

March 17, 2011  
Nippon Paper Group, Inc.

## Damage Caused by the Tohoku-Pacific Ocean Earthquake

We express our deepest sympathies to victims of the earthquake that struck off the coast of the Tohoku district in the Pacific Ocean on March 11, 2011.

The Company has set up a rescue office, and is trying hard to collect information, dispatching staff members to the Ishinomaki/Iwanuma area while focusing on confirming the safety of its Group's employees. Nippon Paper Group will endeavor to restore the Group's affected mills and assist in the recovery of the devastated areas as soon as possible under the leadership of the disaster response office established on March 12.

The following summarizes the current status of the Group:

### 1. Safety of the employees of the Group

The status of the affected production sites is as follows:

- Ishinomaki Mill, Nippon Paper Industries (Ishinomaki, Miyagi)

The safety of the employees who were on duty at the time of the earthquake has been confirmed. The safety of others not at work at that time is being confirmed as the first priority.

- Iwanuma Mill, Nippon Paper Industries (Iwanuma, Miyagi)

The safety of the employees who were on duty at the time of the earthquake has been confirmed. The safety of others not at work at that time is being confirmed as the first priority.

The safety of all employees of Nakoso Mill of Nippon Paper Industries Co. Ltd. (Iwaki, Fukushima), Akita Mill of Nippon Daishowa Paperboard Co., Ltd. (Akita, Akita), Kitakami Paper Co., Ltd. (Ichinoseki, Iwate) and Daishowa Uniboard Co., Ltd. (Iwanuma, Miyagi) has been confirmed.

In addition, the Company and its Group companies and mills are providing supplies for the severely affected Ishinomaki Mill and Iwanuma Mill of Nippon Paper Industries in cooperation with its business partners and others. The supplies have been and will be delivered on an ongoing basis.

The following department handles inquiries about the safety of the Group employees from family members. Family members are also recommended to use disaster messaging services and other safety confirmation services of carriers.

Personnel Department, Nippon Paper Group, Inc.

Telephone: 03-6665-1009 (9:50 a.m. to 5:15 p.m., Monday to Friday)

\* Please note that the line may be busy on occasion.

### 2. Response to planned outage

To respond to the planned outage performed by Tokyo Electric Power Co. Inc., the following major mills of the Group may have to adjust or are adjusting operations under stoppage:

- Fuji Mill of Nippon Paper Industries Co. (Fuji, Shizuoka)

- Ashikaga Mill (Ashikaga, Tochigi) and Soka Mill (Soka, Saitama) of Nippon Daishowa Paperboard Co., Ltd.
- Tokyo Mill (Soka, Saitama) and Kaisei Mill (Ashigarakami, Kanagawa) of Nippon Paper Crexia Co., Ltd.
- Harada Mill of Nippon Paper Papylia Co., Ltd. (Fuji, Shizuoka)
- Higashimatsuyama Mill of Nippon Paper Chemicals Co., Ltd. (Higashimatsuyama, Saitama)
- Koyo Paper MFG Co., Ltd. (Fuji, Shizuoka)

The Company will give due consideration to operations of mills that manufacture essentials (newsprint, tissue, toilet tissue, and other household paper products) in particular, and also participate in power saving measure while monitoring changes in the situation.

The Company also economizes electricity by taking power-saving measures such as decreasing light output, adjusting the temperature of air-conditioning, and stopping hot water supply at the headquarters' building against electricity shortages caused by the earthquake and tsunami. The Company apologizes for any inconvenience and appreciates the understanding of building visitors.

### 3. Status of key mills

The status of the major mills under complete closedown is as given below:

- Ishinomaki Mill of Nippon Paper Industries Co., Ltd. (Ishinomaki, Miyagi)  
Confirmation has begun of damage to the building, facilities, and materials at the mill.
- Iwanuma Mill of Nippon Paper Industries (Iwanuma, Miyagi)  
The damage was confirmed for the building, facilities, and materials at the mill, and action for restoration was commenced. However, restoration will take some time.
- Nakoso Mill, Nippon Paper Industries (Iwaki, Fukushima)  
The damage was confirmed for the building, facilities, and materials at the mill, and action for restoration was commenced. However, restoration will take some time.
- Kitakami Paper Co., Ltd. (Ichinoseki, Iwate)  
Damage was confirmed for the building, facilities, and materials at the mill, and action for restoration was commenced. The mill is preparing to run its boilers.
- Nippon Daishowa Paperboard Co., Ltd. (Akita, Akita)  
There was no damage to the building, facilities, or materials at the mill. Tohoku Electric Power Co., Inc. has started to provide electricity to the Mill. Some of the facilities have restarted operations.