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# 1ST QUARTER FY2026/3 FINANCIAL REVIEW

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Aug 6, 2025



## Consolidated Statement

(¥billion)

	1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes	
			Amount	%
Net sales	287.0	<b>292.6</b>	5.6	2.0%
Operating income	4.1	<b>5.5</b>	1.4	32.6%
Ordinary income	5.0	<b>5.6</b>	0.6	9.9%
Net income *	-1.1	<b>1.9</b>	3.0	—

\* Profit attributable to owners of parent

- Net sales increased year on year due to growth in sales of Daily-Life Products Business.
- Operating income increased year on year due to improvement in profit at Opal and NDP.



## Results by Segment

(¥billion)

	Net sales			Operating income		
	1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes	1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes
Paper and Paperboard	141.9	<b>138.2</b>	-3.7	2.4	<b>-0.9</b>	-3.3
Daily-Life Products	108.3	<b>116.7</b>	8.4	-2.0	<b>3.0</b>	5.0
Energy	11.5	<b>10.6</b>	-0.9	0.5	<b>0.6</b>	0.1
Wood Products and Construction Related	18.4	<b>19.6</b>	1.2	2.2	<b>3.0</b>	0.8
Others	6.9	<b>7.5</b>	0.6	1.0	<b>-0.2</b>	-1.2
<b>Total</b>	<b>287.0</b>	<b>292.6</b>	<b>5.6</b>	<b>4.1</b>	<b>5.5</b>	<b>1.4</b>
Domestic	222.4	<b>225.3</b>	2.9	8.0	<b>3.4</b>	-4.6
Overseas	64.6	<b>67.3</b>	2.7	-3.9	<b>2.1</b>	6.0



# 1st Quarter FY2026/3 Financial Results

## Factors for Changes

(¥billion)

		Paper and Paperboard Business			Daily-Life Products Business	
Volume, Sales Price	<b>1.1</b>	-0.9	—		2.0	—
Raw material and fuel prices	<b>-0.7</b>	-0.2	Wood Chips 0.1, Wastepaper -1.6, Pulp 0.1 Oil -0.2, Coal 1.9, LNG 0.0, Chemicals, etc. -0.5 (Price -2.2, FOREX 2.0)		-0.5	Coal 0.1, Chemicals, etc. -0.6
Cost reductions, etc.	<b>-2.7</b>	-2.5	Cost reductions -0.9, Permanent machines' shutdown at the Shiraoi Mill and the Yatsushiro Mill 0.1 Labor costs -0.6, Logistics costs -1.1		-0.2	Cost reductions 0.3, Labor costs -0.2, Logistics costs -0.3
Others	<b>4.0</b>	0.3	Overseas business -0.5, Depreciation 0.2, Retirement benefit expenses -0.4, Inventory value adjustment, etc. 1.0		3.7	Overseas business 5.6, Inventory value adjustment, etc. -1.9
Total	<b>1.7</b>	-3.3	Domestic business -2.8, Overseas business -0.5		5.0	Domestic business -0.6, Overseas business 5.6
Other businesses	<b>-0.3</b>	Energy 0.1, Wood Products and Construction Related 0.8, Others -1.2				
Operating income	<b>1.4</b>					
Non-operating income	<b>-0.8</b>	Net financial revenue -0.3, Equity in net income of affiliates 0.5, Foreign exchange difference 0.0, Others -1.0				
Ordinary income	<b>0.6</b>					



## Paper and Paperboard Business

(¥billion)

Net sales			Operating income		
1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes	1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes
141.9	<b>138.2</b>	-3.7	2.4	<b>-0.9</b>	-3.3

- Domestic
  - Sales volume of paper increased year on year due to competitor's withdrawal from paper business.
  - Export sales volume of paper and paperboard decreased year on year due to weak market conditions in Asia, etc.
  - Profits decreased year on year due to increase in labor and logistics cost.
- Overseas
  - Jujo Thermal (JTOy) saw a decline in profit due to the continued slump in demand for thermal paper in the European market.



# 1st Quarter FY2026/3 Financial Results

## Daily-Life Products Business

(¥billion)

	Net sales			Operating income		
	1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes	1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes
Domestic	52.7	<b>58.5</b>	5.8	3.0	<b>2.4</b>	-0.6
Overseas	55.6	<b>58.2</b>	2.6	-5.0	<b>0.6</b>	5.6
Total	108.3	<b>116.7</b>	8.4	-2.0	<b>3.0</b>	5.0

Package -0.3, Chemical 0.0, Household paper and Healthcare -0.3

Opal 3.5, NDP 2.1, TSP 0.0

- Domestic
  - Sales volumes of functional film and toilet paper rolls increased.
  - Profits decreased year on year due to increase in raw material prices, labor cost and logistics cost, while net sales increased due to gradual emergence of the effect of product price revisions.
- Overseas
  - Opal saw an increase in profit due to improvements in production unit costs and reductions in fixed costs through personnel optimization at the Maryvale Mill, and price revisions in the packaging business. The impact of labor disputes was recorded almost entirely as extraordinary losses.
  - NDP saw an increase in profits year on year due to stable operations and increased sales volume.

Opal	Volume, Sales Price 1.1, Raw material and fuel prices -0.2, Cost reductions 2.3, Goodwill 0.2, Other 0.1
NDP	Volume, Sales Price 1.3, Raw material and fuel prices -0.8, Fixed costs 0.4, Other 1.2



# 1st Quarter FY2026/3 Financial Results

## Energy Business

(¥billion)

Net sales			Operating income		
1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes	1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes
11.5	<b>10.6</b>	-0.9	0.5	<b>0.6</b>	0.1

- Net sales decreased year on year due to factors such as a decline in power generation volume caused by output curtailment, but progress was generally in line with the plan.

## Wood Products and Construction Related Business

(¥billion)

Net sales			Operating income		
1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes	1Q FY2025/3 Results	1Q FY2026/3 Results	Y on Y changes
18.4	<b>19.6</b>	1.2	2.2	<b>3.0</b>	0.8

- AMCEL's sales in Europe were higher than in the previous year, resulting in increased revenue and profits. However, this increase was due to the timing of shipments, and full-year results are expected to be in line with the plan.



## Consolidated Statement

(¥billion)

	FY2025/3 Results	FY2026/3 Forecast	Y on Y changes	
			Amount	%
Net sales	1,182.4	<b>1,205.0</b>	22.6	1.9%
Operating income	19.7	<b>34.0</b>	14.3	72.5%
Ordinary income	15.5	<b>26.0</b>	10.5	67.7%
Net income *	4.5	<b>12.0</b>	7.5	164.4%

\* Profit attributable to owners of parent

■ The financial forecast for FY 2026/3 remains unchanged from what was announced on May 15, 2025.

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# REFERENCE MATERIALS

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# FY2026/3 Forecast (Announced in May, 2025)

## Results and Forecasts by Business Segment

	Net sales			Operating income		
	FY2025/3 Results	FY2026/3 Forecast	Y on Y Changes	FY2025/3 Results	FY2026/3 Forecast	Y on Y Changes
Paper and Paperboard	565.9	<b>555.0</b>	-10.9	8.3	<b>5.0</b>	-3.3
Daily-Life Products (Overseas)	457.9	<b>500.0</b>	42.1	-6.1 (-15.4)	<b>15.0</b> <b>(1.4)</b>	21.1 (16.8)
Energy	48.3	<b>45.0</b>	-3.3	3.6	<b>3.0</b>	-0.6
Wood Products and Construction Related	78.8	<b>75.0</b>	-3.8	9.6	<b>8.5</b>	-1.1
Others	31.5	<b>30.0</b>	-1.5	4.3	<b>2.5</b>	-1.8
<b>Total</b>	<b>1,182.4</b>	<b>1,205.0</b>	<b>22.6</b>	<b>19.7</b>	<b>34.0</b>	<b>14.3</b>
Domestic	913.9	<b>932.0</b>	18.1	31.6	<b>30.5</b>	-1.1
Overseas	268.5	<b>273.0</b>	4.5	-11.9	<b>3.5</b>	15.4

1st Half :11.6  
2nd Half :5.2



## Major Assumptions

### ■ Annual change in domestic sales volume (YoY)

	1st Half	2nd Half	Full year
Newsprint	7%	2%	5%
Printing	1%	-5%	-2%
Business communication	-4%	-3%	-4%
Containerboard	-1%	0%	-1%

### ■ Major raw material prices and FOREX

	Full year
FOREX (USD)	JPY 152/USD
FOREX sensitivity	+0.65 billion yen/year due to 1 yen appreciation against USD
Coal	USD 130/t (Considering the impact of inventory conditions at the end of March 2025 and the risk of future price fluctuations)
Crude oil	USD 75/BL (Dubai)
Wastepaper	Considering current price trends

### ■ Daily-Life Products Business (Domestic)

- **Volume** :Crecia Miyagi Mill operates year-round.  
Increase in sales volume of chemical products.
- **Sales Price** :Price adjustments for household paper and paper cartons.
- **Cost** :Rising raw material, labor, and logistics costs.

### ■ Daily-Life Products Business (Overseas)

- **Opal (Maryvale Mill )** :Increased production through stable operations and cost reductions through improved operational efficiency.
- **Opal (packaging business )** :Increase in volume due to capital investment effects  
:Effect of streamlining through consolidation of bases, etc.
- **NDP** :Return to normal operations will lead to increased sales volume and reduced repair costs



## Forecast for Changes (FY2026/3 Forecast vs FY2025/3 Results)

		Paper and Paperboard Business		Daily-Life Products Business	
Volume, Sales Price	<b>8.7</b>	-0.3	-	9.0	-
Raw material and fuel prices	<b>-2.7</b>	-1.2	Wood chips -2.4, Wastepaper -3.3, Pulp -0.1, Oil -1.5, Coal 8.0, LNG 0.5, Chemicals, etc. -2.4 (Price -1.0, FOREX -0.2)	-1.5	Pulp -0.3, Chemicals, etc. -1.2
Cost reductions, etc.	<b>-1.1</b>	-0.1	Cost reductions 3.0, Permanent machines' shutdown at the Shiraoi Mill and the Yatsushiro Mill 0.5 Labor costs -2.2, Logistics costs -1.4	-1.0	Cost reductions 1.1, Labor costs -1.5, Logistics costs -0.6
Others	<b>12.9</b>	-1.7	Overseas business -0.5, Depreciation 0.5, Retirement benefit expenses -1.3, Others -0.4	14.6	Overseas business 16.8, Others -2.2
Total	<b>17.8</b>	-3.3	Domestic -2.8, Overseas -0.5	21.1	Domestic 4.3, Overseas 16.8
Other businesses	<b>-3.5</b>	Energy -0.6, Wood products and construction related -1.1, Others -1.8			
Operating income	<b>14.3</b>	Domestic: Package 0.9, Chemical 0.9, Household paper and Healthcare 2.5 Overseas: Opal 9.2, NDP 7.6, TSP 0.0			



# Sales Volume (Paper & Paperboard) \*

(volume: '000 tonnes)

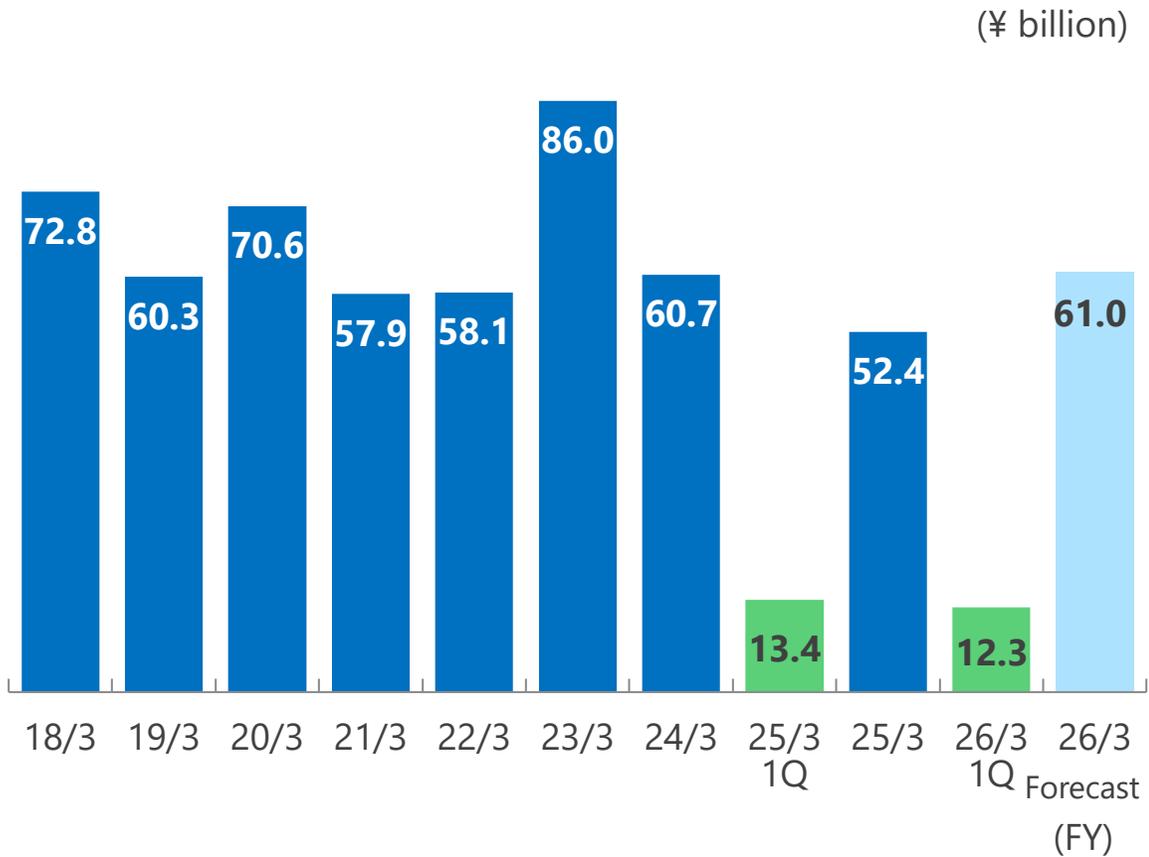
	Q1 FY2025/3	Q1 FY2026/3	against Q1 FY25/3
Newsprint	120	127	6.5%
Printing paper	204	216	5.6%
Business communication paper	93	88	-5.4%
Others	74	76	2.7%
Domestic sales (paper)	491	507	3.3%
Export (paper)	58	43	-26.2%
<b>Paper total</b>	<b>549</b>	<b>549</b>	<b>0.2%</b>
Container board	387	378	-2.2%
Paperboard for paper container and others	78	78	-0.5%
Domestic sales (paperboard)	465	456	-1.9%
Export (paperboard)	31	28	-8.1%
<b>Paperboard total</b>	<b>496</b>	<b>484</b>	<b>-2.3%</b>
<b>Grand total (paper and paperboard)</b>	<b>1,044</b>	<b>1,034</b>	<b>-1.0%</b>

\* Sales Volume Total of Nippon Paper Industries Co., Ltd., Nippon Paper Papyrus Co., Ltd., Nippon Paper Creca Co., Ltd., and Shin Tokai Paper Co., Ltd. (excluding sanitary paper)

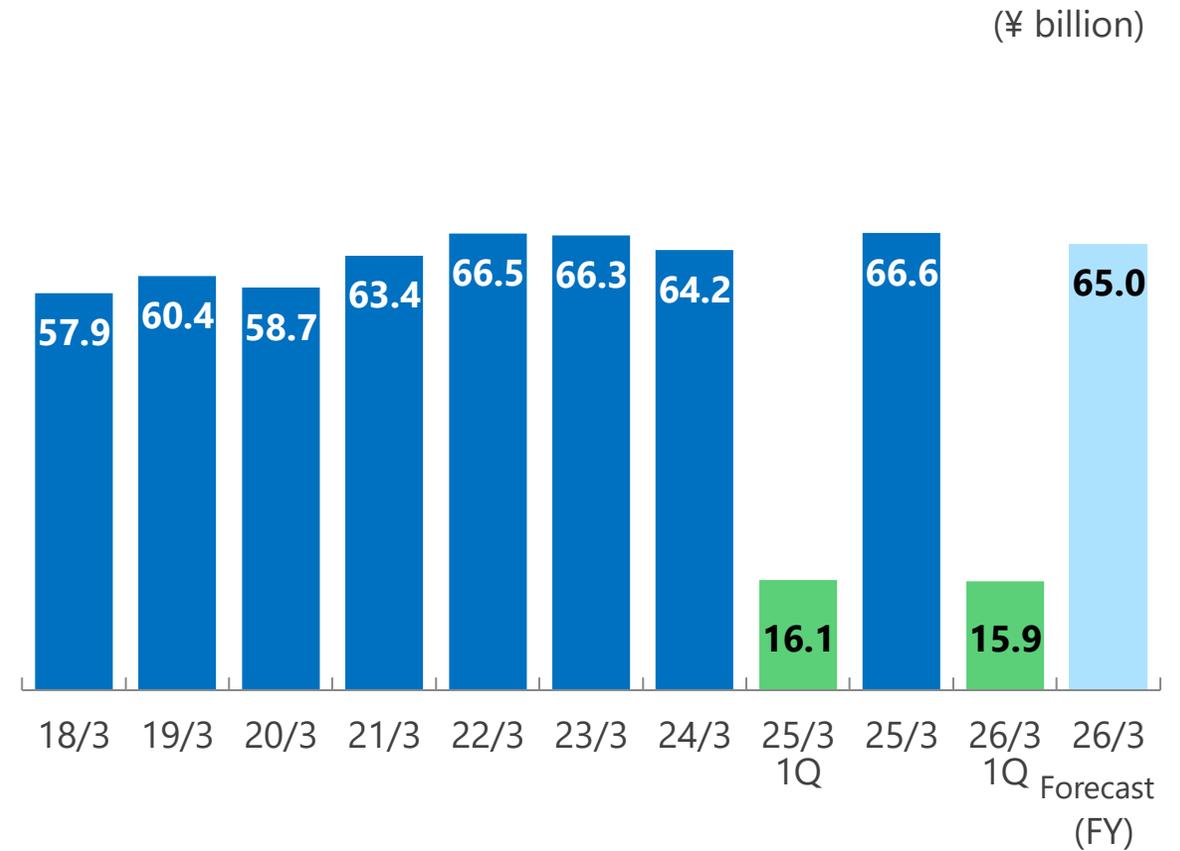


# Capital expenditure, Depreciation

## Capital expenditure \*



## Depreciation



\* Including construction in progress



# Net Sales Trends by Business Segment

(¥billion)

	FY2025/3				FY2026/3	
	Q1	Q2	Q3	Q4	1Q	Full year Forecast
Paper and Paperboard	141.9	141.2	146.3	136.5	138.2	555.0
Daily-Life Products	108.3	116.4	118.4	114.8	116.7	500.0
Energy	11.5	13.3	10.7	12.8	10.6	45.0
Wood Products and Construction Related	18.4	19.3	18.0	23.1	19.6	75.0
Others	6.9	7.3	8.4	8.9	7.5	30.0
Total	287.0	297.5	301.8	296.1	292.6	1,205.0



# Operating Income Trends by Business Segment

(¥billion)

	FY2025/3				FY2026/3	
	Q1	Q2	Q3	Q4	1Q	Full year Forecast
Paper and Paperboard	2.4	1.1	3.3	1.5	-0.9	5.0
Daily-Life Products	-2.0	-7.1	2.2	0.8	3.0	15.0
Energy	0.5	1.2	0.3	1.6	0.6	3.0
Wood Products and Construction Related	2.2	1.8	2.1	3.5	3.0	8.5
Others	1.0	1.0	1.1	1.2	-0.2	2.5
Total	4.1	-2.0	9.0	8.6	5.5	34.0

## Domestic Shipment and Import / Export Volume(Paper& Paperboard, FY2026/3 Q1 Results)

volume: '000 tonnes

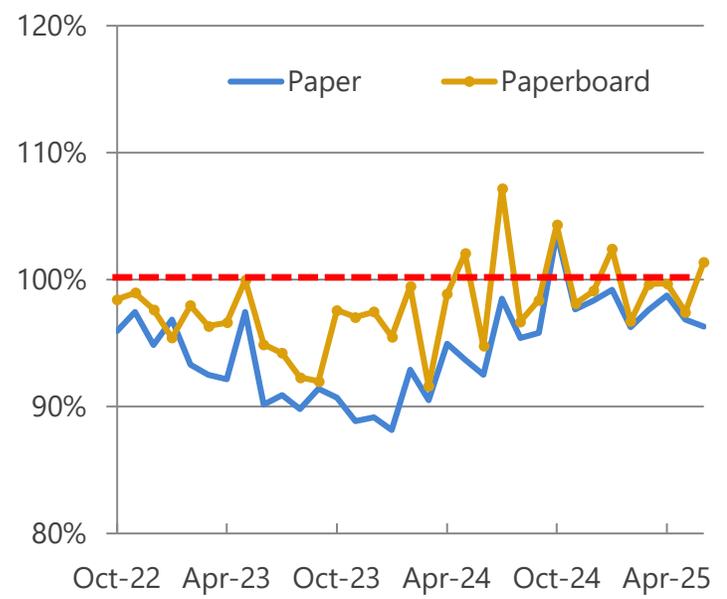
	Domestic shipments		Exports		Imports	
	volume	against Q1 FY25/3	volume	against Q1 FY25/3	volume	against Q1 FY25/3
Newsprint	337	-9.0%	0	—	0	-33.1%
Printing & business communication paper	1,097	-2.6%	134	-18.4%	140	8.9%
Coated paper *	573	-1.2%	96	-21.7%	29	35.2%
Uncoated paper	298	-2.7%	25	-9.4%	4	46.0%
Business communication paper	225	-6.1%	12	-5.9%	107	2.6%
Other papers	744	0.3%	56	-15.6%	11	5.9%
<b>Paper total</b>	<b>2,178</b>	<b>-2.7%</b>	<b>190</b>	<b>-17.6%</b>	<b>151</b>	<b>8.6%</b>
Containerboard	2,176	-0.5%	183	-9.7%	8	23.8%
Folding box board and others	492	-0.6%	7	-36.3%	51	-10.1%
<b>Paperboard total</b>	<b>2,668</b>	<b>-0.5%</b>	<b>190</b>	<b>-11.1%</b>	<b>58</b>	<b>-6.7%</b>
<b>Paper and paperboard total</b>	<b>4,846</b>	<b>-1.5%</b>	<b>380</b>	<b>-14.5%</b>	<b>209</b>	<b>3.8%</b>

\* "Bitoko-shi" paper is included in coated paper.

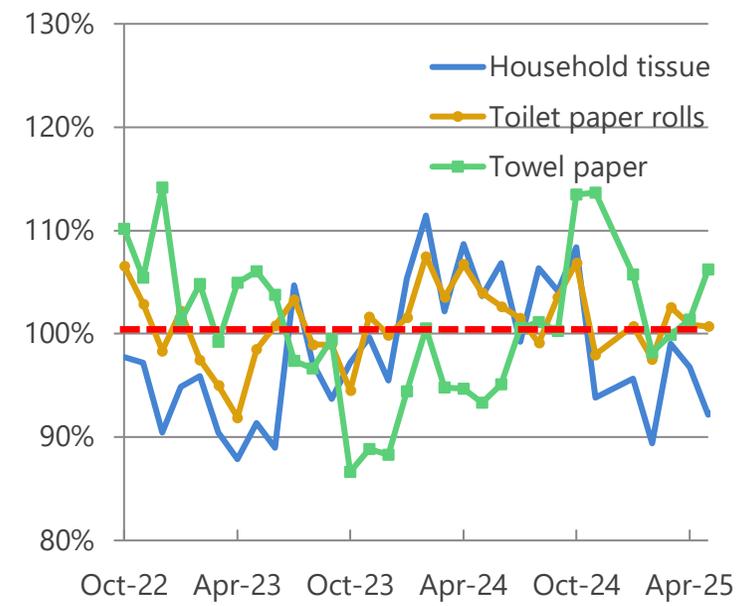


# Reference (Domestic)

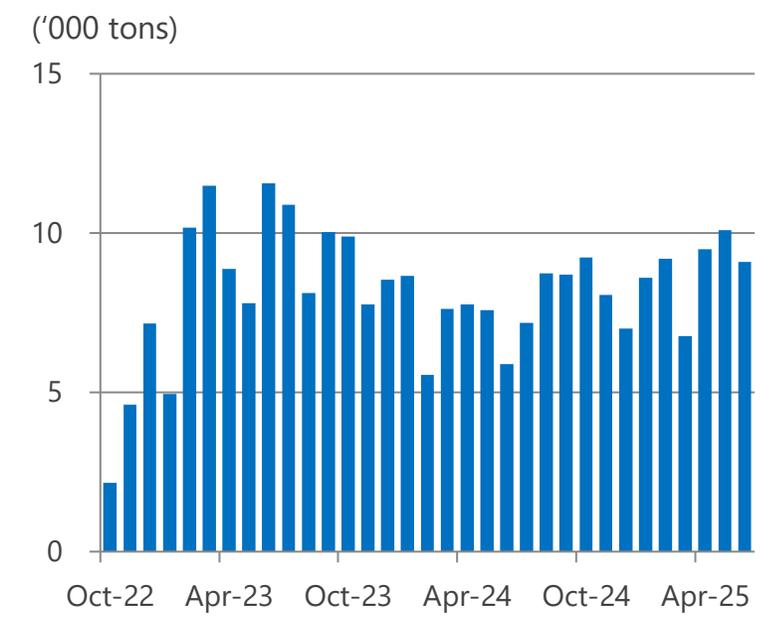
## Domestic shipment of paper industry (YOY)



## Production of sanitary paper (YOY)



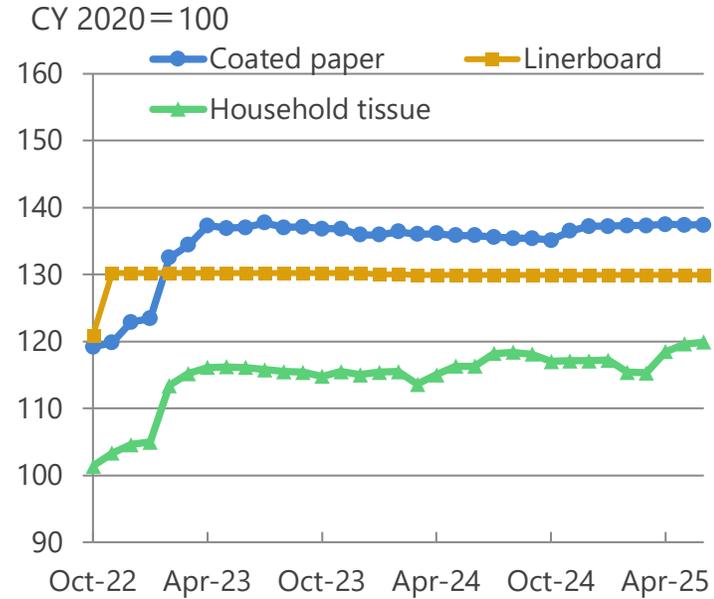
## Imports of Coated Paper



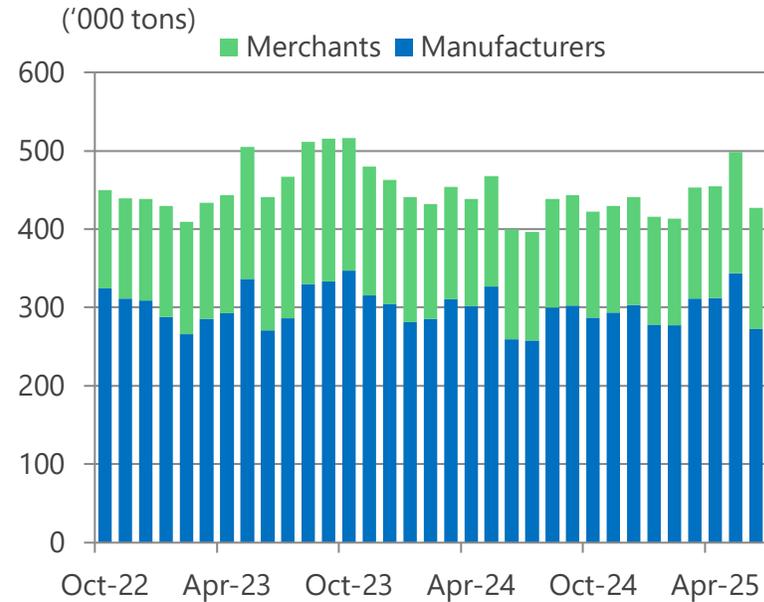
Source: Japan Paper Association, Current Survey of Production by the Ministry of Economy, Trade Statistics of Japan

# Reference (Domestic)

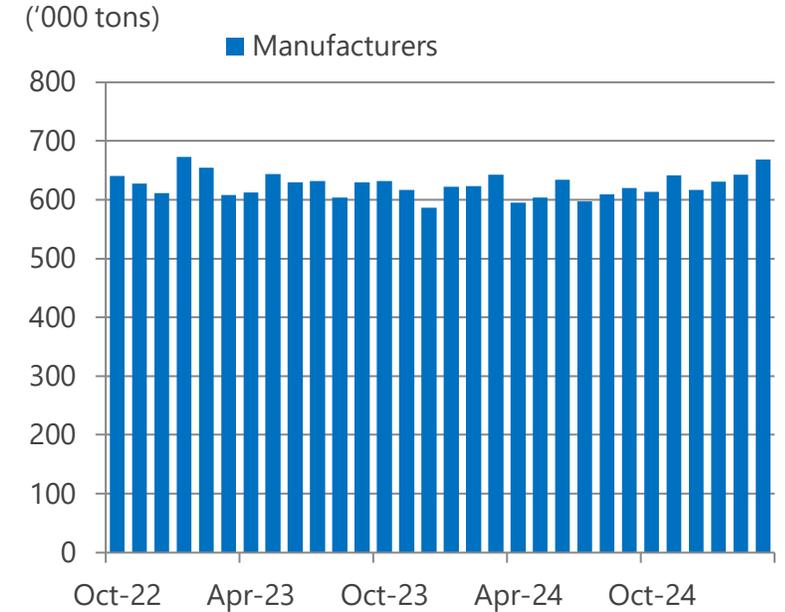
## Price trends by products



## Coated paper inventory



## Containerboard inventory

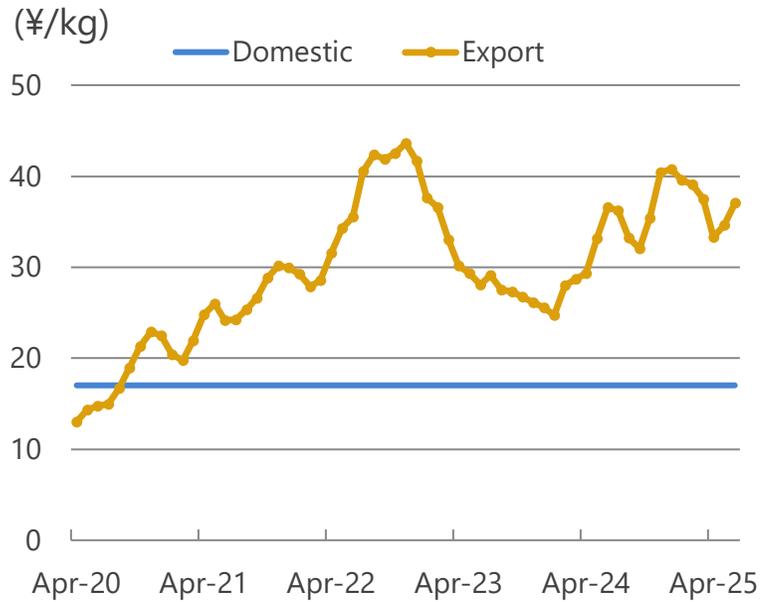


Source: Japan Paper Association, Bank of Japan(Corporate Goods Price Index)

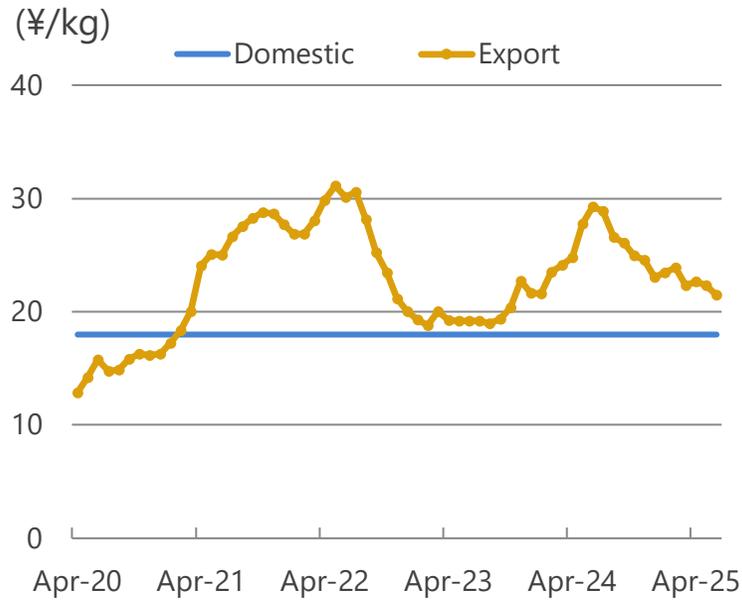


# Reference (Domestic, Global)

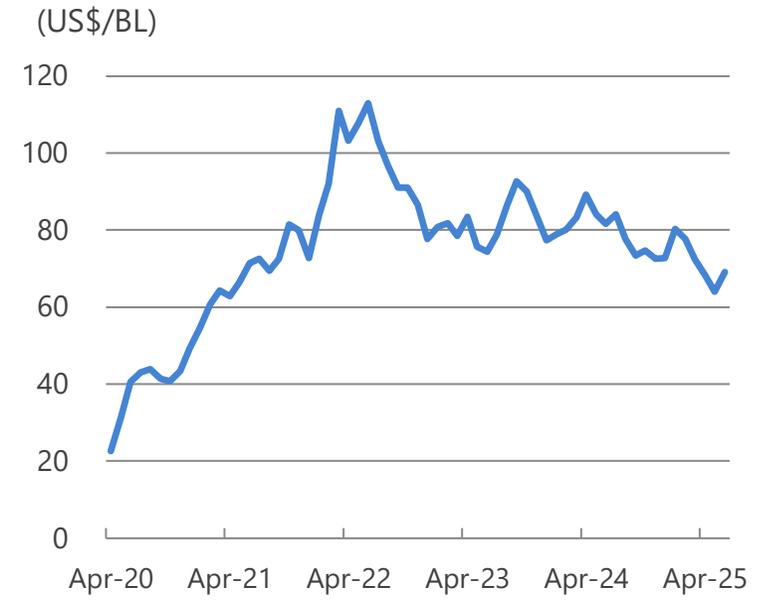
## ONP



## OCC



## Crude oil



Source: Wastepaper Revitalization Promotion Centre, Trade Statistics of Japan, Nihon Keizai Shimbun



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