

## Summary of Results of Operations for the Third Quarter of the Fiscal Year Ending March 2004 (Consolidated)

Name of Company Listed: Nippon Unipac Holding      Stock Exchange Listings: Tokyo, Osaka, and Nagoya (First Section)

Code Number: 3893

URL: <http://www.nipponunipac.com>

Representative:

Title of Representative

Person: President

Name of Representative

Person: Takahiko Miyoshi

Person in Charge of

Contact:

Title of Contact Person: Director, Member of the Board

Name of Contact Person: Keisuke Ito

Telephone: (03) 3218-9300

### 1. Matters Related to Preparation of the Summary of Results of Operations for the Quarter

Are there differences in the method of accounting treatment compared with the method used for the most recent consolidated fiscal year: **Yes**

**Note:** For its fixed asset depreciation method, the Company has adopted a simplified method such as adding the third quarter under review to the projected amount for the fiscal year.

**Change in scope of application of consolidation and equity method accounting**

**Consolidation (New): 12 companies (Eliminated): 12 companies Equity method: No change**

### 2. Summary of Consolidated Results of Operations for the Third Quarter of the Fiscal Year Ending March 2004 (April 1, 2003–December 31, 2003)

#### (1) Consolidated Business Results

(Amounts indicated are displayed with amounts of less than one million yen rounded off.)

	Net sales	Operating income	Ordinary income	Quarter (fiscal year) net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Third quarter of fiscal year 2004	898,797	38,397	33,012	15,382
(Reference) Full fiscal year 2003	1,165,450	50,450	39,671	4,880

	Quarter (fiscal year) net income per share	Quarter (fiscal year) net income per share after adjusting for dilution
	Yen	Yen
Third quarter of fiscal year 2004	14,091.60	13,522.71
(Reference) Full fiscal year 2003	4,283.53	4,137.37

Note: Because it began disclosing a summary of quarterly results of operations from the current fiscal year, the Company has omitted results of operations for the same period of the prior fiscal year.

(2) Qualitative Information Concerning Change in Business Results (Nine-Month Cumulative Total)

For its consolidated business results for the third quarter under review (April 1, 2003–December 31, 2003), Nippon Unipac Holding recorded net sales of 898,797 million yen, operating income of 38,397 million yen, ordinary income of 33,012 million yen, and net income of 15,382 million yen.

Business segment information concerning net sales and operating results is described below.

**Pulp and Paper Division**

In the Pulp and Paper Division, domestic shipments of newsprint, one of the division's main products, fell slightly compared with the same period of the prior fiscal year, as the slump in newspaper circulation remained unchanged except for a jump in spot demand related to the House of Representatives election in the fall of last year. The market price level for newsprint was flat. Demand for paper (not including newsprint) remained steady, centered on coated paper demand for mail-order catalogs and advertising inserts, and domestic sales volume was nearly identical to the prior fiscal year. Although domestic prices for paper were sustained at the price levels set in the fall of last year, the tone overall was weak.

In the paperboard segment, the domestic sales volume of containerboard declined year on year under the influence of the weak economy and unusually cool summer weather. Beginning in October of last year, the market achieved a sales price correction against the backdrop of higher raw material prices for wastepaper. Demand for new household tissue products introduced in February 2003 grew steadily, and led to higher sales volume compared with the same period of the prior fiscal year, but sales prices were characterized by weakness.

As a result, net sales were 674,574 million yen and operating income was 28,359 million yen.

**Paper-Related Division**

In the Paper-Related Division, sales of liquid-packaging cartons such as PURE-PAK<sup>®</sup> were strong, reflecting increased sales of drinks with health benefits. Overall volume, however, declined year on year because of factors such as profit-focused sales of paper containers including folding cartons and paper cups. In addition, the containerboard business benefited from higher prices on containerboard raw materials, and price corrections implemented in some product categories beginning from December.

Chemical products enjoyed steady demand for chlorinated polyolefin products.

As a result, net sales were 92,859 million yen and operating income was 4,294 million yen.

**Housing and Construction Materials Division**

In the Housing and Construction Materials Division, net sales of products such as low formalin materials improved steadily, resulting in higher net sales compared with the same period of the prior fiscal year.

For the division, net sales were 70,219 million yen and operating income was 1,862 million yen.

**Other Division**

In other businesses including the soft drink and other beverage business and logistics, net sales were 61,143 million yen and operating income was 3,880 million yen.

(3) Events Having a Material Effect on the Group's Financial Position and Business Results during the Third Quarter under Review

There were no pertinent matters having a material effect on the Group's financial position and business results.

**3. Projection of Consolidated Results of Operations for Fiscal Year 2004 (April 1, 2003–March 31, 2004)**

Based on factors such as the results of operations through the third quarter under review, the Company has revised the projection of consolidated results of operations released on November 21, 2003.

	Net sales	Ordinary income	Net income	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Yen
Full fiscal year	1,190,000	48,000	24,000	21,926.49

Forecast performance is predicted based on the information available at the time of the announcement.  
Actual performance may differ from forecasts due to a variety of factors.

End

Attached Materials

- Summary Consolidated Statements of Income
- Segment Information

## Summary Consolidated Statements of Income

(Millions of yen)

Item	Third quarter of fiscal year 2004 (April 1, 2003 to December 31, 2003)	(Reference) Fiscal year 2003 (April 1, 2002 to March 31, 2003)
Net sales	898,797	1,165,450
Cost of sales	696,042	892,906
Gross profit	202,754	272,543
Selling, general and administrative expenses	164,357	222,093
Operating income	38,397	50,450
Non-operating income	9,553	10,069
Non-operating expenses	14,938	20,848
Ordinary income	33,012	39,671
Extraordinary gains	( 2,632 )	( 11,032 )
Gains on sale of property, plant and equipment	1,200	8,476
Others	1,431	2,556
Extraordinary losses	( 5,876 )	( 42,648 )
Losses on disposal of property, plant and equipment	2,203	9,931
Others	3,672	32,717
Quarter (fiscal year) income before income taxes and minority interests	29,767	8,055
Corporate, inhabitants' and enterprise taxes	13,193	199
Minority interests in earnings of consolidated subsidiaries	1,192	2,975
Quarter (fiscal year) net income	15,382	4,880

## Segment Information

Third Quarter of Fiscal Year 2004 ( April 1, 2003–December 31, 2003 )

(Millions of yen)

	Pulp and Paper Division	Paper-Related Division	Housing and Construction Materials Division	Other Division	Total	Eliminations or Corporate	Consolidated
Sales and operating income							
Sales							
(1) Sales to third parties	674,574	92,859	70,219	61,143	898,797	-	898,797
(2) Intergroup sales and transfers	9,082	8,361	27,001	27,639	72,084	(72,084)	-
Total sales	683,656	101,221	97,221	88,782	970,882	(72,084)	898,797
Operating Expenses	655,297	96,927	95,358	84,901	932,485	(72,084)	860,400
Operating income	28,359	4,294	1,862	3,880	38,397	-	38,397

(Major products by division)

Pulp and Paper Division: Paper, paperboard, household tissue, pulp, raw materials for manufacturing paper

Paper-Related Division: Industrial processed paper, containerboard, chemical products

Housing and Construction Materials Division: Logs and lumber, construction materials, civil engineering

Other Division: Soft drinks and other beverages, logistics, leisure facilities, others