

April 23, 2002

Nippon Unipac Holding

Reorganization of Paper and Paperboard Businesses of Nippon Unipac Holding Group

One year has passed since Nippon Paper Industries Co., Ltd. and Daishowa Paper Manufacturing Co., Ltd., which became wholly-owned subsidiaries of Nippon Unipac Holding, a pure holding company, commenced integrated operations of their paper businesses in March last year. Defining this past year as the year of a first step toward achieving integration, both companies, while maintaining each company's independence, steadily achieved expected results through formulation and implementation of diverse plans aimed at achieving integration effects as swiftly as possible under the Synergy Effects Promoting Committee. With respect to the paperboard business, the three companies which became consolidated group subsidiaries of Nippon Unipac Holding, namely, Japan Paperboard Industries Co., Ltd., Daishowa Paper Manufacturing Co., Ltd. and Tohoku Paper Co., Ltd., merged their sales structures in pursuit of business integration effects.

Capitalizing on the progress of the foregoing business integration efforts, we have now decided to reorganize the paper and paperboard businesses as follows to build a stronger business foundation for the Nippon Unipac Holding Group to grow into a truly leading global group.

With this group reorganization, we will strive to respond more swiftly to diversifying needs of our customers and further enhance our corporate value through early realization of integration effects. We cordially ask for your continued guidance and support of our customers, shareholders and all other parties concerned.

1. Reorganization of Paper Business

Effective April 1, 2003, Nippon Paper Industries Co., Ltd., Daishowa Paper Manufacturing Co., Ltd. and Nippon Paper Sales Co., Ltd. will be merged and restart their businesses under the surviving entity "Nippon Paper Industries Co., Ltd." As a result of this merger, the framework which has been separating respective parties will be removed, and we will endeavor to achieve greater integration effects in a speedier fashion.

For more information concerning the merger of the three companies, please refer to a separate press release - "Merger of Three Paper Business Companies."

2. Reorganization of Paperboard Business

Effective October 1, 2002, Nippon Unipac Holding will turn Japan Paperboard Industries Co., Ltd. into its wholly-owned subsidiary of Nippon Unipac Holding by way of a stock exchange.

Japan Paperboard Industries Co., Ltd., which has become a wholly-owned subsidiary of Nippon Unipac Holding, will change its corporate name to "Nippon Daishowa Paperboard Co., Ltd.," then merge Nippon Paperboard Sales Ltd. and pursue business

integration by turning four mills of Japan Paperboard Industries Co., Ltd., Honsha Mill Yoshinaga Division of Daishowa Paper Manufacturing Co., Ltd. and Tohoku Paper Co., Ltd. into wholly-owned production subsidiaries.

For more information concerning the integration of paperboard business, please refer to a separate press release “Reorganization of the Paperboard Business of Nippon Unipac Holding Group.”

3. Overview of Stock Exchange Agreement

(1) Method

As Nippon Unipac Holding will become a parent company with a 100% interest in Japan Paperboard Industries Co., Ltd., and Japan Paperboard Industries Co., Ltd. will become a wholly-owned subsidiary of Nippon Unipac Holding, the stock exchange will be conducted pursuant to Articles 352 through 363 of the Commercial Code.

(2) Ratio of Stock Exchange

Company Name	Nippon Unipac Holding	Japan Paperboard Industries Co., Ltd.
Stock Exchange Ratio	1	0.00028

(Notes) 1) Allotment of Stock

In connection with the stock exchange, Nippon Unipac Holding will issue 24,565.40 shares of common stock and allocate them to the shareholders (including beneficial shareholders) of record on the final register of shareholders of Japan Paperboard Industries Co., Ltd. as of the day immediately preceding the date of stock exchange at a rate of 0.00028 share of Nippon Unipac Holding to one share of Japan Paperboard Industries Co., Ltd. held by such shareholders of record.

2) Basis for Computation of Stock Exchange Ratio

We have requested computation of stock exchange ratio to “Nikko Cordial Securities Inc.” and “Shin Nihon Ernst & Young Co., Ltd.,” and based on the results of such computation work, both parties agreed to the foregoing ratio after mutual consultation.

3) Results and Method of Computation and Basis for Computations by Third-Party Appraisers

Nikko Cordial Securities Inc. and Shin Nihon Ernst & Young Co., Ltd. employed the “Market Price Approach,” the “Adjusted Net Worth Analysis” and the “Income Approach” for computation and arrived at the computed stock exchange ratios.

(3) Date for Commencing Dividend Calculation

The date for commencing dividend calculation payable to the new shares issued in this stock exchange shall be October 1, 2002.

(4) Increases in Capital Stock and Capital Reserve following Stock Exchange

Additional Capital Stock: There will be no increase in capital stock as a result of

stock exchange.

Additional Capital Reserve: The amount of capital reserve will increase by the amount derived by multiplying the ratio of the number of shares of Japan Paperboard Industries Co., Ltd. to be transferred to Nippon Unipac Holding in the stock exchange of the total number of issued shares of Japan Paperboard Industries Co., Ltd., by the net worth of Japan Paperboard Industries Co., Ltd. as of the date of stock exchange.

(5) Cash Distributions

There will be no cash distributions in connection with the stock exchange.

(6) Schedule of Stock Exchange

- April 23, 2002 Board of Directors Meeting for approval of stock exchange agreement
- April 23, 2002 Execution of stock exchange agreement
- Late June 2002 Shareholders' Meeting for approval of stock exchange agreement (Japan Paperboard Industries Co., Ltd.)
- Late September 2002 Delisting of the shares of Japan Paperboard Industries Co., Ltd.
- October 1, 2002 Date of stock exchange

As Nippon Unipac Holding will conduct this transaction under Article 358 of the Commercial Code (short-form stock exchange), there will be no approval concerning the stock exchange by the Shareholders' Meeting of Nippon Unipac Holding.

Overview of Parties to Stock Exchange

(1) As of September 30, 2001

Company Name	Nippon Unipac Holding	Japan Paperboard Industries Co., Ltd.
Business	Pure holding company of primarily paper and paperboard businesses	Production of paper and paperboard
Date of Incorporation	March 2001	August 1927
Registered Address of Headquarters	1-12-1, Yurakucho, Chiyoda-ku, Tokyo	1-3, Kanda Sudacho, Chiyoda-ku, Tokyo
Representative	Masao Kobayashi, President	Sadaharu Takahashi, President
Total Number of Issued Shares (par value)	1,080,670.23 (par value 50,000 yen per share)	87,733,599 (par value 50 yen per share)
Shareholders' Equity	403,115 million yen	13,131 million yen
Total Assets	434,395 million yen	115,353 million yen
Fiscal Year	Year ending on March 31 (from FY 2003)	Year ending March 31
Number of Employees	19	869

Major Shareholders (%)	The Industrial Bank of Japan (4.09%) Nippon Life Insurance (4.22%) Sumitomo Mitsui Banking Corporation (3.69%) Combined interest of top ten shareholders (28.40%)	Nippon Paper Industries Co., Ltd. (44.16%) The Fuji Bank Co., Ltd. (3.62%) Toyo Seikan Kaisha, Ltd. (3.14%) Combined interest of top ten shareholders (66.44%)
Relations between Parties	Stock Ownership Relation	Japan Paperboard Industries Co., Ltd is a consolidated subsidiary of Nippon Unipac Holding, whose wholly-owned subsidiary, Nippon Paper Industries Co., Ltd., is the largest shareholder with an interest of 44.16% of Japan Paperboard Industries Co., Ltd.
	Personnel Relation	Eleven ex-officers and ex-employees of Nippon Paper Industries Co., Ltd., a wholly-owned consolidated subsidiary of Nippon Unipac Holding, now serve as ten directors and one corporate auditor of Japan Paperboard Industries Co., Ltd.

(2) Recent Financial Results

	Nippon Unipac Holding		Japan Paperboard Industries Co., Ltd.			
	Consolidated	Non-consolidated	Consolidated			Non-consolidated
Fiscal Year Ended	Sep. 2001	Sep. 2001	FY 2000	FY 2001	Sep. 2001	Sep. 2001
Sales (million yen)	615,185	6,145	107,312	107,166	46,453	32,104
Ordinary Profit (million yen)	12,248	5,301	972	-96	-2,931	-2,855
Net Profit (million yen)	2,813	5,251	-109	-6,038	-3,667	-3,198
Net Profit Per Share (yen)	2,611.51	4,859.93	-1.24	-68.82	-41.80	-36.45
Dividend Per Share (yen)		4,000 (six-month dividend)				
Net Asset Per Share (yen)	381,128.83	373,023.72	234.86	164.18	120.06	149.67

Note 1) The sales figure of Nippon Unipac Holding (non-consolidated) represents operating revenues (since no business is conducted).

Note 2) Since Nippon Unipac Holding was established in March 2001, interim results for fiscal 2002 are shown in the table.

Note 3) As a consolidated subsidiary of Nippon Unipac Holding, interim results of Japan Paperboard Industries Co., Ltd. for fiscal 2002 are reflected in the consolidated results of Nippon Unipac Holding

(3) Effect of Stock Exchange

As Japan Paperboard Industries Co., Ltd. has been a consolidated subsidiary of Nippon Unipac Holding, the effect of stock exchange on the consolidated financial results of Nippon Unipac Holding and Japan Paperboard Industries Co., Ltd. will be insignificant.

Paper and Paperboard Production Facilities in Japan

