Press Release

June 12, 2012
Nippon Paper Group, Inc.

Nippon Paper Group Announces Joint Venture With SCG Paper for Machine Glazed Paper

Nippon Paper Industries Co., Ltd. (President: Yoshio Haga; “Nippon Paper Industries”) and NP Trading Co., Ltd. (President: Kyoichi Fujikawa; “NP Trading”) have concluded a joint venture agreement with SCG Paper Public Company Limited (President: Roongrote Rangsiyopash; “SCG Paper”) in accordance with the following for the production and sale of machine glazed paper in Thailand.

1. Background to Establishment of Joint Venture Company

Nippon Paper Group, Inc. (President: Yoshio Haga; “Nippon Paper Group”) and SCG Paper have investigated ways in which they could collaborate to develop their business. The companies have now agreed to establish in Thailand a joint venture company with a 55% equity investment from Nippon Paper Group in the industrial paper sector, displaying their strengths in growing market.

The joint venture company plans to install a new paper machine which features annual production capacity of 43,000 tons on the existing SCG Paper production site. The start-up is scheduled for the first quarter of 2014.

Economic growth in the emerging markets of Asia has brought more demand for high-end industrial paper. SCG’s existing infrastructure and utilities and Nippon Paper Group’s technological and sales capabilities can be utilized to sell to Southeast Asia and neighboring countries industrial paper that is cost-competitive and has a quality advantage.

Nippon Paper Group also takes this opportunity to explore further business development in Southeast Asia.

2. Outline of Joint Venture Company

Name of Company : Siam Nippon Industrial Paper Co., Ltd.
Representative : Tongchai Soha
Head Office : Banpong, Ratchaburi Province, Thailand
Date of Establishment : June - July, 2012
(Official approvals will be obtained following the formal conclusion of the joint venture agreement)

Description of Business : Manufacture and Sale of Machine Glazed Paper
1) Total Investment : 2,200 million THB
(approx. 5.5 billion yen)
2) Main Application of : Food and Medical Wrapping,
Image Transfer Paper on Textile,
Furniture Covering, etc.

Capital : 1,100 million THB
Capital Contribution : Nippon Paper Group 55%
(Nippon Paper Industries 50%, NP Trading 5%)
Thai Paper Co., Ltd. 45%
3. Diagram of equity investment

4. Outline of Company

Nippon Paper Group, Inc.
- Representative: Mr. Yoshio Haga
- Head Office: 1-2-2 Hitotsubashi, Chiyoda-ku, Tokyo Japan
- Date Established: March 2001
- Description of Business: Holding company
- Capital: 55,730 million yen
- Main Shareholders:
  - Japan Trustee Services Bank, Ltd. (Trust Account) 10.46%
  - The Master Trust Bank of Japan, Ltd. (Trust Account) 6.23%
  - Nippon Life Insurance Company 2.99%

Nippon Paper Industries Co., Ltd.
- Representative: Mr. Yoshio Haga
- Head Office: Oji 1-4-1, Kita-ku, Tokyo Japan
- Date Established: August 1949
- Description of Business: Newsprint, printing paper, business communication paper, industrial paper and other papers, and manufacture and sale of pulp
- Capital: 104,873 million yen
- Main Shareholders: Nippon Paper Group, Inc. 100%

NP Trading Co., Ltd.
- Representative: Mr. Kyoichi Fujikawa
- Head Office: 1-2-2 Hitotsubashi, Chiyoda-ku, Tokyo Japan
- Date Established: July 1979
- Description of Business: Wholesale of pulp and paper
- Capital: 1,000 million yen
- Main Shareholders: Nippon Paper Industries Co., Ltd. 98.28%
### The Siam Cement Public Company Limited

- **Representative:** Mr. Kan Trakulhoon
- **Head Office:** 1 Siam Cement Road, Bangsue, Bangkok 10800 Thailand
- **Date Established:** 1913
- **Description of Business:** Holding company
- **Registered Capital:** 1,600 million THB
- **Main Shareholders:**
  - The Crown Property Bureau: 30.00%
  - Thai Nvdr Co., Ltd.: 10.93%
  - Chase Nominees Limited: 3.93%

### SCG Paper Public Company Limited

- **Representative:** Mr. Roongrote Rangsiyopash
- **Head Office:** 1 Siam Cement Road, Bangsue, Bangkok 10800 Thailand
- **Date Established:** March 1994
- **Description of Business:** Holding company for manufacturers of paper, packaging, and pulp
- **Registered Capital:** 1,563 million THB
- **Main Shareholders:**
  - The Siam Cement Public Company Limited: 98.42%

### Thai Paper Co., Ltd.

- **Representative:** Mr. Phaskorn Buranawit
- **Head Office:** 1 Siam Cement Road, Bangsue, Bangkok 10800 Thailand
- **Date Established:** June 1983
- **Description of Business:** Manufacture of printing paper and business communication paper
- **Registered Capital:** 1,200 million THB
- **Main Shareholders:**
  - SCG Paper Public Company Limited: 100%