

Company name: Nippon Paper Group, Inc.  
 Representative: Yoshio Haga, President  
 (Stock code: 3893, First Section TSE, OSE and NSE)

**Notice of Differences between Forecast and Actual Consolidated Earnings for the First Six Months  
 and Revised Consolidated Earnings Forecast for Fiscal Year 2012**

Nippon Paper Group, Inc. (“the Company”) announces that there were differences between the consolidated earnings forecast for the first six months ended September 2012 (April 1, 2012 – September 30, 2012) that was released on May 15, 2012 and the actual result that is released today.

The Company revised its consolidated earnings forecast for fiscal 2012 (April 1, 2012 - March 31, 2013) as shown in the tables below:

1. Differences between Forecast and Actual Consolidated Earnings for First Half of Fiscal 2012 (April 1, 2012 to September 30, 2012)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	530,000	15,500	13,000	5,000	43.18
Actual results (B)	507,200	12,741	10,153	1,745	15.07
Increase/decrease (B - A)	-22,799	-2,758	-2,846	-3,254	—
Percentage increase/decrease (%)	-4.3	-17.8	-21.9	-65.1	—
(Reference) Results for first half of fiscal 2011	511,536	14,440	-12,504	-39,209	-338.60

2. Revisions to Consolidated Earnings Forecasts for Fiscal 2012 (April 1, 2012 to March 31, 2013)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	1,080,000	41,000	38,000	20,000	172.72
Revised forecast (B)	1,030,000	27,000	20,000	6,000	51.82
Increase/decrease (B - A)	-50,000	-14,000	-18,000	-14,000	—
Percentage increase/decrease (%)	-4.6	-34.1	-47.4	-70.0	—
(Reference) Results for fiscal 2011	1,042,436	36,524	6,057	-41,675	-359.90

3. Reasons for Differences and Revisions

(1) Fiscal 2012 First Half Earnings Forecasts and Actual Results

Both of sales volume and price for paper products fell below the Company’s projection while the effects of cost reduction by the ‘Plan for Paper Business Revitalization’ appeared as the Company planned, hence operating income and ordinary income went down below the previous forecast. In addition, net income also fell as a result of a loss on revaluation of investments in securities due to stock price decline.

(2) Fiscal 2012 Earnings Forecasts

The Company revised the previous consolidated earnings forecast for fiscal 2012 because sluggish domestic paper demand is projected for the remaining fiscal year 2012.

(Note) The earnings forecasts presented above are based on the information available as of the date when this release was issued. Actual earnings performance in the future may differ from projections due to a variety of factors.