realize joy and happiness when they are able to make their own choices. I hope that employees will respect the Group’s Corporate Philosophy, have a strong sense of ownership, and constantly aim for “Something New” by making their own decisions in a variety of situations. I hope that by doing so, they will increase their sense of satisfaction and fulfillment.

Our third vision for the Group is to have it move beyond the framework of the paper industry and its supply chain to become a company that seeks excellence and that is widely recognized and appreciated by society. To this end, we will create a corporate culture in which employees feel satisfaction, fulfillment, and excitement. At the same time, we will build a new sixth pillar of business. Indeed, we will pursue “Something New.” Under the state of emergency that was declared in April 2020, Japan Pulp & Paper solicited business ideas from executives and employees during their time working from home. With applications far exceeding my expectations, we are aiming to realize promising ideas through online presentations and other events.

## **Q5 | What are the Group’s strengths and how do you intend to utilize them in realizing your vision?**

One of the Group’s greatest strengths is its strong relationships of trust with suppliers, customers, business partners, and other entities all over the world that it has built up over its 175-year history. Another strength lies in its intangible assets, including its wealth of experience and connections not only in the paper industry, but also in various business fields and geographical regions. In the paper industry, however, the ongoing trend of shrinking demand cannot be denied and nothing will emerge if we simply maintain our assets. In other words, it is important to make effective use of these strengths and to combine our resources with those of our business partners to create “Something New.” Key themes for this initiative related to the creation of a sustainable society include, “environmental conservation,” “an aging population,” and “fulfilling lifestyles.” In order to realize these goals, we hope that each employee will broaden his or her way of thinking and be more sensitive to the information provided by not only the business partners to whom he or she is responsible, but also to the information provided by various other players.

Furthermore, COVID-19 infections are having a major impact on the management of our small and medium-sized customers and business partners in Japan. As the largest paper distribution company in Japan, we will play a leading role in maintaining sound order in the industry.



## Q6 | What is your message to stakeholders?

We originally planned to launch a new medium-term business plan in April 2020. However, the impact of the spread of COVID-19 has been significant and is expected to be prolonged, and there is a possibility that the business environment will change even further in the future. Therefore, we re-examined the plan and decided to postpone its launch until April 2021. In the fiscal year ending March 2021, we will devote all of our resources to protecting and enhancing the profitability over this fiscal year, while thoroughly adhering to and respecting the Group's Corporate Philosophy. To this end, it is essential that we maintain market prices, consider life living with COVID-19 and endeavor to reduce costs from a microeconomic perspective, and to pursue and act on demand and business opportunities, investments and other chances in the "new normal." This is an awareness shared throughout the Group.

One result of COVID-19 is that remote working from home, online work practices and lifestyles in which we try to avoid touching things are rapidly becoming commonplace. This will more than likely become the "new normal." Conversely, however, I believe that the importance of face-to-face communication, the value of a real, non-virtual world, and the sense of happiness that comes from touching things and from contact with each other will undoubtedly be reviewed. The desire to possess and collect things will also be aroused, and new values will emerge. I think this will include a revival of the value we see in books, magazines, catalogues, pamphlets, flyers, and paper stationery. From this perspective, I would like to encourage the entire industry to recover its losses and move to increase the demand for paper.

Our mission as stated in our Corporate Philosophy is to carve a better future for society and the environment. We will fulfill this mission and continue to respond to the trust and expectations of our stakeholders.

# Our Businesses

Japan  
Wholesaling



ICT System Development



Non-Japan  
Wholesaling



## Main Products & Services

Newsprint & Printing Papers



Digital & Communication Papers



Containerboard & Paperboard Products



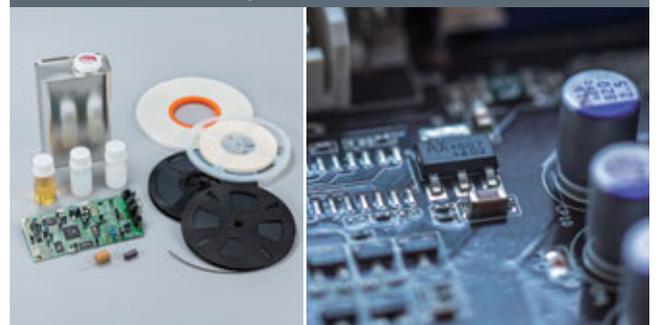
Packaging Papers



Plastics & Chemical Products



Chemicals, 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

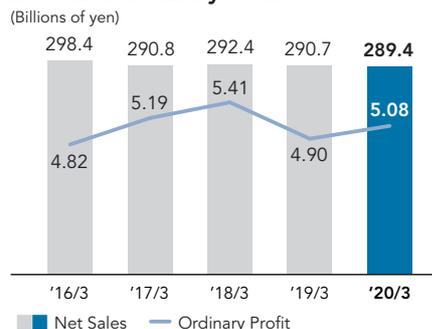


# The Leading Company in Paper Distribution

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 supply various materials, daily necessities and industrial goods with a wide range of applications, we also conduct 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



## Highlights of Fiscal Year Ended March 2020

### Net Sales

Sales of paper and paperboard decreased 0.5%. Although we maintained selling prices for paper and paperboard after price adjustments, demand for printing, digital and communication papers fell, largely due to the trend toward digitalization, while the volume of containerboard sales declined as a result of natural disasters in Japan and other factors.

### Ordinary Profit

Ordinary profit increased 3.6% because we were able to maintain selling prices and because provisions for doubtful accounts at a subsidiary decreased.

## 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

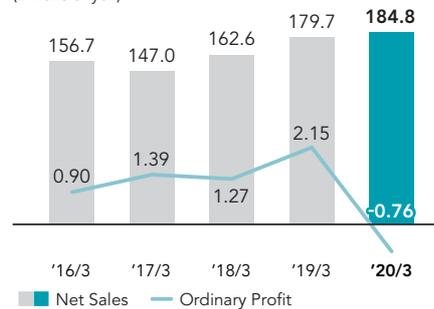


# One of the World's Leading Specialist Paper Trading Companies

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 (Loss)

(Billions of yen)



## Highlights of Fiscal Year Ended March 2020

### Net Sales

Despite a decrease in global demand due to U.S.-China trade friction, sales increased 2.8% as the results of new Group companies OVOL Malaysia, OVOL Singapore, and RADMS Paper Limited and its six subsidiaries were reflected in sales.

### Ordinary Profit (Loss)

A drop in gross profit due to the impact of lower market prices in major overseas markets, an inventory valuation loss at an overseas subsidiary and provisions for doubtful accounts, as well as amortization of goodwill, stock acquisition costs and foreign currency translation losses, led to an ordinary loss of JPY 760 million.



### 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.



### Premier Paper Group

In July 2019 the Company made a capital participation in Radms Paper of the U.K. In doing so, Radms' core operating company, Premier Paper Group, became a Japan Pulp & Paper Group company. Premier is predominantly involved in the import and wholesale of paper and packaging materials.



### 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



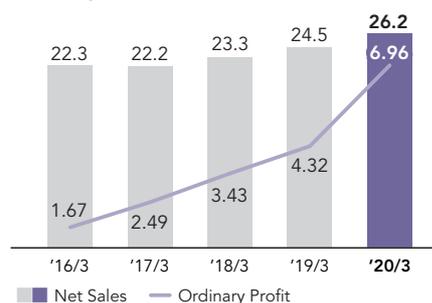
## Environmentally Conscious Paper Manufacturing and Processing Businesses

The Japan Pulp & Paper Group manufactures household paper, containerboard and printing papers from recovered wastepaper resources. 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 2020

#### Net Sales

Sales increased 7.1%, reflecting strong sales in the recycled household paper business and our ability to maintain high selling prices of containerboard and recycled household paper products.

#### Ordinary Profit

Ordinary profit rose 61.0% due to the increase in sales and because prices of recycled paper used as raw materials were low and stable during the period.

## Resources & Environment



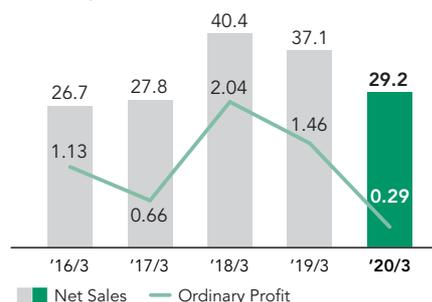
## Building a Circular Economy by Recycling Resources

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 in Japan 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 in the Japan Pulp & Paper Group as well as to outside companies.

### Net Sales/Ordinary Profit

(Billions of yen)



### Highlights of Fiscal Year Ended March 2020

#### Net Sales

Sales fell 21.3% as international market prices fell sharply because demand for wastepaper eased due to the continuation of wastepaper import restrictions in China.

#### Ordinary Profit

Ordinary profit declined 79.9% due to the impact of continued wastepaper import restrictions in China.

# Real Estate Leasing



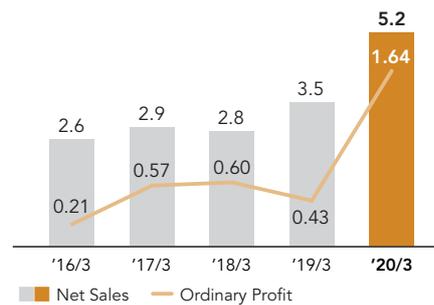
## Using Our Real Estate Assets Based on Local Needs

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 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 2019, and will meet diverse needs of customers, from tourists 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 2020

#### Net Sales

Sales increased 48.9% due to continued high occupancy rates at existing tenant buildings, and an increase in rental income from the OVOL Nihonbashi Building (opened in July 2018) and the OVOL Kyoto Ekimae Building (opened in April 2019).

#### Ordinary Profit

Ordinary profit increased 280.2% because of the strong growth in sales, which offset increases in depreciation expenses, property management fees and other expenses of the OVOL Nihonbashi Building and the OVOL Kyoto Ekimae Building.

OVOL Nihonbashi Building



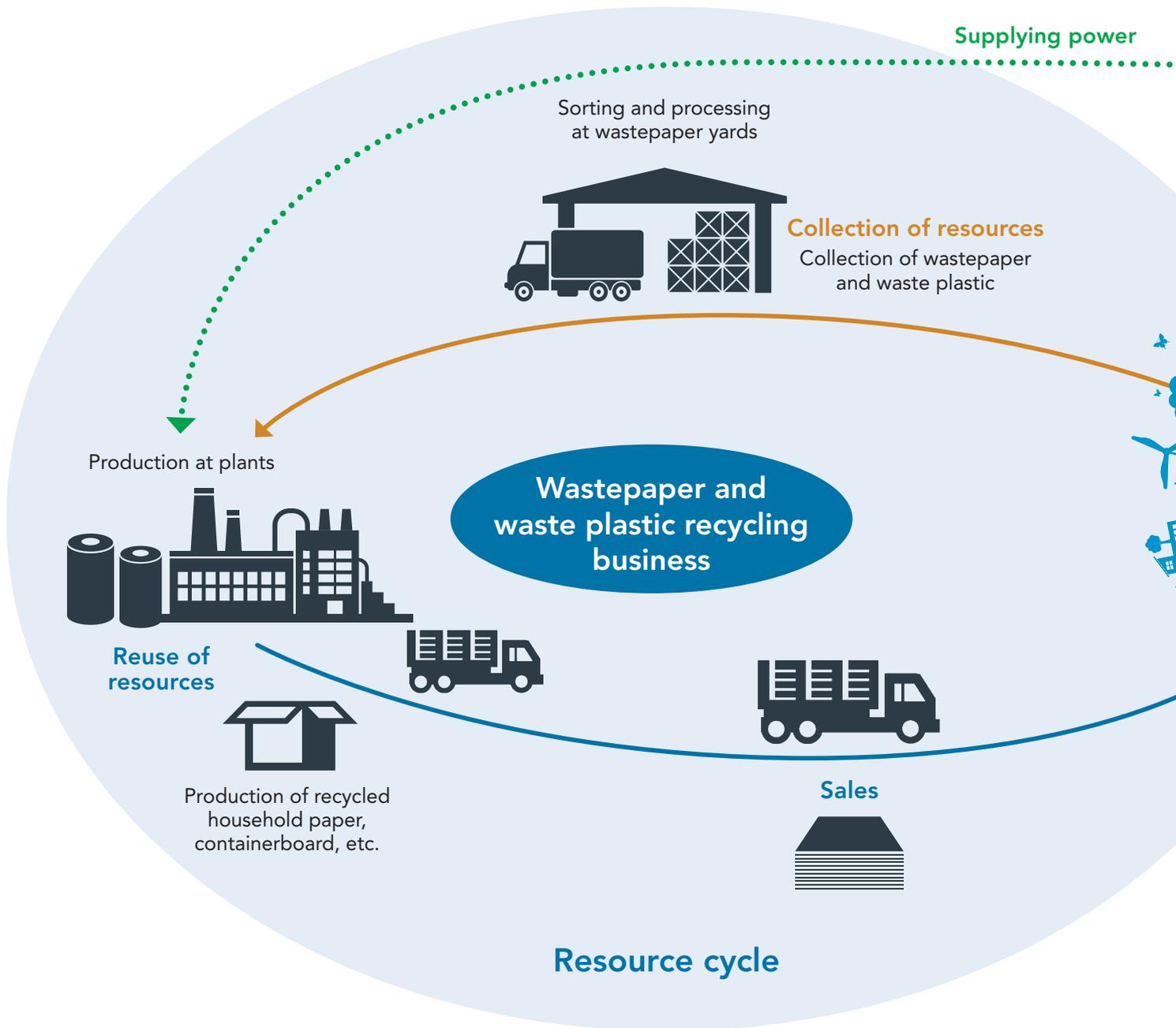
OVOL Kyoto Ekimae Building



# Realizing a Circular Economy

The Japan Pulp & Paper Group is contributing to the realization of 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 Group's wastepaper recycling business supplies much needed furnish for its paper manufacturing entities. In terms of the energy cycle, we are developing renewable energy power generation businesses.



Production of recycled household paper

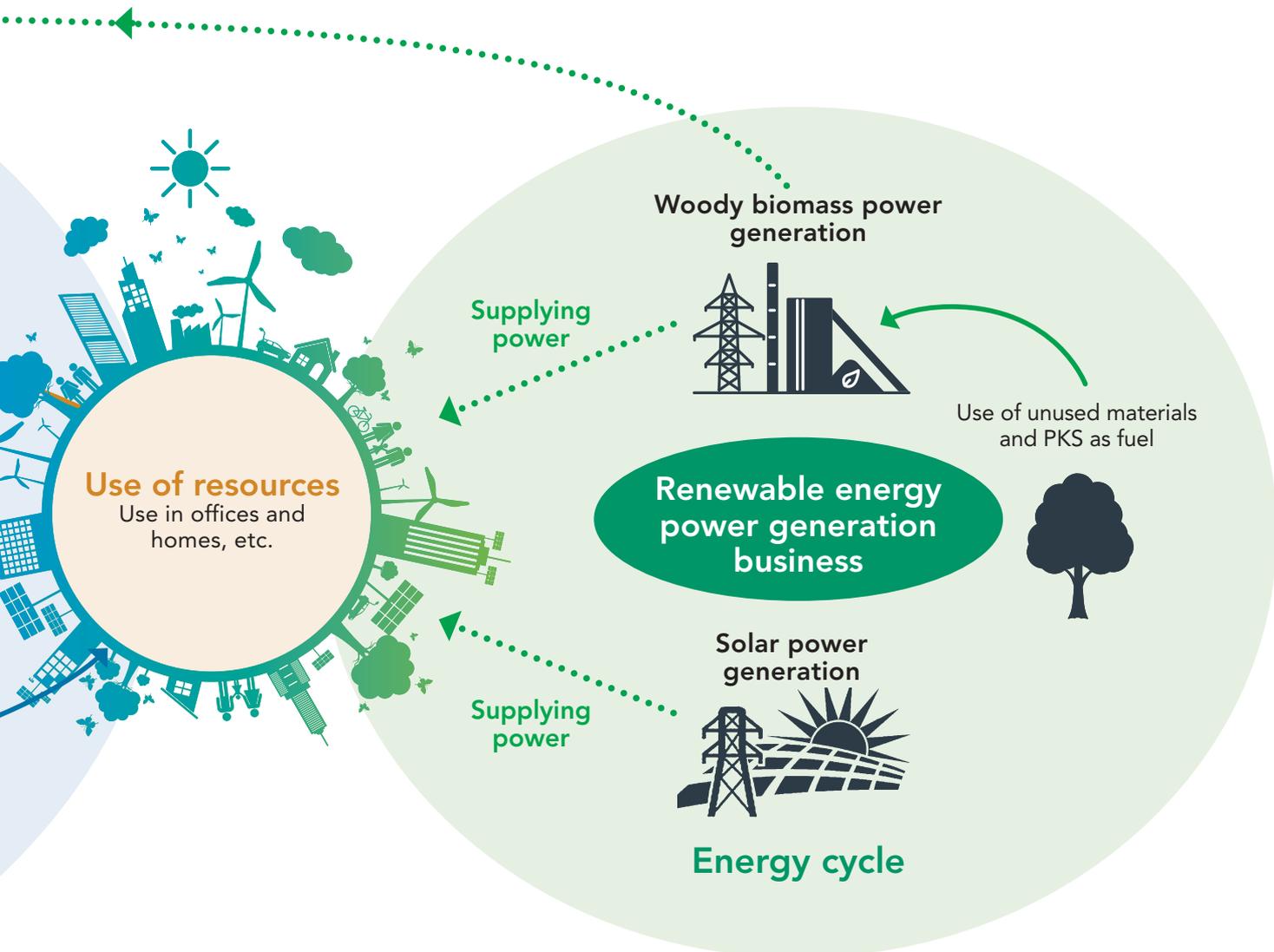


Production of containerboard and printing paper

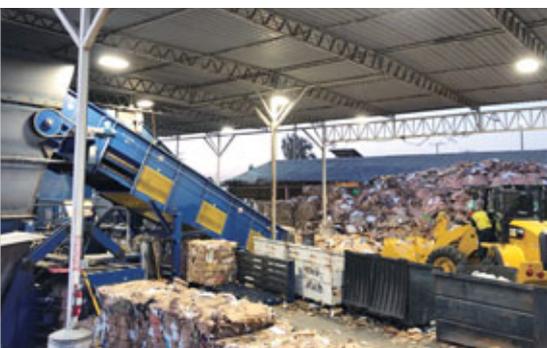


Manufacturing and processing of packaging materials





Recycling of wastepaper



Recycling of waste plastic



Power generation from renewable energy



# Sustainability Section

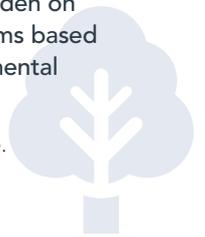
▶ For more detailed information about our environment and CSR-related initiatives, please refer to the Japan Pulp & Paper website.  
[www.kamipa.co.jp/eng/activity/](http://www.kamipa.co.jp/eng/activity/)

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.

## 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/](http://www.kamipa.co.jp/eng/activity/)

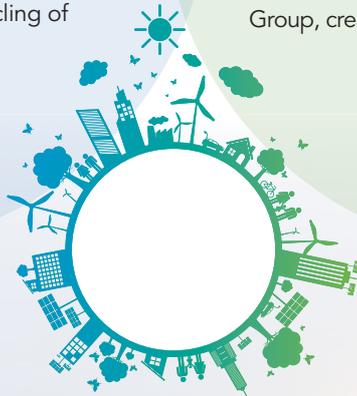


### Resource Cycle

As a company responsible for the distribution of paper, a vital material in everyday life and industry, we have established an effective resource cycle. This integrated system extends from the collection of wastepaper, sorting and recycling to the production of recycled household paper, containerboard and other products. In addition to wastepaper, we are also strengthening our efforts in the recycling of other materials, such as waste plastic.

### Energy Cycle

We are promoting clean and safe power generation from renewable energy, including energy from solar power generation and woody biomass power generation utilizing locally sourced unused materials, tree bark, PKS and other resources as fuel. We are also supplying this power to some of the paper manufacturing companies in the Japan Pulp & Paper Group, creating an energy cycle.





## Promoting the Recycling of Recovered Paper

The Japan Pulp & Paper Group fully entered the recovered paper recycling business in 1973, and has established a wastepaper recovery network that draws on its extensive experience and expertise. We have expanded our wastepaper collection 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. 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 through innovative product development. 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. 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

In response to Japanese societal demand for energy that is safe and environmentally friendly, the Japan Pulp & Paper Group's power generation business uses energy from renewable solar and woody biomass resources, which can be procured domestically, as alternatives to energy from fossil fuels. The Group supplies electricity from woody biomass power plants that it operates in Iwate and Shimane Prefectures, and solar power generation facilities operated in Hokkaido, Iwate and Miyagi prefectures.



## Operation of an E-commerce Site Specializing in Environmentally Conscious Products

The world is facing a variety of serious environmental problems, including extreme weather caused by global warming, an increase in waste such as marine plastic garbage, and the depletion of resources as a result of population growth. We believe that introducing and providing environmentally conscious products leads to the creation of a better future for society and the global environment. Given this, in September 2019 we launched Paper & Green, an e-commerce website (Japanese only) that specializes in environmentally conscious products.



Paper & Green  
<https://www.paperandgreen.com>

## Group Environment & Safety Committee

In July 2019, we established the Group Environment & Safety Committee with the aim of improving compliance in regard to environmental aspects of the entire Group and to enhance occupational safety. This committee is a cross-sectional organization composed of members appointed by each Group company. While sharing knowledge, information, and know-how among Group companies, we are also striving to create an advanced system to deal with environmental and safety-related issues.



## 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/](http://www.kamipa.co.jp/eng/activity/)



### Interaction with Local Communities

In September 2019, Group company Corelex Shin-Ei held Paper Festival 2019 on the banks of the Fuji River in Fuji City. This event is held every year with the aim of deepening relationships with local residents. As a new initiative this year, a section was set up introducing the SDGs being promoted by the Corelex Group. In talk sessions held on the stage, Corelex introduced the wastepaper recovery project it is conducting in cooperation with the Izu Nagaoka Tourism Association and its collaboration with community welfare workshops.



### Recovery of Milk Cartons for Use as Raw Materials for Recycled Household Paper

Milk cartons and other paper beverage packaging are an important raw material for paper manufacturing. Our employees collect milk cartons to be used as the raw materials for tissues. Since October 2017, members of the Group working at the Head Office building in Tokyo have been collecting milk cartons and aluminum-lined cartons from their homes and offices. By May 2020 a total of about 2,250 kilograms of cartons had been recovered, which is equivalent to about 70,000 milk cartons.



### Support for the Introduction of Toilet Trailers

Group company JP Household Supply handles sales of mobile flushable toilet trailers designed for use in the event of a disaster. The trailers can be towed behind cars, so they can be moved to and installed in any location that requires toilets, even in remote disaster areas. In normal times the toilet trailers can also be used as temporary outdoor toilets. Currently, the toilet trailers are being supplied mainly to local governments, where they are expected to contribute to the maintenance of a hygienic environment in the event of a disaster and to help curb disaster-related deaths.

Toilet trailers for Fuji City in Shizuoka Prefecture (left) and Kariya City in Aichi Prefecture (right) were dispatched to Kimitsu City in Chiba Prefecture, which suffered severe damage, including power outages and flooding, as a result of Typhoon Faxai in 2019.

Toilet trailers are being put to use in times of disaster, such as earthquakes and typhoons, through a disaster dispatch network operated by local governments.



### Initiatives That Lead to Solutions to Social Issues

In September 2019, members of Japan Pulp & Paper and Group companies participated in a litter collecting competition in Sapporo (Hokkaido Prefecture). Held under the concept of "making the city beautiful through sport," this event is a competition in which participants compete for points based on the type and quantity of litter picked up within a specified time.

Also in November of the same year, employees participated with their families in a litter collection event held on the shore at Enoshima in Kanagawa Prefecture.

In addition, the Tokyo Head Office collects litter from the area around the office on a monthly basis, and participates in a scheme to collect and recycle empty disposable contact lens cases and used toothbrushes. Through these activities many employees are able to participate in a wide range of initiatives aimed at helping to resolve social issues.



# 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.



## 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."

### 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 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.

### 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, and the introduction of telecommuting.

### 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/](http://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.

## 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

▶ For more detailed information, please refer to the Japan Pulp & Paper website.  
[www.kamipa.co.jp/eng/activity/charter](http://www.kamipa.co.jp/eng/activity/charter)

## 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 independent outside directors). The outside directors also participate in the process of nominating and setting the compensation of directors and Audit & Supervisory Board members, and provide appropriate supervision and recommendations from an objective standpoint.

## Basic Policies Concerning the Establishment of an Internal Control System

At a meeting of the Board of Directors, Japan Pulp & Paper set the Basic Policies Concerning the Establishment of an Internal Control System.

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.

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

## Risk Management System

In accordance with its Basic Rules on Risk Management, the Japan Pulp & Paper Group has established the Risk Management Committee chaired by the CFO as a subcommittee of the Companywide CSR Committee. The Risk Management Committee identifies, analyzes, assesses and prioritizes response to risks, develops measures to deal with individual risks, and makes continuous efforts to reduce risk.

When a risk that may have a significant impact on the Company’s operations and businesses materializes, a Crisis Management Committee headed by the president is set up in accordance with these same rules to respond swiftly and appropriately to the emergency, prevent and minimize damage, bring the crisis to an end, and prevent a recurrence.

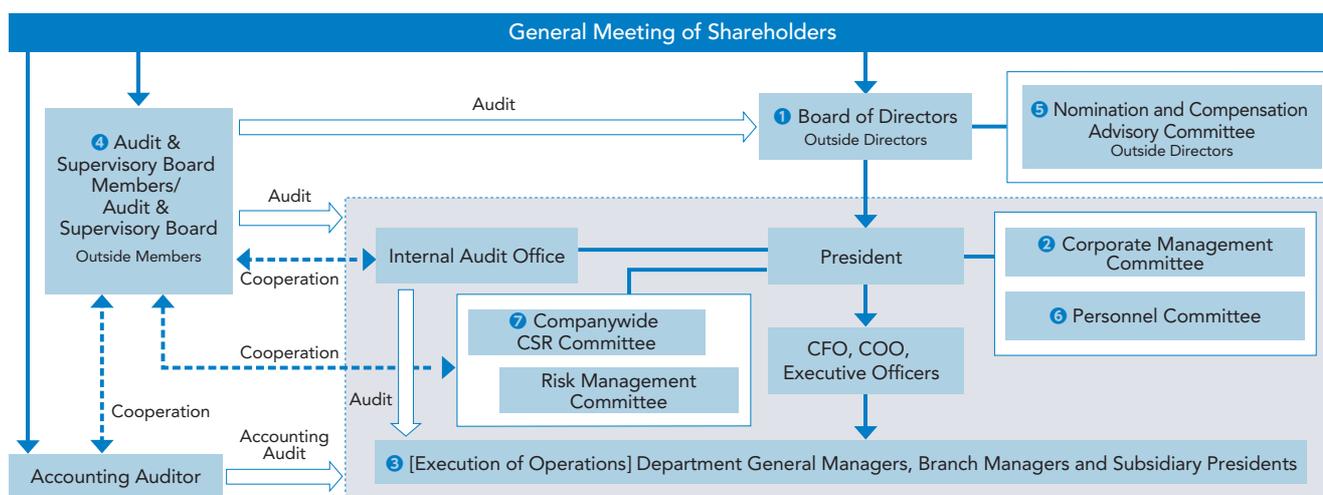
## Board Members, Accounting Auditor, the Internal Auditing Departments and Others

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.

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

## Management Control Structure (As of June 29, 2020)



### Board of Directors

The Board of Directors meets regularly once a month and whenever necessary, in accordance with laws, the Articles of Incorporation, and the procedural rules for the Board of Directors. It makes decisions on matters stipulated by laws and the Articles of Incorporation, as well as on important matters pertaining to the General Meeting of Shareholders; key organizations and personnel; the Company's stock; business plans; major investments; and the internal control system. The Board also supervises the execution of duties of individual directors. In addition, independent outside directors provide oversight of the Company's business execution from an objective and expert viewpoint, and make appropriate recommendations to management.

### Corporate Management Committee

Based on committee rules, the Corporate Management Committee meets regularly twice a month and whenever necessary to discuss significant matters concerning the Group's management and business execution, and to formulate management policies and business plans. The Corporate Management Committee is chaired by the president of the Company, and is composed of full-time directors, the CFO, COO and executive officers. Audit & Supervisory Board members also attend committee meetings, where they obtain information necessary for audits and state their opinions when appropriate.

### Executive Officers

The Company has introduced an executive officer system for the purpose of clarifying professional duties and responsibilities and increasing the speed of business execution in order to respond to rapid changes in the operating environment. Executive officers who are also directors, or who serve as the CFO or COO, oversee the Group as a whole, and assist the president with each major management target to support achievement of common Group targets. Other executive officers focus on strengthening their respective roles and improving results as general managers, branch managers or presidents of subsidiaries.

### Audit & Supervisory Board Members/Audit & Supervisory Board

The Audit & Supervisory Board meets regularly once a month and whenever necessary, in accordance with laws, the Articles of Incorporation

and the rules of the Audit & Supervisory Board. It conducts audits of Board of Directors' proposals and the directors' execution of their duties. It also holds liaison meetings with the representative directors once a month in principle to exchange opinions on matters including issues the Company should address, the environment for audits by Audit & Supervisory Board members, and material issues regarding auditing.

### Nomination and Compensation Advisory Committee

The Company has established the Nomination and Compensation Advisory Committee, which meets at least once a year, and whenever necessary, to discuss and report on personnel- and compensation-related matters of directors, Audit & Supervisory Board members and executive officers. This committee consists of three members – the president and two independent outside directors – to ensure objectivity and transparency, with the president acting as chair of the committee.

### Personnel Committee

The Personnel Committee determines important personnel measures that are necessary for the Group's strategic business development, and optimizes allocation of human resources in the Group, based on committee rules. This committee is chaired by the president and is composed of the CFO, COO and the branch managers of the Kansai Branch and Chubu Branch.

### Companywide CSR Committee

Based on the CSR Management Rules, the Companywide CSR Committee meets regularly every six months, and whenever necessary, to discuss and determine basic policies and action plans for the Japan Pulp & Paper Group's CSR activities, and to confirm the implementation status of those activities and formulate measures to revise them.

This committee is chaired by the president, and is composed of full-time directors and the general managers of the Finance & Administration Division and Corporate Planning Division. Audit & Supervisory Board members (including outside members) attend meetings of the committee as observers.

# Japan Network

(As of August 1, 2020)

## 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

**Fuchikami Co., Ltd.**

(Kagoshima)

Okinawa Branch

Fukuoka 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

**Nabiace 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  
Hashima Branch  
Kawagoe Branch  
Yokkaichi Branch  
Oyama Branch  
Yachiyo Branch  
Higashimurayama Branch  
Inuyama Branch  
Nanko Branch

**Repasys Co., Ltd.**  
(Fukuoka)  
Ogori Distribution Center

**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

**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, 2020)

## 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 (OVOL USA)
- Price & Pierce International Inc.

### U.S.A./New Jersey

- Gould Paper Corporation (OVOL USA) – Metro Division

### U.S.A./Boston

- Gould Paper Corporation (OVOL USA) – 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

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

### U.S.A./Austin

- Bosworth Papers, Inc. – Austin

### 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

## 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

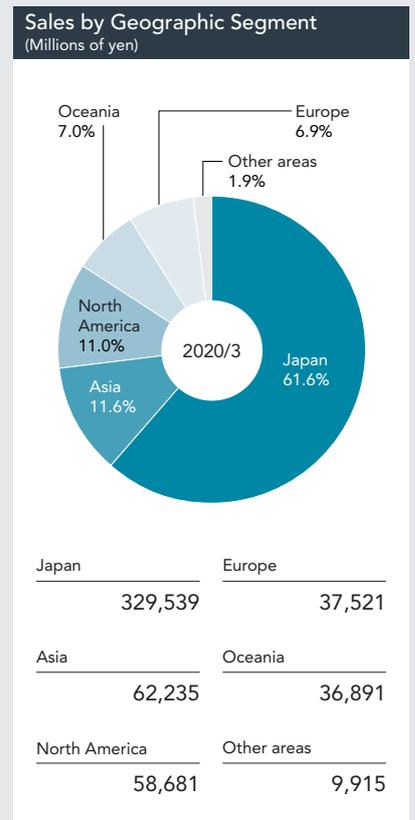
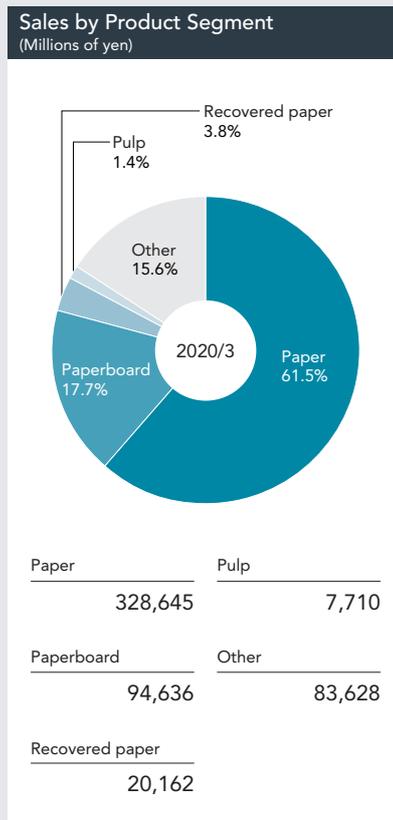
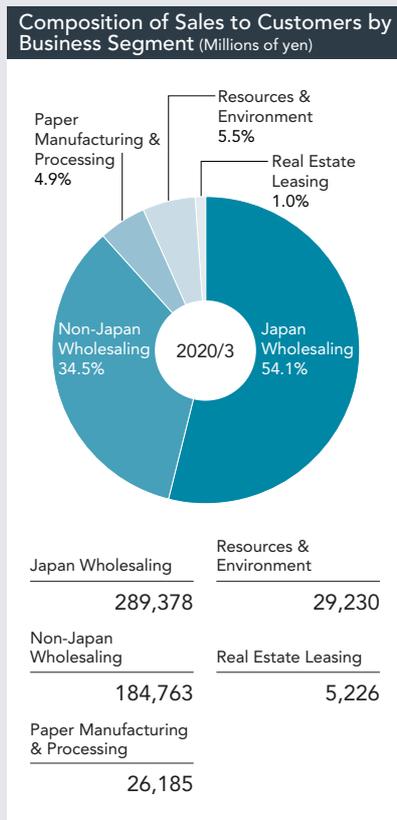
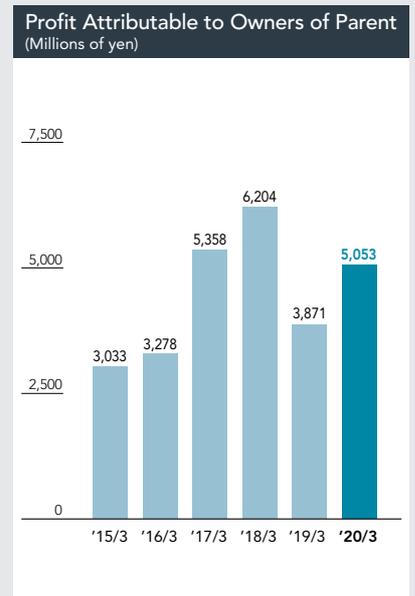
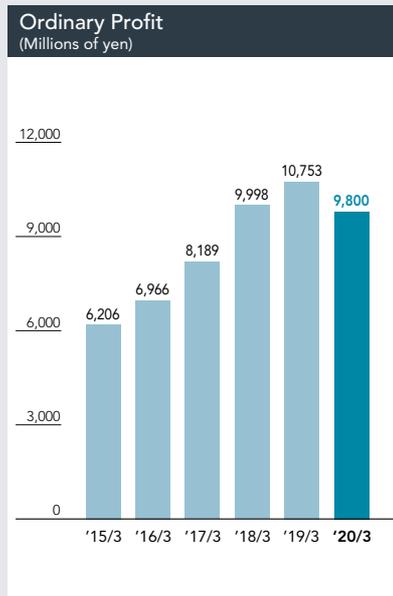
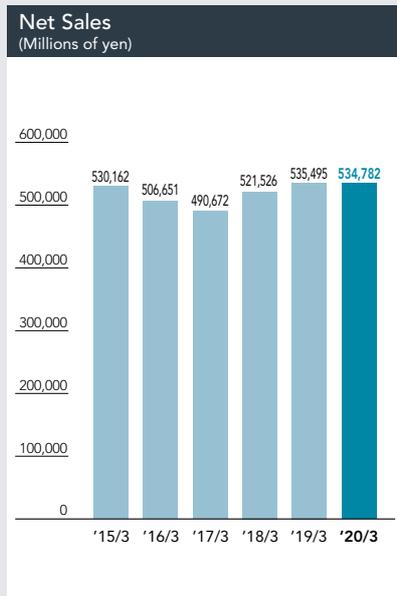
### New Zealand/Hamilton

- Aarque Group Limited

### New Zealand/Palmerston North

- Aarque Group Limited

# Consolidated Financial Highlights



Note: Segments are based on the location of customers.

	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3
Net sales (Millions of yen/Millions of U.S. dollars)	¥530,162	¥506,651	¥490,672	¥521,526	¥535,495	<b>¥534,782</b> <b>\$4,914</b>
Operating profit (Millions of yen/Millions of U.S. dollars)	¥6,344	¥6,339	¥8,276	¥10,125	¥10,805	<b>¥10,924</b> <b>\$100</b>
Ordinary profit (Millions of yen/Millions of U.S. dollars)	¥6,206	¥6,966	¥8,189	¥9,998	¥10,753	<b>¥9,800</b> <b>\$90</b>
Profit attributable to owners of parent (Millions of yen/Millions of U.S. dollars)	¥3,033	¥3,278	¥5,358	¥6,204	¥3,871	<b>¥5,053</b> <b>\$46</b>
Comprehensive income (Millions of yen/Millions of U.S. dollars)	¥8,876	¥(1,539)	¥6,809	¥11,379	¥1,847	<b>¥3,170</b> <b>\$29</b>
Net assets (Millions of yen)	¥82,121	¥76,181	¥80,784	¥94,735	¥94,745	<b>¥87,246</b>
Total assets (Millions of yen)	¥309,656	¥296,970	¥287,863	¥337,323 <sup>(5)</sup>	¥349,656	<b>¥341,939</b>
Net assets per share (Yen)	¥540.57	¥520.30	¥559.06	¥6,170.79 <sup>(6)</sup>	¥6,143.16	<b>¥5,882.75</b>
Basic earnings per share (Yen)	¥21.11	¥23.57	¥39.27	¥429.20 <sup>(6)</sup>	¥274.69	<b>¥365.01</b>
Diluted earnings per share (Yen)	¥20.99	¥23.43	¥39.00	¥426.83 <sup>(6)</sup>	¥273.12	<b>¥363.44</b>
Cash dividends per share (Yen)	¥10	¥10	¥10	— <sup>(4)</sup>	¥110	<b>¥110</b>
Payout ratio (%)	47.4	42.4	25.5	23.3	40.0	<b>30.1</b>
Capital adequacy ratio (%)	25.1	24.2	26.4	25.8 <sup>(5)</sup>	24.8	<b>23.5</b>
Return on equity (ROE) (%)	4.1	4.4	7.2	7.6	4.5	<b>6.1</b>
Price/Earnings ratio (PER) (Times)	15.4	13.7	9.4	10.0	15.1	<b>10.3</b>
Cash flows from operating activities (Millions of yen)	¥7,545	¥12,929	¥16,282	¥8,698	¥13,660	<b>¥22,488</b>
Cash flows from investing activities (Millions of yen)	¥(18,517)	¥(7,817)	¥367	¥(13,283)	¥(14,355)	<b>¥(13,239)</b>
Cash flows from financing activities (Millions of yen)	¥11,004	¥(5,448)	¥(15,641)	¥4,361	¥1,735	<b>¥(9,712)</b>
Cash and cash equivalents at end of period (Millions of yen)	¥5,569	¥5,328	¥6,157	¥6,837	¥7,788	<b>¥7,589</b>
Number of employees	3,164	3,110	3,099	3,692	3,893	<b>4,298</b>

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. 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.

5. 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).

6. 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 4 was conducted at the beginning of the fiscal year.

7. All U.S. dollar amounts are presented solely for the readers' convenience and are converted at the exchange rate (TTM) of 108.83 yen to the dollar as of March 31, 2020.

# Directors of the Board, Audit & Supervisory Board Members and Executive Officers (As of June 29, 2020)

## Directors of the Board



**President, Representative Director  
Akihiko Watanabe**

Apr. 1982 Joined the Company  
June 2009 Corporate Officer  
Deputy General Manager, Global Business Division of the Company  
June 2010 Executive Officer  
General Manager, Sales Promotion Division of the Company  
Apr. 2012 Executive Officer  
General Manager, International Business Division of the Company  
Apr. 2013 Executive Officer of the Company  
President of Japan Pulp & Paper (U.S.A.) Corp.  
Apr. 2015 Executive Vice President of the Company  
President of Japan Pulp & Paper (U.S.A.) Corp.  
Apr. 2016 Executive Vice President  
Global Business  
General Manager, International Sales Division of the Company  
June 2016 Director of the Board  
Executive Vice President  
Global Business  
General Manager, International Sales Division of the Company  
Apr. 2017 Representative Director  
President of the Company (present position)



**Representative Director  
Chihiro Katsuta\***

Apr. 1982 Joined the Company  
June 2009 Corporate Officer  
Deputy General Manager, Finance & Administration Division of the Company  
June 2010 Executive Officer  
General Manager, Management Planning Division of the Company  
Apr. 2014 Executive Vice President  
General Manager, Chubu Branch of the Company  
Apr. 2016 Executive Vice President  
Household Paper of the Company  
June 2016 Director of the Board  
Executive Vice President  
Household Paper of the Company  
Apr. 2017 Director of the Board  
Senior Executive Vice President CFO of the Company  
June 2019 Representative Director  
Senior Executive Vice President CFO of the Company (present position)



**Director of the Board  
Tomoyuki Miyazaki\***

Apr. 1977 Joined the Company  
June 2010 Executive Officer  
General Manager, Kyushu Branch of the Company  
Apr. 2013 Executive Vice President  
General Manager, Kyushu Branch of the Company  
Apr. 2014 Executive Vice President  
General Manager, Newsprint & Publication Paper Sales Division of the Company  
Apr. 2015 Executive Vice President  
Paper Sales & Marketing of the Company  
June 2015 Director of the Board  
Executive Vice President  
Paper Sales & Marketing of the Company  
Apr. 2016 Director of the Board  
Senior Executive Vice President  
Paper Sales & Marketing of the Company  
Apr. 2017 Director of the Board  
Senior Executive Vice President COO  
Paper Sales & Marketing of the Company  
Apr. 2018 Director of the Board  
Senior Executive Vice President COO of the Company  
Aug. 2018 Director of the Board  
Senior Executive Vice President COO  
Raw Materials & Environment of the Company (present position)



**Director of the Board  
Kazuhiko Sakurai\***

Apr. 1982 Joined the Company  
Apr. 2011 Executive Officer  
General Manager, Hokkaido Branch of the Company  
Apr. 2013 Executive Officer  
General Manager, Kitanihon Branch of the Company  
Apr. 2015 Executive Vice President  
Paperboard & Household Paper of the Company  
June 2015 Director of the Board  
Executive Vice President  
Paperboard & Household Paper of the Company  
Apr. 2016 Director of the Board  
Executive Vice President  
Paperboard of the Company  
Apr. 2017 Director of the Board  
Executive Vice President  
Paperboard & Household Paper of the Company  
June 2017 Senior Executive Vice President  
Paperboard & Household Paper of the Company  
June 2019 Director of the Board  
Senior Executive Vice President  
Paperboard & Household Paper of the Company (present position)



**Director of the Board  
Itaru Masuda\*\***

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



**Director of the Board  
Sumiko Takeuchi\*\***

Apr. 1994 Joined Tokyo Electric Power Company, Inc.  
Jan. 2012 Director and Senior Fellow of International Environment and Economy Institute (present position)  
Feb. 2012 Director of Forestock Association  
Apr. 2014 Assistant Project Leader of The 21st Century Public Policy Institute (present position)  
Apr. 2016 Visiting Professor of University of Tsukuba (present position)  
Oct. 2016 External Advisor of Accenture Japan Ltd.  
Nov. 2016 Joint Representative of Matrix Associates LLP (present position)  
Apr. 2018 Visiting Professor of Kansai University  
Apr. 2018 External Advisor of McKinsey & Company, Inc. (present position)  
Oct. 2018 Joint Founder and Representative Director of U3Innovations LLC (present position)  
June 2019 Outside Director of the Board of the Company (present position)  
Apr. 2020 Specially Appointed Professor of Tohoku University (present position)

\* Director of the Board also serving as an Executive Officer

\*\* Outside directors and outside auditors registered as independent officers as stipulated by Tokyo Stock Exchange.

## Audit & Supervisory Board Members



**Audit & Supervisory Board Member**  
(Full-time)

### Rie Uesaka

Apr. 1986 Joined the Company  
June 2005 Director  
Financial Controller  
Japan Pulp & Paper GmbH  
Apr. 2010 General Manager  
Overseas Administration Department of the Company  
Apr. 2017 Director  
Deputy General Manager  
Japan Pulp & Paper (Shanghai) Co., Ltd.  
Apr. 2018 Director  
JPTS Electronics Materials (Shanghai) Co., Ltd.  
June 2020 Full-time Audit & Supervisory Board Member of the Company (present position)



**Audit & Supervisory Board Member**  
**Katsunori Kitamura**

Apr. 1984 Appointed as judge  
Apr. 1989 Assigned to Ministry of Posts and Telecommunications (name at the time)  
July 1991 Restored post of judge  
Mar. 1996 Retired as judge, and registered as an attorney (Marunouchi Law Office) (present position)  
June 2012 Outside Audit & Supervisory Board Member of Kataoka & Co., Ltd. (present position)  
June 2015 Outside Audit & Supervisory Board Member of the Company (present position)



**Audit & Supervisory Board Member**  
**Naofumi Higuchi\*\***

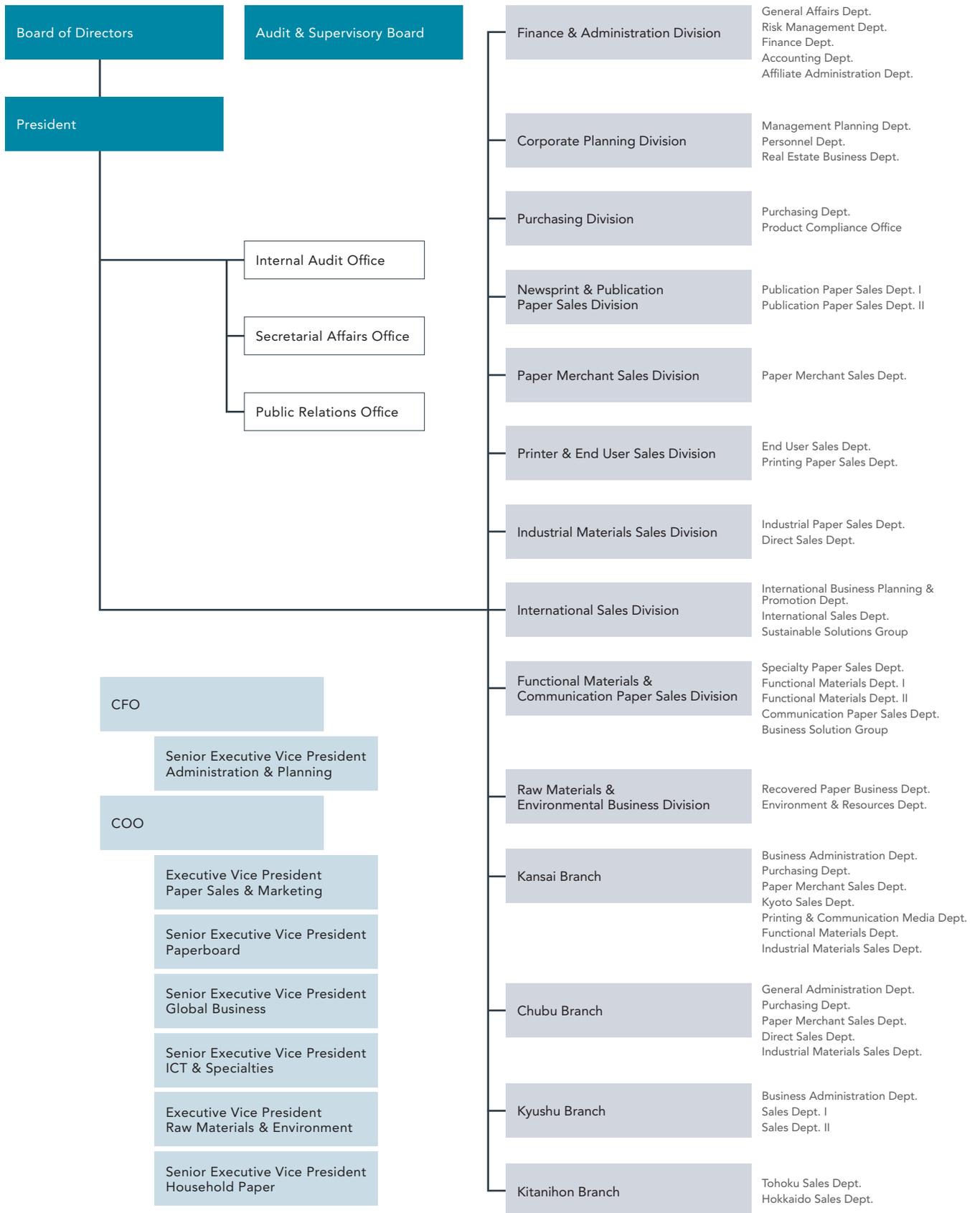
Oct. 1997 Joined Chuo Audit Corporation  
Apr. 2001 Registered as a certified public accountant  
Aug. 2007 Joined Mizuho Securities Co., Ltd.  
Aug. 2009 Joined the Japanese Institute of Certified Public Accountants  
Apr. 2012 Associate Professor of Tohoku University Accounting School  
Jan. 2013 Joined Grant Thornton Taiyo ASG LLC  
June 2016 Established Higuchi Certified Public Accountant Office, Appointed as Representative (present position)  
June 2016 Outside Audit & Supervisory Board Member of the Company (present position)  
Apr. 2018 Professor of Tohoku University Accounting School (present position)  
Mar. 2020 Outside Director of Nippon Aqua Co., Ltd. (present position)

## Executive Officers

Senior Executive Vice Presidents	Chihiro Katsuta	CFO
	Tomoyuki Miyazaki	COO; Raw Materials & Environment
	Kazuhiko Sakurai	Paperboard & Household Paper
Executive Vice Presidents	Tetsuo Izawa	Paper Sales & Marketing; General Manager, Paper Merchant Sales Division
	Mitsutoshi Imamura	Global Business, ICT & Specialties
	Toru Teshima	General Manager, Kansai Branch
Senior Vice Presidents	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
	Nobuyuki Matsuura	Deputy General Manager, Kansai Branch
	Susumu Tanaami	General Manager, Chubu Branch
	Fumio Watanabe	President, JP Information Center Co., Ltd.
	Kagetaka Matsuura	President, JP Loginet Co., Ltd.
	Shinichiro Yamamoto	President, Eco Paper JP Co., Ltd.
Executive Officers	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 Sukanuma	General Manager, Functional Materials & Communication Paper Sales Division
	Makoto Shirovani	General Manager, Raw Materials & Environmental Business Division
	Ryoichi Nagato	General Manager, Kyushu Branch
	Toshihiko Kitayama	General Manager, Kitanihon Branch
	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

(As of June 29, 2020)

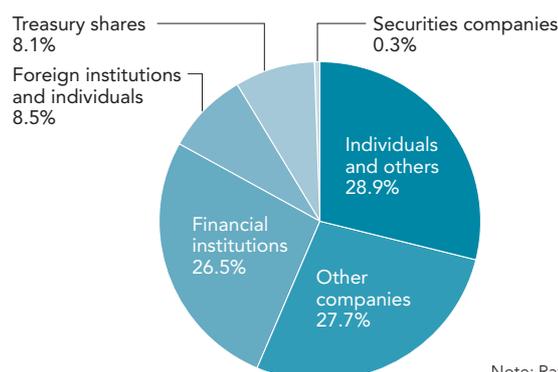


# Corporate Data

(As of March 31, 2020)

<b>Corporate Name</b>	Japan Pulp & Paper Co., Ltd.
<b>Head Office</b>	Forefront Tower, 3-12-1 Kachidoki, Chuo-Ku, Tokyo 104-8656 Japan <b>International Business Planning &amp; Promotion Department</b> Tel: +81-3-5548-4242
<b>Representative</b>	Akihiko Watanabe President, Representative Director
<b>Foundation</b>	1845
<b>Date of Establishment</b>	December 15, 1916
<b>Capital</b>	¥16,648.92 million
<b>Fiscal Year-End</b>	March 31
<b>Number of Employees</b>	Consolidated: 4,298 Non-consolidated: 709
<b>Major Activities</b>	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
<b>Domestic Bases</b>	Kansai Branch; Kansai Branch, Kyoto Sales Dept.; Chubu Branch; Kyushu Branch; Kitanihon Branch, Tohoku Sales Dept.; Kitanihon Branch, Hokkaido Sales Dept.
<b>Consolidated Subsidiaries</b>	76
<b>Associated Companies (Equity-Method)</b>	7
<b>Main Banks</b>	Mizuho Bank, Ltd.; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; The Norinchukin Bank; The Shizuoka Bank, Ltd.
<b>Stock Information</b>	
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	11,846
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.; The Master Trust Bank of Japan, Ltd. (Trust Account); Japan Pulp & Co., Ltd. Shareholding Association; Japan Trustee Services Bank, Ltd. (Trust Account); Hokuetsu Corporation; JP Employee Shareholding Association; Chuetsu Pulp & Paper Co., Ltd.; Japan Trustee Services Bank, Ltd. (Trust Account 5); DFA INTL SMALL CAP VALUE PORTFOLIO

## 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/](http://www.kamipa.co.jp/eng/)



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2020.8 Printed in Japan