

**Notice of Change of Directors and
Introduction of Executive Officer System to Nippon Paper
Industries as Surviving Company Following Merger**

Nippon Paper Group, Inc. (hereinafter “the Company”) will dissolve on April 1, 2013 following an absorption-type merger between the Company and Nippon Paper Industries Co., Ltd. (hereinafter “Nippon Paper Industries”), a wholly owned subsidiary of the Company on the same day, with Nippon Paper Industries as surviving company, as the Company announced in the press release “Notification of Entry into a Merger Agreement with Consolidated Subsidiary Nippon Paper Industries Co., Ltd., and a Merger Agreement among Nippon Paper Industries Co., Ltd., and Consolidated Subsidiaries Nippon Daishowa Paperboard Co., Ltd., Nippon Paper-Pak Co., Ltd. and Nippon Paper Chemicals Co., Ltd.” on April 25, 2012.

The company announces that Nippon Paper Industries has resolved on the following changes in directors including transfer of representative directors, organization and introduction of the executive officer system. The transfer of representative directors including transfer of representative directors will be formally approved at the meeting of the Board Directors of Nippon Paper Industries scheduled to be held on April 1, 2013.

Nippon Paper Industries

1. Transfer of Representative Directors

(1) Purpose of Changes

Continued strengthening of the management structure

(2) Transfers of Representative Directors (as of April 1st, 2013)

<u>New Position</u>	<u>Name</u>	<u>Previous Position</u>
Chairman & Representative Director	Masatomo Nakamura	Chairman of Nippon Paper Group, Inc.
President & Representative Director & Chief Executive Officer	Yoshio Haga	President & Representative Director (concurrent) President & Representative Director of Nippon Paper Group, Inc.
Executive Vice President & Representative Director and General Manager of Paperboard Division	Hironori Iwase	Senior Managing Director & General Manager of Paperboard Division (concurrent) Director of Nippon Paper Group, Inc.

Executive Vice President & Representative Director and General Manager of Financial Division & CSR Division	Masaru Motomura	Senior Managing Director & General Manager of Financial Division (concurrent) General Manager of Financial Division & Director of Nippon Paper Group, Inc.
---	--------------------	--

(3) Retiring Representative Directors (as of March 31st, 2013)

<u>New Position (as of April 1st, 2013)</u>	<u>Name</u>	<u>Previous Position</u>
Senior Corporate Advisor	Tsuyoshi Yamashita	Executive Vice President (concurrent) Executive Vice President & Representative Director and General Manager of CSR Division of Nippon Paper Group, Inc.

2. Other Transfer of Directors

(1) Transfers of Directors (as of April 1st, 2013)

<u>New Position</u>	<u>Name</u>	<u>Previous Position</u>
Director and General Manager of Corporate Planning Division, in charge of Associated Companies (concurrent) Managing Executive Officer	Fumio Manoshiro	Managing Director and General Manager of Corporate Planning Division (concurrent) Director in charge of Raw Material & Purchasing, General Manager of Corporate Planning Division and General Manager of Lee & Man Paper Project Office of Nippon Paper Group, Inc.
Director and General Manager of Personnel & General Affairs Division (concurrent) Managing Executive Officer	Shuhei Marukawa	Managing Director and General Manager of Personnel & General Affairs Division (concurrent) Director and General Manager of Personnel & General Affairs Division of Nippon Paper Group, Inc.
Director and General Manager of Technical & Engineering Division in charge of Technology, Research & Development Division (concurrent) Executive Officer	Kazufumi Yamasaki	Director and General Manager of Technical & Engineering Division (concurrent) Director and General Manager of Technology, Research & Development Division of Nippon Paper Group, Inc.
Director and General Manager of Raw Material & Purchasing Division (concurrent) Executive Officer	Haruo Fujisawa	Director and General Manager of Raw Material & Purchasing Division

* Appendix 1 ; The List of Officers, Nippon Paper Industries

(2) Retiring Directors (as of March 31st, 2013)

Hidetsugu Yamada	Currently Senior Managing Director, Deputy General Manager of Paperboard Division and General Manager of Fuji & Yoshinaga Mill To be appointed Corporate Advisor (April 1)
Isamu Harada	Currently Managing Director and General Manager of Yatsushiro Mill To be appointed Corporate Advisor (April 1)
Tadasu Fukawa	Currently Director and General Manager of Paper-Pak Division To be appointed Corporate Advisor (April 1)
Yasunori Nanri	Currently Director and General Manager of Research & Development Division To be appointed Executive Vice President, Nippon Paper Cresia Co., Ltd. (April 1)
Tsutomu Naito	Currently Director and General Manager of Kushiro Mill To be appointed Executive Vice President, Nippon Paper Papylia Co., Ltd. (April 1)

Retiring directors following the introduction of the executive officer system (as of March 31st, 2013)

Masami Yamaki	Currently Managing Director and General Manager of Chemical Division To be appointed Senior Managing Executive Officer and General Manager of Chemical Division (April 1)
Natsuo Fujisaki	Currently Managing Director and General Manager of Ishinomaki & Iwanuma Mill To be appointed Managing Executive Officer and General Manager of Ishinomaki & Iwanuma Mill (April 1)
Ryuichi Akatsu	Currently Managing Director and General Manager of Newsprint Sales Division To be appointed Managing Executive Officer and General Manager of Newsprint Sales Division (April 1)
Shinichi Sato	Currently Managing Director and General Manager of Paper Sales Division To be appointed Managing Executive Officer and General Manager of Printing Paper Sales Division & Business Communication Paper Sales Division (April 1)
Masahiko Ota	Currently Director and General Manager of Iwakuni Mill To be appointed Executive Officer and General Manager of Iwakuni Mill (April 1)
Ken Hamaoki	Currently Director and General Manager of Hokkaido Mill To be appointed Executive Officer and General Manager of Hokkaido Mill (April 1)

《For reference》 Transfer of Directors, Nippon Paper Group, Inc.

Their terms of office will terminate upon corporate dissolution following the merger with Nippon Paper Industries. (as of March 31st, 2013)

Director: Kazuhiro Sakai

Director: Masahiro Hirakawa

Senior Corporate Auditor: Akito Hamashima

Corporate Auditor: Makoto Terao

Corporate Auditor: Seiichi Fusamura

Corporate Auditor: Kunio Sakamoto

3. Introduction of the Executive Officer System

(1) Purpose of Introduction of the Executive Officer System

To clarify the functions essential to the Board of Directors and to ensure quicker decision-making, Nippon Paper Industries following the merger will adopt the executive officer system. This will be done to maintain the streamlined Board of Directors structure of the Company as a pure holding company as well as to separate the Board of Directors' function of supervising overall business administration and making decisions from the executive officers' functions of operation execution at individual segments to clarify responsibility and authority.

(2) Overview of the Executive Officer System

- (i) Each executive officer is responsible for the execution of the corporate operations under his or her purview by exercising the executive authority granted by the Board of Directors.
- (ii) All inside directors, including the President, also serve as executive officers with operational execution functions.
- (iii) Executive officers are elected by the Board of Directors.
- (iv) Executive officers have a term of office of one year.
- (v) No upper limit is set on the number of executive officers.

(3) Timing of Introduction of the Executive Officer System

April 1st, 2013

4. Organizational Changes

(1) Management Audit Office will be newly established.

(2) CSR Division will be newly established.

(3) Paper Sales Division will be abolished, then Printing Paper Sales Division and Business Communication Paper Division will be newly established.

* Appendix 2: Organization Chart of Nippon Paper Industries

(Appendix 1)

The List of Officers, Nippon Paper Industries Co., Ltd.
(As of April 1st, 2013)

Underline; Changes

< Post >	< N a m e >	< In charge of >
<u>Chairman</u>	Masatomo Nakamura	
President	Yoshio Haga	
<u>Executive Vice President</u>	Hironori Iwase	General Manager of Paperboard Division
<u>Executive Vice President</u>	Masaru Motomura	General Manager of Financial Division <u>and</u> <u>CSR Division</u>
<u>Director</u>	Fumio Manoshiro	<u>In charge of Associated Companies</u> , General Manager of Corporate Planning Division
<u>Director</u>	Shuhei Marukawa	General Manager of Personnel & General Affairs Division
Director	Kazufumi Yamasaki	<u>In charge of Research & Development Division</u> , General Manager of Technical & Engineering Division
Director	Haruo Fujisawa	General Manager of Raw Material & Purchasing Division
Senior Corporate Auditor	Akito Hamashima	
Corporate Auditor	Makoto Terao	
Corporate Auditor	Seiichi Fusamura	
Corporate Auditor	Kunio Sakamoto	

(Appendix 2)

Organization Chart of Nippon Paper Industries Co., Ltd (As of April 1, 2013)

Newly established

