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Chuetsu Pulp & Paper Co., Ltd.



FY2026 First Half Earnings Briefing Materials

※ The earnings forecasts and forward-looking statements contained in this document are based on information available to the Company and rely on the accuracy and completeness of such information. However, the Company makes no representation or warranty, express or implied, regarding the accuracy or completeness of such information. Actual results may differ from the forecasts and forward-looking statements herein due to changes in various factors. Please take this into consideration.

※ Figures in this document are rounded down to the nearest million yen.

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Ⅰ. FY2026 First Half (Interim) Consolidated Results Summary

FY2026 First Half (Interim) Consolidated Results Summary
Consolidated Financial Results Overview

(Unit:million yen)

	FY2025 Interim	FY2026 Interim	Change (Rate of Change)
Net Sales	**53,052**	**55,083**	**+2,031** *(+3.8%)*
Operating Profit	**1,355**	**930**	**−425** *(-31.4%)*
Ordinary Profit	**1,554**	**1,140**	**−414** *(-26.6%)*
Profit Attributable to Owners of Parent	**982**	**709**	**−273** *(-27.8%)*

Interim dividend (yen/share)	40.00	**60.00**	**+20.0**
Return on Equity (ROE) (%)	1.7	1.2	−0.5
Depreciation	3,084	3,018	−66
Exchange Rate (JPY/USD)	146.82	159.88	13.06 Yen Depreciation
Dubai Crude (US$/bbl)	72	102	30 High
Number of Consolidated Subsidiaries (companies)	7	※7	—
Number of Companies Accounted for Using the Equity Method	6	6	—

Main Factors Affecting Fluctuations

(Price)
<Paper> ◇Effect of price revisions
<Pulp> ◇Recovery in overseas markets, weak yen
◇Effect of price revisions

(Volume)
<Paper>
(Domestic) ◇Sales expansion
(Exports) ◆Decrease in demand in Asia and the Middle East

(Costs)
◆Soaring raw material and fuel prices
◆Increase in logistics and other expenses

※Although Chuetsu Eco Products Co., Ltd. was dissolved at the end of March 2026, it is included in the number of consolidated subsidiaries because its liquidation has not yet been completed.

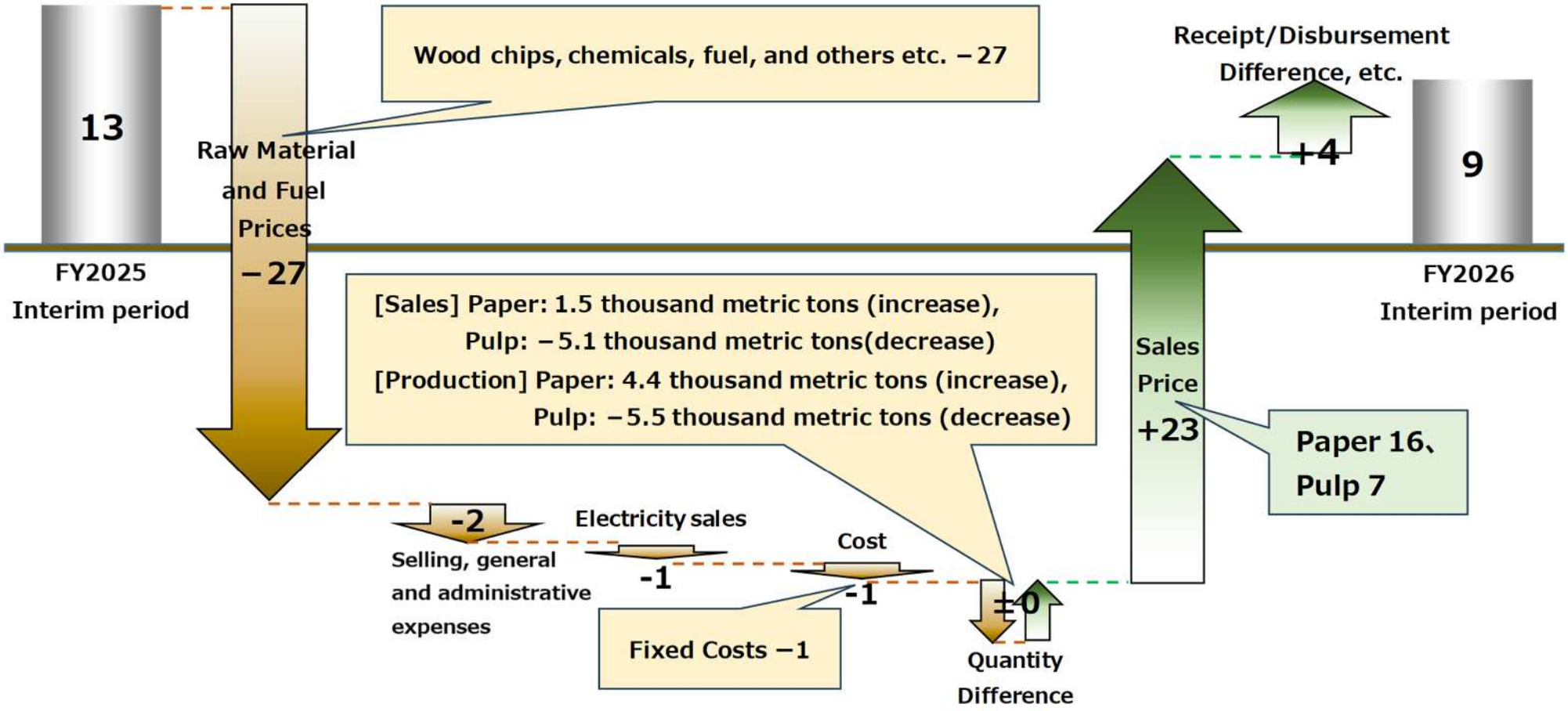
FY2026 First Half (Interim) Consolidated Results Summary
Sales and Operating Profit by Segment

(Unit: million yen)

	FY2025 Interim		FY2026 Interim		Change	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Paper and Pulp Manufacturing	48,196	879	50,183	494	+1,987	-385
Power Generation	2,803	250	2,779	181	-24	-69
Other	8,762	202	8,926	244	+164	+42
Adjustments	-6,710	22	-6,806	9	-96	-13
Total	53,052	1,355	55,083	930	+2,031	-425

FY2026 First Half (Interim) Consolidated Results Summary
Breakdown of Changes in Consolidated Operating Profit

(Unit: 100 million yen)

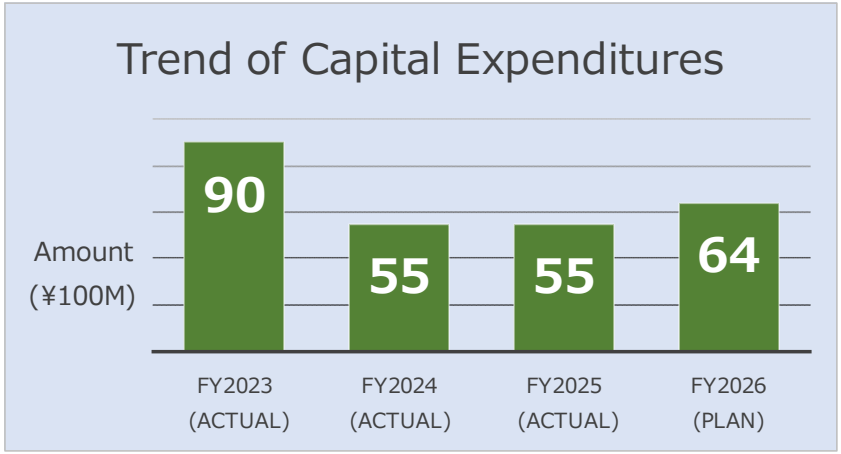


FY2026 First Half (Interim) Consolidated Results Summary
Consolidated Tangible Fixed Assets Increase/Decrease Statement

(Unit: million yen)	End of March 2026	Increase	Depreciation	Removals, etc.	End of September 2026	Change
Chuetsu Pulp	48,143	2,378	-2,832	-9	47,680	-463
Consolidated subsidiary	2,825	54	-126	-1	2,752	-73
Consolidation adjustments	-1,703	-12	10	-	-1,705	-2
Total	49,265	2,420	-2,948	-10	48,727	-538

Main Factor

・Takaoka Mill	No. 3 Lime Kiln Third Fulcrum Tire Replacement Work	200 million yen
・Sendai Mill	Pulp Machine Suction Filter Cylinder Replacement	100 million yen



FY2026 First Half (Interim) Consolidated Results Summary
Consolidated Statement of Cash Flows

(Unit: million yen)	FY2025 Interim	FY2026 Interim	Change
Cash flows from operating activities	422	2,751	+2,329
Cash flows from investing activities	-2,094	-1,598	+496
Cash flows from financing activities	-3,277	-2,518	+759
Cash and cash equivalents balance	4,076	3,492	-584

Cash flows from operating activities breakdown (¥100 million)

Depreciation 30,Decrease in receivables 15,Profit before Income Taxes 9,
Increase in Inventories -18, Others

Cash flows from investing activities breakdown (¥100 million)

Acquisition of Tangible Fixed Assets -18, Others

Cash flows from financing activities breakdown (¥100 million)

Repayment of Long-term Loans -19,Payment of Dividends -6, Others

Ⅱ. FY2026 Consolidated Earnings Forecast

FY2026 Consolidated Earnings Forecast
Consolidated Earnings Forecast

(Unit:million yen)

	FY2025	FY2026	Change (Rate of Change)
Net Sales	**110,386**	**116,000**	**+5,614** *(+5.1%)*
Operating Profit	**2,741**	**2,300**	**-441** *(-16.1%)*
Ordinary Profit	**3,375**	**2,700**	**-675** *(-20.0%)*
Profit attributable to owners of parent	**2,440**	**2,300**	**-140** *(-5.8%)*

Interim dividend (yen/share)	90.00	**120.00**	**+30.0**
Return on Equity (ROE) (%)	4.2	3.7	-0.5
Depreciation	6,147	6,100	-47
Exchange Rate (JPY/USD)	150.31	159.90	9.59 Yen Depreciation
Dubai Crude (US$/bbl)	70	101	31 High
Number of Consolidated Subsidiaries (companies)	7	※7	—
Number of Companies Accounted for Using the Equity Method	6	6	—

Major Factors for Changes

(Price)
<Paper> ◇Effect of price revisions
<Pulp> ◇Recovery in overseas markets, weaker yen,
◇Effect of price revisions

(Volume)
<Paper>
(Domestic) ◆Continued decline in demand for graphic paper due to digitalization, etc.
◇Expansion of sales of tissue paper

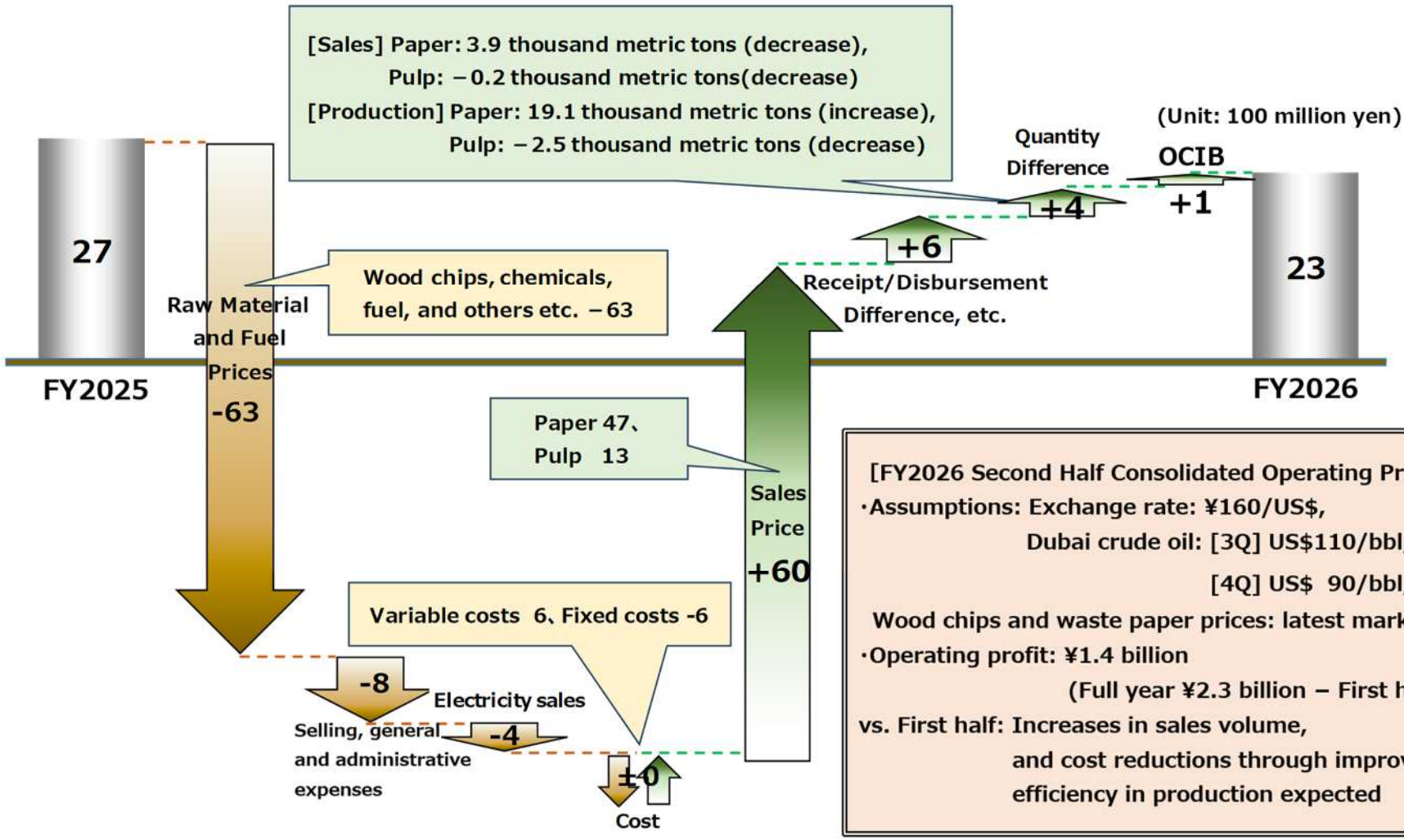
(Exports) ◇Sales expansion

(Costs)
◆Soaring raw material and fuel prices
◆Increase in repair costs, logistics and other expenses
◇Cost reduction through efficiency improvements

(Sensitivity)
-¥135 million/year per ¥1 depreciation against US$
-¥65 million/year per US$1/bbl increase

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FY2026 Consolidated Earnings Forecast
Breakdown of Changes in Consolidated Operating Profit (Forecast)



[FY2026 Second Half Consolidated Operating Profit Forecast]

・Assumptions: Exchange rate: ¥160/US$,
Dubai crude oil: [3Q] US$110/bbl,
[4Q] US$ 90/bbl,
Wood chips and waste paper prices: latest market prices

・Operating profit: ¥1.4 billion
(Full year ¥2.3 billion − First half ¥0.9 billion)

vs. First half: Increases in sales volume,
and cost reductions through improved machine efficiency in production expected