

June 22, 2015

Company name: Nippon Paper Industries Co., Ltd.
 Representative: Fumio Manoshiro, President
 (Stock code: 3863, First Section TSE)

ANNOUNCEMENT CONCERNING SALE OF SHARES IN LEE & MAN PAPER MANUFACTURING LIMITED

Nippon Paper Industries Co., Ltd. (“the Company”; President: Fumio Manoshiro) announces that it has resolved to sell all or a portion of the shares that the Company holds in Lee & Man Paper Manufacturing Limited (“L&M”).

1. Reason for the sale of shares

As announced in the press release “ANNOUNCEMENT CONCERNING TERMINATION OF BUSINESS COLLABORATION AGREEMENT WITH AND TRANSFER OF SHARES IN LEE & MAN PAPER MANUFACTURING LIMITED” on April 24, 2015 and “ANNOUNCEMENT CONCERNING TRANSFER OF SHARES IN LEE & MAN PAPER MANUFACTURING LIMITED” on June 1, 2015, we have sold a portion of our L&M shares.

We have resolved to sell all or a portion of the Company’s remaining 201,015,679 shares (4.32%) in L&M, through the Hong Kong Stock Exchange.

As announced in the press release on April 24 and June 1, 2015, L&M will remain to be our “Best partner” regarding the paper and pulp businesses in China, and we have agreed to continue our mutual relationship as a close partner.

2. Details of L&M

(As at June 22, 2015)

(1)	N a m e	Lee & Man Paper Manufacturing Limited									
(2)	L o c a t i o n	(Registered Office) Cricket Square Hutchins Drive P. O. Box 2681 Grand Cayman KY1-1111 Cayman Island (Principal Office) 5th Floor, Liven House 61-63 King Yip Street Kwun Tong Kowloon Hong Kong									
(3)	Title and name of corporate representative	Lee Man Bun (CEO)									
(4)	B u s i n e s s	Manufacture and sales of linerboards									
(5)	C a p i t a l	HK\$117.402 million									
(6)	D a t e o f incorporation	May 21, 2003									
(7)	Major shareholders and their holding ratios	<table> <tr> <td>Gold Best Holdings Ltd.</td> <td>54.55%</td> </tr> <tr> <td>Lee Man Chun Raymond</td> <td>7.12%</td> </tr> <tr> <td>Lee Man Bun</td> <td>5.50%</td> </tr> <tr> <td>Nippon Paper Industries Co., Ltd.</td> <td>4.32%</td> </tr> </table>		Gold Best Holdings Ltd.	54.55%	Lee Man Chun Raymond	7.12%	Lee Man Bun	5.50%	Nippon Paper Industries Co., Ltd.	4.32%
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Lee Man Chun Raymond	7.12%										
Lee Man Bun	5.50%										
Nippon Paper Industries Co., Ltd.	4.32%										
(8)	Relationship with the listed company	C a p i t a l relationship	The company holds 201,015,679 shares of L&M, which is 4.32% of the number of shares outstanding								
		P e r s o n n e l relationship	None								
		T r a d i n g relationship	None								
		Status regarding related parties	None								

(9) Financial condition and business performance in the past 3 years (HK\$ million, except per share data, HK Cents for Consolidated net income per share)			
Fiscal year	December, 2012	December, 2013	December, 2014
N e t a s s e t s	14,598	16,346	17,477
T o t a l a s s e t s	27,609	31,195	34,737
Net assets per share	3.11	3.48	3.73
Consolidated sales	11,424	16,970	17,099
Consolidated net income	1,321	1,948	1,904
Consolidated net income per share (Basic)	28.17	41.51	40.69
Dividend per share	0.100	0.146	0.143

3. Schedule

(1)	Execution of the sale (E x p e c t e d)	June 23, 2015
(2)	Closing of the sale (E x p e c t e d)	June 25, 2015

4. Future Prospects

The sale price and profit related to the share sale is planned to be disclosed on June 23, 2015.