Impact of the April 7 Earthquake

We today announced the following information regarding the impact on Nippon Paper Group of the earthquake centered off the coast of Miyagi Prefecture which struck at approximately 11:32 p.m. on April 7.

1. Personnel
No causalities.

2. Operations and production

- Nippon Paper Industries
  - Hokkaido Mill – Asahikawa (Asahikawa, Hokkaido)
    Due to troubles in receiving power supply from Hokkaido Electric Power, the operations of paper machines were partially suspended. Inspecting the situation, we intend to resume operation sequentially from the evening of April 8.

- Nippon Daishowa Paperboard
  - Akita Mill (Akita, Akita)
    Due to a power outage caused by the earthquake, all operation has been stopped.

- Kitakami Paper (Ichinoseki, Iwate)
  Due to a power outage caused by the earthquake, all operation has been stopped.

As previously informed, operations at the Nippon Paper Industries Ishinomaki Mill (Ishinomaki, Miyagi) and Iwanuma Mill (Iwanuma, Miyagi) are still in a state of complete closedown due to the March 11 earthquake. Our operations other than those noted above have not been impacted this time and their productions continue as normal.

3. Impact on business performance

We are currently assessing the impact of this earthquake in conjunction with those already underway regarding the March 11 Earthquake, on the businesses and the consolidated financial results of Nippon Paper Group, Inc..