

September 10, 2018

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

## **Notice on Effects of 2018 Hokkaido Eastern Iburi Earthquake on Our Company**

We express our deepest sympathy to victims of Hokkaido earthquake on September 6, 2018. This notice reports the currently identified effects of the earthquake on our Company, as detailed below.

### 1. Status of Damage

No our employee-causalities are reported.

And there was no serious damage such as collapse of the building or equipment damage at four production bases in Hokkaido - Kushiro Mill (Kushiro-shi, Hokkaido), Hokkaido Mill (Asahikawa) (Asahikawa-shi, Hokkaido), Hokkaido Mill (Yufutsu) (Tomakomai-shi, Hokkaido) and Hokkaido Mill (Shiraoi) (Shiraoi-gun, Hokkaido).

### 2. Implementation the Supply of Electricity

Based on the request from Hokkaido Electric Power for power shortage in Hokkaido, we supply electricity as follows.

#### 1) Kushiro Mill

This mill facilities had been shut down to carry out maintenance from late August. After receiving power for start-up, this mill restarted its independent power production (IPP) wholesale power plant on September 7 and started supplying 80 MW of power from the evening of the same day.

#### 2) Hokkaido Mill (Asahikawa)

This mill was able to maintain a part of in-house power generation. So this mill supplies electricity from September 7th, with the recovery of cooperation with Hokkaido Electric Power.

#### 3) Hokkaido Mill (Yufutsu)

All equipment stopped emergency due to earthquake, but resumed in-house power generation by receiving power for start-up. This mill supplies electricity from September 8th.

#### 4) Hokkaido Mill (Shiraoi)

All equipment stopped emergency due to earthquake, but resumed in-house power generation by receiving power for start-up. This mill supplies electricity from September 8th.

### 3. Production and Supply of Paper

Our Hokkaido Mill (Asahikawa) has continued partially operating, but our Hokkaido Mill (Yufutsu) and Hokkaido Mill (Shiraoi) are carrying facility inspections and the restart preparation, and are not at the stage of restarting operations. On September 8, our Kushiro Mill resumed inspection work which was interrupted due to power outages. At all mills, we will take action based on assessment of the power situation within the prefecture. Our product delivery is mainly managed with our inventory and will also use the supply from our group mill throughout Japan if necessary.

### 4. Outlook

Impact on our financial performance in relation to the earthquakes is not yet determined. We will immediately disclose the estimates if the significant impact is expected.