

1 June 2009

Company Nippon Paper Group, Inc.
Representative: Yoshio Haga, President
Stock code: 3893

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.