Notice on Effects of 2016 Kumamoto Earthquake on Our Group (Follow up report)

We express our deepest sympathy to victims of Kumamoto earthquake. This notice reports the follow up information after our first notice on effects as of April 18 in terms of the effects of the earthquake on our Group.

1. Status of major production facilities
   All of four paper machines at our Yatsushiro Mill located in Jujo-machi, Yatsushiro City, Kumamoto Pref. stopped their operations due to the earthquake occurred at the dawn on April 16, 2016. No material damages on machines are identified. Though it took longer time than anticipated because of considerable number of aftershocks, all paper machines have restarted their operations on 24 April, 2016. Current operating rate is not yet full but we will deliberately run the mill considering the situations of aftershock going forward.

2. Outlook
   At this moment, the impact on our financial performance in relation to the earthquakes looks immaterial. We will be immediately disclose the estimates if the significant impact is expected.