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## Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

August 7, 2025

Company name: Japan Pulp & Paper Co., Ltd.

Listing: Tokyo Stock Exchange

Securities code: 8032

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

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

(Yen amounts are rounded to the nearest million, unless otherwise noted.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

#### (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	144,739	7.1	2,428	(43.8)	2,602	(45.2)	1,166	(60.0)
June 30, 2024	135,167	(0.5)	4,321	(7.2)	4,750	(5.9)	2,916	2.7

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 305 million [ (93.6)%]  
Three months ended June 30, 2024: ¥ 4,741 million [ (3.5)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	9.46	9.44
June 30, 2024	23.67	23.62

The Company conducted a stock split at a ratio of ten shares for every share of common stock on October 1, 2024. Basic earnings per share and diluted earnings per share have been calculated under the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	384,487	144,178	34.5
March 31, 2025	392,234	145,565	34.2

(Reference) Equity: As of June 30, 2025: ¥ 132,524 million  
As of March 31, 2025: ¥ 133,994 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2025	Yen -	Yen 125.00	Yen -	Yen 12.50	Yen -
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		14.00	-	14.00	28.00

(Note) Revision to the forecast for dividends announced most recently: None

The Company conducted a stock split at a ratio of ten shares for every share of common stock on October 1, 2024. The dividend per share for the end of the second quarter of the fiscal year ended March 31, 2025 is stated as the actual dividend amount prior to the stock split, and the total annual dividend per share for the fiscal year ended March 31, 2025 is stated as “-.” Please note that the annual dividend per share for the fiscal year ended March 31, 2025, taking into account the stock split, amounted to ¥25.00 per share.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	16,500	9.5	15,500	(2.0)	8,500	12.3	69.00

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

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

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2025: 150,215,510 shares

March 31, 2025: 150,215,510 shares

2) Number of treasury shares at the end of the period:

June 30, 2025: 27,025,297 shares

March 31, 2025: 27,025,297 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 123,190,213 shares

Three months ended June 30, 2024: 123,180,840 shares

\*The Company conducted a stock split at a ratio of ten shares for every share of common stock on October 1, 2024. The average number of shares outstanding during the period has been calculated under the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts, and other special matters

(Note Concerning Forward-Looking Statements)

The forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may significantly differ from these forecasts due to various factors. For the assumptions underlying the financial results forecast, precautions in using the forecast, and other matters, please see “1. Overview of Operating Results, etc. (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 4 of the attachments.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Period

The consolidated operating results of the Japan Pulp & Paper Group for the three months ended June 30, 2025 were revenue of ¥144,739 million (up 7.1% year on year), operating profit of ¥2,428 million (down 43.8% year on year), ordinary profit of ¥2,602 million (down 45.2% year on year), and profit attributable to owners of parent of ¥1,166 million (down 60.0% year on year).

Operating results by segment for the three months ended June 30, 2025 are as follows.

(Millions of yen)

	Revenue			Ordinary profit (loss) [Segment income (loss)]		
	For the three months ended June 30, 2024	For the three months ended June 30, 2025	Increase (Decrease)	For the three months ended June 30, 2024	For the three months ended June 30, 2025	Increase (Decrease)
Reportable segments						
Japan Wholesaling	49,225	48,194	(2.1%)	1,560	1,214	(22.2%)
Non-Japan Wholesaling	65,767	77,783	18.3%	1,066	(270)	-
Paper Manufacturing & Processing	12,985	12,636	(2.7%)	1,674	1,565	(6.5%)
Raw Materials & Environment	6,149	5,090	(17.2%)	687	297	(56.7%)
Real Estate Leasing	1,042	1,036	(0.6%)	390	396	1.6%
Subtotal	135,167	144,739	7.1%	5,377	3,202	(40.5%)
Adjustment	-	-		(627)	(599)	
Total	135,167	144,739	7.1%	4,750	2,602	(45.2%)

#### *Japan Wholesaling*

Paper sales volume decreased year on year due to a continued drop in the circulation of regular magazines, a decrease in the number of issues and number of copies of catalogs and other printed materials, a reduction in book sizes, and other factors, in addition to a decline in demand due to structural factors such as the progress of digitalization. In terms of paperboard, demand for containerboard used in beverage packaging remained steady. However, due to the slow recovery in demand for its use in industrial products including for automobiles and other items, the sales volume of containerboard decreased. For boxboard, demand for its use in pharmaceuticals, cosmetics, and other products was steady, and demand for use in trading cards featuring anime characters and other designs remained robust. As a result, the sales volume of all paperboards remained at the same level year on year.

Demand for functional materials, mainly related to electronics use, was basically flat year on year, despite a slowdown in demand, thanks to new orders.

As a result of the foregoing, sales volume remained at the same level year on year, and revenue came to ¥48,194 million, down 2.1% year on year.

Ordinary profit was ¥1,214 million, down 22.2% year on year, mainly due to increases in personnel expenses and logistics costs.

### *Non-Japan Wholesaling*

Regarding our major markets, demand for paper and paperboard in the US market remained steady, but the decline in demand for paper and paperboard in the UK and Australia continued, due in part to the progress of digitalization. Exports from Japan also decreased, with sales of paper and paperboard to Asia, particularly to China, declining in both sales volume and sales value year on year. Meanwhile, sales of high-value-added products increased due to the complementary mergers and acquisitions conducted in Australia in the previous fiscal year, and the strategic mergers and acquisitions conducted in the fourth quarter of the previous fiscal year resulted in the consolidation of subsidiaries in Germany and France, resulting in revenue of ¥77,783 million, up 18.3% year on year.

On the profit side, however, due to foreign exchange losses, intensified price competition amid weak demand in major markets, and the longer-than-expected time required for the recovery of the business environment of the newly acquired German subsidiaries, we reported an ordinary loss of ¥270 million (compared to an ordinary profit of ¥1,066 million in the same period of the previous fiscal year).

### *Paper Manufacturing & Processing*

In the containerboard business, both sales volume and sales value decreased year on year. In addition, prices of fuels, electricity, and auxiliary materials, etc. continued to rise, and labor costs increased as well, leading to an increase in manufacturing costs. The recycled household paper business also experienced an increase in manufacturing costs, but sales volume and sales value both surpassed the year-on-year figures.

As a result of the foregoing, revenue came to ¥12,636 million, down 2.7% year on year. Ordinary profit was ¥1,565 million, down 6.5% year on year, mainly due to increases in manufacturing costs and freight costs.

### *Raw Materials & Environment*

In the wastepaper recycling business, the volume of wastepaper generated continued to decline both in Japan and the US due to a decline in demand for paper and paperboard. In addition, the transfer of three business sites in the suburbs of Tokyo and the closure of two operating bases in the US in the previous fiscal year caused a decline in sales.

Pulp sales declined due to weaker market conditions both inside and outside of Japan. Sales of fuel for woody biomass power generation plants declined year on year in both sales volume and unit prices, resulting in a significant decrease in gross profit. Sales in the comprehensive recycling business and solar power generation business remained at the same level year on year.

As a result of the foregoing, revenue came to ¥5,090 million, down 17.2% year on year. Ordinary profit was ¥297 million, down 56.7% year on year.

### *Real Estate Leasing*

Revenue came to ¥1,036 million, down 0.6% year on year, partly due to the moving out of some tenants. However, ordinary profit was ¥396 million, up 1.6% year on year, thanks to a decrease in expenses such as repairing expenses.

## **(2) Overview of Financial Position for the Period**

Total assets at the end of the first quarter decreased by ¥7,747 million from the end of the previous fiscal year to ¥384,487 million. Major contributing factors were decreases in deposits and inventories, and other factors, despite an increase in investment securities resulting from market value increases.

Total liabilities decreased by ¥6,361 million from the end of the previous fiscal year to ¥240,309 million. Major contributing factors were decreases in interest-bearing debt and income taxes payable, despite an increase in trade

payables.

Net assets decreased by ¥1,387 million from the end of the previous fiscal year to ¥144,178 million. Major contributing factors were a decrease in foreign currency translation adjustment, the payment of dividends, and other factors, despite the recording of profit attributable to owners of parent and an increase in valuation difference on available-for-sale securities.

### (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

There are no revisions to the consolidated financial results forecast announced on May 14, 2025.

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	19,577	15,725
Notes and accounts receivable - trade	140,640	139,223
Inventories	64,708	62,486
Other	10,612	9,914
Allowance for doubtful accounts	(1,584)	(1,619)
Total current assets	233,953	225,729
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,591	31,984
Land	34,224	35,286
Other, net	33,739	32,622
Total property, plant and equipment	100,554	99,892
Intangible assets		
Goodwill	6,641	6,452
Other	4,725	4,463
Total intangible assets	11,365	10,915
Investments and other assets		
Investment securities	37,017	38,613
Retirement benefit asset	204	205
Other	11,417	11,315
Allowance for doubtful accounts	(2,346)	(2,250)
Total investments and other assets	46,292	47,883
Total non-current assets	158,211	158,691
Deferred assets	70	67
Total assets	392,234	384,487



(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	99,114	102,164
Short-term borrowings	47,572	43,211
Current portion of long-term borrowings	3,985	3,357
Commercial papers	15,500	14,500
Income taxes payable	2,590	951
Provisions	2,770	1,659
Other	20,519	20,466
Total current liabilities	192,050	186,309
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	11,980	11,211
Provisions	933	966
Retirement benefit liability	2,550	2,615
Other	19,156	19,209
Total non-current liabilities	54,620	54,001
Total liabilities	246,670	240,309
<b>Net assets</b>		
Shareholders' equity		
Share capital	16,649	16,649
Capital surplus	6,321	6,321
Retained earnings	103,583	103,181
Treasury shares	(11,653)	(11,653)
Total shareholders' equity	114,900	114,498
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,186	11,311
Deferred gains or losses on hedges	3	(3)
Foreign currency translation adjustment	8,890	6,704
Remeasurements of defined benefit plans	15	15
Total accumulated other comprehensive income	19,094	18,027
Share acquisition rights	76	76
Non-controlling interests	11,495	11,578
Total net assets	145,565	144,178
Total liabilities and net assets	392,234	384,487

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the three months ended June 30, 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Revenue	135,167	144,739
Cost of sales	112,709	120,005
Gross profit	22,458	24,734
Selling, general and administrative expenses	18,137	22,306
Operating profit	4,321	2,428
Non-operating income		
Interest income	202	200
Dividend income	558	621
Share of profit of entities accounted for using equity method	84	99
Other	336	298
Total non-operating income	1,180	1,218
Non-operating expenses		
Interest expenses	627	768
Other	124	276
Total non-operating expenses	751	1,044
Ordinary profit	4,750	2,602
Extraordinary income		
Gain on sale of non-current assets	233	10
Gain on sale of investment securities	1	0
Insurance claim income	155	-
Total extraordinary income	389	10
Extraordinary losses		
Loss on disposal of non-current assets	68	16
Loss on valuation of shares of subsidiaries and associates	-	11
Other	10	-
Total extraordinary losses	78	27
Profit before income taxes	5,061	2,586
Income taxes - current	1,402	885
Income taxes - deferred	332	272
Total income taxes	1,734	1,157
Profit	3,328	1,429
Profit attributable to non-controlling interests	412	263
Profit attributable to owners of parent	2,916	1,166

Quarterly Consolidated Statement of Comprehensive Income  
For the three months ended June 30, 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	3,328	1,429
Other comprehensive income		
Valuation difference on available-for-sale securities	(727)	1,048
Deferred gains or losses on hedges	8	(5)
Foreign currency translation adjustment	2,040	(2,244)
Remeasurements of defined benefit plans, net of tax	(1)	(1)
Share of other comprehensive income of entities accounted for using equity method	93	77
Total other comprehensive income	1,413	(1,124)
Comprehensive income	4,741	305
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,225	99
Comprehensive income attributable to non-controlling interests	516	206

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to segment information, etc.)

[Segment information]

1. Three-months period ended June 30, 2024 (consolidated)

Information related to revenue and income (loss) by reportable segment and information on breakdown of revenue

(Millions of yen)

	Reportable Segments					Total	Adjustments	To Quarterly consolidated statements of income
	Japan Wholesaling	Non-Japan Wholesaling	Paper Manufacturing & Processing	Raw Materials & Environment	Real Estate Leasing			
Revenue								
Revenue from contracts with customers	49,225	65,767	12,985	6,149	—	134,125	—	134,125
Other revenue	—	—	—	—	1,042	1,042	—	1,042
Revenue from external customers	49,225	65,767	12,985	6,149	1,042	135,167	—	135,167
Intersegment revenue/transfers	2,274	72	775	1,535	24	4,681	(4,681)	—
Total	51,499	65,839	13,760	7,684	1,066	139,848	(4,681)	135,167
Segment income (loss)	1,560	1,066	1,674	687	390	5,377	(627)	4,750

(Notes)

1. Segment income (loss) is adjusted with ordinary profit in the Quarterly Consolidated Statements of Income.
2. Adjustments in segment income (loss) include the elimination of intersegment transactions amounting to ¥(1,740) million and administrative divisions expenses of ¥1,113 million that are not allocated to any of the reportable segments. Administrative divisions expenses are mainly general and administration expenses, non-operating income, and non-operating expenses that are not attributable to any of the reportable segments, on a net basis.

## 2. Three-months period ended June 30, 2025 (consolidated)

Information related to revenue and income (loss) by reportable segment and information on breakdown of revenue

(Millions of yen)

	Reportable Segments					Total	Adjustments	To Quarterly consolidated statements of income
	Japan Wholesaling	Non-Japan Wholesaling	Paper Manufacturing & Processing	Raw Materials & Environment	Real Estate Leasing			
Revenue								
Revenue from contracts with customers	48,194	77,783	12,636	5,090	—	143,702	—	143,702
Other revenue	—	—	—	—	1,036	1,036	—	1,036
Revenue from external customers	48,194	77,783	12,636	5,090	1,036	144,739	—	144,739
Intersegment revenue/transfers	2,325	181	1,223	1,583	23	5,335	(5,335)	—
Total	50,519	77,964	13,859	6,673	1,059	150,074	(5,335)	144,739
Segment income (loss)	1,214	(270)	1,565	297	396	3,202	(599)	2,602

(Notes)

1. Segment income (loss) is adjusted with ordinary profit in the Quarterly Consolidated Statements of Income.
2. Adjustments in segment income (loss) include the elimination of intersegment transactions amounting to ¥(1,152) million and administrative divisions expenses of ¥553 million that are not allocated to any of the reportable segments. Administrative divisions expenses are mainly general and administration expenses, non-operating income, and non-operating expenses that are not attributable to any of the reportable segments, on a net basis.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes to statements of cash flows)

Quarterly consolidated statements of cash flows for the three months ended June 30, 2025 were not prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30 are as follows.

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	2,127	2,347
Amortization of goodwill	265	263