

**Financial Review  
for the First Half of  
the Fiscal Year-ended March 31, 2009**

November 18, 2008  
Mitsubishi Paper Mills Limited

**Financial Results  
for the First Half of  
the Fiscal Year-ended March 31, 2009**

# Key Figures < Consolidated >



(unit: 100 million yen)

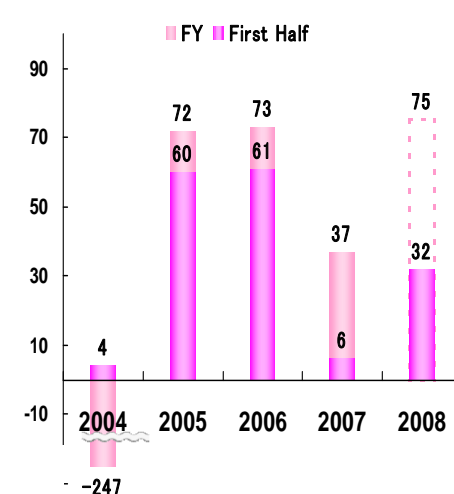
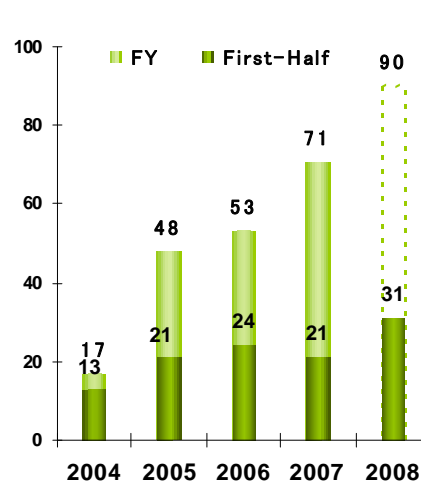
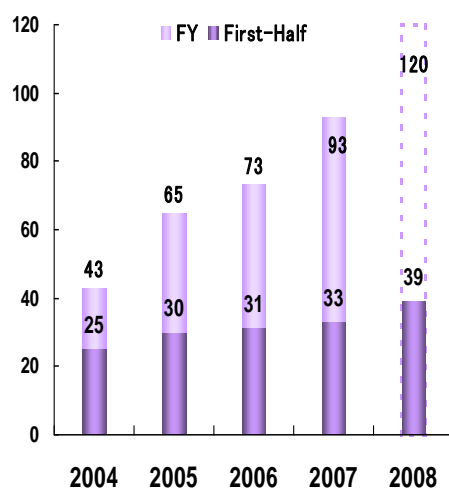
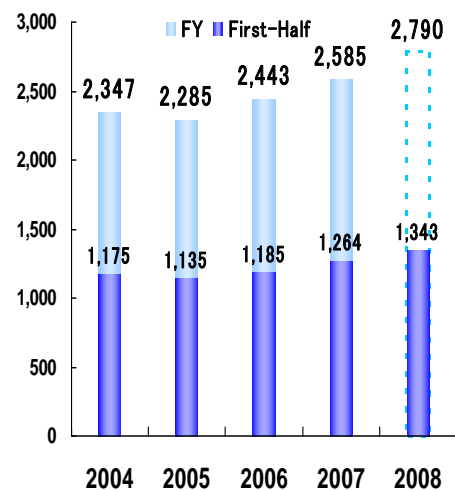
	FY2007 First-Half		FY2008 First-Half		Increment		Original Forecast (published 5/9/08)
	Amount	Sales Profit %	Amount	Sales Profit %	Amount	%	Amount
Revenue	1,264	—	1,343	—	79	6.2	1,360
Operating Profit	33	2.6	39	2.9	6	18.3	40
Ordinary Profit	21	1.7	31	2.3	10	46.8	25
Net Profit	6	0.5	32	2.4	26	450.8	30

Revenue

Operating Profit

Ordinary Profit

Net Profit



# Segment Information by Product

< Consolidated >



(Unit: 100 million yen/%)

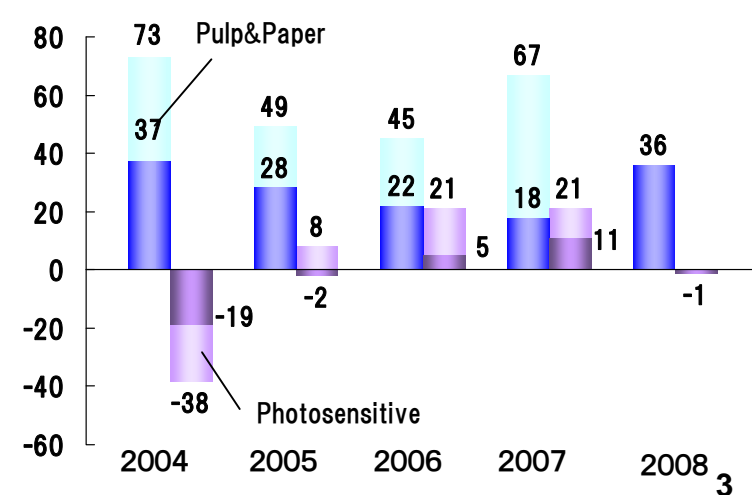
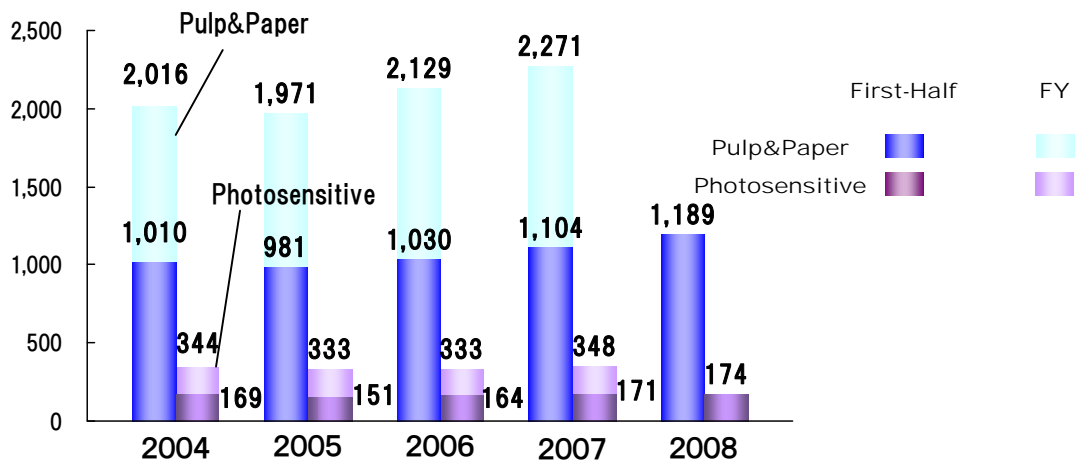
		FY2007 First -Half	FY2008 First-Half	Increment	%
Revenue	Pulp & Paper	1,104	1,189	85	7.7
	Photosensitive	171	174	3	1.7
	Others	128	114	▲14	▲11.3
	Internal Transfer	▲139	▲134	5	—
	<b>Total</b>	<b>1,264</b>	<b>1,343</b>	<b>79</b>	<b>6.2</b>
Operating Profit	Pulp & Paper	18	36	18	102.5
	Photosensitive	11	▲1	▲12	▲111.6
	Others	4	3	▲1	▲43.3
	Internal Transfer	0	1	1	—
	<b>Total</b>	<b>33</b>	<b>39</b>	<b>6</b>	<b>18.3</b>

Revenue

(100 million yen)

Operating Profit

(100 million yen)



# Segment Information by Regions

<Consolidated>

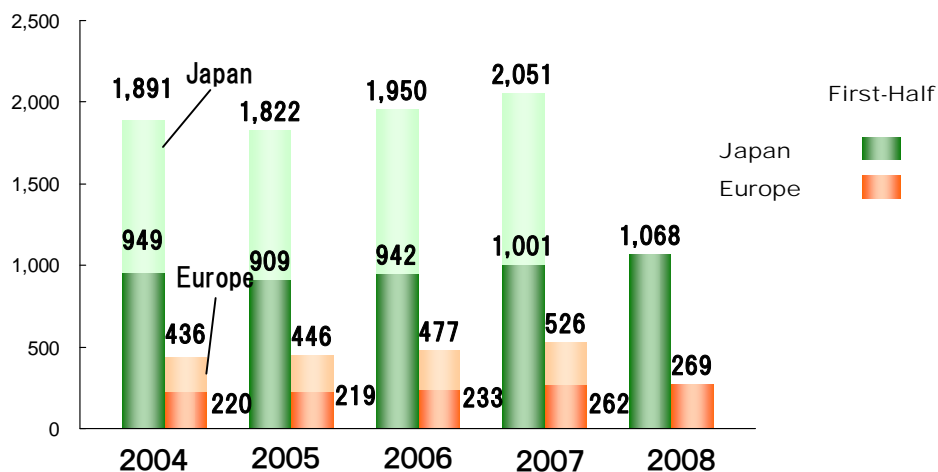


(Unit: 100 million yen/%)

		FY2007 First-Half	FY2008 First-Half	Increment	%
Revenue	Japan	1,001	1,068	67	6.7
	Europe	262	269	7	2.8
	U.S.A.	51	43	▲8	▲14.6
	Internal Transfer	▲50	▲37	13	—
	<b>Total</b>	<b>1,264</b>	<b>1,343</b>	<b>79</b>	<b>6.2</b>
Operating Profit	Japan	27	35	8	29.2
	Europe	3	1	▲2	▲81.8
	U.S.A.	1	1	0	▲45.5
	Internal Transfer	2	2	0	—
	<b>Total</b>	<b>33</b>	<b>39</b>	<b>6</b>	<b>18.3</b>

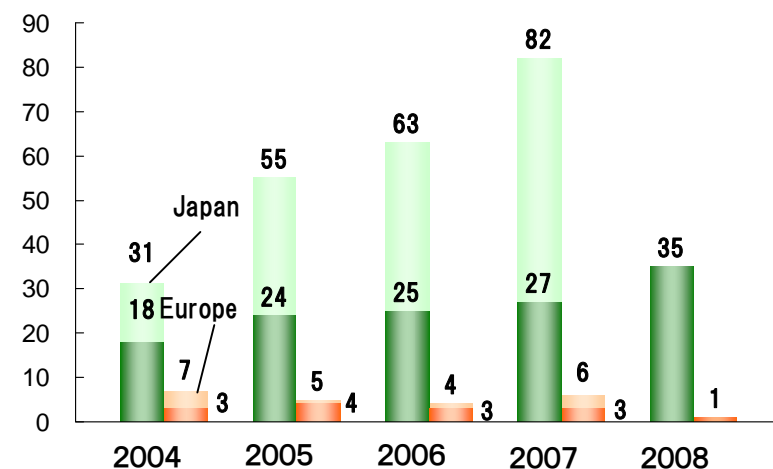
**Revenue**

(100 million yen)



**Operating Profit**

(100 million yen)



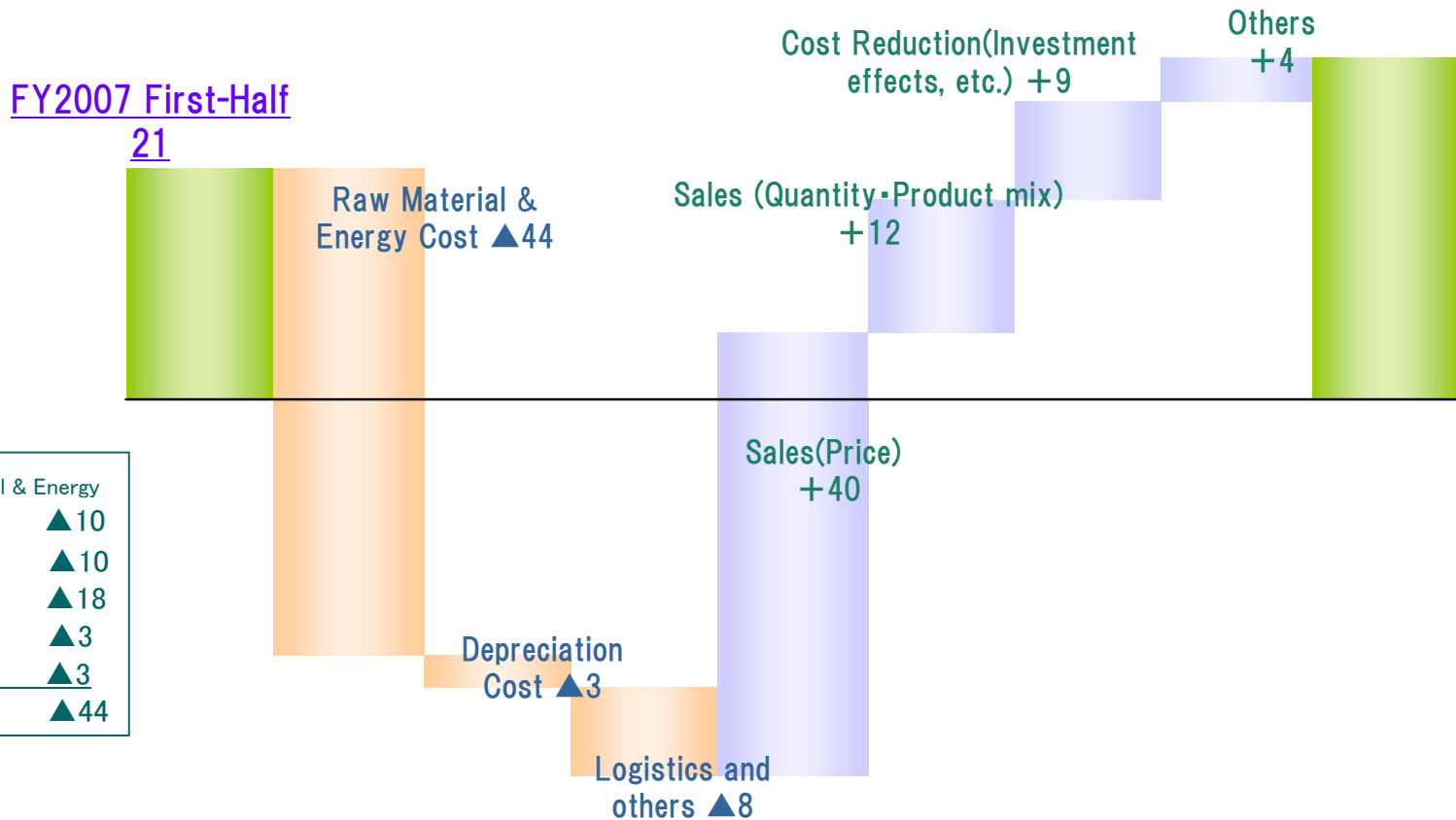
# Increment of Ordinary Profit < Consolidated >



100 million yen

First-Half FY2008

FY2008 First-Half  
31



List of Raw Material & Energy	
Chips	▲10
Chemicals	▲10
Energy	▲18
Waste paper	▲3
Pulp&others	▲3
<b>Total</b>	<b>▲44</b>

# Balance Sheet <Consolidated>



(unit: 100 million yen/%)

	Ended of March 31, 2008		Ended of Sept. 30, 2008		Increment
	Amount	%	Amount	%	Amount
<b>Assets</b>	3,031	100.0	<b>3,136</b>	<b>100.0</b>	105
Current Assets	1,162	38.3	<b>1,242</b>	<b>39.6</b>	80
Fixed Assets	1,869	61.7	<b>1,894</b>	<b>60.4</b>	25
Tangibles	1,346	44.4	<b>1,407</b>	<b>44.9</b>	61
Intangibles	21	0.7	<b>15</b>	<b>0.5</b>	▲ 6
Investment and Others	502	16.6	<b>472</b>	<b>15.0</b>	▲30
<b>Liabilities</b>	2,234	73.7	<b>2,367</b>	<b>75.5</b>	133
Current Liabilities	1,605	52.9	<b>1,739</b>	<b>55.5</b>	134
Long-Term Liabilities	629	20.8	<b>628</b>	<b>20.0</b>	▲ 1
<b>Net Assets</b>	797	26.3	<b>769</b>	<b>24.5</b>	▲28

<b>Interest Bearing Debts (including accrued expenses)</b>	1,530	—	<b>1,640</b>	—	110
--	-------	---	--------------	---	-----

# Statement of Cash Flow <Consolidated>



(unit: 100 million yen)

	FY2007 First-Half	FY2008 First-Half	Increment
	Amount	Amount	Amount
Cash Flow from Operating Activities	71	11	▲60
Cash Flow from Investing Activities	▲70	▲40	30
Cash Flow from Financing Activities	▲18	45	63
Effect of Exchange Rate Fluctuation on Cash & Cash Equivalents	1	0	▲1
Net Increase/Decrease in Cash and Cash Equivalents	▲16	16	32
Cash and Cash Equivalents at the Beginning of the Year	103	23	▲80
Cash and Cash Equivalents at the End of the Year	87	39	▲48

# Forecast for FY2008

# Forecast <Increase/Decrease Factors>

(unit: 100 million /%)

	FY2007			Forecast of FY2008			Increment					
	1st Half	2nd Half	FY2007	1st Half (Actual)	2nd Half (Forecast)	FY2008 (Forecast)	1st Half		2nd Half		FY	
							Amt	%	Amt	%	Amt	%
<b>Revenue</b>	1,264	1,321	2,585	1,343	1,447	2,790	79	6.2	126	9.5	205	7.9
Pulp & Paper	1,104	1,167	2,271	1,189	1,267	2,456	85	7.7	100	8.6	185	8.1
Photo sensitive	171	177	348	174	224	398	3	1.7	47	26.6	50	14.4
Others	128	103	231	114	99	213	▲14	▲11.3	▲4	▲3.9	▲18	▲7.8
Internal Transfer	▲139	▲126	▲265	▲134	▲143	▲277	5	—	▲17	—	▲12	—
<b>Operating Profit</b>	33	60	93	39	81	120	6	18.3	21	35.0	27	29.0
<b>Ordinary Profit</b>	21	50	71	31	59	90	10	46.8	9	18.0	19	26.4
<b>Net Profit</b>	6	31	37	32	43	75	26	450.8	12	38.7	38	105.2

 Forecast of the 2<sup>nd</sup> Half: ¥105/\$、Dubai crude oil \$95/barrel

Excluded the reduction printing paper production volume (see next page for the effects on the profit)

# Increment of Ordinary Profit

## <Increase/Decrease Factors>

Comparison of the 1<sup>st</sup> half (Actual)

1<sup>st</sup> Half of FY2008

Comparison of the 2<sup>nd</sup> Half (Forecast)

2<sup>nd</sup> Half of FY2008

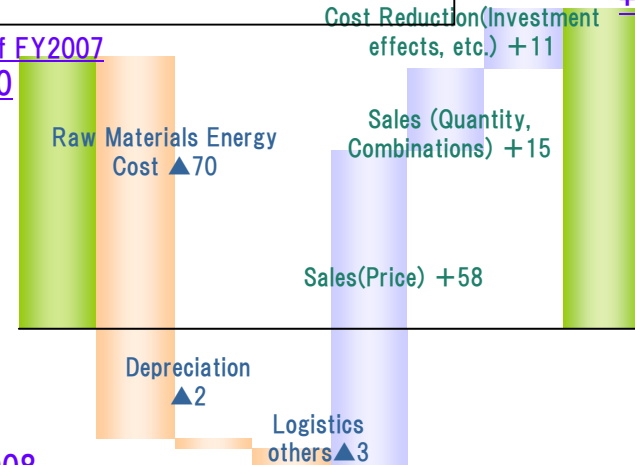
1<sup>st</sup> Half of FY2007

+21



2<sup>nd</sup> Half of FY2007

+50

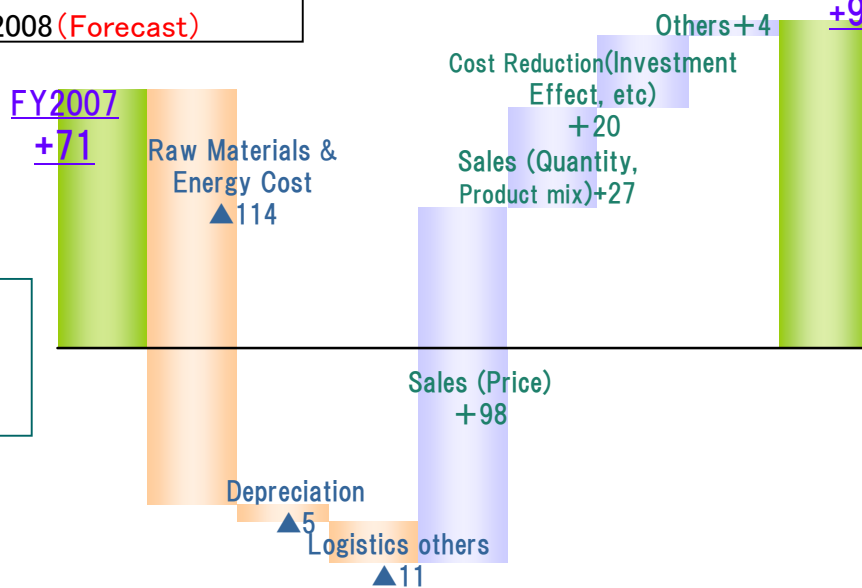


Unit: 100 million yen

Comparison of FY2007 and FY2008 (Forecast)

FY2008

+90



Fluctuation Factors Based the Forecast of the 2<sup>nd</sup> Half at this moment

unit: 100 million yen

Negative factors

- 1.Reduction production volume ▲10 (a case of the production volume decreasing total of 36,000t in the 2<sup>nd</sup> Half) (equivalent of over 10% of coated paper)
2. Interest and others ▲ 1
3. Others ▲ 3

Positive factors

1. Exchange rate +2 (\$1=¥105→¥95, etc) (including currency exchange rate evaluation losses)
2. Raw materials & energy cost +6 (Dubai crude oil market conditions: \$95→70/barrel & pulp low price)
3. Cost +6 (alone with the reduction production volume)

Total 0

# Key Indices <Consolidated>



Unit: 100 million yen

	FY2007 First-Half	FY2008 First-Half	FY2008 (Forecast)
Interest Bearing Debts (including Accrued Expenses)	1,617	1,640	1,640
Depreciation	61	64	132
Investments	120	90	130
Number of Employees	4, 629	4,599	4,580

# Key Indices <Non-consolidated>



(Unit: 100 million yen/%)

Sales Data		FY2007				FY2008			
		1st Half		Fiscal Year		1st-Half		Fiscal Year	
		Sales Qty	Sales Amt.	Sales Qty.	Sales Amt.	Sales Qty.	Sales Amt.	Sales Qty.	Sales Amt.
Paper	Uncoated (Wood-free, etc.)	84	95	177	206	92	113	195	241
	Coated ( Coated & IJ Paper, etc.)	319	400	649	821	328	446	683	927
	Business Communication Paper (Thermal, Carbonless Paper, etc.)	48	100	95	203	47	105	94	215
	White Card Board	24	26	48	53	24	27	49	56
	Others (Leaf Paper, Hygiene Paper, Non-Woven Fabric, etc.)	10	53	19	105	9	50	18	109
<b>Total</b>		485	674	988	1,388	500	741	1,039	1,548

	1st Half of FY2007	1st Half of FY2008
Exchange Rate	¥119.20/US\$	¥106.23/US\$
Annual Usage of Woodchips (Import Ratio)	541Tt (67%)	607Tt (66%)
Annual Usage of Purchased Pulp (Purchase Ratio)	60Tt (15%)	45Tt (11%)
Annual Usage of Oil	26Tkl	20Tkl
Annual Usage of Coal	141Tt	155Tt
Purchase Electric Power (Self-Generation Ratio)	106MWH (86%)	144MWH (80%)

RE: The raw materials & energy usage quantities are included Kitakami High Tech Paper Usage.

**This slide contains forward-looking statements with respect to future results, performance and achievements that are subject to risks and uncertainties and reflect management's views and assumptions formed by available information. All data other than historical facts are data that could be considered forward-looking data. Should one or more of these risks or uncertainties materialized or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. Mitsubishi Paper Mills does not intend or assume any obligation to update this forward-looking data.**