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November 13, 2023

To whom it may concern,

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Notice of Differences between Financial Forecasts for the First Six Months of Fiscal Year Ending March 31, 2024 and Actual Results and Revisions to Full-Year Financial Forecasts

Mitsubishi Paper Mills Limited (the “Company”) hereby announces differences between consolidated financial forecasts for the first six months of the fiscal year ending March 31, 2024, announced on May 11, 2023, and the actual results announced today, as described below. The Company also announces revisions to full-year consolidated results forecasts for the fiscal year ending March 31, 2024, as described below.

Details:

1. Differences between consolidated financial forecasts for the first six months of the fiscal year ending March 31, 2024 and actual results

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	110,000	1,000	1,000	0	0.00
Actual results (B)	96,703	1,995	3,526	1,638	37.45
Difference (B-A)	(13,297)	+995	+2,526	+1,638	
Difference (%)	(12.1)	+99.5	+252.6	-	
(For reference) Results for the first six months of FY Mar. 31, 2023	100,364	(435)	1,504	(288)	(6.51)

2. Revisions to full-year consolidated results forecasts for the fiscal year ending March 31, 2024

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	220,000	6,000	6,500	4,000	91.44
Revised forecast (B)	200,000	6,000	7,500	4,000	91.44
Difference (B-A)	(20,000)	-	+1,000	-	
Difference (%)	(9.1)	-	+15.4	-	
(Reference) Results for FY Mar. 31, 2023	209,542	968	3,089	(571)	(12.97)

3. Reasons for differences between financial forecasts and actual results and revisions to financial forecasts

(1) Reason for differences between financial forecasts for the first six months of the fiscal year ending March 31, 2024 and actual results

Net sales were below the forecast, due to a decrease in sales volume caused by a decline in demand for printing and communication paper in and outside Japan and adjustment in inventory.

Operating profit exceeded the forecast, mainly attributable to effects of cost reduction and lower-than expected prices of raw materials and fuels, despite a decline in sales volume.

Ordinary profit exceeded the forecast, mainly owing to gains from the revaluation of foreign currency-denominated assets and liabilities on the back of a weak yen, in addition to the increase in operating profit.

Profit attributable to owners of parent exceeded the forecast, mainly attributable to increases in operating profit and ordinary profit.

(2) Reason for revisions to financial forecasts for the fiscal year ending March 31, 2024

Net sales and ordinary profit have been revised, taking into the actual results of the first six months under review and future trends. Although we have to expect a negative effect of the restoration expenses after the incident related to a boiler, which was announced on August 30, 2023, are currently being carefully examined and are yet to be confirmed. there has been no revision to the initial projection for profit attributable to owners of parent, because of a positive effect of the higher-than expected ordinary profit.

(Note) Because the forecasts above are prepared based on information available as of the date of this announcement, actual results may differ from the forecasts due to various factors in the future.