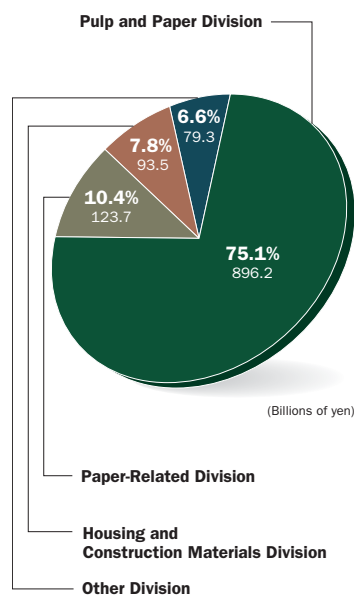
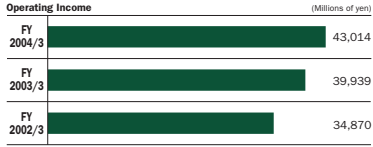






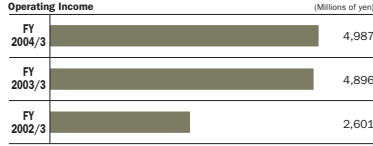




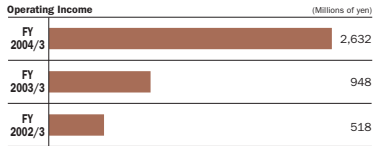


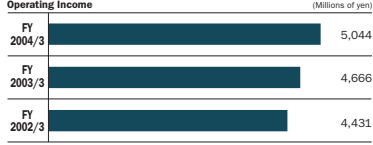



Sales Composure by Segment
(2004/3)



SEGMENT	MAJOR PRODUCT/SERVICE	BUSINESS OUTLINE	CORE COMPANY
PULP AND PAPER DIVISION 	Paper  <ul style="list-style-type: none"> • Newsprint • Printing and publication paper • Business communication paper • Packaging paper • Base stock for converted paper 	Paper is one of the Nippon Paper Group's core businesses. Leading our operations in this area is Nippon Paper Industries Co., Ltd., which was reorganized in April 2003. The division commands the largest share of the domestic market in three mainstay categories: newsprint, printing and publishing paper, and business communication paper. Backed by advanced technologies, our paper products are sought by customers and are an essential element of Japan's culture.	Nippon Paper Industries Co., Ltd. 
	Paperboard  <ul style="list-style-type: none"> • Containerboard • Folding box board • Base stock for building materials • Core base stock 	We designed the optimal production structure for paperboard operations, and established Nippon Daishowa Paperboard Co., Ltd. in April 2003. The division produces SIKRA PAK®, which is known for its superior waterproofing, and core paper as well as products for general use, such as containerboard and folding box board. The high quality of these products has helped the division earn the solid trust of its customers.	Nippon Daishowa Paperboard Co., Ltd. 
	Household Tissue  <ul style="list-style-type: none"> • Facial tissue • Bathroom tissue • Paper towels • Adult care products 	In Japan, the two largest and best-known brand names of household tissue, Kleenex® and Scottie®, are manufactured and sold by CRECIA Corporation. This company handles a range of products from household use to institutional use, such as facial tissues, toilet tissue and paper towels, including adult care products such as adult diapers and professional products such as industrial-use wipes.	CRECIA Corporation 
PAPER-RELATED DIVISION 	Processed Paper Products  <ul style="list-style-type: none"> • Liquid-packaging cartons • Filling machines and maintenance services • Corrugated board • Paper bags • Adhesive paper 	NIPPON PAPER-PAK CO., LTD. boasts a leading share of the domestic market in liquid-packaging cartons, such as the familiar one-liter milk cartons. The company provides these cartons in a comprehensive deal that also includes filling machines and maintenance services. Nichiita Package Industries Co., Ltd., launched in a restructuring of Group corrugated board subsidiaries in October 2003, mainly engages in sheet and case processing while advancing development of special products such as photocatalytic deodorizing filters.	NIPPON PAPER-PAK CO., LTD. 
	Chemical Products and Functional Materials  <ul style="list-style-type: none"> • Dissolving pulp • Chemical products • Functional films • Media for drafting or copying 	Nippon Paper Chemicals Co., Ltd. manufactures chemical products that utilize wood components. Products in this category have earned significant shares in their markets. They find applications in a variety of products, including paint, ink, dispersing agents, flavor enhancers, animal feed, sweeteners, and pharmaceutical products. The functional materials category produces hard-coated film for liquid crystal displays and other functional films with special characteristics.	Nippon Paper Chemicals Co., Ltd. 
HOUSING AND CONSTRUCTION MATERIALS DIVISION 	 <ul style="list-style-type: none"> • Lumber • Construction materials • Civil engineering business 	Nippon Paper Lumber Co., Ltd., as one of Japan's largest lumber distributors, operates a worldwide network that allows it to search overseas for lumber that is low in cost yet high in quality and to offer lumber products that meet a customer's specific needs. Daishowa Uniboard Co., Ltd. and PAL CO., LTD. aim at enhancing living and society by providing lumber construction materials that are environment-friendly and good for the human body.	Nippon Paper Lumber Co., Ltd. 
OTHER DIVISION 	 <ul style="list-style-type: none"> • Beverages • Transportation and logistics • Management of sports and amusement facilities 	Nippon Paper Group is engaged in a number of other business activities in an effort to maximize profitability for the entire Group. In the logistics business, we are working to develop regional structures designed to minimize the Group's aggregate distribution costs. Nippon Paper Development Co., Ltd. engages in afforestation projects in desertification areas in China along with Nippon Paper Industries Co., Ltd.	