

**Nippon Paper Group Announces the Transfer of the Fixed Assets
of Its Consolidated Subsidiary**

Nippon Paper Group, Inc. announces that it resolves to transfer the fixed assets held by its consolidated subsidiary, Nippon Paper Industries Co., Ltd., at the meeting of its Board of Directors to be held on October 1, 2012, as follows:

1. Reasons for the Transfer
The transfer will be implemented to manage assets more efficiently and strengthen the company's financial standing.

2. Details of the Assets Transferred

Details and address of the assets	Transfer price	Book value	Current status
1-1-3, Horifune, Kita-ku, Tokyo Land: 4,195.34 m ²	5,200 million yen	22 million yen	Property for lease (tennis courts and parking lots)

3. Summary of Transferee
Under the agreement with the transferee, no matters regarding the transferee will be announced publicly. It also should be noted that there are no capital ties, and personal and business relationships between the transferee and Nippon Paper Group will be outlined.
4. Schedule for Transfer
October 1, 2012: Resolution of the Board of Directors of Nippon Paper Group
October 1, 2012: Execution of the agreement
April 26, 2013: Delivery of the property (scheduled)
5. Future Outlook
The transfer of the fixed assets above will have no impact on consolidated performance for the fiscal year ending March 31, 2013, as gains from the sale of fixed assets through the transfer above (other than costs and expenses), about 5 billion yen, will accrue in the fiscal year ending March 31, 2014.