

December 8, 2017
Daio Paper Corporation

**Regarding the Terms and Conditions for the Issuance of Unsecured Straight Bond
No. 19 and No. 20 (with Inter-bond Pari Passu Clause)**

Daio Paper Corporation has set the terms and conditions for the issuance of its Unsecured Straight Bond No. 19 and No. 20 (with inter-bond pari passu clause), and hereby notifies the outline thereof as below.

1. Unsecured Straight Bond No. 19

1) Name of bond	Daio Paper Corporation Unsecured Straight Bond No. 19 (with inter-bond pari passu clause)
2) Total amount of bond	15 billion yen
3) Denomination of each bond	100 million yen
4) Term	5 years
5) Interest rate	0.420% per annum
6) Payment date	December 14, 2017
7) Rating	“BBB+” from Rating and Investment Information, Inc.
8) Use of proceeds	Capital expenditure and part of funds for repayment of borrowings from financial institutions
9) Lead underwriter	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Daiwa Securities Co. Ltd.
10) Fiscal agents	Aozora Bank, Ltd.

2. Unsecured Straight Bond No. 20

1) Name of bond	Daio Paper Corporation Unsecured Straight Bond No. 20 (with inter-bond pari passu clause)
2) Total amount of bond	10 billion yen
3) Denomination of each bond	100 million yen
4) Term	7 years
5) Interest rate	0.600% per annum
6) Payment date	December 14, 2017
7) Rating	“BBB+” from Rating and Investment Information, Inc.
8) Use of proceeds	Capital expenditure and part of funds for repayment of borrowings from financial institutions

- 9) Lead underwriter Daiwa Securities Co. Ltd.,
 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
- 10) Fiscal agents Mizuho Bank, Ltd.

As stated above, Daio Paper Corporation intends to use the proceeds for capital expenditure in growth areas during the 3rd Medium-Term Business Plan, and as part of the funds for the repayment of borrowings from financial institutions.

<p>-For inquiries regarding this issue- Junichi Ikawa, General Manager Finance Department, Business Administration Division TEL: 03-6856-7515 FAX: 03-6856-7606</p>
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