



May 18, 2026

To all concerned parties:

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(Stock code: 3863, Prime, TSE)  
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**(Correction) Partial Correction to the "Announcement of the Summary of the Medium-Term Business Plan 2030"**

Nippon Paper Industries Co., Ltd. (the "Company") hereby announce that corrections have been made to the aforementioned disclosure document released on May 15, 2026. Please refer to the attached document for the corrected summary of the Medium-Term Business Plan 2030.

Details:

**1. Reason for Correction**

This correction is being made due to an error in the content described on page 11 of the document, "Balance Sheet Optimization | Financial Strategy to Improve Capital Efficiency."

**2. Details of Correction**

The corrected parts are underlined.

<Before correction>

FY2025 Net D/E Ratio (Equity Basis): 1.25 x

<After correction>

FY2025 Net D/E Ratio (Equity Basis): 1.20 x

END



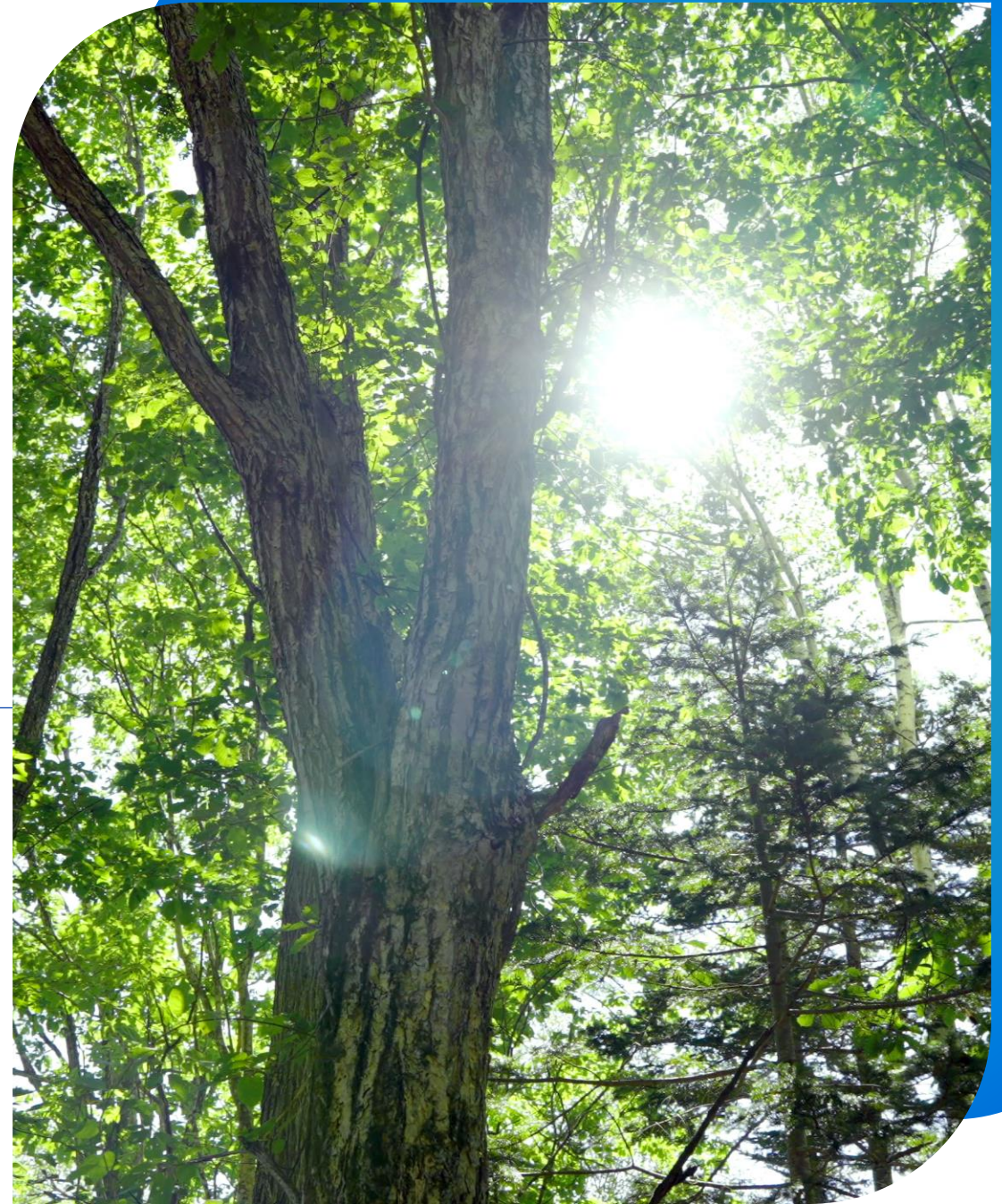
# Summary of the Medium-Term Business Plan 2030

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May 15, 2026

NIPPON PAPER INDUSTRIES CO.,LTD.

TSE 3863



## 1 Review of the Medium-Term Business Plan 2025

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Progress toward Targets  
Achievements and Challenges

## 2 Medium-Term Business Plan 2030 -Basic Strategy and Key Challenges-

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Overview  
Future Direction  
Balance Sheet Optimization  
    Cash Allocation  
    Reduction of Cross-Shareholdings  
    Financial Strategy for Improving Capital Efficiency



# **Review of** **1 the Medium-Term** **Business Plan 2025**

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# Medium-Term Business Plan 2025 Progress toward Targets

## ■ Targets and Results

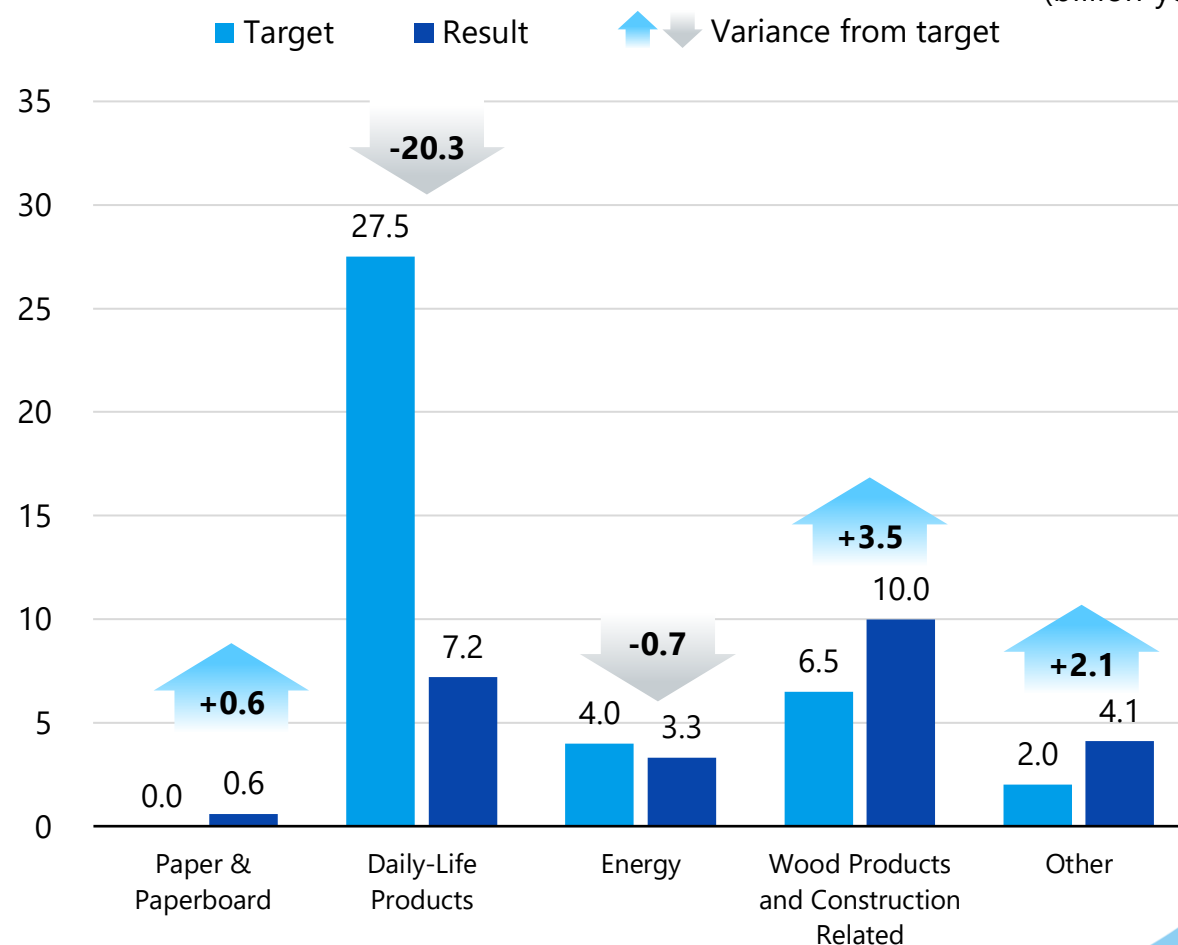
(billion yen)

Item	MTBP 2025 Target*	FY 2026/3 Result
Sales	¥1,200 or more	1,192.6
Operating income	¥40 At an early stage	25.2
EBITDA	Steady ¥100	92.0
Net D/E ratio (based on shareholder's equity)	1.7 to 1.79 times	1.74 times
Net interest-bearing debt	¥710	675.2
ROE	5.0% or more	2.4%

\*Some targets were revised in May 2023.

## ■ Operating Income by Segment (Targets vs. Results)

(billion yen)



# Medium-Term Business Plan 2025 Achievements and Challenges

- Despite progress in business structure transformation and enhancement of the foundation of existing businesses, improving profitability and capital efficiency remains a challenge.

Theme	Review	Achievements and Challenges
Accelerating business structure transformation	△	Daily-Life Products Business sales ratio expanded (FY2020: 32% → FY2025: 40%); overseas business profitability enhancement remains a challenge.
Strengthening the foundation of existing businesses	△	Domestic graphic paper capacity cut by 30%, maintained 90% operating rate; declining demand requires further action.
	△	Cost cuts and price revisions implemented against rising raw material, fuel, and fixed costs; stable operations remain a challenge.
Enhancing profitability	△	While domestic businesses largely achieved operating income targets, further enhancement of profitability is required.
	×	Operating profit from overseas operations fell short of targets due to the performance of companies such as Opal.
Improving capital efficiency	○	Asset sales, including fixed assets and cross-shareholdings, were executed at a pace exceeding plans.
	△	While targets of net D/E ratio in the 1.7x range and net interest-bearing debt below ¥710 billion were achieved, optimizing the capital structure remains an ongoing challenge.
	×	ROE remained at a low level due to a low OM and the incurrence of extraordinary losses associated with structural reforms.
Reducing GHG emissions	○	Progress is steady towards the FY2030 target of a 54% reduction, with FY2025 results at 43% (provisional).

## Actions to be Taken under the Medium-Term Business Plan 2030

Balance Sheet Optimization

Decisive Structural Reforms

Profitability Improvement

Capital Efficiency Improvement



## **2 Medium-Term Business Plan 2030**

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# Overview

## Basic Strategy

### Balance Sheet Optimization

- Strengthen and streamline the financial foundation.

### Decisive Structural Reforms

- Reorganize low-profit businesses.
- Establish competitive advantage by leveraging resilience.

### Profitability Improvement

- Expand growth businesses.
- Optimize invested capital efficiency.

## Key Challenges

- Asset streamlining
- Reduction of interest-bearing debt

- Consolidation of graphic paper production sites
- Drastic reform of unprofitable businesses

- Expansion of Forest & Wood-Related Business
- Promotion of downstream strategy in Packaging Business
- Enhancement of Daily-Life Products Business profitability
- Expansion of new biomass material business

## Capital Efficiency Improvement

Medium-Term  
Business Plan 2030  
Target

**ROIC**

**4% or more**

**ROE**

**8% or more**

**Net D/E ratio\***

less than **1.0**  
times

**Operating Profit**

**¥60 B or more**

**Introduction of Capital Market Discipline and Proactive Dialogue**

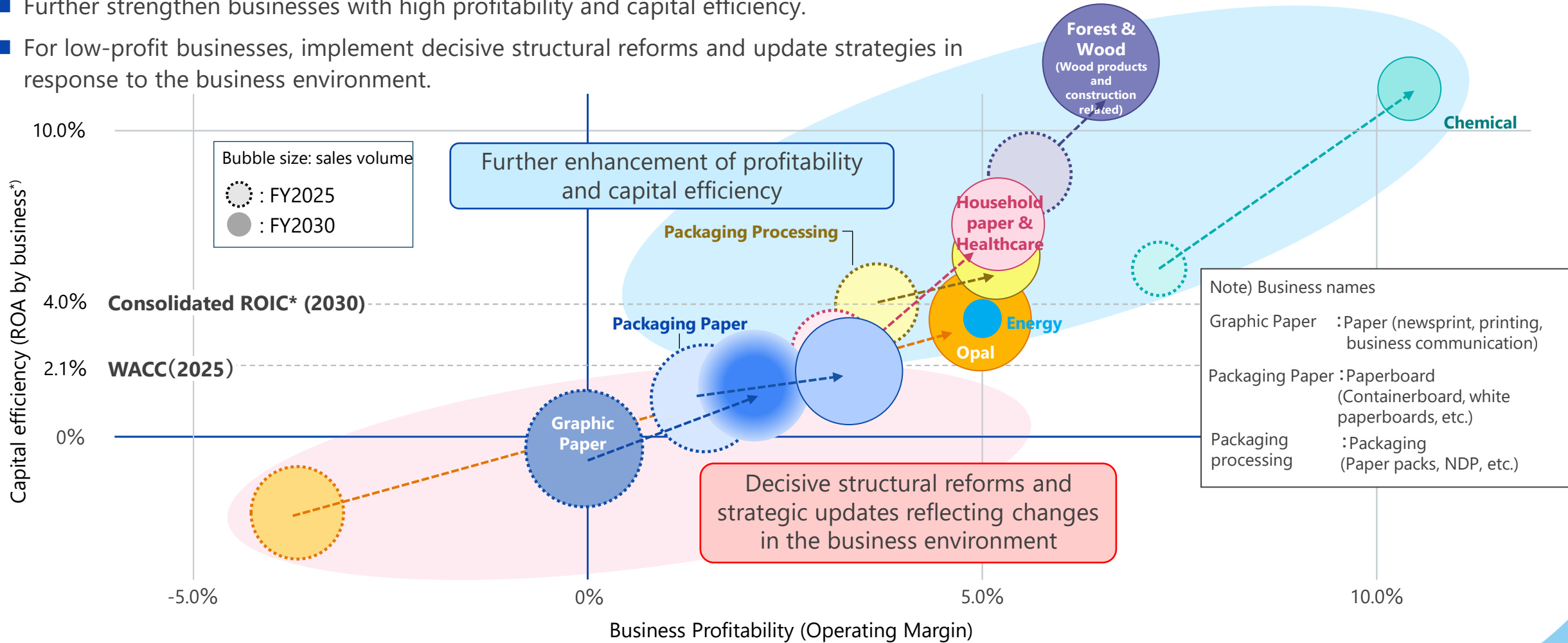
\* Calculation of the net D/E ratio is based on equity starting from FY2026.

Net D/E ratio (equity basis) = (net interest-bearing debt - equity-type debt) / (equity + equity-type debt)

Equity-type debt : The amount of debt procured by hybrid loans that has been recognized as equity credit by rating agencies (50% of the financed amount)

# Future Direction

- Further strengthen businesses with high profitability and capital efficiency.
- For low-profit businesses, implement decisive structural reforms and update strategies in response to the business environment.



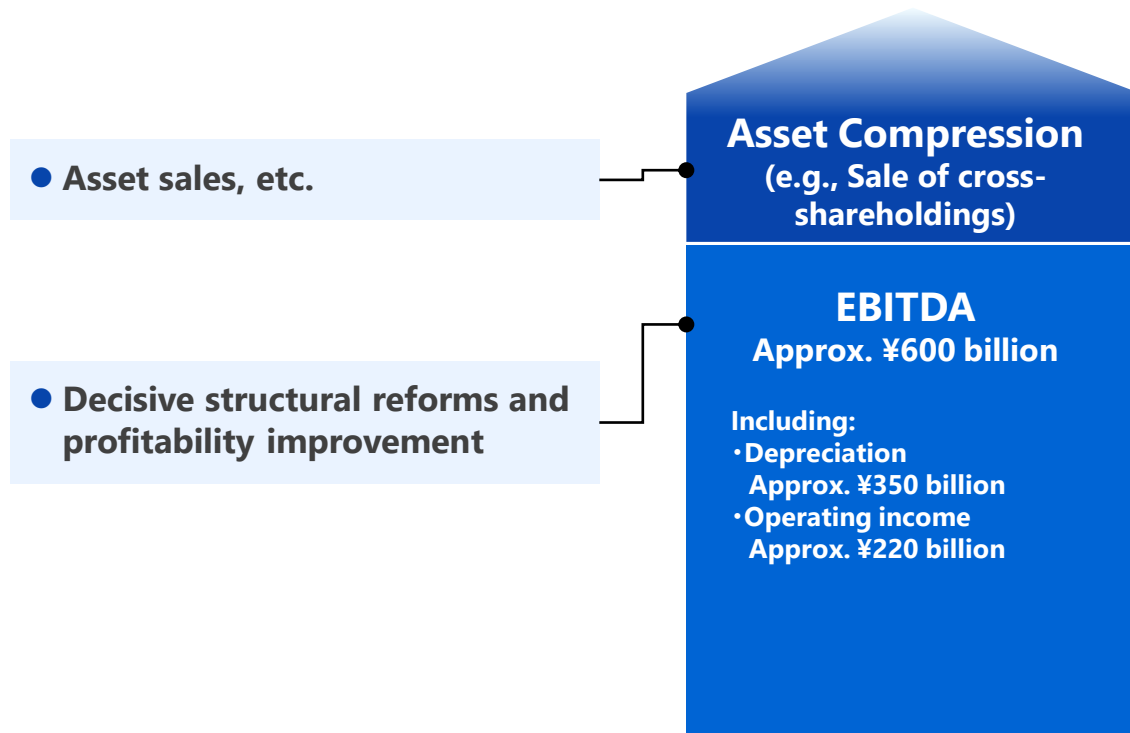
\*ROA by business: NOPAT / Business assets

\*Consolidated ROIC: NOPAT (operating income after tax + dividends received + equity in earnings of affiliates) / Invested capital (net interest-bearing debt + equity capital)

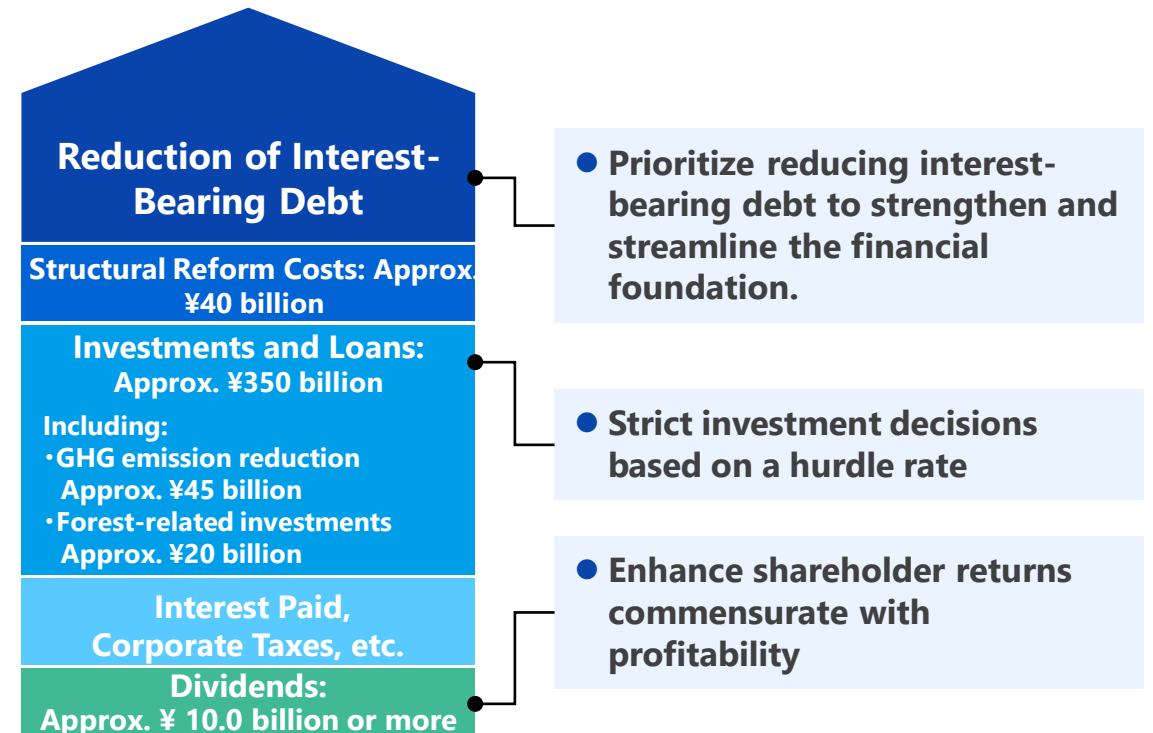
# Balance Sheet Optimization | Cash Allocation

- Cash generation through the decisive execution of structural reforms, enhanced profitability, and asset sales.
- Prioritize reduction of interest-bearing debt to strengthen and streamline the financial foundation.

## Cash Generation (2026-2030)



## Cash Outflow (2026-2030)



# Balance Sheet Optimization | Sale of Cross-Shareholdings

- The Board of Directors annually reviews the rationale for and benefits of the Company's cross-shareholdings.
- In 2025, the Company announced a policy of, in principle, fully eliminating cross-shareholdings and has accelerated efforts to reduce it.
- Following the early achievement of the previous reduction target, a new reduction target has been established.

## Previous Reduction Target

Period : FY2025-2027  
Amount : ¥15.0 billion

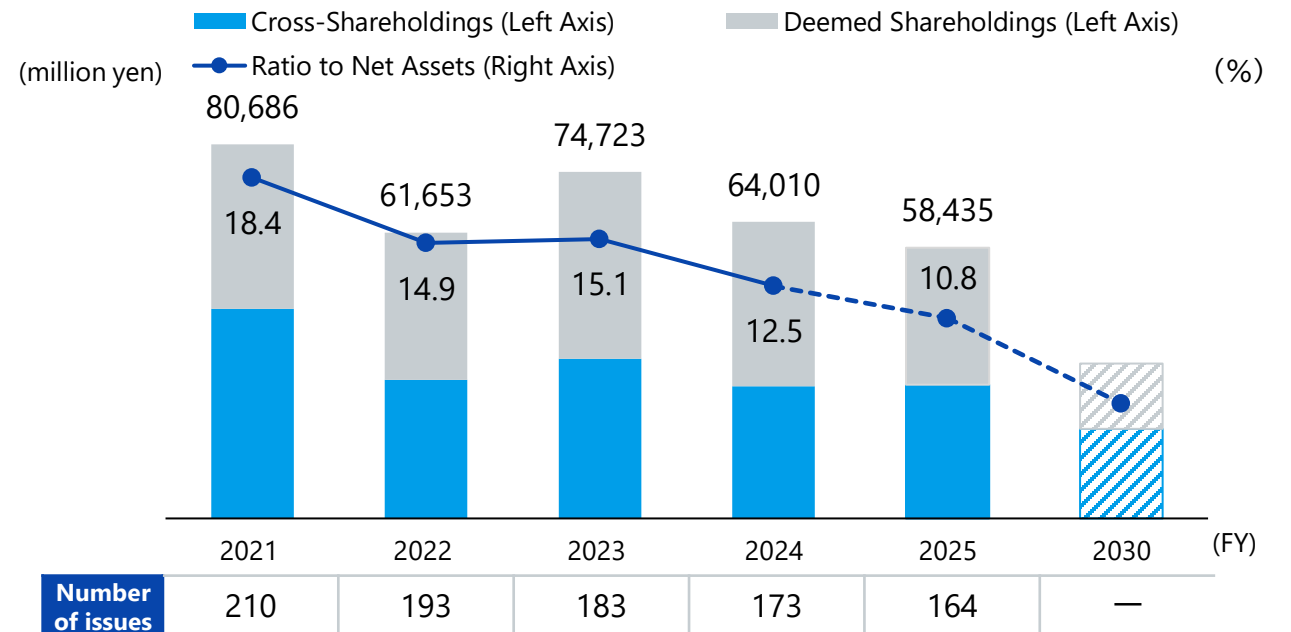
**FY2025 Result: ¥16.1 billion**

Achieved the previous reduction target

## New Reduction Target

Period : FY2026-2030  
Amount : ¥25.0 billion

## Status of Cross-Shareholdings (Amount shown on B/S)

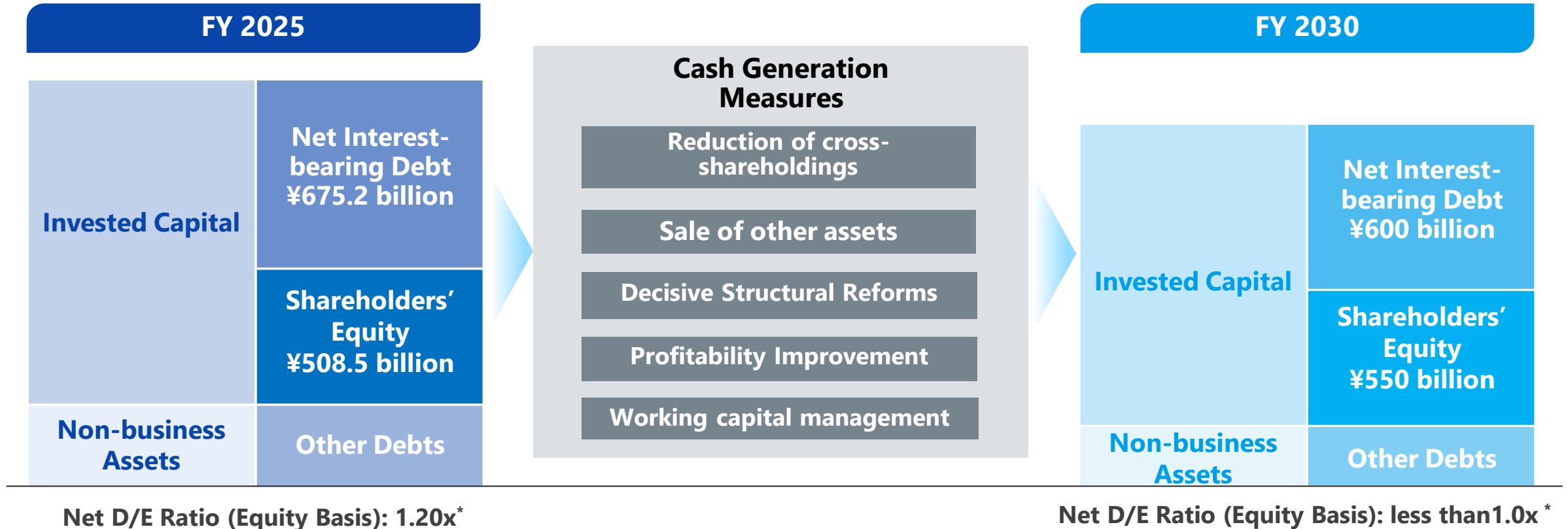


\*FY2030 amount is estimated based on the book value as of March 31, 2026.

# Balance Sheet Optimization | Financial Strategy to Improve Capital Efficiency

## B/S Management Policy

- Ensure the execution of cash generation initiatives and target a net D/E ratio of 1.0x or lower.



\*Net D/E ratio figures are calculated including debt with capital characteristics.

# The NIPPON PAPER GROUP aims to contribute to better living and cultural progress everywhere it does business.

## 〈Disclaimer〉

Any statements in this presentation document, other than those of historical fact, are forward-looking statements about the future performance of Nippon Paper Industries Co., Ltd., and its Group companies. These statements are based on management's assumptions and beliefs in light of information currently available and involve risks and uncertainties. Actual results may differ materially from these forecasts.

