



FY2024* Financial Results Overview

*Fiscal year ended March 31, 2025

May 29, 2025

Prime Market
Tokyo Stock Exchange
Securities Code: 8032

Japan Pulp & Paper Co., Ltd.

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I FY2024 Financial Results Overview

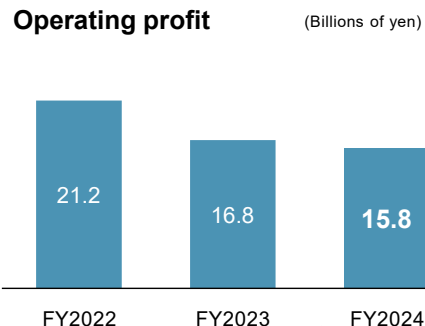
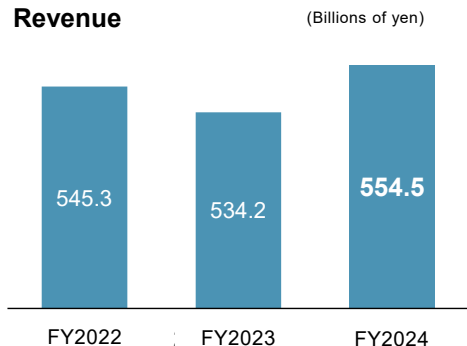
Financial Highlights

- Revenue increased year on year due to higher revenues in the Japan Wholesaling, Non-Japan Wholesaling, Paper Manufacturing & Processing, and Real Estate Leasing segments (103.8% compared to the previous fiscal year).
- Ordinary profit decreased year on year due to an increase in selling, general and administrative expenses such as personnel expenses and logistics costs in the Japan Wholesaling, Non-Japan Wholesaling, and Paper Manufacturing & Processing segments (94.4% compared to the previous fiscal year).
- Profit attributable to owners of the parent decreased year on year, mainly due to the recording of impairment losses on property, plant and equipment and goodwill at consolidated subsidiaries in the Paper Manufacturing & Processing and Non-Japan Wholesaling segments (73.1% compared to the previous fiscal year).

Consolidated Financial Results Overview

Revenue increased in all business segments except Raw Materials & Environment. Ordinary profit decreased due to increased personnel expenses and logistics costs, as well as the expenses relating to overseas M&As.

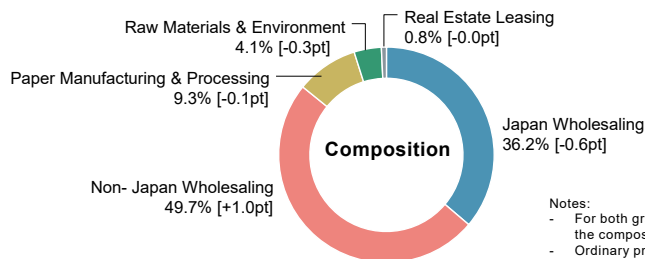
	FY2023	FY2024	(Millions of yen) Year-on-Year Comparison
Revenue	534,230	554,524	103.8%
Gross Profit	87,406	91,466	104.6%
Operating Profit	17,403	15,071	86.6%
Ordinary Profit	16,753	15,822	94.4%
Profit Attributable to Owners of Parent	10,357	7,569	73.1%



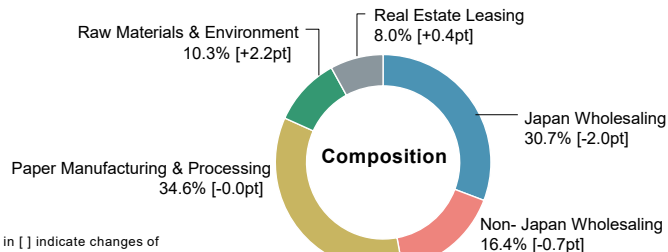
Financial Results by Segment

Strengths of a stable revenue base: While profits in Japan Wholesaling and Non-Japan Wholesaling declined significantly, the decline in consolidated ordinary profit was limited due to increased profits in Raw Materials & Environment.

Composition of Revenue from External Customers by Business Segment



Composition of Ordinary Profit by Business Segment



Notes:
 - For both graphs, figures in [] indicate changes of the composition ratio from FY2023
 - Ordinary profit is the simple sum of each segment, excluding adjustments.

(Millions of yen)

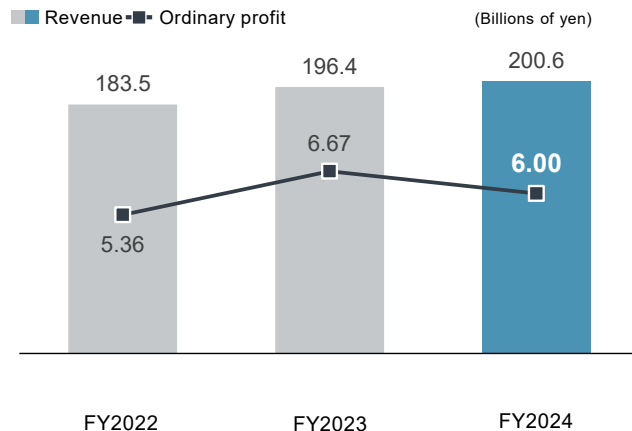
	Revenue from External Customers			Ordinary Profit		
	FY2023	FY2024	Year-on-Year Comparison	FY2023	FY2024	Year-on-Year Comparison
Japan Wholesaling	196,359	200,627	102.2%	6,673	6,000	89.9%
Non-Japan Wholesaling	260,104	275,488	105.9%	3,481	3,195	91.8%
Paper Manufacturing & Processing	50,051	51,597	103.1%	7,044	6,761	96.0%
Raw Materials & Environment	23,641	22,650	95.8%	1,645	2,012	122.3%
Real Estate Leasing	4,075	4,161	102.1%	1,540	1,553	100.8%
Adjustments	—	—	—	-3,630	-3,698	—
Amount recorded on consolidated statements of income	534,230	554,524	103.8%	16,753	15,822	94.4%

Japan Wholesaling: Overview 1

Revenue: In the paper business, sales volume declined due to the progress of digitalization and a decrease in publications and commercial printing. However, paperboard and functional materials offset this decline, resulting in a year-on-year revenue increase.

Ordinary profit: Decreased year on year due to an increase in personnel expenses and logistics costs.

Revenue/Ordinary profit



Segment overview

Paper:

Sales volume decreased year on year due to a decline in demand caused by structural factors, such as the ongoing shift towards digitalization, as well as a decrease in the circulation of periodicals and catalogs.

Paperboard:

Sales of containerboard for agricultural produce and industrial products were sluggish, the former due to inclement weather conditions, but remained strong for beverages. Sales volume of box board increased year on year due to steady sales for inbound tourist and trading card applications.

Sales of functional materials increased year on year due to the continued recovery in demand for electronics and other applications.

Japan Wholesaling: Overview 2

For FY2024, year-on-year domestic demand in Japan* was 97.1% for paper, 100.1% for paperboard, and 98.7% for paper and paperboard combined.

*Domestic demand in Japan = shipments + imports (Japan Paper Association and Japan Paper Importers' Association)

Sales Volume and Revenue from Domestic Customers in Japan (Non-consolidated)

	Sales Volume (10,000 tons)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Paper	88.3	87.7	-0.7	99.3%
Paperboard	78.4	79.5	+1.1	101.4%

	Revenue (Billions of yen)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Paper	130.14	130.21	+0.07	100.1%
Paperboard	33.17	35.80	+2.62	107.9%

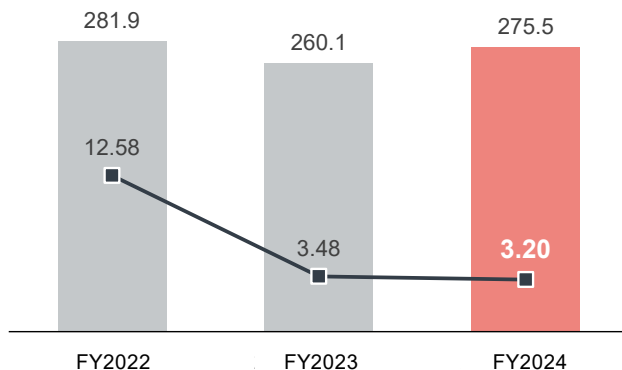
Non-Japan Wholesaling: Overview 1

Revenue: Increased year on year due to the completion of inventory adjustment in the U.S. market and increased sales resulting from M&As in Germany and France, as well as foreign currency translation

Ordinary profit: Decreased year on year due to lower sales unit prices resulting from intensified competition, higher personnel expenses and logistics costs, and M&A related expenses

Revenue/Ordinary profit

■ Revenue ■ Ordinary profit (Billions of yen)



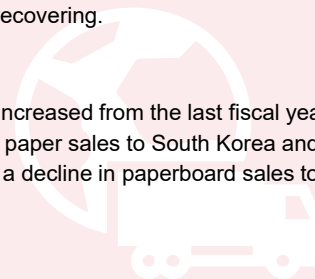
Segment Overview

Status of Key Markets:

Unit sales prices fell in the U.K. and Australia due to intensified price competition amid weak demand. In the U.S., however, inventory adjustments have been finalized and sales volumes are recovering.

Exports from Japan:

Both volume and value increased from the last fiscal year, mainly due to increased paper sales to South Korea and Southeast Asia, despite a decline in paperboard sales to China.



Non-Japan Wholesaling: Overview 2

Demand for paper and paperboard remained weak in our key markets in 2024, particularly in the U.K. and Australia, due to digitalization and the impact of economic trends. The situation in the U.S. was stable, partly due to a recovery following inventory adjustments.

Non-consolidated and Regional Revenue and Ordinary Profit (Within Segment)

	Revenue (Billions of yen)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Non-consolidated	27.17	29.17	+2.01	107.4%
United States	103.44	111.29	+7.85	107.6%
Europe	57.34	63.71	+6.37	111.1%
Oceania	47.15	44.03	-3.12	93.4%
Asia	25.01	27.30	+2.28	109.1%

	Ordinary Profit (Billions of yen)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Non-consolidated	0.73	0.79	+0.07	108.9%
United States	1.81	2.80	+1.00	155.1%
Europe	0.60	-1.28	-1.89	—
Oceania	0.90	0.82	-0.08	91.1%
Asia	-0.61	0.06	+0.67	—

Sales Volume by Region (Within Segment)

(10,000 tons)	Sales Volume (10,000 tons)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
United States	45.0	62.8	+17.8	139.7%
Europe	17.5	17.4	-0.1	99.4%
Oceania	15.2	14.4	-0.8	94.6%

Note: Sales volumes are simple totals of major subsidiaries.

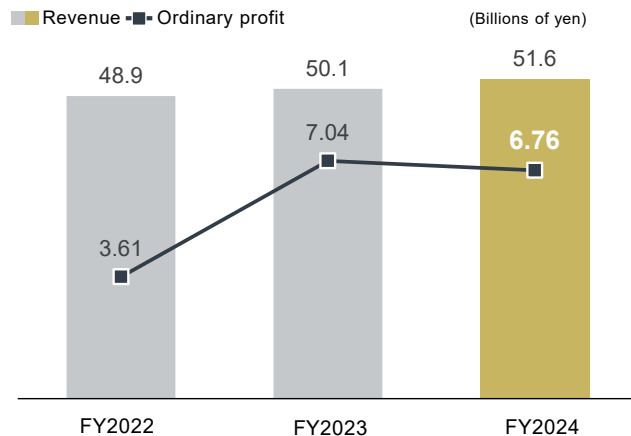
Targets for aggregation are not the same as those for the table on the left.

Paper Manufacturing & Processing: Overview 1

Revenue: Increased year on year due to higher unit sales prices of recycled household paper. Sales volumes in the corrugated container business and recycled household paper business remained consistent year on year.

Ordinary profit: Decreased year on year due to higher labor, fuel, and logistics costs.

Revenue/Ordinary profit



Segment Overview

Corrugated Container Business:

Sales volume decreased slightly year on year in the containerboard business but increased year on year in the sheet and box manufacturing business. Sales prices remained consistent year on year for both paper manufacturing and processing.

Recycled Household Paper Business:

Sales volume remained consistent year on year. Although unit selling prices increased, the sales amount remained flat year on year due to the sale of businesses outside of Japan.

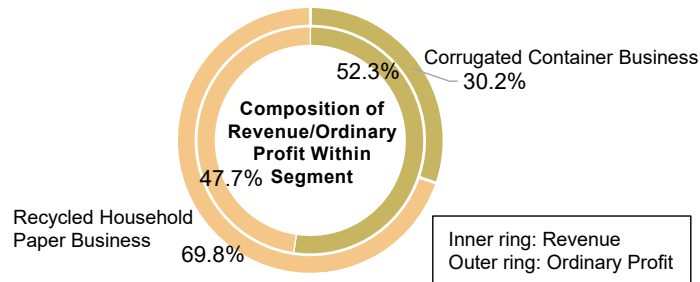
Operating Profit:

Manufacturing costs were reduced due to improved production efficiency in the recycled household paper business. However, ordinary profit decreased year on year due to higher labor, fuel, and logistics costs.

Paper Manufacturing & Processing: Overview 2

Japanese domestic demand for household paper products (e.g., toilet paper) increased slightly to 101.7% year on year in FY2024

Domestic demand = shipments + imports Nihon Kateishi Kougyokai (Japan Household Paper Manufacturers Association) and Ministry of Finance trade statistics



Quantity by Business (Within segment)

	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Containerboard Business Sales Volume (10,000 tons)	22.9	22.7	-0.2	99.1%
Corrugated Container Manufacturing Business Sales Volume (10,000 m)	15,735	16,195	+460.3	102.9%
Recycled Household Paper Business Production Volume (10,000 tons)	11.4	11.3	-0.1	99.5%

Note: Production volume is listed for household paper only.
Production and sales volumes are simple totals of major subsidiaries.

Revenue/Ordinary Profit by Business (Within Segment)

	Revenue (Billions of yen)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Corrugated Container Business	25.30	27.00	+1.70	106.7%
Recycled Household Paper Business	24.75	24.60	-0.15	99.4%

	Ordinary Profit (Billions of yen)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Corrugated Container Business	3.45	2.04	-1.41	59.2%
Recycled Household Paper Business	3.60	4.72	+1.12	131.2%

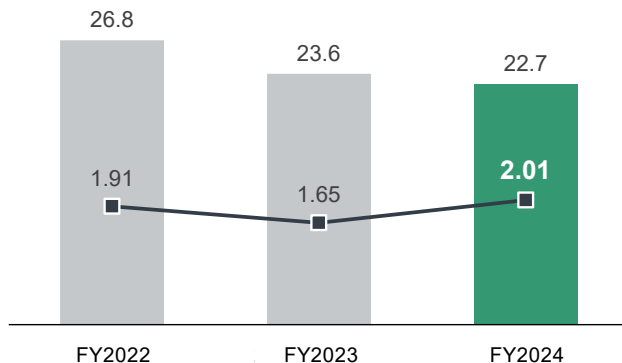
Raw Materials & Environment: Overview 1

Revenue: Decreased year on year due mainly to lower sales volume of recovered paper

Ordinary profit: Increased year on year due to higher sales of fuel for woody biomass power plants and increased selling prices

Revenue/Ordinary profit

■ Revenue ■ Ordinary profit (Billions of yen)



Segment Overview

Recovered Paper:

In both Japan and the U.S., the decline in demand for paper and paperboard has resulted in a reduction in the amount of wastepaper being generated, as well as business sites being transferred or closed. Consequently, sales volume has decreased.

Pulp:

Sales volume decreased both inside and outside of Japan.

Renewable Energy Business:

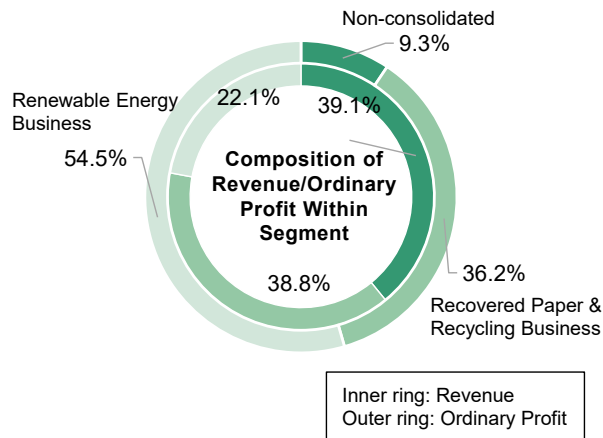
Sales in solar power generation were consistent year on year. The profitability of woody biomass power generation is under severe pressure due to rising fuel costs.

Sales of fuel for woody biomass power generation plants saw a significant increase in handling volume following the opening of a second yard in Malaysia in the previous fiscal year. The sales price has also increased.

Comprehensive Recycling Business:

Sales remained consistent year on year.

Raw Materials & Environment: Overview 2



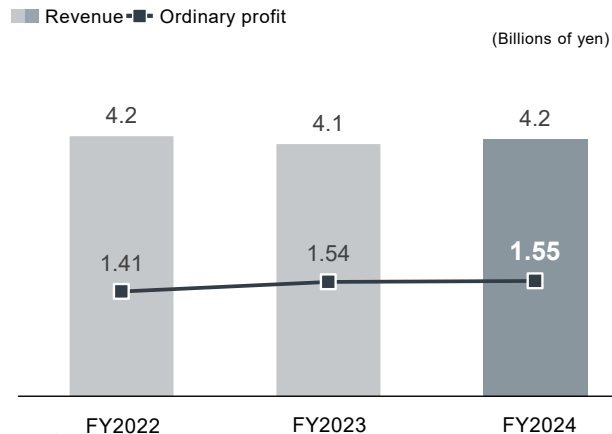
Revenue and Ordinary Profit on a Non-consolidated Basis and by Business (Within Segment)

	Revenue (Billions of yen)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Non-consolidated	7.62	8.85	+1.22	116.0%
Recovered Paper & Recycling Business	12.02	8.79	-3.23	73.2%
Renewable Energy Business	4.00	5.01	+1.02	125.4%

	Operating Profit (Billions of yen)			
	FY2023	FY2024	Year-on-Year Change	Year-on-Year Comparison
Non-consolidated	0.15	0.19	+0.04	127%
Recovered Paper & Recycling Business	0.69	0.73	+0.04	105.3%
Renewable Energy Business	0.81	1.10	+0.29	135.3%

Real Estate Leasing: Overview

Revenue/Ordinary profit



Segment Overview

Revenue:

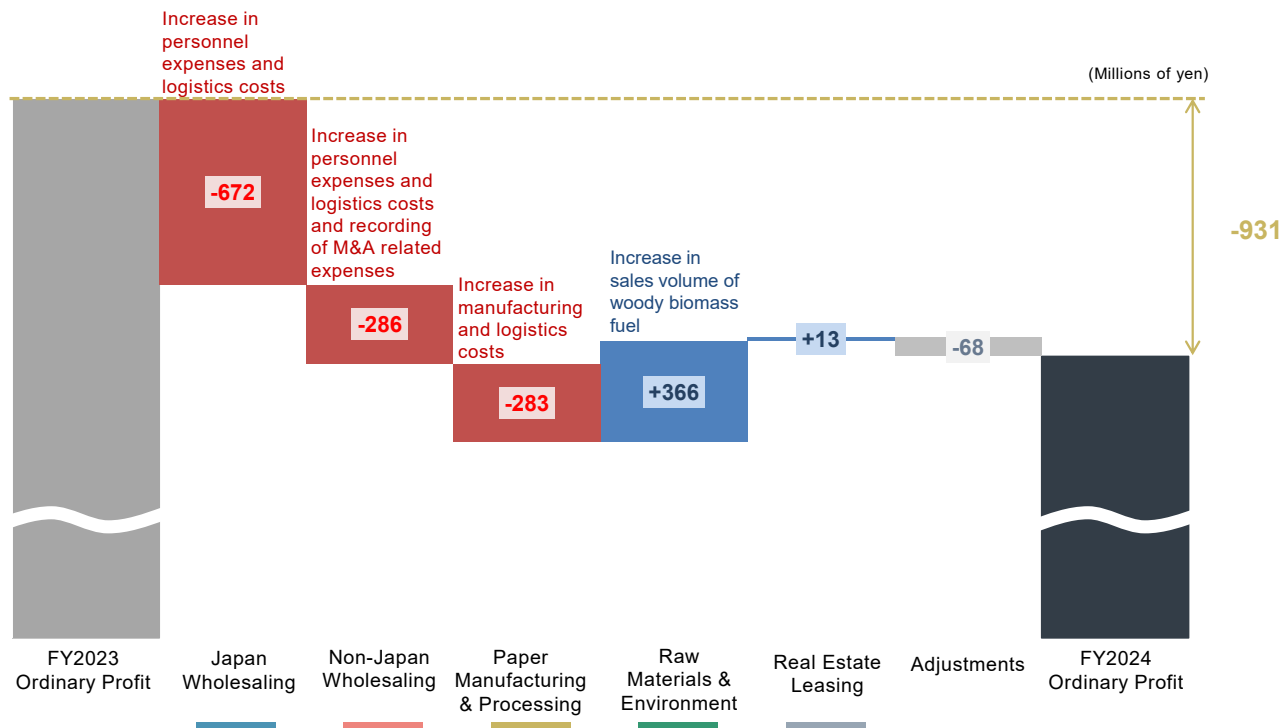
Increased year on year due to continued high occupancy of major properties.

Ordinary Profit:

Increased year on year due to an increase in rental income as well a decrease in repair and maintenance expenses resulting from a decrease in the number of tenants moving in and out of properties.

Ordinary Profit: Analysis of Changes in Profit

Ordinary profit decreased by JPY 931 million, 94.4% compared to the previous fiscal year





FY2025 Financial Results Forecast

Consolidated Financial Results Forecast

The forecasts for ordinary profit and profit attributable to owners of the parent are 98.0% and 112.3% respectively, compared to FY2024.

(Millions of yen)

	FY2024 Results	FY2025 Forecasts	Year-on-Year Comparison
Operating Profit	15,071	16,500	109.5%
Ordinary Profit	15,822	15,500	98.0%
Profit Attributable to Owners of Parent	7,569	8,500	112.3%

Financial Results Forecast: Underlying Assumptions

Based on expected higher sales volumes in markets outside of Japan and stable selling prices in the Japanese market, ordinary profit is forecast to be JPY 15.5 billion.

Segment	Outlook
Japan Wholesaling	● Demand for paper is expected to continue declining, but paperboard demand is expected to continue recovering. ● Increased logistics costs and personnel expenses
Non-Japan Wholesaling	● Prolonged market slump ● Continued upfront costs ● Increased personnel expenses and other costs ● Increased sales of high value-added products and increased sales through M&As implemented up to FY2024
Paper Manufacturing & Processing	● Costs for raw materials, fuel, logistics, etc. are expected to increase. On the other hand, an increase in sales volume in the corrugated container business, as well as cost reductions through the streamlining of manufacturing processes are expected.
Raw Materials & Environment	● Decrease in the amount of wastepaper generated due to lower consumption of paper and paperboard

FY2025 Forecasts by Segment

Ordinary profit forecasts by segment

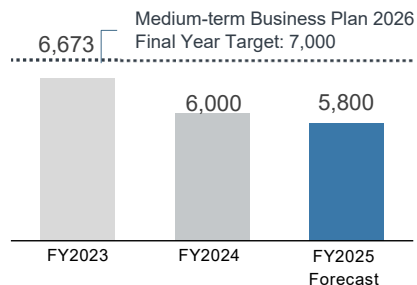
	FY2024 Results	FY2025 Forecast	Year-on-Year Comparison	(Millions of yen) Medium-term Business Plan 2026 Final Year Plan (FY2026)
Japan Wholesaling	6,000	5,800	96.7%	7,000
Non-Japan Wholesaling	3,195	3,900	122.1%	8,000
Paper Manufacturing & Processing	6,761	6,800	100.6%	7,500
Raw Materials & Environment	2,012	1,800	89.5%	2,000
Real Estate Leasing	1,553	1,400	90.2%	1,500
Adjustments	-3,698	-4,200		-4,000
Consolidated Ordinary Profit	15,822	15,500	98.0%	22,000

Exchange rate assumptions: JPY 158.18 to USD 1, JPY 164.92 to EUR 1, JPY 199.02 to GBP 1, JPY 98.5 to AUD 1 (as of December 31, 2024)

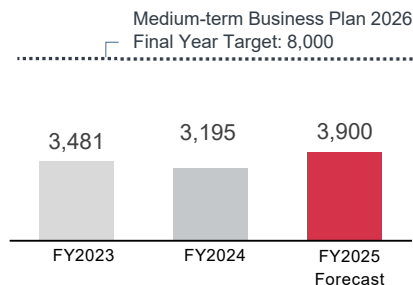
FY2025 Forecasts by Segment

Ordinary profit trends by segment

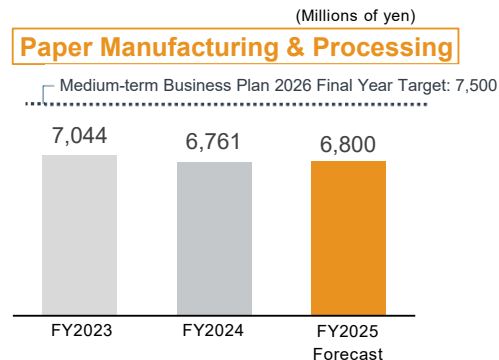
Japan Wholesaling



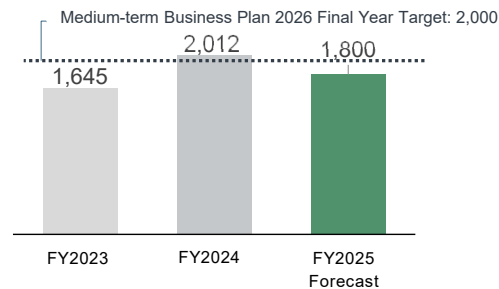
Non-Japan Wholesaling



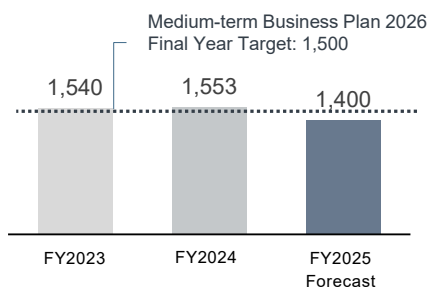
Paper Manufacturing & Processing



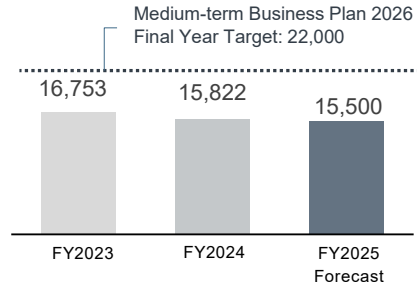
Raw Materials & Environment



Real Estate Leasing

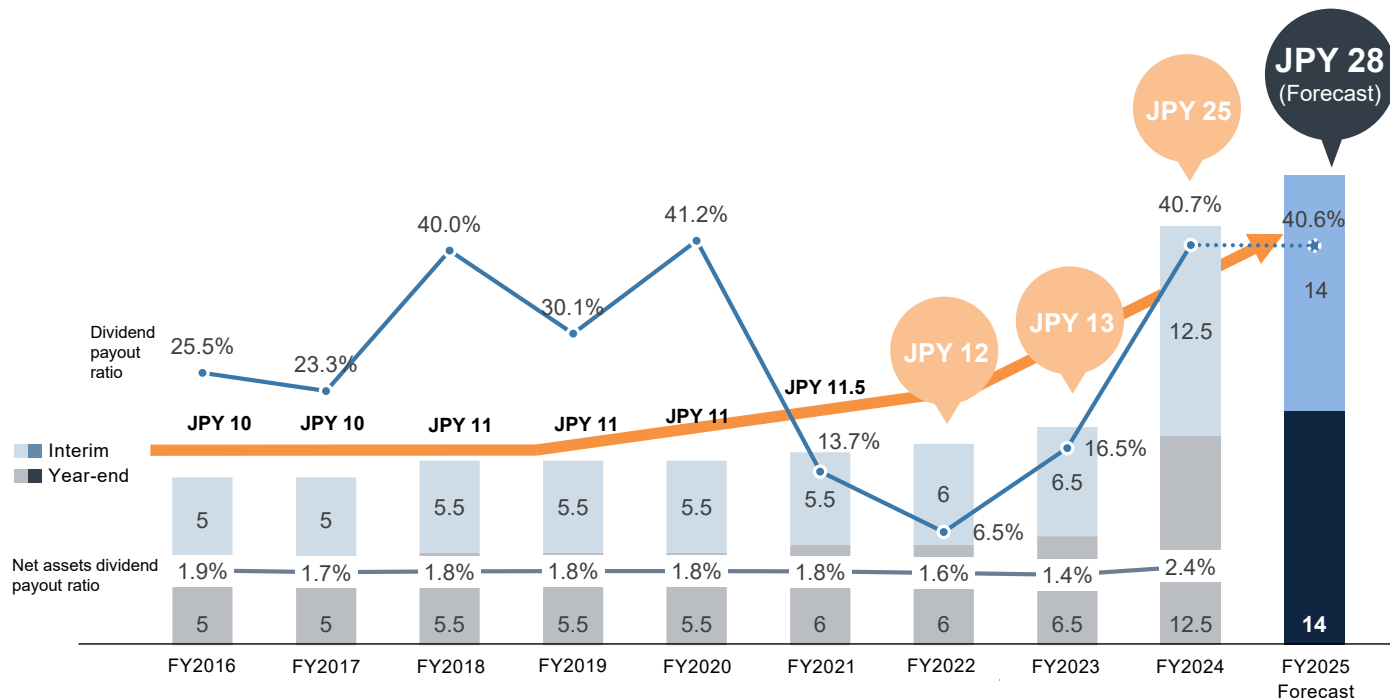


Consolidated total



Dividends (Records and Forecasts)

Annual dividend was JPY 25 per share in FY2024, marking the fourth consecutive fiscal year of dividend increases. The forecast for FY2025 is JPY 28 per share.



Note: A 10:1 reverse stock split was effected on October 1, 2017 and a 1:10 stock split was effected on October 1, 2024. For dividends in FY2023 and earlier, amounts after the most recent stock adjustment are shown.



Overview of OVOL Vision 2030 and OVOL Medium-term Business Plan 2026

OVOL Vision 2030: “Paper, and beyond”

The World's Leading Paper Distribution Group

We will refine our know-how and network cultivated over more than 170 years in the paper and paperboard wholesaling business to become recognized as the world's leading paper distribution group.

Objectives

- Demonstrate unparalleled reliability, presence and functionality in the supply chain of the paper and paperboard market worldwide.
- Help customers add value to their products and services, and enhance their corporate value.
- Operate platforms with a broad global reach that deliver the specialized functions required by the group's paper business.

A Group That Contributes to a Sustainable Society and the Global Environment

In addition to our core paper and paperboard wholesaling business, through the recycling of recovered paper and other materials, paper manufacturing, and our renewable energy businesses, we will become a corporate group with an acute awareness of the UN's Sustainable Development Goals (SDGs) that further contributes to a sustainable society and the global environment.

Objectives

- Work toward carbon neutrality and the minimization of environmental impact throughout the entire supply chain.
- Contribute to the restoration and preservation of biodiversity.
- Contribute to the creation of a circular economy through our paper and plastic recycling businesses and the manufacturing of paper using wastepaper as a raw material.

A Corporate Group That Strives to Be Considered a Trustworthy and Engaging Partner Both Within and Beyond the Paper Industry

We will strive to become widely recognized and well-thought of within society for our corporate excellence.

Objectives

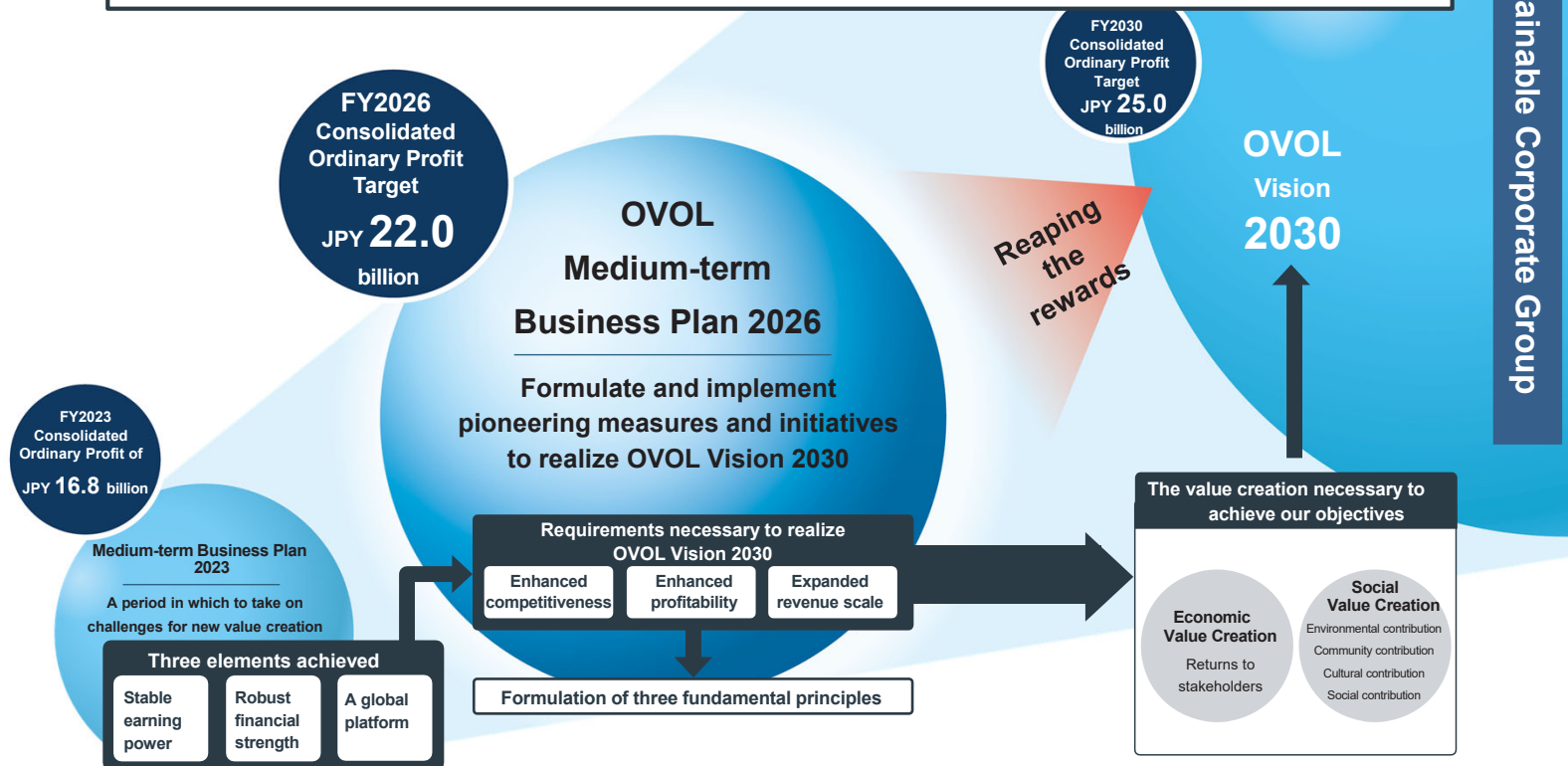
- Continue to enhance corporate value through growth investment, including investment in sustainability.
- Continue to increase work engagement.
- Be highly valued by shareholders for ongoing improvements in growth potential, management transparency, financial soundness, and investment efficiency, backed by a robust governance structure.
- Ensure thorough compliance and environmental, health and safety management throughout the group.
- Contribute to the development of paper culture by raising awareness of the functions and value of paper.

Quantitative target for FY2030:

Consolidated ordinary profit of JPY **25.0** billion

Positioning of OVOL Medium-term Business Plan 2026

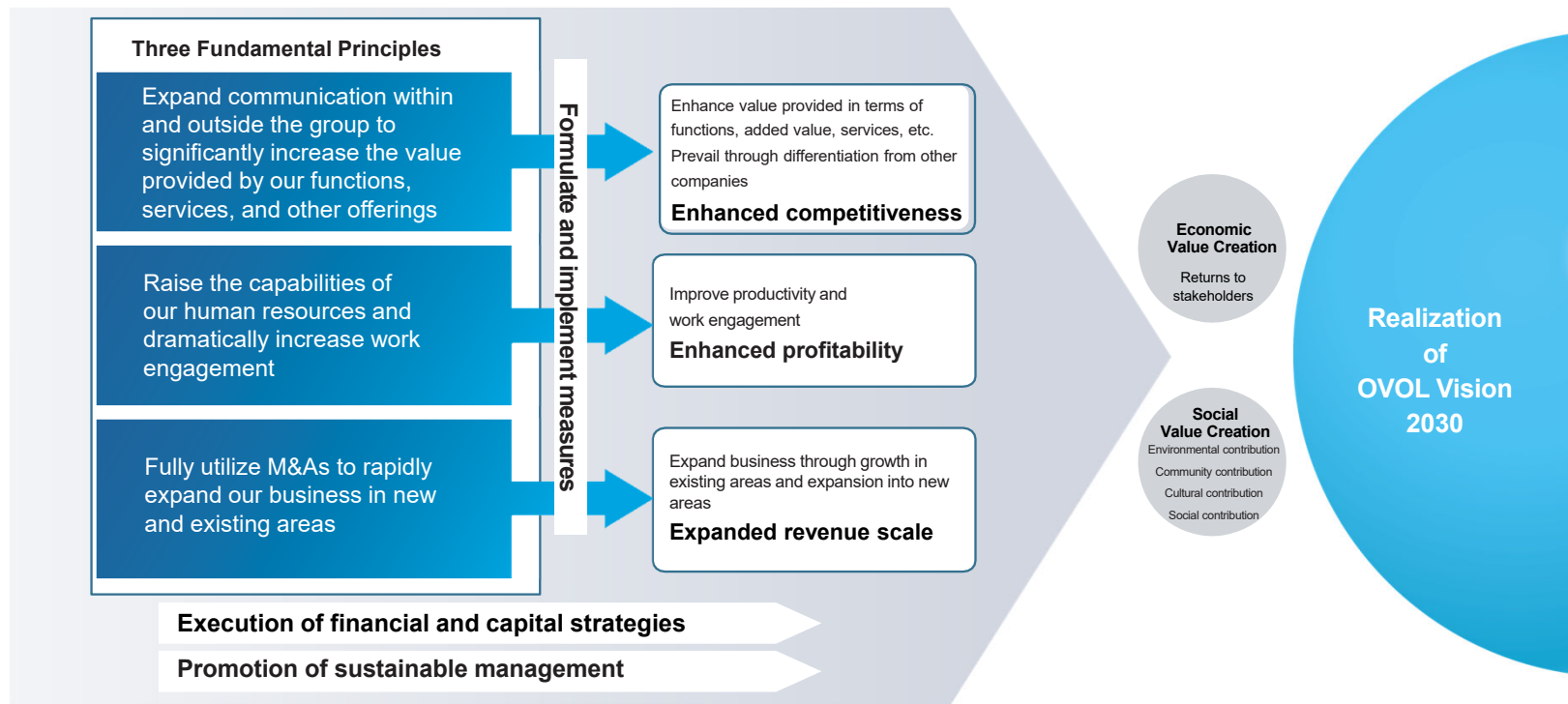
Three years of developing specific mechanisms and measures to create economic and social value toward the realization of OVOL Vision 2030



Fundamental Principles of OVOL Medium-term Business Plan 2026

Aim to achieve OVOL Vision 2030 by formulating and implementing measures based on three fundamental principles

OVOL Medium-term Business Plan 2026



OVOL Medium-term Business Plan 2026: Consolidated Financial Targets

- Achieve consolidated ordinary profit of JPY 22.0 billion surpassing the previous record high
- Realize ROE of 8% or more, ROA of 5% or more, and ROIC of 7% or more, through greater awareness of the cost of capital
- Maintain or improve “A” credit rating, secure funding capability, and utilize financial leverage while keeping the net D/E ratio at 1.0x or less

Consolidated Financial Targets

	FY2022 Result	FY2023 Result	FY2024 Result	FY2026 Target
Consolidated Ordinary Profit	JPY 21.2 billion	JPY 16.8 billion	JPY 15.8 billion	JPY 22.0 billion
Return on Equity (ROE) ¹	24.0%	8.4%	5.8%	8.0% or more
Return on Assets (ROA) ²	5.9%	4.4%	4.1%	5.0% or more
Return on Invested Capital (ROIC) ³	7.5%	6.2%	5.7%	7.0% or more
Net D/E Ratio ⁴	0.66x	0.59x	0.60x	1.0x or less

Regarding the FY2026 net D/E ratio target:

Net D/E ratio improved to the 0.6x level largely due to income from the sale of non-current assets in FY2022, and financial soundness improved substantially. We set the ratio target at 1.0x or less to allow for flexibility in growth investments while also maintaining financial soundness.

Note: Exchange rate assumptions for FY2026: JPY 141.83 to USD 1, JPY 180.68 to GBP 1, JPY 96.94 to AUD 1 (as of December 31, 2023)

1. Profit attributable to owners of parent ÷ Equity (average of beginning and ending balances)
2. Ordinary profit ÷ Total assets (average of beginning and ending balances)
3. NOPAT (Net ordinary profit after tax [before interest expense]) ÷ Invested capital (Interest-bearing debt + Equity [average of beginning and ending balances])
4. (Interest-bearing debt – Cash and cash equivalents) ÷ Equity

OVOL Medium-term Business Plan 2026: Consolidated Ordinary Profit Analysis

FY2026 Consolidated Ordinary Profit Target

JPY **22.0** billion

(Millions of yen)

	FY2023	FY2026 Targets
Japan Wholesaling	6,673	7,000
Non-Japan Wholesaling	3,481	8,000
Paper Manufacturing & Processing	7,044	7,500
Raw Materials & Environment	1,645	2,000
Real Estate Leasing	1,540	1,500
Adjustments	-3,630	-4,000
Total	16,753	22,000

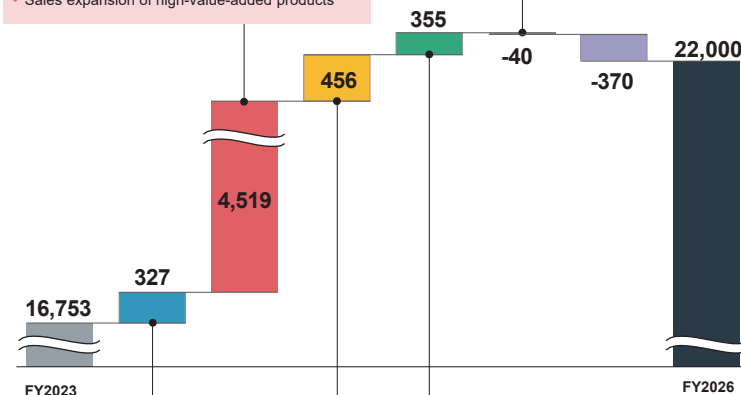
FY2026 Ordinary Profit Target Change Analysis (Compared with FY2023)

Non-Japan Wholesaling

- Recovery and stabilization of market prices and optimization of inventory values
- Expansion of business fields by continuing with complementary M&As
- Sales expansion of high-value-added products

Real Estate Leasing

- Establishment of stable earnings base



Japan Wholesaling

- Increase in market share through added value and differentiation
- Expansion in peripheral areas with M&As and strengthening of supply chain
- Enhancement of competitiveness through the promotion of digital transformation (DX) and logistics reforms
- Initiatives to promote awareness of the value of paper

Raw Materials & Environment

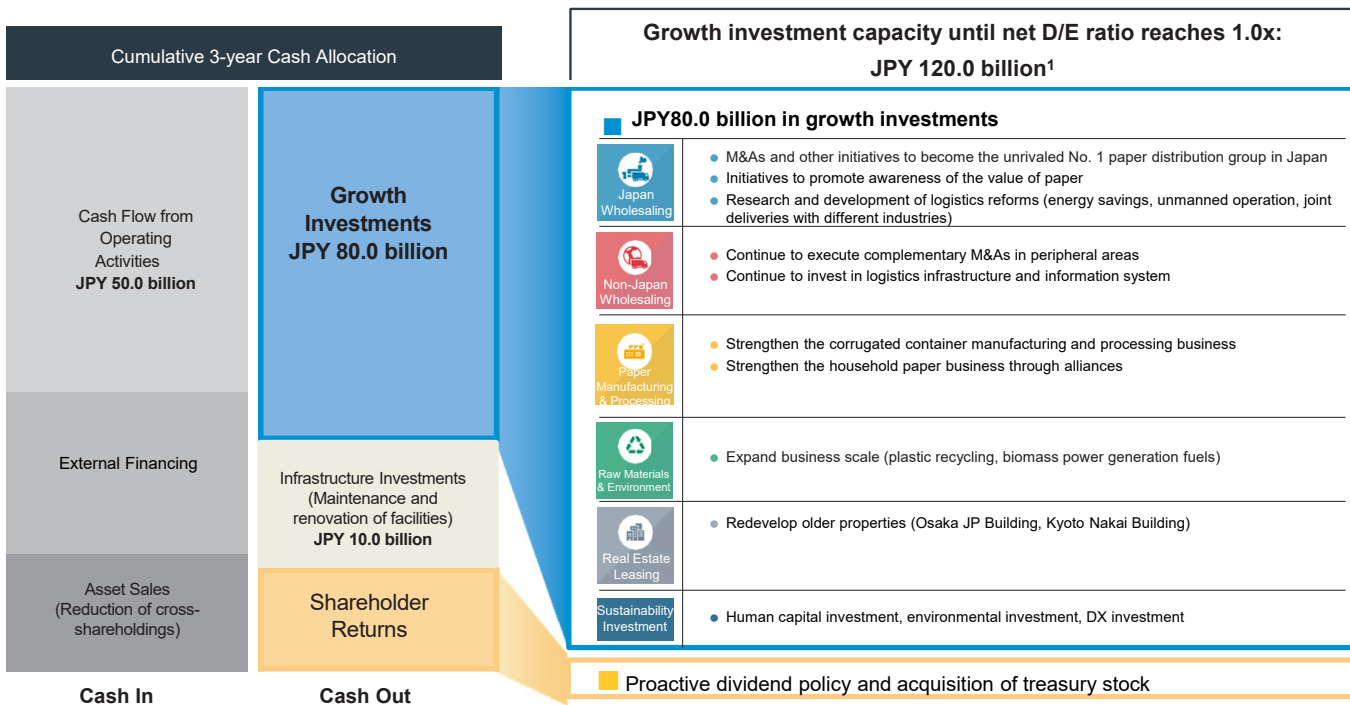
- Creation of income opportunities from promotion of a circular economy
- Expansion of business scale through investment

Paper Manufacturing & Processing

- Expansion of procurement network through alliances
- Improvement of production efficiency driven by DX
- Implementation of branding strategy

Financial and Capital Strategies: Cash Allocation

Invest in growth and deliver proactive shareholder returns by expanding cash flow and utilizing financial leverage



1: The group will respond with agility to growth investment opportunities such as M&As, utilizing financial leverage up to a net D/E ratio of 1.0x

Financial and Capital Strategies: Shareholder Return Policy

Deliver proactive shareholder returns that meet market expectations

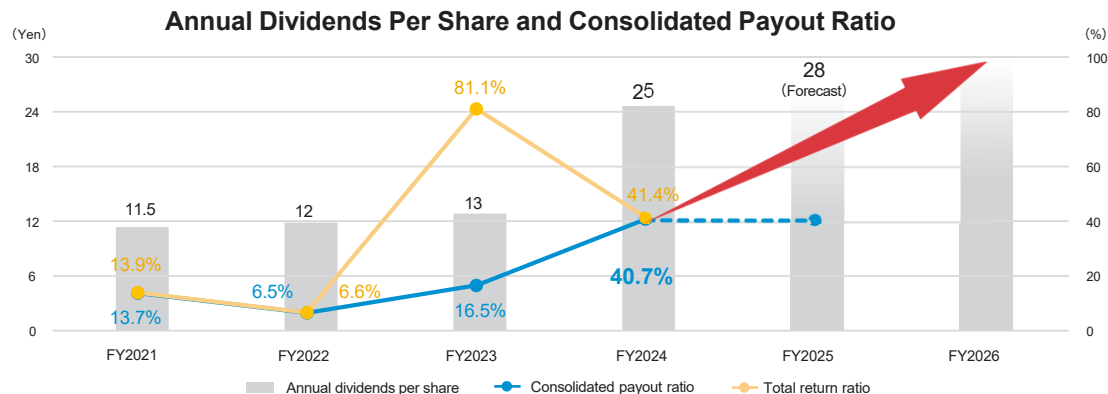
Shareholder Return Policy During Medium-term Business Plan 2026

Dividends

- Progressive dividends with consolidated payout ratio of 30% or more

Stock Buybacks

- Implement stock buybacks with agility and flexibility



Note: A 1:10 stock split was effected on October 1, 2024. The amounts after stock adjustment are shown for dividends in FY2024 and earlier.

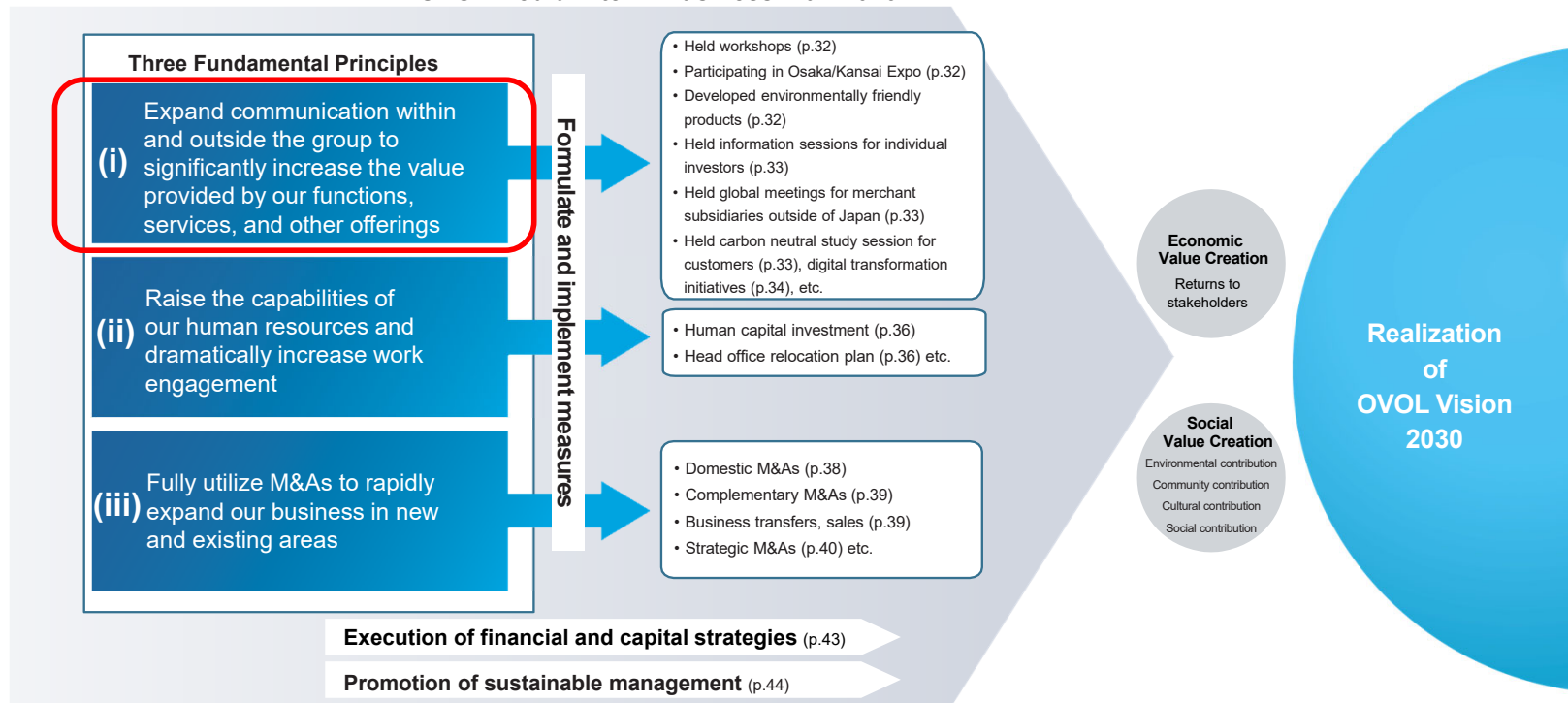


IV Progress of OVOL Medium-term Business Plan 2026

OVOL Medium-term Business Plan 2026: Fundamental Principles

Aim to achieve OVOL Vision 2030 by formulating and implementing measures based on three fundamental principles

OVOL Medium-term Business Plan 2026



(i) Expand Communication and Increase Value Provided 1

Workshops Exploring the Potential of Paper

At OVOL Bridges 2023 - The 2nd Paper Merchants Forum, held in 2023, we announced that we would implement three initiatives in Japan to promote the value of paper: nationwide expansion of classes, regular holding of workshops, and the establishment of a study group to promote the value of paper. As a first step, we held the OVOL CREATIVE WORKSHOP SERIES with the theme of education and intellectual development from August to October 2024. This event was held in collaboration with paper wholesalers nationwide, who are our customers and important business partners. Further workshops are planned for 2025 under a new theme.

Participation in Expo 2025 Osaka, Kansai, Japan

We are participating in the Future Life Experience presentation unit located in the Future Life Village (FLV) area of Expo 2025 Osaka, Kansai, Japan that commenced in April 2025. The Future Life Experience pavilion addresses various questions and proposals regarding “future life” and “actions for the future.” It is designed to foster dialogue among participants and visitors about future societal lifestyles and promoting co-creation.

At Expo 2025 we aim to introduce new possibilities of paper through exhibits and videos, and provide visitors with new discoveries and impressions of paper.

Received Japan Star Award at the 2024 Japan Packaging Contest

At the Japan Packaging Contest 2024 organized by the Japan Packaging Institute, the Kami-Air Design Window packaging material, which we exhibited jointly with Imura & Co., Ltd., received the highest award: the Japan Star Award. This product uses transparent white kraft paper and was highly acclaimed for its recyclability and design, and also allows for FSC mix certification. The Japan Pulp & Paper Group will continue to promote the use of paper and the elimination of plastics in the packaging field, and develop sustainable business activities.

Participation in SDGs Event for Elementary School Students

In February 2025, we collaborated with Gakken Inc. to participate in the “Exciting★SDGs – Children’s Future Operation” event organized by the Shinagawa Ward in Tokyo for elementary school students. Through the experience of making original notebooks and taking quizzes about paper and the environment, local children interacted with paper and learned about its positive global environmental impact. Going forward, we will continue to offer classes and events to promote the value of paper.

(i) Expand Communication and Increase Value Provided 2

Company Information Session for Individual Investors

To strengthen IR activities, we held our first company information session for individual investors in March 2025.

Renewal of Our Website Homepage

The homepage of our corporate website has been renewed.

To provide a one-stop overview of the Japan Pulp & Paper Group, the homepage now includes new content, including 'Stock Price Information,' a 'Pick UP' link to recent OVOL Insight entries, and 'The Japan Pulp & Paper Group by the Numbers.'

Global Meeting for Non-Japan Group Paper Distribution Subsidiaries

Our group paper distribution subsidiaries located outside of Japan gathered for a global meeting in Malaysia. Each company presented on its management strategy and plans for achieving its medium-term business plan for FY2025

Main Sponsor of the Book Fair Championship

We were the main sponsor of the Book Fair Championship (BFC), in which booksellers compete to create the most engaging bookstore fairs in Japan. BFC is a championship in which bookstore staff compete to widely promote fairs being held at bookstores to the public and increase the number of customers who visit bookstores specifically for the fair. In March 2025, the top ten fairs were announced, and an awards ceremony was held. As the main sponsor, we presented the Japan Pulp & Paper Award to the winners. We will continue to explore the endless potential of paper and embrace the challenge of generating new value by supporting bookstores and publishers.

page2025 Exhibit

In February 2025, we exhibited at page2025, a comprehensive event for the print media industry, in partnership with Yupo Corporation. The theme of this year's event was 'Kyosou,' which expresses the desire to work together with various stakeholders to create business together. By exhibiting with Yupo Corporation, we aimed to strengthen our collaboration and provide new value to our customers.

Carbon Neutral Study Session for Customers

In February 2025, a carbon-neutral study session was held for JP-Kai members in the Kansai area. The JP-Kai is a network that connects our company with wholesalers nationwide. The session aimed to provide an overview of carbon neutrality, including our group's initiatives and ways we, as paper distributors, can contribute to carbon neutrality. Many members from Osaka, Okayama, and Hiroshima attended.

(i) Expand Communication and Increase Value Provided 3

OVOL Sustainability Promotion Meetings and OVOL Environment & Safety Meetings Hold Plenary Sessions

The OVOL Sustainability Promotion Meetings and the OVOL Environment & Safety Meetings, whose membership spans the entire group, held plenary meetings for group companies in Japan.

- OVOL Sustainability Promotion Meetings convened twice in FY2024. The main agenda items included explanations on ESG data collection, how data is used within the group, an explanation of what companies must address in terms of human rights, the group's training on business and human rights, human rights due diligence, and implementation methods within the group. The results of the survey on the group's social and community contribution activities were also shared.
- OVOL Environment & Safety Meetings convened three times in FY2024. The main agenda items included the group's medium- and long-term goals for reducing greenhouse gas emissions, results relating to greenhouse gas emissions in FY2023 and the first half of FY2024, the group's environmental and occupational safety policies, and an explanation of the its three-tier compliance management system.

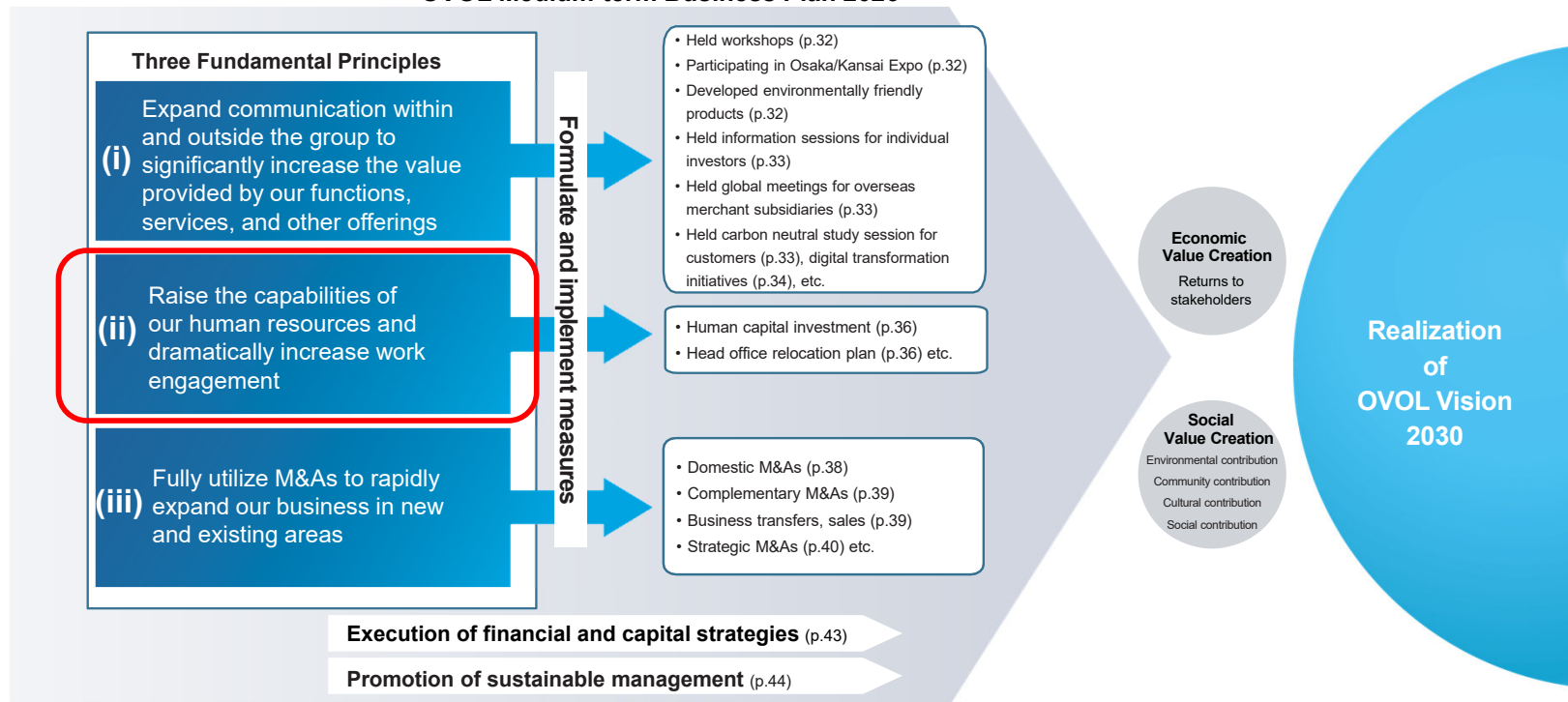
Digital Transformation Initiatives

- Establishing and strengthening framework
To strengthen our digital transformation (DX) framework, we set up the Corporate DX Division in April 2025 to promote DX and IT control within the group.
- DX promotion
 - A business inventory survey has been created for all company divisions to analyze business operations in terms of 'quantity,' 'type,' 'skills,' and 'position.'
 - We have begun formulating a DX grand design to define the big picture for our DX and build specific strategies.
- Generative AI use
Currently, 326 employees use our dedicated ChatGPT environment as a support tool for planning and document creation.
- IT control and IT security implementation
We have formulated the Japan Pulp & Paper Group IT Governance Policy and Information Security Policy as group-wide policies.
We began IT control audits for all group companies and completed audits of 14 companies in FY2024. Audits of 15 companies are planned for FY2025, with all audits expected to be completed by FY2026.
Preparations are underway to establish a computer security incident response team (CSIRT), which will begin operations in FY2025.

OVOL Medium-term Business Plan 2026: Fundamental Principles

Aim to achieve OVOL Vision 2030 by formulating and implementing measures based on three fundamental principles

OVOL Medium-term Business Plan 2026



(ii) Raising the Capabilities of Human Resources and Improving Work Engagement

(Non-consolidated initiatives at Japan Pulp & Paper)

Initiatives to Improve Engagement

- The result of the engagement survey conducted in December 2024 was 'BBB', thus achieving the target set out in our medium-term business plan two years ahead of schedule.
- To reinforce the 'nodal function' linking management and the frontline, seminars were held for general managers of divisions, branch offices, and departments.
- To facilitate communication and information sharing between management and employees, the president and departmental general managers held two 'Dialogues with Management' sessions. Three sessions were also held for dialogue with branch office employees.

Health Management Initiatives

- We were recognized as a 2025 Outstanding Organization of KENKO Investment for Health.
- Paid leave by the hour was introduced
- A walking rally was held for all executives and employees.
- The KENPOS health support website was introduced.



Human Resource-related KPIs in Medium-term Business Plan 2026

[Key Performance Indicators (KPI)s]	[FY2024 Results]
• % of eligible male employees taking childcare leave: 100%	100% (achieved)
• Employee engagement rating: BBB or higher	BBB (achieved)
• Training expenses: Triple (compared with FY2023)	Doubled
• % of paid time off taken: 80% or more	79.7%
• Average monthly overtime hours: 10 hours or less	13h 20min
• % of female employees in career-track positions: 30% or more	30.4% (achieved)

Investment in Human Resources

- We set a target to triple education and training expenses in FY2026 compared to FY2023. To this end, we introduced the Udemmy Business online video training service for all executives and employees.
- The ratio of female employees hired for career-track positions in FY2024 was 30.4% (key performance index [KPI]: 30%).
- We increased the number of new career-track graduates joining the Company in FY2025 by 1.6 times the FY2024 level.
- We continued operation of our overseas training program to develop human resources with practical overseas communication skills. In FY2024, a total of three employees were dispatched overseas: one to the U.S. and two to China.
- For the third consecutive year, base salary was increased for all employees.
- We introduced a performance-based restricted stock incentive plan for the employee shareholding association.

Head Office Relocation Project Begins

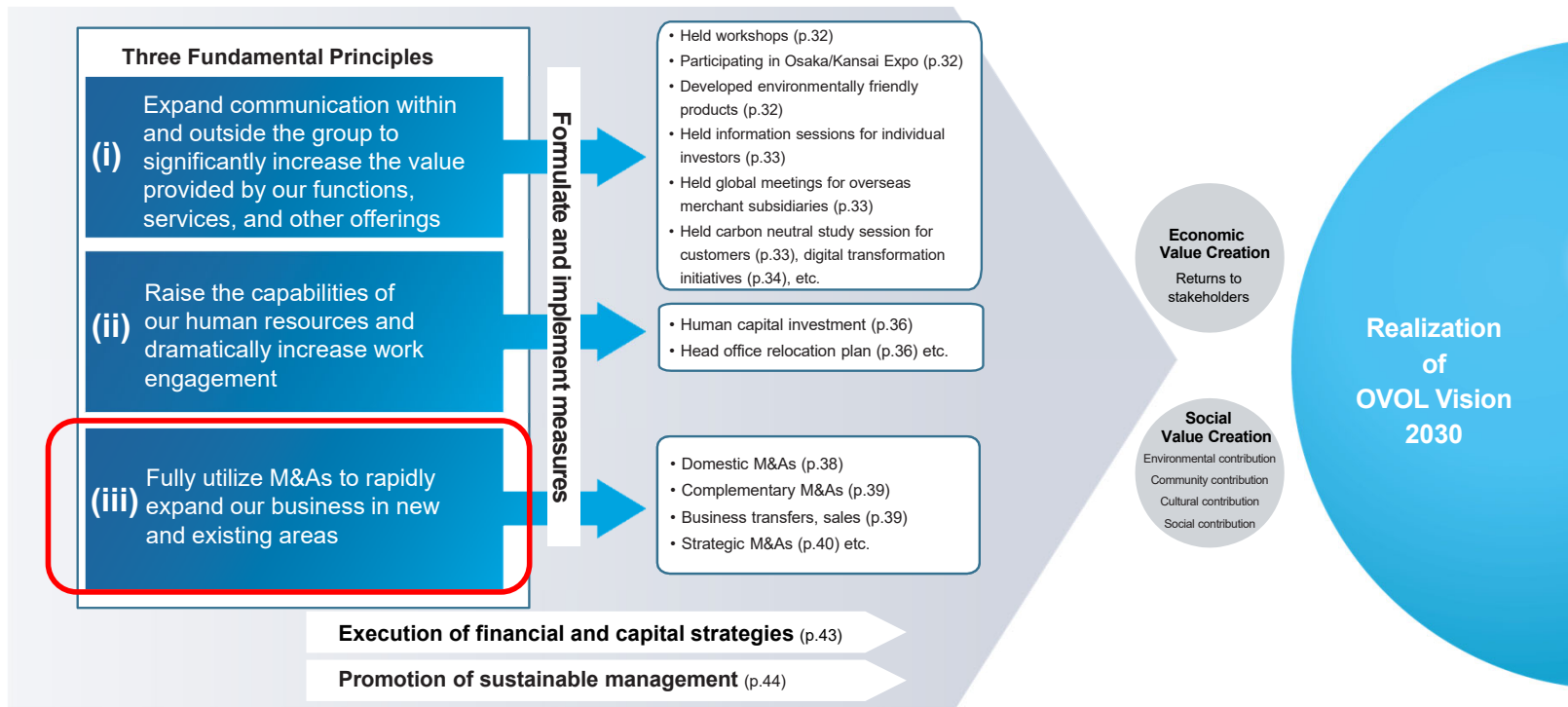
As part of our investment in growth and human capital to realize our long-term business strategy, OVOL Vision 2030, we have decided to move our head office from Kachidoki to Yaesu in Tokyo in the second half of 2026.

The move is seen as a key step in enhancing corporate value, with the goal of strengthening relationships within the group and with business partners by improving accessibility.

OVOL Medium-term Business Plan 2026: Fundamental Principles

Aim to achieve OVOL Vision 2030 by formulating and implementing measures based on three fundamental principles

OVOL Medium-term Business Plan 2026



(iii) Business Expansion Through Promotion of M&As and Alliances 1

One of the fundamental principles in OVOL Medium-term Business Plan 2026 is to fully utilize M&As to rapidly expand our business in new and existing areas. Our goal is to increase our revenue by growing in existing areas and expanding into new ones.

Japan Wholesaling

Aim to become the dominant, number one distribution group in Japan by expanding business through M&As and alliances.

The two M&As below were executed to strengthen our wholesale operations in Hyogo Prefecture.

- **Seibunsha**
Location: Kobe, Hyogo Prefecture
Business contents: Manufacture and retail of paper products, wholesale and retail of bookbinding materials
- **Nishimura Yoshi** Note: Japan Pulp & Paper subsidiary, Koyosha, has taken over the business.
Location: Kobe, Hyogo Prefecture
Business contents: Paper and paperboard sales

Paper Manufacturing & Processing

Expand procurement network through alliances to enhance brand strength and expand sales in the household paper business

We will further expand our supply chain, which spans from raw materials to manufacturing and sales. At the same time, our network with the Corelex Group, a major recycled household paper manufacturer in Japan, will be organically leveraged to improve overall strength and corporate value, including the recycled household paper business.

- **Masukoh Paper**
Location: Fujinomiya, Shizuoka Prefecture
Business contents: Manufacture of household paper products
Note: Japan Pulp & Paper acquired 20% of Masukoh Paper's issued shares.

(iii) Business Expansion Through Promotion of M&As and Alliances 2

Non-Japan Wholesaling

- In the Non-Japan Wholesaling segment, we are developing a group of regionally-based paper wholesale companies that have inventory and distribution functions in various countries and regions around the world. We have established a system that ensures a stable product supply within the U.S., U.K., Ireland, Germany, France, Australia, New Zealand, India, Hong Kong, Singapore, and Malaysia.

Investments (Complementary M&As)

Increase market share and expand the business domain in each market by continuing to execute complementary M&As.
Increase revenue by expanding sales of high value-added products such as signs and displays, packaging-related materials, and flexible packaging.

Sign & display business

- Singapore
CAS Technology (January 2024)
- Australia
Sign Essentials (September 2024)

Flexible packaging business

- Australia
Caspak Products (November 2024)
- New Zealand
Pacrite Industries (August 2024)
Carter Consolidated (April 2025)

Divestments (Transfers, sales, etc.)

- Southeast Asia
JP Corelex (Vietnam) Co., Ltd. (Recycled household paper manufacturing business)
Sold for efficient use of management resources (December 2023)
- North America
JRS Resources, Inc. (Recovered paper recycling business)
Suspended operations due to decline in sales volume to containerboard base paper manufacturers in China (January 2024)
Weiss McNair, LLC (Nut seed husk harvesting machinery manufacturing business)
Sold to liquidate non-core and unprofitable business (October 2024)
- Europe
OVOL Fiber Europe BV (Recovered paper recycling business)
Sold to liquidate unprofitable business (January 2025)

(iii) Business Expansion Through Promotion of M&As and Alliances 3

Investment (Strategic M&As)

Six new companies in Germany, France, and Portugal were added to the group in FY2024.

- Through grouping, Japan Pulp & Paper has acquired an inventory and logistics network that covers the entirety of Germany and France.
- We will use this network to expand our wholesaling business across the European continent.
 - ✓ Graphic paper
 - ✓ Sales of sign & display related products
 - ✓ Sales of packaging related materials in Germany

Germany: 3 companies

Sales: EUR 550 million (approx. JPY 89.2 billion)

Number of employees: approx. 480

France: 2 companies

Sales: EUR 208 million (approx. JPY 33.7 billion)

Number of employees: approx. 220

Portugal: 1 company

Shared services business

Note: JPY 162 to EUR 1 (as of December 2023)

Japan Pulp & Paper Group Map of European Bases

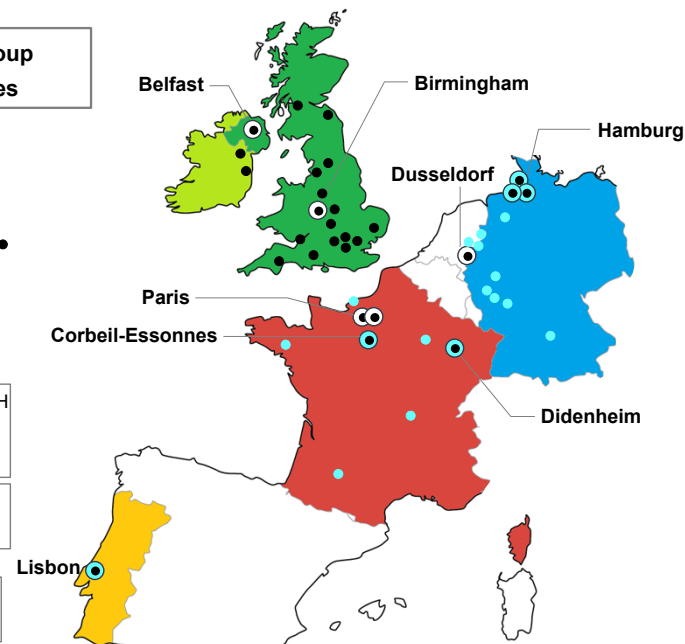
Existing group companies: ●

New group companies: ●

- OVOL Papier Deutschland GmbH
- OVOL ComPlott GmbH
- OVOL Packaging GmbH

- OVOL France, S.A.S.
- OVOL Sign & Display S.A.S.

- Inapa Shared Center, Lda.



(Reference) Non-Japan Wholesaling Segment: Subsidiaries in Key Regions

U.S.A

OVOL USA (Gould Paper)



- Leading paper distribution group in the U.S., headquartered in New York
- Bases primarily on the East Coast and the South, as well as in countries including the U.K. and France
- In 2023, the group acquired a French company that handles communication and industrial papers, strengthening its sales in Europe.



WESTERN-BRW



Oceania

Ball & Doggett Group



- One of the largest paper distribution group in Oceania, based in Melbourne
- Conducts business as Ball & Doggett in Australia and as BJ Ball in New Zealand
- As the percentage of domestically produced paper and paperboard is low in both countries, the group plays an important role as a paper distributor.
- The group is expanding its business into markets such as signs & displays, and flexible packaging.

Ball & Doggett



Southeast Asia

Japan Pulp & Paper (M), OVOL Malaysia



OVOL Singapore

- Leading paper distribution group in Malaysia and Singapore
- As the percentage of domestically produced paper and paperboard is low in both countries, the group plays an important role as a paper distributor.
- The group is expanding its business into markets such as signs & displays, as well as the processing of thermal transfer ribbons.



U.K.

Premier Paper Group



- Leading paper distribution group in the U.K., headquartered in Birmingham
- As the U.K. largely relies on imports for paper and paperboard, paper distributors with inventory and logistics functions play an important role.
- The group is expanding its business in ways such as strengthening its sign & display and flexible packaging offerings and entering package manufacturing and sales.
- In 2022, it acquired a company in Ireland, and is strengthening its supply capabilities using Japan Pulp & Paper Group's procurement infrastructure.



Germany

OVOL Papier Deutschland



OVOL ComPlott

OVOL Packaging

- In 2024, we acquired and renamed the German subsidiary of Inapa, a leading European paper distributor.
- It distributes graphic papers, packaging materials, and sign & display products in Germany.



France

OVOL France



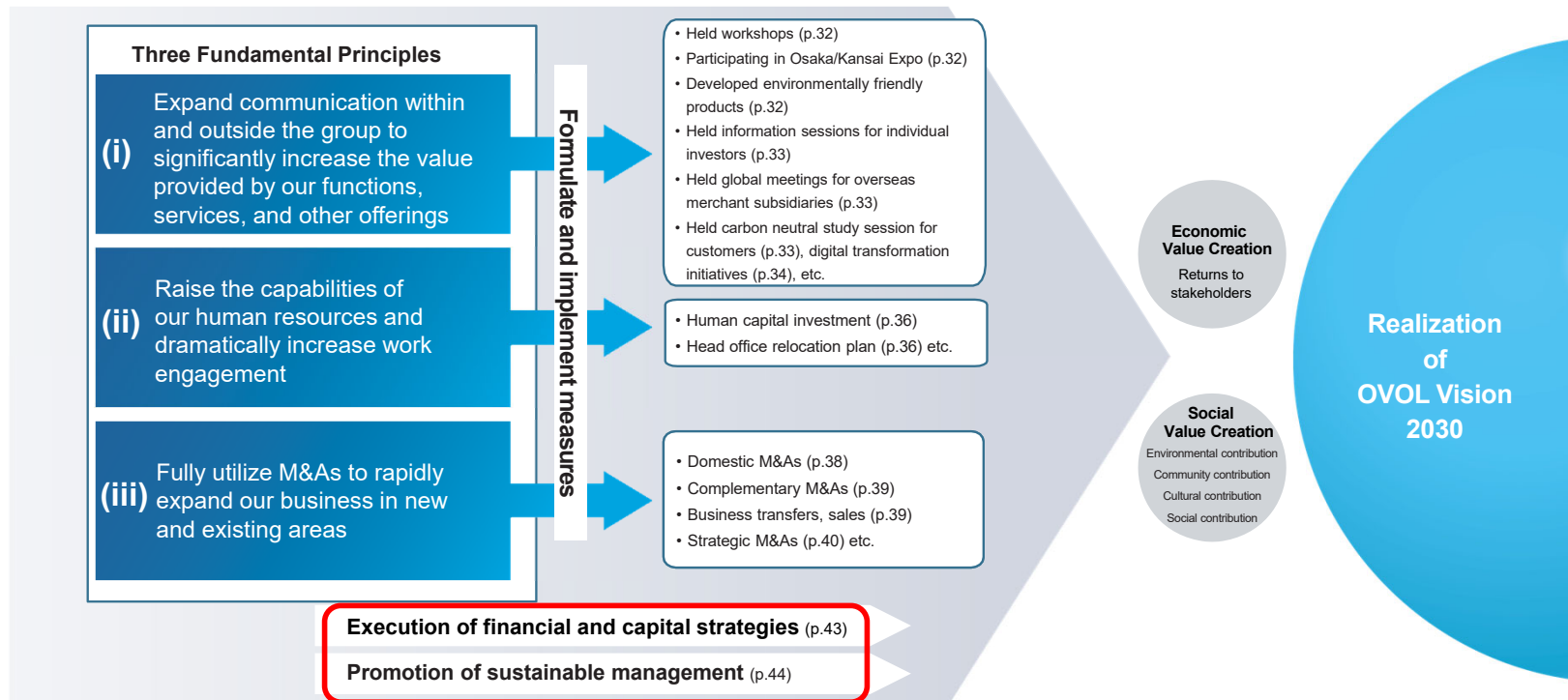
- In 2024, we acquired and renamed the French subsidiary of Inapa, a leading European paper distributor.
- It sells graphic paper and sign & display products in France under the name OVOL Sign & Display. It also owns Inapa Shared Services, a shared service provider for the group in Portugal.



OVOL Medium-term Business Plan 2026: Fundamental Principles

Aim to achieve OVOL Vision 2030 by formulating and implementing measures based on three fundamental principles

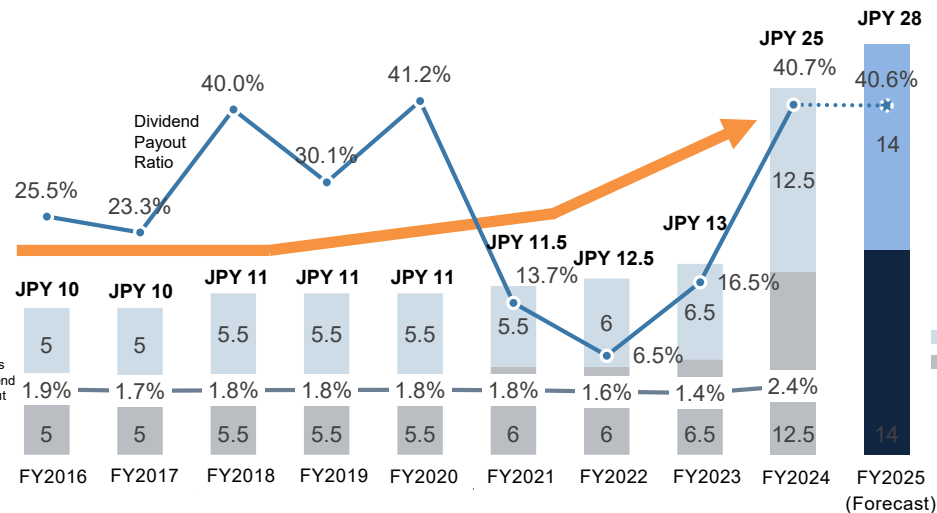
OVOL Medium-term Business Plan 2026



Execution of Financial and Capital Strategies

Dividends increased four consecutive fiscal years through FY2024. Cross-shareholdings are being reduced.

Dividend Record and Forecasts



Note: A 10:1 reverse stock split was effected on October 1, 2017 and a 1:10 stock split was effected on October 1, 2024. For dividends in FY2023 and earlier, amounts after the most recent stock adjustment are shown.

Status of Cross-shareholdings

	FY2022	FY2023	FY2024	Year-on-Year Change
Number of Stocks (of which listed stocks)	120 (56)	120 (56)	117 (53)	-3 (-3)
Balance Sheet Amount	JPY 23,191 million	JPY 29,279 million	JPY 25,530 million	-JPY 3,749 million
Ratio to Consolidated Net Assets	18.1%	21.2%	17.5%	-3.6%

Other

- 1:10 stock split effected on October 1, 2024
- Base number of shares for shareholder benefits was reduced from 1,000 to 500

Promotion of Sustainable Management

Business and Human Rights

- Conducted training on business and human rights at group companies inside and outside of Japan.
- Japan Pulp & Paper has monitored its major suppliers—those covering 80% of its total purchases—using a CSR procurement self-assessment form.
- Commenced human rights due diligence in the second half of FY2024 to identify and assess any negative impact of the group on human rights.

Climate Change

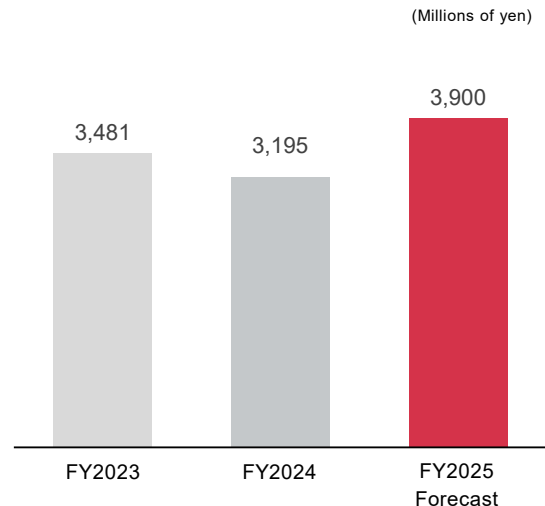
- Formulated the Japan Pulp & Paper Group Medium- and Long-Term Reduction Targets for Greenhouse Gas Emissions.
 - ◆ Medium-term target: Achieve a 50% reduction in greenhouse gas emissions from FY2019 levels by FY2030
 - ◆ Long-term target: Achieve carbon neutrality by 2050

⇒ FY2024 Initiatives

- Targets and action plans were prepared for Japan Pulp & Paper and for each group company in Japan.
- In FY2024, Japan Pulp & Paper achieved 100% renewable energy in real terms for Scope 2 emissions.
- On a consolidated basis, we calculated and disclosed Scope 1 and Scope 2 of FY2023, as well as Scope 3 of FY2022.
- We received third-party verification for Scope 1, 2, and 3 of FY2023 for Japan Pulp & Paper.

Current Situation and Future Outlook: Non-Japan Wholesaling

Non-Japan Wholesaling: Ordinary Profit

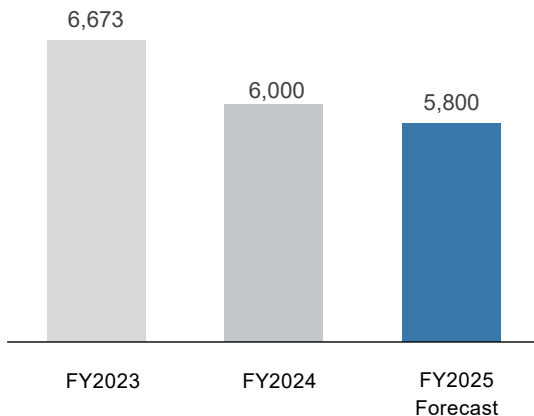


- In FY2022, record profits were achieved thanks to favorable conditions in markets outside Japan. However, in FY2023, profits decreased significantly due to declining demand and intensified price competition. In FY2024, actual demand in key markets, excluding the U.S., continued to trend negatively. Profits declined particularly sharply in the U.K. and Oceania.
- We do not expect profit contribution from the German and French businesses acquired through M&As in FY2024 until the latter half of FY2025.
- Despite the challenging circumstances surrounding the achievement of the final year targets of Medium-term Business Plan 2026, we will continue efforts toward achieving OVOL Vision 2030, aiming for sustainable growth.

Current Situation and Future Outlook: Japan Wholesaling

Japan Wholesaling: Ordinary Profit

(Millions of yen)



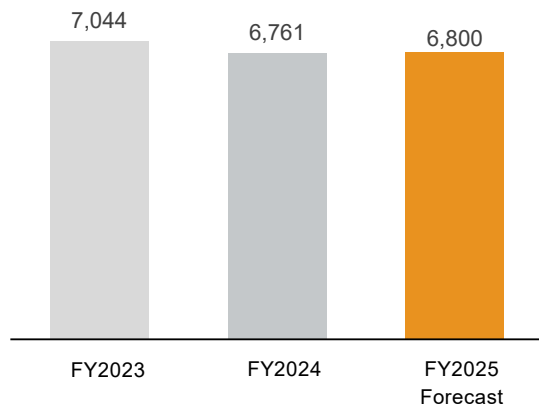
- In the Japanese market, profits are under pressure due to a gradual decline in demand and rising costs.
- We aim to increase profits by using digital transformation (DX) to develop new mechanisms and initiatives to retain customers and enhance productivity.



Current Situation and Future Outlook: Paper Manufacturing & Processing

Paper Manufacturing & Processing: Ordinary Profit

(Millions of yen)



- Demand has plateaued while raw material and fuel costs have risen and remained high, putting pressure on revenue.
- We aim to increase profitability by more efficient procurement of wastepaper, further use of difficult-to-recycle wastepaper, and improvement of production efficiency.



Current Situation and Future Outlook: Impact of Additional U.S. Tariffs

The impact of additional tariffs by the Trump administration has not been factored into our current financial results forecast due to many uncertain factors, including timeline.

It is also currently difficult to predict how the economic slowdown in various countries will affect demand for paper and paperboard.

Reference: Scale of trade transactions with the U.S. within the Japan Pulp & Paper Group

	Direct Exports to the U.S.	Exports to the U.S. Via a Third Country	Exports from the U.S.	Total
Sales Volume (tons)	approx. 8,000	approx. 15,000	approx. 17,000	approx. 40,000
Sales Amount (Billions of yen)	approx. 2.1	approx. 2.2	approx. 2.0	approx. 6.3

Note: Excludes U.S. sales of European manufacturers' products imported by U.S. subsidiaries

Current Situation and Future Outlook: Measures to be taken by the group in light of the current situation

Continue to develop the mechanisms and initiatives essential for realizing OVOL Vision 2030

Japan Wholesaling

- Develop new mechanisms and initiatives to enhance customer loyalty, expand our area of business, and ensure that we remain competitive.

Non-Japan Wholesaling

- Recovery of the performance of the newly acquired German and French subsidiaries
- Accelerating complementary M&As to compensate for the decline in demand for graphic paper.
- Expanding the locally based paper wholesale business to include inventory and distribution capabilities in Southeast Asia.
- Liquidation of unprofitable businesses.

Paper Manufacturing & Processing

- Improve productivity and efficiency of facilities, raw materials, and operations
- Strengthen our own brand
- Expand sales and procurement capabilities, and rationalize logistics, through expanded alliances.

In order to achieve our ideal and desired state in 2030, we will focus on **improving competitiveness**, **increasing profitability**, and **expanding revenue scale**, while also promoting sustainable management and investing in human capital.

V Appendix

Consolidated Balance Sheets as of March 31, 2025

Assets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Current Assets	222,963	233,953
Non-current Assets	149,641	158,211
Deferred Assets	41	70
Total assets	372,645	392,234

Liabilities and Net Assets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Current Liabilities	189,337	192,050
Non-current Liabilities	44,960	54,620
Total Liabilities	234,297	246,670
Total Net Assets	138,347	145,565
Total Liabilities and Net Assets	372,645	392,234
Equity Ratio	34.2%	34.2%
Net D/E Ratio	0.59x	0.60x

- Total assets increased by JPY 19,590 million.
In current assets, while trade receivables decreased, inventories and other assets increased due to the addition of OVOL Papier Deutschland, OVOL France, and other subsidiaries through M&As in Germany and France.
- Total liabilities increased by JPY 12,372 million.
Interest-bearing debt increased due to the addition of OVOL Papier Deutschland, OVOL France, and other subsidiaries.
- Interest-bearing debt totaled JPY 99,038 million as of March 31, 2025, an increase of ¥6,081 million year on year. ⇒ Net D/E ratio remained stable at 0.60x.
- Net assets increased by JPY 7,217 million due to increases in retained earnings and foreign currency translation adjustment.

Consolidated Statements of Cash Flows for the Fiscal Year Ended March 31, 2025

(Millions of yen)

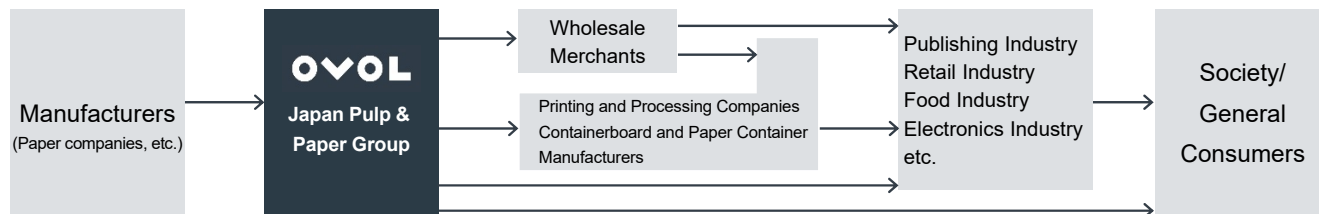
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025	Year-on-year change
Cash and Cash Equivalents at Beginning of Period	30,550	17,387	-13,164
Cash Flows from Operating Activities	20,891	21,010	119
Cash Flows from Investing Activities	-2,917	-11,217	-8,300
Cash Flows from Financing Activities	-31,678	-9,335	22,344
Cash and Cash Equivalents at End of Period	17,387	19,027	1,640

- Cash from operating activities was a net cash inflow of JPY 21,010 million (a net cash inflow of JPY 20,891 million in the previous fiscal year). This was mainly due to the recording of profit before income taxes and a decrease in trade receivables.
- Cash from investing activities was a net cash outflow of JPY 11,217 million (a net cash outflow of JPY 2,917 million in the previous fiscal year). This was mainly due to acquisitions of businesses and the purchases of shares of subsidiaries resulting in change in scope of consolidation in Germany, France, Australia, and others.
- Free cash flows were JPY 9,793 million.
- Cash from financing activities was a net cash outflow of JPY 9,335 million (a net cash outflow of JPY 31,678 million in the previous fiscal year). This was mainly due to redemption of bonds, repayments of long-term borrowings, and dividends paid.
- The balance of cash and cash equivalents at the end of the fiscal year under review increased by JPY 1,640 million from the end of the previous fiscal year.

Japan Wholesaling: Business Overview

A dominant presence in the industry and the leading share of paper distribution in Japan

Business Flow of Japan Wholesaling



Wholesale of Paper, Paperboard and Related Products

- The leading share in sales of paper and paperboard in Japan as a distributor for major domestic Japanese manufacturers
- Supply of a wide range of household and industrial goods and proposal of solutions, including for packaging materials, materials for electronic components, and environmentally friendly films

Logistics

- A network that achieves stable supplies of paper nationwide centered on the group and partner companies
- Planning and implementing rationalization and efficiency improvements that encompass shared storage and joint delivery

ICT System Development

- Sale and operation of business systems specifically for the paper industry, and development and sale of AI-driven services

▼
A leader in paper wholesaling system infrastructure, with a dominant industry share in the number of users of our systems for paper distributors and for paper logistics

Japan Wholesaling Segment: Topics

Products Handled

Graphic paper for books, publications, catalogs, flyers, etc.



Containerboard and other packaging papers
Packaging materials, including containerboard and films



Functional materials and industrial materials necessary in the production process



Paper products for offices and households



Three Initiatives to Promote Awareness of the Value of Paper

At OVOL Bridges 2023, a forum for executives of paper merchants in Japan, we presented three initiatives to promote awareness of the value of paper. We plan to take concrete action on these initiatives.

Initiatives we are undertaking with paper wholesalers across the country:

- On-site classes nationwide
- Regular workshops
- Start of paper study group



Reduction of Environmental Impact When Transporting Paper

We were the first in the paper transport industry to introduce small electric trucks that eliminate exhaust emissions during transport, enabling zero-emissions. The trucks are equipped with state-of-the-art technology to support safe driving.



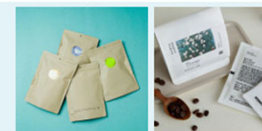
Environmentally Friendly Products

We propose and provide various environmentally friendly products according to the requests of customers to address environmental issues, including the reduction of CO2 emissions and plastic use.



Paper & Green

We operate a website to sell environmentally friendly products and propose solutions.

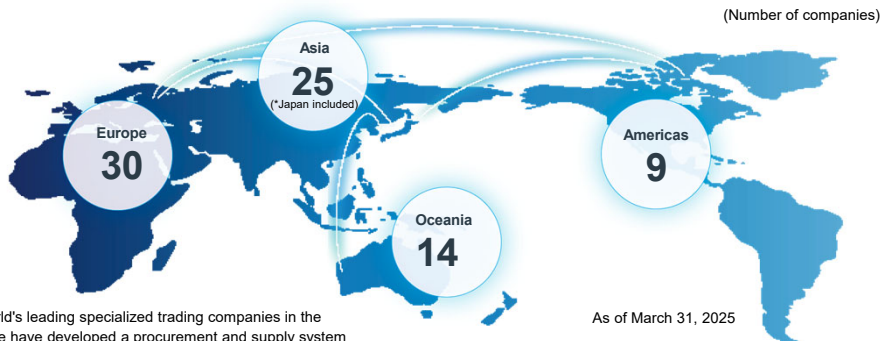


Non-Japan Wholesaling: Business Overview

Global and cross-border business rooted in multiple countries and regions

Business Model of Non-Japan Wholesaling Business

We develop business that leverages the inventory and distribution functions of our operating bases by utilizing global supply sources.



As one of the world's leading specialized trading companies in the paper industry, we have developed a procurement and supply system that covers the entire world.

Notable Markets

Sign & Display Market

- Outdoor advertisements, wrap advertising on vehicles
- Facility information displays • POP advertising • Traffic signs



Items We Sell

- Printers
- Paper
- Ink and other supplies
- Technical services
- Film media

Packaging Market

- Light packaging
- Flexible packaging
- Heavy duty packaging



Items We Sell

- Paper products such as shipping boxes and decorative boxes
- Molded pulp containers
- Flexible packaging film used in food, pharmaceuticals, etc.
- Cushioning material

M&A Progress (Group Companies Outside Japan)

North and Central America

Reference:

Number of employees: approx. 300
(as of March 31, 2025)

U.S.

- Japan Pulp & Paper (U.S.A.)
- Gould Paper
- Western-BRW Paper
- Bosworth Papers
- Price & Pierce International
- Price & Pierce
- Safeshred (Recovered paper recycling business)

Mexico

- Talico

Europe

Reference:

Number of employees: approx. 1,200
(as of March 31, 2025)

U.K.

- Premier Paper Group
- Graphic And Paper Merchants Northern Ireland
- Wine Box Company
- Gould International U.K.
- Gould Publication Papers U.K.
- Gould Paper Sales U.K.
- Harlech PPM

Ireland

- Graphic And Paper Merchants Ireland

France

- Gould Papiers France
- EFP-Chavassieu
- OVOL France
- OVOL Sign & Display

Germany

- Japan Pulp & Paper
- OVOL Papier Deutschland
- OVOL Packaging
- OVOL ComPlott

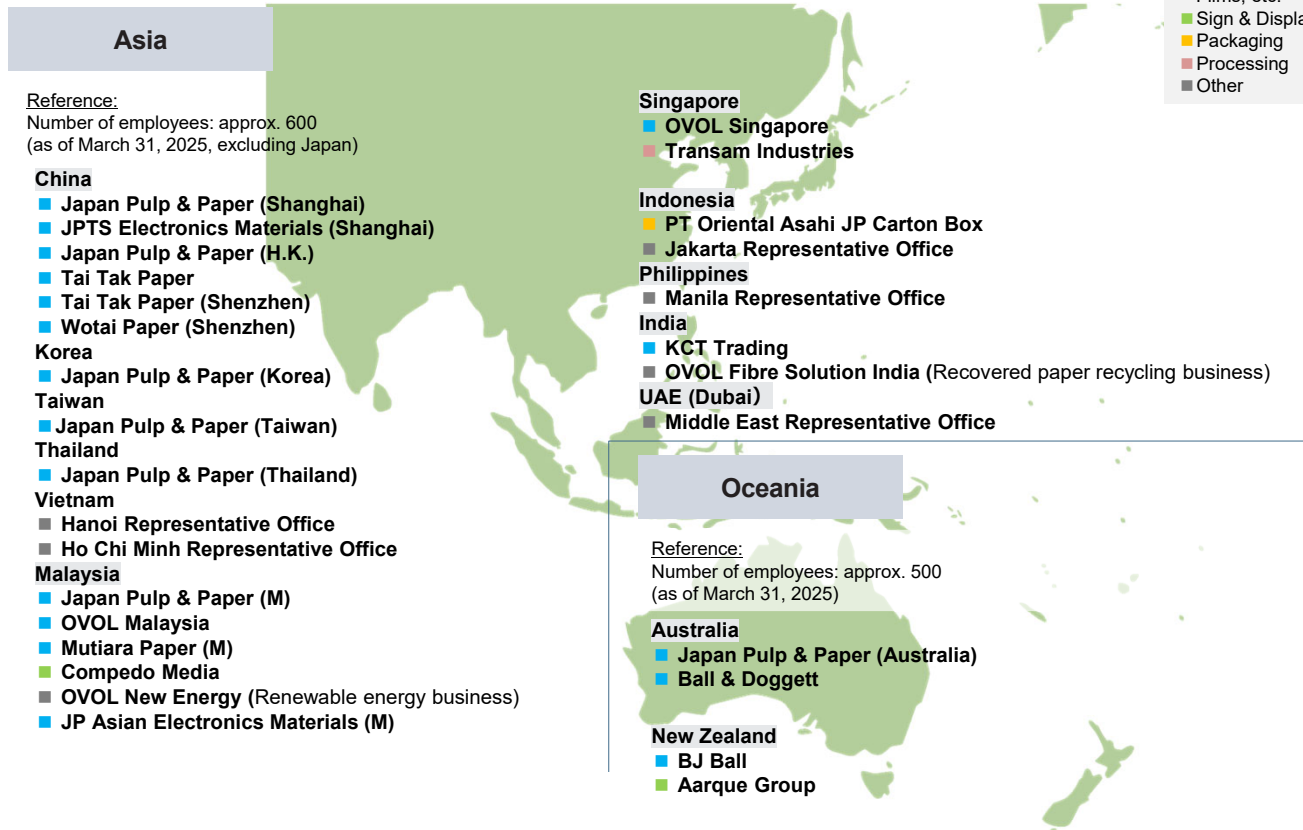
Portugal

- Inapa Shared Center

Main Businesses

- Sales of Paper, Paperboard, Films, etc.
- Sign & Display
- Packaging
- Processing
- Other

M&A Progress (Group Companies Outside Japan)



Paper Manufacturing & Processing: Business Overview

Optimizes the group's raw material procurement, manufacturing, and sales supply chain

Corrugated Container Business

A comprehensive packaging supplier, from containerboard manufacturing to sheet and case processing

- Promotes the establishment of a comprehensive packaging supply structure by developing a paper manufacturing business that manufactures containerboard and a processing business that manufactures corrugated container products
- Pursues development of environmentally friendly products using recovered paper as a raw material
- Develops environmentally friendly businesses by utilizing renewable energy sources such as biomass power generation in manufacturing
- Continues investments for efficient production and ensuring safety



Recycled Household Paper Business

Contributes to the effective use of limited resources and the reduction of paper waste by recycling difficult-to-recycle wastepaper using superior recycling technology

- Manufactures household paper, including recycled toilet paper and recycled tissues
- Recycles wastepaper that is difficult for other companies to recycle by using superior recycling and processing technology
- Boasts high domestic Japanese market share in recycled toilet paper owing to proprietary technology and product development strengths
- As toilet paper is not recyclable, it is important to use limited resources effectively.



Paper Manufacturing & Processing: Major Subsidiaries

*Bogus paper: Paper cushioning material for packaging that is made from recycled paper.

Corrugated Container Business

Taiho Paper

Based in Gifu Prefecture, Taiho Paper manufactures containerboard using recovered paper as its main raw material. The company has established a production system that uses steam and electricity from biomass power generation, using 100% renewable energy for electricity used in the mill.



Eco Paper JP

In Aichi Prefecture, Eco Paper JP manufactures containerboard using recovered paper as a raw material, paper for publications, and bogus paper. The company is reducing CO₂ emissions in various ways, including biomass power generation, effective use of steam, and the adoption of renewable energy sources of electricity.



Showa Packaging Industry

In Gifu and Aichi prefectures, Showa Packaging Industry conducts business as a total packaging manufacturer of corrugated container sheets, boxes, paper containers, decorative corrugated containers, and more.



Misuzushigyo

In Osaka and Kanagawa prefectures, Misuzushigyo manufactures packaging materials such as corrugated container sheets and boxes. At its head office/Osaka factory, it has boosted production speed and improved printing precision with the introduction of state-of-the-art, high-speed machines.



Oriental Asahi JP

Oriental Asahi JP Carton Box supplies high-quality corrugated container boxes to Japanese companies in Indonesia, with multi-product, small-lot, and just-in-time production. The company has further improved production with the start of operations at a new factory in 2021.



Recycled Household Paper Business

Corelex Group

With production bases in Shizuoka, Kanagawa and Hokkaido prefectures, the Corelex Group manufactures recycled toilet rolls and recycled tissues with its advanced recovered paper recycling and processing technology and its unique product development capabilities, including coreless toilet rolls. The group is reducing CO₂ emissions with aggressive energy-saving measures.

In addition, it contributes to local communities by providing stable supplies to affected areas in times of disaster, in cooperation with group companies and partner factories.



Toilet Trailers

When a disaster occurs, JP Household Supply sends the mobile toilet trailers it sells to affected areas through a mutual aid network with local governments and disaster relief organizations.



Raw Materials & Environment: Business Overview

Engages in initiatives to recycle and circulate resources to promote a circular economy

Recovered Paper Recycling Business

Promotes recycling of recovered paper for use as a raw material for paper manufacturing

- A quality-focused recovered paper recycling business that delivers stable supplies to paper manufacturers in Japan
- Establishing a recovered paper business network covering all of Japan, centered on Fukudasansho
- Promoting the recycling of recovered paper as a raw material for paper manufacturing with a global perspective from operating bases outside Japan in the U.S. and India
- Promoting a circular economy together with group paper manufacturing companies



Comprehensive Recycling Business

Recycles plastic waste, wastepaper, and wood-based waste

- Automated sorting by optical sorters, washing, and pelletization of plastic waste that is difficult to separate
- Manufacturing of solid fuels from composite plastics, which are difficult to separate into different materials
- Manufacturing of wood fuel from wood-based waste and logging residues



Renewable Energy Business

Provides stable supplies of clean and safe electric power

- Solar and woody biomass power generation business
- Collection and export of palm kernel shells (PKS) in Malaysia



Foundation for Environment-Related Businesses

Manufacturing bases using recovered paper as raw material

6

Renewable energy business sites*1

6

Recycling business sites*2

27

Our goal is to contribute to a sustainable society and the global environment by developing environment-related businesses, including recycling businesses such as recovered-paper recycling and power generation businesses using renewable energy.

*1: Three renewable energy generation sites and three PKS inventory sites *2: One comprehensive recycling business site and 26 recovered-paper yards

Raw Materials & Environment: Major Subsidiaries

Recovered Paper Recycling Business

Fukudasansho

- Leading recovered paper trading company in Japan
- Wastepaper recovery network centered on the Chubu region
- Extensive branch network to provide stable supplies of top-quality recovered paper resources



Eco-Port Kyushu

- Operates a comprehensive recycling business in Kumamoto Prefecture where it processes plastic containers, packaging, and confidential documents, and also manufactures RPF and wood pellets. It is one of Japan's leading facilities for material separation of plastic containers and packaging
- Plans are in place to build a second factory to handle the increase in plastic waste recycling volume associated with the New Plastic Law in Japan.



Renewable Energy Business

Eco Power JP

- Solar power generation plant located in Kushiro, Hokkaido, which has long hours of daylight in summer and a high percentage of sunny days.
- Power output: 20 MW



Noda Bio Power JP

- Operates a woody biomass power generation plant located in the village of Noda in Iwate Prefecture
- As a business contributing to the reconstruction of Noda, which was devastated by the March 2011 earthquake and tsunami, it is contributing to the area through employment and the recovery of nearby forestry
- Utilizes unused material from nearby forests, tree bark, PKS, etc., for fuel.



OVOL New Energy Sdn. Bhd.

- Operates a PKS collection and sales business in Malaysia.
- Owns stockyards in Port Klang, Malaysia's largest trading port, as well as two other locations. Collects and sorts palm kernel shells (PKS) from oil palm at oil mills and exports it to overseas markets. Also supplies PKS to Noda Biopower JP, our subsidiary that operates a woody biomass power plant.



*RPF: High-grade solid fuel made mainly from recovered paper and plastics, which are among the most difficult industrial wastes to recycle.

PKS: The palm kernel shells of oil palms, which are the byproduct of extracting palm oil.

Real Estate Leasing: Business Overview

Creates a stable revenue base by effectively utilizing our real estate holdings in prime locations in Tokyo, Osaka, Kyoto, and other major cities

Main Rental Properties

Name	Location	Number of Floors	Purposes	Completed
Nihombashi Nichigin-Dori Building	Tokyo	8 floors above ground	Offices, Shops	September 2014
OVOL Nihonbashi Building	Tokyo	15 floors above ground and 3 below	Offices Hotel, Shops	June 2018
OVOL Kyoto Ekimae Building	Kyoto	10 floors above ground and 1 rooftop facility	Hotel	March 2019
Cerulean Homes Kachidoki	Tokyo	26 floors above ground and 1 below	Apartments, Shops	March 2001
Osaka JP Building	Osaka	8 floors above ground and 2 below	Offices Shops	October 1972



Nihombashi Nichigin-Dori Building



OVOL Nihonbashi Building



OVOL Kyoto Ekimae Building



Cerulean Homes Kachidoki



Osaka JP Building



Japan Pulp & Paper Co., Ltd.

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

The forecasts in this document are based on assumptions, outlooks, and plans related to the future as of its release date.

These forward-looking statements are based on decisions made in light of information available to the Company at the time this document was prepared, and are subject to a number of uncertainties. Therefore, this material does not guarantee the achievement of the stated goals or future business performance, and the Company assumes no responsibility for any damages resulting from the use of this material. This English translation is prepared for the readers' convenience. In the case of any discrepancies between the original Japanese version and the English translation, the original Japanese version shall prevail.