

Company name: Nippon Paper Group, Inc.  
 Representative: Yoshio Haga, President  
 (Stock code: 3893, First Section TSE, OSE and NSE)

### Notice Concerning Recognition of Extraordinary Losses and Projection of Consolidated Results of Operations

Nippon Paper Group, Inc. has recognized extraordinary losses in the first three months of the fiscal year ending March 2012. And the Company revised its projection of consolidated results of operations for the fiscal year ending March 2012, which was yet to be determined in the "Fiscal Year Ended March 2011 Brief Note on Settlement of Accounts (Consolidated)" released on April 25, 2011, as shown below.

#### 1. Recognition of Extraordinary Losses due to the Great East Japan Earthquake

The Company recorded an extraordinary loss of 4.554 billion yen in the first three months of the fiscal year ending March 2012. The extraordinary loss includes a fixed cost for the period of suspension of operations in the mills damaged by the Great East Japan Earthquake, and other expenses.

#### 2. Projection of Consolidated Results of Operations

##### (1) For the six months ending September 2011 (April 1, 2011 to September 30, 2011)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen/hundredth of yen
Previous forecast (A)	—	—	—	—	—
Revised forecast (B)	510,000	13,000	12,000	-13,000	-112.26
Increase/decrease (B – A)	—	—	—	—	—
Percentage increase/decrease (%)	—	—	—	—	—
(Reference) Results for the six months ended September 2010	551,450	16,839	14,243	6,329	54.65

##### (2) For the fiscal year ending March 2012 (April 1, 2011 to March 31, 2012)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen/hundredth of yen
Previous forecast (A)	—	—	—	—	—
Revised forecast (B)	1,050,000	30,000	26,000	-12,000	-103.63
Increase/decrease (B – A)	—	—	—	—	—
Percentage increase/decrease (%)	—	—	—	—	—
(Reference) Results for the fiscal year ended March 2011	1,099,817	35,608	31,599	-24,172	-208.73

#### Reasons for Revision

The projection of consolidated results of operations for the fiscal year ending March 2012 had yet to be determined, because the outlook for the domestic economy was uncertain as a result of the Great East Japan Earthquake and it was difficult to make any reasonable forecasts. The Company announces the projection to reflect the recent earnings trend as shown above. As well, the projection includes an extraordinary loss of 26.0 billion yen due to the "Plan for Paper Business Revitalization" that was released today.

(Note) The above forecast is made based on information currently available. Actual results may differ from projections due to a variety of factors.