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# 3<sup>RD</sup> QUARTER FY2026/3 FINANCIAL REVIEW

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February 6, 2026

# 3rd Quarter FY2026/3 Financial Results

## Consolidated Statement (¥billion)

	Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes	
			Amount	%
Net sales	886.3	<b>889.5</b>	3.2	0.4%
Operating income	11.1	<b>15.0</b>	3.9	35.5%
Ordinary income	12.8	<b>14.0</b>	1.2	9.0%
Net income *	0.1	<b>7.8</b>	7.7	—

\* Profit attributable to owners of parent

- Net sales increased year on year, driven by the sales expansion in the Daily-Life Products Business, which offset the sales decline in the Paper and Paperboard Business.
- Operating income increased year on year due to improved revenue from Opal and Nippon Dynawave Packaging (NDP) returning to normal operations after undergoing large-scale maintenance in the previous fiscal year.
- Extraordinary income includes gain on sale of investment securities such as cross-shareholdings and gain on return of assets from retirement benefits trust.



# 3rd Quarter FY2026/3 Financial Results

## Results by Segment

(¥billion)

	Total Q1-Q3 FY2025/3 Results	Net sales		Y on Y changes	Operating income		Y on Y changes
		Total Q1-Q3 FY2026/3 Results			Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	
Paper and Paperboard	429.4	<b>418.7</b>		-10.7	6.8	<b>-0.2</b>	-7.0
Daily-Life Products	343.1	<b>360.4</b>		17.3	-6.9	<b>4.2</b>	11.1
Energy	35.5	<b>31.4</b>		-4.1	2.0	<b>1.8</b>	-0.2
Wood Products and Construction Related	55.7	<b>55.7</b>		0.0	6.1	<b>6.9</b>	0.8
Others	22.6	<b>23.3</b>		0.7	3.1	<b>2.3</b>	-0.8
Total	886.3	<b>889.5</b>		3.2	11.1	<b>15.0</b>	3.9
Domestic	687.7	<b>687.8</b>		0.1	24.6	<b>18.9</b>	-5.7
Overseas	198.6	<b>201.7</b>		3.1	-13.5	<b>-3.9</b>	9.6



# 3rd Quarter FY2026/3 Financial Results

## Factors for Changes

(¥billion)

			Paper and Paperboard Business		Daily-Life Products Business	
	Volume, Sales Price	<b>2.2</b>	-2.2	—	4.4	—
	Raw material and fuel prices	<b>1.9</b>	0.9	Wood Chips -0.5, Wastepaper -2.2, Pulp 0.4 Oil -0.5, Coal 3.8, LNG 0.4, Chemicals, etc. -0.5 (Price -0.5, FOREX 1.4)	1.0	Pulp 0.4 , Coal 0.2, Chemicals 0.4, etc.
	Cost reductions,etc.	<b>-5.6</b>	-4.3	Cost reductions -1.3, Permanent machines' shutdown at the Shiraoi Mill and the Yatsushiro Mill 0.4, Labor costs -1.4, Logistics costs -2.0	-1.3	Cost reductions 0.2, Labor costs -0.7, Logistics costs -0.8
	Others	<b>5.6</b>	-1.4	Overseas business -0.6,Depreciation 0.6, Retirement benefit expenses -1.0, Inventory value adjustment -0.4, etc.	7.0	Overseas business 9.7 (Opal 4.2, NDP 5.5, TSP 0.0) Depreciation 0.3 Inventory value adjustment, etc -3.0
Total		<b>4.1</b>	-7.0	Domestic business -6.4, Overseas business -0.6	11.1	Domestic business 1.4, Overseas business 9.7
Other businesses		<b>-0.2</b>	Energy -0.2,Wood Products and Construction Related 0.8, Others -0.8			
Operating income		<b>3.9</b>				
Non-operating income		<b>-2.7</b>	Net financial revenue -1.1, Equity in net income of affiliates -3.6, Foreign exchange difference 3.8, Others -1.8			
Ordinary income		<b>1.2</b>				

## Paper and Paperboard Business

(¥billion)

Net sales			Operating income		
Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes	Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes
429.4	<b>418.7</b>	-10.7	6.8	<b>-0.2</b>	-7.0

- Domestic
  - Net sales decreased year on year due to the deteriorating export market for paper and sluggish domestic demand for paperboard.
  - Despite the stable price of coal and other fuels, 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.

# 3rd Quarter FY2026/3 Financial Results

## Daily-Life Products Business

(¥billion)

	Net sales			Operating income		
	Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes	Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes
Domestic	169.7	<b>181.1</b>	11.4	8.3	<b>9.7</b>	1.4
Overseas	173.4	<b>179.3</b>	5.9	-15.2	<b>-5.5</b>	9.7
Total	343.1	<b>360.4</b>	17.3	-6.9	<b>4.2</b>	11.1

Package 0.1, Chemical 0.8,  
Household paper and Healthcare 0.5

Opal 4.2, NDP 5.5, TSP 0.0

- Domestic
  - Sales volume increased due to expanded investment effects in household paper.
  - Despite rising labor costs and logistics costs, sales remained strong due to the effects of price adjustments.
- Overseas
  - Opal reduced its deficit due to factors such as improved operational efficiency at the Maryvale Mill.
  - Nippon Dynawave Packaging (NDP) significantly improved as the impact of the large-scale maintenance in the previous fiscal year was resolved and sales volume increased.

Opal	Volume&Sales Price 1.7,Raw material and fuel prices -1.3, Cost reductions 2.2,Goodwill 0.8, Other 0.8
NDP	Volume&Sales Price 4.0, Raw material and fuel prices -1.2, Fixed costs 0.9, Other 1.8

# 3rd Quarter FY2026/3 Financial Results

## Energy Business

(¥billion)

Net sales			Operating income		
Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes	Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes
35.5	<b>31.4</b>	-4.1	2.0	<b>1.8</b>	-0.2

▪ Net sales decreased year on year due to a fall in electricity sales prices.

## Wood Products and Construction Related Business

(¥billion)

Net sales			Operating income		
Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes	Total Q1-Q3 FY2025/3 Results	Total Q1-Q3 FY2026/3 Results	Y on Y changes
55.7	<b>55.7</b>	0.0	6.1	<b>6.9</b>	0.8

▪ Revenue and profit increased due to growing domestic biomass fuel demand, etc.

## Consolidated Statement

(¥billion)

	FY2025/3 Results	FY2026/3 forecast	Year on year changes	
			Amount	%
Net sales	1,182.4	<b>1,200.0</b>	17.6	1.5%
Operating income	19.7	<b>30.0</b>	10.3	52.2%
Ordinary income	15.5	<b>24.0</b>	8.5	54.8%
Net income *	4.5	<b>10.0</b>	5.5	120.3%

\* Profit attributable to owners of parent

■ The forecast for FY2026/3 has not changed since the release of November 6, 2025.



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# REFERENCE MATERIALS

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# FY2026/3 Forecast (Released in November 2025)

## Results and Forecasts by Business Segment

(¥billion)

	Net sales			Operating income		
	FY2025/3 Results	FY2026/3 forecast	Year on year changes	FY2025/3 Results	FY2026/3 forecast	Year on year 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>490.0</b>	32.1	-6.1 (-15.4)	<b>10.0</b> <b>(-3.6)</b>	16.1 (11.8)
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>77.0</b>	-1.8	9.6	<b>9.0</b>	-0.6
Others	31.5	<b>33.0</b>	1.5	4.3	<b>3.0</b>	-1.3
Total	1,182.4	<b>1,200.0</b>	17.6	19.7	<b>30.0</b>	10.3
Domestic	913.9	<b>937.0</b>	23.1	31.6	<b>31.0</b>	-0.6
Overseas	268.5	<b>263.0</b>	-5.5	-11.9	<b>-1.0</b>	10.9



Major Assumptions

■ Annual change in domestic sales volume (YoY)

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

■ Major raw material prices and FOREX

	2nd Half
FOREX (USD)	JPY 152/USD
FOREX sensitivity	+0.65 billion yen/year due to 1 yen appreciation against USD
Coal	USD 130.0/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

## Forecast for Changes

(¥billion)

			Paper and Paperboard Business		Daily-Life Products Business	
	Volume, Sales Price	<b>9.4</b>	1.2	–	8.2	–
	Raw material and fuel prices	<b>1.3</b>	0.8	Wood chips -1.0, Wastepaper -2.0, Pulp 0.2, Oil -1.0, Coal 5.6, LNG 0.5, Chemicals, etc. -1.5 (Price -0.1, FOREX 0.9)	<b>0.5</b>	Wood chips -0.1, Pulp 0.1, Coal 0.3, Chemicals, etc. 0.2
	Cost reductions,etc.	<b>-3.7</b>	-2.6	Cost reductions 0.6, Shutdown at the Shiraoi Mill and the Yatsushiro Mill 0.5,Labor costs -2.0, Logistics costs -1.7	<b>-1.1</b>	Cost reductions 0.7, Labor costs -1.1, Logistics costs -0.7
	Others	<b>5.8</b>	-2.7	Overseas business -0.5, Depreciation 0.5, Retirement benefit expenses -1.4, Inventory value adjustment, etc. -1.3	<b>8.5</b>	Overseas business 11.8 (Opal 4.7, NDP 7.1, TSP 0.0), Depreciation 0.2, Inventory value adjustment, etc. -3.5
Total		<b>12.8</b>	-3.3	Domestic -2.8, Overseas -0.5	<b>16.1</b>	Domestic 4.3, Overseas 11.8
Other businesses		<b>-2.5</b>	Energy -0.6, Wood products and construction related -0.6, Package 0.9, Chemicals 0.8, Household paper & Healthcare 2.6 Others -1.3			
Operating income		<b>10.3</b>				

# Sales Volume (Paper & Paperboard) \*

(volume: '000 tonnes)

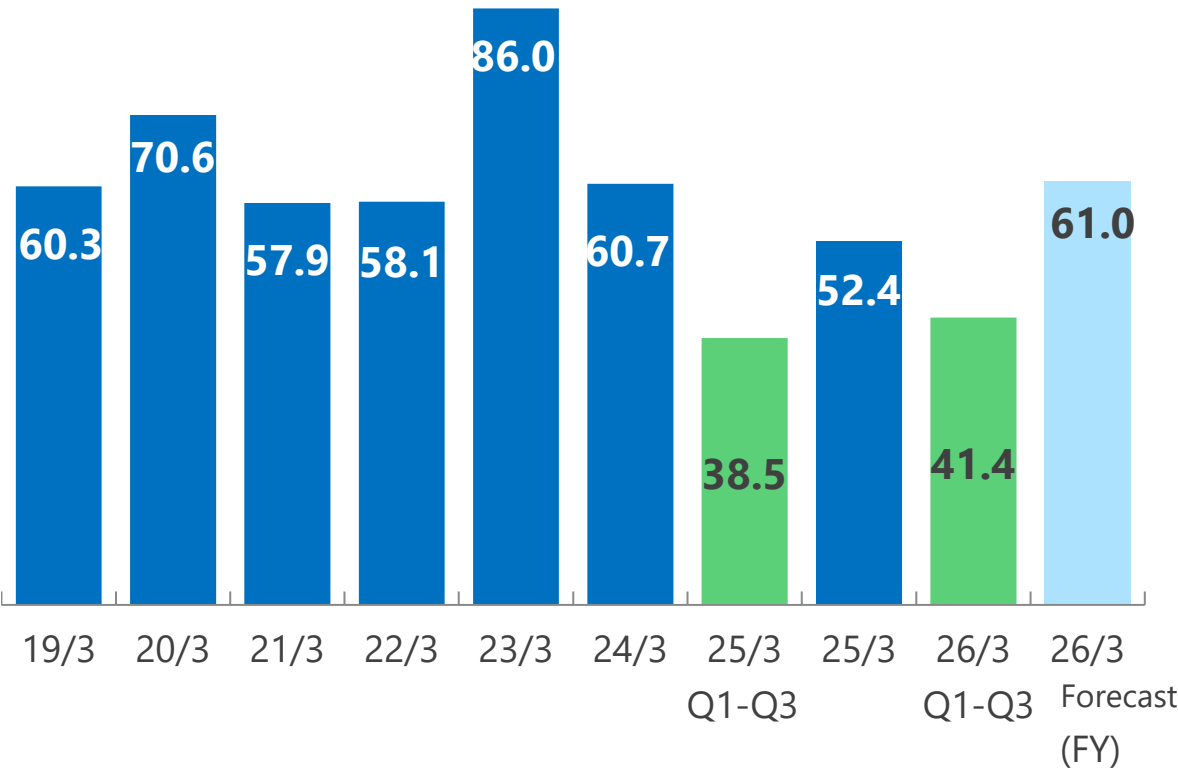
	Q1-Q3 FY2025/3	Q1-Q3 FY2026/3	against Q1-Q3 FY25/3
Newsprint	377	394	4.7%
Printing paper	661	663	0.3%
Business communication paper	273	261	-4.3%
Others	223	228	2.2%
Domestic sales (paper)	1,534	1,546	0.8%
Export (paper)	156	122	-21.8%
Paper total	1,690	1,669	-1.3%
Container board	1,160	1,138	-1.9%
Paperboard for paper container and others	236	229	-3.0%
Domestic sales (paperboard)	1,396	1,367	-2.1%
Export (paperboard)	85	83	-2.0%
Paperboard total	1,481	1,451	-2.1%
Grand total (paper and paperboard)	3,171	3,119	-1.6%

\* 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

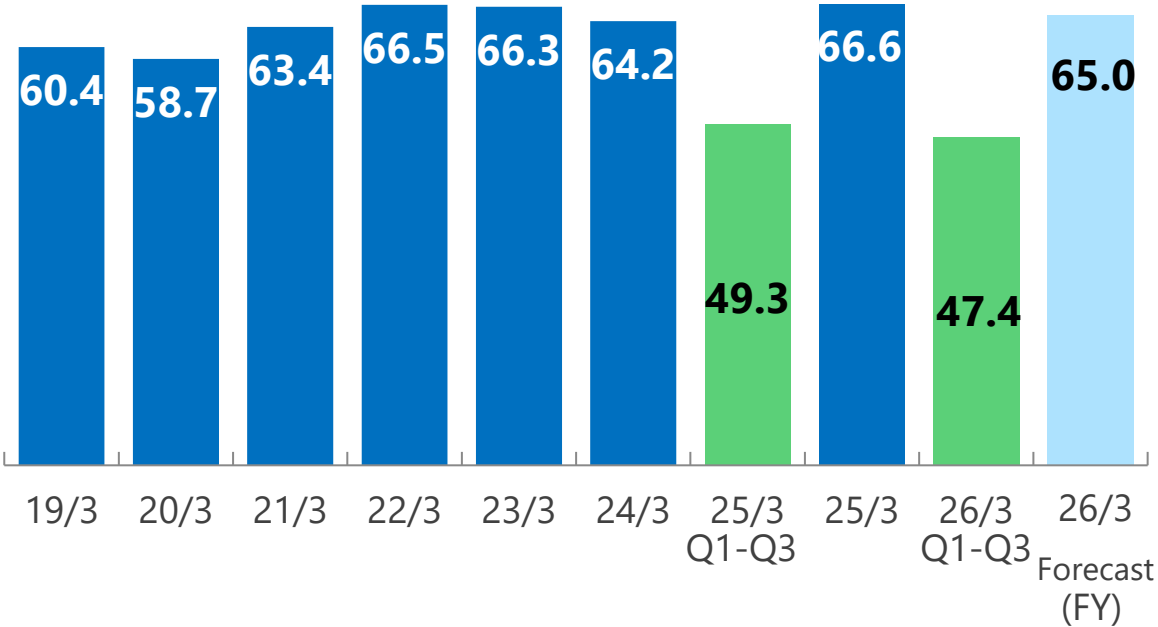
## Capital expenditure \*

(¥ billion)



## Depreciation

(¥ billion)



\* Including construction in progress



# Net Sales Trends by Business Segment

	FY2026/3			FY2026/3		
	Q1	Q2	Q3	H1 Results	H2 Forecast	Full year Forecast
Paper and Paperboard	138.2	136.0	144.5	274.2	280.8	555.0
Daily-Life Products	116.7	122.5	121.2	239.2	250.8	490.0
Energy	10.6	12.2	8.6	22.8	22.2	45.0
Wood Products and Construction Related	19.6	18.3	17.8	37.9	39.1	77.0
Others	7.5	7.6	8.2	15.1	17.9	33.0
Total	292.6	296.6	300.3	589.2	610.8	1,200.0



# Operating Income Trends by Business Segment

(¥billion)

	FY2026/3			FY2026/3		
	Q1	Q2	Q3	H1 Results	H2 Forecast	Full year Forecast
Paper and Paperboard	-0.9	-0.6	1.3	-1.5	6.5	5.0
Daily-Life Products	3.0	-0.6	1.8	2.4	7.6	10.0
Energy	0.6	1.1	0.1	1.7	1.3	3.0
Wood Products and Construction Related	3.0	2.3	1.6	5.3	3.7	9.0
Others	-0.2	1.3	1.2	1.1	1.9	3.0
Total	5.5	3.5	6.0	9.0	21.0	30.0



## Domestic Shipment and Import / Export Volume (Paper& Paperboard, Q3 FY2026/3 Results)

(volume: '000 tonnes)

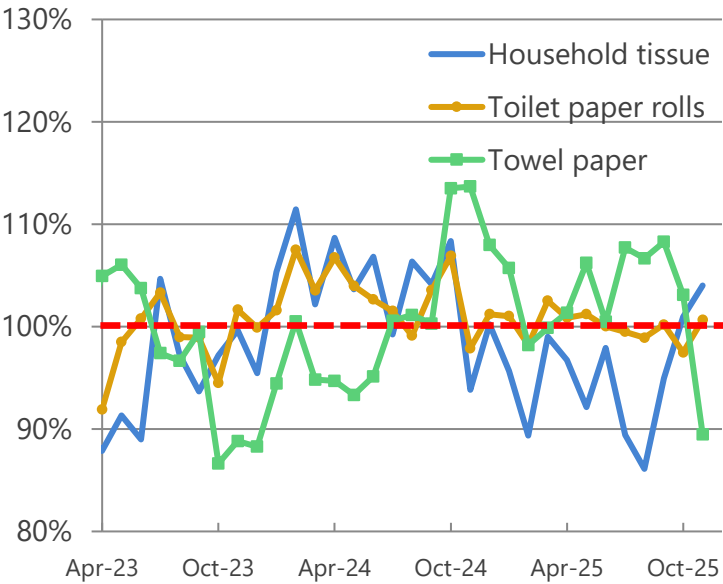
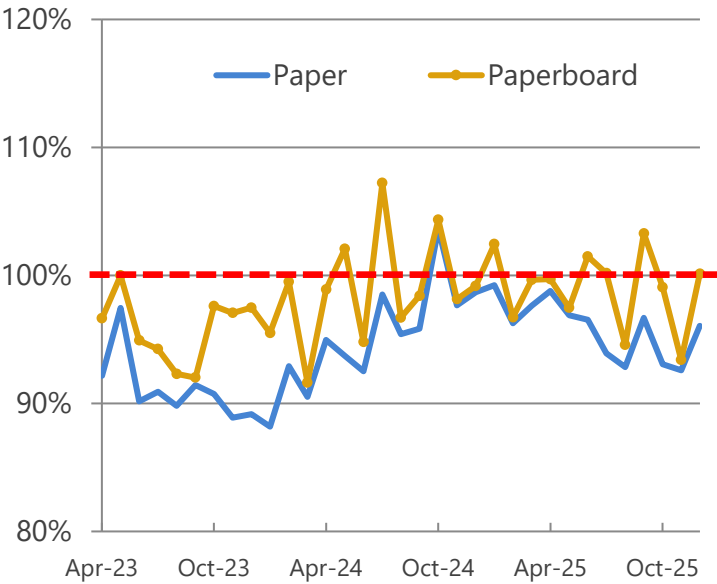
	Domestic shipments		Exports		Imports	
	volume	against FY25/3	volume	against FY25/3	volume	against FY25/3
Newsprint	1,030	-9.5%	0	—	0	-60.5%
Printing & business communication paper	3,297	-5.6%	385	-16.0%	392	2.0%
Coated paper *	1,741	-5.5%	288	-14.8%	81	15.0%
Uncoated paper	890	-5.8%	63	-22.6%	9	9.2%
Business communication paper	666	-5.9%	34	-13.0%	302	-1.1%
Other papers	2,246	-1.2%	183	-10.1%	32	7.1%
Paper total	6,573	-4.8%	568	-14.2%	425	2.3%
Containerboard	6,547	-1.1%	598	6.4%	21	19.2%
Folding box board and others	1,508	-1.4%	26	-23.5%	146	-11.3%
Paperboard total	8,055	-1.2%	624	4.7%	167	-8.4%
Paper and paperboard total	14,628	-2.8%	1,192	-5.2%	592	-1.0%

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

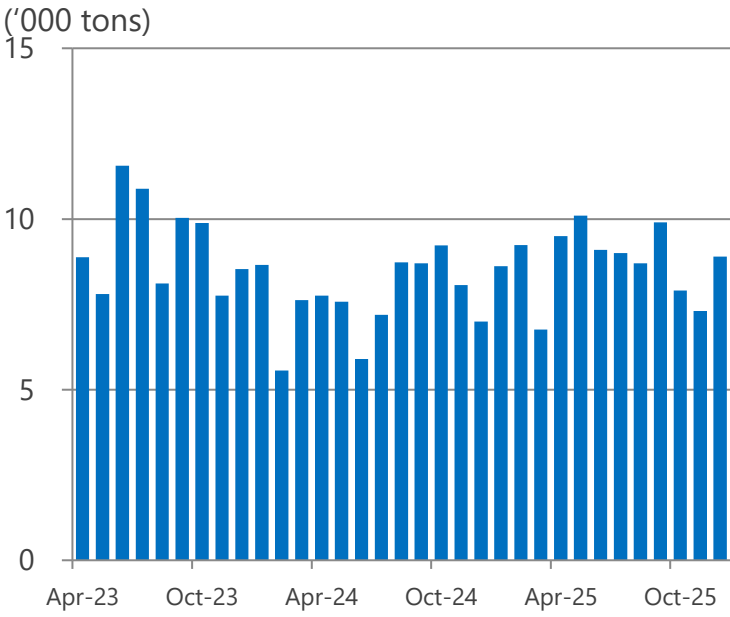
Source: Japan Paper Association, Trade Statistics of Japan

# Reference (Domestic)

**Domestic shipment of paper industry (YOY)    Production of sanitary paper (YOY)**



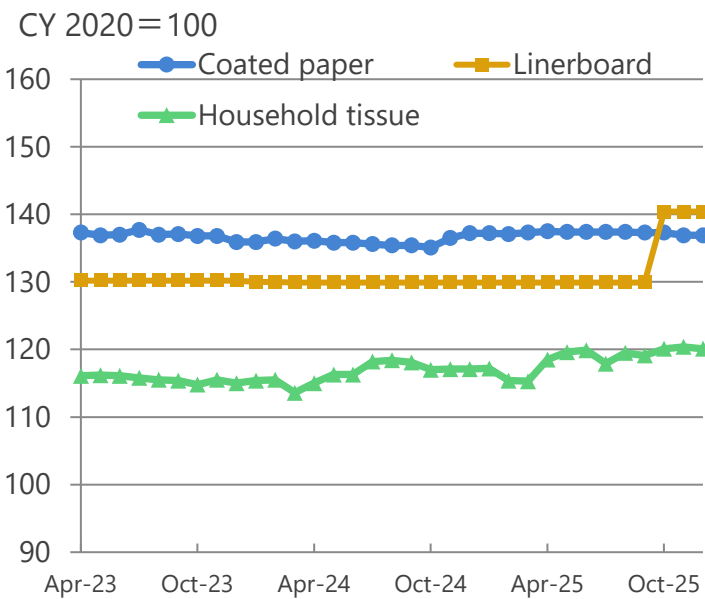
**Imports of Coated Paper**



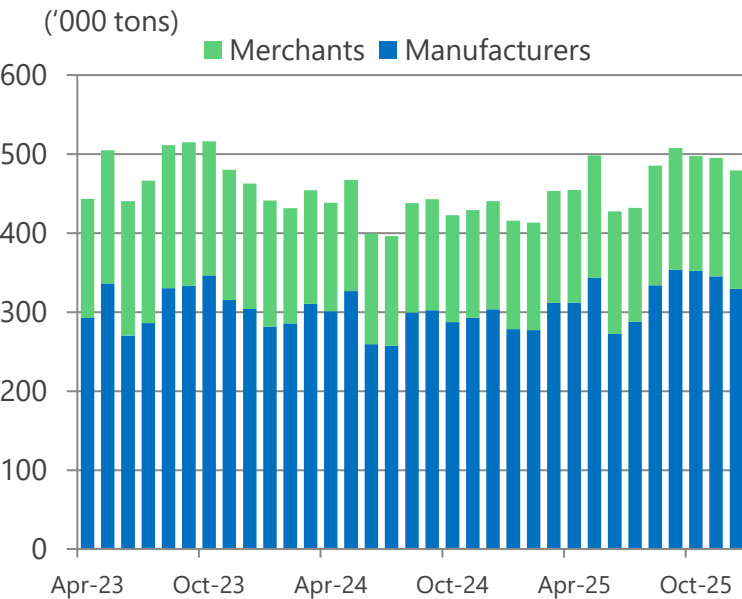
Source: Japan Paper Association, Current Survey of Production by the Ministry of Economy,  
Trade Statistics of Japan

# Reference (Domestic)

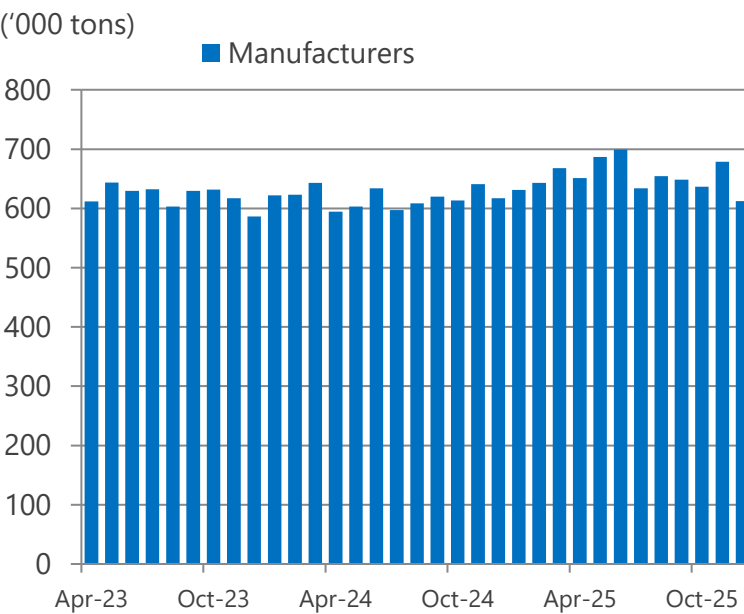
## Price trends by products



## Coated paper inventory



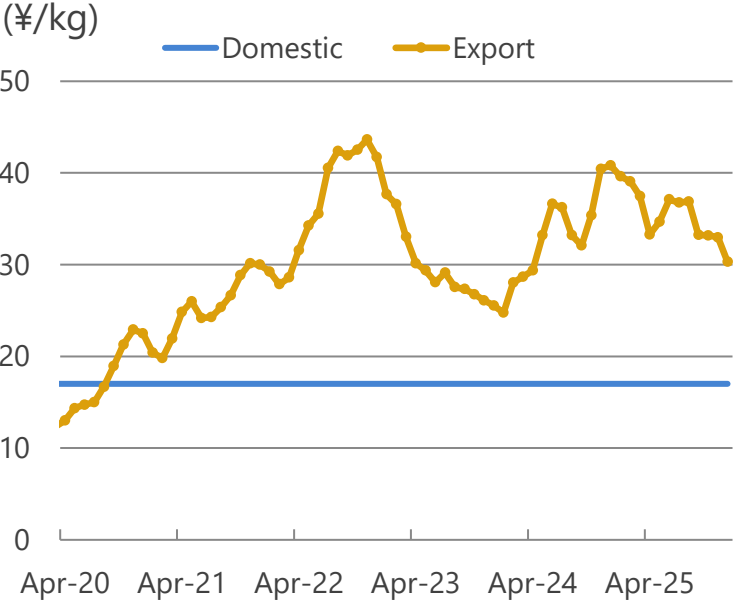
## Containerboard inventory



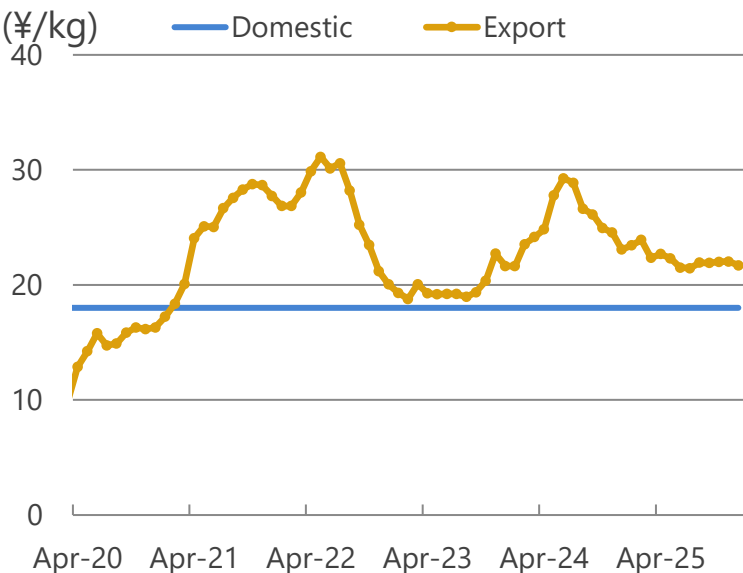
Source: Japan Paper Association, Bank of Japan(Corporate Goods Price Index)

# Reference (Domestic, Global)

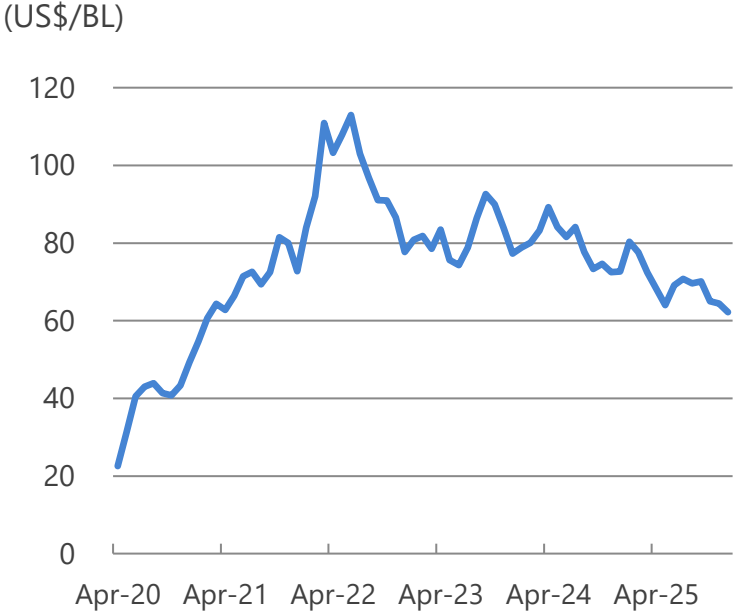
## ONP



## OCC



## Crude oil



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

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