Nippon Paper Group Completes Acquisition of Paper Australia Pty Ltd Shares

Further to the press release announced on February 16, 2009 ("Acquisition of Paper Australia Pty Ltd"), Nippon Paper Group, Inc. ("the Group") and Nippon Paper Industries Co., Ltd. ("Nippon Paper"), a wholly-owned subsidiary of the Group, would like to announce that Nippon Paper has completed today the acquisition of all outstanding shares in Paper Australia Pty Ltd ("AP"), a subsidiary of PaperlinX Limited ("PPX").

1. Profile of the target company
(1) Name  Paper Australia Pty Ltd
(2) Representative  Jim Henneberry, Chief Executive Officer
(3) Head office  Victoria, Australia
(4) Date of establishment  7 Sep 1993
(5) Business  Sales and manufacture of paper, pulp and stationery, such as envelopes and notebooks
(6) Paper mills  Victoria and New South Wales, Australia
(7) Fiscal Year  End June
(8) Capital Stock  AUD 1,459,532,291
(9) Number of employees*  approx. 1,300
* The above number of employees is an estimate only based on information provided by PPX

2. Intended number of shares transferred and ownership percentage
(1) Ownership before the acquisition  0 %
(2) Number of Shares to be transferred  3,208,084,653
(4) Ownership after the acquisition  100%

3. Date of Acquisition
June 1, 2009

4. Impact on the Group performance
The effect on the Group's performance for the fiscal year ending March 2010 has not been determined yet. An announcement will be made promptly if revisions are necessary.

5. Other
The amount of the net assets of AP and the consideration linked to AP’s performance will be disclosed once they are fixed.