



April 14, 2009

Company name: Nippon Paper Group, Inc.
Representative: Yoshio Haga, President
(Stock code: 3893, First Section TSE, OSE & NSE)
Inquiry: Toru Nozawa, General Manager of Accounting
& Budgeting Department, Financial Division
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Notice Concerning Recognition of Extraordinary Losses

Nippon Paper Group, Inc. announced today that it would post extraordinary losses for fiscal 2008 as summarized below:

1. Losses from the reconfiguration of the production structure

As announced in the news release on March 25, 2009, Nippon Paper Group, Inc. resolved, in response to the recent sharp decline in demand, to develop a new production structure to raise its operating rate by shutting 15 paper machines and consolidating them into more efficient ones in the Group. As a result, we expect an impairment loss on fixed assets of approximately 9.4 billion yen.

2. Losses on revaluation of investment securities

By applying impairment accounting to the holding securities that are categorized as Other Securities and whose market value dropped significantly and is unlikely to recover, we expect revaluation losses of approximately 7.6 billion yen.

3. Other impairment loss

We also expect an impairment loss of approximately 5.9 billion yen in relation to part of the fixed assets owned by the Group companies in light of the current business environment as well as its outlook.

4. Earning forecast for the fiscal 2008 ending March 31, 2009

Please refer to the news release “Notice of Revised Consolidated Earnings Forecast for FY2008” announced separately today.

Reference: Consolidated earnings forecast for the fiscal year 2008 (announced on April 14, 2009) and consolidated results for the previous fiscal year

	Net sales	Operating income	Ordinary income	Net income and loss
Earnings forecast for fiscal 2008 ending March 2009	1,180,000 million yen	19,000 million yen	17,000 million yen	-24,000 million yen
Earnings for fiscal 2007 ending March 2008	1,211,682 million yen	32,834 million yen	32,800 million yen	5,661 million yen