



H1 FY2025* Financial Results Overview

*Fiscal year ending March 31, 2026

November 17, 2025

Prime Market
Tokyo Stock Exchange
Securities Code: 8032

Japan Pulp & Paper Co., Ltd.

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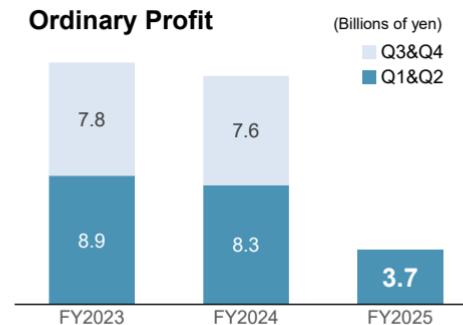
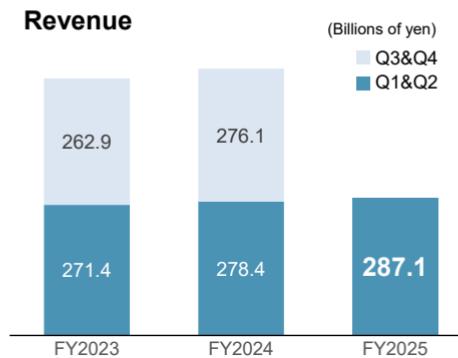
I H1 FY2025 Financial Results Overview

Financial Highlights

- Revenue increased year on year due to the contribution of subsidiaries acquired outside of Japan through M&As in the previous fiscal year (103.1% compared to the previous fiscal year).
- Ordinary profit decreased year on year mainly due to the impact of ordinary losses incurred by subsidiaries outside of Japan acquired through M&As in the previous fiscal year in the Non-Japan Wholesaling segment and a deterioration in the performance of the woody biomass power generation business in the Raw Materials & Environment segment (45.4% compared to the previous fiscal year).
- Profit attributable to owners of parent decreased year on year mainly due to the decrease in ordinary profit and business restructuring expenses recorded by subsidiaries outside of Japan (16.1% compared to the previous fiscal year).

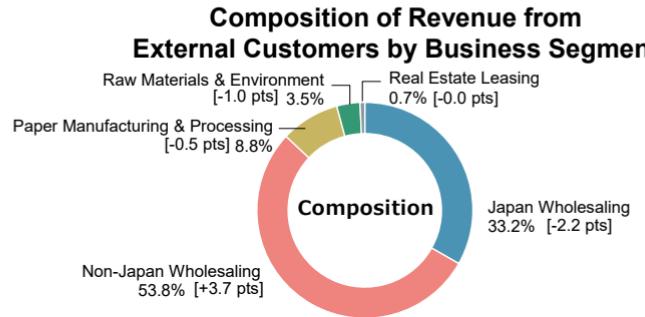
Consolidated Financial Results Overview

	H1 FY2024	H1 FY2025	Year-on-Year Comparison
Revenue	278,419	287,131	103.1%
Gross Profit	45,939	49,346	107.4%
Operating Profit	8,185	4,327	52.9%
Ordinary Profit	8,250	3,748	45.4%
Profit Attributable to Owners of Parent	5,714	920	16.1%

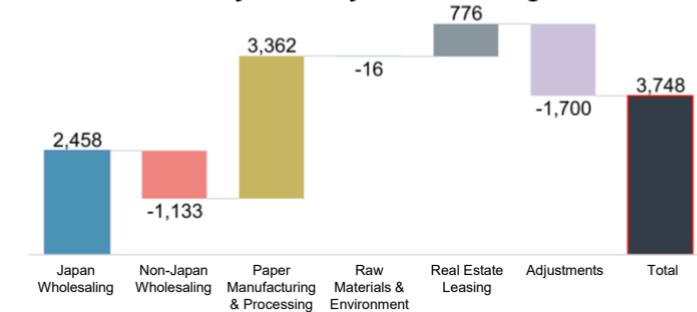


Financial Results by Segment

Consolidated ordinary profit declined significantly, adversely affected by ordinary losses in the Non-Japan Wholesaling and Raw Materials & Environment segments.



Ordinary Profit by Business Segment



Note: Figures in [] indicate changes of the composition ratio from FY2024.

(Millions of yen)

	Revenue from External Customers			Ordinary Profit		
	H1 FY2024	H1 FY2025	Year-on-Year Comparison	H1 FY2024	H1 FY2025	Year-on-Year Comparison
Japan Wholesaling	98,577	95,293	96.7%	2,869	2,458	85.7%
Non-Japan Wholesaling	139,467	154,493	110.8%	1,920	-1,133	–
Paper Manufacturing & Processing	25,961	25,321	97.5%	3,283	3,362	102.4%
Raw Materials & Environment	12,331	9,953	80.7%	1,262	-16	–
Real Estate Leasing	2,084	2,072	99.4%	769	776	100.9%
Adjustments	–	–	–	-1,852	-1,700	–
Amount Recorded on Consolidated Statements of Income	278,419	287,131	103.1%	8,250	3,748	45.4%

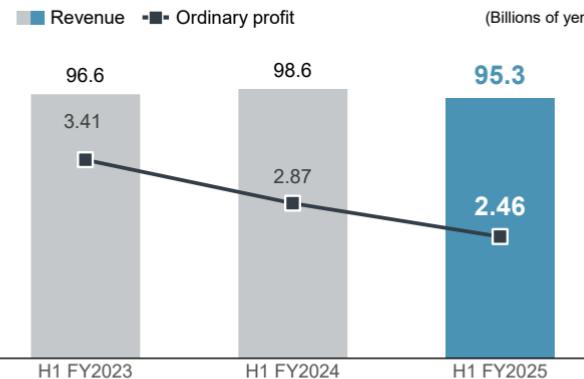
II H1 FY2025 Financial Results Overview by Segment

Japan Wholesaling: Overview 1

Revenue: In the paper business, sales volume for publications and commercial printing continued to decline amid the progress of digitization. Meanwhile, paperboard and functional materials performed on par with the same period last year, resulting in revenue remaining flat year on year.

Ordinary profit: Decreased year on year mainly due to an increase in personnel expenses and other selling, general and administrative expenses.

Revenue/Ordinary Profit



Segment Overview

Paper:

Sales volume decreased year on year due to a decrease in the circulation of periodicals and catalogs caused by structural factors, such as the ongoing shift toward digitization.

Paperboard:

Sales of containerboard remained strong for beverages, but were sluggish for food and daily necessities and industrial products. Sales of box board remained steady for trading card applications. As a result, sales volume remained flat year on year.

Despite variations in demand by region and sector for functional materials, primarily in electronics and related applications, the securing of new business contributed to maintaining overall sales volume at a level comparable to the previous fiscal period.

Japan Wholesaling: Overview 2

For H1 FY2025, demand in Japan* was 96.3% for paper, 99.3% for paperboard, and 97.9% for paper and paperboard combined compared to the same period last year.

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

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

	Sales Volume (10,000 tons)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Paper	42.9	40.4	-2.5	94.3%
Paperboard	39.2	39.4	+0.2	100.7%

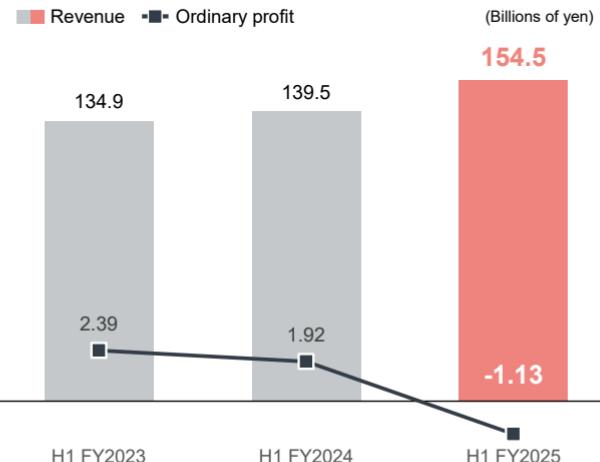
	Revenue (Billions of yen)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Paper	63.73	61.24	-2.49	96.1%
Paperboard	17.69	17.96	+0.27	101.5%

Non-Japan Wholesaling: Overview 1

Revenue: Increased year on year thanks to the contribution of German and French subsidiaries acquired through M&As in the previous fiscal year as well as to our continued efforts in complementary M&As.

Ordinary profit: The segment posted ordinary losses due to deteriorated profitability resulting from intensified price competition in Europe and Oceania as well as to the longer-than-expected time taken to turn around German subsidiaries.

Revenue/Ordinary Profit



Segment Overview

Status of Key Markets:

Demand for paper and paperboard remained on a declining trend in the United States, Europe, and Oceania mainly due to the ongoing shift toward digitization.

On the other hand, sales volume in the European business increased year on year as a result of making five companies in Germany and France new subsidiaries.

Exports from Japan:

Sales of paper and paperboard to China and other Asian countries declined year on year, resulting in year-on-year decreases in both sales volume and value.

Non-Japan Wholesaling: Overview 2

In the group's key markets outside of Japan, demand for paper and paperboard in H1 FY2025 remained weak in Europe and Oceania. Meanwhile, such demand is currently sluggish in the U.S., reflecting a pullback after the inventory-building demand that occurred in the first quarter ahead of Trump's tariffs.

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

	Revenue (Billions of yen)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Non-consolidated	15.38	11.67	-3.71	75.9%
United States	56.59	46.06	-10.53	81.4%
Europe	30.48	62.13	+31.65	203.8%
Oceania	23.41	22.98	-0.44	98.1%
Asia	13.60	11.66	-1.95	85.7%

Sales Volume by Region (Within Segment)

(10,000 tons)	Sales Volume (10,000 tons)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
United States	31.0	28.5	-2.6	91.7%
Europe	9.0	23.6	+14.6	262.6%
Oceania	7.4	7.0	-0.3	95.5%

Note: Sales volumes are simple totals of major subsidiaries.

The aggregation method is not the same as in the table on the left.

Ordinary Profit (Billions of yen)

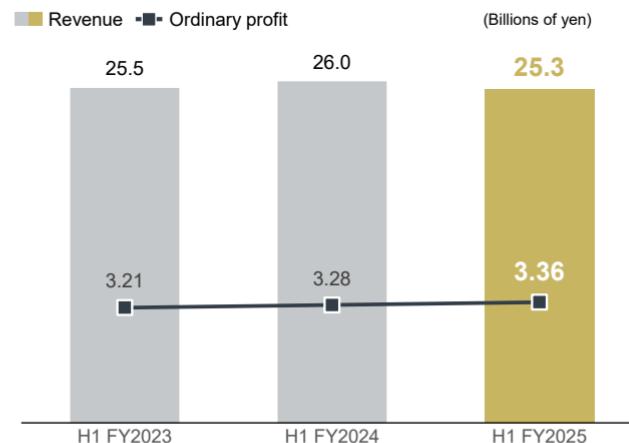
	Ordinary Profit (Billions of yen)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Non-consolidated	0.41	0.27	-0.14	66.1%
United States	0.98	0.85	-0.13	86.4%
Europe	0.01	-1.98	-1.99	—
Oceania	0.54	-0.29	-0.83	—
Asia	0.01	0.00	-0.01	3.3%

Paper Manufacturing & Processing: Overview 1

Revenue: Despite strong sales of commercial toilet paper in the recycled household paper business, sluggish sales volume growth in the corrugated container business resulted in a year-on-year decrease.

Ordinary profit: Increased year on year due to a strong performance in the recycled household paper business, more than offsetting higher manufacturing costs, including labor, fuel, and subsidiary material costs.

Revenue/Ordinary Profit



Segment Overview

Corrugated Container Business:

Both sales volume and amount decreased year on year.

Recycled Household Paper Business:

Both sales volume and amount increased year on year.

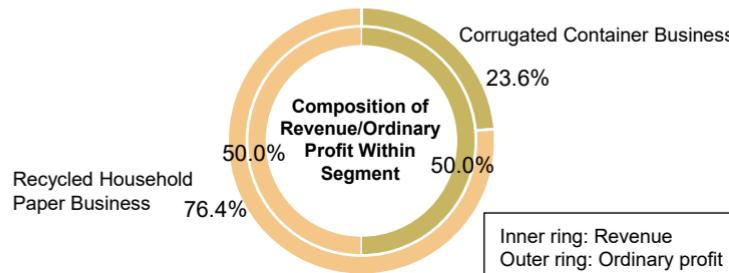
Ordinary Profit:

Ordinary profit increased year on year due to an increase in profit in the recycled household paper business, despite higher manufacturing costs in both the corrugated container business and recycled household paper business.

Paper Manufacturing & Processing: Overview 2

Demand for household paper products (e.g., toilet paper) in Japan remained flat at 100.7% in H1 FY2025 compared to the same period last year.

Demand in Japan = shipments + imports (Nihon Kateishi Kougyokai [Japan Household Paper Manufacturers Association] and Ministry of Finance trade statistics)



Quantity by Business (Within segment)

	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Containerboard Business Sales Volume (10,000 tons)	11.3	11.2	-0.1	99.4%
Containerboard Processing Business Sales Volume (10,000 m ³)	7,935.7	8,000.9	+65.2	100.8%
Recycled Household Paper Business Production Volume (10,000 tons)	5.6	5.7	+0.1	101.7%

Note: Production volume is listed for recycled household paper only.

Production and sales volumes are simple totals of major subsidiaries.

Revenue/Ordinary Profit by Business (Within Segment)

	Revenue (Billions of yen)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Corrugated Container Business	13.87	12.67	-1.20	91.3%
Recycled Household Paper Business	12.09	12.65	+0.56	104.7%

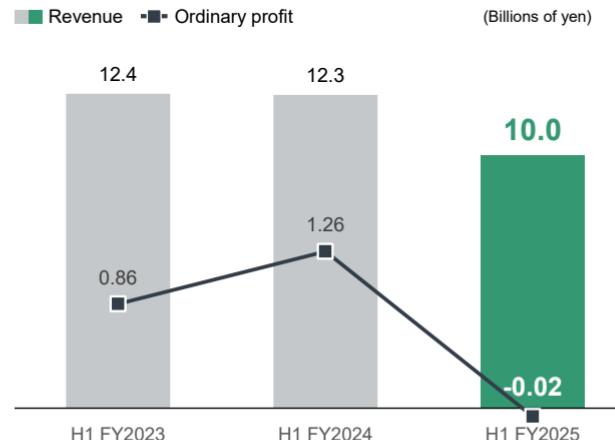
	Ordinary Profit (Billions of yen)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Corrugated Container Business	0.94	0.79	-0.15	84.5%
Recycled Household Paper Business	2.35	2.57	+0.22	109.4%

Raw Materials & Environment: Overview 1

Revenue: Decreased year on year due to lower sales volume of recovered paper and other products.

Ordinary profit: Decreased year on year mainly due to deteriorated profitability in the fuel business for woody biomass power plants and the impairment of non-current assets at an equity-method associate.

Revenue/Ordinary Profit



Segment Overview

Recovered Paper:

In Japan, sales volume decreased as the decline in demand for paper and paperboard has resulted in a reduction in the amount of recovered paper being generated, and three business sites in the Kanto area were transferred. In the U.S., sales volume decreased as a result of a decline in exports of old corrugated containers to Southeast Asia.

Pulp:

Sales volume decreased both inside and outside of Japan due to softening market conditions (volume and unit prices).

Comprehensive Recycling Business:

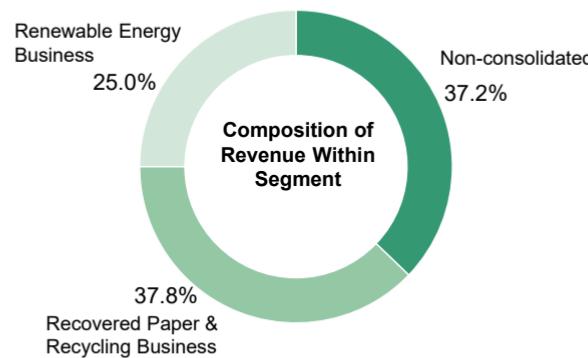
Sales remained flat year on year.



Renewable Energy Business:

Sales in solar power generation were consistent year on year. Profit decreased in the woody biomass power generation business as a result of the deteriorated performance.

Raw Materials & Environment: Overview 2



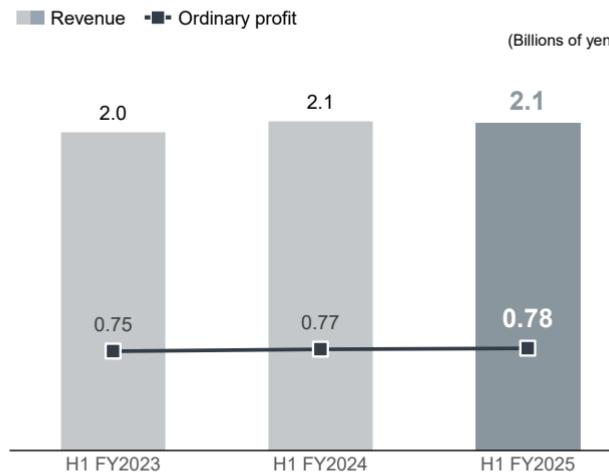
Revenue and Ordinary Profit on a Non-consolidated Basis and by Business (Within Segment)

	Revenue (Billions of yen)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Non-consolidated	4.90	3.70	-1.20	75.5%
Recovered Paper & Recycling Business	4.78	3.76	-1.02	78.8%
Renewable Energy Business	2.65	2.49	-0.16	93.8%

	Ordinary Profit (Billions of yen)			
	H1 FY2024	H1 FY2025	Year-on-Year Change	Year-on-Year Comparison
Non-consolidated	0.11	0.03	-0.08	26.2%
Recovered Paper & Recycling Business	0.31	0.29	-0.02	93.6%
Renewable Energy Business	0.86	-0.33	-1.19	-

Real Estate Leasing: Overview

Revenue/Ordinary Profit



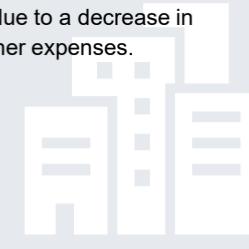
Segment Overview

Revenue:

Slightly decreased year on year as a result of some tenants moving out of our properties.

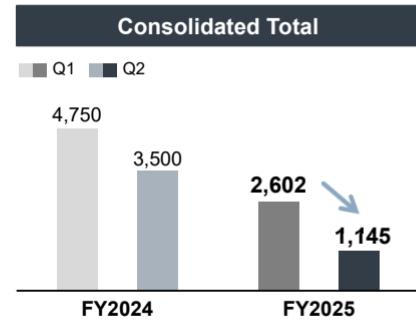
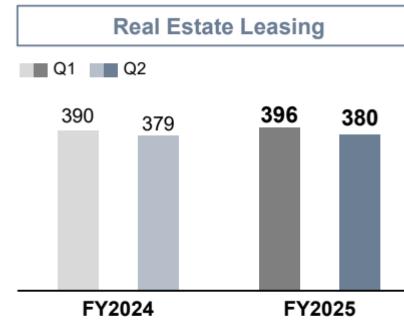
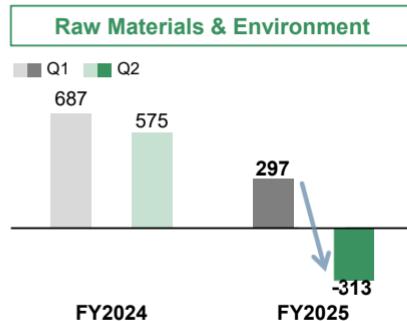
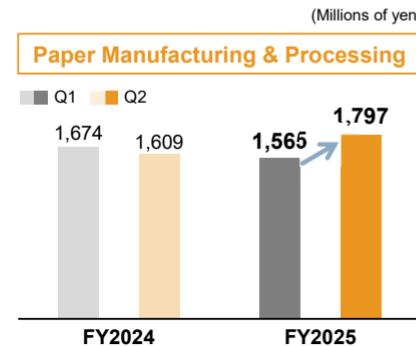
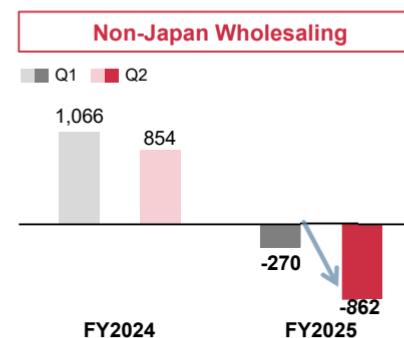
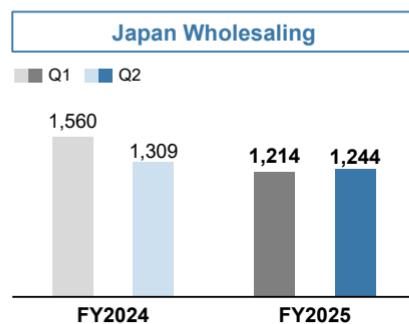
Ordinary Profit:

Slightly increased year on year due to a decrease in repairs and maintenance and other expenses.



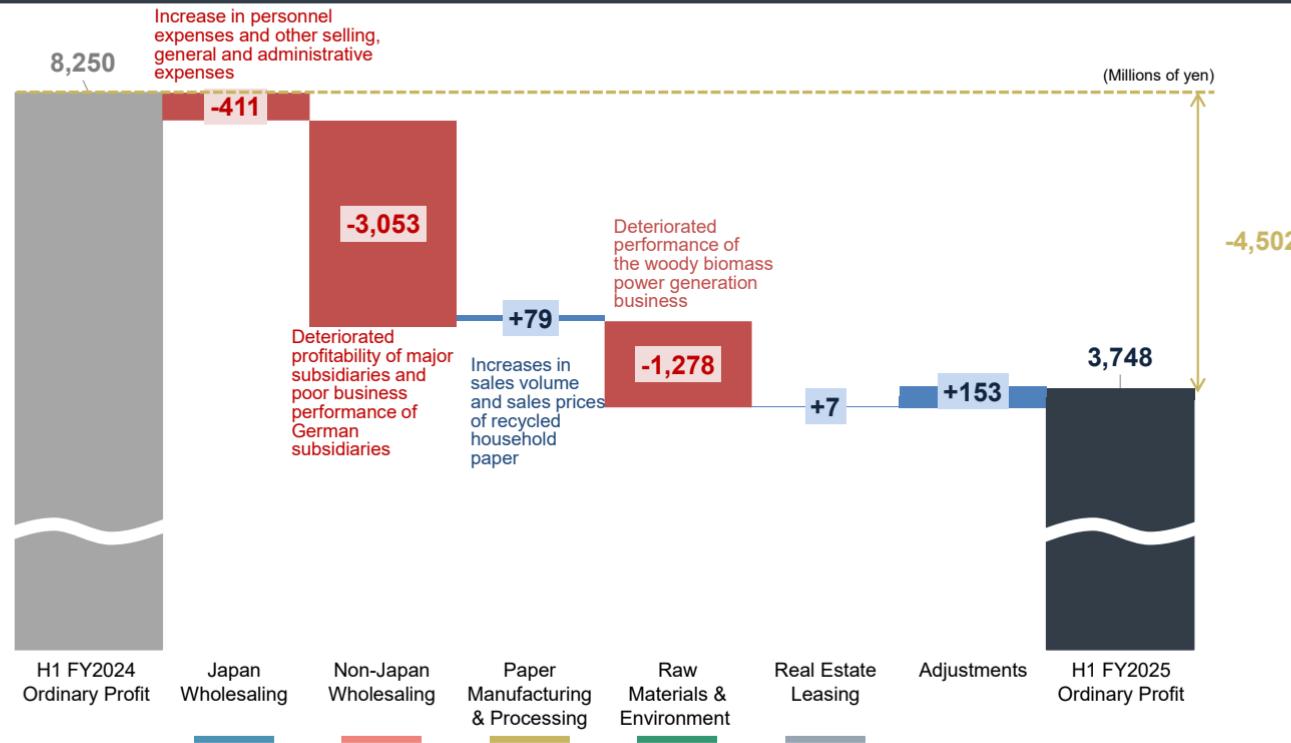
Ordinary Profit Trends for Q1 and Q2 FY2025 and Year-on-Year Comparison

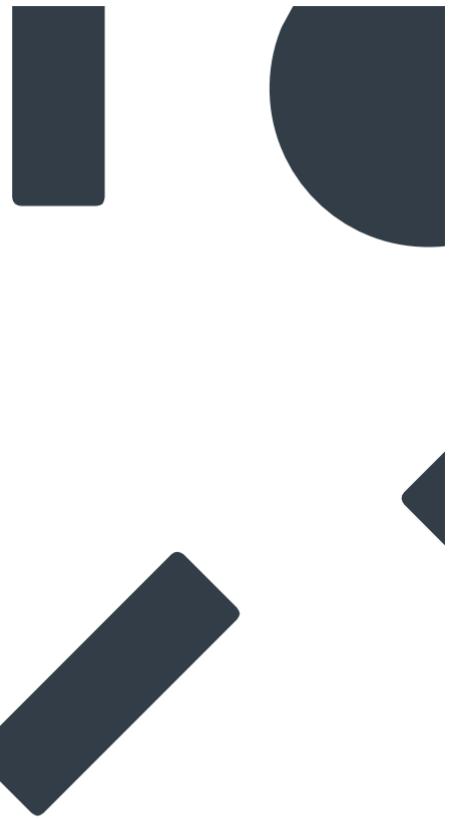
Ordinary profit: Q1 and Q2 (three-month) comparison and year-on-year comparison



Ordinary Profit: Analysis of Changes in Profit

Ordinary profit decreased by JPY 4,502 million, 45.4% compared to the same period last year, affected by the decline in profits in the Non-Japan Wholesaling and Raw Materials & Environment segments.





III FY2025 Financial Results Forecast

Consolidated Financial Results Forecast

The forecasts for ordinary profit and profit attributable to owners of parent decreased by 32.3% and 76.5%, respectively, from the initial forecasts.

- **Non-Japan wholesaling:** It is likely to be difficult to turn around the performance of German subsidiaries, which joined the group in the previous fiscal year, within this fiscal year. We expect to record business restructuring expenses in Q3 or later.
- **Raw Materials & Environment:** Revenue from sales of fuel for woody biomass power plants fell short of the initial plan. We recorded a share of loss of entities accounted for using equity method resulting from the impairment of non-current assets in Q2.

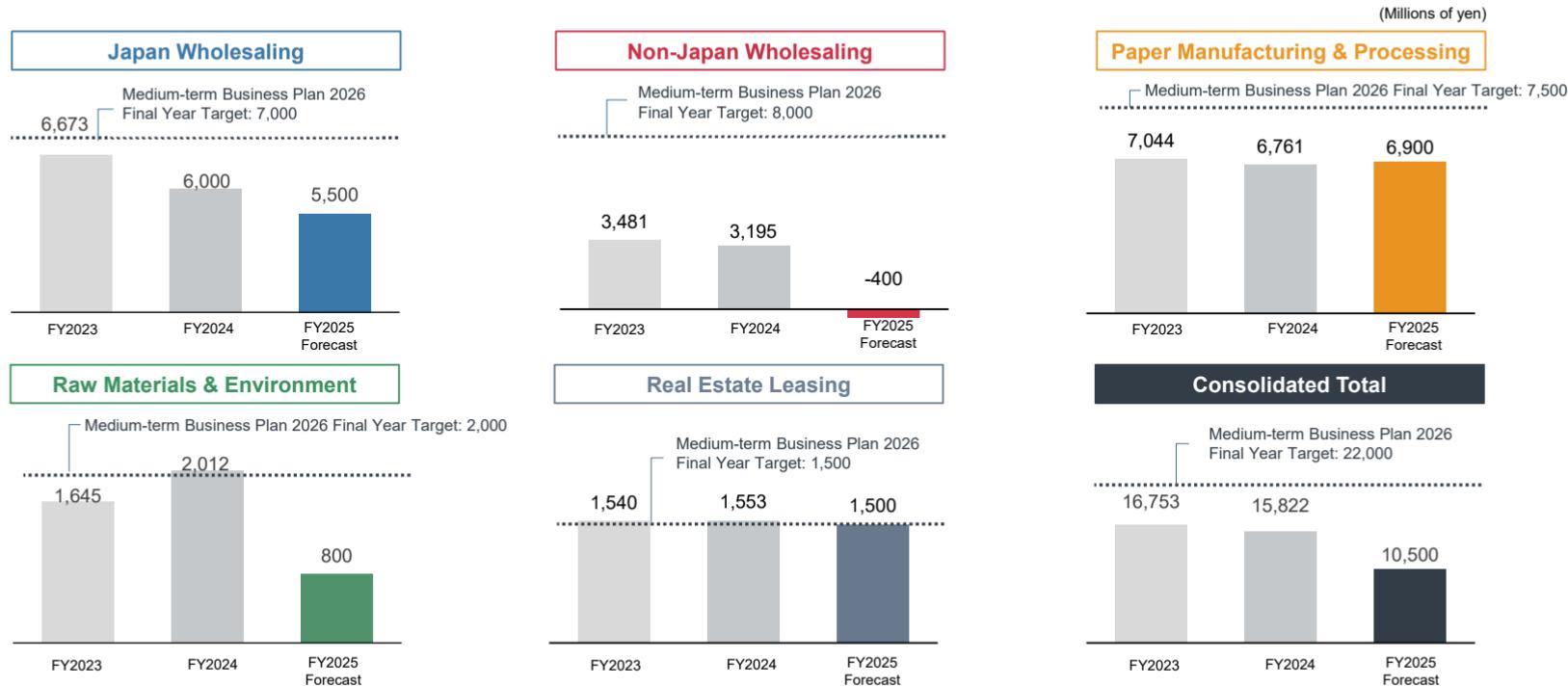
	FY2024 Results	FY2025 Initial Forecast (A)	FY2025 Revised Forecast (B)	Change (B) – (A)	Change (%)
Operating Profit	15,071	16,500	11,500	-5,000	-30.3%
Ordinary Profit	15,822	15,500	10,500	-5,000	-32.3%
Profit Attributable to Owners of Parent	7,569	8,500	2,000	-6,500	-76.5%

Consolidated Ordinary Profit Forecast: Breakdown by Segment

Ordinary Profit by Business Segment

	FY2025 Initial Forecast (A)	FY2025 Revised Forecast (B)	Change (B) – (A)	Change (%)
Japan Wholesaling	5,800	5,500	-300	-5.2%
Non-Japan Wholesaling	3,900	-400	-4,300	-
Paper Manufacturing & Processing	6,800	6,900	+100	+1.5%
Raw Materials & Environment	1,800	800	-1,000	-55.6%
Real Estate Leasing	1,400	1,500	+100	+7.1%
Adjustments	-4,200	-3,800	+400	-
Total	15,500	10,500	-5,000	-32.3%

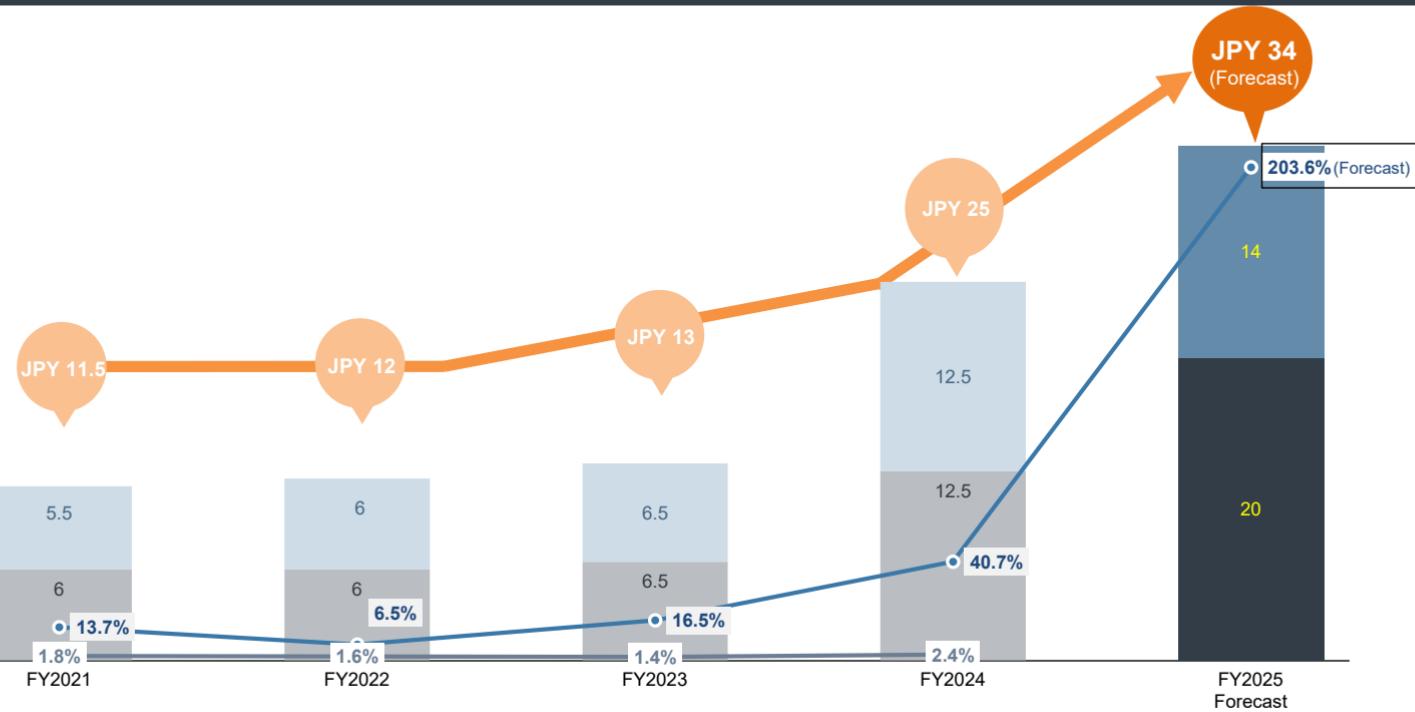
FY2025 Ordinary Profit Trends by Segment (Revised Forecast)



Dividends (Records and Forecasts)

Adopting consolidated dividend on equity (DOE) ratio effective from the year-end dividend for FY2025, the dividend forecast for FY2025 was revised to JPY 34 from JPY 28 per share.

We are going to adopt a progressive dividend policy with a consolidated payout ratio of 30% or more and consolidated DOE ratio of 3% or more until FY2026.



Note: As a 1:10 stock split was effected on October 1, 2024, amounts after the stock adjustment are shown for dividends in FY2023 and earlier.

IV Progress of 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

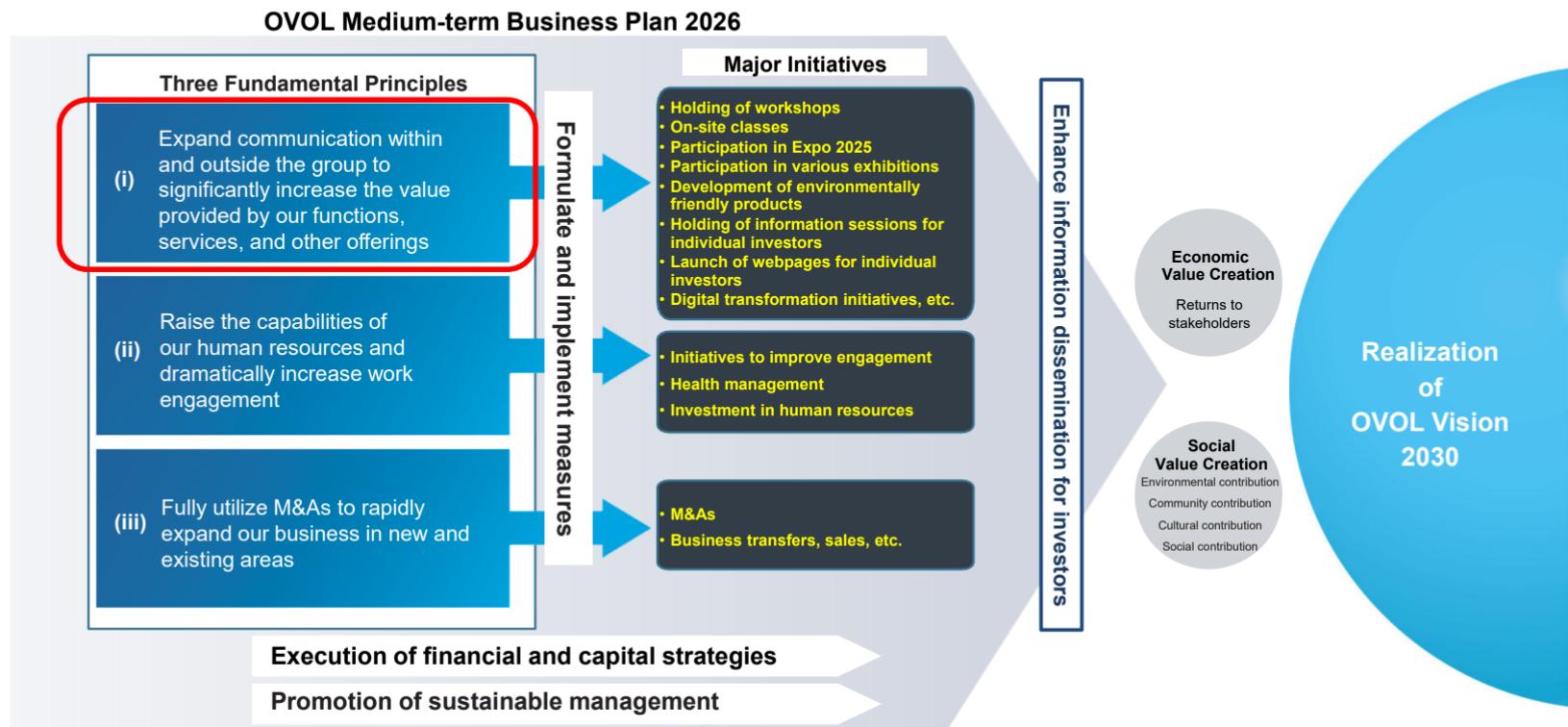
- Continue to enhance corporate value through growth investment, including investment in sustainability.
- Continue to increase work engagement.
- Be highly valued by shareholders for ongoing improvements in growth potential, management transparency, financial soundness, and investment efficiency, backed 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

Initiatives Based on 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



(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 to promote the value of paper: nationwide expansion of on-site classes, regular workshops, and the establishment of a paper study group aimed at spreading the value of paper.

Following a series of workshops held in FY2024, in which, in addition to the Company's employees, a total of 75 paper wholesalers nationwide and their 99 employees participated, we held the "Imagining the Potential of Paper through Future-oriented Thinking and Collaboration – OVOL CREATIVE WORKSHOP SERIES Vol. 2," in which, in addition to the Company's employees, a total of 46 paper wholesalers and their 48 employees participated, in FY2025 to further cultivate human resources capable of coming up with challenging and exciting ideas across the paper distribution industry.

Nationwide Expansion of On-site Classes

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. As part of the aforementioned initiatives to promote the value of paper, we have started offering on-site classes at elementary schools across the country in collaboration with paper wholesalers in the second half of FY2025.

Participation in Expo 2025 Osaka, Kansai, Japan

We participated in the Future Life Experience presentation unit located in the Future Life Village (FLV) area of Expo 2025 Osaka, Kansai, Japan held from April to October 2025, and the pavilion welcomed approximately 4,800 visitors.

The Future Life Experience pavilion addressed various questions and proposals regarding "future life" and "actions for the future" and was designed to foster dialogue among participants and visitors about future societal lifestyles and promote collaboration. At the pavilion, we introduced new possibilities of paper through exhibits and videos with the aim of providing visitors with new discoveries and impressions of paper.

In addition, Corelex Shin-Ei collected and recycled paper waste generated at the Expo venue into toilet paper. The recycled toilet paper was used at a part of the venue to implement our initiative for resource circulation.

Participation in Various Exhibitions Etc. (From April 2025 Onward)

- Pet industrial trade show "Interpets 2025" (April 2025)
- Printing exhibition "SOPTEC Tohoku 2025" (July 2025)
- Packaging industrial trade show "Okinawa Pack 2025" (September 2025)
- Coffee-related product exhibition "SCAJ 2025 World Specialty Coffee Conference and Exhibition" (September 2025)
- Packaging industrial trade show "JAPAN PACK 2025" (October 2025)
- Cross-industrial trade fair "Messe Nagoya 2025" (November 2025)

(i) Expand Communication and Increase Value Provided 2

Kami Eco® Coffee Packaging Won Sustainable Product Award

At the SCAJ World Specialty Coffee Conference and Exhibition 2025 organized by the Specialty Coffee Association of Japan (SCAJ), Paper & Green, a website operated by the Company to propose solutions that promote the use of paper, exhibited Kami Eco® Coffee Packaging, and Kami-Air Design Window won the Sustainable Product Award. This product is a type of paper packaging made for coffee beans, from specialized paper that has excellent oxygen and water barrier properties. It is designed to reduce plastic waste by shifting from plastic to paper packaging without spoiling the flavor of coffee or tea leaves. 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.

Company Information Session for Individual Investors

Following the session held in March 2025, we will hold the next company information session for individual investors in February 2026 to further enhance our IR activities.

Launch of Webpage for Individual Investors

We launched a new webpage for individual investors on our corporate website. The webpage is designed to act as a central hub for information sought by investors that they can access easily, such as representations of the group's business activities through graphic illustrations.

URL: <https://www.kamipa.co.jp/eng/ir/individual/>

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 controls within the group.

- DX promotion

• A business inventory survey was conducted for all company divisions to analyze business operations in terms of 'quantity,' 'type,' 'skills,' and 'position' in FY2024. In FY2025, we have begun formulating a DX grand design based on the survey results to define the big picture for our DX and build specific strategies.

- Using AI to increase operational efficiency and sophisticate operations

• Currently, our dedicated ChatGPT environment is used as a support tool for work task planning and document creation. We are preparing to develop a training program for executives and employees to help them use AI more effectively.

- IT controls and IT security implementation

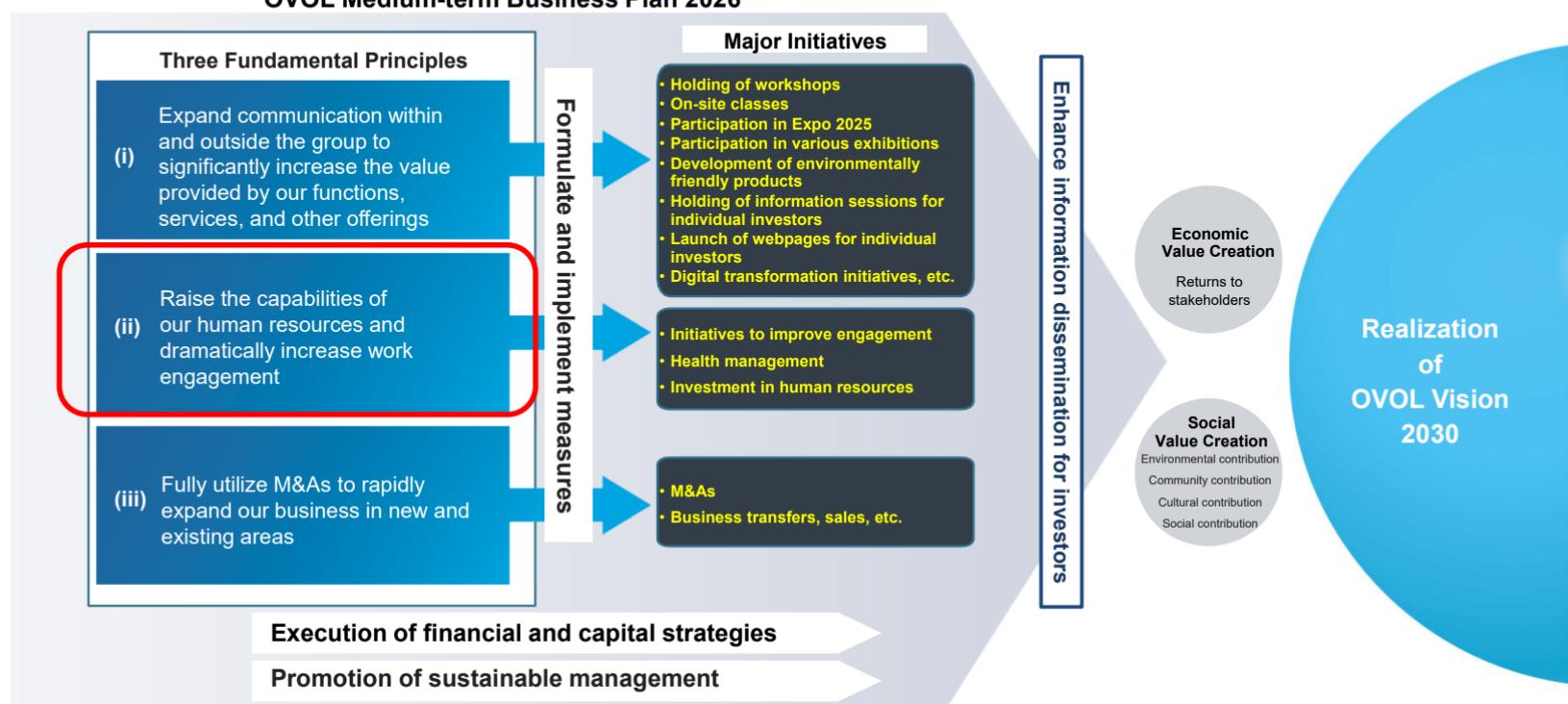
We have formulated the Japan Pulp & Paper Group IT Governance Policy and Information Security Policy as group-wide policies.

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.

Initiatives Based on 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



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

(Non-consolidated initiatives at Japan Pulp & Paper)

Initiatives to Improve Engagement

- The results of the engagement surveys conducted in December 2024 and June 2025 were both '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 situation on the ground, seminars were held for general managers of divisions, branch offices, and departments.
- To facilitate communication and information sharing between management and employees, we held 'Dialogues with Management' sessions between the president and managers and sessions for dialogue between headquarters and branch office employees, respectively.

Health Management and Productivity 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.



Investment in Human Resources

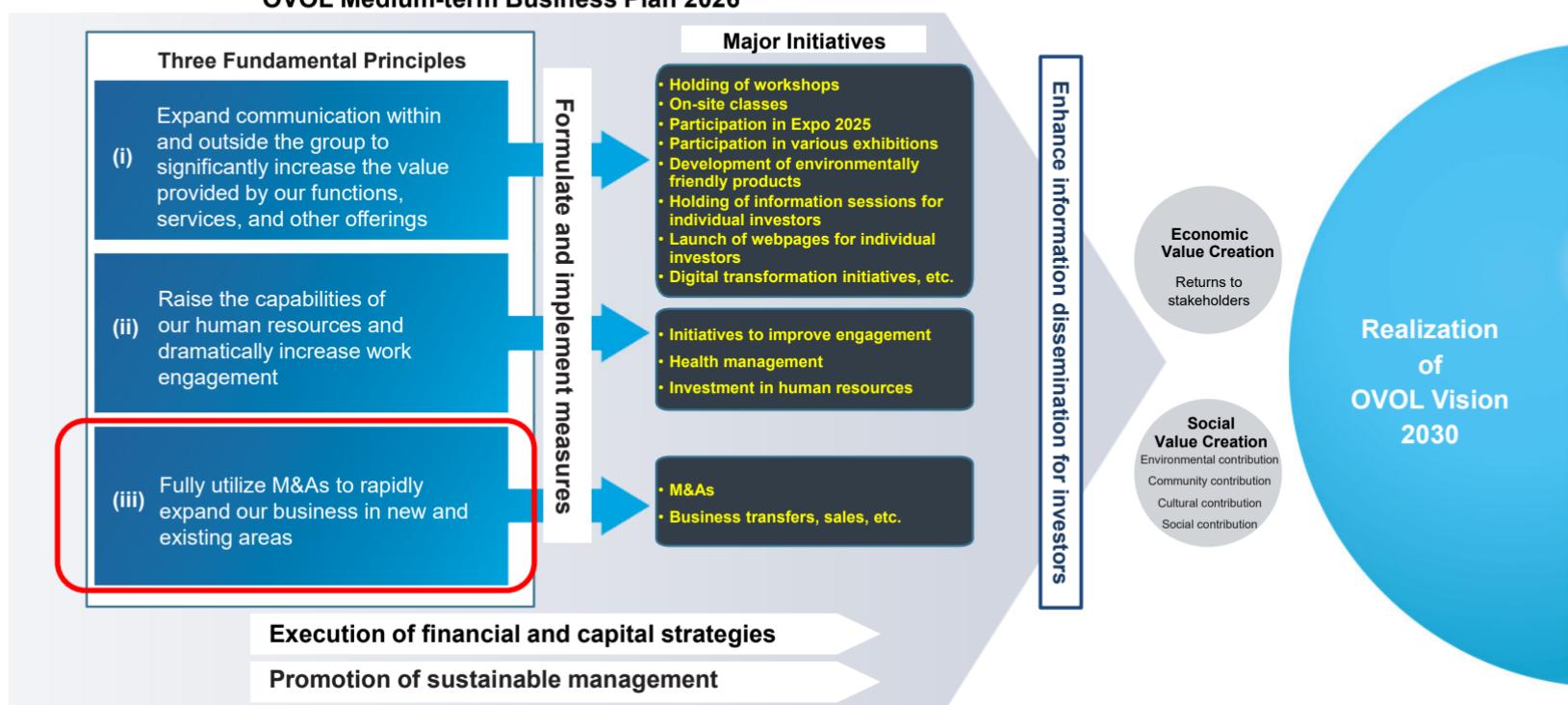
- We set a target to triple education and training expenses in FY2026 compared to FY2023. To this end, we introduced the Udemy Business online video training service for all executives and employees.
- The ratio of female employees hired for career-track positions in FY2024 was 30.4% (key performance 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 salaries were increased for all employees.
- We introduced a performance-based restricted stock incentive plan for the employee shareholding association.

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)

Initiatives Based on 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



(iii) Revenue Scale 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 scale 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, Japan.

- **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, Japan

Business contents: Manufacture of household paper products

Note: Japan Pulp & Paper acquired 20% of Masukoh Paper's issued shares.

(iii) Revenue Scale 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, flexible packaging materials, and industrial packaging.

Divestments (Transfers, sales, etc.)

- Recycled household paper manufacturing business:**
JP CORELEX (Vietnam) (Southeast Asia)
Sold for efficient use of management resources (December 2023)

Executed in 2024

- Flexible packaging business:**
Caspak Products (Australia)
Pacrite Industries (New Zealand)

- Sign & display business:**
CAS Technology (Singapore)
Sign Essentials (Australia)

- Recovered paper recycling business:**
JRS Resources (North America)
Suspended operations due to a decline in sales volume to containerboard manufacturers in China

- Nut harvesting machinery manufacturing business:**
Weiss McNair (North America)
Sold to liquidate an unprofitable non-core business

Executed from January 2025 onward

- Flexible packaging business:**
Impak Films (Australia)
Impak Films New Zealand (New Zealand)
Impak Films US (North America)

- Sign & display business:**
Carter Consolidated (New Zealand)

- Recovered paper recycling business:**
OVOL Fiber Europe (Europe)
Sold to liquidate an unprofitable business

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

Investment (Strategic M&As)

Germany: OVOL Papier Deutschland, OVOL Packaging, OVOL ComPlot

(Revenue for H1 FY2025: JPY 21.9 billion; ordinary losses: JPY 2.0 billion)

- Engaged in the sign & display and packaging businesses, in addition to sales of paper and paperboard.
- Struggled more than expected to recover revenue due to customer attrition, declining demand, and falling prices.
- Aim to return to profitability in the next fiscal year or later by implementing business restructuring (scheduled to be implemented by the end of the year) and recovering revenue.

France: OVOL France, OVOL Sign & Display

(Revenue for H1 FY2025: JPY 13.1 billion; ordinary profit: JPY 0.2 billion)

- Engaged in the sign & display business, in addition to sales of paper and paperboard.
- Have contributed to our consolidated financial results since joining the group. Expected to continue contributing to the group's business performance going forward.

We recognize that these M&As were essential investments toward realizing OVOL Vision 2030 by:

- **strengthening relationships with European paper manufacturers and expanding supply sources across the group**
- **generating synergies with the Premier Group, which operates in the U.K. and Ireland, specifically in the sign & display business.**

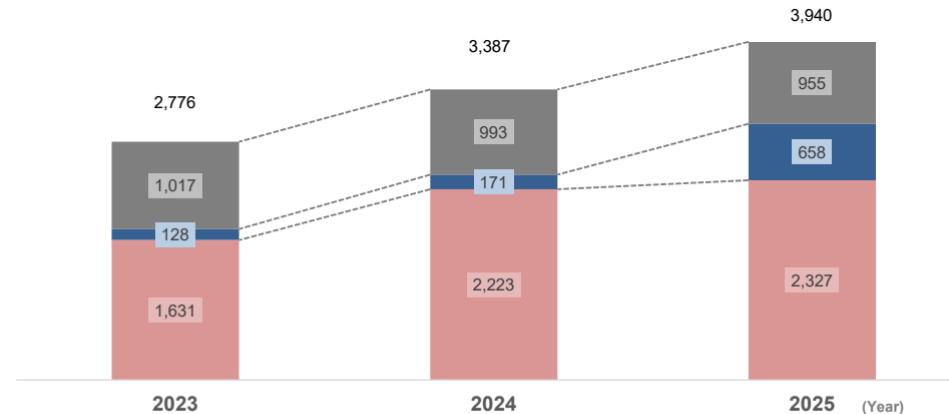
(iii) Revenue Scale Expansion Through Promotion of M&As and Alliances 4

Our continued efforts in complementary M&As in our focused areas have steadily contributed to strengthening the structures of our business sites:

- Sign & display (Europe, Oceania, Asia): store signboards, floor maps, wrapping films, related equipment, etc.
- Flexible packaging (Europe, Oceania): Films for food packaging and other applications, and pouches and other containers
- Industrial packaging (Europe, Oceania): Outer containers for food and beverages, cushioning materials, etc.

**Average Monthly Scale of Revenue by Focused Area
(Millions of yen)**

■ Sign & display ■ Flexible packaging ■ Industrial packaging



Note: The amount of revenue of each company was converted into Japanese yen using the exchange rate at the end of the Company's fiscal year. The figures for 2025 represent data from January to August.

(Reference) Non-Japan Wholesaling: Major Subsidiaries with Inventory and Distribution Functions in Key Regions

U.S.

OVOL USA (Gould Paper)

- With its head office in New York, this is one of the leading paper distribution groups in the U.S.
- They hold bases primarily on the East Coast and in the South, as well as develop their business in other countries including the U.K. and France.
- In 2023, they acquired a company in France handling communication paper and industrial paper, strengthening their sales structure in Europe.



Oceania

Ball & Doggett Group

- With its head office in Melbourne, they are one of the largest paper distribution groups in Oceania.
- They conduct business as Ball & Doggett in Australia and BJ Ball in New Zealand.
- As both countries have low domestic production ratios for paper and paperboard, they play an important role as a paper distributor.
- They are also expanding their business into markets such as sign & display-related items, and flexible packaging.



Southeast Asia

Japan Pulp & Paper (M), OVOL Malaysia

OVOL Singapore

- Leading paper distribution group in Malaysia and Singapore
- As both countries have low domestic production ratios for paper and paperboard, they play an important role as a paper distributor.
- Expanding business fields through the sign & display-related items, processing of thermal transfer ribbons, etc.



U.K. & Ireland

Premier Paper Group

- With its head office in Birmingham, it is the leading paper distribution group in the U.K.
- As the U.K. relies heavily on imports of paper and paperboard, distributors with inventory and distribution functions play an important role.
- They are expanding their business in ways such as strengthening their sign & display-related items and flexible packaging offerings and entering package manufacturing and sales.
- In 2023 they acquired a company in Ireland, strengthening their sales system by utilizing the group's procurement infrastructure.



Germany

OVOL Papier Deutschland

OVOL ComPlot

OVOL Packaging

- In 2024, we acquired the German operations of Inapa, a leading European paper distribution group and renamed them.
- They handle sales of graphic paper, packaging-related materials, and sign & display-related items.



France

OVOL France

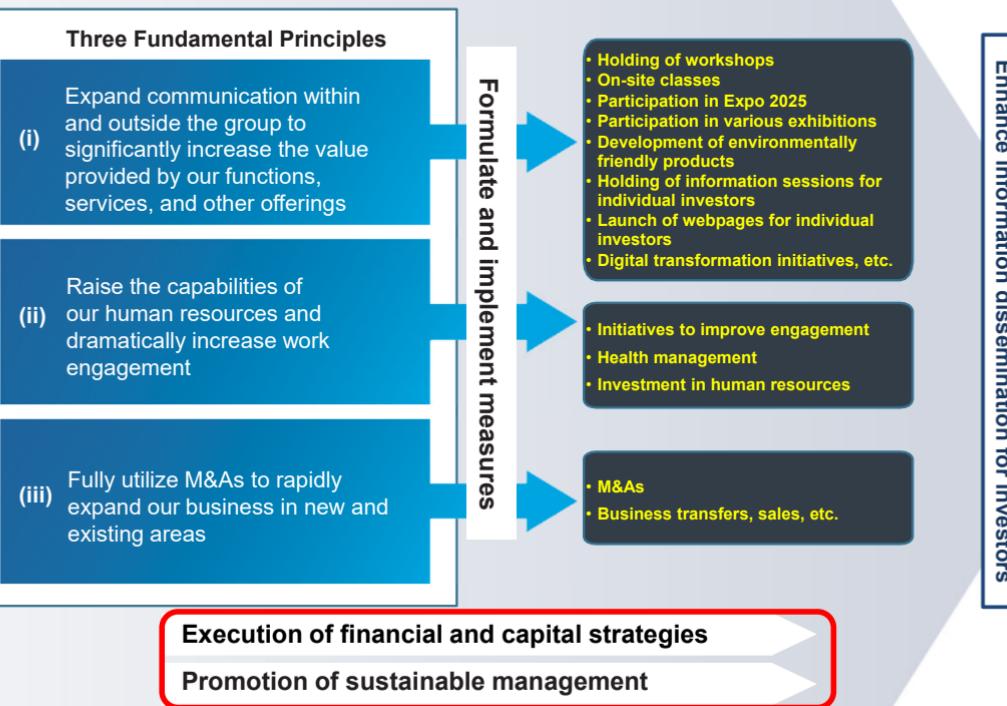
- In 2024, we acquired the French operations of Inapa, a leading European paper distribution group and renamed them.
- They handle sales of graphic paper and sign & display-related items in France (OVOL Sign & Display) and operate a group shared services base in Portugal (OVOL Shared Center).



Initiatives Based on 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

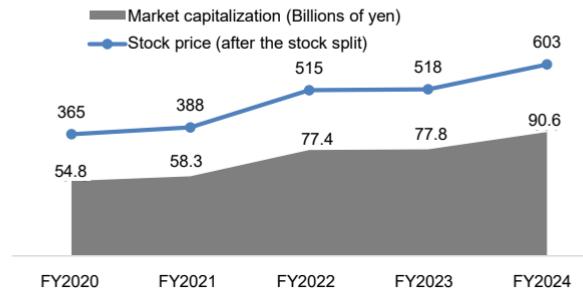


Stock Price and Market Valuation Trends

While the stock price has increased steadily, our price-to-earnings ratio (PER) has been back on the recovery track since FY2022.

We aim to improve our price book-value ratio (PBR) through the enhancement of return on equity (ROE) by making investments for growth and strengthening shareholder returns.

Stock Market and Market Capitalization Trends



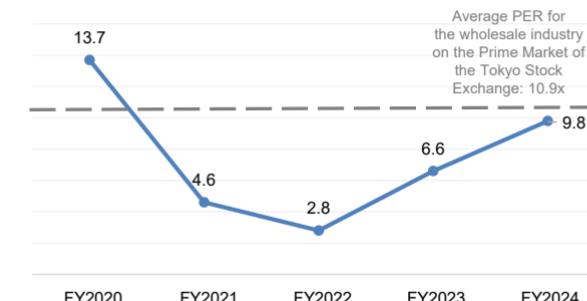
ROE Trends



PBR Trends

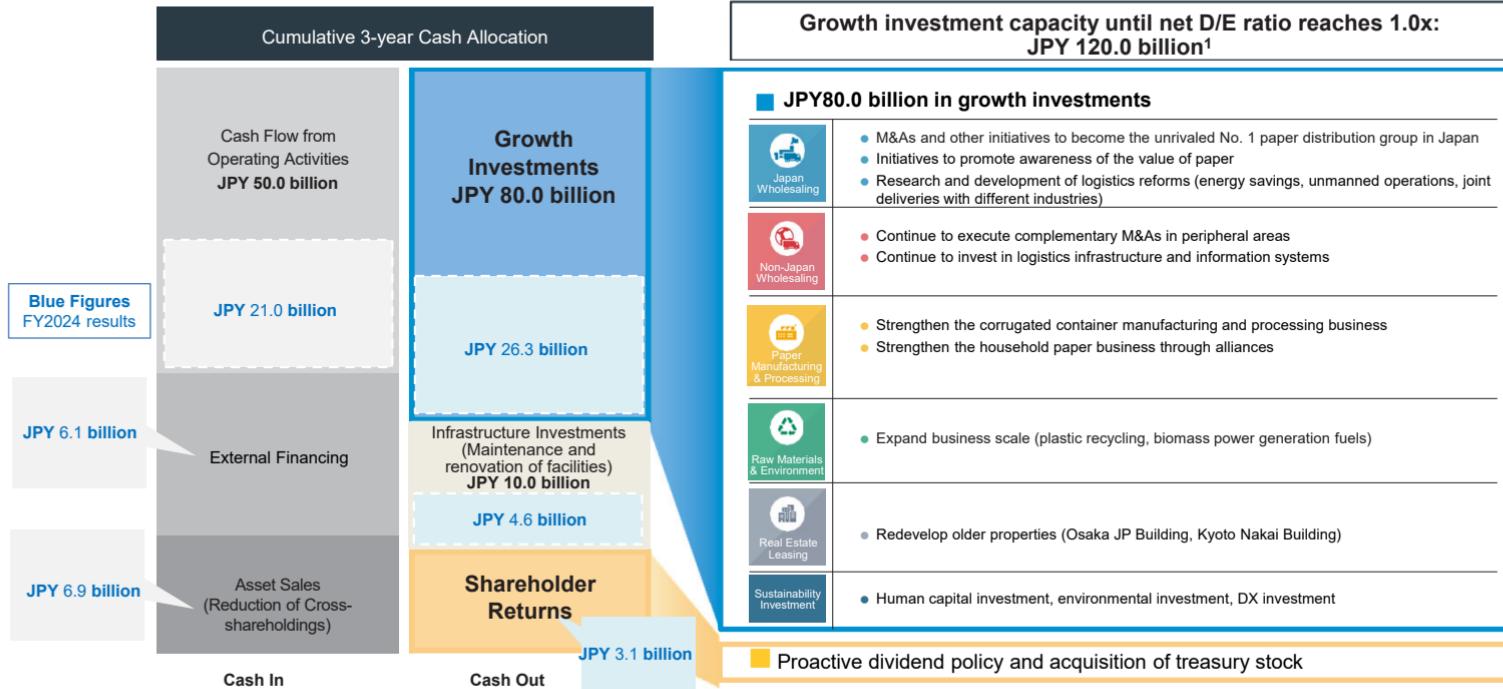


PER Trends



Financial and Capital Strategies: Cash Allocation

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

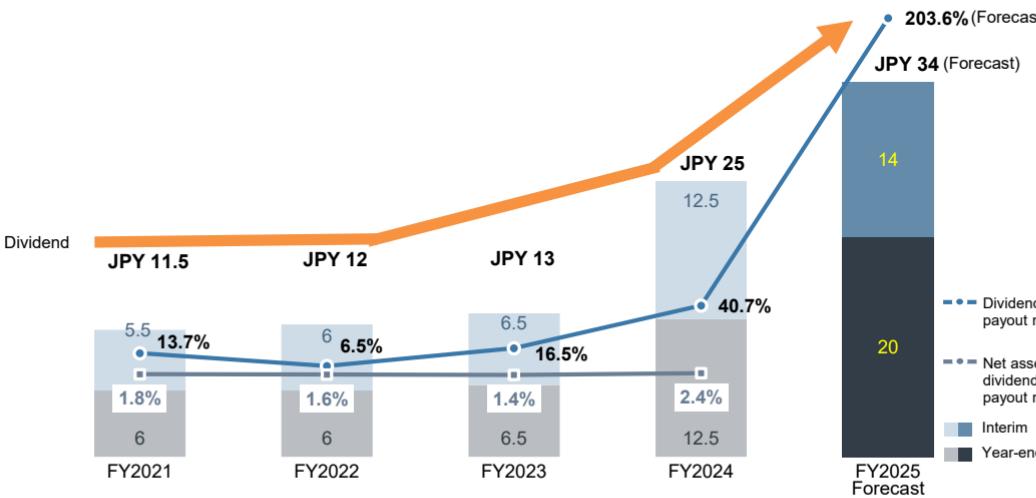


Note: 1. The group will respond with agility to growth investment opportunities such as M&As, utilizing financial leverage up to a net D/E ratio of 1.0x.

Execution of Financial and Capital Strategies

Dividends increased four consecutive fiscal years through FY2024. Annual dividends are expected to further increase by adopting a DOE indicator until FY2026. Cross-shareholdings are being reduced.

Dividend Records and Forecasts



Note: As a 1:10 stock split was effected on October 1, 2024, amounts after the stock adjustment are shown for dividends in FY2023 and earlier.

Revision to Our Dividend Policy

- Progressive dividends with a consolidated payout ratio of 30% or more and **consolidated dividend on equity (DOE) ratio of 3% or more**

Note: The new policy will be adopted effective from the year-end dividend for FY2025.

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 1000 to 500

Shareholder Returns (Stock Buyback)

We have implemented stock buybacks with agility and flexibility in accordance with our shareholder return policy set forth in OVOL Medium-term Business Plan 2026.

We will also implement a treasury shares retirement.

Overview of Stock Buyback

(1) Class of Shares Acquired	Common stock of the Company
(2) Total Number of Shares Acquired	8,384,900 shares
(3) Acquisition Costs	JPY 6,355,754,200 (JPY 758 per share)
(4) Date of Acquisition	November 7, 2025
(5) Method of Acquisition	Purchase through the off-action own share repurchase trading system (ToSTNeT-3) of the Tokyo Stock Exchange

Overview of Treasury Shares Retirement

(1) Class of Shares to be Retired	Common stock of the Company
(2) Number of Shares to be Retired	30,000,000 shares (19.97% of the total number of shares issued prior to the retirement)
(3) Scheduled Date of Retirement	November 28, 2025

Promotion of Sustainable Management

Business and Human Rights

- Commenced human rights due diligence in the second half of FY2024 to identify important human rights issues for the group.
- Monitored the Company's major suppliers—those covering 80% of its total purchases—using a CSR procurement self-assessment form.
- Conducted training on business and human rights at group companies inside and outside of Japan (attended by a total of 1,719 executives and employees of the group).

Climate Change

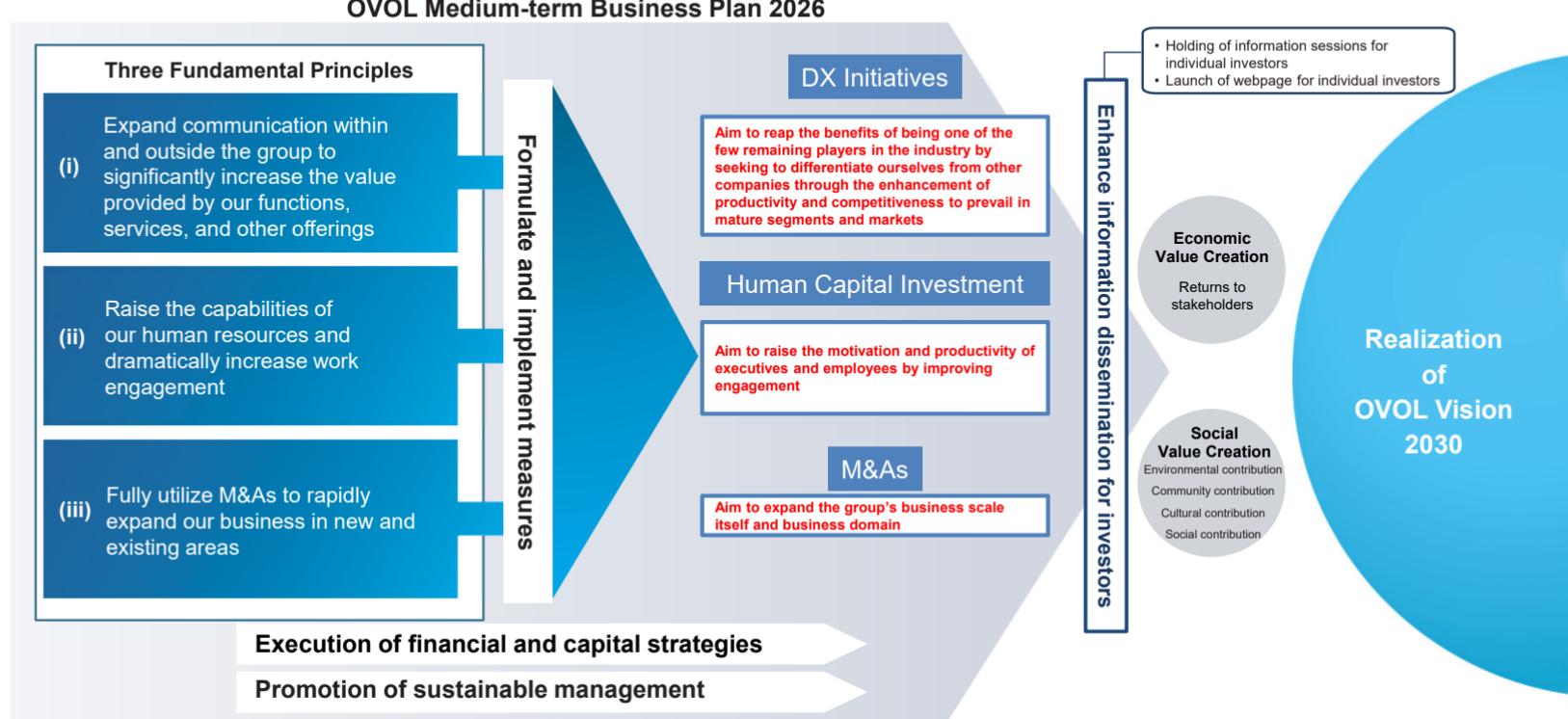
- Formulated the Japan Pulp & Paper Group Medium- and Long-Term Reduction Targets for Greenhouse Gas Emissions.
 - ◆ Medium-term target: Achieve a 50% reduction in greenhouse gas emissions from FY2019 levels by FY2030
 - ◆ Long-term target: Achieve carbon neutrality by 2050

Latest Initiatives

- Two group companies engaged in the corrugated board manufacturing business switched their electricity to renewable energy derived from hydroelectric power and upgraded their facilities to energy-saving facilities.
- Japan Pulp & Paper fully offset Scope 2 emissions by purchasing the Non-fossil Certificate.
 - ⇒ In FY2024, greenhouse gas emissions were reduced by about 41% across the group from FY2019 (base year) levels.

Development of Mechanisms and Measures Prioritized to Realize OVOL VISION 2030

Aim to realize OVOL VISION 2030 by focusing our efforts on **promotion of DX, human capital investment, and M&As**



Thank you for your attention.

V Appendix

Consolidated Balance Sheets as of September 30, 2025

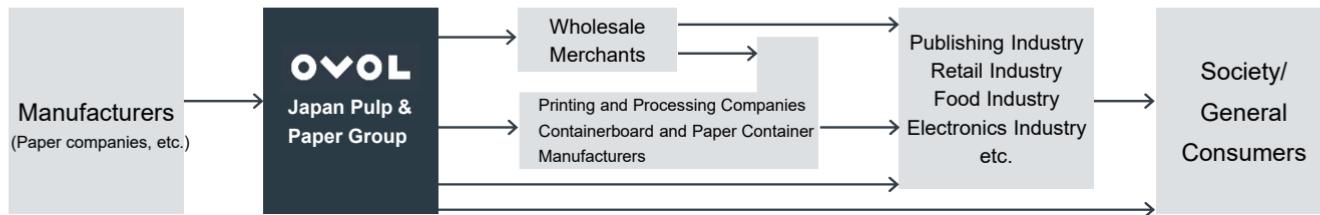
Assets		(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025	
Current Assets	233,953	221,523	
Non-current Assets	158,211	159,479	
Other	70	64	
Total Assets	392,234	381,065	

Liabilities and Net Assets		(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025	
Current Liabilities	192,050	182,294	
Non-current Liabilities	54,620	53,266	
Total Liabilities	246,670	235,560	
Total Net Assets	145,565	145,505	
Total Liabilities and Net Assets	392,234	381,065	
Equity Ratio	34.2%	35.1%	
Net D/E Ratio	0.60x	0.54x	

- Total assets decreased by JPY 11,169 million mainly due to decreases in trade receivables and deposits, partially offset by an increase in investment securities primarily attributable to higher market values.
- Total liabilities decreased by JPY 11,110 million mainly due to a decrease in interest-bearing debt.
- The outstanding interest-bearing debt totaled JPY 87,946 million, a decrease of JPY 11,092 million from the end of the previous fiscal year. ⇒ Net D/E ratio remained stable at 0.54x.
- Net assets decreased by JPY 59 million mainly due to a decrease in foreign currency translation adjustment and dividend payments, partially offset by the recording of profit attributable to owners of parent and an increase in valuation difference on available-for-sale securities.

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, functional 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

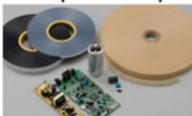
Graphic paper for books, publications, catalogs, flyers, etc.



Containerboard and other packaging paper
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 the Value of Paper

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

Initiatives we are undertaking with paper wholesalers across the country:

- Nationwide expansion of on-site classes
- Regular workshops
- Establishment of a paper study group



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.



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 also equipped with state-of-the-art technology to support safe driving.



Paper & Green

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

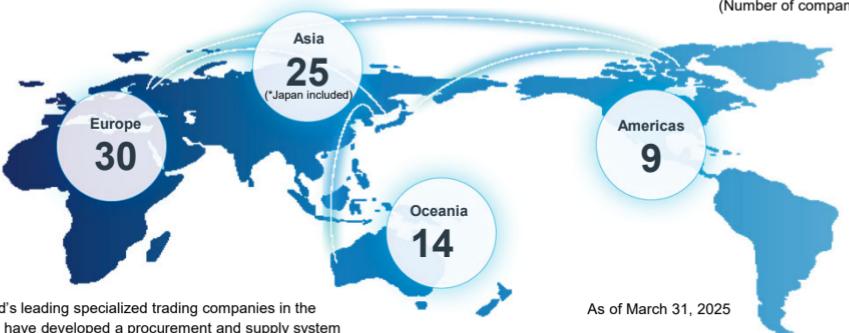


Glocal and cross-border business rooted in multiple countries and regions

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
- Heavy duty packaging
- Flexible packaging



Items We Sell

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

Non-Japan Wholesaling: Major Subsidiaries 1

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 ComPlot

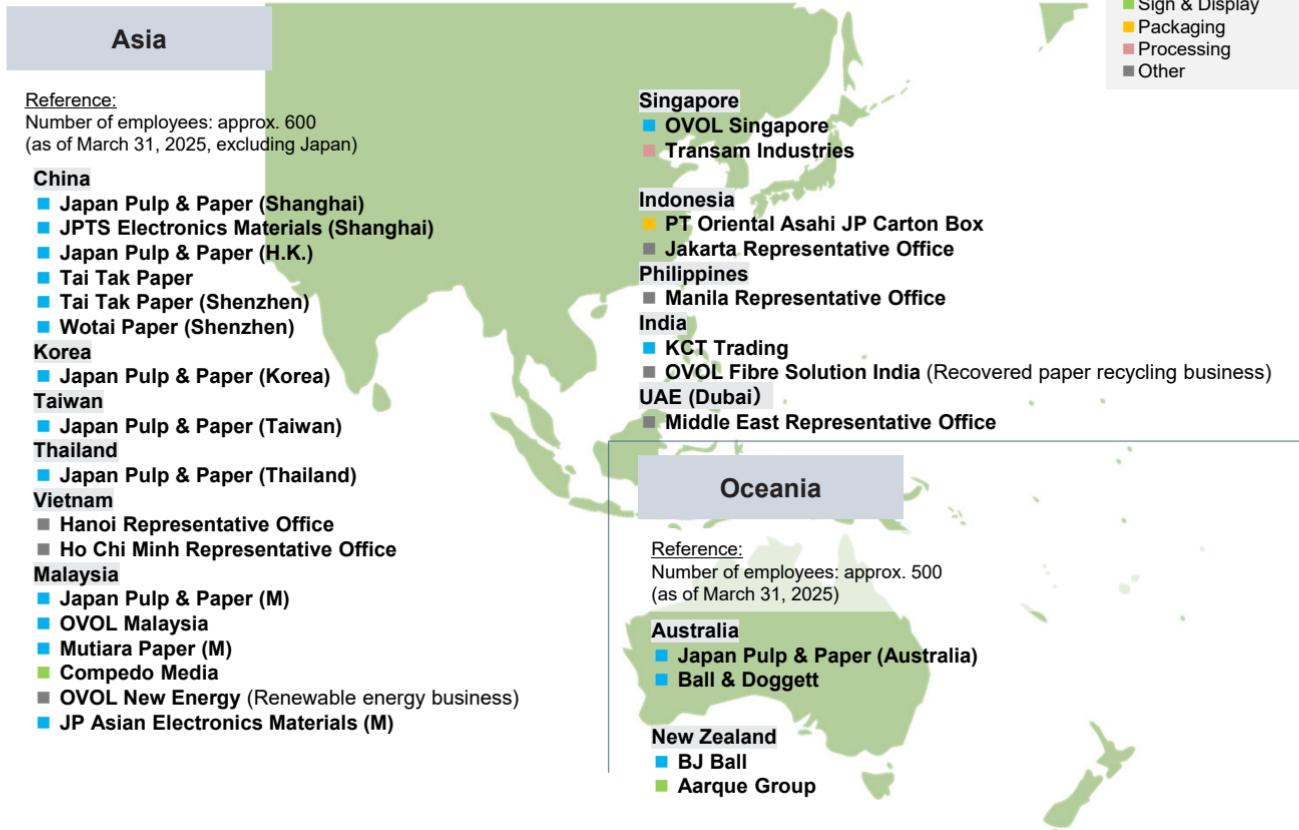
Portugal

- OVOL Shared Center

Main Businesses

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

Non-Japan Wholesaling: Major Subsidiaries 2



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 to invest in 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 wastepaper recycling and processing technology
- Boasts high domestic Japanese market share in recycled toilet paper owing to proprietary technology and product development strengths
- Promotes the importance of using limited resources, since toilet paper is not recyclable



Paper Manufacturing & Processing: Major Subsidiaries

Note: Bogus paper is 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, resulting in 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 also 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 sites¹

6

Recycling business sites²

24

Our goals 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.

Notes: 1. Three renewable energy generation sites and three PKS inventory sites
2. One comprehensive recycling business site and 23 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 a total of two stockyards, one of which is in Port Klang, Malaysia's largest trading port. Collects and sorts palm kernel shells (PKS) from oil palm at oil mills and exports it to markets outside of Japan. Also supplies PKS to Noda Biopower JP, our subsidiary that operates a woody biomass power plant



Note:

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



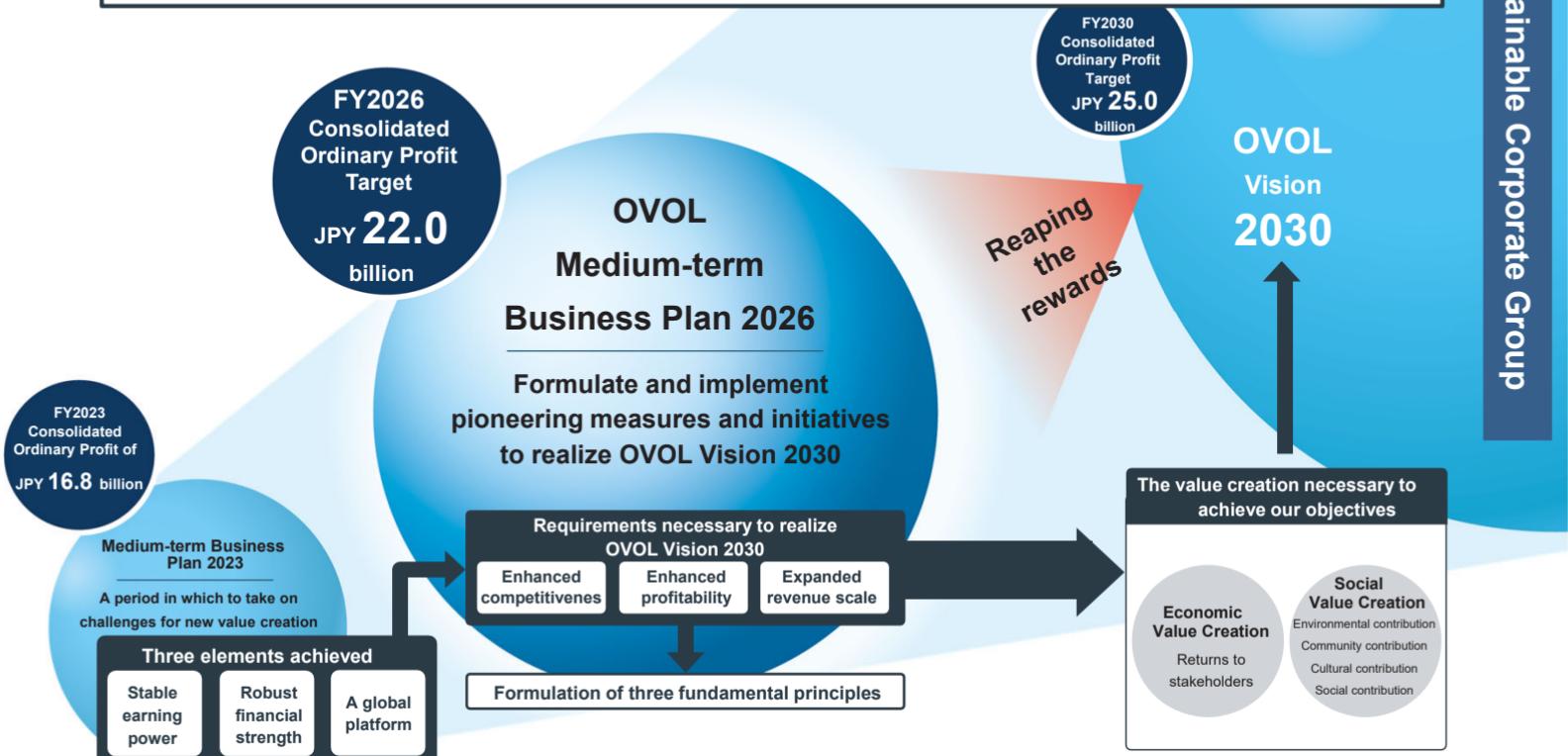
Cerulean Homes Kachidoki



Osaka JP Building

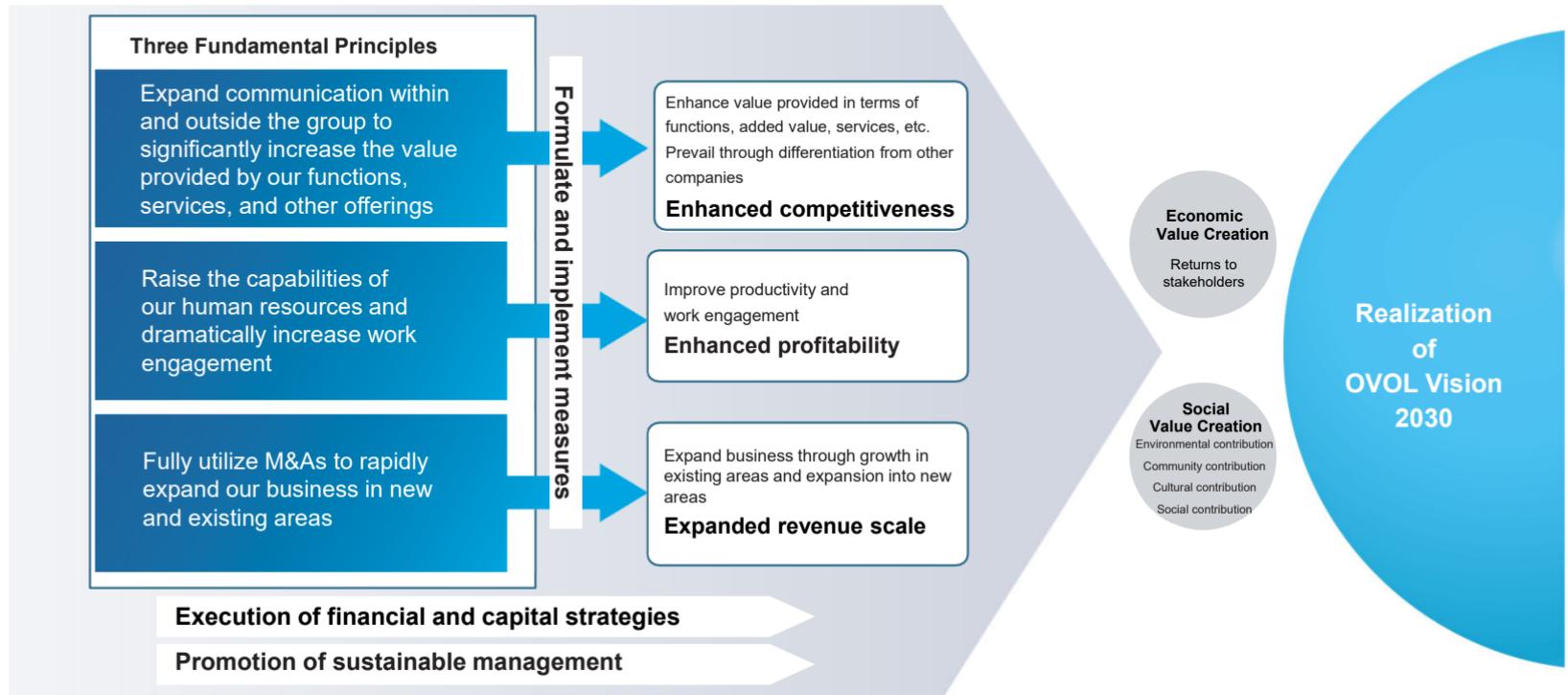
Positioning of OVOL Medium-term Business Plan 2026

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: 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.

Notes: 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)

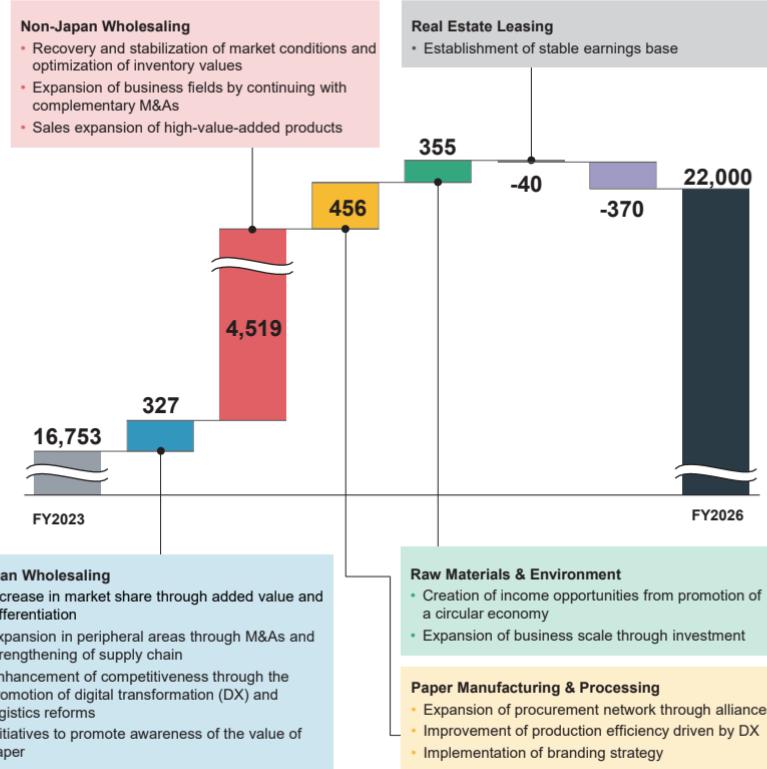
3. NOPAT (Net ordinary profit after tax [before interest expense]) ÷ Invested capital (Interest-bearing debt + Equity [average of beginning and ending balances])

4. (Interest-bearing debt – Cash and cash equivalents) ÷ Equity

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

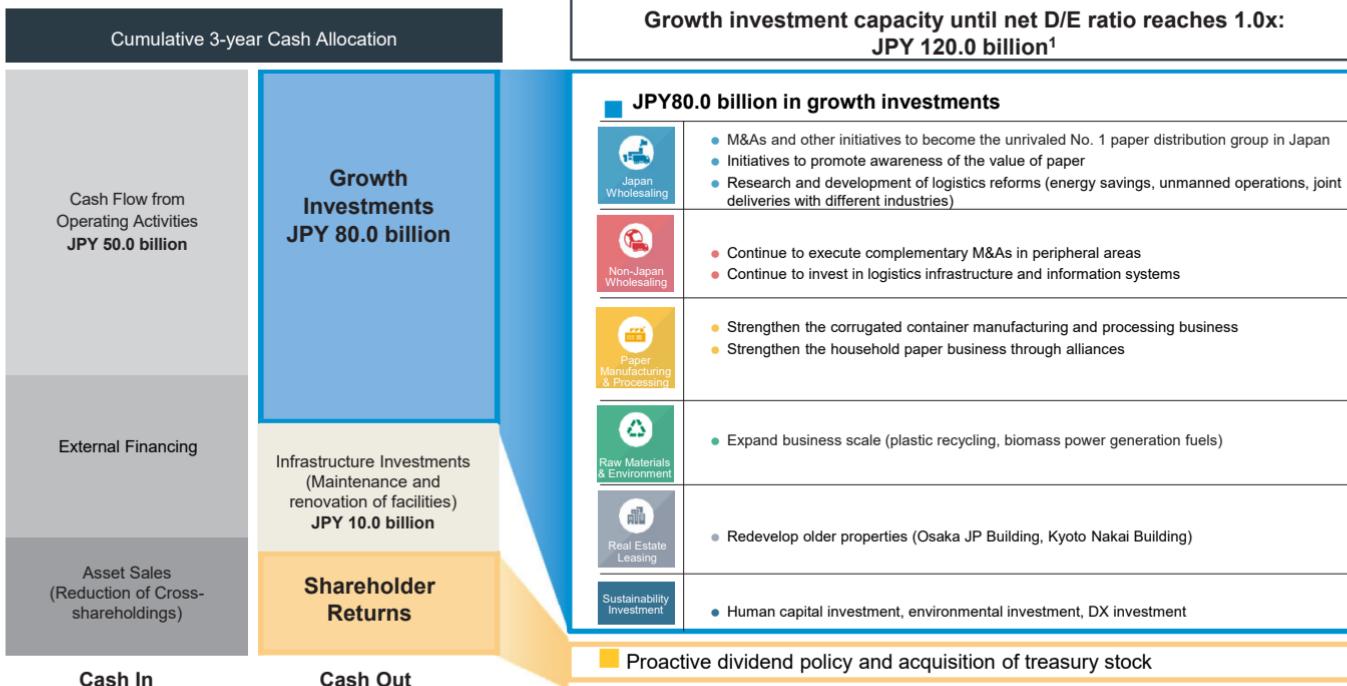
FY2026 Consolidated Ordinary Profit Target		
	JPY 22.0 billion	
	(Millions of yen)	
	FY2023	FY2026 Targets
Japan Wholesaling	6,673	7,000
Non-Japan Wholesaling	3,481	8,000
Paper Manufacturing & Processing	7,044	7,500
Raw Materials & Environment	1,645	2,000
Real Estate Leasing	1,540	1,500
Adjustments	-3,630	-4,000
Total	16,753	22,000

FY2026 Ordinary Profit Target Change Analysis (Compared with FY2023)



Financial and Capital Strategies: Cash Allocation

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



Note: 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.



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