

ENGLISH TRANSLATION FOR REFERENCE PURPOSE ONLY

This notice is an English translation of the original Japanese text of the release dated November 11, 2016 issued by Daio Paper Corporation, and is for reference purposes only. In the event of any discrepancy between the original Japanese text and this English translation, the Japanese text shall prevail.

PRESS RELEASE

(To all press and media)

November 11, 2016

Daio Paper Corporation

Securities Code: 3880

Regarding Installation of a New Sanitary Napkin Production Facility in Thailand

Daio Paper Corporation has been actively advancing our growth strategy of overseas expansion of our Home & Personal Care business. We hereby notify that the resolution to install a new sanitary napkin facility at Elleair International (Thailand) (“EIT”), our consolidated subsidiary in Thailand, was made at the meeting of the Board of Directors held today (November 11).

EIT was established in January 2011 as the base of production and sales of home and personal care products to Thailand and surrounding Southeast Asian countries. In December of the same year, EIT commenced production of baby disposable diapers “GOO.N”, and has since steadily increased sales.

As part of our company’s strategy to expand our range of products overseas, in March this year (2016), EIT installed a wet tissue and wipe production facility and started production and sales, and from May, EIT conducted test marketing of sanitary napkin imported from Japan.

The sanitary napkin market of Thailand is projected to continue to experience a steady annual growth of 5%. As the test marketing results were favorable and we have determined that local production is feasible, we will install a new sanitary napkin production facility in the existing factory of EIT, and commence operation of facility from July 2017.

-Overview of plan-

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| (1) Projected investment amount: | 1.2 billion yen |
| (2) Production facility: | Installation of new sanitary napkin production facility |
| (3) Start date of operation: | July 2017 |
| (4) Installation site: | EIT (in Amata City Industrial Estate, Rayong Province, Thailand) |

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