Note: This document has been translated from 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.

August 6, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Chuetsu Pulp & Paper Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 3877
URL: https://www.chuetsu-pulp.co.jp/
Representative: Ryoji Fukumoto President and Representative Director
Inquiries: Yoshio Akinaga Deputy General Manager of Business Administration Division and General Manager of Administration Department
Telephone: +81-766-26-2404
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	28,116	5.2	500	-	738	-	505	-
June 30, 2025	26,727	1.2	(53)	-	50	(94.3)	(60)	-

Note: Comprehensive income For the three months ended June 30, 2026: ¥ 1,209 million [-%]
For the three months ended June 30, 2025: ¥ (27) million [-%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	40.23	-
June 30, 2025	(4.86)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	117,078	60,532	51.7	4,817.45
March 31, 2026	119,086	59,952	50.3	4,771.22

Reference: Equity

As of June 30, 2026: ¥ 60,532 million
As of March 31, 2026: ¥ 59,952 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	40.00	-	50.00	90.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		60.00	-	60.00	120.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of the first quarter dividend for the fiscal year ending March 31, 2027 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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
Six months ending September 30, 2026	55,000	3.7	700	(48.4)	900	(42.1)	500	(49.1)	39.81
Full year	114,000	3.3	2,300	(16.1)	2,700	(20.0)	1,600	(34.4)	127.40

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

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

Newly included: - companies( )

Excluded: - companies( )

(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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	13,354,688 shares
As of March 31, 2026	13,354,688 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	789,354 shares
As of March 31, 2026	789,320 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	12,565,359 shares
Three months ended June 30, 2025	12,549,025 shares

* 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

Quarterly Consolidated Financial Statements and Primary Notes

Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	4,882	3,116
Notes and accounts receivable - trade, and contract assets	27,290	26,798
Merchandise and finished goods	9,435	8,790
Work in process	629	561
Raw materials and supplies	7,391	7,937
Other	1,960	2,139
Allowance for doubtful accounts	(2)	(2)
Total current assets	51,586	49,341
Non-current assets		
Property, plant and equipment		
Buildings and structures	54,000	54,073
Accumulated depreciation	(39,839)	(40,115)
Buildings and structures, net	14,160	13,957
Machinery, equipment and vehicles	249,606	249,927
Accumulated depreciation	(223,078)	(224,119)
Machinery, equipment and vehicles, net	26,527	25,808
Other	11,796	12,204
Accumulated depreciation	(3,219)	(3,268)
Other, net	8,577	8,935
Total property, plant and equipment	49,265	48,701
Intangible assets		
Other	223	267
Total intangible assets	223	267
Investments and other assets		
Investment securities	15,287	16,419
Other	2,771	2,392
Allowance for doubtful accounts	(48)	(44)
Total investments and other assets	18,011	18,768
Total non-current assets	67,500	67,737
Total assets	119,086	117,078

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,678	13,714
Short-term borrowings	21,865	21,655
Income taxes payable	544	95
Provision for bonuses	557	200
Provision for loss on disaster	34	34
Other	4,987	5,023
Total current liabilities	42,668	40,724
Non-current liabilities		
Long-term borrowings	11,411	10,669
Provision for environmental measures	33	28
Provision for loss on business of subsidiaries and associates	21	21
Retirement benefit liability	4,840	4,947
Other	157	154
Total non-current liabilities	16,465	15,821
Total liabilities	59,134	56,546
Net assets		
Shareholders' equity		
Share capital	18,864	18,864
Capital surplus	15,350	15,350
Retained earnings	20,766	20,643
Treasury shares	(993)	(993)
Total shareholders' equity	53,987	53,864
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,958	5,614
Foreign currency translation adjustment	281	312
Remeasurements of defined benefit plans	724	741
Total accumulated other comprehensive income	5,964	6,668
Total net assets	59,952	60,532
Total liabilities and net assets	119,086	117,078

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	26,727	28,116
Cost of sales	23,734	24,478
Gross profit	2,992	3,637
Selling, general and administrative expenses		
Sales commission	28	34
Transportation costs	1,721	1,789
Storage costs	404	379
Other	891	932
Total selling, general and administrative expenses	3,045	3,136
Operating profit (loss)	(53)	500
Non-operating income		
Interest income	15	10
Dividend income	122	151
Foreign exchange gains	-	55
Share of profit of entities accounted for using equity method	89	130
Other	42	34
Total non-operating income	269	383
Non-operating expenses		
Interest expenses	84	112
Foreign exchange losses	66	-
Other	15	33
Total non-operating expenses	166	145
Ordinary profit	50	738
Extraordinary income		
Gain on sale of non-current assets	3	0
Total extraordinary income	3	0
Extraordinary losses		
Loss on retirement of non-current assets	96	66
Impairment losses	10	-
Total extraordinary losses	106	66
Profit (loss) before income taxes	(52)	672
Income taxes - current	99	38
Income taxes - deferred	(82)	128
Total income taxes	16	166
Profit (loss)	(69)	505
Loss attributable to non-controlling interests	(8)	-
Profit (loss) attributable to owners of parent	(60)	505

Quarterly Consolidated Statement of Comprehensive Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit (loss)	(69)	505
Other comprehensive income		
Valuation difference on available-for-sale securities	109	550
Remeasurements of defined benefit plans, net of tax	(5)	(40)
Share of other comprehensive income of entities accounted for using equity method	(61)	193
Total other comprehensive income	42	703
Comprehensive income	(27)	1,209
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(18)	1,209
Comprehensive income attributable to non-controlling interests	(8)	-

(Segment Information)

I Previous consolidated Three months ended (April 1, 2025 to June 30, 2025)

1. Information on net sales, profit or loss by reportable segment

(Unit: Millions of yen)

	Reportable Segment			Other (Note)	Total
	Paper and Pulp Manufacturing	Power Generation	Total		
Net sales					
Sales to external customers	24,482	1,259	25,741	985	26,727
Intersegment sales and transfers	—	—	—	3,293	3,293
Total	24,482	1,259	25,741	4,279	30,021
Segment profit	(172)	27	(145)	74	(71)

Note: "Others" is a business segment not included in the reportable segments and includes the nanoforest, paper products manufacturing, transportation, equipment design, construction and repair, raw materials, paper cutting, sorting and packaging.

2. Difference between the total amount of reported segments (profits and loss) and the amount recorded in the quarterly consolidated financial statements and the main details of such difference (matters related to difference adjustment)

(Unit: Millions of yen)

Profit	Amount
Total of reportable segments	(145)
Income in "Other" Segment	74
Elimination of intersegment transactions	12
Fixed asset adjustments	3
Other adjustments	1
Operating profit in consolidated financial statements (quarterly)	(53)

II Current consolidated Three months ended (April 1, 2026 to June 30, 2026)

1. Information on net sales, profit or loss by reportable segment

(Unit: Millions of yen)

	Reportable Segment			Other (Note)	Total
	Paper and Pulp Manufacturing	Power Generation	Total		
Net sales					
Sales to external customers	25,848	1,233	27,081	1,034	28,116
Intersegment sales and transfers	—	—	—	3,331	3,331
Total	25,848	1,233	27,081	4,366	31,447
Segment profit(loss)	380	(2)	378	107	485

Note: "Others" is a business segment not included in the reportable segments and includes the nanoforest, paper products manufacturing, transportation, equipment design, construction and repair, raw materials, paper cutting, sorting and packaging.

2. Difference between the total amount of reported segments (profits and loss) and the amount recorded in the quarterly consolidated financial statements and the main details of such difference (matters related to difference adjustment)

(Unit: Millions of yen)

Profit	Amount
Total of reportable segments	378
Income in "Other" Segment	107
Elimination of intersegment transactions	8
Fixed asset adjustments	5
Other adjustments	1
Operating profit in consolidated financial statements (quarterly)	500