

Nippon Paper Group, Inc. Dissolves Two Subsidiaries

Nippon Paper Group, Inc. announces that two subsidiaries have been dissolved. The details are as follows.

1. Dissolution of Daishowa Kohrin Co., Ltd.

- (1) Trade name: Daishowa Kohrin Co., Ltd.
- (2) Headquarters: 11-1-24, Toyohira Nijo, Toyohira-ku, Sapporo, Hokkaido
- (3) Representative: Yoshihiro Abe, President
- (4) Business: Manufacture and sale of wood chip for paper milling and wooden pallets as well as purchase and sale of such products
- (5) Date of establishment: April 2, 1947
- (6) Capital: 476 million yen
- (7) Total assets: 793 million yen (as of the end of February 2005)
- (8) Book closure: March
- (9) Major shareholder: Nippon Paper Industries Co., Ltd. (100.0%)
- (10) Date of dissolution: March 31, 2005
- (11) Reason for dissolution: Daishowa Kohrin Co., Ltd. had been engaged in the manufacture and sale of wood chip for paper milling and wooden pallets as well as the purchase and sale of such products. In October 2004, its business was transferred to Nippon Paper Lumber Co., Ltd. and Kokumoku Forestry Co., Ltd., both subsidiaries of Nippon Paper Group, Inc. The Company then resolved to proceed with the dissolution of Daishowa Kohrin Co., Ltd.
- (12) Impact on profit and loss: A loss of approximately 900 million yen on liquidation has already been reflected as an extraordinary loss in the interim consolidated results for the period ending in September 2004.

2. Dissolution of Daishowa Port Warehousing Co., Ltd.

- (1) Trade name: Daishowa Port Warehousing Co., Ltd.
- (2) Headquarters: 208-1 Nakagawahara, Fuji-shi, Shizuoka Prefecture
- (3) Representative: Ryoichi Komine, President
- (4) Business: Warehousing
- (5) Date of establishment: March 14, 1967
- (6) Capital: 499 million yen
- (7) Total assets: 4,803 million yen (as of the end of February 2005)
- (8) Book closure: March
- (9) Major shareholder: Nippon Paper Industries Co., Ltd. (100.0%)
- (10) Date of dissolution: March 31, 2004
- (11) Reason for dissolution: It had been engaged in the warehousing business primarily in the Fuji area in Shizuoka Prefecture. In October 2004, the warehousing business in the district was transferred to Daishowa Logistics Co., Ltd., a subsidiary of Nippon Paper Group, Inc. The Company then resolved to proceed with the dissolution of Daishowa Port Warehousing Co., Ltd.
- (12) Impact on profit and loss: A loss of approximately 140 million yen on liquidation has already been reflected as an extraordinary loss in the interim consolidated results for the period ending September 2004.