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## Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

February 9, 2024

Company name: Japan Pulp & Paper Co., Ltd.  
 Stock exchange listing: Tokyo  
 Code number: 8032  
 URL: <https://www.kamipa.co.jp/eng/>  
 Representative: Akihiko Watanabe President&CEO  
 Contact: Kenichiro Fujii Executive Officer, Finance & Administration Division  
 URL <https://www.kamipa.co.jp/eng/contact/>  
 Scheduled date of filing quarterly securities report: February 14, 2024  
 Scheduled date of commencing dividend payments: -  
 Availability of supplementary briefing material on quarterly financial results: No  
 Schedule of quarterly financial results briefing session: No

(Amounts are rounded to the nearest million yen.)

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	411,557	(2.4)	14,162	(13.3)	13,855	(19.4)	8,270	(62.3)
December 31, 2022	421,854	31.0	16,338	57.7	17,186	57.4	21,934	156.9

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 15,802 million [ (36.0)%]  
 Nine months ended December 31, 2022: ¥ 24,706 million [ 174.2%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	616.91	615.62
December 31, 2022	1,598.97	1,595.72

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	385,741	135,181	32.3
March 31, 2023	385,129	128,295	30.7

(Reference) Equity: As of December 31, 2023: ¥ 124,501 million  
 As of March 31, 2023: ¥ 118,356 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	60.00	-	60.00	120.00
Fiscal year ending March 31, 2024	-	65.00	-		
Fiscal year ending March 31, 2024 (Forecast)				65.00	130.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	18,000	(11.2)	17,000	(19.9)	11,000	(56.7)	801.87

(Note) Revision to the financial results forecast announced most recently: No

### \* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2023: 15,021,551 shares

March 31, 2023: 15,021,551 shares

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

December 31, 2023: 2,706,617 shares

March 31, 2023: 1,303,560 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 13,405,904 shares

Nine months ended December 31, 2022: 13,717,268 shares

\*This report is not subject to quarterly reviews by certified public accountants or auditing firms.

\* Explanation of the proper use of financial results forecast and other notes.

(Note Concerning Forward-Looking Statements)

The forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may significantly differ from these forecasts due to various factors.

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	31,141	21,564
Notes and accounts receivable - trade	139,528	151,932
Inventories	65,430	58,402
Other	5,759	7,736
Allowance for doubtful accounts	(1,830)	(2,376)
Total current assets	240,028	237,259
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	34,706	34,549
Land	28,870	29,114
Other, net	35,646	35,405
Total property, plant and equipment	99,222	99,068
Intangible assets		
Goodwill	3,197	3,234
Other	2,389	2,461
Total intangible assets	5,586	5,694
Investments and other assets		
Investment securities	32,893	37,002
Retirement benefit asset	181	183
Other	9,525	9,005
Allowance for doubtful accounts	(2,366)	(2,516)
Total investments and other assets	40,233	43,674
Total non-current assets	145,041	148,436
Deferred assets	61	46
Total assets	385,129	385,741

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	104,714	104,452
Short-term borrowings	48,400	42,940
Current portion of long-term borrowings	12,469	4,737
Commercial papers	-	13,000
Current portion of bonds payable	-	10,000
Income taxes payable	10,890	2,436
Provisions	2,788	1,285
Other	13,196	16,483
Total current liabilities	192,456	195,333
Non-current liabilities		
Bonds payable	30,000	20,000
Long-term borrowings	18,018	15,153
Provisions	721	791
Retirement benefit liability	1,511	1,811
Other	14,128	17,472
Total non-current liabilities	64,378	55,226
Total liabilities	256,834	250,560
Net assets		
Shareholders' equity		
Share capital	16,649	16,649
Capital surplus	6,988	7,142
Retained earnings	89,717	96,276
Treasury shares	(4,944)	(11,629)
Total shareholders' equity	108,410	108,438
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,947	9,773
Deferred gains or losses on hedges	(6)	6
Foreign currency translation adjustment	2,998	6,277
Remeasurements of defined benefit plans	7	8
Total accumulated other comprehensive income	9,946	16,064
Share acquisition rights	76	76
Non-controlling interests	9,864	10,605
Total net assets	128,295	135,181
Total liabilities and net assets	385,129	385,741

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Revenue	421,854	411,557
Cost of sales	355,937	344,686
Gross profit	65,917	66,871
Selling, general and administrative expenses	49,578	52,709
Operating profit	16,338	14,162
Non-operating income		
Interest income	445	595
Dividend income	749	938
Share of profit of entities accounted for using equity method	357	275
Other	765	472
Total non-operating income	2,316	2,280
Non-operating expenses		
Interest expenses	1,378	2,455
Other	90	131
Total non-operating expenses	1,468	2,587
Ordinary profit	17,186	13,855
Extraordinary income		
Gain on sale of non-current assets	16,857	632
Insurance claim income	-	242
Gain on sale of investment securities	278	40
Gain on extinguishment of tie-in shares	-	22
Other	-	3
Total extraordinary income	17,136	939
Extraordinary losses		
Loss on disposal of non-current assets	91	82
Waste disposal expenses	-	35
Loss on sale of shares of subsidiaries and associates	245	-
Loss on valuation of investment securities	10	-
Other	0	5
Total extraordinary losses	346	122
Profit before income taxes	33,976	14,671
Income taxes - current	13,377	4,605
Income taxes - deferred	(2,229)	620
Total income taxes	11,149	5,225
Profit	22,828	9,446
Profit attributable to non-controlling interests	894	1,176
Profit attributable to owners of parent	21,934	8,270

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	22,828	9,446
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,143)	2,876
Deferred gains or losses on hedges	44	12
Foreign currency translation adjustment	3,142	3,471
Remeasurements of defined benefit plans, net of tax	5	1
Share of other comprehensive income of entities accounted for using equity method	(169)	(4)
Total other comprehensive income	1,878	6,356
Comprehensive income	24,706	15,802
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	23,437	14,388
Comprehensive income attributable to non-controlling interests	1,269	1,414

## (Segment information)

## 1. Nine-months period ended December 31, 2022 (consolidated)

Information related to revenue, profit (loss), and disaggregation of revenue by reportable segment

(Million yen)

	Reportable Segments					Total	Adjustments	To Quarterly consolidated statements of income
	Japan Wholesaling	Non-Japan Wholesaling	Paper Manufacturing & Processing	Raw Materials & Environment	Real Estate Leasing			
Revenue								
Revenue from contracts with customers	135,913	225,616	35,713	21,413	—	418,655	—	418,655
Other revenue	—	—	—	—	3,199	3,199	—	3,199
Revenue from external customers	135,913	225,616	35,713	21,413	3,199	421,854	—	421,854
Intersegment revenue/transfers	5,448	366	2,594	4,502	71	12,981	(12,981)	—
Total	141,361	225,982	38,306	25,915	3,270	434,835	(12,981)	421,854
Segment income (loss)	3,870	10,457	2,788	1,734	994	19,843	(2,657)	17,186

(Notes)

1. Segment income (loss) is adjusted with ordinary profit in the Quarterly Consolidated Statements of Income.
2. Adjustments in segment income (loss) include corporate expenses of (659) million yen that are not allocated to each relevant business segment.

## 2. Nine-months period ended December 31, 2023 (consolidated)

Information related to revenue, profit (loss), and disaggregation of revenue by reportable segment

(Million yen)

	Reportable Segments					Total	Adjustments	To Quarterly consolidated statements of income
	Japan Wholesaling	Non-Japan Wholesaling	Paper Manufacturing & Processing	Raw Materials & Environment	Real Estate Leasing			
Revenue								
Revenue from contracts with customers	147,923	202,760	38,946	18,890	—	408,519	—	408,519
Other revenue	—	—	—	—	3,037	3,037	—	3,037
Revenue from external customers	147,923	202,760	38,946	18,890	3,037	411,557	—	411,557
Intersegment revenue/transfers	6,250	342	3,783	4,528	71	14,975	(14,975)	—
Total	154,173	203,103	42,729	23,419	3,108	426,532	(14,975)	411,557
Segment income (loss)	5,189	3,598	5,189	1,293	1,146	16,416	(2,561)	13,855

(Notes)

1. Segment income (loss) is adjusted with ordinary profit in the Quarterly Consolidated Statements of Income.
2. Adjustments in segment income (loss) include intersegment eliminations of (2,432) million yen and corporate expenses of (129) million yen that are not allocated to each relevant business segment.