

## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (unaudited)

Company name: Mitsubishi Paper Mills Limited

Stock exchange listing: Tokyo Stock Exchange

Code number: 3864

URL: <https://www.mpm.co.jp/>

Representative: Yukihiro Tachifuji, President and Chief Executive Officer

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(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2020 (April 1, 2020 to June 30, 2020)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2020	41,173	(14.4)	(1,479)	-	(1,236)	-	(1,661)	-
June 30, 2019	48,098	(3.5)	(599)	-	(789)	-	(1,181)	-

(Note) Comprehensive income: Three months ended June 30, 2020: ¥(1,256) million [-%]

Three months ended June 30, 2019: ¥(1,738) million [-%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	(37.21)		-	
June 30, 2019	(26.46)		-	

### (2) Consolidated Financial Condition

	Total assets		Net assets		Equity ratio	
	Million yen		Million yen		%	
As of June 30, 2020	214,293		59,047		27.6	
As of March 31, 2020	212,217		60,527		28.5	

(Reference) Equity: As of June 30, 2020: ¥59,044 million

As of March 31, 2020: ¥60,525 million

### 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2020	Yen -	Yen 0.00	Yen -	Yen 5.00	Yen 5.00
Fiscal year ending March 31, 2021	-				
Fiscal year ending March 31, 2021 (Forecast)		-	-	-	-

(Note) Revision to the forecast for dividends announced most recently: None

Year-end dividend for Fiscal year ending March 31, 2021 has yet to be determined.

### **3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)**

It is not possible at this stage to accurately and reasonably calculate the impact of the coronavirus pandemic. Therefore, the consolidated financial outlook for the fiscal year ending in March 2021 has yet to be finalized. The financial outlook will be announced as soon as it is possible to do so

(Note) Revision to the financial results forecast announced most recently: None

#### **\* Notes:**

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None

New: - (Company name); Excluded: - (Company name)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: Yes

4) Retrospective restatement: None

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

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

June 30, 2020: 44,741,433 shares

March 31, 2020: 44,741,433 shares

2) Total number of treasury shares at the end of the period:

June 30, 2020: 82,580 shares

March 31, 2020: 82,401 shares

3) Average number of shares during the period:

Three months ended June 30, 2020: 44,658,968 shares

Three months ended June 30, 2019: 44,660,765 shares

\* This quarterly financial results report is exempt from quarterly review by Certified Public Accountants or an Audit Firm.

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

The earnings forecasts and other forward-looking statements herein are based on information currently acquired by the Company and certain assumptions assessed to be reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

**Consolidated Financial Statements**  
**(1) Consolidated Balance Sheets**

(Million yen)

	As of March 31, 2020	As of June 30, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	9,260	6,851
Notes and accounts receivable - trade	31,358	37,491
Merchandise and finished goods	30,138	28,411
Work in process	7,066	7,018
Raw materials and supplies	11,278	11,965
Other	3,629	3,656
Allowance for doubtful accounts	(157)	(140)
Total current assets	92,576	95,254
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	24,459	24,044
Machinery, equipment and vehicles, net	43,816	42,426
Land	21,898	21,841
Construction in progress	467	1,281
Other, net	3,066	2,922
Total property, plant and equipment	93,708	92,517
Intangible assets		
Other	409	385
Total intangible assets	409	385
Investments and other assets		
Investment securities	15,763	16,712
Other	9,833	9,498
Allowance for doubtful accounts	(74)	(74)
Total investments and other assets	25,523	26,136
Total non-current assets	119,641	119,039
Total assets	212,217	214,293

(Million yen)

	As of March 31, 2020	As of June 30, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	22,082	18,577
Electronically recorded obligations	3,934	3,514
Short-term loans payable	64,267	61,989
Commercial paper	4,000	15,000
Income taxes payable	431	210
Other	10,804	10,752
Total current liabilities	105,519	110,045
Non-current liabilities		
Long-term loans payable	33,495	32,840
Net defined benefit liability	9,423	9,233
Asset retirement obligations	883	883
Other	2,366	2,242
Total non-current liabilities	46,169	45,201
Total liabilities	151,689	155,246
<b>Net assets</b>		
Shareholders' equity		
Capital stock	36,561	36,561
Capital surplus	8,555	8,555
Retained earnings	13,719	11,834
Treasury shares	(152)	(152)
Total shareholders' equity	58,684	56,799
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,206	1,748
Foreign currency translation adjustment	1,095	933
Remeasurements of defined benefit plans	(461)	(436)
Total accumulated other comprehensive income	1,840	2,245
Non-controlling interests	2	3
Total net assets	60,527	59,047
Total liabilities and net assets	212,217	214,293

(2) Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income  
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Net sales	48,098	41,173
Cost of sales	41,662	36,498
Gross profit	6,435	4,674
Selling, general and administrative expenses	7,035	6,154
Operating loss	(599)	(1,479)
Non-operating income		
Interest income	13	9
Dividend income	233	262
Share of profit of entities accounted for using equity method	18	189
Other	106	82
Total non-operating income	371	543
Non-operating expenses		
Interest expenses	264	200
Foreign exchange losses	183	41
Other	113	59
Total non-operating expenses	561	300
Ordinary loss	(789)	(1,236)
Extraordinary income		
Gain on disposal of non-current assets	3	7
Gain on sales of investment securities	47	0
Other	0	-
Total extraordinary income	51	7
Extraordinary losses		
Loss on disposal of non-current assets	198	201
Other	95	28
Total extraordinary losses	294	229
Loss before income taxes	(1,032)	(1,459)
Income taxes	138	202
Loss	(1,170)	(1,661)
Profit attributable to non-controlling interests	10	0
Loss attributable to owners of parent	(1,181)	(1,661)

Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Loss	(1,170)	(1,661)
Other comprehensive income		
Valuation difference on available-for-sale securities	(730)	543
Foreign currency translation adjustment	(55)	(157)
Remeasurements of defined benefit plans, net of tax	218	24
Share of other comprehensive income of entities accounted for using equity method	(0)	(5)
Total other comprehensive income	(568)	405
Comprehensive income	(1,738)	(1,256)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,761)	(1,257)
Comprehensive income attributable to non-controlling interests	22	0