

ENGLISH TRANSLATION FOR REFERENCE PURPOSE ONLY

This notice is an English translation of the original Japanese text of the timely disclosure statement dated June 30, 2020 issued by Daio Paper Corporation and Marubeni 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.

June 30, 2020

To whom it may concern,

Name of Company: Daio Paper Corporation
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Name of Company: Marubeni Corporation
Name of Representative: Masumi Kakinoki
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**(Update) Announcement of Completion of Acquisition of Shares of a Sanitary Goods Manufacturer in Brazil
(New Subsidiary)**

Daio Paper Corporation (hereinafter, “Daio”) and Marubeni Corporation (hereinafter, “Marubeni”) announced on February 27, 2020 that they will jointly acquire indirectly all shares of Santher - Fábrica de Papel Santa Therezinha S.A. (hereinafter, “Santher”) through a joint investment company established in Brazil called H&PC BRAZIL PARTICIPAÇÕES S.A., in which Daio and Marubeni hold 51.0% and 49.0% stake respectively. In relation to that, Daio and Marubeni further announce that the acquisition has been completed, thereby making Santher an indirectly owned subsidiary of Daio.

1. Date of the Share Acquisition June 29, 2020

2. Overview of Acquired Subsidiary

(1)	Name	Santher - Fábrica de Papel Santa Therezinha S.A.
(2)	Principal office	Rua Aracati, No. 275, Penha, City of Sao Paulo, State of Sao Paulo, Brazil
(3)	Business description	Sales and manufacturing of H&PC products such as household paper, disposable diapers etc, and specialty paper
(4)	Stated capital	52.7 million BRL
(5)	Date of establishment	1938

3. Operation of Santher

Mr. Hiroyuki Fujita, who currently holds the position of Director (Responsible for Brazil), Corporate Planning Division, Corporate Unit in Daio, has been appointed as the Chairman of the Board of Directors of Santher, and Mr. Yoshisato Esaka from Marubeni has been appointed as the Vice President of Santher.

Daio intends to make use of its strengths and implement the following measures to stimulate the further growth of Santher: entry into the manufacturing and sales of adult disposable diapers; extension of its premium product lineup. Marubeni seeks to enhance Santher's corporate value by integrating Marubeni's existing functions, resources and networks as a general trading house, and through Santher's business, contribute to the realization of a hygienic environment and safe and comfortable lifestyles.

Through Santher, Daio and Marubeni seek to expand their business in H&PC to the entire South American market and furthermore to the African market in the future.

End