

(Securities Code: 3864)

June 27, 2025

(Date of commencement of electronic  
provision measures: June 2, 2025)

To Our Shareholders with Voting Rights

2-10-14 Ryogoku, Sumida-ku, Tokyo  
Mitsubishi Paper Mills Limited  
Ryuichi Kisaka, President & CEO

## Notice of the 160th Ordinary General Meeting of Shareholders

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 160th Ordinary General Meeting of Shareholders of Mitsubishi Paper Mills Ltd. (hereinafter “MPM”). The meeting will be held for the purposes as described below. In the convening of this meeting, we will take measures to electronically provide the information that constitutes the content of the reference documents, etc. for the general meeting of shareholders (Matters for Electronic Provision). We kindly request that you check this information by accessing the following websites of the Company on which the information is posted. The information is also posted on the website of the Tokyo Stock Exchange (TSE) as stated below.

The Company’s website:	<a href="https://www.mpm.co.jp/ir/general-meeting.html">https://www.mpm.co.jp/ir/general-meeting.html</a>
TSE website (Listed Company Search)	<a href="https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show">https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show</a>

If you cannot view our website, please access the TSE website above, enter and search for the name of the stock (Mitsubishi Paper Mills) or securities code (3864), and select “Basic Information” or “Public Documents/PR Information” to examine the information.

You may exercise your voting rights in advance in writing or via the Internet in lieu of voting in person at the meeting. After reviewing the following reference documents for the general meeting of shareholders, please exercise your voting rights following the instructions below no later than 5:30 p.m. on Thursday, June 26, 2025.

1. Date and Time: Friday June 27, 2025 at 10 a.m.
2. Place: Ginza Phoenix Plaza, 3F, Paper and Pulp Kaikan,  
3-9-11, Ginza, Chuo-ku, Tokyo
3. Agenda of the Meeting: Matters to be reported:
  1. The Business Report, the Consolidated Financial Statements and the results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit and Supervisory Board for the 160th Business Term (from April 1, 2024 to March 31, 2025)

2. Non-Consolidated Financial Statements for the 160th Business Term  
(from April 1, 2024 to March 31, 2025)

Proposals to be resolved:

Proposal No. 1: Election of Eight (8) Directors

Proposal No. 2: Election of Two (2) Audit & Supervisory Board Members

Proposal No. 3: Continuation of the Performance-linked Stock  
Compensation Plan for Directors and Revision of the Plan

4. Guide to Exercising Voting Rights

- (1) If you exercise your voting rights both in writing (by mail) and via the Internet, we will treat the latter as the effective exercise of your voting rights.
- (2) If you exercise your voting rights via the Internet several times, we will treat the last exercise as the effective exercise of your voting rights.
- (3) If voting rights are exercised and the voting form in writing (by mail) returned to the Company provides no indication of approval or disapproval with regard to the proposals, the shareholder shall be deemed to have expressed approval.

5. Matters for Electronic Provision

Among the matters for electronic provision, the following matters are not stated in the document delivered to shareholders who requested the delivery of documents, in accordance with laws and regulations and the provisions of Article 15 of the Articles of Incorporation of the Company.

- (1) System to ensure the appropriateness of business reporting
- (2) Overview of the operation status of the system to ensure the appropriateness of business reporting
- (3) Basic policy for controlling the management of the Company regarding business reporting
- (4) Consolidated Statements of Changes in Shareholders' Equity in Consolidated Financial Statements
- (5) Notes to Consolidated Financial Statements in Consolidated Financial Statements
- (6) Non-consolidated Statements of Changes in Shareholders' Equity in Non-consolidated Financial Statements
- (7) Notes to Non-consolidated Financial Statements in Non-consolidated Financial Statements

Therefore, documents provided with the Notice of the Ordinary General Meeting of Shareholders are part of the subjects audited by Audit & Supervisory Board Members and Accounting Auditors when preparing audit reports.

- When attending the meeting, please submit the voting rights exercise form at the reception desk to register your attendance.
- Please be advised that in the event the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements, or the Consolidated Financial Statements require modifications, MPM will post such modifications on its website (<https://www.mpm.co.jp/ir>).

## Guidance on Exercising Voting Rights

### 1. If you attend the General Meeting of Shareholders

Please present the voting card at the reception desk upon your arrival.

Date and Time: Friday, June 27, 2025 at 10:00 a.m. (Reception will open at 9:00 a.m.)

### 2. If you exercise voting rights in writing (by mail)

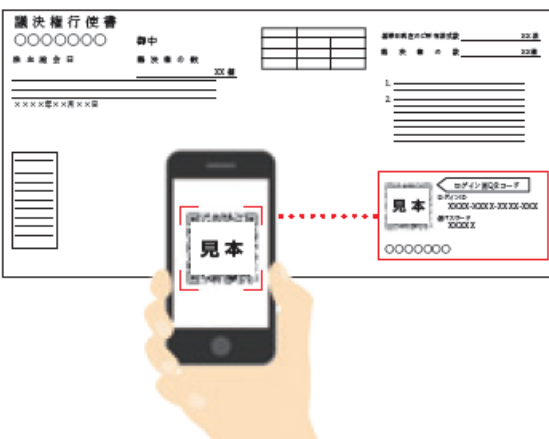

Please state whether you are for or against the agenda items on the Voting Rights Exercise Form and drop it into a post box.


Voting deadline: Please exercise your voting rights by 5:30 p.m. on Thursday, June 26, 2025

### 3. Exercising voting rights on the Internet

Please follow the instructions below and enter your approval or disapproval for the proposals.

Voting deadline: Entries completed by 5:30 p.m., Thursday, June 26, 2025

How to read a QR code	How to enter your login ID and temporary password
<p>You can log into the voting website without entering the login ID and temporary password written on the Voting Rights Exercise Form.</p>	<p>Voting website <a href="https://evote.tr.mufg.jp/">https://evote.tr.mufg.jp/</a></p>
<p>1. Please scan the QR code on the voting card.</p>  <p>* QR Code is the registered trademark of DENSO WAVE INCORPORATED.</p>	<p>1. Please access the voting website for PCs.</p> <p>2. Please enter the login ID and temporary password written on the Voting Rights Exercise Form and click submit.</p> 

<p>2. Please follow the instructions on the screen to register whether you approve or disapprove of each proposal.</p> <p>2 以降は画面の案内に従って賛否をご入力ください。</p> 	<p>3. Please follow the instructions on the screen to register whether you approve or disapprove of each proposal.</p>
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\* Screen images are for illustrative purposes.

- For inquiries about operation procedure for exercising voting rights via the Internet using PCs and smartphones, please contact the inquiry desk below.

Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation (Helpdesk)

0120-173-027

(Toll free, Operating hours: 9:00-21:00)

- Institutional investors are permitted to use the platform for the electronic exercise of voting rights for institutional investors operated by ICJ, Inc.
- If you exercise your voting rights both in writing (by mail) and via the Internet, we will treat the latter as the effective exercise of your voting rights.
- If you exercise your voting rights via the Internet several times, we will treat the last exercise as the effective exercise of your voting rights.

## Reference Documents for the General Meeting of Shareholders


### **Proposal No. 1:** Election of Eight (8) Directors


The terms of the offices of all eight (8) Directors will expire as of the close of this Ordinary General Meeting of Shareholders. Consequently, we will propose that eight (8) Directors including three (3) Outside Directors be elected.


Regarding the selection of the candidates, in accordance with the Director Qualification listed in MPM Basic Policies on Corporate Governance, the Board of Directors has decided after seeking and receiving advice from the Nomination and Remuneration Committee chaired by an Independent Outside Director.


The candidates are as follows:

No.	Name		Current position in MPM
1	Ryuichi Kisaka	REAPPOINTMENT	Representative Director, President and CEO Nomination and Remuneration Committee Member
2	Shigeharu Sanada	REAPPOINTMENT	Representative Director Senior Executive Vice President Nomination and Remuneration Committee Member
3	Yuji Takagami	REAPPOINTMENT	Director and Managing Executive Officer
4	Kunihiro Nakagawa	REAPPOINTMENT	Director and Managing Executive Officer
5	Kazuhiro Nakauchi	REAPPOINTMENT	Director and Managing Executive Officer
6	Atsuko Watanabe	REAPPOINTMENT Outside Independent	Outside Director Nomination and Remuneration Committee Member
7	Soichi Nadahara	REAPPOINTMENT Outside Independent	Outside Director
8	Yoshimi Shu	NEW APPOINTMENT Outside Independent	


No. (Date of birth, etc.)	Name	Number of shares of MPM held: 20,000 shares (Number of dilutive shares other than the above: 80,011 shares)
1	Ryuichi Kisaka	
  (May 21, 1956) age 69  Attendance of Board of Directors meetings 100% (16/16)  <b>REAPPOINTMENT</b>  Years as a Director: 3 years (at the close of this general meeting of shareholders)	Profile and position in MPM	
	April 1982      Joined Kanzaki Paper Manufacturing Co., Ltd. (current Oji Holdings Corporation (hereinafter “Oji”)) October 2012    President, Oji Imaging Media Co., Ltd. June 2013      Corporate Officer, Oji June 2015      Director of the Board and Executive Officer, Oji April 2019      Director of the Board and Executive Officer, Oji June 2021      Advisor, Oji February 2022   Advisor, MPM April 2022      President, Executive Officer, MPM June 2022      Representative Director, President and Executive Officer, MPM (to present) 	


No. (Date of birth, etc.)	Name	Number of shares of MPM held: 1,500 shares (Number of dilutive shares other than the above: 67,474 shares)	
2	Shigeharu Sanada		
 <p>(July 1, 1967) age 57</p> <p>Attendance of Board of Directors meetings 100% (16/16)</p> <p><b>REAPPOINTMENT</b></p> <p>Years as a Director: 5 years (at the close of this general meeting of shareholders)</p>	Profile and position in MPM		
	April 1990	Joined The Mitsubishi Bank Ltd. (current MUFG Bank Ltd. (hereinafter “MB”))	
	May 2016	General Manager, General Affairs Department, Mitsubishi UFJ Financial Group Inc. (hereinafter “MUFG”)	
	June 2016	General Manager, General Affairs Department, MB	
	June 2016	Executive Officer, General Manager, General Affairs Department, MUFG	
	April 2020	Executive Officer, Headquarters counselor, MB	
	June 2020	Director and Managing Executive Officer, MPM	
	February 2022	Director and Managing Executive Officer (Representative Director), MPM	
	April 2022	Director and Senior Executive Vice President (Representative Director), MPM (to present)	
		[ General Manager, Corporate Governance Div. Director responsible for Sustainability Promotion ]	
	Reasons for nominating as a candidate for Director		
	Mr. Shigeharu Sanada has extensive experience in the execution of business at mega banks including his experience overseas and has in-depth knowledge of corporate management and a broad human network. He is expected to demonstrate his management talent to enhance the corporate value of MPM over the medium and long term by assisting the President, Executive Officer and strongly promoting the medium-term management plan and structural reforms. He has thus been nominated as a candidate for Director.		

No. (Date of birth, etc.)	Name	Number of shares of MPM held: 10,000 shares (Number of dilutive shares other than the above: 46,878 shares)
3	Yuji Takagami	
 <p>(January 23, 1962) age 63</p> <p><b>REAPPOINTMENT</b></p> <p>Attendance of Board of Directors meetings 100% (16/16)</p> <p>Years as a Director: 2 years (at the close of this general meeting of shareholders)</p>	Profile and position in MPM	
	April 1987	Joined MPM
	June 2009	General Manager, Marketing Department, Imaging & Development Company
	January 2014	General Manager, Printing Sensitive Materials Sales Dept., Imaging Media Division
	June 2018	General Manager, Graphics & Development Sales Dept., Imaging Media Division
	June 2019	Executive Officer, Deputy General Manager, Imaging Media Division and General Manager, Graphics & Development Sales Dept.
	June 2020	Executive Officer, Deputy General Manager, Functional Materials Division and General Manager, Imaging Media Dept.
	February 2022	Executive Officer, Deputy General Manager, Functional Materials Division
	June 2022	Executive Officer, Deputy General Manager, Functional Materials Division President and CEO, Diamic Co., Ltd.
	April 2023	Managing Executive Officer, General Manager, Sustainable Fiber Materials Division
	June 2023	Director and President, Mitsubishi Oji Paper Sales Co., Ltd. (to present) Director and Managing Executive Officer, General Manager, Sustainable Fiber Materials Division (to present)
Reasons for nominating as a candidate for Director		Mr. Yuji Takagami has been involved in research and development and sales in the area of imaging media business and has long contributed to the management of this business, which is a defining business of MPM, and has also led the operations of Imaging Media Division as the Deputy General Manager. April 2023 following segmentation change, he became General Manager, Sustainable Fiber Materials Div. and President, Mitsubishi Oji Paper Sales Co., Ltd. and has been taking a strong leadership role in the transformation of the sustainable fiber materials business. His election as Director is proposed as he is expected to continue to demonstrate his management skills in the enhancement of corporate value.

No. (Date of birth, etc.)	Name	Number of shares of MPM held: 5,000 shares (Number of dilutive shares other than the above: 47,509 shares)
4	Kunihiro Nakagawa	
 <p>(April 28, 1961) age 64</p> <p><b>REAPPOINTMENT</b></p> <p>Attendance of Board of Directors meetings 100% (16/16)</p> <p>Years as a Director: 2 years (at the close of this general meeting of shareholders)</p>	Profile and position in MPM	
	April 1986	Joined MPM
	June 2015	Director, Kyoto Imaging & Healthcare Laboratory, Imaging Media Division
	January 2020	Deputy General Manager, Research and Development Division and Director, Tsukuba R&D Laboratory
	June 2020	General Manager, Research and Development Division
	January 2021	Executive Officer, General Manager, Research and Development Division responsible for Research and Development Division
	April 2023	Managing Executive Officer, General Manager, Functional Materials Division and General Manager, Research and Development Division
	June 2023	Director and Managing Executive Officer, General Manager, Functional Materials Division and General Manager, Research and Development Division
	July 2024	Director and Managing Executive Officer, General Manager, Functional Materials Division (to present) President & CEO, KJ SPECIALTY PAPER Co., Ltd. (In charge of Research and Development Division and German operations, Head of the Fuji Mill)
	Reasons for nominating as a candidate for Director	
	Mr. Kunihiro Nakagawa has been long involved in research and development and has specialized expertise and experience in product development in the functional materials business, which is a defining characteristic of MPM. He has set the direction of MPM's research and development as General Manager, Research and Development Division and Executive Officer responsible for the Division and has been promoting collaboration between development and sales since April 2023 when he started to double as General Manager of Functional Materials Division. He has been nominated as a candidate for Director in the hope that he will continue to demonstrate his management skills in enhancing corporate value and focus on continued development of the functional materials business, a growth area.	



No. (Date of birth, etc.)	Name	Number of shares of MPM held: 1,000 shares (Number of dilutive shares other than the above: 39,671 shares)
5	Kazuhiro Nakauchi	
 <p>(February 6, 1965) age 60</p> <p><b>REAPPOINTMENT</b></p> <p>Attendance at Board of Directors meetings 100% (11/11)</p> <p>Year as a Director: 1 year (at the close of this general meeting of shareholders)</p>	Profile and position in MPM	
	April 1987	Joined Kanzaki Paper Manufacturing Co., Ltd. (current Oji Holdings Corporation (hereinafter "Oji"))
	June 2009	Deputy General Manager, Facilities Department, Tomakomai Mills, Oji Paper Co., Ltd.
	June 2010	Group Manager, Technology Department, Technical Administrative Division, Oji Paper Co., Ltd.
	April 2014	General Manager, Facilities Department, Tomakomai Mills, Oji Paper Co., Ltd.
	April 2020	Executive Officer, Oji Paper Co., Ltd., Head of Nichinan Mills
	April 2021	Executive Officer, Oji Paper Co., Ltd., Head of Kasugai Mills
	April 2022	Managing Executive Officer, MPM, In charge of Energy Business Dept, Technology & Environmental Dept and Kitakami Division, Assistant officer in charge of Sustainable Fiber Materials Division
		Director, Chairman, MPM Operation Co., Ltd.
		Director, Chairman, Kitakami HiTec Paper Corporation
	April 2023	Senior Managing Executive Officer, General Manager, Technology Division, MPM
		Director, Chairman, MPM Operation Co., Ltd.
	October 2023	Senior Managing Executive Officer, General Manager, Technology Division, Head of Hachinohe Mill, Head of Kitakami Mill, MPM President & CEO, MPM Operation Co., Ltd.
	April 2024	Senior Managing Executive Officer, General Manager, Technology Division, MPM
	June 2024	President & CEO, Mitsubishi Paper Engineering Co., Ltd. (to present)
		Director and Managing Executive Officer (to present)
		(General Manager, Technology Division, Deputy General Manager, Research and Development Division)
Mr. Kazuhiro Nakauchi was involved in Engineering Division of Oji Paper Co., Ltd. for a long time as well as in the management of a number of core mills of Oji Paper Co., Ltd. He has extensive experience and excellent insight into production in paper and pulp business. He also has held core positions in technology and production areas at MPM, and is expected to demonstrate his management skills in strongly promoting the medium-term management plan in cooperation with the Oji Group. He has thus been nominated as a candidate for Director.		

No. (Date of birth, etc.)	Name	Number of shares of MPM held: 0 shares (Number of dilutive shares other than the above: - shares)
6	Atsuko Watanabe	
 <p>(February 3, 1964) age 61</p> <p>Attendance of Board of Directors meetings 100% (16/16)</p> <p><b>REAPPOINTMENT</b></p> <p><b>OUTSIDE DIRECTOR</b></p> <p><b>CANDIDATE</b></p> <p><b>INDEPENDENT DIRECTOR</b></p> <p><b>CANDIDATE</b></p> <p>Years as a Director: 2 years (at the close of this general meeting of shareholders)</p>	Profile and position	
	April 1996	Registered as an attorney-at-law and joined Nagaishi Law Office
	August 2010	President, Watanabe Atsuko Law Office (current Watanabe General Law Office) (to present)
	June 2021	Outside Director, Hokkan Holdings Limited (to present)
	June 2023	Outside Director, MPM (to present)
	Important positions concurrently held at other companies, etc.	
	President, Watanabe General Law Office	
	Outside Director, Hokkan Holdings Limited	
	Reasons for nominating as a candidate for Outside Director and expected roles, etc.	
	Ms. Atsuko Watanabe has legal expertise as a lawyer and many years of experience in corporate and labor legal affairs, and has sufficient insight to oversee corporate management. Corporate governance is expected to be strengthened through recommendations to the overall management of MPM. As an Outside Director, she is expected to play a role in determining important matters and supervising business execution from an independent position. She has thus been nominated as a candidate for Outside Director. If she is elected, she will be involved in the selection of candidates for the MPM's Board of Directors and decisions on executive compensation and other matters from an independent standpoint as a member of the Nomination and Remuneration Committee.	



No. (Date of birth, etc.)	Name	Number of shares of MPM held: 0 shares (Number of dilutive shares other than the above: - shares)
7	Soichi Nadahara	
Profile and position		
 <p>(December 2, 1957) age 67</p> <p>Attendance at Board of Directors meetings 100% (11/11)</p> <p><b>REAPPOINTMENT</b></p> <p><b>OUTSIDE DIRECTOR</b> <b>CANDIDATE</b></p> <p><b>INDEPENDENT DIRECTOR</b> <b>CANDIDATE</b></p> <p>Year as a Director: 1 year (at the close of this general meeting of shareholders)</p>	<p>April 1986 Joined Toshiba Corporation</p> <p>April 2001 Group Manager, Processing Technology Promotion Center, Semiconductor Equipment Company, Toshiba Corporation</p> <p>April 2004 General Manager, Technical Administrative Division, Semiconductor Equipment Company, Dainippon Screen MFG. Co., Ltd.</p> <p>October 2004 Vice President, Semiconductor Equipment Company and General Manager, Technical Administrative Division, Dainippon Screen MFG. Co., Ltd.</p> <p>April 2006 Vice President, Semiconductor Equipment Company and Corporate Officer, Dainippon Screen MFG. Co., Ltd.</p> <p>April 2011 Vice President, Semiconductor Equipment Company and Senior Corporate Officer, Dainippon Screen MFG. Co., Ltd.</p> <p>April 2013 Senior Corporate Officer, Chief Technology Officer (CTO), General Manager, Technological Development Center, Dainippon Screen MFG. Co., Ltd.</p> <p>June 2014 Managing Director, CTO, Dainippon Screen MFG. Co., Ltd.</p> <p>October 2014 Managing Director, CTO, SCREEN Holdings Co., Ltd.</p> <p>April 2021 Managing Director, Senior Fellow, SCREEN Holdings Co., Ltd.</p> <p>June 2021 Senior Fellow, SCREEN Holdings Co., Ltd.</p> <p>April 2023 Advisory, SCREEN Holdings Co., Ltd. (to present)</p> <p>June 2024 Outside Director, MPM (to present)</p>	
	Important positions concurrently held at other companies, etc.	
	Visiting professor, Nagoya University, Tokai National Higher Education and Research System	
	Associate professor, Kyoto University of Advanced Science, Nagamori Gakuen	
	Reasons for nominating as a candidate for Outside Director and expected roles, etc.	
	<p>Mr. Soichi Nadahara is engaged in research and develop at several manufacturing companies. While playing an active role in management at a publicly listed company as Managing Director and Chief Technology Officer, he promoted open innovation in coordination with universities, companies, etc. in and outside Japan. He has been nominated as a candidate for Outside Director in the hope that he will play the role of supervising decision-making on important matters and the execution of duties from an independent standpoint as Outside Director and provide advice necessary for MPM to realize further progress as a company utilizing technological capabilities. If he is elected, he will be involved in the selection of candidates for the MPM's Board of Directors and decisions on executive compensation and other matters from an independent standpoint as a member of the Nomination and Remuneration Committee. If he is elected, he will be involved in the selection of candidates for the MPM's Board of Directors and decisions on executive compensation system from an independent standpoint as a member of the Nomination and Remuneration Committee.</p>	
No. (Date of birth, etc.)	Name	Number of shares of MPM held: 0 shares (Number of dilutive shares other than the above: - shares)
8	Yoshimi Shu	
Profile and position		
 <p>(March 7, 1969) age 56</p> <p><b>NEW APPOINTMENT</b> <b>CANDIDATE</b></p> <p><b>OUTSIDE DIRECTOR</b> <b>CANDIDATE</b></p> <p><b>INDEPENDENT DIRECTOR</b> <b>CANDIDATE</b></p>	<p>August 2000 Joined JPMorgan Securities Japan Co., Ltd.</p> <p>June 2006 Head of Tokyo Control Room, Compliance Department, JPMorgan Securities Japan Co., Ltd.</p> <p>May 2012 Managing Director, JPMorgan Securities Japan Co., Ltd.</p> <p>October 2012 Head of Japan Controls &amp; Oversight Department, JPMorgan Securities Japan Co., Ltd.</p> <p>February 2014 Joined Core Value Management Co., Ltd.</p> <p>November 2016 Representative Director and Vice President, Core Value Management Co., Ltd.</p> <p>June 2019 Outside Director, Mebuki Financial Group, Inc. (to present)</p> <p>March 2022 Representative Director and President, Core Value Management Co., Ltd. (to present)</p> <p>December 2024 Outside Director, Japan Business Systems, Inc. (to present)</p>	
	Important positions concurrently held at other companies, etc.	
	Representative Director and President, Core Value Management Co., Ltd.	
	Outside Director, Mebuki Financial Group, Inc.	
	Outside Director, Japan Business Systems, Inc.	
	Reasons for nominating as a candidate for Outside Director and expected roles, etc.	
	<p>Ms. Yoshimi Shu has a proven track record at a global financial institution and currently serves as President &amp; Representative Director of a management consulting firm. She possesses extensive knowledge of business management and governance and is anticipated to contribute to enhancing the Company's management structure. She has thus been nominated for the position of Outside Director.</p>	

(Notes) 1. The number of dilutive shares is the number equivalent to the number of vested points as of the end of March 2025 under the performance-linked stock compensation plan utilizing the BIP Trust.

2. Each candidate does not have any special interest in the Company.

3. Directors and Officers Liability Insurance (D&O Insurance) Agreement

MPM has entered into a D&O Insurance Agreement with an insurance company, naming the MPM's Directors as the insured. The D&O insurance policy is designed to cover damages that may arise due to the insured assuming responsibility for the performance of their duties or receiving claims related to the pursuit of such responsibility. All candidates are scheduled to be insured under this D&O Insurance policy if they are appointed as Directors and assume their offices as Directors.

4. Ms. Atsuko Watanabe, Mr. Soichi Nadahara and Ms. Yoshimi Shu are candidates for Outside Director.

(1) Limitation of Liability Agreement

Ms. Atsuko Watanabe and Mr. Soichi Nadahara have entered into a Limitation of Liability Agreement with MPM which will be effective during their service pursuant to Article 427 Paragraph 1 of the Companies Act. If Ms. Yoshimi Shu becomes an outside director, she plans to enter into a Limitation of Liability Agreement with MPM which will be effective during her service pursuant to Article 427 Paragraph 1 of the Companies Act. Based on this agreement, liability for compensation for damages under Article 423 Paragraph 1 shall be limited to 10 million yen or the minimum amount stipulated by law, whichever is greater.

(2) Independent Director

MPM plans to notify the Tokyo Stock Exchange that these three people have become Independent Directors.

(Reasons for notification as Independent Director)

These three people meet the Independence Criteria for MPM's Independent Directors. In consideration of this and the expertise that they have, MPM will appoint them as an Independent Director with no possibility of conflicts of interest with the general shareholders of MPM.

(3) Term as Outside Director

Ms. Atsuko Watanabe and Mr. Soichi Nadahara will have served as Outside Director for two (2) years and one (1) year, respectively, at the close of this Ordinary General Meeting of Shareholders.

(4) Reasons for recommending candidates who have been involved in corporate management only by way of becoming outside officers

Although Ms. Atsuko Watanabe has been involved in corporate management only by way of becoming outside officer, the Company has determined, as described above in the reasons for electing her as candidate for Outside Director, that she will adequately execute her duties as Outside Director.

**(Reference 1)** For your reference, the relevant provisions of “MPM Corporate Governance Basic Policy” pertaining to Directors are listed below:

(Director Qualification and Nomination Procedures)

Article 18. The post of MPM’s director shall be filled by a person who has integrity, insights, abilities and a wealth of experience, etc. as well as an elevated sense of ethics.

2. When determining a director candidate, MPM shall pay attention to the diversity of those who compose the Board of Directors, weighing the balance between personnel who can play to their strengths in corporate management in a business area in which the group currently operates, or may operate in the future, personnel who are fit for business administration, personnel who can adequately fulfill supervising functions and others.
3. With respect to outside director candidates, MPM shall nominate personnel who can provide suggestions and advice aimed at frank and active, and constructive deliberations regarding corporate management based on their experience, knowledge, expertise, etc., and, from his/her independent standpoint, supervise corporate management and monitor any conflict of interest between the management team, etc. and MPM and have opinions of stakeholders reflected appropriately.
4. The independence of an outside director shall be judged based on the Independence Criteria in the Appendix.
5. A decision on any director candidate nomination shall be made by the Board of Director in light of the preceding four paragraphs after seeking and receiving advice from the Nomination and Remuneration Committee.
6. All directors shall be appointed to a one-year term of office and shall be subject to an election at an ordinary general meeting of shareholders.

(Establishment of a Voluntary Nomination and Remuneration Committee)

Article 23. The Company has established the Nomination and Remuneration Committee as advisory bodies to the Board of Directors.

2. Members of the Nomination and Remuneration Committee shall be elected from among representative directors and independent outside directors and be chaired by an independent outside director.
3. The Nomination and Remuneration Committee shall, in response to inquiry from the Board of Directors, examine the appropriateness of the contents of proposals to be presented to the Board of Directors, and give advice, with respect to each of the following items:
  - i) Director and Audit & Supervisory Board Member candidate nomination and CEO, executive director, operating officer and executive officer elections and dismissals; and
  - ii) Policy on remuneration of directors and executive officers and details of the remuneration for each individual.
4. Any inquiry on the contents of proposals to be presented to the Board of Directors set forth in the preceding paragraph shall as a general rule be made by the President and Representative Director. If the Board of Directors provides otherwise, however, such a procedure shall be followed.

**(Reference 2)** The balance of knowledge, experience and ability of each candidate is as follows.

Candidate names	Attribute	Corporate management	Finance and accounting	Manufacturing, technology and R&D	Sales and marketing	Personnel and labor management	Purchasing and procurement	Global mindset	Legal and compliance	ESG
Ryuichi Kisaka	Internal	●	●	●	●			●		●
Shigeharu Sanada	Internal	●	●			●	●	●	●	●
Yuji Takagami	Internal			●	●					
Kunihiro Nakagawa	Internal			●	●					
Kazuhiro Nakauchi	Internal			●						●
Atsuko Watanabe	Outside					●			●	
Soichi Nadahara	Outside	●		●				●		
Yoshimi Shu	Outside		●			●		●	●	

**Proposal No. 2: Election of Two (2) Audit & Supervisory Board Members**

The tenure of Mr. Satoshi Takizawa as outside member of Audit & Supervisory Committee will expire at the closing of this Ordinary General Meeting of Shareholders, and the Company proposes his re-election. Mr. Hiroaki Tonooka, an Outside Audit & Supervisory Board Member, will retire, and the Company proposes a candidate for the position.

The consent of the Audit & Supervisory Board has been obtained for this proposal.

The selection of the candidates was made in accordance with the requirements and procedures prescribed in MPM Corporate Governance Basic Policy.\*


The candidates are as follows:


(\*) For your reference, the relevant provisions of “MPM Corporate Governance Basic Policy” pertaining to Audit & Supervisory Board Members are listed below:

(Audit & Supervisory Board Member Qualification and Nomination Procedures)

Article 20. The post of MPM’s Audit & Supervisory Board Member shall be filled by a person who has integrity, insights, abilities and a wealth of experience, etc. as well as an elevated sense of ethics, who is independent of business executors, and who can adequately audit the management of the MPM Group by maintaining a fair and unbiased attitude.

2. At least one Audit & Supervisory Board Member of MPM shall be appointed from people who have appropriate knowledge of finance and accounting.
3. The independence of an Outside Audit & Supervisory Board Member shall be judged based on the Independence Criteria in the Appendix.
4. A decision on candidates for Audit & Supervisory Board Members including substitute Audit & Supervisory Board Members shall be made by the Board of Director in light of the preceding three paragraphs after seeking and receiving advice from the Nomination and Remuneration Committee.

Date of birth, etc.	Name	Number of shares of MPM held: 0 shares (Number of dilutive shares other than the above: - shares)
1	<b>Satoshi Takizawa</b>	
 <p>(June 21, 1961) age 64</p> <p>Attendance of Board of Directors meetings 100% (16/16) Attendance of the Audit &amp; Supervisory Board meetings 100% (15/15)</p> <p><b>REAPPOINTMENT</b></p> <p><b>OUTSIDE DIRECTOR</b> <b>CANDIDATE</b></p> <p><b>INDEPENDENT DIRECTOR</b> <b>CANDIDATE</b></p> <p>Years as an Audit &amp; Supervisory Board Member: 4 years (at the close of this general meeting of shareholders)</p>	Profile and position	
	April 1984	Joined Mitsubishi UFJ Trust Banking Corporation (current Mitsubishi UFJ Trust and Banking Corporation)
	June 2010	Executive Officer and Head of Financial Planning Division, Mitsubishi UFJ Financial Group, Inc., Executive Officer, Mitsubishi UFJ Trust and Banking Corporation
	June 2012	Executive Officer and Head of Corporate Planning Division, Mitsubishi UFJ Trust and Banking Corporation
	June 2013	Managing Executive Officer, Mitsubishi UFJ Trust and Banking Corporation
	June 2016	Director and Senior Managing Executive Officer, Mitsubishi UFJ Trust and Banking Corporation
	April 2019	Representative Director, President, Mitsubishi UFJ Trust Business Co., Ltd.
	June 2021	Outside Audit & Supervisory Board Member, MPM (to present)
	April 2025	Adviser, Mitsubishi UFJ Trust Business Co., Ltd. (to present)
	Important positions concurrently held at other companies, etc.	
	Adviser, Mitsubishi UFJ Trust Business Co., Ltd.	
	Reasons for nominating as a candidate for Outside Audit & Supervisory Board Member	
	<p>Mr. Satoshi Takizawa has served as Director and Senior Managing Executive Officer of a major trust bank and has expert knowledge of financial affairs and accounting as well as extensive experience in corporate management.</p> <p>He is nominated as candidate for outside member of Audit &amp; Supervisory Board in the hope that he will perform adequate and effective auditing functions regarding the management of the Company from an independent standpoint as outside member of Audit &amp; Supervisory Board, leveraging the above-mentioned experience.</p>	

Date of birth, etc.	Name	Number of shares of MPM held: 0 shares (Number of dilutive shares other than the above: - shares)
2	<b>Toshiyuki Sumiyoshi</b>	
 <p>(January 15, 1963) age 62</p> <p><b>NEW APPOINTMENT</b> <b>CANDIDATE</b></p> <p><b>OUTSIDE DIRECTOR</b> <b>CANDIDATE</b></p> <p><b>INDEPENDENT DIRECTOR</b> <b>CANDIDATE</b></p>	Profile and position	
	April 1986	Joined Meiji Life Insurance Company (now Meiji Yasuda Life Insurance Company)
	April 2012	General Manager, Yamaguchi Regional Office, Meiji Yasuda Life Insurance Company
	April 2015	General Manager, Corporate Agency Services Department, Meiji Yasuda Life Insurance Company
	April 2017	Operating Officer, General Manager of Human Resources Department, Meiji Yasuda Life Insurance Company
	April 2019	Managing Executive Officer, Meiji Yasuda Life Insurance Company
	April 2024	Senior Managing Executive Officer, Meiji Yasuda Life Insurance Company
	March 2025	Retired as a Senior Managing Executive Officer, Meiji Yasuda Life Insurance Company
	April 2025	Representative Director and Chairman, Meiji Yasuda Life Insurance Co., Ltd. (to present)
	Important positions concurrently held at other companies, etc.	
	Representative Director and Chairman, Meiji Yasuda Life Insurance Co., Ltd.	
	Reasons for nominating as a candidate for Outside Audit & Supervisory Board Member	
	<p>Mr. Toshiyuki Sumiyoshi has served as Senior Managing Executive Officer of Meiji Yasuda Life Insurance Company and has knowledge and experience of financial affairs and accounting and abundant experience in corporate management. He is nominated as candidate for outside member of Audit &amp; Supervisory Board in the hope that he will perform adequate and effective auditing functions regarding the management of the Company from an independent standpoint as outside member of Audit &amp; Supervisory Board, leveraging the above-mentioned experience.</p>	

- (Notes)
1. Mr. Satoshi Takizawa and Mr. Toshiyuki Sumiyoshi do not have any special interest in the Company.
  2. Directors and Officers Liability Insurance (D&O Insurance) Agreement  
MPM has entered into a D&O Insurance Agreement with an insurance company, naming the MPM's Audit & Supervisory Board Members as the insured. The D&O insurance policy is designed to cover damages that may arise due to the insured assuming responsibility for the performance of their duties or receiving claims related to the pursuit of such responsibility. All the candidates are scheduled to be insured under this D&O Insurance policy if they are appointed as Audit & Supervisory Board Members and assume their offices as Audit & Supervisory Board Members.
  3. Mr. Satoshi Takizawa and Mr. Toshiyuki Sumiyoshi are candidates for Outside Audit & Supervisory Board Members.

**Proposal No. 3: Continuation of the Performance-linked Stock Compensation Plan for Directors and Revision of the Plan**

The 156th Ordinary General Meeting of Shareholders held on June 25, 2021, approved the introduction of a performance-linked stock compensation plan (the “Plan”) for Directors and Executive Officers (excluding Outside Directors, part-time Directors and non-residents of Japan; collectively the “Directors, etc.”).

MPM proposes changing the indicators used to assess its achievement of the performance targets set in the Plan, which was approved at the 156th Ordinary General Meeting of Shareholders held on June 25, 2021, and continuing with the Plan. The Company plans to change the indicators from consolidated operating income to consolidated net sales and consolidated operating income. This change aligns with the Group’s strategy of increasing net sales in its new Medium-term Management Plan. The Company does not propose any other changes.

MPM believes that renewing and partially amending the Plan is appropriate for the following reasons: (1) The Plan makes more clear the connection between the remuneration for the Directors, etc. and MPM’s stock value and aims to encourage the Directors, etc. to contribute to enhancing the Company’s medium- to long-term performance and increasing its corporate value, aligning their interests with those of the shareholders; (2) The basis for calculating the performance-linked remuneration and its percentage of the total remuneration for the Directors are in line with the policy for determining the remuneration structure for each Director; and (3) The Plan’s remuneration is necessary and reasonable, considering the number of eligible Directors, and the Plan has been made by taking into account MPM’s current business condition and other relevant circumstances.

The stock-based compensation mentioned in this Proposal is distinct from the maximum remuneration for Directors, which include Outside Directors, part-time Directors and non-residents of Japan (Proposal No. 5: Revision of the Amount of Remunerations for Directors was approved as initially proposed at the 156th Ordinary General Meeting of Shareholders held on June 25, 2021, and the maximum annual remuneration is set at 280 million yen, excluding employee’s salary for Directors who also serve as employees).

The number of eligible Directors under the Plan will be five (5) if Proposal No. 1: Election of Eight (8) Directors is approved as initially proposed. As mentioned above, the Plan also applies to Executive Officers and, starting in April 2024, to Mission Executives (currently there are 14 Executive Officers and Mission Executives who are not Directors and are included under the Plan), and compensation under the Plan includes compensation for Executive Officers and Mission Executives. This Proposal proposes the amount and content of the overall compensation under the Plan as compensation for Directors, etc., taking into account the possibility that some Executive Officers and Mission Executives may become Directors during the applicable period (defined in (2) below; the same applies hereinafter).



## Amounts and details of remuneration, etc. under the Plan

### (1) Overview of the Plan

The Plan is a stock-based compensation plan under which a trust established by MPM acquires shares of MPM using the amount of remuneration for Directors, etc. contributed by MPM as the source of funds, and delivers shares of MPM and cash equivalent to the amount of the conversion price of shares of MPM (hereinafter referred to as the “MPM’s shares, etc.”) to Directors, etc. through the trust. (For details, please refer to (2) and subsequent sections below.)

(i) Eligible recipients who will receive MPM’s shares, etc.	<ul style="list-style-type: none"> <li>- The Company’s Directors, Executive Officers, and Mission Executives (excluding Outside Directors, part-time Directors and non-residents of Japan)</li> </ul>
(ii) Impact of MPM’s shares delivered under this Proposal on the number of shares outstanding	
Maximum amount of funds provided by MPM (as per (2) below)	<ul style="list-style-type: none"> <li>- 450 million yen for three fiscal years</li> </ul>
Maximum number of shares of MPM delivered to Directors, etc. (including shares converted to cash) and procedures for receiving the shares (as per (2) and (3) below)	<ul style="list-style-type: none"> <li>- The annual maximum number of points (number of shares) granted to Directors, etc. is 600,000.</li> <li>- The number of shares of MPM corresponding to the aforementioned annual maximum number of points granted to Directors, etc. accounts for approximately 1.3% of the total number of shares issued (as of March 31, 2025, after excluding treasury stock).</li> <li>- The shares of MPM will be acquired from the stock market, and there will be no dilution of shares.</li> </ul>
(iii) Degree of achievement of performance targets (as per (3) below)	<ul style="list-style-type: none"> <li>- The degree of achievement of performance targets (targets for consolidated net sales and consolidated operating income) for each fiscal year is represented as percentages from 0% to 150%.</li> </ul>
(iv) Timing of delivering shares of MPM, etc. to Directors, etc. (as per (4) below)	<ul style="list-style-type: none"> <li>- In principle, shares, etc. will be delivered at the time of retirement.</li> <li>- Directors, etc. shall hold the shares for at least a year.</li> </ul>

(2) Maximum amount of funds provided by MPM

The period of the Plan is three fiscal years, the same as the period of a Medium-term Management Plan of MPM (“Applicable Period”). The initial Applicable Period after the revision of the Plan will be three fiscal years from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028.

MPM will provide a maximum of 450 million yen as compensation for Directors, etc. during each Applicable Period and will establish a trust (the “Trust”) with a duration of three years for Directors, etc. who meet the requirements for beneficiaries.

The Trust will acquire the Company’s shares from the stock market with money held in trust as the source of funds, in accordance with the instructions of the trust administrator.

During the trust period, MPM will grant points (as set forth in (3) below) to the Directors, etc. and, in principle, the Trust will deliver MPM shares, etc. equivalent to the accumulated value of the points granted to the Directors, etc. (“Accumulated Points”) upon their retirement (in the event of the death of a Director, etc., the time of death. The same shall apply hereinafter).

At the expiration of the period of the Trust, the Trust may be extended by amending the trust agreement and conducting an additional trust instead of establishing a new Trust. In that case, the period of the Trust will be extended for three years, and the three fiscal years after the extension of the trust period will be a new Applicable Period. MPM will make an additional contribution within a total amount of 450 million yen for each extended trust period, and will continue to grant points to Directors, etc. during the extended trust period ; provided, however, that in the case of such an additional contribution, the sum of the amount equivalent to the Company’s shares (other than the Company’s shares, etc. corresponding to the points granted to the Directors, etc. that are yet to be delivered, etc.) and the funds remaining in the trust property as of the end of the trust period before extension (the “Remaining Shares, etc.”), if any remain, and the amount of the trust money additionally contributed shall be within 450 million yen.

If the Company does not amend the trust agreement and make additional contributions on expiry of the trust period, no more points will be granted to Directors, Etc. from that point onwards. If there are any Directors, etc. who may meet the beneficiary requirements when the trust period expires, the trust period can be extended until their retirement and the completion of the Issuance of shares of the Company. The maximum length of this extension is ten years.

(3) Calculation method and upper limit of the number of MPM shares to be acquired by the Directors, etc. (including shares converted to cash)

The number of Shares of the Company to be issued to the Directors, etc. shall be determined by the total number of accumulated points. One share shall be issued for each point.

The accumulated points shall be the total of fixed points determined by the positions of Directors, etc. and performance-linked points that depend on their positions and the degree of achievement of performance targets, including consolidated net sales and operating income targets, which ranges from 0% to 150%, for each fiscal year during the Applicable Period.

One (1) point shall equal one (1) share in the Company, and fractions less than one point shall be discarded. However, in the event of a stock split or reverse stock split of the shares of MPM during the trust period, the number of shares per point will be adjusted in accordance with the split ratio or reverse stock split ratio.

The maximum number of points per year that the Directors, etc. can receive through the Trust is 600,000 points. This maximum number of points per year is determined by stock price trends in the past and other factors, taking into account the maximum trust money stated in (2) above.

The maximum number of shares of MPM to be acquired by the Trust for delivery to the Directors, etc. during the trust period is 1.8 million shares. This limit is calculated by multiplying the maximum number of points per year, which is 600,000, by the duration of the trust period, which is three years.

(4) Timing of delivery of the Company's Shares, etc. to Directors, etc.

Upon retirement, Directors, etc. who meet the requirements for beneficiaries will receive shares of MPM that correspond to a certain percentage of the Accumulated Points calculated in accordance with (3) above (shares less than one unit shall be rounded down). Shares of MPM equivalent to the remaining Accumulated Points will be converted into cash within the Trust to be allocated for tax payment funds. Directors, etc. who receive shares of MPM shall hold them for one year at least after their retirement.

(5) Voting rights of the Company's shares in the Trust

To ensure management independence, the voting rights for the shares attached to the Company's shares within the Trust shall not be exercised during the trust period.

(6) Other details of the Plan

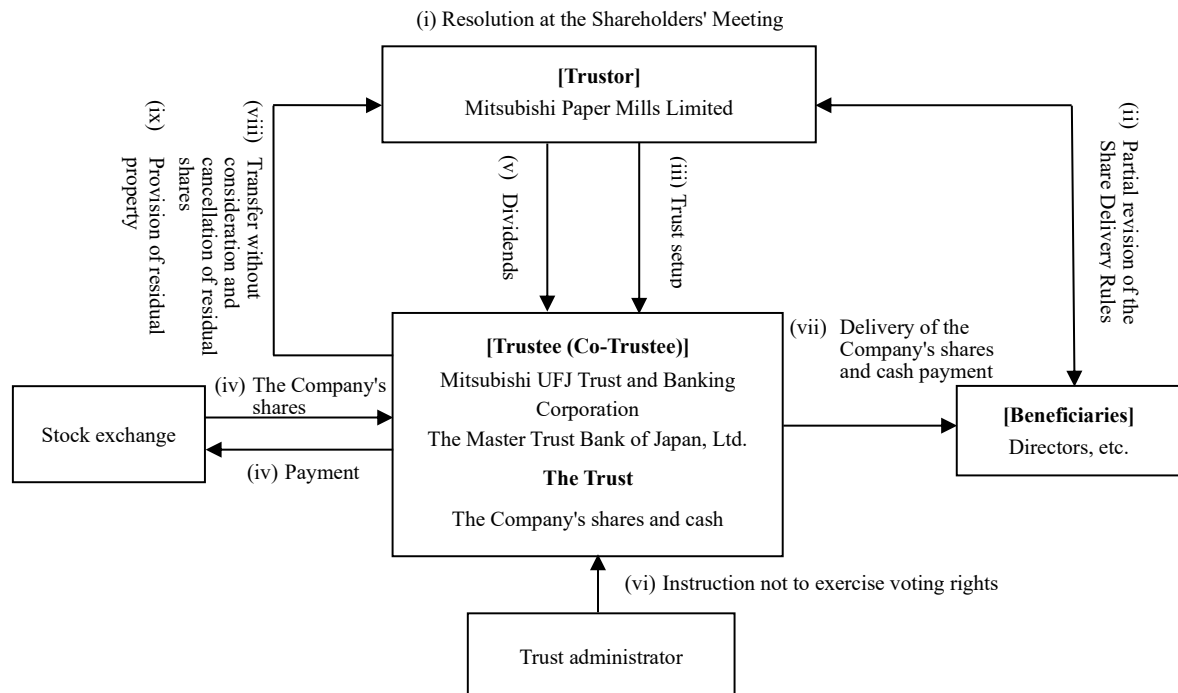
Other details of the Plan will be determined at the Board of Directors each time the Trust is established, the trust agreement is amended, and additional contributions to the Trust are made.

(Reference)

Timely disclosure on May 14, 2025

“Notice Concerning Renewal and Partial Amendment of Performance-linked Share-based Remuneration Plan for Directors, etc. of Mitsubishi Paper Mills Limited” (extract)

(Summary of the Plan)



- (i) The Company will obtain a resolution approving the renewal and partial amendment of the Plan for Directors, etc. at the Shareholders' Meeting.
- (ii) The Company will partially amend the Share Delivery Rules governing the content of the Plan.
- (iii) The Company will contribute cash that will be the source of the compensation for Directors, etc. within the range approved at the Shareholders' Meeting stated in (i) and will extend the term of the trust for the benefit of the Directors, etc. who meet the beneficiary requirements (the "Trust").
- (iv) The Trust will acquire the Company's shares from the stock market with cash contributed in (iii) as the source of funds, in accordance with the instructions of the trust administrator. The number of shares to be acquired by the Trust for Issuance to Directors, etc. will be within the range approved at the General Meeting of Shareholders stated in (i).
- (v) Dividends on the Company's shares held by the Trust will be paid in the same manner as for the other Company's shares.
- (vi) Voting rights of the Company's shares held by the Trust will not be exercised throughout the trust period.
- (vii) During the trust period, points will be granted annually to the Directors, etc. based on their positions and the extent to which they achieve performance targets. Shares of the Company will be issued to the Directors, etc. who meet certain beneficiary requirements upon their retirement based on the number of points they accumulate.
- (viii) Any residual shares arising on expiry of the trust period will be used for the Plan or a similar incentive plan through the amendment of the trust agreement or additional contributions, or alternatively the Trust will transfer these residual shares to the Company without consideration and the Company will cancel them based on a resolution of the Board of Directors.
- (ix) On termination of the Trust, residual property after distribution to beneficiaries will be received by the Company, within the limit of the trust expense reserve calculated by deducting the cost for acquiring the shares from the Trust from trust money. Any amount exceeding the trust expense reserve will be donated to organizations that do not have any interest in the Company or the Directors, etc.

## Business Report

(From April 1, 2024 to March 31, 2025)

### **1. Current Status of the Corporate Group**

#### **(1) Business Developments and Results**

The Japanese economy during the consolidated fiscal year ended March 31, 2025 was on a gradual recovery track, attributable to improved employment and income environment. At the same time, the economic outlook remained uncertain due to rising prices, sudden fluctuations in the forex market, geopolitical risks related to the prolonged war in Ukraine and the situation in the Middle East which have been affecting the prices of raw materials and fuel, the impact of U.S. trade policy, and the slowdown of the Chinese economy with a real estate recession on the background, among other factors.

Under these circumstances, the Group took steps to improve productivity and reduce costs, while in terms of sales, it sought to expand sales of new products.

In the fiscal year under review, the final year of the Medium-Term Management Plan (fiscal year ended March 2023 to fiscal year ended March 2025), the Group energetically carried forward its initiatives in line with the following three basic policies.

(i) Strengthen our earning capacity by “selection and concentration” strategies and “expansion of new business”

To improve the efficiency of its business, the Company reorganized the Group through the integration of four subsidiaries into the Company on April 1, 2024 and the merger of two subsidiaries on July 1, 2024. The Group will further promote organizational transformation to bolster its profitability and strengthen corporate governance. The Group ceased operations of aging production equipment at the Takasago Mill and decided to discontinue the operation of production equipment at the Kitakami Mill due to their falling operation rate resulting from declining demand. The Group aims to reduce fixed costs and enhance production efficiency by focusing production on highly efficient machines within each mill and across the mills.

(ii) Contribution to green society

To achieve the Group’s sustained growth and improve its corporate value over the medium to long term, it is disclosing information on both the risks and opportunities in its business caused by climate change, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In its activities to maintain and conserve biodiversity, the Company’s Murabi Company Forest in Fukushima was certified as a Nationally Certified Sustainably Managed Natural Site by the Ministry of the Environment. The Company has also joined the 30by30 Alliance for Biodiversity and will continue to create environmental value and contribute to achieving a sustainable global environment.

(iii) Organizational change to promote sustainability

Under the Mitsubishi Paper Mills Group Basic Sustainability Policy, which was established in April 2023, the Group strives to enhance its corporate value by earning the trust and support of its stakeholders while also helping to address a range of social issues with a view toward realizing a sustainable society. It offered shareholders the chance to participate in the Mitsubishi Paper Mill’s Forest with Nissy & Kassy program, aiming to increase their understanding of the Group’s sustainability efforts through tree planting experiences. Additionally, the Group worked to disclose more detailed information by publishing integrated reports to ensure that all stakeholders understand all of its corporate activities. The Group renewed its core systems in the previous fiscal year. The Group will continue to push forward with the introduction of digital technologies, improving operational efficiency and increasing work

safety while implementing digital transformation initiatives that will enhance corporate value.

As a result, consolidated net sales for the fiscal year was 175,942 million yen (down 9.1% year on year). On the profitability side, consolidated operating income came to 4,567 million yen (compared to 5,410 million yen in the previous fiscal year), and consolidated ordinary income was 4,548 million yen (compared to 7,098 million yen), reflecting continuing downturns in European markets and a decline in sales volumes, etc. despite effects of price revisions and cost reductions for domestic products. Profit attributable to owners of parent stood at 4,343 million yen (compared to 4,170 million yen).

## **(2) Summary of Operations by Business Category**

(Functional Material Business) Ratio of net sales: 48.5%

Net sales 88,179 million yen (down 9.4% YoY) Operating income 3,340 million yen (down 17.6% YoY)

Sales of communication paper-related products increased from the previous year as the Group captured demand in the POS market. Sales of carbonless paper and PPC paper were lower than the previous year due to a decrease in demand.

Of imaging-related products, sales of inkjet printers remained the same as the previous year, reflecting revisions in product pricing.

In the functional materials-related product segment, sales of separators for power storage devices increased year on year due to increased demand in China. Sales of water treatment base materials declined from the previous fiscal year due to intensifying competition in the Chinese market. Sales of masking tape backing rose from the previous fiscal year, reflecting strong overseas sales.

Sales from the business in Germany declined from the previous year chiefly due to economic stagnation and intensifying price competition in Germany and across Europe.

As a result, the functional materials business posted lower sales and profits.

In the communication paper-related product segment, the Group will strive to expand sales of thermal paper for applications in the POS market and capture demand for eco-conscious thermal paper. In the PPC paper segment, the Group will aim at capturing demand from major mail-order businesses and at stabilizing earnings by expanding transactions of eco-conscious, high-value-added products.

Regarding imaging-related products, the Group will strive to increase sales of products for large posters and labels and sales in strong emerging economies in Asia.

In functional materials-related products, the Group aims to capture demand for industrial products and products for seawater desalination plants. In the field of separators for power storage devices, the Group aims to increase sales in the market for condensers used in automotive electrical equipment. In masking tape backing, the Group will focus on developing products that meet market needs. It will work to improve efficiency in producing decorative laminate base paper and backing paper for wallpaper to stabilize profits. Regarding businesses operated in Germany, the Group will seek to stabilize earnings by promoting business restructuring, including sales expansion and production efficiency improvement outside Europe.



## Business Topics: Recyclable photo-grade inkjet media

Traditional inkjet media includes plastic film, which makes it unrecyclable. MPM has developed a product that prints images with high gloss and vivid colors without the use of plastic film, unitizing the proprietary ultra-precision coating technology.



This product is a recyclable, environmentally friendly inkjet media product.

(Sustainable Fiber Materials Business) Ratio of net sales: 49.1%

Net sales 89,238 million yen (down 8.5% YoY) Operating income 1,347 million yen (up 14.5% YoY)

In the printing paper segment, despite efforts to revise product prices and promote replacement with products with higher market demand in Japan where general declines in demand persist, sales amounts decreased year on year.

In the packaging field, the Group focused on increasing sales of bleached kraft paper both in Japan and internationally. The sales volume and value significantly exceeded the levels of the previous year.

Sales amounts of commercial pulp climbed year on year, as a result of product price revisions in the domestic market and the expansion of sales quantities for export.

The Group was able to achieve a year-on-year increase in earnings at its key Hachinohe Mill for the second consecutive year. This growth is attributable to product price revisions in response to rising raw material and fuel costs resulting from a weaker yen, as well as the effects of cost reductions through the optimization of the production structure based on demand trends.

As a result, net sales decreased but income increased in the sustainable fiber materials business.

The Group will maintain printing paper prices after revisions in the fiscal year under review, while optimizing production systems and inventory levels based on demand trends.

The Group aims to establish a supply system for 100% domestic commercial pulp, responding to strong business inquiries. The Group will focus on expanding sales of high value-added products, particularly softwood pulp, while monitoring market trends.

In the packaging field, the Group will strive to capture demand for products with little or no plastic in Japan and abroad, against a backdrop of an increasing awareness of the need for a sustainable society. The Group will focus on boosting sales of featured products that meet customer needs.

The Group will continue to bolster its business foundations at both Hachinohe and Kitakami Mills, by discontinuing the operation of paper machine No. 1 at the Kitakami Mill and concentrating on high-efficiency production equipment at Hachinohe Mill, as it seeks to improve production efficiency and reduce costs.

Business Topics: Increasing use of luminous wrapping paper

Nestlé Japan Ltd. (Kobe, Hyogo prefecture) and Sugano Packing Materials Co., Ltd. (Kasai, Hyogo prefecture) have stated to use one-side coated kraft paper (Bleached Coated Kraft N FSC®-certified-MX) for packaging Mon Petit Crispy Kiss, a pet food product. This kraft paper has been developed from MSM bleached kraft paper.

The kraft paper greatly enhances the luminosity of gravure and flexographic printing, which these companies value. Luminosity has been a challenge when using paper packaging. The Group will continue to expand its packaging product range, while modifying the product portfolio to emphasize consumer-attractive packaging.

Paper package FSC® C021528 that uses the Company's Bleached Coated Kraft N FSC®-certified-MX



(Other Businesses) Ratio of net sales: 2.4%

Net sales 4,451 million yen (down 20.9% YoY) Operating income 73 million yen (down 70.1% YoY)

<Sales Amount by Business Category>

Business Category	FY2024/3 (159th term)		FY2025/3 (160th term)		YoY Changes (Figures in parentheses indicate decreases)	
	Upper column: Net sales Lower column: Operating income (loss)	Percentage	Upper column: Net sales Lower column: Operating income (loss)	Percentage	Amount	Ratio
Functional materials	Million yen	%	Million yen	%	Million yen	%
	97,351	48.6	88,179	48.5	(9,172)	(9.4)
Sustainable fiber materials	4,053	74.0	3,340	70.2	(713)	(17.6)
	97,511	48.6	89,238	49.1	(8,272)	(8.5)
Others	1,177	21.5	1,347	28.3	170	14.5
	5,628	2.8	4,451	2.4	(1,176)	(20.9)
Total	245	4.5	73	1.5	(172)	(70.1)
	200,491	100.0	181,869	100.0	(18,622)	(9.3)
Elimination or corporate	5,476	100.0	4,761	100.0	(714)	(13.1)
	(7,029)	—	(5,926)	—	1,102	—
Total	(66)	—	(194)	—	(128)	—
	193,462		175,942	—	(17,519)	(9.1)
	5,410		4,567	—	(843)	(15.6)

### (3) Trends in Assets and Operating Results

#### (i) Status of Assets and Operating Results of the Corporate Group

Classification		FY2022/3 (157th term)	FY2023/3 (158th term)	FY2024/3 (159th term)	FY2025/3 (160th term)
Net sales	(Million yen)	181,920	209,542	193,462	175,942
Operating income (loss)	(Million yen)	(248)	968	5,410	4,567
Ordinary income (loss)	(Million yen)	1,964	3,089	7,098	4,548
Profit (loss) attributable to owners of parent	(Million yen)	1,096	(571)	4,170	4,343
Earnings (loss) per share	(Yen)	24.62	(12.97)	95.28	99.13
Net assets	(Million yen)	69,613	72,041	90,954	85,282
Total assets	(Million yen)	215,879	227,058	235,380	208,217


#### (4) Issues to be addressed

Based on the corporate philosophy “Live up to the trust of its customers in the world market,” “Be always on the leading edge of technology” and “Contribute to preserving the global environment and creating a recycling society,” the MPM Group is pursuing corporate activities to achieve its sustainable growth and enhance its corporate value over the medium to long term.

The Group is working on its Medium-term Management Plan (FY2026/3-FY2028/3), which the Group began to execute in April 2025.

[Medium-term Management Plan (FY2026/3-FY2028/3)]

During the previous Medium-term Management Plan (from the year ended March 2023 to the year ended March 2025), the Group undertook structural reforms to strengthen its earnings base under the slogan “Creation of a New Mitsubishi Paper Mills Group.”

From the fiscal year ending March 31, 2026, the Group is implementing its new Medium-term Management Plan, building on the structure established during the previous plan period. Under the slogan “130 years as a ‘SHINKA’ company [  ] and ever evolving,” the Group is shifting its focus from merely improving earnings to expanding the scale of its business. The Company will celebrate its 130th anniversary in April 2028. During the current Medium-term Management Plan, the Company aims to evolve toward growth and expansion and to continue to evolve and develop after the anniversary.

An overview of the Medium-term Management Plan is as follows.

1. SHINKA (sophistication) of technologies and research to expand our array of distinctive functional and environmentally friendly products and accelerate the enhancement of productivity.
- The Group established a system to strengthen its research and development capabilities, which were enhanced during the previous Medium-term Management Plan (from the year ended March 2023 to the year ended March 2025). The Group plans to further improve these capabilities by leveraging digital transformation and increasing technology and human resources investment. With these enhanced capabilities, the Group aims to boost sales and profits by expanding the scale of its functional materials business, which is a growth area, and by enhancing the profitability of its sustainable fiber materials business.
- In the Functional Materials Business, the Group aims to create high added value, expand its global reach, increase its market share in information and imaging media, and evolve into a leader in functional materials.
- In the Sustainable Fiber Materials Business, the Group will promote sales of environmentally friendly products, improve productivity, expand sales of packaging materials and pulp wholly made from domestic

materials, and implement structural reform by integrating the operations of the Hachinohe and Kitakami Mills.

2. SHINKA (progress) in our contributions to the global environment

- The Group will accelerate efforts to reduce CO<sub>2</sub> emissions and invest to meet its promised 2030 target (a 40% reduction compared to FY2013).
- The Group aims to contribute to a recycling-oriented society by promoting the use of domestic timber, increasing the recycling rate of plastic resources, and expanding businesses that support the SDGs.

3. SHINKA (entrenchment) of governance and human capital management

- The Group is strengthening its quality control system by ensuring the independence of its quality management organization and strengthening its auditing structure. The Group will enhance its external communication and transform its corporate culture to engage stakeholders more effectively.
- The Group will step up its efforts to carry out diversity and inclusion initiatives, including recruiting diverse talent and promoting work-life balance. Additionally, the Group will bolster initiatives that support employee growth. This includes establishing a corporate culture emphasizing integrity, providing enhanced learning opportunities for its employees, and creating an employee-friendly working environment that improves productivity through digital transformation.

We will take the measures above, with the aim of achieving the following targets in FY2027/3.

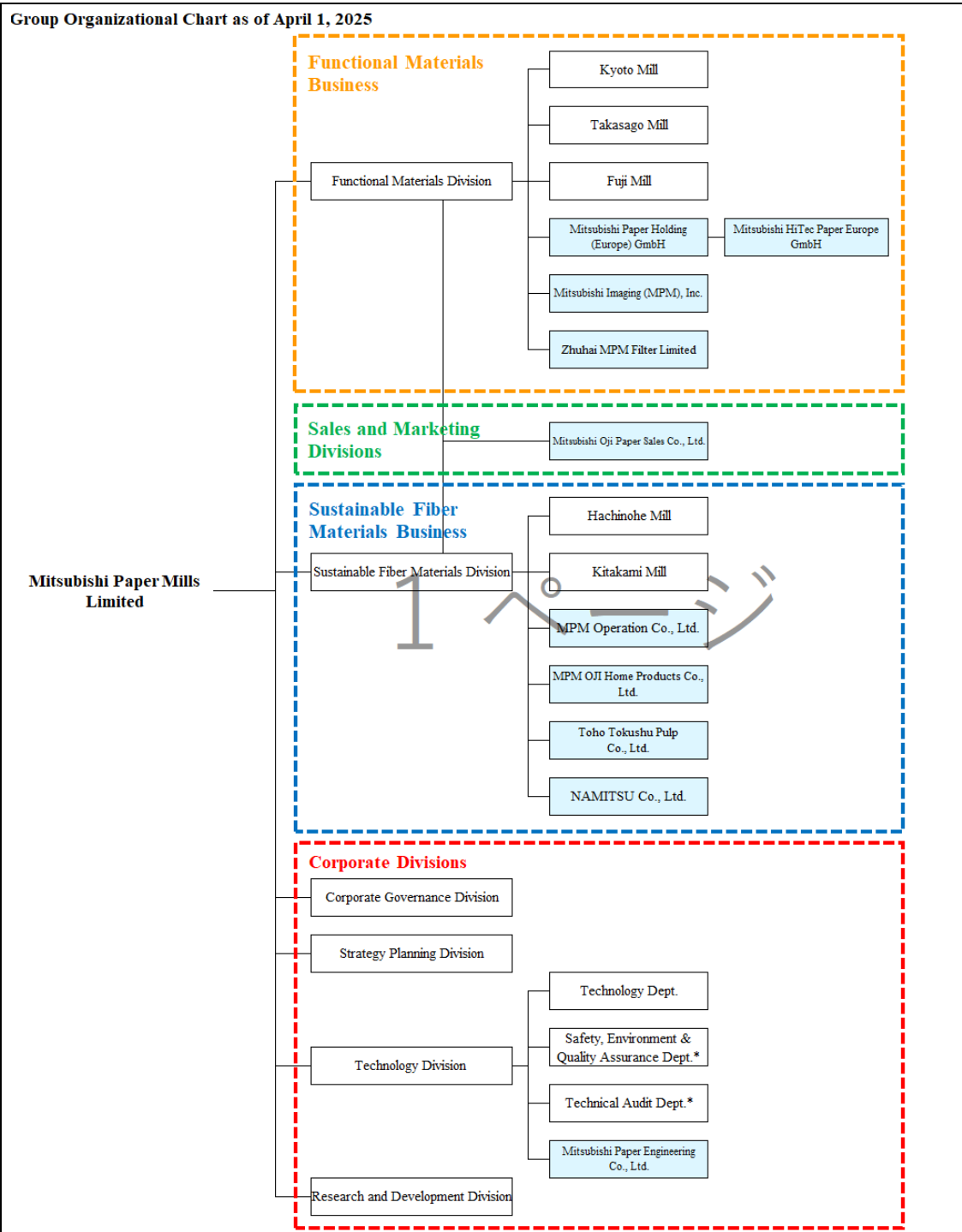
<Management Targets>

Consolidated indicators	Targets (FY2028/3)
Net sales	250.0 billion yen
Operating income	20.0 billion yen
Operating Profit Ratio	8%
D/E ratios	0.7
ROE	10%

<Precondition>

Exchange rates: 145 yen/US\$, Crude oil price (Dubai): 70US\$/barrel, Coal price (Australia): 100US\$/ton

Through the activities above, the MPM Group will work to enhance its corporate value, with the aim of becoming a company that contributes to a sustainable society and grows sustainably by creating social value.



\*The Company has put the quality assurance division of each mill under the control of the Safety, Environment & Quality Assurance Dept. in the Technology Division of the headquarters to ensure the independence of the quality assurance division from the mills and enhance the quality assurance system. An independent Technology Audit Dept. has been established in the Technology Division (April 1, 2025) to clarify which organization conducts quality audits.

[Response to inappropriate incident at a subsidiary of the Company]

It came to light that, regarding the heat resistant electrically insulated pressboard products manufactured by Mitsubishi Paper Engineering Co., Ltd., a member of the Group, certain measurement data was falsified and that products were shipped out without implementing certain predetermined inspections.

Following this incident, the Company formed a special investigative committee in May 2024 to properly identify the facts, causes, and effects, and has been implementing measures to prevent a recurrence. The committee investigated other potential quality issues related to products across the Group, besides the pressboard products. The Company received the report in May 2025. During the investigation, the Company assessed the safety of the products involved in the incident and found no issues.

The Company has already implemented the following recurrence prevention measures:

- The Company has removed test items that are not related to quality from the specifications of products that the Company has identified for review (including heat resistant electrically insulated pressboards)
- The internal rules related to the incidents revealed by the investigations have been revised.
- Training related to the intent of the test items that have been set has been provided to inspectors in the quality inspection division.
- In April 2025, an organizational reform was conducted that put the quality assurance division of each mill under the control of the Safety, Environment & Quality Assurance Dept. in the Technology Division of the headquarters. This reform aims to ensure the independence of the quality assurance division from the mills.
- In April 2025, an independent Technical Audit Dept. has been established in the Technology Division to clarify which organization conducts quality audits.
- Start of unannounced quality audits involving members from mills other than the subjects of the audits (The first audit was conducted at all mills in Japan ending in February 2025.) Efforts to make unannounced quality audits an established practice will continue.
- The Company has started promoting personnel transfers by setting rules on the length of time employees can hold managerial positions, etc.
- The Company has emphasized the significance of quality control through in-house newsletters. The President & CEO visited all domestic mills. Messages promoting the establishment of an open organization have been communicated during the induction ceremony and on other occasions.
- Compliance training was provided by an external instructor, and all officers and employees participated. The theme of the FY2024 training was “Reforming organizational culture (violations and their impact.” The incident will be addressed in future compliance training sessions, which will be held regularly, to impart lessons.
- In April 2025, the organizational structure was changed to enhance the compliance-promotion functions of head office.
- All employees participate in the new Credo Creation Project to think about and discuss what kind of company they want the Company to be and what they want to achieve. Increasing communication outside chains of command and age groups to help create an open atmosphere within the Company
- A message expressing the Company’s determination to establish an integrity-oriented corporate culture has been published internally and externally. (It is also clearly stated in the Medium-term Management Plan.)

The Company takes the findings and recommendations in the investigation report seriously. It will continue to make every effort to implement measures that improve its operations to regain the trust of the shareholders and other stakeholders.

## **(5) Capital Investment**

We have been engaging in capital investment with a focus on optimizing our production systems, energy conservation, and environmental measures. We made capital investment of 3,060 million yen in the fiscal year under review, and major facilities and equipment that were completed or ongoing as of the end of the fiscal year under review are as follows.

### **A. Major facilities that were completed during the fiscal year under review**

#### **- The Company**

Relocation work for heat resistant electrically insulated pressboard manufacturing facilities at Takasago Mill

Energy-saving measures at Hachinohe Mill

Renovation of core systems due to the merger of subsidiaries (KJ SPECIALTY PAPER Co., Ltd. and Mitsubishi Oji Paper Sales Co., Ltd.)

#### **- Mitsubishi HiTec Paper Europe GmbH**

New construction of warehouses and improvement work for in-house warehouses

### **B. Major ongoing facilities as of the end of the fiscal year under review**

#### **- The Company**

Pulp equipment for chlorine-free bleaching at Hachinohe Mill

Optimization of photographic base paper production systems at Hachinohe Mill and Kitakami Mill

Measures to enhance the production yield of Paper Machine No. 5 at Hachinohe Mill

## **(6) Fund Procurement**

**Funds for facilities and working capital during the fiscal year under review were financed by cash on hand, borrowings from financial institutions, and the issuance of commercial paper, among other means.**



**(7) Status of Principal Parent Companies and Subsidiaries (As of March 31, 2025)**

**(i) Status of parent company**

**(ii) Status of the important subsidiary companies**

Name	Capital stock or investments in capital (Million yen)	Percentage of voting rights (%)	Relationships
Mitsubishi Oji Paper Sales Co., Ltd.	600	99.9	Sale of paper, printing plate materials, chemicals, etc., insurance agency business and real estate rental
Mitsubishi Paper Engineering Co., Ltd.	150	100.0	Design/installation of various machine and equipment construction
NAMITSU Co., Ltd.	90	100.0	Cargo transportation and warehousing
MPM OJI Home Products Co., Ltd.	80	70.0	Manufacture and sale of household paper
Toho Tokushu Pulp Co., Ltd.	60	99.9	Manufacture and sale of special pulp
MPM Operation Co., Ltd.	20	100.0	Entrustment with operation and management of production activities of Hachinohe Mill
Mitsubishi Paper Holding (Europe) GmbH	Thousand EUR 1,000	100.0	Management of European affiliates
Mitsubishi HiTec Paper Europe GmbH	Thousand EUR 11,759	100.0	Manufacture and sale of paper
Mitsubishi Imaging (MPM), Inc.	Thousand USD 1,000	100.0	Sale of paper and printing plate materials
Zhuhai MPM Filter Limited	Thousand CNY 20,103	100.0	Manufacturing, processing and sale of specialty materials

**(iii) Status of equity-method affiliated companies**

Company name	Capital stock (Million yen)	Percentage of voting rights of the Company (%)	Main business
MPM Oji Eco Energy Co., Ltd.	400	45.0	Power generation business, power sales business, and any other business incidental or related thereto
Hyogo Clay Co., Ltd.	25	36.2	Manufacturing of tankal and pigments for inkjet paper
Forestal Tierra Chilena Ltda.	Thousand USD 5,096	50.0	Transfer of land and plantation assets in January 2018 (the liquidation procedures are underway)

**(1) Others**

MPM is an equity-method affiliated company of Oji Holdings Corporation, which owns 33% of voting rights of MPM.

**(8) Principal Business (as of March 31, 2025)**

Functional Materials Business	Inkjet paper, thermal paper, PPC paper, other communication paper, base paper for construction, functional nonwoven fabric, photosensitive materials
Sustainable Fiber Materials Business	Uncoated printing paper, fine coated printing paper, coated printing paper, special printing paper, sanitary paper, packaging paper, white paperboard, other specialty paper, bleached kraft pulp, specialty pulp
Other Businesses	Engineering services

**(9) Main Offices and Mills (as of March 31, 2025)****(i) The Company**

Head Office	2-10-14 Ryogoku, Sumida-ku, Tokyo
Mills and Offices	Takasago Mill (Hyogo), Kyoto Mill (Kyoto), Hachinohe Mill (Aomori), Kitakami Division (Iwate), Fuji Mill (Shizuoka)
Laboratories	Takasago R&D Laboratory (Hyogo), Kyoto R&D Laboratory (Kyoto)

**(ii) Subsidiaries, etc.**

Functional Materials Business	Mitsubishi Paper Holding (Europe) GmbH (Germany) Mitsubishi HiTec Paper Europe GmbH (Germany) Mitsubishi Imaging (MPM), Inc.(U.S.A) Zhuhai MPM Filter Ltd. (China)
Sustainable Fiber Materials Business	Mitsubishi Oji Paper Sales Co., Ltd.(Tokyo), Toho Tokushu Pulp Co., Ltd.(Tokyo) MPM Operation Co., Ltd. (Aomori) MPM OJI Home Products Co., Ltd. (Aomori) NAMITSU Co., Ltd.(Osaka)
Other Businesses	Mitsubishi Paper Engineering Co., Ltd. (Aomori)

**(10) Status of employees (As of March 31, 2025)****(i) Status of Employees in the Corporate Group**

Business Category	Number of employees
Functional materials	1,320
Sustainable fiber materials	1,115
Others	182
Group-wide (not belonging to any specific segment)	103
Total	2,720 (Change from the previous period:-112)

(Note) The number of employees in the Company-wide (not belonging to any specific segment) category includes employees who belong to the administration division that cannot be classified into any specific business segment.

**(ii) Status of Employees in the Company**

Number of employees	Change from the end of the previous period	Average age	Average years of continuous service
905	+298	47.5	24.5

(Note) Other than the above, 442 employees are seconded to subsidiaries, etc.

**(11) Major lenders (FY2023 Mar 31,2024)**

Lender	Borrowing amount (Million yen)
Syndicated loans	10,960
MUFG Bank, Ltd.	9,373
The Norinchukin Bank	6,560
Development Bank of Japan, Inc.	3,811
The Nanto Bank, Ltd.	3,810
Joyo Bank, Ltd.	3,575

(Note) Syndicated loans are those provided by 23 financial institutions led by MUFG Bank, Ltd. and those offered by four financial institutions led by The Norinchukin Bank.

## 2. Matters related to the Company's shares (As of March 31, 2025)

- (1) Total number of shares authorized to be issued 90,000,000 shares  
 (2) Total number of authorized shares 44,741,433 shares  
 (3) Number of shareholders 16,016 people  
 (down 510 people from the end of the previous fiscal year)

### (4) Major shareholders

Name of shareholder	Number of shares held	Shareholding ratio
Oji Holdings Corporation	14,693,000 shares	32.9%
Isao Nasu	2,103,500 shares	4.7%
INTERACTIVE BROKERS LLC	1,946,800 shares	4.4%
Yusuke Kida	1,034,600 shares	2.3%
Mitsubishi Paper Mills Shareholder Association	968,450 shares	2.2%
The Master Trust Bank of Japan, Ltd. (Officer compensation BIP trust account, 76,599 units)	822,756 shares	1.8%
UEDA YAGI TANSI Co., Ltd.	692,200 shares	1.5%
The Norinchukin Bank	650,000 shares	1.5%
Eiji Terada	598,000 shares	1.3%
FUJIFILM Holdings Corporation	567,000 shares	1.3%

(Note) The ratio of share contribution is calculated with treasury stock (77,295 shares) deducted. Treasury stock does not include shares of MPM owned by the Board Incentive Plan.

### Distribution of Shareholders by Shareholder Type ← Pie chart

Category	Number of shareholders	Number of shares held	Shareholding ratio
Financial institutions	18 persons	3,685,460 shares	8.2%
Other corporations	207 persons	21,090,064 shares	47.2%
Individuals and others	15,663 persons	15,159,921 shares	33.9%
Foreign corporations and others	96 persons	3,716,258 shares	8.3%
Financial instruments business operators	32 persons	1,089,730 shares	2.4%
Total	16,016 persons	—	100.0%

### (5) Status of shares granted to Company officers during the fiscal year under review as consideration for performance of duties

	Number of shares	Number of eligible Directors
Directors (excluding Outside Directors)	0 shares	0

(Note) Details of the Company's stock-based compensation are described in "3. Matters related to company officers,

- (4) The amounts of compensation for Directors and Audit & Supervisory Board Members concerning the fiscal year under review."

### 3. Matters related to company officers

#### (1) Names and the status of important concurrent positions of Directors and Audit & Supervisory Board

Members (as of March 31, 2025)

Representative Director, President & CEO	Ryuichi Kisaka	
Representative Director	Shigeharu Sanada	
Director	Yuji Takagami	
Director	Kunihiro Nakagawa	
Director	Kazuhiro Nakauchi	
Director	Yoshihiro Kataoka	(Partner, Director, Kataoka & Kobayashi LPC Supervisor, SHIMIZU PRIVATE REIT, Inc.)
Director	Atsuko Watanabe	(President, Watanabe General Law Office Outside Director, Hokkan Holdings Limited)
Director	Soichi Nadahara	(Visiting professor, Nagoya University, Tokai National Higher Education and Research System Associate professor, Kyoto University of Advanced Science, Nagamori Gakuen)
Full-time Audit & Supervisory Board Member	Yasuyuki Kusuda	
Full-time Audit & Supervisory Board Member	Nobuko Otsuka	
Audit & Supervisory Board Member	Hiroaki Tonooka	(Trustee, Japan College of Social Work)
Audit & Supervisory Board Member	Satoshi Takizawa	(Representative Director, President, Mitsubishi UFJ Trust Business Co., Ltd.)

#### (2) Names and responsibilities of Executive Officers (As of March 31, 2025)

Position	Name	Responsibilities
* Executive Officer, President & CEO	Ryuichi Kisaka	—
* Senior Executive Vice President	Shigeharu Sanada	In charge of Corporate Governance Div., Director responsible for Sustainability Promotion
* Managing Executive Officer	Yuji Takagami	General Manager, Sustainable Fiber Materials Div. Director, President, Mitsubishi Oji Paper Sales Co., Ltd.
* Managing Executive Officer	Kunihiro Nakagawa	General Manager, Functional Materials Div. In charge of Research and Development Division and German operations Head, Fuji Mill
* Managing Executive Officer	Kazuhiro Nakauchi	General Manager, Technology Division Deputy General Manager, Research and Development Div. President & CEO, Mitsubishi Paper Engineering Co., Ltd.
Executive Officer	Hiroaki Kobayashi	Head of Hachinohe Mill, Head of Kitakami Mill, Deputy General Manager, Sustainable Fiber Materials Div. President & CEO, MPM Operation Co., Ltd.
Executive Officer	Takao Fujiura	General Manager, Corporate Governance Div.
Executive Officer	Hironori Oikawa	Head of Takasago Mill, Head of Kyoto Mill, Deputy General Manager, Functional Materials Div.
Executive Officer	Wakana Aizawa	General Manager, Research and Development Div. and General Manager, Intellectual Property Dept. Deputy General Manager, Technology Div.
Mission Executive	Hiroshi Mohara	Chairman and CEO, Zhuhai MPM Filter Limited Deputy General Manager, Functional Materials Div.

Mission Executive	Ryuki Fuchiwaki	General Manager, Internal Audit Dept.
Mission Executive	Ikuo Fujita	Deputy General Manager, Functional Materials Div. Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd.
Mission Executive	Fujitaka Mizushima	Officer responsible for German operations President, Mitsubishi Paper Holding (Europe) GmbH President, Mitsubishi HiTec Paper Europe GmbH President & CEO, Mitsubishi Imaging (MPM), Inc.
Mission Executive	Hidetaka Tsukada	Deputy Factory Manager, Fuji Mill Deputy General Manager, Functional Materials Div. Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd.
Mission Executive	Yukio Tokunaga	Deputy General Manager, Functional Materials Div. and General Manager, Functional Materials Sales Dept. Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd.
Mission Executive	Sadao Nakamura	Deputy General Manager, Sustainable Fiber Materials Div. Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd.
Mission Executive	Koji Yamanaka	Deputy General Manager, Strategy Planning Division and General Manager, Global Business Management Dept. Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd.
Mission Executive	Mitsuhiro Ikeda	Deputy Factory Manager, Kitakami Mills
Mission Executive	Hiroyuki Inou	Deputy Factory Manager, Hachinohe Mills Director, General Manager, Administrative Department, MPM Operation Co., Ltd.

Executive Officers with an asterisk concurrently serve as a Director.

- (Notes) 1. Directors Yoshihiro Kataoka, Atsuko Watanabe and Soichi Nadahara are Outside Directors.
2. Audit & Supervisory Board Members Hiroaki Tonooka, Satoshi Takizawa, and Nobuko Otsuka are Outside Audit & Supervisory Board Members.
3. Audit & Supervisory Board Member Hiroaki Tonooka has many years of experience in financial institutions including his serving as a Director and an Executive Officer at Meiji Yasuda Life Insurance Company and has expertise in accounting and finance.
4. Audit & Supervisory Board Member Satoshi Takizawa has many years of experience in financial institutions including his serving as a Director and a Senior Managing Executive Officer at Mitsubishi UFJ Trust and Banking Corporation and has expertise in accounting and finance.
5. Ms. Nobuko Otsuka, member of Audit & Supervisory Committee, has a high degree of knowledge in financial affairs and accounting, having worked over many years in the fields of tax affairs, accounting and internal auditing at the taxation bureau, a tax accountant corporation and Oji Holdings Corporation.
6. MPM has notified the Tokyo Stock Exchange of the appointment of Directors Yoshihiro Kataoka, Atsuko Watanabe, Soichi Nadahara and Audit & Supervisory Board Members Hiroaki Tonooka and Satoshi Takizawa as Independent Directors and Audit & Supervisory Board Members with no possibility of conflicts of interest with general shareholders.
7. There are no Directors and Audit & Supervisory Board Members who assumed or left office from the day following the 159th Annual General Meeting of Shareholders held during the fiscal year under review (June 27, 2024) to the end of the fiscal year.
8. Responsibilities of Executive Officers and Mission Executives have been changed as follows, effective April 1, 2025.

Position	Name	Responsibilities
Executive Officer, President & CEO	Ryuichi Kisaka	General Manager, Strategy Planning Div.
Senior Executive Vice President	Shigeharu Sanada	General Manager, Corporate Governance Div. Director responsible for Sustainability Promotion
Managing Executive Officer	Yuji Takagami	General Manager, Sustainable Fiber Materials Div. Director, President, Mitsubishi Oji Paper Sales Co., Ltd.
Managing Executive Officer	Kunihiro Nakagawa	General Manager, Functional Materials Div. In charge of Research and Development Div. and German operations Head, Fuji Mill
Managing Executive Officer	Kazuhiro Nakauchi	General Manager, Technology Division Deputy General Manager, Research and Development Div. President & CEO, Mitsubishi Paper Engineering Co., Ltd.
Executive Officer	Hironori Oikawa	Head of Takasago Mill and Head of Kyoto Mill Deputy General Manager, Functional Materials Div.
Executive Officer	Wakana Aizawa	General Manager, Research and Development Div. and General Manager, Intellectual Property Dept. and Director, Takasago R&D Center Deputy General Manager, Technology Div.
Executive Officer	Sadao Nakamura	Deputy General Manager, Sustainable Fiber Materials Div. Deputy Factory Manager, Kitakami Mills Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd.
Mission Executive	Hiroshi Mohara	Deputy General Manager, Technology Div.
Mission Executive	Ikuo Fujita	Deputy General Manager, Functional Materials Div. and General Manager, Industrial Materials Sales Dept. Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd. Chairman, Zhuhai MPM Filter Limited
Mission Executive	Fujitaka Mizushima	Officer responsible for German operations President, Mitsubishi Paper Holding (Europe) GmbH President, Mitsubishi HiTec Paper Europe GmbH President & CEO, Mitsubishi Imaging (MPM), Inc.
Mission Executive	Hidetaka Tsukada	Deputy Factory Manager, Fuji Mill Deputy General Manager, Functional Materials Div. Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd.
Mission Executive	Yukio Tokunaga	Deputy General Manager, Functional Materials Div. Managing Executive Officer, Mitsubishi Oji Paper Sales Co., Ltd.
Mission Executive	Hiroyuki Inou	Deputy Factory Manager, Hachinohe Mills Director, General Manager, Administrative Department, MPM Operation Co., Ltd.
Mission Executive	Koji Kobata	Deputy General Manager, Strategy Planning Div., General Manager, Raw Materials & Purchasing Dept.
Mission Executive	Hiroataka Noguchi	Deputy General Manager, Corporate Governance Div.
Mission Executive	Hideaki Ishiguro	Head of Hachinohe Mill, Head of Kitakami Mill Deputy General Manager, Sustainable Fiber Materials Div. Director, MPM Operation Co., Ltd.
Mission Executive	Hiroshi Ogiya	Deputy General Manager, Technology Div., General Manager, Technology Dept.
Mission Executive	Takeshi Motokura	Deputy Factory Manager, Hachinohe Mills President & CEO and General Manager, Converting Dept., MPM Operation Co., Ltd.



(3) Outline of liability insurance for officers, etc.

MPM signs a directors and officers liability insurance policy as specified in paragraph 1, Article 430-3 of the Companies Act to cover damages such as compensation and legal expenses if a damage compensation claim is filed against the insured during the insurance period due to an act committed by the insured in their capacity as the insured under this insurance. However, the above policy does not cover damages arising from the insured's illegal obtaining of benefits or advantages, criminal acts, dishonest acts, fraudulent acts or acts committed with knowledge that they violate laws, regulations, or regulatory statutes.

The insured of the insurance policy is the Directors, Audit & Supervisory Board Members and managerial employees of MPM, and MPM pays all of the premiums for all of the insured.

(4) The amounts of compensation for Directors and Audit & Supervisory Board Members concerning the fiscal year under review

(i) Matters related to resolutions of the Shareholders' Meeting about remuneration for the Directors and Audit & Supervisory Board Members

The amount of monetary compensation for Directors was resolved at the 156th Ordinary Shareholders' Meeting held on June 25, 2021 to be within 280 million yen per year (not including salaries Directors receive for their concurrently serving as employees of the Company). The number of Directors when the annual Shareholders' Meeting ended was eight (including two Outside Directors).

Additionally, separately from monetary compensation, it was resolved at the same Shareholders' Meeting that MPM will contribute up to 150 million yen per fiscal year to a trust as a performance-linked stock compensation plan for Directors and Executive Officers (excluding Outside Directors, part-time Directors and non-residents of Japan), and that the maximum number of shares of MPM to be delivered, etc. through the trust will be a total of 1.8 million points (equivalent to 1.8 million shares) for three fiscal years. As of the conclusion of the Ordinary Shareholders' Meeting, five Directors (excluding Outside Directors, part-time Directors and non-residents of Japan) are participating in the performance-linked stock compensation plan.

The amount of monetary compensation for Audit & Supervisory Board Members was resolved at the 121st Ordinary Shareholders' Meeting held on June 27, 1986 to be within 7 million yen per month. The number of Audit & Supervisory Board Members when the annual Shareholders' Meeting ended was three.

(ii) Policies on decisions related to details of compensation for individual Directors, etc.

a. Details of the policies

At a meeting held on May 12, 2022, the Company's Board of Directors resolved policies for determining details of the compensation for individual Directors.

MPM's Basic Policies on Corporate Governance stipulate that compensation for Directors and Executive Officers shall be appropriate, fair, and balanced to motivate them to achieve the sustainable growth of MPM and the enhancement of its corporate value over the medium and long term, and that the Board of Directors shall make a resolution on this matter after consulting the Nomination and Remuneration Committee, which is an advisory body to the Board of Directors and chaired by an Outside Director.

Compensation for Directors (excluding Outside Directors and part-time Directors) consists of a remuneration (cash) and stock-based compensation. Stock-based compensation consists of a fixed portion not linked to business performance and a portion linked to business performance. The stock-based compensation that is not linked to business performance is the granting of a certain number of stock delivery points in accordance with the Director's position. The stock-based compensation that is linked to business performance is the granting of stock delivery points linked to the consolidated operating income for each fiscal year during the subject period in accordance with the Director's position. Since

indicators for performance-linked compensation are highly connected to company performance, the consolidated operating income, etc., announced in the consolidated performance forecast are used as indicators to ensure the executive compensation system is highly transparent and objective. Regarding stock-based compensation, the total number of shares to be delivered (one share of the Company's stock per stock delivery point) will be determined after the Director retires.

Outside Directors and part-time Directors are not paid stock-based compensation from the perspective of their independence for Outside Directors, and for the part-time Directors, due to the fact that they do not excuse business operations. Outside Directors and part-time Directors are paid only a fixed remuneration (cash).

b. Weighting of performance-linked compensation and compensation other than performance-linked compensation

Compensation for Directors consists of remuneration (cash) and stock-based compensation, and the stock-based compensation consists of a fixed portion not linked to business performance and a portion linked to business performance.

The weighting for each category, which serves as the standard, is as follows.

Classification	Stock-based compensation			Total
	Monetary remuneration	Non-monetary remuneration (fixed)	Non-monetary remuneration (Performance-linked)	
Director (excluding Outside Directors and part-time Directors)	78%	11%	11%	100%
Outside Directors and part-time Directors	100%	—	—	100%

(Notes) 1. The monetary remuneration is determined based on the Directors' positions and their effectiveness in the previous fiscal year.

The monetary remuneration comprises basic remuneration and performance-based pay for officers. The total performance-based pay is limited to 20% of the total basic remuneration for eligible officers.

2. The actual weighting varies depending on each Director's effectiveness and the amount of performance-linked compensation paid.

c. Calculation method of stock-based compensation

(Fixed portion)

The fixed portion is a fixed amount determined according to the Director's position and calculated by "fixed share delivery points."

Fixed share delivery points: Base amount of stock-based compensation by position x 0.5 / Average acquisition price of the Company's shares by the Trust<sup>(\*)</sup>

(Performance-linked portion)

The performance-linked portion is calculated based on the "performance-linked stock delivery points" determined according to the Director's position and the achievement-linked coefficient.

Performance-linked stock delivery points: Base amount of stock-based compensation by position x 0.5 x Achievement-linked coefficient<sup>(\*)</sup> / Average acquisition price of the Company's shares by the Trust<sup>(\*)</sup>

\*1. If the Trust period is extended, the average acquisition price of the Company's shares after the extension of the Trust shall be used.

\*2. The achievement-linked coefficient shall be a coefficient based on the degree of achievement of the target consolidated operating income for each fiscal year, and shall be resolved by the Board of Directors together with the setting of the amount of such target consolidated operating income. The value of the achievement-linked

coefficient to be applied is as follows. The amount of the target consolidated operating income for the fiscal year under review is 8,000 million yen, and the actual amount was 4,567 million yen. The amount of the target consolidated operating income for the fiscal year ending March 31, 2026 is 8,000 million yen.

Formula

Achievement-linked coefficient = Coefficient according to the achievement level of target consolidated operating income (the actual value of consolidated operating income is calculated after rounding down to the nearest 100 million yen, and values less 1% are rounded off)

Achievement-linked coefficient for the fiscal year under review = 4,500 million yen / 8,000 million yen = 56%

(Coefficient table based on the achievement level of target consolidated operating income)

Target achievement level	Achievement-linked coefficient:
0% or less (loss)	0%
More than 0% but less than 100%	Target achievement level
100%	100%
More than 100% but less than 200%	$100\% + (\text{Target achievement level} - 100\%) / 2$
200% or more	150%

3. The points are fixed at the time of retirement and are paid by converting a certain percentage of the tax payment funds into cash.

#### d. Cash plan

For non-residents in Japan, the cash plan system will be applied instead of the performance-linked stock compensation plan, and cash linked to the share price of the Company's stock will be paid. In this plan, the same point calculation as in the performance-linked stock compensation plan will be performed in accordance with the regulations concerning the stock-based compensation for Directors and Executive Officers, etc. and the calculated points will be granted as cash plan points. With respect to points provided, money will be paid in the amount obtained by the number of accumulated points multiplied by the share price of the Company's stock at the end of each year of engaging in work duties or at the time when the subject person ceases to be eligible for the system.

#### (iii) Method for determining remuneration

The Company has established the Nomination and Remuneration Committee as an advisory body to the Board of Directors, which is appointed from the Representative Directors and Independent Outside Directors and chaired by an Independent Outside Director. Receiving inquiries from the Board of Directors, the Nomination and Remuneration Committee considers policies regarding compensation for Directors and Executive Officers and details of individual compensation based on the policies in (ii) above, and reports to the Board of Directors.

(iv) The total amount of remuneration and other payments for Directors and Audit & Supervisory Board Members

Classification	Number of eligible recipients Persons	Total amount of remuneration, etc. Million yen	Total amount of remuneration, etc. by type and the number of eligible recipients							
			Fixed remuneration		Stock-based compensation				Cash plan	
			Monetary remuneration		Non-monetary remuneration (fixed)		Non-monetary remuneration (linked to business performance)		Monetary remuneration	
			Number of eligible recipients Persons	Total amount Million yen	Number of eligible recipients Persons	Total amount Million yen	Number of eligible recipients Persons	Total amount Million yen	Number of eligible recipients Persons	Total amount Million yen
Director	10	184	10	150	5	17	5	8	1	7
Audit & Supervisory Board Member	4	53	4	53	–	–	–	–	–	–
Total (Outside Officers)	14 (7)	237 (58)	14 (7)	203 (58)	5 (–)	17 (–)	5 (–)	8 (–)	1 (–)	7 (–)

- (Notes) 1. The table above includes the remuneration paid to two Directors who retired at the conclusion of the 159th Ordinary General Meeting of Shareholders held on June 27, 2024 during their terms of office.
2. The total amount of each stock-based compensation and cash plan above is the sum of the amounts expensed during the fiscal year under review. The portion linked to business performance of the stock-based compensation and cash plan will be determined after the end of the fiscal year based on the actual achievement of consolidated operating income targets.

(v) Reasons for determining that compensation for individual Directors for the fiscal year under review is in line with the policy determined by the Board of Directors

When determining remuneration for individual Directors, the Nomination and Remuneration Committee, chaired by an independent Outside Director, deliberates on appropriateness from multiple perspectives based on the policies described in (ii) above, and reports to the Board of Directors. Given that the Board of Directors has passed resolutions based on the deliberation process and report of the Nomination and Remuneration Committee, the Board of Directors has determined that remuneration for individual Directors during the fiscal year under review is in line with the policies.

(5) Matters related to Outside Officers (as of March 31, 2025)

a. Important concurrent positions and relationship between MPM and the entities where they hold concurrent positions

Director Yoshihiro Kataoka is a Partner and Director of Kataoka & Kobayashi, and a Supervisor of SHIMIZU PRIVATE REIT, Inc. MPM has no special relationships with the above companies where he holds concurrent positions.

Director Ms. Atsuko Watanabe is President of Watanabe General Law Office and Outside Director of Hokkan Holdings Co., Ltd. MPM has no special relationships with the above companies where he holds concurrent positions.

Director Soichi Nadahara is a visiting professor at Nagoya University, Tokai National Higher Education and Research System and an Associate professor at the Kyoto University of Advanced Science, Nagamori Gakuen. MPM has no special relationships with the above companies where he holds concurrent positions. Audit & Supervisory Board Member Hiroaki Tonooka is a Councilor at the Japan College of Social Work. MPM has no special relationships with the above companies where he holds concurrent positions.

Audit & Supervisory Board Member Satoshi Takizawa is the Representative Director and President of

Mitsubishi UFJ Trust and Banking Corporation. MPM has no special relationships with the above companies where he holds concurrent positions.

b. Main activities for the fiscal year under review

- Attendance at the Board of Directors meetings and the Audit & Supervisory Board meetings

		Board of Directors	Audit & Supervisory Board
Director	Yoshihiro Kataoka	16 meetings / 16 meetings (100%)	–
Director	Atsuko Watanabe	16 meetings / 16 meetings (100%)	–
Director	Soichi Nadahara	11 meetings / 11 meetings (100%)	–
Audit & Supervisory Board Member (Full-time Audit & Supervisory Board Member)	Nobuko Otsuka	16 meetings / 16 meetings (100%)	15 meetings / 15 meetings (100%)
Audit & Supervisory Board Member	Hiroaki Tonooka	16 meetings / 16 meetings (100%)	15 meetings / 15 meetings (100%)
Audit & Supervisory Board Member	Satoshi Takizawa	16 meetings / 16 meetings (100%)	15 meetings / 15 meetings (100%)

- Statements made at Board of Directors meetings and Audit & Supervisory Board meetings

Director Yoshihiro Kataoka plays a role in making decisions on important matters and supervising the execution of business operations by asking questions and providing recommendations from an independent and objective standpoint based on his experience and insight as a lawyer with expertise in corporate legal affairs. Additionally, as the chairperson of the Nomination and Remuneration Committee, he attended all five Nomination and Remuneration Committee meetings held during the fiscal year under review and contributed to the strengthening of the corporate governance of MPM by enhancing objectivity in the selection of candidates for Directors and the determination of officer remuneration.

Director Atsuko Watanabe plays a role in making decisions on important matters and supervising the execution of business operations by asking questions and providing recommendations from an independent and objective standpoint based on her experience and insight as a lawyer with expertise in corporate legal affairs. Additionally, as a member of the Nomination and Remuneration Committee, she attended all three Nomination and Remuneration Committee meetings held during her term of office in the fiscal year under review and contributed to the strengthening of the corporate governance of MPM by enhancing objectivity in the selection of candidates for Directors and the determination of officer remuneration.

Director Soichi Nadahara has been involved in research and development at manufacturers and has played a part in management while also collaborating with universities and companies in Japan and abroad to promote the acquisition of technology. Based on this extensive experience, he plays a role in making decisions on important matters and overseeing business execution by asking questions and making recommendations from an independent and objective standpoint, thereby contributing to strengthening the Company's corporate governance.

Audit & Supervisory Board Member Nobuko Otsuka conducts appropriate and effective audits of the Company's business execution by objectively expressing useful opinions based on her expert insight into tax affairs, accounting and audits cultivated through her experience at the taxation bureau, a tax accountant corporation and Oji Holdings Corporation.

Audit & Supervisory Board Member Hiroaki Tonooka appropriately and effectively audits the Company's business operations by providing useful comments from an independent and objective standpoint based

on his experience in the management of a life insurance company and his expertise in accounting and finance in general.

Audit & Supervisory Board Member Satoshi Takizawa appropriately and effectively audits the Company's business operations by providing useful comments from an independent and objective standpoint based on his experience in the management of a trust bank and his expertise in accounting and finance in general.

- Response to inappropriate incident at a subsidiary of the Company

As stated in "Issues to be addressed," at the Shirakawa Production Facility of Mitsubishi Paper Engineering Co., Ltd., a wholly owned subsidiary of the Company, an inadequate quality inspection of heat resistant electrically insulated pressboard products was identified. This incident was publicly announced on May 10, 2024. On May 14, 2025, the Company published an investigation report from a special investigation committee made up of outside experts. The Outside Directors and Outside Audit & Supervisory Board Members consistently adopt a compliance management perspective. They actively participate in discussions at Board of Directors meetings and properly fulfill their responsibilities. They were unaware of the incident until it was brought to their attention. However, once it was identified, they made recommendations for thorough investigations to clarify the details of the incident, identify the causes, and implement measures to enhance the compliance system to prevent any recurrence at meetings of the Board of Directors and Audit & Supervisory Board.

c. Outline of agreement for limitation of liability

The Company has concluded contracts for the limitation of liability, by which the liability for damages stipulated in Article 423, paragraph (1) of the Companies Act of Japan is limited by the provision of Article 427, paragraph (1) of the said Act, with its Outside Directors and Outside Audit & Supervisory Board Members.

The maximum amount of liability for compensation of damages under the agreement is the higher of 10 million yen or the amount stipulated by law.

#### 4. Status of Accounting Auditors

(1) Name of Accounting Auditor (As of March 31, 2025)

Ernst & Young ShinNihon LLC.

(2) The amount of fees, etc. paid to Accounting Auditors for the fiscal year under review

a. Fees, etc. paid to Accounting Auditors for the fiscal year under review

65 million yen

b. Total amount of money and other financial benefits that the Company and its subsidiaries should pay to Accounting Auditors

83 million yen

(Notes) 1. Since the amount of fees and other considerations paid to Accounting Auditors under the Companies Act and the amount of remuneration for auditing services under the Financial Instruments and Exchange Act are not distinguished in the agreement between MPM and the Accounting Auditors, the amount in a above is the sum of these amounts.

2. Among MPM's important subsidiaries, Mitsubishi Paper Holding (Europe) GmbH, Mitsubishi HiTec Paper Europe GmbH, Mitsubishi Imaging (MPM), Inc. and Zhuhai MPM Filter Limited are subject to audits (limited to those under the provisions of the Companies Act and the Financial Instruments and Exchange Act (including equivalent foreign laws and regulations)) of their financial statements by certified public accountants or auditing firms (including those who have qualifications equivalent to these qualifications in foreign countries) other than MPM's Accounting Auditors.

3. The amount of fees, etc. paid to Accounting Auditors includes additional fees of 4 million yen for the previous fiscal year.

4. Based on the Practical Guidelines for Cooperation with Accounting Auditors published by the members of the Japan Audit & Supervisory Board, the Audit & Supervisory Board obtained and received explanations from the Accounting Auditors and related departments within MPM regarding the comparison of audit plans and results for the previous fiscal year, audit time and compensation and other necessary materials, and further examined the adequacy of audit plans and estimated compensation for the fiscal year under review by reviewing the audit fees of other companies. As a result, MPM determined that the remuneration, etc. of the Accounting Auditors was appropriate and gave its consent as stipulated in Article 399, Paragraph 1 of the Companies Act.

(3) Policy on decision to dismiss or not to reappoint Accounting Auditors

The Audit & Supervisory Board will dismiss the Accounting Auditors with the unanimous consent of the Audit & Supervisory Board Members if any of the items of Article 340, Paragraph 1 of the Companies Act apply regarding the Accounting Auditors.

In cases other than the foregoing where it is deemed difficult for the Accounting Auditors to perform appropriate audits due to the occurrence of events which undermine their suitability or independence, the Audit & Supervisory Board will determine the details of a proposal for the dismissal or non-reappointment of the Accounting Auditors, and the Board of Directors will submit the proposal to the General Meeting of Shareholders based on this decision.

## **5. Policy regarding decisions on dividends of surplus, etc.**

The Company's basic policy regarding dividends of surplus and the like is to regard the distribution of profits to shareholders as a key management issue and to maintain stable dividends while comprehensively considering business performance in each business year and investments for future growth.

As for the year-end dividend for the fiscal year under review, the Company has decided to pay a dividend of 15 yen per share, an increase of 5 yen compared to the previous year, after taking into consideration its business performance over the past three years and anticipated increases in future earnings.

For the fiscal year ending March 31, 2026, the Company plans to pay a year-end dividend of 15 yen per share under the basic policy above.

Under Article 459 of the Companies Act, the Articles of Incorporation stipulate that dividends of surplus, etc. shall be paid by resolution of the Board of Directors.



# Consolidated Balance Sheet

(As of March 31, 2025)

(Million yen)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	91,512	Current liabilities	88,882
Cash and deposits	6,239	Notes and accounts payable - trade	21,258
Notes receivable-trade	7,948	Electronically recorded obligations	3,221
Accounts receivable - trade	31,724	Short-term loans payable	42,014
Merchandise and finished goods	21,737	Commercial papers	10,000
Work in progress	6,736	Lease obligations	229
Raw materials and supplies	13,547	Accrued expenses	6,619
Others	3,618	Income taxes payable	2,026
Allowance for doubtful accounts	(40)	Contract liabilities	308
		Others	3,204
Non-current assets	116,704	Non-current liabilities	34,052
Property, plant and equipment	66,684	Long-term loans payable	19,864
Buildings and structures	16,443	Lease obligations	227
Machinery, equipment and vehicles	27,589	Deferred tax liabilities	6,039
Land	20,420	Provision for share awards	152
Leased assets	405	Provision for directors' retirement benefits	5
Construction in progress	840	Net defined benefit liability	5,559
Others	985	Asset retirement obligation	940
		Others	1,262
Intangible assets	1,338	Total liabilities	122,934
Others	1,338	Net assets	
Investments and other assets	48,681	Shareholders' equity	63,914
Investment securities	24,813	Capital stock	36,561
Long-term loans receivable	3	Capital surplus	6,524
Net defined benefit asset	22,379	Retained earnings	21,233
Deferred tax assets	724	Treasury shares	(405)
Others	830	Accumulated other comprehensive income	21,341
Allowance for doubtful accounts	(69)	Valuation difference on available-for-sale securities	8,039
		Foreign currency translation adjustment	1,100
		Remeasurements of defined benefit plans	12,201
		Non-controlling interests	26
		Total net assets	85,282
Total assets	208,217	Total liabilities and net assets	208,217

(Note) The stated amounts are rounded down to the nearest million yen.

## Consolidated Statement of Income

From April 1, 2024 to March 31, 2025

(Million yen)

Item	Amount	
Net sales		175,942
Cost of sales		150,779
Gross profit		25,162
Selling, general and administrative expenses		20,595
Operating income		4,567
Non-operating income		
Interest income	22	
Dividend income	502	
Share of profit of entities accounted for using equity method	706	
Others	364	1,595
Non-operating expenses		
Interest expenses	1,019	
Foreign exchange losses	49	
Loss on disaster	237	
Others	307	1,614
Ordinary income		4,548
Extraordinary income		
Gain on disposal of non-current assets	4,032	
Gain on sales of investment securities	1,834	
Others	119	5,985
Extraordinary losses		
Loss on disposal of non-current assets	155	
Impairment loss	1,660	
Special investigation expenses	201	
Business restructuring costs	59	
Others	253	2,330
Profit before income taxes		8,203
Income taxes - current		1,957
Income taxes - deferred		1,896
Profit		4,348
Profit attributable to non-controlling interests		5
Profit attributable to owners of parent		4,343

(Note) The stated amounts are rounded down to the nearest million yen.

(As of March 31, 2025)

(Million yen)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	69,132	Current liabilities	79,012
Cash and deposits	4,589	Accounts payable - trade	13,657
Notes receivable - trade	229	Electronically recorded obligations	2,601
Accounts receivable - trade	29,135	Short-term loans payable	45,741
Merchandise and finished goods	16,353	Commercial papers	10,000
Work in progress	4,137	Lease obligations	28
Raw materials and supplies	10,037	Accounts payable - other	1,400
Advance payments to suppliers	19	Accrued expenses	5,093
Prepaid expenses	330	Income taxes payable	151
Short-term loans receivable	2,256	Contract liabilities	176
Accounts receivable - other	1,337	Unearned revenue	33
Others	704	Deposits received	87
		Electronically recorded obligations – non-operating	40
Non-current assets	88,143	Others	0
Property, plant and equipment	54,894	Non-current liabilities	20,417
Buildings	10,818	Long-term loans payable	18,782
Structures	2,651	Lease obligations	50
Machinery and equipment	23,794	Provision for share awards	152
Vehicles	35	Asset retirement obligation	940
Tools, furniture and fixtures	326	Others	491
Land	15,959		
Mountains and planted forests	442		
Leased assets	70		
Construction in progress	795	Total liabilities	99,430
Intangible assets	1,305	Net assets	
Trademark right	0	Shareholders' equity	55,477
Software	1,236	Capital stock	36,561
Others	68	Capital surplus	8,094
Investments and other assets	31,943	Legal capital surplus	8,094
Investment securities	5,780	Retained earnings	11,182
Shares of subsidiaries and associates	7,326	Legal retained earnings	66
Investments in capital of subsidiaries and associates	9,330	Other retained earnings	11,115
Long-term loans receivable	1,452	Retained earnings brought forward	11,115
Long-term prepaid expenses	108	Treasury shares	(360)
Prepaid pension costs	6,228	Valuation and translation adjustments	2,367
Deferred tax assets	1,395	Valuation difference on available-for-sale securities	2,367
Others	343	Total net assets	57,845
Allowance for doubtful accounts	(22)	Total liabilities and net assets	157,275
Total assets	157,275		

(Note) The stated amounts are rounded down to the nearest million yen.

## Statement of Income

From April 1, 2024 to March 31, 2025

(Million yen)

Item	Amount	
Net sales		106,347
Cost of sales		91,410
Gross profit		14,936
Selling, general and administrative expenses		9,838
Operating income		5,098
Non-operating income		
Interest and dividend income	3,836	
Proceeds from miscellaneous income	311	4,148
Non-operating expenses		
Interest expenses	590	
Loss on disaster	241	
Miscellaneous loss	274	1,106
Ordinary income		8,139
Extraordinary income		
Gain on sales of investment securities	1,703	
Gain on extinguishment of tie-in shares	3,246	
Others	90	5,040
Extraordinary losses		
Loss on disposal of non-current assets	151	
Impairment loss	1,660	
Special investigation expenses	201	
Others	7	2,019
Profit before income taxes		11,160
Income taxes - current		18
Income taxes - deferred		1,777
Profit		9,364

(Note) The stated amounts are rounded down to the nearest million yen.