

Fiscal Year Ending March 2005 Brief Note on Interim Settlement of Accounts (Consolidated)

Name of Company Listed: **Nippon Paper Group, Inc.** Stock Exchange Listings: Tokyo, Osaka, and Nagoya
(formerly Nippon Unipac Holding)

Code Number: 3893 Location of Corporate Headquarters: Tokyo

URL: <http://www.np-g.com>

Representative:
 Title of Representative Person: President
 Name of Representative Person: Takahiko Miyoshi

Contact Information:
 Title of Contact Person: Director, Member of the Board
 Name of Contact Person: Keisuke Ito
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Whether U.S. Accounting Standards Are Adopted: No

1. Consolidated Results of Operations for the Interim Accounting Period of Fiscal Year 2005 (April 1, 2004 to September 30, 2004)

(1) Consolidated Business Results

(Amounts indicated are displayed with amounts less than one million yen rounded off.)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim accounting period of fiscal year 2005	597,759	(0.5)	34,401	(37.9)	32,696	(51.9)
Interim accounting period of fiscal year 2004	594,504	(2.0)	24,952	(0.8)	21,519	(11.1)
Fiscal year 2004	1,192,649		55,679		50,665	

	Interim net income		Interim net income per share	Interim net income per share after adjusting for dilution
	Millions of yen	%	Yen	Yen
Interim accounting period of fiscal year 2005	10,384	(21.9)	9,484.27	9,103.25
Interim accounting period of fiscal year 2004	8,518	(88.3)	7,812.06	7,499.71
Fiscal year 2004	24,258		22,025.22	21,132.64

Notes: 1. Investment income and loss accounted for by the equity method:

Interim accounting period of fiscal year 2005 990 million yen
 Interim accounting period of fiscal year 2004 1,857 million yen
 Fiscal year 2004 3,207 million yen

2. Interim average number of shares (consolidated):

Interim accounting period of fiscal year 2005 1,094,937.62 shares
 Interim accounting period of fiscal year 2004 1,090,449.33 shares
 Fiscal year 2004 1,092,364.04 shares

3. Changes in accounting method: No

4. Percentages for net sales, operating income, ordinary income and interim net income indicate the percentage increase/decrease compared with the interim accounting period of the previous fiscal year.

(2) Consolidated Financial Status

	Total assets	Total shareholders' equity	Equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Interim accounting period of fiscal year 2005	1,595,848	432,838	27.1	395,339.21
Interim accounting period of fiscal year 2004	1,648,699	413,500	25.1	379,226.37
Fiscal year 2004	1,637,366	429,621	26.2	392,140.80

Note: Number of issued and outstanding shares at the end of the accounting period (consolidated)

Interim accounting period of fiscal year 2005 1,094,852.28 shares

Interim accounting period of fiscal year 2004 1,090,378.06 shares

Fiscal year 2004 1,095,071.82 shares

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Interim accounting period of fiscal year 2005	43,982	-9,176	-41,788	14,751
Interim accounting period of fiscal year 2004	29,240	-44,375	2,297	23,458
Fiscal year 2004	87,089	-72,664	-28,830	21,624

(4) Matters Relating to the Scope of Consolidation and Application of the Equity Method

Number of consolidated subsidiaries: 47

Number of non-consolidated subsidiaries to which the equity method is applied: 0

Number of affiliated companies to which the equity method is applied: 6

(5) Changes in the Scope of Consolidation and Application of the Equity Method

Consolidated (New): 1 company (Eliminated): 5 companies

Equity method (New): 0 (Eliminated): 0

2. Projection of Consolidated Results of Operations for the Fiscal Year Ending March 2005 (April 1, 2004 to March 31, 2005)

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Full fiscal year	1,190,000	65,000	26,000

(Reference) Projected net income per share (full fiscal year): 23,747.50yen

The projection of consolidated results of operations was prepared based on information available to management as of the date the projection was released. Actual results may vary from the projection numbers as a result of various factors in the future.

All financial information has been prepared in accordance with accounting principles generally accepted in Japan.

This document is an English-language translation of the Japanese-language original.