

## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2015 (unaudited)

Name of Company Listed: **Nippon Paper Industries Co., Ltd.**  
 Stock Exchange Listings: Tokyo  
 Code Number: 3863  
 URL: <http://www.nipponpapergroup.com/english/>  
 Representative:  
   Title of Representative Person: President  
   Name of Representative Person: Fumio Manoshiro  
 Person in Charge of Contact:  
   Title of Contact Person: General Manager of Accounting & Budgeting Dept.  
   Name of Contact Person: Tomoyasu Itakura  
 Telephone: +81-(0)3-6665-1111  
 Planned date of Financial Report submission: February 12, 2016  
 Planned date of the commencement of dividend payments: –  
 Availability of support documentation: Yes  
 Holding of financial result briefing: Yes (for institutional investors and investment analysts)

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

### 1. Consolidated Financial Results of Operations for the Nine Months Ended December 2015 (April 1, 2015–December 31, 2015)

#### (1) Consolidated Results of Operations

(The percentages indicate the percentage increase or decrease compared to the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2015	756,946	-3.9	15,646	-18.8	22,050	10.9	14,211	-48.3
Nine months ended December 31, 2014	787,607	-1.8	19,261	7.5	19,886	6.1	27,496	83.4

#### Note: Comprehensive income

Nine months ended December 2015    4,185 million yen    (-91.1 %)  
 Nine months ended December 2014    46,765 million yen    (56.5 %)

	Net income per share	Net income per share after adjusting for dilution
	Yen	Yen
Nine months ended December 31, 2015	122.77	–
Nine months ended December 31, 2014	237.52	–

(2) Consolidated Financial Status

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2015	1,478,704	460,695	31.0
As of March 31, 2015	1,495,622	489,740	32.5

Reference: Shareholders' equity As of December 31, 2015 457,880 million yen  
As of March 31, 2015 485,968 million yen

2. Dividend Status

	Dividends per share				
	1 <sup>st</sup> quarter end	2 <sup>nd</sup> quarter end	3 <sup>rd</sup> quarter End	End of fiscal year	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March, 2015	—	20.00	—	30.00	50.00
Fiscal year ending March, 2016	—	30.00	—		
Fiscal year ending March, 2016 (Projection)	—	-	—	30.00	60.00

Note: Recent revisions to dividend projection /No

3. Projection of Consolidated Financial Results for the Fiscal Year Ending March 2016 (April 1, 2015–March 31, 2016)

(The percentages indicate the percentage increase or decrease compared to the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full fiscal year	1,030,000	-2.1	25,000	5.7	20,000	-13.8	1,000	-95.7	8.64

Note: Recent revisions to the projection of the consolidated financial results /Yes

Projection of consolidated financial results announced on November 5<sup>th</sup>, 2015 is revised. Details are disclosed in today's release (as of 10<sup>th</sup> February, 2016), "Notice of Losses Expected to Arise at Overseas Affiliates, Revisions to Full-Year Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2016, and Loss on Valuation of Shares of Subsidiaries and Associates."

4. Others

- [1] Has the Company made any important changes in its subsidiaries (changes in specified subsidiaries which results in changes in the scope of consolidation)? /No  
New — (Company name: )  
Eliminated — (Company name: )
- [2] Has the Company adopted a specific accounting method for preparation of quarterly consolidated financial statements? /Yes
- [3] Changes in Accounting principles, changes in accounting estimates, or restatements  
(i) Has the Company made any changes in accounting principles following the revision of the Accounting Standard and others? /Yes  
(ii) Has the Company made any changes in accounting principles other than those described in (i)? /No  
(iii) Has the Company made any changes in accounting estimates? /No  
(iv) Has the Company made any restatements? /No

- [4] Number of issued and outstanding shares (common stock)
- (i) Number of issued and outstanding shares (including treasury stock) as of:
    - December 31, 2015 116,254,892 Shares
    - March 31, 2015 116,254,892 Shares
  - (ii) Number of treasury stock as of:
    - December 31, 2015 505,593 Shares
    - March 31, 2015 495,664 Shares
  - (iii) Average number of shares during the periods of:
    - Nine months ended December 31, 2015 115,754,456 Shares
    - Nine months ended December 31, 2014 115,766,475 Shares

\* Presentation of implementation status of quarterly review procedure

This “Summary of Consolidated Financial Results for the Nine Months Ended December, 2015” is not subject to quarterly review procedures in accordance with the Financial Instruments and Exchange Law and, as of the date of publication of these quarterly consolidated financial results, the quarterly review procedures for the consolidated quarterly financial statements are currently in progress.

\*Disclaimer regarding forward-looking statement and other remarks:

1. Any statement in this document regarding future performance of the Company is based on the information available at the time of the announcement and certain assumptions judged to be reasonable. Actual performance may differ from forecasts due to a variety of factors.
2. The support documentation will be posted on the following our website.  
<http://www.nipponpapergroup.com/english/ir/library/>

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

**(Appendices)**

**1. Consolidated Operating Results for the Nine Months Ended December 2015 (April 1, 2015–December 31, 2015)**

Operating results by business segment are as follows:

Pulp and Paper:

Consolidated net sales	¥ 621,284 million	(down 0.7% year-on-year)
Consolidated operating income	¥ 9,653 million	(down 26.7% year-on-year)

Paper-Related:

Consolidated net sales	¥ 67,678 million	(down 2.7% year-on-year)
Consolidated operating income	¥ 2,111 million	(down 37.6% year-on-year)

Wood Products and Construction Related:

Consolidated net sales	¥ 44,995 million	(up 7.0% year-on-year)
Consolidated operating income	¥ 2,392 million	(up 107.8% year-on-year)

Other:

Consolidated net sales	¥ 22,987 million	(down 54.6% year-on-year)
Consolidated operating income	¥ 1,489 million	(down 4.1% year-on-year)

## 2. Supplementary Financial Results Presentation Materials for the Nine Months Ended December 31, 2015

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2015	As of December 31, 2015
<b>Assets</b>		
Current assets		
Cash and deposits	84,100	101,866
Notes and accounts receivable-trade	193,481	231,415
Merchandise and finished goods	86,898	82,091
Work in process	18,204	24,045
Raw materials and supplies	57,952	60,690
Other	44,276	58,901
Allowance for doubtful receivables	(416)	(443)
Total current assets	484,498	558,568
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	492,409	481,412
Accumulated depreciation	(354,000)	(350,815)
Buildings and structures, net	138,409	130,597
Machinery, equipment and vehicles	2,176,031	2,162,366
Accumulated depreciation	(1,875,709)	(1,871,334)
Machinery, equipment and vehicles, net	300,322	291,032
Land	223,696	214,589
Construction in progress	21,221	14,251
Other	90,261	64,878
Accumulated depreciation	(58,504)	(38,973)
Other, net	31,757	25,905
Total property, plant and equipment	715,406	676,376
Intangible assets	18,992	15,820
Investments and other assets		
Investments in securities	252,079	203,469
Other	25,488	25,091
Allowance for doubtful receivables	(842)	(621)
Total investments and other assets	276,724	227,939
Total noncurrent assets	1,011,123	920,136
<b>Total assets</b>	1,495,622	1,478,704

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
<b>Liabilities</b>		
Current liabilities		
Notes and account payable-trade	127,856	132,046
Short-term loans payable	264,898	267,015
Accrued income taxes	3,141	1,837
Other	79,936	85,975
<b>Total current liabilities</b>	<b>475,832</b>	<b>486,875</b>
Long-term liabilities		
Bonds payable	63,000	73,000
Long-term loans payable	401,799	391,904
Accrued environmental costs	539	476
Net defined benefit liability	21,154	20,531
Other	43,556	45,221
<b>Total long-term liabilities</b>	<b>530,049</b>	<b>531,133</b>
<b>Total liabilities</b>	<b>1,005,881</b>	<b>1,018,008</b>
<b>Net assets</b>		
Shareholders' equity		
Common stock	104,873	104,873
Capital surplus	217,104	217,104
Retained earnings	97,172	94,002
Treasury stock, at cost	(1,356)	(1,375)
<b>Total shareholders' equity</b>	<b>417,794</b>	<b>414,604</b>
Accumulated other comprehensive income		
Net unrealized holding gain on other securities	24,345	25,320
Net deferred gain on hedges	2,314	159
Translation adjustments	37,108	12,760
Remeasurements of defined benefit plans	4,405	5,035
<b>Total accumulated other comprehensive income</b>	<b>68,173</b>	<b>43,276</b>
Non-controlling interests	3,771	2,814
<b>Total net assets</b>	<b>489,740</b>	<b>460,695</b>
<b>Total liabilities and net assets</b>	<b>1,495,622</b>	<b>1,478,704</b>

(2) Consolidated Statements of Operations and Statements of Comprehensive Income  
- Consolidated Statements of Operations -

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	787,607	756,946
Cost of sales	615,165	601,722
Gross profit	172,441	155,223
Selling, general and administrative expenses		
Freightage related expenses	47,223	46,055
Sales related expenses	48,367	44,075
Salaries and allowances	32,403	28,962
Other	25,185	20,483
Total selling, general and administrative expenses	153,179	139,576
Operating income	19,261	15,646
Other income		
Interest income	245	249
Dividend income	1,674	2,244
Foreign exchange gains	1,923	8,158
Equity in earnings of affiliates	3,961	2,593
Other	3,144	2,756
Total other income	10,950	16,002
Other expenses		
Interest expense	7,896	7,518
Other	2,429	2,079
Total other expenses	10,326	9,598
Ordinary income	19,886	22,050
Extraordinary income		
Gain on sales of investment securities	134	16,879
Other	19,703	640
Total extraordinary income	19,838	17,520
Extraordinary loss		
Loss on sales of shares of subsidiaries	-	16,496
Loss on retirement of non-current assets	1,118	1,300
Other	2,711	6,302
Total extraordinary loss	3,829	24,100
Income before income taxes and minority interests in consolidated subsidiaries	35,894	15,470
Income taxes—current	4,688	2,623
Income taxes—deferred	3,680	(1,182)
Total income taxes	8,368	1,440
Profit	27,525	14,029
Profit attributable to non-controlling interests	28	(181)
Profit attributable to owners of parent	27,496	14,211

- Consolidated Statements of Comprehensive Income -

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Income before minority interests	27,525	14,029
Other comprehensive income		
Net unrealized holding gain (loss) on other securities	11,248	898
Net deferred gain (loss) on hedges	1,518	(916)
Translation adjustments	1,933	(6,851)
Remeasurements of defined benefit plans, net of tax	1,260	497
Share of other comprehensive income of affiliates accounted for using the equity method	3,278	(3,472)
Total other comprehensive income	19,240	(9,844)
Comprehensive income	46,765	4,185
(Details)		
Comprehensive income attributable to owners of parent	46,692	4,593
Comprehensive income attributable to non-controlling	73	(408)