

May 12, 2017

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

Notice of Extraordinary Income, Differences between Forecast and Actual Consolidated Earnings for Fiscal Year 2016 Ended March 2017

Nippon Paper Industries Co., Ltd. (the Company) announces differences between the consolidated earnings forecast for fiscal year 2016 that was released on February 8, 2017 and the actual result that is released today due to the record of extraordinary income in the fiscal year 2016 ending March 31, 2017.

1. Recording gain on transfer of benefit obligation relating to employees' pension fund (Extraordinary Income)

“Employee Pension Fund of Nippon Paper Industries-Related Company” (the Fund), in which some consolidated subsidiaries participate, resolved to dissolve the Fund at the Board of Representatives held on January 20, 2017, and obtained the approval of the Minister of Health, Labour and Welfare on March 29, 2017. As a result, the Company posted the gain on the transfer of benefit obligation of 6,944 million yen in extraordinary income.

2. Differences between Forecast and Actual Consolidated Earnings for Fiscal Year 2016

(April 1, 2016 to March 31, 2017)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	990,000	28,000	28,000	1,000	8.64
Actual results (B)	992,428	23,764	26,994	8,399	72.57
Increase/decrease (B - A)	2,428	-4,235	-1,005	7,399	—
Percentage increase/decrease (%)	0.2	-15.1	-3.6	740.0	—
(Reference) Results for fiscal year 2015 ended March 2016	1,007,097	22,623	17,123	2,424	20.95

3. Reasons for Differences

Profit attributable to owners of parent exceeded the previous forecast due to the gain on transfer of benefit obligation relating to employees' pension fund noted above, the promotion of sales of fixed assets, and so on.