

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



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

August 6, 2025

Company name: Nippon Paper Industries Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 3863  
 URL: <https://www.nipponpapergroup.com/>  
 Representative: Akira Sebe, President and Representative Director  
 Inquiries: Ryo Koide, General Manager of Accounting & Budgeting Dept.  
 Telephone: +81-3-6665-1111  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and investment analysts)

(Yen amounts are rounded down to millions, 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.)

	Net sales		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	292,629	2.0	5,485	32.6	5,551	9.9	1,905	-
June 30, 2024	287,014	(0.1)	4,137	409.3	5,049	-	(1,089)	-

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ (12,450) million [ -%]  
 Three months ended June 30, 2024: ¥ 12,941 million [ 80.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	16.50	-
June 30, 2024	(9.44)	-

(Note) The year-on-year change (%) in ordinary income for the first quarter of the three months ended June 30, 2024 is shown as "-" because it exceeds 1,000%.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	1,671,177	496,049	28.0
March 31, 2025	1,703,308	510,435	28.3

(Reference) Equity: As of June 30, 2025: ¥ 468,727 million  
 As of March 31, 2025: ¥ 482,026 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 0.00	Yen -	Yen 10.00	Yen 10.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		5.00	-	10.00	15.00

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

## 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.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,205,000	1.9	34,000	72.5	26,000	67.7	12,000	164.4	103.96

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

### \* Notes:

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

Newly included: - (Company name: )  
Excluded: - (Company name: )

(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: 116,254,892 shares  
March 31, 2025: 116,254,892 shares

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

June 30, 2025: 821,412 shares  
March 31, 2025: 820,718 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 115,433,905 shares  
Three months ended June 30, 2024: 115,402,223 shares

\*We introduced the "Board Benefit Trust (BBT)", and have included our shares held by this trust in treasury stock, which is deducted from the calculation of the number of treasury shares at the end of the period and the average number of shares during the period.

\* 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

1. Any statement in this document regarding future performance of the Company is based on the information available at the time of the announcement and certain assumptions judged to be reasonable. Actual performance may differ from forecasts due to a variety of factors.

2. The support documentation will be posted on the following website.

<https://www.nipponpapergroup.com/english/ir/library/>

(Appendices)

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

Operating results by business segment are as follows:

Paper and Paperboard:	(Millions of yen)	(Percentages indicate year-on-year changes.)
Consolidated net sales	138,247	(2.6)%
Consolidated operating income (loss)	(920)	The same period of previous year: 2,366
Daily-life Products:		
Consolidated net sales	116,721	7.8%
Consolidated operating income (loss)	3,016	The same period of previous year: (1,993)
Energy:		
Consolidated net sales	10,591	7.5%
Consolidated operating income (loss)	637	43.6%
Wood Products and Construction Related:		
Consolidated net sales	19,597	6.5%
Consolidated operating income (loss)	3,012	39.1%

Note: The numbers parenthesized represent minus figures.

(Reference information)

1. Significant Subsequent Events

At the meeting of the Board of Directors of the Company held on August 6, 2025, the Company made the resolution in relation to domestic unsecured corporate bonds for subscription. The summary is as follows. President of the Company is authorized to decide necessary items within the scope described down below when the Company solicits persons who subscribe for the bonds.

(1) Total amount of issue: maximum ¥50 billion (multiple issuances within this amount is allowed)

(2) Interest rate: maximum 3.0% per annum

(3) Maturity: from 2 years up to 20 years

(4) Issue timing: from August 6, 2025 to August 1, 2026

(5) Method of redemption: bullet repayment

(6) Application of funds: capital investment, repayment of loans payable, etc.

# Consolidated Financial Statements

## Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	185,941	153,080
Notes and accounts receivable - trade	180,296	188,693
Merchandise and finished goods	120,634	119,136
Work in process	19,220	20,811
Raw materials and supplies	90,214	97,422
Other	42,452	44,919
Allowance for doubtful accounts	(455)	(466)
Total current assets	638,305	623,597
Non-current assets		
Property, plant and equipment		
Buildings and structures	570,102	568,936
Accumulated depreciation	(418,330)	(420,081)
Buildings and structures, net	151,771	148,855
Machinery, equipment and vehicles	2,220,332	2,207,300
Accumulated depreciation	(1,876,337)	(1,876,608)
Machinery, equipment and vehicles, net	343,994	330,691
Land	208,662	207,581
Construction in progress	25,593	30,549
Other	113,430	112,897
Accumulated depreciation	(59,471)	(60,198)
Other, net	53,959	52,699
Total property, plant and equipment	783,982	770,377
Intangible assets	13,210	12,356
Investments and other assets		
Investment securities	172,984	173,107
Other	95,384	92,307
Allowance for doubtful accounts	(558)	(569)
Total investments and other assets	267,810	264,845
Total non-current assets	1,065,003	1,047,579
Total assets	1,703,308	1,671,177

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	142,222	139,947
Short-term borrowings	231,334	164,059
Current portion of bonds payable	10,000	10,000
Income taxes payable	2,843	1,492
Other	92,792	91,792
Total current liabilities	479,192	407,291
Non-current liabilities		
Bonds payable	55,000	45,000
Long-term borrowings	560,682	626,197
Provision for environmental measures	8,099	7,250
Retirement benefit liability	8,995	8,997
Other	80,903	80,391
Total non-current liabilities	713,680	767,836
Total liabilities	1,192,873	1,175,127
<b>Net assets</b>		
Shareholders' equity		
Share capital	104,873	104,873
Capital surplus	216,393	216,393
Retained earnings	11,547	12,295
Treasury shares	(1,840)	(1,840)
Total shareholders' equity	330,974	331,721
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,920	15,453
Deferred gains or losses on hedges	13,708	11,526
Foreign currency translation adjustment	90,410	77,745
Remeasurements of defined benefit plans	33,011	32,280
Total accumulated other comprehensive income	151,051	137,006
Non-controlling interests	28,409	27,321
Total net assets	510,435	496,049
Total liabilities and net assets	1,703,308	1,671,177

# Consolidated Statements of Income and Comprehensive Income

## Consolidated Statement of Income

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	287,014	292,629
Cost of sales	240,900	243,519
Gross profit	46,113	49,110
Selling, general and administrative expenses		
Freight and incidental costs	19,436	20,066
Direct and indirect selling expenses	2,924	3,495
Salaries and allowances	11,185	11,497
Other	8,430	8,566
Total selling, general and administrative expenses	41,976	43,624
Operating profit	4,137	5,485
Non-operating income		
Interest income	160	337
Dividend income	1,089	1,053
Share of profit of entities accounted for using equity method	2,097	2,554
Other	1,150	1,198
Total non-operating income	4,498	5,144
Non-operating expenses		
Interest expenses	2,107	2,462
Long-term borrowings related expenses	-	1,165
Other	1,477	1,450
Total non-operating expenses	3,585	5,078
Ordinary profit	5,049	5,551
Extraordinary income		
Insurance claim income	-	2,469
Gain on sale of investment securities	603	463
Other	138	156
Total extraordinary income	741	3,090
Extraordinary losses		
Loss on suspension of operations	-	1,959
Loss on retirement of non-current assets	377	137
Other	3,217	921
Total extraordinary losses	3,595	3,019
Profit before income taxes	2,196	5,622
Income taxes - current	1,115	1,764
Income taxes - deferred	1,289	1,233
Total income taxes	2,404	2,997
Profit (loss)	(207)	2,624
Profit attributable to non-controlling interests	881	719
Profit (loss) attributable to owners of parent	(1,089)	1,905

# Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit (loss)	(207)	2,624
Other comprehensive income		
Valuation difference on available-for-sale securities	1,496	1,547
Deferred gains or losses on hedges	4,869	(3,094)
Foreign currency translation adjustment	7,215	(11,198)
Remeasurements of defined benefit plans, net of tax	(599)	(721)
Share of other comprehensive income of entities accounted for using equity method	166	(1,607)
Total other comprehensive income	13,149	(15,075)
Comprehensive income	12,941	(12,450)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,192	(12,140)
Comprehensive income attributable to non-controlling interests	2,749	(310)