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Securities Code: 3861
June 3, 2015

NOTICE OF THE 91ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder:

You are cordially invited to attend the 91st Ordinary General Meeting of Shareholders of Oji Holdings Corporation (the "Company"), which will be held on Friday, June 26, 2015, at 10:00 a.m., Japan Standard Time, at its Headquarters, 7-5, Ginza 4-chome, Chuo-ku, Tokyo, Japan.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or online. In this case, please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights, following the "Instruction for Exercising Voting Rights" described on pages 3 and 4 by 5:00 p.m. Japan Standard Time, Thursday, June 25, 2015.

Sincerely yours,

Susumu Yajima,
President and Chief Executive Officer
Oji Holdings Corporation
7-5, Ginza 4-chome, Chuo-ku, Tokyo, Japan

MEETING AGENDA

Items to Be Reported:

1. The business report and consolidated financial statements for the 91st term (from April 1, 2014 to March 31, 2015); and report on auditing results of the consolidated financial statements by the Accounting Auditor and the Audit & Supervisory Board
2. The non-consolidated financial statements for the 91st term (from April 1, 2014 to March 31, 2015)

Items to Be Resolved:

< Company Proposal (Items 1 through 3) >
Item 1: Partial Amendments to the Articles of Incorporation
Item 2: Election of Thirteen (13) Directors
Item 3: Election of One (1) Audit & Supervisory Board Member

< Shareholder Proposal (Item 4) >
Item 4: Partial Amendments to the Articles of Incorporation

Matters related to the exercise of voting rights:

1. In the case that a voting form without indication of approval or disapproval for an agenda was submitted, it will be handled as an approval for a company proposal and disapproval for a shareholder proposal.
2. If you exercise your voting rights both in writing and online, the latter will prevail, no matter which reached the Company first.
   In addition, if you exercise your voting rights online more than once, the last exercise of your voting rights will prevail.
3. In the case of attendance by proxy, please appoint another shareholder who has voting rights for the Company and submit a document (letter of proxy, etc.) which evidences the authority of proxy.

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1. Pursuant to the provisions of applicable laws and regulations and Article 15 of the Articles of Incorporation, of the documents to be provided with this notice, the "Basic Policy on Corporate Control," "Notes to Consolidated Financial Statements," and "Notes to Non-consolidated Financial Statements" are not provided in this notice because they have been provided to shareholders on the website of Oji Holdings Corporation.
   The above mentioned documents provided on the website comprise a portion of the documents audited by each Audit & Supervisory Board Member, the Audit & Supervisory Board and the Accounting Auditor in the course of the preparation of their audit reports.
2. When attending the meeting in person, please present the enclosed voting form at the reception desk.
3. Please note that persons other than shareholders who are able to exercise voting rights, including proxies and their companions who are not shareholders, are not permitted to enter the venue.
4. Please note that we may adjust the air conditioning and lighting in the venue of the Ordinary General Meeting of Shareholders on the day to save electricity. Please also note that the Company's Officers and staff will be dressed in light clothing (Cool Biz style).
5. If circumstances arise whereby revisions should be made to the contents of the Reference Documents for the General Meeting of Shareholders and business report, consolidated financial statements and non-consolidated financial statements, the Company will notify the revised version on the Company's website (http://www.ojiholdings.co.jp).

Instruction for Exercising Voting Rights

How to Exercise Your Voting Rights

- **If you are able to attend the General Meeting of Shareholders:**

  Please bring the enclosed voting form with you and present it at the reception desk on the day of the meeting (name seals are not required).

  Date and time of the meeting: **Friday, June 26, 2015, at 10:00 a.m. Japan Standard Time**

- **If you are unable to attend the General Meeting of Shareholders:**

1. To exercise your voting rights in writing:

   Please indicate whether you are for or against for each agenda item listed on the enclosed voting form, and return the form by post so that it reaches us by the deadline below.

   Deadline: **Thursday, June 25, 2015 at 5:00 p.m. Japan Standard Time**

2. To exercise your voting rights online:

   Please make sure to read "Instruction for Exercising Voting Rights" (page 4) first and then access the designated Shareholder Voting Website (http://www.web54.net; Japanese) from your personal computer. Login by entering the voter code and password which are given on the enclosed voting form, and enter whether you are for or against for each agenda item by the below deadline, following the on-screen instructions.

   Deadline: **5:00 p.m., Japan Standard Time, on Thursday, June 25, 2015**

- **"ICJ Platform,"** a platform for electronic exercise of voting rights operated by ICJ Inc., will be available for institutional investors.

Instruction for Exercising Voting Rights

Please read the following if you plan to exercise your voting rights online.

1. The only way to exercise your voting rights online is to use the Shareholder Voting Website (http://www.web54.net). In order to vote online, you will need the voter code and password mentioned on the right edge of the voting form.

   Please note that a dedicated website for access via mobile phone is not available.
2. If you use the Shareholder Voting Website, your provider may charge for connection fees, and your telecommunications carrier may charge you for communication (telephone) fees, but these fees must be borne by the shareholder.

- **Passwords**

1. Passwords are a means for confirming that the person casting the vote is the shareholder. Please store it with care until the close of this Meeting. Please note that we cannot give out passwords over the telephone.
2. If you enter your password incorrectly a certain number of times, the site will become locked and unusable. If this happens, please follow the on-screen instructions.
3. This password is only valid for this Meeting.

For computer operating instructions or other questions

1. Please call the number below with any questions about how to vote on this site from a personal computer.

   Dedicated Phone Line of Stock Transfer Agency "Web Support"
   Sumitomo Mitsui Trust Bank, Limited.
   Telephone: 0120 (652) 031 (toll free, Japan only)
   (Calling hours: 9:00 a.m. to 9:00 p.m.)

2. Please call the number below to check your registered address, number of voting shares, etc.

   Stock Transfer Agency Operation Center
   Sumitomo Mitsui Trust Bank, Limited.
   Telephone: 0120 (782) 031 (toll free, Japan only)
   (Calling hours: 9:00 a.m. to 5:00 p.m., weekends and holidays excluded)

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Agenda Items and References

< Company Proposal (Items 1 through 3) >
Items 1 through 3 are proposals made by the Company.

<Company Proposal>
Item 1: Partial Amendments to the Articles of Incorporation

1. Reason for the Amendments

The "Act for Partial Amendments of the Companies Act" (Act No. 90 of 2014) came into effect on May 1, 2015, and as a result the scope of Directors and Audit & Supervisory Board Members with whom the Company can conclude contracts for limitation of liability has been expanded. Accordingly, the Company shall make the necessary amendments to Article 25 (Contracts for Limitation of Liabilities with Outside Directors of the Board) and Article 32 (Contracts for Limitation of Liabilities with Outside Audit & Supervisory Board Member) of the current Articles of Incorporation, in order to enable Directors who are not executive Directors and Audit & Supervisory Board Members who are not Outside Audit & Supervisory Board Members to fully perform the duties expected of them as Directors and Audit & Supervisory Board Members. The consent of each Audit & Supervisory Board Member has been obtained regarding the amendment to Article 25 (Contracts for Limitation of Liabilities with Outside Directors of the Board) of the current Articles of Incorporation.

2. Details of the Amendments to the Articles of Incorporation

The details of the amendments are defined in Appendix.

(Changes are denoted by underlines.)

Current Articles of Incorporation	Proposed Amendments
Article 25. (Contracts for Limitation of Liabilities with Outside Directors of the Board) Pursuant to Article 427, paragraph 1 of the Companies Act, the Company may conclude contracts for limitation of liability with Outside Directors of the Board limiting the liability for damages prescribed in Article 423, paragraph 1 of the same Act. However, the maximum amount of the liability for damages based on said contracts shall be the amount prescribed in laws and regulations.	Article 25. (Contracts for Limitation of Liabilities with Directors of the Board) Pursuant to Article 427, paragraph 1 of the Companies Act, the Company may conclude contracts for limitation of liability with Directors of the Board (excluding Executive Directors, etc.) limiting the liability for damages prescribed in Article 423, paragraph 1 of the same Act. However, the maximum amount of the liability for damages based on said contracts shall be the amount prescribed in laws and regulations.
Article 32. (Contracts for Limitation of Liabilities with Outside Audit & Supervisory Board Member) Pursuant to Article 427, paragraph 1 of the Companies Act, the Company may conclude contracts for limitation of liability with Outside Audit & Supervisory Board Member limiting the liability for damages prescribed in Article 423, paragraph 1 of the same Act. However, the maximum amount of the liability for damages based on said contracts shall be the amount prescribed in laws and regulations.	Article 32. (Contracts for Limitation of Liabilities with Audit & Supervisory Board Member) Pursuant to Article 427, paragraph 1 of the Companies Act, the Company may conclude contracts for limitation of liability with Audit & Supervisory Board Member limiting the liability for damages prescribed in Article 423, paragraph 1 of the same Act. However, the maximum amount of the liability for damages based on said contracts shall be the amount prescribed in laws and regulations.

<Company Proposal>
Item 2: Election of Thirteen (13) Directors

The terms of office for all the current twelve (12) Directors will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company hereby requests the election of thirteen (13) Directors. The candidates for Director are as follows:

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions	
1 Reelection Number of attendance at meetings of the Board of Directors: 17/17 (100%)	 Kiyotaka Shindo (March 27, 1952)	April 1975 April 2007 June 2009 April 2012 October 2012 January 2015	Joined the Company Corporate Officer, the Company Director and Executive Officer, the Company Representative Director, President and CEO, the Company Representative Director of the Board, President and CEO, the Company Representative Director and Chairman of the Board, the Company (to the present)
Number of the Company shares owned: 55,000 Special interest in the Company: N/A			

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions	
2 Reelection Number of attendance at meetings of the Board of Directors: 16/17 (94.1%)	 Susumu Yajima (May 11, 1951)	April 1975 June 2006 June 2009 April 2012 October 2012 January 2015	Joined the former Honshu Paper Co., Ltd. Corporate Officer, the Company Director and Executive Officer, the Company Representative Director and Executive Vice President, the Company Representative Director of the Board and Executive Vice President, the Company Representative Director of the Board, President and CEO, the Company (to the present)
Number of the Company shares owned: 89,200 Special interest in the Company: N/A			

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
3 Reelection Number of attendance at meetings of the Board of Directors: 17/17 (100%)	 Ryoji Watari (February 2, 1953)	April 1975 Joined the Company April 2007 Corporate Officer, the Company April 2011 Executive Officer, the Company June 2012 Director and Executive Officer, the Company October 2012 Director of the Board and Executive Officer, the Company June 2013 Director of the Board and Senior Executive Officer, the Company April 2015 Representative Director of the Board and Executive Vice President, the Company (to the present) (Significant concurrent positions) •President and Representative Director, Oji Industrial Materials Management Co., Ltd. •Chairman and Director, Oji Nepia Co., Ltd. •Director, Oji Container Co., Ltd. •Director, Oji Materia Co., Ltd. •Director, Mori Shigyo Co., Ltd.
Number of the Company shares owned: 60,830 Special interest in the Company: N/A		

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
4 Reelection Number of attendance at meetings of the Board of Directors: 17/17 (100%)	 Kazuo Fuchigami (July 22, 1951)	April 1974 Joined the former Honshu Paper Co., Ltd. April 2008 Corporate Officer, the Company April 2011 Executive Officer, the Company June 2012 Director and Executive Officer, the Company October 2012 Director of the Board and Executive Officer, the Company June 2013 Director of the Board and Senior Executive Officer, the Company April 2015 Representative Director of the Board and Executive Vice President, the Company (to the present) (Significant concurrent positions) •President and Representative Director, Oji Functional Materials Progressing Center Inc. •Director, Oji F-Tex Co., Ltd. •Director, Oji Imaging Media Co., Ltd.
Number of the Company shares owned: 56,436 Special interest in the Company: N/A		

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
5 Reelection Number of attendance at meetings of the Board of Directors: 17/17 (100%)	 Gemmei Shimamura (January 1, 1953)	April 1975 Joined the former Nippon Pulp Industry Co., Ltd. April 2008 Corporate Officer, the Company April 2011 Executive Officer, the Company June 2012 Director and Executive Officer, the Company October 2012 Director of the Board and Executive Officer, the Company April 2015 Director of the Board and Senior Executive Officer, the Company (to the present) (Significant concurrent positions) •President and Representative Director, Oji Management Office Inc.
Number of the Company shares owned: 50,048 Special interest in the Company: N/A		

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
6 Reelection Number of attendance at meetings of the Board of Directors: 17/17 (100%)	 Hidehiko Aoyama (January 23, 1954)	April 1976 Joined the former Kanzaki Paper Co., Ltd. April 2008 Corporate Officer, the Company April 2012 Executive Officer, the Company October 2012 Executive Officer, the Company June 2013 Director of the Board and Executive Officer, the Company April 2015 Director of the Board and Senior Executive Officer, the Company (to the present) (Significant concurrent positions) •Representative Director, President and CEO, Oji Paper Co., Ltd.
Number of the Company shares owned: 24,596 Special interest in the Company: N/A		

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
7 Reelection Number of attendance at meetings of the Board of Directors: 17/17 (100%)	 Yoshiki Koseki (August 8, 1954)	April 1977 Joined the former Honshu Paper Co., Ltd. April 2010 Corporate Officer, the Company April 2012 Executive Officer, the Company June 2012 Director and Executive Officer, the Company October 2012 Director of the Board and Executive Officer, the Company (to the present) (Significant concurrent positions) •Representative Director, President and CEO, Oji Engineering Co., Ltd.
Number of the Company shares owned: 17,000 Special interest in the Company: N/A		

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
8 Reelection Number of attendance at meetings of the Board of Directors: 17/17 (100%)	 Masatoshi Kaku (January 2, 1956)	April 1978 Joined the former Nippon Pulp Industry Co., Ltd. April 2010 Advisor, General Manager, Yonago Mill and Deputy General Manager, Paper Business Division, the Company April 2011 Corporate Officer, the Company April 2012 Executive Officer, the Company October 2012 Executive Officer, the Company June 2013 Director of the Board and Executive Officer, the Company (to the present) (Significant concurrent positions) •Senior Managing Director, Oji Functional Materials Progressing Center Inc. •President and Representative Director, Oji F-Tex Co., Ltd.
Number of the Company shares owned: 13,620 Special interest in the Company: N/A		

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
9 New election	 Ryuichi Kisaka (May 21, 1956) Number of the Company shares owned: 9,980 Special interest in the Company: N/A	April 1982 Joined the former Kanzaki Paper Co., Ltd. April 2010 Deputy General Manager, Imaging Media Division and General Manager, Imaging Media Sales Department, the Company October 2012 President and Representative Director, Oji Imaging Media Co., Ltd. (to the present) June 2013 Corporate Officer, the Company (to the present) (Significant concurrent positions) •Director, Oji Functional Materials Progressing Center Inc. •President and Representative Director, Oji Imaging Media Co., Ltd. •Director, Kanzaki Specialty Papers Inc. •Director, Oji Paper (Thailand) Ltd.

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
10 New election	 Kazuhiko Kamada (February 7, 1960) Number of the Company shares owned: 0 Special interest in the Company: N/A	April 1983 Joined Marubeni Corporation April 2010 President, PT Musi Hutan Persada (Indonesia) April 2011 General Manager, TEL Business Office, Paper Pulp Division, Marubeni Corporation May 2013 Joined Oji Management Office Inc. June 2013 General Manager, Corporate Strategy Office and Head Senior Manager, International Affairs, Oji Forest & Products Co., Ltd. April 2014 President and Representative Director, Oji Forest & Products Co., Ltd January 2015 Corporate Officer, the Company (to the present) (Significant concurrent positions) •Director, Oji Green Resources Co., Ltd. •Director, Oji Forest & Products Co., Ltd. •Chairman, Pan Pac Forest Products Ltd.

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
11 New election	 Hiroyuki Isono (May 20, 1960) Number of the Company shares owned: 8,472 Special interest in the Company: N/A	April 1984 Joined the Company September 2009 General Manager, Overseas Business Planning Section, Corporate Management Division, the Company October 2012 Director of the Board, Oji Management Office Inc. (to the present) April 2014 Corporate Officer, the Company (to the present) (Significant concurrent positions) •Director of the Board, Oji Management Office Inc. •Director, Jiangsu Oji Paper Co., Ltd. •Director, Carter Holt Harvey Pulp & Paper Ltd.

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
12 Reelection Outside director Independent director Number of attendance at meetings of the Board of Directors: 11/13 (84.6%) Number of the Company shares owned: 0 Special interest in the Company: N/A	 Michihiro Nara (May 17, 1946)	April 1974 Registered as an attorney-at-law June 2014 Director, the Company (to the present) (Significant concurrent positions) •Attorney-at-law •Outside Statutory Auditor, SEIKO EPSON CORPORATION ▶ Mr. Michihiro Nara is a candidate for outside director as prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. ▶ The Company selected Mr. Michihiro Nara as a candidate for outside director because the Company would like to have his rich experience as an attorney and his wide-ranging knowledge reflected in the management of the Company. Although Mr. Nara does not have experience being directly involved in corporate management other than being an outside director or outside audit & supervisory board member, the Company judged that he will be able to duly carry out the duties as an outside director owing to the reasons stated above. Mr. Nara is currently an outside director of the Company, and the term of office as an outside director will be one (1) year as of the conclusion of this Meeting. ▶ The Company has designated Mr. Michihiro Nara as an independent director and notified the Tokyo Stock Exchange of such designation in accordance with its regulation. In the event that Mr. Nara is elected, the Company intends that he remain as an independent director. ▶ Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has concluded a contract for limitation of liability with Mr. Michihiro Nara, limiting the liability for damage prescribed in Article 423, Paragraph 1 of the same Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations. In the event that Mr. Nara is elected, it is anticipated that the said contract will continue to remain in force. ▶ Concerning Mr. Michihiro Nara's attendance at meetings of the Board of Directors, the scope of the total number of meetings includes only those meetings of the Board of Directors held after his appointment on June 27, 2014.

No.	Name (Date of birth)	Brief history, positions and responsibilities in the Company and significant concurrent positions
13 New election Outside director Independent director	 Nobuaki Terasaka (April 9, 1953) Number of the Company shares owned: 0 Special interest in the Company: N/A	April 1976 Joined Ministry of International Trade and Industry July 2009 Director-General, Nuclear and Industrial Safety Agency August 2011 Retired (to the present) ▶ Mr. Nobuaki Terasaka is a candidate for outside director as prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. ▶ The Company selected Mr. Nobuaki Terasaka as a candidate for outside director because the Company would like to have his rich experience in administration and his wide-ranging knowledge reflected in the management of the Company. ▶ In the event that Mr. Nobuaki Terasaka is elected, the Company intends to designate Mr. Terasaka as an independent director and notify the Tokyo Stock Exchange of such designation in accordance with its regulation. ▶ In the event that Mr. Nobuaki Terasaka is elected, it is anticipated that the Company concludes a contract for limitation of liability with Mr. Terasaka pursuant to Article 427, Paragraph 1 of the Companies Act, limiting the liability for damage prescribed in Article 423, Paragraph 1 of the same Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations.

<Company Proposal>
Item 3: Election of One (1) Audit & Supervisory Board Member

The term of office for Audit & Supervisory Board Member Kenjiro Ueno will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company hereby requests the election of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has given its consent regarding this item.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Brief history, positions in the Company and significant concurrent positions
 Yuko Miyazaki (July 9, 1951) New election Outside audit & supervisory board member Number of the Company shares owned: 0 Special interest in the Company: N/A	April 1979 Registered as an attorney-at-law (to the present) (Significant concurrent positions) •Attorney-at-law •Outside Director, Seven Bank, Ltd. ► Ms. Yuko Miyazaki is a candidate for outside audit & supervisory board member as prescribed in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act. ► The Company selected Ms. Yuko Miyazaki as a candidate for outside audit & supervisory board member because the Company would like to have her rich experience as an attorney and her wide-ranging knowledge reflected in the audits of the Company. Although Ms. Miyazaki does not have experience being directly involved in corporate management other than being an outside director, the Company judged that she will be able to appropriately carry out the duties as an outside audit & supervisory board member owing to the reasons stated above. ► In the event that Ms. Yuko Miyazaki is elected, it is anticipated that the Company concludes a contract for limitation of liability with Ms. Miyazaki pursuant to Article 427, Paragraph 1 of the Companies Act, limiting the liability for damage prescribed in Article 423, Paragraph 1 of the same Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations.

< Shareholder Proposal (Item 4) >

Item 4 is a proposal made by some shareholders. The number of voting rights held by the proposing shareholders (two persons) is 999.

<Shareholder Proposal>

Item 4: Partial Amendments to the Articles of Incorporation

- Details of the Proposal

The following provision will be added to the Articles of Incorporation.

Article 17-2 In case the Company engages in the manufacture and sale of paper outside Japan or related businesses, such as making investments in a company or association established outside Japan, the directors shall report to an ordinary general meeting of shareholders on the situation of assets, liabilities, and profit/loss, and their details for each accounting year in respect of the said company, association, or business.

(2) In case the company, association, or business in the preceding paragraph has liabilities surpassing assets, or suffers a loss in the said accounting year, the directors shall analyze the causes and where responsibility lies and report the outcome at an ordinary general meeting of shareholders.

- Reasons for the Proposal

Although your company is extensively engaged in the manufacture and sale of paper overseas, none of the businesses can be regarded as successful. Take as an example the business in China announced in 2003. Although at least 140 billion yen was invested, commercial operations of pulp equipment started as late as January 2015. It is obvious that the huge amount of funds invested has not been used efficiently for about 12 years. Moreover, the outlook for the business is uncertain. Also, in Canada, your company had a pulp and paper manufacturing company, but withdrew from that business by selling its stake to Hokuetsu Kishu Paper Co., Ltd., which your company had failed to acquire through a TOB. Presumably, your company incurred huge losses.

As the above two examples show, the overseas business of your company has been extremely poorly managed. Considering the reality that the Board of Directors has not functioned at all in terms of supervision and corrective actions, it is appropriate to place the overseas expansion of business under the watch of the general meeting of shareholders because the overseas business can influence shareholder value significantly.

- Opinion of the Board of Directors

The Board of Directors opposes this agenda item.

(Reasons for opposition)

The Group has disclosed to shareholders the basic strategy of the business and its results in an appropriate and timely manner, pursuant to laws and regulations.

Including reports on overseas business, as proposed in the agenda, what information is not subject to disclosure should be reported at what time and in what form should not be stipulated in the Articles of Incorporation. Instead, it is reasonable to leave it to the judgment of the Board of Directors. The Board of Directors will make the correct judgment upon considering comprehensively whether disclosure will enhance an understanding of our business or whether disclosure can have harmful effects.

Finally, the overseas business of the Group has remained solid in general, delivering steady results and contributing to the shareholders ’interests.

(Attached Documents)

Business Report (from April 1, 2014 to March 31, 2015)

1. Review of Group Operations

(1) Review of Operations

Looking at the economic environment of the Group for fiscal 2014, the fiscal year ended March 31, 2015, in Japan the economy continued on a gradual recovery trend overall, driven by factors such as strong growth in stock prices against a backdrop of additional quantitative easing, the yen's depreciation, and the cheap price of oil. These outweighed a longer-than-expected period of effects such as a fallback in demand and inventory adjustments after a surge ahead of the consumption tax rate increase in April 2014. In the global economy, conditions remained uncertain due to factors such as the flare-up of the Greek debt crisis, the slowdown in growth of emerging economies, and a sense of instability over geopolitical risks in certain areas. On the other hand, the U.S. economy continued to perform strongly overall.

Under the conditions, for fiscal 2014, the Oji Group recorded consolidated net sales of 1,347,281 million yen (up 1.1% from the previous year), operating income of 46,694 million yen (down 24.7%), ordinary income of 52,970 million yen (down 24.7%), and net income of 17,344 million yen (down 48.7%).

The situation for each business segment was as follows.

Segment	Net sales		Operating income	
Household and Industrial Materials	561,752 million yen	(Up 2.0% year on year)	14,528 million yen	(Down 35.4% year on year)
Functional Materials	225,220 million yen	(Down 0.4% year on year)	9,367 million yen	(Down 23.7% year on year)
Forest Resources and Environment Marketing Business	211,521 million yen	(Up 2.8% year on year)	14,925 million yen	(Down 30.2% year on year)
Printing and Communications Media	310,983 million yen	(Down 2.1% year on year)	(671) million yen	(–)
Others	276,074 million yen	(Up 3.3% year on year)	7,997 million yen	(Up 0.2% year on year)
Subtotal	1,585,552 million yen	(Up 1.1% year on year)	46,147 million yen	(Down 25.4% year on year)
Adjustments	(238,270) million yen	(–)	547 million yen	(–)
Total	1,347,281 million yen	(Up 1.1% year on year)	46,694 million yen	(Down 24.7% year on year)

(Notes) 1. For business divisions of consolidated subsidiaries, the business segment allocation has partly changed from the current fiscal year. For comparison with the previous fiscal year, the previous fiscal year's results were retroactively recalculated to reflect the current state of business segments.
2. Adjustments represent those mainly for inter-segment transactions.
3. Numbers less than one million yen are rounded down to the nearest million.

[Household and Industrial Materials]

Net sales 561,752 million yen Operating income 14,528 million yen

Main Businesses: Containerboard/corrugated containers, Boxboard/packaging materials, Folding cartons/paper bags, Household products

In the domestic business, containerboard exports increased from fiscal 2013, but sales for the domestic market declined, primarily reflecting the fallback in demand following the consumption tax rate increase and lower sales related to fresh produce due to inclement summer weather. As a result, total domestic and export sales of containerboard declined slightly from the previous year both in monetary terms and in volume. Corrugated containers retained strong sales, mainly for use in food, especially beverages, but sales volumes declined slightly, mainly reflecting the effect of the fallback in demand following the consumption tax rate hike. In household paper, sales volumes of tissue paper declined, although sales of toilet rolls increased slightly.

In the overseas business, in Southeast Asia, which is one of the core business areas, containerboard

sales performed strongly, while sales of corrugated containers were also buoyant, primarily for beverage and processed food uses.

[Functional Materials]
Net sales 225,220 million yen Operating income 9,367 million yen
Main Businesses: Specialty paper, Thermal paper, Adhesive products, Film
In specialty paper, domestic sales declined from the previous year, mainly due to withdrawal from certain businesses; however, the Group promoted sales expansion by focusing on development of new products and new customers. Export sales grew thanks to sales expansion for electrical film and other products. Thermal paper sales in Japan grew steadily.
In overseas business, thermal paper sales declined in North America and Europe, but increased in Asia and South America.

[Forest Resources and Environment Marketing Business]
Net sales 211,521 million yen Operating income 14,925 million yen
Main Businesses: Lumber, Pulp, Energy
In the domestic business, the Group increased its sales in the pulp business from the previous year with the start of sales of rayon pulp, primarily for export, from the first quarter of fiscal 2014.
In the overseas business, paper pulp sales volumes were largely unchanged from the previous year, and although foreign currency-based sales declined due to a drop in prices, sales increased in yen terms due to the impact of the yen's depreciation. Lumber sales declined due to a slump in demand.

[Printing and Communications Media]
Net sales 310,983 million yen Operating income (671) million yen
Main Businesses: Newsprint, Printing/publication/communication paper
Newsprint sales declined from the previous year due to the decline in newspaper circulation. Sales of printing/communication paper also declined from the previous year, mainly reflecting a fall in demand.

[Others]
Net sales 276,074 million yen Operating income 7,997 million yen
Main businesses: Real estate, Machinery, Trading
Sales in the others segment increased from the previous year due to brisk performance in the trading business.

(2) Capital investment of Oji Group

The Group's capital investment for the year under review amounted to 80,079 million yen, an increase of 3,357 million yen compared to the previous year.
The Group has continued to make such investments in fields required for restructuring its business portfolio and to implement works aimed at achieving improved product quality, higher energy efficiency, and greater productivity, as well as projects for safety and the environment.
The following summarizes the Group's principal capital investment programs.

1. Principal works that were completed during the year under review

Company Name	Description of works
Oji Container Co., Ltd.	Works to install additional corrugated container production equipment (Fukushima Mill)
Oji Materia Co., Ltd.	Works to install biomass boiler (Fuji Mill)
Oji Paper Co., Ltd.	Works to install an integrated, continual and efficient bio-refinery industrial process (Yonago Mill)
	Works to overhaul hydropower generation equipment (Shiribetsu/Chitose, Hokkaido)
Jiangsu Oji Paper Co., Ltd.	Works to install equipment to produce kraft pulp (China)
United Kotak Berhad	Works to set up and relocate a corrugated container mill (Malaysia)
Oji JK Packaging Private Limited	Works to set up a new corrugated container mill (India)

2. Principal works that were underway during the year under review

Company Name	Work description
New Tac Kasei Co., Ltd.	Works to install optical adhesive material production equipment (Toyonaka Plant)
Oji Green Energy Ebetsu	Works to install a biomass boiler (Oji F-Tex Ebetsu Mill)
Oji Green Energy Nichinan	Works to install a biomass boiler (Oji Paper Nichinan Mill)
Oji GS Packaging (Yangon) Co., Ltd.	Works to set up a new corrugated container mill (Myanmar)
Oji Asia Household Products Sdn. Bhd.	Works to set up a new mill for disposable diapers (Malaysia)

(3) Changes in assets and results of operation

Segment		87th FY2010	88th FY2011	89th FY2012	90th FY2013	91st FY2014
Net sales	(millions of yen)	1,180,131	1,212,912	1,241,471	1,332,510	1,347,281
Operating income	(millions of yen)	65,441	53,780	52,383	62,023	46,694
Ordinary income	(millions of yen)	60,245	48,375	54,565	70,358	52,970
Net income	(millions of yen)	24,619	22,177	25,600	33,801	17,344
Net income per share	(yen)	24.92	22.46	25.93	34.22	17.55
Total assets	(millions of yen)	1,620,927	1,634,992	1,831,251	1,915,676	2,164,091
Net assets	(millions of yen)	455,998	463,299	579,128	670,356	801,372
Net assets per share	(yen)	444.24	454.20	511.95	581.69	666.40

(Notes) 1. Net income per share was calculated by dividing net income by the average number of shares outstanding for the year under review upon subtracting from it the number of treasury stocks.
2. Net assets per share were calculated by dividing net assets by the number of shares outstanding at the end of the year under review upon subtracting from it the number of treasury stocks.
3. Numbers less than one million yen are rounded down to the nearest million.

(4) Issue to address of Oji Group

(i) Fulfilling our social responsibilities (compliance with the Oji Group Corporate Code of Conduct)

The Group deems its rigorous compliance with applicable laws and regulations to be the cornerstone of its corporate activities, based on a strong awareness that fulfilling its commitments to communities and people to discharge its social responsibilities is a prerequisite for its own survival. As a result, we provide compliance training to our directors and employees, and promote compliance awareness among them so that they all continue to act with a strong sense of ethics. At the same time, based on the fundamental philosophy of the Oji Group Environmental Charter, we pursue our corporate activities in ways that are harmonious with the environment, while working hard to ensure proper levels of safety and sanitation for all persons involved in our business operations, under the fundamental philosophy that gives absolute top priority to safety.

(ii) Business strategy of Oji Group

The Group is now urgently restructuring its business portfolio with the objective of increasing corporate value and generating sustainable growth by constantly and ahead responding to a changing business environment.

The centerpiece of our group business strategy is composed of developing and enhancing our existing core businesses, of identifying our next-generation core businesses by developing new businesses and new products, of expanding our overseas businesses by focusing on emerging market countries and resource-rich nations, and of further strengthening our financial base. As a result, the Group aims to become an Innovative Value-Creating Company that pursues business operations globally by strengthening predominantly the R&D structure, overseas market development structure, trading function, and HR planning function, and also by increasing corporate value by promoting thorough implementation of cashflow management, selecting businesses and concentrating upon them, planned business restructuring, and continuous cost reductions.

The following is an outline of the Group's specific initiatives.

(a) Household and Industrial Materials

•Industrial Materials (Containerboard business, Corrugated containers business, Boxboard and packaging papers business, Folding cartons and paper bag business)

The Group has been expanding its business operations in Southeast Asia and India at an accelerated pace. In fiscal 2013, in addition to launching production at its new corrugated container mills in Cambodia and Vietnam and at its two new paper bag mills in China, the Group acquired a folding carton and decorative corrugated container manufacturing company in Vietnam. In fiscal 2014, our new corrugated container mill in India started operations, and our new corrugated container mills are planned to come on stream in Myanmar, Vietnam, and India in fiscal 2015.

In Japan's domestic market, the Group streamlined its containerboard production platform in the Fuji region, while upgrading corrugated container production equipment in Fukushima Prefecture. At the same time, by leveraging our competitive advantage of being an integrated packaging maker, we reinforced our material-processing-integrated business model.

•Household and Consumer Products (Household products business)

Regarding disposable diaper products, the Group established the Personal Care Innovation Center in October 2013 to further reinforce its product development capability and business competiveness.

In the Japanese domestic market, the Group will capture growing demand for adult-use disposable diapers in the new factory in Fukushima Prefecture. In overseas markets, looking forward to the full-scale expansion of its disposable diaper business, particularly in Southeast Asia where significant demand growth for disposable baby diapers is expected, the Group set up a joint venture in Indonesia, the most populous nation in Southeast Asia, in January 2015, and acquired a diaper company in Malaysia in the same month. Besides, a new disposable diaper plant is now under construction in Malaysia. In August 2014, the Group signed a Memorandum of Understanding (MoU) on a strategic alliance to sell sanitary products such as disposable diapers in the People's Republic of China with Nichii Gakkan Company, and it is proceeding with business expansion in China.

In the area of Household Products, we intend to expand high-value-added products and establish a premium brand by expanding lines of environmentally friendly products including FSC certified products, and by promoting development of high-quality products through continuous quality improvements.

(b) Functional Materials (Specialty paper business, Thermal paper business, Adhesive products business, Film business)

To expand operations through the aggressive allocation of business resources, the Group boosted its thermal paper production equipment in Brazil in April 2014. Meanwhile, it has continued to sequentially boost its production capacity for touch panel-use optical adhesive materials, a product category experiencing growing demand. To improve profitability, the Group has been working on an initiative to build an optimal production platform, while continuing to revise its thermal paper production structure, based on the integration of bases in Southeast Asia and Japan.

Also, to further expand our R&D function, we set up the Laboratories of Innovation in Adhesive Materials for the adhesive materials business, and set up Advanced Film Research Center and constructed a new laboratory for the film business. With leading roles played by both laboratories, the Group will rapidly develop highly functional and high value-added products, while creating new products and technologies. Moreover, it will grow its overseas operations by aggressively expanding into growth markets such as those in Southeast Asia.

(c) Forest Resources and Environment Marketing Business (Lumber business, Pulp business, Energy business)

In overseas markets, the Group has been expanding its lumber and pulp business operations, focusing on resource-rich countries. The Group's new lumber plants went on stream in Indonesia in February 2014 and in Laos in October 2014. Moreover, its new lumber plant in Vietnam is scheduled to go on stream in fiscal 2015. Meanwhile, in the pulp business in Brazil

and New Zealand, the Group will strengthen pulp sales, focusing on Asia. At the same time, in Myanmar, Indonesia, and Vietnam, it has built business bases designed to pursue a wide range of business activities, boosting sales in those countries. Furthermore, Jiangsu Oji Paper Co., Ltd. in China began commercial operation of kraft pulp in January 2015.
In Japan's domestic market, the Group has been accelerating new business initiatives, bringing on stream dissolving pulp (DP) equipment for rayon in May 2014. In the electric power business, one biomass power generator began operation in March 2015 and two biomass power generators are scheduled to come on stream in fiscal 2015. In addition, hydropower generator renovation work is underway. Furthermore, assuming liberalization of the power retail industry planned in 2016, the Group established a joint venture for electric power sales in February 2015.

(d) Printing and Communications Media (Newsprint business, Printing/publication/communications paper business)
While the Group has continued to restructure its production platform, as required, taking into account the business environment, it will keep its efforts in reviewing its cost structure continuously by promoting construction of optimal production structure based on demand and enhancing international competitiveness.
Meanwhile, Jiangsu Oji Paper Co., Ltd. began integrated production of pulp and paper with the start of operations of its kraft pulp facility.

(e) Improving research and development (R&D)
In April 2014, the Group renamed the R&D Division the Innovation Promotion Division. In the process, it reorganized its R&D platform to pursue R&D activities more flexibly and efficiently. In addition, we established the new Water Environment Research Laboratory in July 2014, and further strengthened the R&D structure, which will be the core of innovative value creation.

Moreover, to further expand overseas business and undertake new business operations, the Company in December 2014 teamed up with Innovation Network Corporation of Japan (INCJ) and acquired the pulp, paperboard, and packaging businesses of Carter Holt Harvey Limited, a company with production facilities in New Zealand and Australia (Carter Holt Harvey Pulp & Paper Limited and related companies).

Furthermore, in December 2014, the Company passed a resolution to form business and capital alliances through a third-party stock allocation with Chuetsu Pulp & Paper Co., Ltd. to further increase investment and capital efficiencies by leveraging management resources. Also note that subscription to the third-party stock allocation is to subject to the condition that a cease and desist order is not received from the Japan Fair Trade Commission based on laws related to the prohibition of private monopolization and the maintenance of fair trade.

By carrying out the measures above, the Group aims to become a global corporate group that continues to create innovative value.

(5) Main businesses of Oji Group (as of March 31, 2015)

Segment	Main Businesses
Household and Industrial Materials	Containerboard business, Corrugated containers business, Boxboard and packaging papers business, Folding cartons and paper bags business, Household products business
Functional Materials	Specialty paper business, Thermal paper business, Adhesive products business, Film business
Forest Resources and Environment Marketing Business	Lumber business, Pulp business, Energy business
Printing and Communications Media	Newsprint business, Printing and publication and communications paper business
Others	Real estate business, Machinery business, Trading business

(6) Main offices and mills of Oji Group (as of March 31, 2015)

(i) The Company

Main Sites	
Headquarters:	Chuo-ku, Tokyo
Research Centers:	Koto-ku, Tokyo, Amagasaki, Hyogo, other
Overseas:	China

(ii) Domestic subsidiaries

Company Name	Major mills/facilities	
Oji Container Co., Ltd.	Headquarters:	Chuo-ku, Tokyo
	Mill:	Nagano (Azumino, Nagano), other 26 mills
Oji Materia Co., Ltd.	Headquarters:	Chuo-ku, Tokyo
	Sales Office:	Hokkaido (Sapporo), Chubu (Nagoya), Seibu (Osaka), Kyushu (Fukuoka)
	Mill:	Kushiro, other 12 mills
Oji Nepia Co., Ltd.	Headquarters:	Chuo-ku, Tokyo
	Branch:	Sapporo, Tokyo (Chuo-ku, Tokyo), Nagoya, Osaka, Fukuoka, other
	Mill:	Nagoya (Kasugai, Aichi), other 3 mills
Oji Paper Co., Ltd.	Headquarters:	Chuo-ku, Tokyo
	Sales Branch:	Hokkaido (Sapporo), Chubu (Nagoya), Kansai (Osaka), Kyushu (Fukuoka)
	Mill:	Tomakomai , other 4 mills
Oji F-Tex Co., Ltd.	Headquarters:	Chuo-ku, Tokyo
	Sales Office:	Chubu (Nagoya), Nishinihon (Osaka)
	Mill:	Ebetsu, other 3 mills
Oji Imaging Media Co., Ltd.	Headquarters:	Chuo-ku, Tokyo
	Mill:	Kanzaki (Amagasaki, Hyogo)
Mori Shigyo Co., Ltd.,	Headquarters:	Kyoto
	Mill:	Yokohama, other 4 mills

(iii) Overseas subsidiaries

Stated in the table titled "(8) Significant subsidiaries"

(7) Employees of Oji Group

(as of March 31, 2015)

Segment	Number of employees	Change from previous fiscal year-end
Household and Industrial Materials	15,433	An increase of 1,627
Functional Materials	4,655	A decrease of 66
Forest Resources and Environment Marketing Business	6,840	An increase of 1,158
Printing and Communications Media	3,983	A decrease of 191
Others	2,757	An increase of 68
Total	33,668	An increase of 2,596

(Notes) 1. For business divisions of consolidated subsidiaries, the business segment allocation has partly changed from the current fiscal year. For comparison with the previous fiscal year-end, the previous fiscal year's results were retroactively recalculated to reflect the current state of business segments.
2. As Carter Holt Harvey Pulp & Paper Ltd. has become a consolidated subsidiary, it has been included in the previous fiscal year's results for comparison.

(8) Significant subsidiaries

(as of March 31, 2015)

Company name	Capital stock	Percentage of voting rights of the Company	Major business description
	millions of yen	%	
Japan Brazil Paper and Pulp Development Ltd.	61,788	(55.5)	Management of pulp production company in Brazil. Pulp trading in the country
Oji Container Co., Ltd.	10,000	(100)	Production and distribution of corrugated container products (sheet and box)
OJI TAC Co., Ltd.	1,550	(100)	Production and distribution of paper- and resin-processed products, packaging materials, and adhesive paper
Oji Packaging Co., Ltd.	1,500	(100)	Production and distribution of folding cartons and synthetic resin container
Oji Logistics Co., Ltd.	1,434	100	Warehousing, truck transportation, and domestic sea transportation services
Kyokuyo Pulp & Paper Co., Ltd	1,300	90.0	Trading of paper, synthetic resin, and packaging materials
Oji Cornstarch Co., Ltd.	1,000	(60.0)	Production and distribution of corn starch and saccharified products
Oji Engineering Co., Ltd.	800	100	Design, manufacture, installation, overhaul, and distribution of various machinery products
Oji Real Estate Co., Ltd.	650	(100)	Real-estate trading, brokerage, leasing, and management services
Oji Materia Co., Ltd.	600	100	Production and distribution of paperboard (containerboards, specialty paperboards, and boxboards), packaging materials, and pulps
Oji Nepia Co., Ltd.	350	100	Production and distribution of sanitary paper and disposable diaper
Oji Paper Co., Ltd.	350	100	Production and distribution of newsprint, paper, and pulp
Oji F-Tex Co., Ltd.	350	100	Production and distribution of specialty printing paper, specialty function paper, film products, and specialty paperboard
Oji Imaging Media Co., Ltd.	350	100	Production and distribution of thermal recording paper (paper and film) and inkjet paper

Company name	Capital stock	Percentage of voting rights of the Company	Major business description
Oji Green Resources Co., Ltd.	350	100	Trading in lumber, pulp, and raw fuel materials, plantation business management, and the energy business
Mori Shigyo Co., Ltd.	310	(100)	Production and distribution of corrugated container products (sheet and box)
Oji Forest & Products Co., Ltd.	288	(100)	Trading in lumber and paper raw materials, gardening, and afforestation services
Jiangsu Oji Paper Co., Ltd. (China)	Millions of US dollars 911	(90.0)	Production and distribution of paper and pulp
Carter Holt Harvey Pulp & Paper Ltd. (New Zealand)	Millions of New Zealand dollars 728	(60.0)	Production and distribution of pulp, paperboard, corrugated container products, and paper bag products
Oji Papéis Especiais Ltda. (Brazil)	Millions of Brazilian Real 409	(100)	Production and distribution of thermal recording paper and carbonless copy paper
Pan Pac Forest Products Ltd. (New Zealand)	Millions of New Zealand dollars 126	(100)	Forest management, plantation and logging services. Distribution of lumbers and production and distribution of pulp and lumber products
Celulose Nipo-Brasileira S.A. (Brazil)	Millions of US dollars 257	(55.5)	Plantation service and production and distribution of pulp
Kanzaki Specialty Papers Inc. (USA)	Millions of US dollars 34	(100)	Production and distribution of thermal recording paper
KANZAN Spezialpapiere GmbH (Germany)	Millions of euros 25	(94.7)	Production and distribution of thermal recording paper
Oji Paper (Thailand) Ltd. (Thailand)	Millions of Thai baht 1,340	(100)	Production and distribution of carbonless copy paper and thermal recording paper
Oji Paper Trading (China) Co., Ltd.	Millions of RMB 90	(90.0)	Trading in paper, paperboard, and pulp
GS Paper & Packaging Sdn. Bhd. (Malaysia)	Millions of Malaysian ringgit 255	(75.0)	Production and distribution of containerboards and corrugated container products (sheet and box)
Harta Packaging Industries Sdn. Bhd. (Malaysia)	Millions of Malaysian ringgit 18	(100)	Production and distribution of corrugated container products (sheet and box)

(Notes) 1. Carter Holt Harvey Pulp & Paper Ltd., converted into the consolidated subsidiary of the Company, is listed as one of the Group's significant subsidiaries with consideration for its business operations

since the year under review.
2. Capital stock value less than the minimum unit is truncated for presentation.
3. The percentage of voting rights of the Company shown in parentheses denotes one that includes voting rights held by subsidiaries.
4. The number of the Group's consolidated subsidiaries as of March 31, 2015 stood at 173, including significant subsidiaries whose names are listed above. The number of equity method affiliate companies totaled 19 as of March 31, 2015.

(9) Financing activities of Oji Group

The Group obtained necessary cash by securing loans from financial institutions and issuing commercial paper.

(10) Main lenders and Borrowing amount of Oji Group

(as of March 31, 2015)

Lender	Loan balance
	millions of yen
Mizuho Bank, Ltd.	57,334
Sumitomo Mitsui Banking Corporation	50,448
The Norinchukin Bank	43,574
Development Bank of Japan Inc.	35,226
Nippon Life Insurance Company	32,000

(Notes) 1. In addition to the loans listed above, the Company obtained 216,456 million yen in syndicate loans.
2. Numbers less than one million yen are rounded down to the nearest million.

(11) The status of the Group's corporate reorganization activities and acquisition of shares in other companies

(i) In December, 2014, the Company, aiming to further expand overseas business and develop new business, worked cooperatively with Innovation Network Corporation of Japan (INCJ) to jointly acquire 100% of the issued shares of Carter Holt Harvey Pulp & Paper Ltd. and seven other companies. The said shares were acquired through Oji Oceania Management (NZ) Ltd. and Oji Oceania Management (AUS) Pty. Ltd., wholly owned subsidiaries of Oji Oceania Management Co., Ltd., the joint venture established by the Company and INCJ (the Company's shareholding ratio is 60%).

(ii) Aiming for full-scale business development centered on South East Asia where significant growth in demand for children's disposable diapers is expected, in January, 2015, the Company and its subsidiary Oji Asia Management Sdn. Bhd., acquired 80% of the issued shares of People & Grit (M) Sdn. Bhd., a company that operates a disposable diaper business in Malaysia.

iii) In December 2014, the Company decided to execute a business tie-up and equity tie-up—achieved by subscribing to a third-party stock allocation—with Chuetsu Pulp & Paper Co., Ltd. for the purpose of further improving investment efficiency and equity efficiency by both companies mutually further utilizing the other's business resources. Note that the subscription to the third-party stock acquisition is subject to the condition that a cease and desist order is not received from the Japan Fair Trade Commission based on laws related to the prohibition of private monopolization and the maintenance of fair trade.

(iv) At a meeting at the Board of Directors held in March 2015, a resolution was passed to transfer of all the shares that the Company owns of Alpac Forest Products Inc. (30% of the issued shares), an equity affiliate of the Company that operates a pulp business from the viewpoint of efficient utilization of management resources through selection and concentration of pulp operations to Hokuetsu Kishu Paper Co., Ltd..

(12) Policy concerning exercise of authority in case that the Articles of Incorporation stipulates that the Board of Directors shall determine dividends of surplus, etc.

(i) Basic policy for distribution of profit

The Company's basic policy is to maintain stable dividends to shareholders to the extent possible while comprehensively considering the business results for each business year and the internal reserves necessary in preparation for future management initiatives.

(ii) Matters related to year-end dividend

With regard to the year-end dividend for the current fiscal year, the approval to adopt distribution of 5 yen per share with the record date of March 31, 2015 will be sought at the Board of Directors of the Company to be held on May 15, 2015 by comprehensively considering the business results and future business environment, etc. and pursuant to the provisions of the Company's Articles of Incorporation.

Combined with the interim dividend of 5 yen per share, which was implemented for the interim period, this will bring total dividends for the current fiscal year to 10 yen per share, the same as for the previous fiscal year.

(a) Type of dividend property

Cash

(b) Matters related to allotment of dividend property to shareholders and total amount thereof 5 yen per common share of the Company; Total amount 4,948,762,185 yen

(c) Effective date of dividends of surplus

June 4, 2015

(13) Significant matters related to the current state of the corporate group other than those mentioned in the preceding items

In 2012, the Group companies including Oji Container Co., Ltd. and Mori Shigyo Co., Ltd. were investigated by the Japan Fair Trade Commission on suspicion of having violated the antitrust law in trading of corrugated container products (sheet and box). Since then, we have provided our full cooperation in the investigations of the Fair Trade Commission. Nevertheless, in June 2014, the companies received a cease and desist order from and were ordered by the Fair Trade Commission to pay a surcharge for violations of the Antimonopoly Act. However, as we are unable to accept the contents of the orders, we have lodged an appeal in July 2014 and we intend to claim the Group's recognition and demand a fair judgment in the trial procedures at the Fair Trade Commission.

Please note that the Group continues to endeavor to ensure through compliance across the Group.

2. Shares of the Company (as of March 31, 2015)

(1) Total number of shares authorized to be issued 2,400,000,000 shares
(2) Total number of shares issued 1,064,381,817 shares
(Treasury stock) (74,629,380 shares)
(3) Total number of shareholders 69,753 shareholders
(3,374 decrease compared with March 31, 2014)

(4) Major shareholders (top 10)

Name of shareholder	Shares held	Percentage of total shares issued
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust account)	58,454	5.9
Japan Trustee Services Bank, Ltd. (Trust account)	41,375	4.2
Japan Trustee Services Bank, Ltd. (Trust account 4)	32,447	3.3
Sumitomo Mitsui Banking Corporation	31,668	3.2
Mizuho Bank, Ltd.	31,636	3.2
Nippon Life Insurance Company	25,658	2.6
Oji Group Employee Stock-holding Association	24,073	2.4
Japan Pulp and Paper Company Limited	17,464	1.8
The Norinchukin Bank	16,654	1.7
Chieko Fujisada	14,844	1.5

(Notes) 1. The Company holds treasury stock of 74,629 thousand shares, which is excluded from the above list.
2. The percentage of total shares issued has been calculated after excluding the Company's treasury stock (74,629 thousand shares).
3. Numbers less than one thousand are rounded down to the nearest thousand.

3. Subscription right to shares of the Company

Summary of subscription right to shares held by the Company's Officers as of March 31, 2015

(as of March 31, 2015)

Name of subscription right to shares	Allotment date	Number of holders of subscription right to shares	Number of subscription right to shares	Class and number of shares to be delivered upon exercise of subscription rights to shares outstanding	Exercise period of subscription right to shares
Oji Paper Co., Ltd. 1st Subscription Rights to Shares (For Directors)	August 15, 2006	Director (excluding the Outside Board Members) 1	24 (1,000 shares of common stock per unit)	Common stock 24,000 shares	August 16, 2006 to June 30, 2026
Oji Paper Co., Ltd. 2nd Subscription Rights to Shares (For Directors)	July 13, 2007	Director (excluding the Outside Board Members) 1	26 (1,000 shares of common stock per unit)	Common stock 26,000 shares	July 14, 2007 to June 30, 2027
Oji Paper Co., Ltd. 3rd Subscription Rights to Shares (For Directors)	July 14, 2008	Director (excluding the Outside Board Members) 1	39 (1,000 shares of common stock per unit)	Common stock 39,000 shares	July 15, 2008 to June 30, 2028
Oji Paper Co., Ltd. 4th Subscription Rights to Shares (For Directors)	July 13, 2009	Director (excluding the Outside Board Members) 3	54 (1,000 shares of common stock per unit)	Common stock 54,000 shares	July 14, 2009 to June 30, 2029
Oji Paper Co., Ltd. 5th Subscription Rights to Shares (For Directors)	July 16, 2010	Director (excluding the Outside Board Members) 3	66 (1,000 shares of common stock per unit)	Common stock 66,000 shares	July 17, 2010 to June 30, 2030
Oji Paper Co., Ltd. 6th Subscription Rights to Shares (For Directors)	July 15, 2011	Director (excluding the Outside Board Members) 4	82 (1,000 shares of common stock per unit)	Common stock 82,000 shares	July 16, 2011 to June 30, 2031
Oji Paper Co., Ltd. 7th Subscription Rights to Shares (For Directors)	July 17, 2012	Director (excluding the Outside Board Members) 8	149 (1,000 shares of common stock per unit)	Common stock 149,000 shares	July 18, 2012 to June 30, 2032
Oji Holdings Corporation 8th Subscription Rights to Shares (For Directors)	July 16, 2013	Director (excluding the Outside Board Members) 10	220 (1,000 shares of common stock per unit)	Common stock 220,000 shares	July 17, 2013 to June 30, 2033
Oji Holdings Corporation 9th Subscription Rights to Shares (For Directors)	July 15, 2014	Director (excluding the Outside Board Members) 10	176 (1,000 shares of common stock per unit)	Common stock 176,000 shares	July 16, 2014 to June 30, 2034

(Notes) 1. The acquisition of subscription rights to shares by transfer shall require approval by a resolution of the Board of Directors.

2. The 1st Subscription Rights to Shares through the 7th Subscription Rights to Shares were allocated

prior to the Company's trade name change dated October 1, 2012 (former trade name: Oji Paper Co., Ltd.).

3. The payment amount for the exercise of Subscription Rights to Shares is one (1) yen per share for each instance of exercise.

4. Officers of the Company

(1) Directors and Audit & Supervisory Board Members (Positions, name, responsibilities, and significant concurrent positions)

(as of March 31, 2015)

Positions	Name	Responsibilities and significant concurrent positions
Representative Director and Chairman of the Board*	Kiyotaka Shindo	Group Co-CEO
Representative Director of the Board, President and CEO*	Susumu Yajima	Group Co-CEO President, Jiangsu Oji Paper Co., Ltd. (China)
Representative Director of the Board and Executive Vice President*	Takeshi Azuma	President, Functional Materials Company President, Oji Functional Materials Progressing Center Inc. Director, Oji F-Tex Co., Ltd. Director, Oji Imaging Media Co., Ltd.
Director	Kazuhisa Shinoda	Special missions Chairman of the Board Carter Holt Harvey Pulp & Paper Ltd.
Director*	Ryoji Watari	President, Industrial Materials Company and President, Household and Consumer Products Company President and Representative Director, Oji Packs Partners Co., Ltd. President and Representative Director, Oji Package Innovation Center Inc. Director, Oji Container Co., Ltd. Director, Oji Materia Co., Ltd. Director, Oji Nepia Co., Ltd. Director, Mori Shigyo Co., Ltd.
Director*	Kazuo Fuchigami	President, Printing and Communications Media Company Representative Director, President and CEO, Oji Paper Co., Ltd.
Director*	Gemmei Shimamura	General Manager, Corporate Governance Div. President, Oji Management Office Inc. In charge of: Oji Human Support Co., Ltd. Oji Business Center Co., Ltd. Oji Paper Management (Shanghai) Co., Ltd.

Positions	Name	Responsibilities and significant concurrent positions
Director*	Yoshiki Koseki	Vice President, Industrial Materials Company President and Representative Director, Oji Materia Co., Ltd. Representative Director, President and CEO, Oji Engineering Co., Ltd. Director, Oji Container Co., Ltd.
Director*	Hidehiko Aoyama	President and Representative Director, Oji Logistics Co., Ltd.
Director*	Masatoshi Kaku	Vice President, Functional Materials Company President and Representative Director, Oji F-Tex Co., Ltd. Senior Managing Director, Oji Functional Materials Progressing Center Inc.
Director	Osamu Akiyama	
Director	Michihiro Nara	Attorney-at-law Outside Statutory Auditor, Seiko Epson Corp.
Audit & Supervisory Board Member	Motokazu Ogata	(Standing) Audit & Supervisory Board Member of Oji Container Co., Ltd., Oji Packaging Co., Ltd., Oji Engineering Co., Ltd., Oji Real Estate Co., Ltd., Oji Materia Co., Ltd., Oji Paper Co., Ltd. and Mori Shigyo Co., Ltd.
Audit & Supervisory Board Member	Satoshi Fukui	(Standing) Audit & Supervisory Board Member of Oji F-Tex Co., Ltd., Oji Imaging Media Co., Ltd. and Oji Green Resources Co., Ltd.
Audit & Supervisory Board Member	Kenjiro Ueno	Attorney-at-law Outside Director, Seino Holdings Co., Ltd.
Audit & Supervisory Board Member	Makoto Katsura	
Audit & Supervisory Board Member	Mikinao Kitada	Attorney-at-law Outside Director, Sharp Corporation Outside Director, Askul Corporation

(Notes) 1. Mr. Osamu Akiyama and Mr. Michihiro Nara, Directors, are outside directors as prescribed in Article 2, Item 15 of the Companies Act.
The Company has designated both Mr. Osamu Akiyama and Mr. Michihiro Nara, as independent directors and notified the Tokyo Stock Exchange of such designation in accordance with its regulation.

2. Mr. Kenjiro Ueno, Mr. Makoto Katsura, and Mr. Mikinao Kitada are outside audit & supervisory board members as prescribed in Article 2, Item 16 of the Companies Act. The Company has designated them as independent directors and notified the Tokyo Stock Exchange of such designation in accordance with its regulation.

3. The following changes were made to Directors of the Board and Audit & Supervisory Board Members at the conclusion of the 90th Ordinary General Meeting of Shareholders held on June 27, 2014.

Assumption	Director Michihiro Nara
Retirement	Director Yoh Takeuchi
Assumption	Audit & Supervisory Board Member Mikinao Kitada
Retirement	Audit & Supervisory Board Member Hiroyasu Sugihara

4. Standing Audit & Supervisory Board Members were elected by a resolution of the Audit & Supervisory Board at a meeting held on June 27, 2014, as follows.

Audit & Supervisory Board Member (Standing)	Motokazu Ogata
Audit & Supervisory Board Member (Standing)	Satoshi Fukui

5. Mr. Motokazu Ogata, Audit & Supervisory Board Member, has sound knowledge of finance and accounting due to his long experience serving in the Company's finance and accounting business unit after joining the Company, and to his experience serving as a Director of the Board in charge of the finance and accounting business unit of New Tac Kasei Co., Ltd., a subsidiary of the Company.
6. Mr. Kazuhisa Shinoda, Representative Director and Chairman of the Board, retired from the position of Representative of Director and Chairman of the Board due to resignation and assumed the position of Director effective January 11, 2015
7. The new Representative Director and Chairman of the Board, and President and Chief Executive Officer assumed office effective January 11, 2015, as follows.

Representative Director and Chairman of the Board	Kiyotaka Shindo
Representative Director, President and Chief Executive Officer	Susumu Yajima

8. Mr. Takeshi Azuma, Executive Vice President, retired from the position of Executive Vice President due to resignation and assumed the position of Director effective April 1, 2015.
9. The new Executive Vice Presidents assumed office effective April 1, 2015, as follows.

Executive Vice President	Ryoji Watari
Executive Vice President	Kazuo Fuchigami

10. The nine (9) Directors of the Board whose names are marked with an asterisk concurrently serve as Executive Officers.
11. Effective April 1, 2015, partial changes were made to the responsibilities of Directors of the Board concurrently serving as Executive Officers. Their post-change responsibilities are as shown in the table of the following section titled "(2) The Status of Executive Officers."

(2) The Status of Executive Officers

(as of April 1, 2015)

Positions	Name	Responsibilities
Chairman of the Board*	Kiyotaka Shindo	Group Co-CEO
President and Chief Executive Officer*	Susumu Yajima	Group Co-CEO
Executive Vice President*	Ryoji Watari	President, Household and Industrial Materials Company Representative Director and President, Oji Industrial Materials Management Co., Ltd. Representative Director and Chairman of the Board, Oji Nepia Co., Ltd. (Concurrently)
Executive Vice President*	Kazuo Fuchigami	President, Functional Materials Company President, Oji Functional Materials Progressing Center Inc.
Senior Executive Officer*	Gemmei Shimamura	General Manager, Corporate Governance Div. President, Oji Management Office Inc. In charge of: Oji Human Support Co., Ltd. Oji Business Center Co., Ltd. Oji Paper Management (Shanghai) Co., Ltd.
Senior Executive Officer*	Hidehiko Aoyama	President, Printing and Communications Media Company Representative Director, President and CEO, Oji Paper Co., Ltd. In charge of Oji Logistics Co., Ltd.
Executive Officer*	Yoshiki Koseki	In charge of Innovation Promotion Div. Representative Director, President and CEO, Oji Engineering Co., Ltd.
Executive Officer*	Masatoshi Kaku	Vice President, Functional Materials Company Senior Managing Director, Oji Functional Materials Progressing Center Inc. President and Representative Director, Oji F-Tex Co., Ltd.
Senior Executive Officer	Takashi Nozawa	Vice President, Industrial Materials Company Director and Vice President, Oji Industrial Materials Management Co., Ltd. President and Representative Director, Oji Materia Co., Ltd.
Executive Officer	Yoji Matsuo	Vice President, Printing and Communications Media Company Vice President, Oji Paper Co., Ltd.
Executive Officer	Koichi Tano	Senior Executive Officer, Oji Industrial Materials Management Co., Ltd.
Executive Officer	Yoshiaki Takeda	Deputy General Manager, Corporate Governance Div. Executive Director, Oji Management Office Inc.
Executive Officer	Yasuo Nakanishi	Senior Executive Officer, Oji Industrial Materials Management Co., Ltd. President, Oji Asia Packaging Sdn. Bhd.
Corporate Officer	Kazuhiko Kamada	President, Forest Resources and Environment Marketing Business Company
Corporate Officer	Shoji Fujiwara	President, Oji Green Resources Co., Ltd.
Corporate Officer	Masanori Oshiumi	Senior Executive Officer, Oji Industrial Materials Management Co., Ltd. President, Oji Container Co., Ltd.

Positions	Name	Responsibilities
Corporate Officer	Ryuichi Kisaka	Vice President, Functional Materials Company Director, Oji Functional Materials Processing Center, Inc. President, Oji Imaging Media Co., Ltd.
Corporate Officer	Noriaki Shimizu	President, Oji Nepia Co., Ltd.
Corporate Officer	Jun Maruyama	Senior Executive Officer, Oji Industrial Materials Management Co., Ltd. President, Mori Shigyo Co., Ltd.
Corporate Officer	Masaru Yokoyama	General Manager, Innovation Promotion Div.
Corporate Officer	Nobuyuki Fujisawa	President, Kyokuyo Pulp & Paper Co., Ltd.
Corporate Officer	Hiroyuki Isono	Deputy General Manager, Corporate Governance Div. Director of the Board, Oji Management Office Inc.

(Notes) 1. Oji Industrial Materials Management Co., Ltd. was created after Oji Packs Partners Co., Ltd. absorbed and merged Oji Package Innovation Center Inc. and changed its trade name, effective April 1, 2015.

2. The eight (8) Executive Officers whose names are marked with an asterisk concurrently serve as Directors of the Board.

(3) Total Amount of Remuneration, etc. for Directors and Audit & Supervisory Board Members for the Year under Review

Position	No. of Personnel	Remuneration	Bonuses	Stock options	Total
Director (Outside Director)	13 (3)	394 million yen (30 million yen)	116 million yen –	62 million yen –	572 million yen (30 million yen)
Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	6 (4)	83 million yen (31 million yen)	10 million yen –	– –	93 million yen (31 million yen)
Total	19	477 million yen	126 million yen	62 million yen	666 million yen

(Notes) 1. The maximum remuneration, etc. for Directors determined by a resolution of the General Meeting of Shareholders is 900 million yen a year (resolution of the 82nd Ordinary General Meeting of Shareholders held on June 29, 2006).

2. The maximum remuneration, etc. for Audit & Supervisory Board Members determined by a resolution of the General Meeting of Shareholders is 97 million yen a year (resolution of the 82nd Ordinary General Meeting of Shareholders held on June 29, 2006).

3. As of March 31, 2015, the number of Directors stood at twelve (12) and that of Audit & Supervisory Board Members at five (5).

4. Numbers less than one million yen are rounded down to the nearest million.

(4) Matters Relating to Outside Officers

(i) Relationships between the Company and organizations where significant concurrent positions are held

(as of March 31, 2015)

Position	Name	Concurrent positions
Outside Director	Michihiro Nara	Attorney-at-law, Outside Statutory Auditor, Seiko Epson Corporation
Outside Audit & Supervisory Board Member	Kenjiro Ueno	Attorney-at-law, Outside Director, Seino Holdings Co., Ltd.
Outside Audit & Supervisory Board Member	Mikinao Kitada	Attorney-at-law, Outside Director, Sharp Corporation, Outside Statutory Auditor, Askul Corporation

The Company has no special interest with the organizations where Outside Officers hold significant concurrent positions above.

(ii) Major activities during the fiscal year ended March 31, 2015

Position	Name	Status of attendance at the Board of Directors' Meeting	Status of attendance at the Audit & Supervisory Board Meeting	Principal comments
Outside Director	Osamu Akiyama	16/17 (94.1%)	–	Provided expert opinions based on his rich experience in government and his wide-ranging knowledge
Outside Director	Michihiro Nara (Appointed on June 27, 2014)	11/13 (84.6%)	–	Provided expert opinions based on his rich experience and his wide-ranging knowledge from attorney's professional perspective
Outside Audit & Supervisory Board Member	Kenjiro Ueno	15/17 (88.2%)	15/16 (93.7%)	Provided expert opinions based on his rich experience and his wide-ranging knowledge from attorney's professional perspective
Outside Audit & Supervisory Board Member	Makoto Katsura	17/17 (100%)	16/16 (100%)	Provided expert opinions based on his rich experience as a diplomat and his wide-ranging knowledge
Outside Audit & Supervisory Board Member	Mikinao Kitada (Appointed on June 27, 2014)	13/13 (100%)	12/12 (100%)	Provided expert opinions based on his rich experience in the legal field and his wide-ranging knowledge.

(Note) In respect of status of attendance, Mr. Michihiro Nara, Director, only attended Board of Directors Meetings held after he assumed office on June 27, 2014. Mr. Mikinao Kitada, Audit & Supervisory Board Member, only attended Board of Directors Meetings and the Audit & Supervisory Board Meetings held after he assumed office on June 27, 2014.

(iii) Outline of terms and conditions of liability limitation agreement with Outside Directors

Pursuant to the provisions of the Articles of Incorporation, into which the Company has entered into, in conformity with Article 427, Paragraph 1 of the Companies Act, a liability limitation agreement with all of its Outside Directors and Outside Audit & Supervisory Board Members on the

compensation liability limitation set forth in Article 423, Paragraph 1 of the Companies Act. The maximum amount of the compensation liability under the above-mentioned agreement was set at an amount provided for by applicable laws and regulations.

5. Matters related to Accounting Auditors

(1) Name of the Accounting Auditor

Ernst & Young ShinNihon LLC

(2) Accounting Auditor Remunerations, etc. for the Year under Review

Segment	Amount paid
	millions of yen
Remuneration of the Company's Accounting Auditors	79
The amount required to be paid to Accounting Auditors by the Company and its consolidated subsidiaries	235
Total amount of other property benefits	

(Notes) 1. The above-mentioned payments include audit fee under the Financial Instruments and Exchange Act because the audit agreement between the Company and its Accounting Auditors does not distinguish between the audit fee under the Companies Act and the audit fee under the Financial Instruments and Exchange Act.

2. Numbers less than one million yen are rounded down to the nearest million.

(3) Description of Non-audit Service

No applicable services

(4) Company's Subsidiaries Audited by Another Audit Firm among Significant Subsidiaries

Among the Company's significant subsidiaries, the following companies are audited by a certified public accountant or an audit firm other than the Company's Accounting Auditors (including without limitation such entity at a non-Japan location that has qualifications equivalent to those of the Company's Accounting Auditors) (limited to such entity as conforms to the Companies Act or the Financial Instruments and Exchange Act [or any non-Japan laws or regulations equivalent to the former acts]: Kyokuyo Pulp & Paper Co., Ltd., Mori Shigyo Co., Ltd., Jiangsu Oji Paper Co., Ltd., Carter Holt Harvey Pulp & Paper Ltd., Oji Papéis Especiais Ltda., Pan Pac Forest Products Ltd., Celulose Nipo-Brasileira S.A., Kanzaki Specialty Papers Inc., KANZAN Spezialpapiere GmbH, Oji Paper (Thailand) Ltd., Oji Paper Trading (China) Co., Ltd., GS Paper & Packaging Sdn. Bhd. and Harta Packaging Industries Sdn. Bhd.

(5) Company's Policy on Accounting Auditor Dismissal or Non-reappointment Decision

If an Accounting Auditor is deemed to have significant difficulty in properly performing his/her duties, the Audit & Supervisory Board determines a proposal to be submitted to the General Meeting of Shareholders for dismissing or not reappointing the Accounting Auditor.

Or, if an Accounting Auditor is deemed to fall under any of provisions in Article 340, Paragraph 1 of the Companies Act, the Accounting Auditor shall be dismissed, based on the unanimous agreement of Audit & Supervisory Board members.

6. Overview of the resolution of the Board of Directors with regard to development of the system to ensure the properness of operations

The Company has established the following policies for the development of the system to ensure the properness of operations:

(1) System to ensure that execution of duties of Directors and employees complies with laws and regulations, and the Articles of Incorporation

(i) Representative Director and President shall reaffirm to establish and be committed to sustain the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard, and its corporate activities based on awareness by Directors and employees of their responsibilities as a corporate citizen and on high ethical principles appropriate for an organization that lives up to the trust of society.

(ii) Representative Director and President shall strive to enhance the intra-Group compliance system including education for legal compliance and business ethics helpline system, and identify problems and improve the situation.

(iii) Representative Director and President has been enhancing the internal system to ensure complete severance of relationships with antisocial groups and organizations by establishing in-house contact point department, and shall stand firmly against antisocial groups and organizations.

(iv) Internal Audit Department shall perform audits on compliance and report the results to meeting bodies stipulated in the Management Meeting Regulations.

(2) System concerning preservation and management of information relating to execution of duties by Directors

The Document Handling Regulations shall be established, revised or abolished subject to the approval procedure set forth by the Group CEO's Decisions Regulations, and documents (including electromagnetic documentation) shall be preserved and managed in accordance with the rules. The documents shall be made accessible at any time upon request from Directors or Audit & Supervisory Board Members.

(3) Rules for managing risk of loss and other systems therefor

(i) A meeting body stipulated in the Management Meeting Regulations shall be responsible for deliberation and reporting of important matters concerning risk management for the entire Group and the internal control system, and deliberation of plan of revisions to the basic policy on the construction of internal control system.

(ii) Representative Director and President shall establish, revise or abolish the Group Risk Management Regulations subject to the approval by the Board of Directors, clarify risk management system and exhaustively and comprehensively manage risks in the entire Group to enhance the structure addressing risk types.

(iii) Internal Audit Department shall perform audits on risk management and report the results to meeting bodies stipulated in the Management Meeting Regulations.

(4) System to ensure effective execution of duties by Directors

(i) Representative Director and President shall establish corporate philosophies, basic management policy, medium-term management plan, and annual master plan of the entire Group following deliberations at a meeting body stipulated in the Management Meeting Regulations to clarify the goals and challenges that should be shared by Directors and employees.

(ii) Each Director shall implement specific measures in business operations they are respectively in charge of based on these philosophies, basic policy and plans, monitor the status of the progress appropriately and quickly by utilizing systems and other information technology capabilities, and report them to the Board of Directors. Each Director shall enhance the system to facilitate improvements by removing or reducing factors impeding efficiency enhancement, if any identified, to more certainly achieve goals and overcome challenges.

(iii) The Administrative Authority Regulations shall be established, revised or abolished subject to the approval procedure set forth by the Group CEO's Decisions Regulations; authority and responsibilities of employees shall be clarified to ensure systematic and efficient operations of their duties.

(5) System to ensure the properness of operations by the corporate group comprised of the Company and its subsidiaries

(i) Representative Director and President shall reaffirm to establish and be committed to sustain the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard, and its corporate activities with a sense of unity of the entire Group based on awareness of its responsibilities as a corporate citizen and on high ethical principles appropriate for an organization that lives up to the trust of society.

(ii) Representative Director and President shall establish corporate philosophies, basic management policy, medium-term management plan, and annual master plan of the entire Group following deliberations at a meeting body stipulated in the Management Meeting Regulations to clarify the goals and challenges that should be shared by all Directors and employees of the Group companies.

(iii) Consistent approval procedures in the Group shall be established in the Group Management Regulations to secure intra-Group check-and-balance functions.

(iv) A meeting body stipulated in the Management Meeting Regulations shall be responsible for deliberation and reporting of important matters concerning risk management for the entire Group and the internal control system, and deliberation of plan of revisions to the basic policy on the construction of internal control system.

(v) The Internal Audit Department shall perform audits on the internal control and report the results to meeting bodies stipulated in the Management Meeting Regulations.

(6) Matters related to employees posted as assistants to Audit & Supervisory Board Members when the Audit & Supervisory Board Members so require and matters related to independency from such employees from Directors

(i) An Auditor's Office shall be established to serve as a system assisting duties of Audit & Supervisory Board Members where a few dedicated employees who are capable of sufficiently verifying the Company's business operations.

(ii) The Auditor's Office shall be established under the direct control of the Audit & Supervisory Board, and change in personnel affairs, evaluation, and disciplinary actions of the employees in the Auditor's Office shall be subject to prior consent of the Audit & Supervisory Board Members.

(7) System for reporting to the Audit & Supervisory Board Members by Directors and employees, and other systems for reporting to Audit & Supervisory Board Members

Directors or employees shall make reports as appropriate to the Audit & Supervisory Board on matters the Audit & Supervisory Board Members deem necessary and specifically request for reporting, in addition to matters legally designated. The reporting format shall be determined by mutual consultation of Directors and the Audit & Supervisory Board.

(8) Other systems to ensure that audits by Audit & Supervisory Board Members are made effectively

Representative Director and President shall provide opportunities for Audit & Supervisory Board Members to regularly exchange opinions with the Representative Director and the Accounting Auditor.

To ensure compliance with the above-stated policies concerning the system to ensure the properness of operations as well as requirements of internal control reporting system as stipulated in the Financial Instruments and Exchange Act, the Board of Directors of the Company resolved the "Basic Policies concerning Construction and Assessment of the Internal Control over Financial Reporting".

The Company plans to construct an internal control over financial reporting based on the basic policies, conduct assessment on the effectiveness of the internal control, and create an internal control report subject to the resolution by the Board of Directors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2015	As of March 31, 2014 (Ref.)
Assets		
Current assets		
Cash and deposits	45,567	45,575
Notes and accounts receivable–trade	298,826	278,897
Short-term investment securities	16,717	12,557
Merchandise and finished goods	98,996	87,096
Work in process	19,689	19,330
Raw materials and supplies	82,051	65,798
Deferred tax assets	9,771	8,926
Short-term loans receivable	4,854	4,958
Accounts receivable–other	19,269	14,238
Other	14,620	12,090
Allowance for doubtful accounts	(1,973)	(2,264)
Total current assets	608,392	547,205
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	230,297	210,393
Machinery, equipment and vehicles	501,020	382,696
Tools, furniture and fixtures	6,422	6,111
Land	239,698	235,063
Forests	119,108	106,029
Standing timber	130,555	117,263
Lease assets	2,656	5,329
Construction in progress	40,709	92,091
Total property, plant and equipment	1,270,469	1,154,978
Intangible assets		
Goodwill	16,042	14,430
Other	16,085	10,947
Total intangible assets	32,127	25,377
Investments and other assets		
Investment securities	203,675	154,038
Long-term loans receivable	3,493	1,980
Long-term prepaid expenses	22,101	17,645
Net defined benefit asset	8,912	534
Deferred tax assets	6,055	6,008
Other	10,095	9,348
Allowance for doubtful accounts	(1,232)	(1,441)
Total investments and other assets	253,102	188,114
Total noncurrent assets	1,555,699	1,368,471
Total assets	2,164,091	1,915,676

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2015	As of March 31, 2014 (Ref.)
Liabilities		
Current liabilities		
Notes and accounts payable–trade	209,977	204,052
Short-term loans payable	319,720	184,362
Commercial papers	10,000	–
Current portion of bonds	20,055	20,085
Accounts payable–other	17,501	13,558
Accrued expenses	49,077	43,950
Income taxes payable	6,262	7,948
Allowance for loss on transfer of shares of affiliated companies	12,362	–
Other	37,981	21,970
Total current liabilities	682,938	495,927
Noncurrent liabilities		
Bonds payable	140,020	160,075
Long-term loans payable	372,784	434,007
Deferred tax liabilities	72,096	49,895
Deferred tax liabilities for land revaluation	8,333	9,161
Provision for loss on litigation	5,079	4,965
Net defined benefit liability	63,949	73,769
Long-term deposits received	8,061	9,294
Other	9,455	8,222
Total noncurrent liabilities	679,780	749,392
Total liabilities	1,362,719	1,245,320
Net assets		
Shareholders ’equity		
Capital stock	103,880	103,880
Capital surplus	112,951	112,965
Retained earnings	354,828	344,846
Treasury stock	(42,748)	(42,681)
Total shareholders ’equity	528,912	519,010
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	53,213	20,897
Deferred gains or losses on hedges	(346)	44
Revaluation reserve for land	5,059	4,214
Foreign currency translation adjustment	76,457	43,403
Remeasurements of defined benefit plans	(4,638)	(12,536)
Total accumulated other comprehensive income	129,744	56,023
Subscription rights to shares	342	290
Minority interests	142,372	95,031
Total net assets	801,372	670,356
Total liabilities and net assets	2,164,091	1,915,676

Consolidated Statements of Income

(Millions of yen, with fractions less than one million yen discarded)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014 (Ref.)
Net sales	1,347,281	1,332,510
Cost of sales	1,062,506	1,037,837
Gross profit	284,775	294,673
Selling, general and administrative expenses	238,080	232,649
Operating income	46,694	62,023
Non-operating income		
Interest and dividends income	4,404	4,011
Foreign exchange gains	13,280	16,926
Equity in earnings of affiliates	2,057	1,476
Miscellaneous income	4,706	4,394
Total non-operating income	24,449	26,809
Non-operating expenses		
Interest expenses	11,068	10,877
Miscellaneous loss	7,105	7,596
Total non-operating expenses	18,173	18,474
Ordinary income	52,970	70,358
Extraordinary income		
Gain on sales of investment securities	1,306	370
Other	246	10,340
Total extraordinary income	1,553	10,710
Extraordinary loss		
Provision of allowance for transfer of shares of affiliated companies	12,366	–
Loss on retirement of noncurrent assets	1,588	2,759
Business structure improvement expenses	1,152	4,694
Other	1,713	9,715
Total extraordinary losses	16,820	17,168
Income before income taxes and minority interests	37,703	63,900
Income taxes–current	15,199	19,033
Income taxes–deferred	410	4,385
Income before minority interests	22,094	40,480
Minority interests in income	4,749	6,679
Net income	17,344	33,801

Consolidated Statement of Changes in Net Assets

(Fiscal year ended March 31, 2015)

(Millions of yen, with fractions less than one million yen discarded)

	Shareholders 'equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders ' equity
Balance at the beginning of current period	103,880	112,965	344,846	(42,681)	519,010
Cumulative effects of changes in accounting policies			2,611		2,611
Restated balance	103,880	112,965	347,458	(42,681)	521,622
Changes of items during the period					
Dividends from surplus			(9,897)		(9,897)
Net income			17,344		17,344
Purchase of treasury stock				(95)	(95)
Disposal of treasury stock		(13)		28	14
Change in equity-treasury stock				0	0
Change of scope of consolidation			(59)		(59)
Reversal of revaluation reserve for land			(17)		(17)
Net changes of items other than shareholders 'equity					
Total changes of items during the period	–	(13)	7,370	(66)	7,289
Balance at the end of current period	103,880	112,951	354,828	(42,748)	528,912

	Accumulated other comprehensive income						Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	20,897	44	4,214	43,403	(12,536)	56,023	290	95,031	670,356
Cumulative effects of changes in accounting policies								(26)	2,585
Restated balance	20,897	44	4,214	43,403	(12,536)	56,023	290	95,004	672,941
Changes of items during the period									
Dividends from surplus									(9,897)
Net income									17,344
Purchase of treasury stock									(95)
Disposal of treasury stock									14
Change in equity-treasury stock									0
Change of scope of consolidation									(59)
Reversal of revaluation reserve for land									(17)
Net changes of items other than shareholders 'equity	32,315	(390)	845	33,053	7,897	73,721	52	47,367	121,141
Total changes of items during the period	32,315	(390)	845	33,053	7,897	73,721	52	47,367	128,431
Balance at the end of current period	53,213	(346)	5,059	76,457	(4,638)	129,744	342	142,372	801,372

<Reference> Consolidated Statements of Cash Flows (Condensed)

(Millions of yen, with fractions less than one million yen discarded)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014
Cash flows from operating activities	90,925	109,316
Cash flows from investing activities	(165,549)	(67,242)
Cash flows from financing activities	77,380	(52,019)
Effect of exchange rate changes on cash and cash equivalents	2,285	4,535
Net increase (decrease) in cash and cash equivalents	5,042	(5,409)
Cash and cash equivalents at the beginning of the year	52,173	57,048
Increase in cash and cash equivalents resulting from merger	73	7
Increase in cash and cash equivalents from newly consolidated subsidiary	–	527
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(159)	–
Cash and cash equivalents at the end of the year	57,129	52,173

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2015	As of March 31, 2014 (Ref.)
Assets		
Current assets		
Cash and deposits	4,543	6,977
Operating accounts receivable	170	149
Real estate for sale	14	14
Deferred tax assets	2,526	554
Short-term loans receivable	67,369	68,788
Accounts receivable–other	7,609	8,953
Other	332	742
Allowance for doubtful accounts	(386)	(389)
Total current assets	82,181	85,792
Noncurrent assets		
Property, plant and equipment		
Buildings	21,803	22,895
Structures	718	813
Machinery and equipment	590	357
Vehicles	0	0
Tools, furniture and fixtures	973	1,074
Land	46,284	46,276
Forests	15,643	15,642
Standing timber	22,692	22,795
Lease assets	–	1
Construction in progress	383	397
Total property, plant and equipment	109,088	110,254
Intangible assets		
Software	8	8
Other	56	51
Total intangible assets	64	60
Investments and other assets		
Investment securities	80,965	73,156
Stocks of subsidiaries and affiliates	533,484	492,147
Investments in capital	2	2
Investments in capital of subsidiaries and affiliates	6,360	6,075
Long-term loans receivable	408,286	377,576
Long-term prepaid expenses	1,838	1,451
Other	1,067	1,314
Allowance for doubtful accounts	(1,597)	(1,633)
Total investments and other assets	1,030,407	950,092
Total noncurrent assets	1,139,560	1,060,407
Total assets	1,221,741	1,146,200

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2015	As of March 31, 2014 (Ref.)
Liabilities		
Current liabilities		
Accounts payable–trade	26	28
Short-term loans payable	312,991	180,110
Commercial papers	10,000	–
Current portion of bonds	20,000	20,000
Accounts payable–other	6,570	3,767
Accrued expenses	3,397	3,450
Income taxes payable	202	1,259
Allowance for loss on transfer of shares of affiliated companies	5,477	–
Other	1,621	1,122
Total current liabilities	360,287	209,739
Noncurrent liabilities		
Bonds payable	140,000	160,000
Long-term loans payable	332,590	394,543
Deferred tax liabilities	4,724	2,110
Provision for retirement benefits	2,236	4,200
Long-term deposits received	5,354	6,775
Other	1,605	541
Total noncurrent liabilities	486,512	568,170
Total liabilities	846,800	777,910
Net assets		
Shareholders ’equity		
Capital stock	103,880	103,880
Capital surplus		
Capital reserve	108,640	108,640
Other capital surplus	1,351	1,365
Total capital surplus	109,991	110,006
Retained earnings		
Retained earnings reserve	24,646	24,646
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	17,935	17,443
Reserve for overseas investment loss	432	537
General reserve	101,729	101,729
Retained earnings brought forward	34,383	34,935
Total retained earnings	179,128	179,293
Treasury stock	(43,113)	(43,047)
Total shareholders ’equity	349,887	350,132
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	24,711	17,866
Total valuation and translation adjustments	24,711	17,866
Subscription rights to shares	342	290
Total net assets	374,941	368,289
Total liabilities and net assets	1,221,741	1,146,200

Non-consolidated Statements of Income

(Millions of yen, with fractions less than one million yen discarded)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014 (Ref.)
Operating revenue	31,498	37,900
Operating expenses		
General and administrative expenses	15,115	17,331
Other	2,994	2,719
Operating income	13,388	17,850
Non-operating income		
Interest and dividends income	7,275	8,192
Brand maintenance income	1,424	1,426
Miscellaneous income	519	1,088
Total non-operating income	9,220	10,708
Non-operating expenses		
Interest expenses	6,478	7,319
Brand maintenance expenses	1,386	1,486
Miscellaneous loss	1,394	2,378
Total non-operating expenses	9,259	11,184
Ordinary income	13,349	17,373
Extraordinary income		
Gain on sales of investment securities	1,283	–
Gain on sales of noncurrent assets	0	10,363
Gain on extinguishment of tie-in shares	–	1,005
Total extraordinary income	1,284	11,368
Extraordinary loss		
Provision of allowance for transfer of shares of affiliated companies	5,477	–
Other	272	2,982
Total extraordinary losses	5,749	2,982
Income before income taxes	8,883	25,760
Income taxes–current	303	(352)
Income taxes–deferred	(1,178)	4,561
Net income	9,758	21,551

Non-consolidated Statement of Changes in Net Assets

(Fiscal year ended March 31, 2015)

(Millions of yen, with fractions less than one million yen discarded)

	Shareholders 'equity											
		Capital surplus			Retained earnings							
						Other retained earnings						
	Capital stock	Capital reserve	Other capital surplus	Total capital surplus	Retained earnings reserve	Reserve for advanced depreci-ation of noncur-rent assets	Reserve for overseas invest-ment loss	General reserve	Retained earnings brought forward	Total retained earnings	Treasury stock	Total share-holders ' equity
Balance at the beginning of current period	103,880	108,640	1,365	110,006	24,646	17,443	537	101,729	34,935	179,293	(43,047)	350,132
Cumulative effects of changes in accounting policies									(24)	(24)		(24)
Restated balance	103,880	108,640	1,365	110,006	24,646	17,443	537	101,729	34,910	179,268	(43,047)	350,107
Changes of items during the period												
Provision of reserve for advanced depreciation of noncurrent assets						0			(0)	–		–
Reversal of reserve for advanced depreciation of noncurrent assets						(389)			389	–		–
Reversal of reserve for overseas investment loss							(124)		124	–		–
Additional reserve due to effective tax rate change						881	19		(900)	–		–
Dividends from surplus									(9,898)	(9,898)		(9,898)
Net income									9,758	9,758		9,758
Purchase of treasury stock									–	–	(95)	(95)
Disposal of treasury stock			(14)	(14)					–	–	29	14
Net changes of items other than shareholders 'equity									–	–		–
Total changes of items during the period	–	–	(14)	(14)	–	491	(105)	–	(526)	(139)	(66)	(220)
Balance at the end of current period	103,880	108,640	1,351	109,991	24,646	17,935	432	101,729	34,383	179,128	(43,113)	349,887

	Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at the beginning of current period	17,866	17,866	290	368,289
Cumulative effects of changes in accounting policies				(24)
Restated balance	17,866	17,866	290	368,264
Changes of items during the period				
Provision of reserve for advanced depreciation of noncurrent assets				–
Reversal of reserve for advanced depreciation of noncurrent assets				–
Reversal of reserve for overseas investment loss				–
Additional reserve due to effective tax rate change				–
Dividends from surplus				(9,898)
Net income				9,758
Purchase of treasury stock				(95)
Disposal of treasury stock				14
Net changes of items other than shareholders 'equity	6,844	6,844	52	6,897
Total changes of items during the period	6,844	6,844	52	6,677
Balance at the end of current period	24,711	24,711	342	374,941

Report on Audits
Certified Copy of the Accounting Auditor's Report

REPORT OF INDEPENDENT AUDITORS

May 13, 2015

To the Board of Directors of Oji Holdings Corporation

Ernst & Young ShinNihon LLC

Designated and Engagement Partner
Certified Public Accountant
Kenji Murayama (Seal)

Designated and Engagement Partner
Certified Public Accountant
Takashi Nagasaka (Seal)

Designated and Engagement Partner
Certified Public Accountant
Tetsu Shimamura (Seal)

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, that is, the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets, and the notes to consolidated financial statements of Oji Holdings Corporation (the "Company") applicable to the fiscal year from April 1, 2014 to March 31, 2015.

Responsibility of the Company's management for consolidated financial statements
The Company's management is responsible for preparing and properly presenting consolidated financial statements in accordance with accounting standards generally accepted in Japan. This includes establishing and operating internal control determined as necessary by the management for the preparation and proper presentation of consolidated financial statements that are free of material misstatement caused by fraud or error.

Responsibility of independent auditors
Our responsibility is to independently express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free of material misstatement.
An audit entails performing procedures to gain evidence of audit with regard to the amounts and presentation of the consolidated financial statements. Based on our judgment, we select and apply the auditing procedures in consideration of the assessment of risks associated with the material misstatement of consolidated financial statements caused by fraud or error. The purpose of the audit is not to express an opinion on the effectiveness of internal control; however, in conducting risk assessment, we will consider internal control relating to the preparation and proper presentation of consolidated financial statements to formulate relevant auditing procedures depending on the conditions. An audit also includes examining the assessment of the accounting policies, the methods of application thereof, and significant estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.
We believe that we have obtained adequate and appropriate audit evidence as the basis for our opinion.

Audit opinion
As a result of our audit, it is our opinion that the above consolidated financial statements properly present in all material respects the Company's financial position and the results of operations of the corporate group comprising Oji Holdings Corporation and its consolidated subsidiaries applicable to the year ended March 31, 2015 in accordance with accounting standards generally accepted in Japan.

Conflict of interest
Our firm and engagement partners have no interest in the Company that must be disclosed pursuant to the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

Certified Copy of the Accounting Auditor's Report

REPORT OF INDEPENDENT AUDITORS

May 13, 2015

To the Board of Directors of Oji Holdings Corporation

Ernst & Young ShinNihon LLC

Designated and Engagement Partner
Certified Public Accountant
Kenji Murayama (Seal)

Designated and Engagement Partner
Certified Public Accountant
Takashi Nagasaka (Seal)

Designated and Engagement Partner
Certified Public Accountant
Tetsu Shimamura (Seal)

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the financial statements, that is, the balance sheet, the statement of income, the statement of changes in net assets, the notes to financial statements, and the supplementary schedules of Oji Holdings Corporation (the "Company") applicable to the 91st business year from April 1, 2014 to March 31, 2015.

Responsibility of the Company's management for financial statements
The Company's management is responsible for preparing and properly presenting financial statements and the supplementary schedules in accordance with accounting standards generally accepted in Japan. This includes establishing and operating internal control determined as necessary by the management for the preparation and proper presentation of financial statements and the supplementary schedules that are free of material misstatement caused by fraud or error.

Responsibility of independent auditors
Our responsibility is to independently express an opinion on the financial statements and the supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements and the supplementary schedules are free of material misstatement.
An audit entails performing procedures to gain evidence of audit with regard to the amounts and presentation of the financial statements and the supplementary schedules. Based on our judgment, we select and apply the auditing procedures in consideration of the assessment of risks associated with the material misstatement of financial statements and the supplementary schedules caused by fraud or error. The purpose of the audit is not to express an opinion on the effectiveness of internal control; however, in conducting risk assessment, we will consider internal control relating to the preparation and proper presentation of financial statements and the supplementary schedules to formulate relevant auditing procedures depending on the conditions. An audit also includes examining the assessment of the accounting policies, the methods of application thereof, and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements and the supplementary schedules.
We believe that we have obtained adequate and appropriate audit evidence as the basis for our opinion.

Audit opinion
As a result of our audit, it is our opinion that the above financial statements and the supplementary schedules properly present in all material respects the Company's financial position and the results of operations of the Company applicable to the year ended March 31, 2015 in accordance with accounting standards generally accepted in Japan.

Conflict of interest
Our firm and engagement partners have no interest in the Company that must be disclosed pursuant to the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

Certified Copy of the Audit Report of the Audit & Supervisory Board

AUDIT REPORT OF THE AUDIT & SUPERVISORY BOARD

The Audit & Supervisory Board, having deliberated the issues based on the reports made by each Audit & Supervisory Board Member regarding the execution of duties by the Directors during the 91st business year from April 1, 2014 to March 31, 2015, prepared this Audit Report and hereby submits it as follows:

1. Outline of auditing method applied by the Audit & Supervisory Board Members and the Audit & Supervisory Board and details thereof

The Audit & Supervisory Board established auditing policies, allocation of duties, and other relevant matters, and received reports from each Audit & Supervisory Board Member regarding his or her audits and results thereof, as well as received reports from the Directors, other relevant personnel, and Accounting Auditors regarding execution of their duties, and requested explanations as necessary.

In accordance with the auditing policies, allocation of duties, and other relevant matters established by the Audit & Supervisory Board, each Audit & Supervisory Board Member endeavored to collect information and established auditing circumstances through communication with Directors, internal audit staff and other employees, and attended the Board of Directors ' meetings and other important meetings to receive reports regarding execution of duties from Directors, employees, etc. and requested explanations as necessary. Each Audit & Supervisory Board Member also inspected significant approved documents and examined the status of operations and financial position at its principal offices, etc. Each Audit & Supervisory Board Member monitored and verified the resolutions adopted by the Board of Directors regarding the establishment of the system for ensuring that the Directors 'duties are executed in conformity of laws and regulations, and the Articles of Incorporation of the Company, and the establishment of the system necessary to ensure proper business operations of a stock company set forth in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, and the systems (Internal Control System) established in accordance with the resolution of the Board of Directors. Audit & Supervisory Board Members also reviewed the basic policy stipulated in Article 118, Item 3 (a) of the Ordinance for Enforcement of the Companies Act and the activities stipulated in (b) in the same Item, which are described in the business report, based on the deliberations at the meetings of the Board of Directors and other meetings. Audit & Supervisory Board Members received from subsidiaries their business reports as necessary through communication and information sharing with their Directors and Audit & Supervisory Board Members. In accordance with the procedures mentioned above, we reviewed the business report and supplementary schedules for the year ended March 31, 2014.

Further, Audit & Supervisory Board Members monitored and verified that Accounting Auditor maintains independence and conducts the audits appropriately. Audit & Supervisory Board Members also received reports of the status of the execution of duties from Accounting Auditor and requested explanations as necessary. In addition, we were informed of the arrangement of the "System for ensuring that the duties are executed appropriately" (matters stipulated in the items of Article 131 of the Corporate Accounting Rules) in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council, October 28, 2005) from the Accounting Auditor and requested explanations as necessary. In accordance with the procedures mentioned above, we reviewed the financial statements (the balance sheet, statement of income, statement of changes in net assets and notes to the financial statements), and the supplementary schedules, as well as the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to the consolidated financial statements), for the year ended March 31, 2014.

2. Results of Audit

(1) Results of audit of business report etc.
1) The business report and supplementary schedules present fairly the condition of the Company in conformity with related laws and regulations, and the Articles of Incorporation of the Company.
2) Regarding the execution of duties by Directors, there were no instances of misconduct or material matters in violation of laws and regulations, nor the Articles of Incorporation of the Company.
3) Resolution of the Board of Directors regarding the Internal Control System is fair and reasonable. There are no matters requiring additional mention regarding such Internal Control System and the execution of duties by Directors.
4) There are no matters to be pointed out with respect to the basic policies on those who control the decision of the Company's financial and operational policies, which are a part of the business report and described in the Company's website in accordance with laws and regulations and the provisions of Article 15 of the Articles of Incorporation. Activities stipulated in Article 118, Item 3 (b) of the Ordinance for Enforcement of the Companies Act, which are a part of the business report and described in the Company's website in accordance with laws and regulations and the provisions of Article 15 of the Articles of Incorporation, are in line with such basic policies, unharmful to common interest of shareholders, and not intended to maintain the positions of Directors or Audit & Supervisory Board Members of the Company.

(2) Results of audit of financial statements and supplementary schedules
The auditing methods and results of the Accounting Auditor, Ernst & Young ShinNihon LLC, are fair and reasonable.

(3) Results of audit of consolidated financial statements
The auditing methods and results of the Accounting Auditor, Ernst & Young ShinNihon LLC, are fair and reasonable.

Note that the Group received a cease and desist order and payment order for surcharge pursuant to the Antimonopoly Act from the Japan Fair Trade Commission concerning product transactions of some subsidiaries. The Audit & Supervisory Board has given serious and sincere attention to the facts concerning the orders from the Japan Fair Trade Commission, and it has confirmed that thorough attention is given to compliance throughout the entire Group, and it will continue to monitor the status of such progress.

May 14, 2015

Audit & Supervisory Board of Oji Holdings Corporation

Audit & Supervisory Board Member (Standing)	Motokazu Ogata	(Seal)
Audit & Supervisory Board Member (Standing)	Satoshi Fukui	(Seal)
Audit & Supervisory Board Member	Kenjiro Ueno	(Seal)
Audit & Supervisory Board Member	Makoto Katsura	(Seal)
Audit & Supervisory Board Member	Mikinao Kitada	(Seal)

Note: Mr. Kenjiro Ueno, Mr. Makoto Katsura, and Mr. Mikinao Kitada are outside audit & supervisory board members prescribed in Article 2, Item 16, and Article 335, Paragraph 3 of the Companies Act.

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

INTERNET DISCLOSURE FOR NOTICE OF THE 91ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

The 91st term
(from April 1, 2014 to March 31, 2015)

Basic Policies on the Control of the Company
Notes to Consolidated Financial Statements
Notes to Non-consolidated Financial Statements

Oji Holdings Corporation

Pursuant to the provisions of applicable laws and regulations and Article 15 of the Articles of Incorporation, the items listed above are provided to shareholders on the website of Oji Holdings Corporation (http://www.ojiholdings.co.jp).

Basic Policies on the Control of the Company

The Company stipulates "the basic policies on those who control the decision of the Company's financial and operational policies" (hereafter, the basic policies are referred to as the "basic policies on the control of the Company") as described below (1).
Based on the approval by shareholders at the 90th Ordinary General Meeting of Shareholders held on June 27, 2014, the Company has continued policy to address purchase of the Company's share certificates, etc. (Note 1) (hereafter, this policy is referred to as the "Policy"), for the purpose of a specific shareholder group (Note 2) purchasing 20% or more of the voting rights (Note 3) or the purchase of the Company's share certificates , etc. with the result that a specific shareholder group holds 20% or more of the voting rights (Note 4) prescribed below. The effective term of the Policy shall be up to the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year ending within three (3) years from the date of this Meeting.

Note 1: Share certificates, etc. means share certificates, etc. prescribed in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act and Article 27-2, Paragraph 1 of the same Act.

Note 2: Specific shareholder group means (i) the holder of the Company's share certificates, etc. (meaning share certificates, etc. prescribed in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act) (such holder is prescribed in Article 27-23, Paragraph 1 of the same Act and includes persons included in holders based on Paragraph 3 of the same Article) and joint holders of the same (meaning the joint holders prescribed in Article 27-23, Paragraph 5 of the same Act and including persons deemed to be joint holders based on Paragraph 6 of the same Article) or (ii) the person and persons in a special relationship (meaning persons in a special relationship prescribed in Article 27-2, Paragraph 7 of the same Act) who undertake the purchase, etc. of the share certificates, etc. of the Company (meaning share certificates, etc. prescribed in Article 27-2, Paragraph 1 of the same Act) (such purchase, etc. is prescribed in Article 27-2, Paragraph 1 of the same Act and including purchases undertaken on an exchange financial instruments market).

Note 3: Percentage of voting rights means (i) in the case of a specific shareholder group falling within the entry of (i) of Note 2, the percentage of share certificates, etc. held by the holder (meaning the holding ratio of share certificates, etc. prescribed in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act; in this case, the number of share certificates, etc. held by the joint holder of the relevant holder (meaning the number of share certificates, etc. held prescribed in the same Paragraph) shall also be considered in calculation) or (ii) in the event that a specific shareholder group falls within the entry of (ii) of Note 2, the total percentage of ownership of share certificates, etc. of the relevant purchaser and persons in a special relationship with the purchaser (meaning the share certificates, etc. ownership rate prescribed in Article 27-2, Paragraph 8 of the same Act). When calculating the percentage of voting rights, reference may be made to the figures with respect to the total voting rights (meaning that prescribed in Article 27-2, Paragraph 8 of the same Act) and the total number of shares issued (meaning that prescribed in Article 27-23, Paragraph 4 of the same Act) provided in the Annual Securities Report, Quarterly Securities Report or Share Buyback Report, whichever is most recent.

Note 4: In either case of purchase above, a purchase to which the Board of Directors of the Company has given its consent beforehand is excluded. Hereafter, such a purchase is referred to as a "Large-Scale Purchase," and one who engages in a Large-Scale Purchase is referred to as a "Large-Scale Purchaser"

(1) Details of the basic policies on the control of the Company

Given that the Company's shares have been listed on the stock exchange and shareholders and investors can freely trade shares of the Company, the Company does not categorically reject even a Large-Scale Purchase as long as it is based on the purchase proposal, etc. that contribute to the corporate value and the common interests of the shareholders of the Company. With respect to such proposals, etc., the Company believes that the decision as to whether to respond to such an offer should ultimately be left to the judgment of the shareholders.

Contrarily, one characteristic of the Group is its need to have in its business management a multifaceted medium- to long-term perspective with respect to large-scale investments in plant and equipment, securing raw materials on a global level, etc. Thus, the Company believes that providing appropriate information concerning the purchaser and ensuring a period for consideration, including an opportunity to consider alternative proposals, is indispensable in order for shareholders to make an appropriate judgment when there is a Large-Scale Purchase. However, there may be some cases where the Company and the shareholders are not provided with sufficient time and information to study details of such proposals for purchase, etc. of the Company's shares or alternative proposals, etc.

In addition, in view of the objective of the purchase and the management policies after the purchase, etc., there may be some proposals that could harm the corporate value and the common interests of the shareholders of the Company, such as one which apparently infringes on the corporate value and the

common interests of the shareholders of the Company; one which has a sort of mechanism that could pressure our shareholders into agreeing to the purchase; or one whose purchase terms are insufficient or inappropriate in light of the intrinsic corporate value and the common interests of the shareholders of the Company.

The Company considers any person that conducts an inappropriate Large-Scale Purchase or makes a purchase proposal which may harm the corporate value and the common interests of the shareholders of the Company to be not appropriate as a person to control the decision of the Company's financial and operational policies.

(2) Initiatives to contribute to realizing the basic policies on the control of the Company

In an effort to encourage a large number of investors to remain as our shareholders for a long time, the Company has adopted the following measures as part of our initiatives to enhance the corporate value and the common interests of the shareholders of the Company:

Because these initiatives are intended to enhance the corporate value and the common interests of the shareholders of the Company, we deem that they are in accord with the basic policies on the control of the Company described in (1) above, that they correspond with the common interests of shareholders of the Company, and that they are not intended to maintain the positions of Directors or Audit & Supervisory Board Members of the Company.

"Initiatives for enhancement of corporate value"

The Group is now urgently restructuring its business portfolio with the objective of increasing corporate value and generating sustainable growth by constantly and rapidly responding to a changing business environment.

The centerpiece of our group management strategy is composed of developing and enhancing our existing core businesses, of identifying our next-generation core businesses by developing new businesses and new products, of further expanding our overseas businesses by focusing on emerging market countries and resource-rich nations, and of further strengthening our financial base. As a result, the Group aims to become an Innovative Value-creating Company that pursues business operations globally by improving the R&D structure, overseas market development structure, sales function, and HR planning function, and also by increasing corporate value by promoting thorough implementation of cash flow management, selecting businesses and concentrating upon them, planned business restructuring, and continuous cost reductions.

The following is an outline of the Group's specific initiatives.

(a) Household and Industrial Materials

- Industrial Materials (Containerboard business, Corrugated containers business, Boxboard/packaging materials business, Folding cartons/paper bags business)

  The Group has been expanding its business operations in Southeast Asia and India at an accelerated pace. In FY2013, in addition to launching production at its new corrugated sheet and container mills in Cambodia and Vietnam and at its two new paper bag mills in China, the Group acquired a local paper container and decorative corrugated sheet and container manufacturing company in Vietnam. In FY2014, our new corrugated sheet and container mills in India will start operations, and our new corrugated sheet and container mills are planned to come on stream in Myanmar, Vietnam, and India in FY2015.

  In Japan's domestic market, the Group streamlined its corrugated paper base production platform in the Fuji area, while upgrading corrugated sheet and container production equipment in Fukushima Prefecture. At the same time, by leveraging our competitive advantage of being an integrated packaging maker, we reinforced our material-processing-integrated business model.

- Household and Consumer Products (Household products business)

  Regarding disposable diaper products, the Group established the Personal Care Innovation Center in October 2013 to further reinforce its product development capability and business competiveness.

  In the Japanese domestic market, the Group will capture growing demand for adult-use disposable diapers in the new plant in Fukushima Prefecture. In overseas markets, looking forward to the full-scale expansion of its disposable diaper business, particularly in Southeast Asia where significant demand growth for disposable baby diapers is expected, the Group set up a joint venture in Indonesia, the most populous nation in Southeast Asia, in January 2015, and acquired a diaper company in Malaysia in the same month. Besides, a new disposable diaper plant is now under construction in

Malaysia. In August 2014, the Group signed a Memorandum of Understanding (MoU) on a strategic alliance to sell sanitary products such as disposable diapers in the People's Republic of China with Nichii Gakkan Company, and it is proceeding with business expansion in China.

In the area of Household Products, we intend to expand high-value-added products and establish a premium brand by expanding lines of environmentally friendly products including FSC certified products, and by promoting development of high-quality products through continuous quality improvements.

(b) Functional Materials (Specialty paper business, Thermal paper business, Adhesive products business, Film business)

To expand operations through the aggressive allocation of business resources, the Group boosted its thermal paper production equipment in Brazil in April 2014. Meanwhile, it has continued to sequentially boost its production capacity for touch panel-use optical adhesive materials, a product category experiencing growing demand. To improve profitability, the Group has been working on an initiative to build an optimal production platform, while continuing to revise its thermal paper production structure, based on the integration of bases in Southeast Asia and Japan.

Also, to further expand our R&D function, we set up the Laboratories of Innovation in Adhesive Materials for the adhesive materials business and Advanced Film Research Center, and constructed a new laboratory for the film business. With leading roles played by both laboratories, the Group will rapidly develop highly functional and high value-added products, while creating new products and technologies. Moreover, it will grow its overseas operations by aggressively expanding into growth markets such as those in Southeast Asia.

(c) Forest Resources and Environment Marketing Business (Lumber business, Pulp business, Energy business)

In overseas markets, the Group has been expanding its lumber and pulp business operations, focusing on resource-rich countries. The Group's new lumber mills in Indonesia went on stream in February 2014 and in Laos in October 2014. Moreover, its new lumber mills in Vietnam are scheduled to go on stream in FY2015. Meanwhile, in its pulp business, in Brazil and New Zealand, the Group will step up pulp sales, focusing on Asia. At the same time, in Myanmar, Indonesia, and Vietnam, it has built business bases designed to pursue a wide range of business activities, boosting sales in those countries. Furthermore, Jiangsu Oji Paper Co., Ltd. in China began commercial operation of kraft pulp in January 2015.

In Japan's domestic market, the Group has been accelerating new business initiatives, bringing on stream dissolving pulp (DP) equipment for rayon in May 2014. In the electric power business, one biomass power generator began operation in March 2015 and two biomass power generators are scheduled to come on stream in FY2015. In addition, hydropower generator renovation work is underway. Furthermore, assuming liberalization of the power retail industry planned in 2016, the Group established a joint venture for electric power sales in February 2015.

(d) Printing and Communications Media (Newsprint business, Printing/publication/communication paper business)

While the Group has continued to restructure its production platform, as required, taking into account the business environment, it will keep its efforts in reviewing its cost structure continuously by promoting construction of optimal production structure based on demand and enhancing international competitiveness.

Meanwhile, Jiangsu Oji Paper Co., Ltd. began integrated production of paper with the start of operations at its kraft pulp facility.

(e) Improving research and development (R&D)

In April 2014, the Group renamed the R&D Division the Innovation Promotion Division. In the process, it reorganized its R&D platform to pursue R&D activities more flexibly and efficiently. In addition, we established the new Water Environment Research Laboratory in July 2014, and further strengthened the R&D structure, which will be the core of innovative value creation.

Moreover, to further expand overseas business and undertake new business operations, the Company in December 2014 teamed up with Innovation Network Corporation of Japan (INCJ) and acquired the pulp, paperboard, and packaging businesses of Carter Holt Harvey Limited, a company

with production facilities in New Zealand and Australia (Carter Holt Harvey Pulp & Paper Limited and related companies).

Furthermore, in December 2014, the Company passed a resolution to form business and capital alliances through a third-party stock allocation with Chuetsu Pulp & Paper Co., Ltd. to further increase investment and capital efficiencies by leveraging management resources. Also note that receipt of a notice from Japan Fair Trade Commission, to the effect that it will not issue a cease and desist order in accordance with Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, is a prerequisite for executing the third-party stock allocation.

By carrying out the measures above, the Group aims to become a global corporate group that continues to create innovative value.

(3) Initiatives to prevent persons considered inappropriate, in light of the basic policies on the control of the Company, from controlling the Company's decisions on financial and operational policies

[1] Purpose of introducing the Policy

The Board of Directors of the Company sets rules regarding Large-Scale Purchases of the Company's shares (hereafter referred to as the "Large-Scale Purchase Rules") as follows, based on the basic policies described in (1) above, and requests compliance with the Large-Scale Purchase Rules from Large-Scale Purchasers. The Board of Directors of the Company has a policy of taking certain measures in the event that a Large-Scale Purchaser does not comply with the Large-Scale Purchase Rules. The Board of Directors of the Company also has a policy of taking certain measures when it is clear that the Large-Scale Purchase will cause damage from which it will be difficult for the Company to recover or in cases where the interests of the Company's shareholders as a whole will suffer significant damage.

[2] Establishing large-scale purchase rules

To the Board of Directors of the Company, a Large-Scale Purchase undertaken in accordance with the Large-Scale Purchase Rules prescribed below shall be considered to be in accord with the interests of the Company's shareholders as a whole. These rules require that (i) the large-scale purchaser provides, in advance, sufficient information to the Board of Directors of the Company and (ii) the large-scale purchase is commenced following the passage of a certain period for assessment by the Board of Directors of the Company.

Specifically, first, the Company shall have the large-scale purchaser provide to the Board of Directors of the Company sufficient information required for the Company's shareholders to make a judgment and for the Board of Directors to form an opinion (hereafter, this information is referred to as the "Large-Scale Purchase Information"). Specifics are defined in Appendix 1.

As the concrete details of the Large-Scale Purchase Information may vary based on the details of the large-scale purchase, when a large-scale purchaser intends to undertake a large-scale purchase, the Company will first have the large-scale purchaser submit to the Company a statement of intent to comply with the large-scale purchase rules. In the statement of intent the Company asks that the name, address, governing law of incorporation of the large-scale purchaser, the name of its representative, and domestic contact information of the large-scale purchaser, and outline of the proposed large-scale purchase be clearly indicated. Within five (5) business days following receipt of this statement of intent, the Company shall deliver to the large-scale purchaser a list of the Large-Scale Purchase Information which should be initially submitted to the Company by the large-scale purchaser. In the event that it is considered that the information initially submitted alone is insufficient as Large-Scale Purchase Information, the Company may have additional information submitted until the Large-Scale Purchase Information is sufficiently complete. The Board of Directors of the Company shall promptly disclose the fact that there has been a large-scale purchase proposal. Additionally, the Large-Scale Purchase Information submitted to the Board of Directors of the Company shall be disclosed in full or in part in a timely manner if it is deemed necessary for the Company's shareholders to make a judgment.

Next, in accordance with the degree of difficulty of the assessment, etc. of the large-scale purchase, a sixty (60)-day period (in the case of the purchase of all the shares of the Company through a public tender offer only for cash (yen) consideration) or a ninety (90)-day period (in the case of other large-scale purchases) after the completion of submission of the Large-Scale Purchase Information

shall be set aside as a period for the assessment, investigation, negotiation, opinion formation, and the preparation of alternative proposals by the Board of Directors (hereafter referred to as the "Board of Directors' Assessment Period"). The Board of Directors of the Company shall promptly disclose the fact that the submission of the Large-Scale Purchase Information was completed and matters relating to the Board of Directors' Assessment Period. The large-scale purchase shall be commenced only following the passage of the Board of Directors' Assessment Period.

During the Board of Directors' Assessment Period, the Board of Directors of the Company, while receiving the advice of outside experts, shall make a sufficient assessment and investigation of the submitted Large-Scale Purchase Information and shall disclose an opinion as the Board of Directors. As necessary, the Board of Directors may negotiate with the large-scale purchaser concerning improvements in the terms of the large-scale purchase and may also present, as the Board of Directors of the Company, alternative proposals to the shareholders. Additionally, the Board of Directors of the Company shall submit the Large-Scale Purchase Information to a special committee and request an assessment and investigation of the information. The special committee shall undertake its own assessment and investigation of the Large-Scale Purchase Information and shall make a recommendation concerning the measures of response which the Board of Directors of the Company should take in accordance with the Policy. The Board of Directors of the Company shall take the special committee's recommendation into consideration and shall determine a measure of response that complies with the Policy while giving maximum respect to that recommendation.

[3] Policies in the event of a large-scale purchase

(a) When a large-scale purchaser does not comply with the large-scale purchase rules

When a large-scale purchaser does not submit a statement of intent, when a large-scale purchaser commences a large-scale purchase prior to the passage of the Board of Directors' Assessment Period, when a large-scale purchaser does not provide sufficient information in accordance with the large-scale purchase rules, or when a large-scale purchaser otherwise does not comply with the large-scale purchase rules, the Board of Directors of the Company shall, for the purpose of protecting the interests of the Company's shareholders as a whole, take measures, such as the issuance of subscription rights to shares, deemed to be within the authority of the Board of Directors by the Companies Act, other laws and the Company's Articles of Incorporation and may oppose the large-scale purchase. The Board of Directors of the Company shall, in advance of deciding to implement countermeasures, consult the special committee concerning the appropriateness of the implementation of the countermeasures and shall receive the special committee's recommendation. While giving maximum respect to the recommendation of the special committee, the Board of Directors of the Company shall make a decision on the implementation of the countermeasures having referenced the opinions of attorneys, financial advisors and other outside experts.

With respect to concrete countermeasures, measures deemed appropriate at that time shall be selected. An outline of the case where subscription rights to shares are issued based on a shareholder allotment as a concrete countermeasure shall, as a general principal, be as set forth in Appendix 2. In the event subscription rights to shares are issued, the exercise period, exercise terms and acquisition terms may be established having given consideration to their impact as a countermeasure, such as making the exercise terms and acquisition terms of the subscription rights to shares so as not to vest in a specific shareholder group that has a certain percentage or more of the voting rights.

The establishment of these Large-Scale Purchase Rules and countermeasures in the event that a Large-Scale Purchaser does not comply with said rules are deemed to be a fair and appropriate response for the purpose of protecting the rightful interests of the Company's shareholders as a whole. Contrarily, it is possible that, through the countermeasures, a Large-Scale Purchaser that does not comply with the Large-Purchase Rules may ultimately experience detrimental effects including economic losses. May this serve as advanced warning against commencing a Large-Scale Purchase in disregard of the Large-Scale Purchase Rules.

(b) When a large-scale purchaser complies with the large-scale purchase rules

With respect to the purchase of the Company's shares on a scale that may have an impact on the management of the Company, the purposes of the large-scale purchase rules, from the perspective of protecting the interests of the Company's shareholders as a whole, are to provide information necessary for shareholders to make a judgment whether to accept such a purchase, to provide shareholders with the assessment and opinion of the Board of Directors of the Company who are

actually responsible for the management of the Company and, furthermore, to ensure that there is an opportunity for shareholders to be presented with alternative proposals. When the large-scale purchase rules are being complied with, these rules are not, as a general principle, in place to inhibit the large-scale purchase simply on the judgment of the Board of Directors of the Company alone.
However, exceptionally, even though a large-scale purchaser complies with the large-scale purchase rules, when the Board of Directors of the Company judges, having referred to the opinions of attorneys, financial advisors and other outside experts and having given maximum respect to the recommendation of the special committee, that it is clear that the large-scale purchase will cause damage from which it will be difficult for the Company to recover or the interests of the Company's shareholders as a whole will suffer significant damage, measures set forth in [3] (a) above may be taken in order to deter the large-scale purchase. Timely and appropriate disclosures shall be made in the event it is decided to take such countermeasures. Concretely, when acts are deemed to fall within the patterns below, the Company shall consider, as a general principle, the large-scale purchase to fall within cases where it is clear that the purchase will cause damage from which it will be difficult for the Company to recover or cases where the interests of the Company's shareholders as a whole will suffer significant damage.

(i) When purchases clearly infringe on the interests of shareholders as a whole due to acts listed in the following [1] to [4], etc.
[1] Act of buying up shares and demanding that the Company buy those shares at a high price
[2] Act of taking temporary control of the Company and engaging in management to realize the profits of the purchaser to the detriment of the Company, such as acquiring important assets, etc. of the Company at a low price
[3] Act of appropriating the assets of the Company to secure the debts or to be a source for repayment of the debts of the purchaser or its group companies, etc.
[4] Act of taking temporary control of the Company management, disposing of high valued assets, etc. without immediate relation to the business of the Company, and paying out a temporarily high dividend with the profits from that disposal, or watching for an opportunity for a rapid increase in stock prices caused by the temporarily high dividend to sell off shares

(ii) When purchases in fact risk pressuring shareholders to sell shares, such as coercive two-tiered tender offers (meaning the purchase of shares such as in a public tender offer under which the second stage purchase terms are disadvantageously set compared to the initial purchase terms or the second stage purchase terms are left ill-defined)

(iii) When the interests of customers, trading partners, regional society, employees and other interested parties will be damaged due to the acquisition of control by the large-scale purchaser, and there is a risk that the interests of the Company's shareholders as a whole will be significantly damaged for the long term because of this

(iv) When there is a risk that the corporate value, including social credibility, of the Company, will be significantly damaged or when there is a risk that the shareholders of the Company will be caused to suffer a significant disadvantage because (a) the management policies, business plans, etc. following the acquisition of control by the large-scale purchaser are conspicuously irrational or inappropriate, (b) there is a risk that critical issues will arise with respect to the protection of the environment or with respect to issues of compliance and governance transparency, or (c) there is a risk that the disclosure of information concerning the large-scale purchaser will be insufficient or inappropriate viewed from the perspective of the protection of the shareholders of the Company

(c) Suspension after implementation of countermeasure
Even after the decision to take countermeasures in accordance with the Policy, the Board of Directors of the Company may decide to suspend the implementation of the countermeasures, having given maximum respect to the recommendation of the special committee, (i) when the large-scale purchaser halts the large-scale purchase and (ii) when there is a change in the relevant facts, etc. upon which the determination to take countermeasures were premised, and it is judged that the large-scale purchase will not cause damage from which it will be difficult for the Company to recover, and furthermore, will not significantly damage the interests of the Company's

shareholders as whole. In the case of, for example, a gratis allotment of subscription rights to shares as a countermeasure, when circumstances have arisen, such as the large-scale purchaser withdrawing the large-scale purchase, after the determination of shareholders who should receive an allotment of rights and the Board of Directors judges, having considered the recommendation of the special committee, that the implementation of countermeasures is inappropriate, the gratis allotment of subscription rights to shares may be suspended during the period up to the effective date of the subscription rights to shares or, during the period after the gratis allotment of the subscription rights to shares up to the start of their exercise period, the Company may acquire the subscription rights to shares without consideration and suspend the implementation of the countermeasures.

In the event that the implementation of countermeasures is suspended as noted above, information concerning this will be promptly disclosed along with matters deemed necessary by the special committee.

(d) Establishment of special committee and investigation thereby

In the Policy, in order to ensure the objectivity, fairness and rationality of the judgment of the Board of Directors when judging whether the large-scale purchaser has complied with the large-scale purchase rules, whether the large-scale purchase falls within cases where it is clear that the purchase will cause damage from which it will be difficult for the Company to recover or cases where the interests of the Company's shareholders as a whole will suffer significant damage, and then whether to take countermeasures against the large-scale purchase and whether to suspend their implementation, the Company shall establish a special committee as an organization independent from the Board of Directors, and the Board of Directors of the Company shall give maximum respect to the committee's recommendation to the extent allowable under the law. The special committee shall consist of three (3) members who shall be selected from among outside directors, outside audit & supervisory board members, company managers with a wealth of management experience, persons thoroughly familiar with investment banking, attorneys, certified public accountants, tax accountants, academics, or other persons with similar qualifications.

When a decision is made to implement countermeasures or to suspend their implementation, the Board of Directors shall consult the special committee and receive its recommendation. The special committee may, at the expense of the Company, obtain the advice of third parties (including financial advisors, certified public accountants, attorneys, consultants and other experts) who are independent from the management team of the Company, or request the attendance of the Company's directors, audit & supervisory board members, employees, etc. at meetings of the special committee and request explanations concerning necessary information. The special committee shall deliberate and form resolutions and, based on the contents of those resolutions, present their recommendation to the Board of Directors of the Company. When judging whether to implement countermeasures or whether to suspend their implementation, the Board of Directors shall give maximum respect to the special committee's recommendation to the extent allowable under the law. A summary of the rules of the special committee and names and brief histories of the members of the special committee are provided in Appendix 3 and 4.

[4] Impacts on shareholders and investors of the Company

While it is not assumed that there will be circumstances where shareholders of the Company (except for any large-scale purchasers) may be caused economic damage or deprived of any right due to the implementation of countermeasures, the Board of Directors of the Company shall timely and appropriately disclose information in accordance with relevant laws and regulations and financial instruments exchange rules when it decides to take concrete countermeasures.

In the event that a gratis allotment of subscription rights to shares is undertaken as one of the possible countermeasures, an allotment of subscription rights to shares shall be made to shareholders recorded in the final shareholder registry on the record date separately determined at a meeting of the Board of Directors of the Company and publically announced, in accordance with the number of shares held. Thus, shareholders need to be recorded in the final shareholder registry on the said record date. Additionally, shareholders need to complete payment of a fixed sum within the prescribed period in order to exercise the subscription rights to shares and obtain those shares. However, in the event that the Company undertakes the acquisition of subscription rights to shares in accordance with acquisition terms that allow the Company to acquire subscription rights to shares in exchange for shares of the Company, shareholders who hold the subscription rights to shares subject to the said acquisition by the Board of Directors of the Company may receive the grant of the Company's shares as consideration for

the acquisition of the subscription rights to shares by the Company without the need for the payment of monies. Separate notification of the details of these procedures shall be made in accordance with laws and regulations and financial instruments exchange rules when in fact subscription rights to shares are issued or acquired.

Even though a resolution has once been passed for the gratis allotment of subscription rights to shares, there may be cases where the Company, in accordance with (3) (c) above, suspends the gratis allotment of subscription rights to shares during the period up to the effective date for the gratis allotment of subscription rights to shares or, acquires the subscription rights to shares without consideration up to the day immediately prior to the first date of the exercise period of the subscription rights to shares following the effective date for the gratis allotment of the subscription rights to shares. In these events, there is a possibility for corresponding fluctuation in the stock price of the Company's shares. For example, in the event that after the determination of shareholders who should receive a gratis allotment of subscription rights to shares (on or after the ex-rights date), the Company acquires the subscription rights to shares without consideration and does not issue new shares, no dilution of the per-share value of the shares shall arise and, therefore, investors who traded in the Company's shares on the premise that dilution of the value of the Company's shares would occur risk suffering a loss due to fluctuations in the stock price.

[5] Effective term of the large-scale purchase rules

Since the approval of the shareholders was obtained at the 90th Ordinary General Meeting of Shareholders held on June 27, 2014, with respect to the continuation of the Policy, the effective term of the Policy shall be up to the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year ending within three (3) years from the date of this Ordinary General Meeting of Shareholders, and this shall apply in successive terms thereafter.

In the event that the Board of Directors of the Company determines to continue the Policy, an announcement to that effect will be promptly made. The Board of Directors of the Company also intends, from the perspective of protecting the interests of shareholders as a whole, to occasionally reassess the Policy as needed in consideration of development and revisions to relevant laws and regulations including the Companies Act and the Financial Instruments and Exchange Act.

Even during the effective term, the Policy shall be abolished at the point in time when a resolution is passed to abolish the Policy in a general meeting of shareholders or when a resolution is passed to abolish the Policy at a meeting of the Board of Directors of the Company. Additionally, even during the effective term of the Policy, there may be cases where the Board of Directors of the Company revises the Policy within the scope of the intent of the approval given at the general meeting of shareholders.

(4) Decisions by the company's Board of Directors that the Policy is in line with the basic policies on the control of the Company, in accord with the corporate value of the Company and ultimately, the common interests of the shareholders, and not intended to maintain the positions of Directors or Audit & Supervisory Board Members of the Company, and reasons hereof

For the following reasons, we believe that the Policy is in line with the basic policies on the control of the Company described in (1) above, in accord with the common interests of the shareholders of the Company, and not intended to maintain the positions of Directors or Audit & Supervisory Board Members of the Company:

[1] The Policy satisfies the requirements of the guidelines regarding takeover defense

The Policy satisfies the three principles (the principle of ensuring and increasing corporate value and the common interests of the shareholders; the principle of practicing prior disclosure and confirming shareholder's intentions; and the principle of ensuring necessity and suitability) set out in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" jointly released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

[2] The Policy has been introduced to Protect and Enhance the Common Interests of the Shareholders

As stated in the "Purpose of Introducing the Policy" in (3) [1] above, the Policy is to be intended to be introduced for our shareholders to decide, when the purchase, etc. of the Company's shares, etc. is offered, whether or not to accept such purchase offer, etc., or, for the Board of Directors of the Company to gain information and time necessary to present an alternative proposal, and thereby can negotiate with the purchaser, etc. on behalf of our shareholders, and to protect and enhance the corporate value of the Company and ultimately the common interests of the shareholders.

[3] Reasonable and Objective Requirements for Implementation

As stated in the "Policies in the event of a large-scale purchase" described in (3) [3] above, the countermeasures under the Policy are designed not to be implemented unless certain predetermined reasonable and detailed, objective requirements are satisfied, so as to disqualify such cases of the large-scale purchase not in compliance with the large-scale purchase rules, or takeover that, even when in compliance with the large-scale purchase rules, apparently infringes on the common interests of the shareholders or could effectively pressuring our shareholders into selling shares, and therefore we believe we have secured a mechanism to prevent any arbitrary implementation by the Board of Directors of the Company.

[4] Emphasis on the Shareholder's Intentions

The Company proposes the continuation of the Policy as an agenda item at the general meetings of shareholders of the Company to confirm intentions of the shareholders. If the continuation of the Policy is not resolved at any given general meeting of shareholders, the Policy will be promptly abolished and in that context, survival or otherwise of the Policy, and its contents are dependent on reasonable intentions of the shareholders of the Company.

[5] Not a Dead-Hand Takeover Defense Measure or Slow-Hand Takeover Defense Measure

As described in (3) [5] "Effective term of the large-scale purchase rules" above, the Policy is one that may be abolished by the Board of Directors consisting of directors that were elected at a general meeting of shareholders of the Company. It is possible for a person who has purchased the Company's share certificates, etc. in bulk to nominate directors at a general meeting of shareholders of the Company and abolish the Policy through the Board of Directors consisting of such directors. Accordingly, the Policy is not a dead-hand takeover defense measure (a takeover defense measure in which its implementation cannot be stopped even by replacing a majority of the members of the Board of Directors). Furthermore, the term of office of directors of the Company is one (1) year, meaning the Policy is not a slow-hand takeover defense measure (a takeover defense measure in which the replacement of the members of the Board of Directors cannot occur all at once and therefore it takes time to stop its implementation).

(Appendix 1)

Large-Scale Purchase Information

1. Information on the large-scale purchaser and its group (in the case of a fund, including the partners and other constituent members)
(1) Names, capital relation, and financial details
(2) In the case where the large-scale purchaser is an individual: Nationality, professional experience, names of companies or other organizations (hereafter referred to as "juridical person"), their principal businesses and addresses which the relevant person proposing the takeover has managed, operated or has been employed at, and the beginning and ending dates of such management, operation or employment
(3) In the case where the large-scale purchaser is a juridical person: In respect to the relevant juridical person and its important subsidiaries, etc., principal businesses, country where incorporated, governance status, financial details of capital and long-term borrowing for the past three (3) years, major legal procedures pending in court relating to the relevant juridical person or its assets, outline of businesses undertaken up to the present, and names of directors, corporate officers, etc.
(4) If any: Criminal history for the past five (5) years (excluding traffic violations and similar petty crimes), violations relating to the Financial Instruments and Exchange Act and the Companies Act (including foreign laws comparable to these) for the past five (5) years, and whether there are other important issues relating to compliance

2. The objective, method and details of the large-scale purchase (including the value/type of consideration for the acquisition, timing of acquisition, structure of related transactions, lawfulness of the method of acquisition, and feasibility of acquisition)

3. Basis for the calculation of the consideration for the acquisition of the Company's shares (including the facts/assumptions which are the premise of the calculation, calculation method, numerical information used in the calculation, and synergies which it is assumed will be created through the series of transactions relating to the acquisition and bases of the calculation for such synergies)

4. Financial resources for the large-scale purchase (including concrete name of the supplier (including the material supplier) of funds, procurement method, and details of related transactions)

5. Post-purchase management policy, business plan, and capital and dividend policies for the Company

6. Post-purchase policies dealing with the Company's employees, trading partners, customers, regional society, and other interested parties (stakeholders) relating to the Company

7. Details and prospects of required procedures when executing the large-scale purchase, such as required approval of governmental authorities and agreement of third parties. The applicability of antitrust laws or other competition laws and of other important laws of the countries and regions where the large-scale purchaser or the Company engages in business or sells products and thoughts concerning whether these laws will be obstacles when executing the large-scale purchase and that basis

8. Other information reasonably judged necessary and requested by the Board of Directors or the special committee of the Company

(Appendix 2)

Summary of Subscription Rights to Shares

1. Shareholders subject to the allotment of subscription rights to shares and issuance terms
Shareholders who are recorded in the final shareholder registry on the record date prescribed by the Board of Directors shall be allotted subscription rights to shares at a rate of one (1) right per share possessed (however, excluding common shares held by the Company). There may be cases where shareholders shall be granted the right to receive an allotment of subscription rights to shares and are solicited to subscribe to subscription rights to shares for subscription and cases where a gratis allotment of subscription rights to shares shall be made.

2. Class and number of shares to be delivered upon exercise of subscription rights to shares
The class of shares to be delivered upon exercise of the subscription rights to shares shall be the common shares of the Company, and the upper limit of the total number of the shares to be delivered upon exercise of subscription rights to shares shall be determined by subtracting the total number of the common shares of the Company issued (excluding the number of common shares held by the Company) from the total number of shares authorized to be issued as of the record date prescribed by the Board of Directors of the Company. The number of shares to be delivered upon exercise of one (1) subscription right to shares shall be one (1) share; provided, however, if the Company makes a share split or a share consolidation, the required adjustments shall be made.

3. Total number of subscription rights to shares to be issued
The total number of subscription rights to shares to be allotted shall be the number prescribed by the Board of Directors of the Company, and its upper limit shall be determined by subtracting the total number of the common shares of the Company issued (excluding the number of common shares held by the Company) from the total number of shares authorized to be issued as of the record date prescribed by the Board of Directors of the Company. The Board of Directors may make an allotment of subscription rights to shares multiple times within a scope not to exceed the upper limit of the total allotment number.

4. Amount to be paid in for each subscription right to shares
Gratis (No payment of monies is required.)

5. Amount of property to be contributed upon exercise of subscription rights to shares
The amount of property to be contributed upon exercise of subscription rights to shares shall be an amount of one (1) yen or more prescribed by the Board of Directors.

6. Restrictions on transfer of subscription rights to shares
The acquisition of subscription rights to shares by transfer shall require approval by a resolution of the Board of Directors.

7. Exercise terms of subscription rights to shares
The Company may determine terms for the exercise of subscription rights to shares, such as not allowing the exercise of rights by persons belonging to a specific shareholder group holding 20% or more voting rights (excluding persons whose acquisition or possession of the Company's share certificates, etc. is deemed by the Board of Directors of the Company not to be contrary to the interests of the Company's shareholders as a whole). Details shall be separately determined at a meeting of the Board of Directors of the Company.

8. Exercise period, etc. of subscription rights to shares
The exercise period, acquisition terms, and other necessary matters of subscription rights to shares shall be separately determined by the Board of Directors. With respect to acquisition terms, the Company may determine terms that allow the Company to acquire subscription rights to shares held by persons other than those whose exercise of subscription rights to shares due to the exercise terms of 7. above is not allowed and may deliver one (1) share per subscription right to shares.

(Appendix 3)

Summary of the Rules of the Special Committee

1. The special committee shall be established for the purposes of defying arbitrary judgments of the Board of Directors regarding the implementation, etc. of countermeasures against large-scale purchases, and ensuring objectivity, fairness, and rationality of the judgment of the Board of Directors.

2. The special committee shall consist of three (3) members, independent from the management team that manages and executes the operations of the Company, and appointed by the Board of Directors of the Company from among any of the following relevant persons: (i) outside directors of the Company, (ii) outside audit & supervisory board members of the Company, (iii) outside experts. However, outside experts shall be company managers with a wealth of management experience, persons thoroughly familiar with investment banking, attorneys, certified public accountants, tax accountants, academics, or other persons with similar qualifications, and such persons must conclude with the Company contracts that include a duty of care of prudent manager provision, determined separately by the Board of Directors of the Company.

3. The terms of office of special committee members shall be until the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year ending within three (3) years after their appointment. However, this limit shall not apply in cases where the term of office is otherwise provided for by a resolution of the Board of Directors of the Company.

4. The special committee shall receive consultations from the Board of Directors, deliberate and form resolutions regarding the various matters listed in the items below, and present their recommendation to the Board of Directors of the Company based on the contents of those resolutions. In said deliberations and forming of resolutions, each member of the special committee shall consider the deliberated action from the perspective of whether said action will contribute or not contribute to the corporate value and the common interests of the shareholders of the Company, not with the purpose of pursuing the committee member's own personal benefit or that of the management team of the Company.
[1] The appropriateness of implementing countermeasures against large-scale purchases
[2] Suspending the implementation of countermeasures against large-scale purchases
[3] From among the other matters that the Board of Directors of the Company should pass judgment on, matters for which the Board of Directors of the Company has consulted the special committee

5. The special committee may, at the expense of the Company, obtain the advice of third parties (including financial advisors, certified public accountants, attorneys, consultants and other experts) who are independent from the management team of the Company.

6. In order to gather necessary information, the special committee may request the attendance of the Company's directors, audit & supervisory board members, employees, or others that the special committee recognizes as necessary, and may demand explanations regarding matters that the special committee inquires about.

7. Resolutions by the special committee shall be made, as a general principle, with of all members of the special committee in attendance and by a majority of those in attendance. However, under unavoidable circumstances, resolutions may be made with a majority of the members of the special committee in attendance and by a majority of their voting rights.

(Appendix 4)

Names and Brief Histories of the Members of the Special Committee

Current members of the special committee are following three members.

Michihiro Nara
(Date of birth: May 17, 1946)

Brief history

April 1974	Registered as an attorney-at-law
June 2014	Director, the Company (to the present)

* Mr. Michihiro Nara is an outside director as prescribed in Article 2, Item 15 of the Companies Act.

Makoto Katsura
(Date of birth: February 3, 1948)

Brief history

April 1971	Joined the Ministry of Foreign Affairs
July 2004	Ambassador Extraordinary and Plenipotentiary of Japan to Laos
August 2007	Ambassador Extraordinary and Plenipotentiary of Japan to the Philippines
May 2011	Retired from office
June 2013	Audit & Supervisory Board Member of the Company (to the present)

* Mr. Makoto Katsura is an outside audit & supervisory board member as prescribed in Article 2, Item 16 of the Companies Act.

Mikinao Kitada
(Date of birth: January 29, 1952)

Brief history

April 1976	Appointed public prosecutor
January 2012	Superintendent Public Prosecutor of Osaka High Public Prosecutors Office
January 2014	Retired from office
March 2014	Registered as an attorney-at-law
June 2014	Audit & Supervisory Board Member of the Company (to the present)

* Mr. Mikinao Kitada is an outside audit & supervisory board member as prescribed in Article 2, Item 16 of the Companies Act.

Notes to Consolidated Financial Statements

Notes on Important Matters Forming the Basis of Preparation of Consolidated Financial Statements

1. Matters concerning the scope of consolidation

(1) Number of consolidated subsidiaries: 173 (158 as of the end of the previous fiscal year)

Main consolidated subsidiaries include:

Oji Container Co., Ltd., Oji Materia Co., Ltd., Mori Shigyo Co., Ltd., Oji Nepia Co., Ltd., Oji F-Tex Co., Ltd., Oji Imaging Media Co., Ltd., Oji Green Resources Co., Ltd., Oji Paper Co., Ltd., Oji Papés Especiais Ltda., Celulose Nipo-Brasileira S.A., Pan Pac Forest Products Ltd., Jiangsu Oji Paper Co., Ltd., Carter Holt Harvey Pulp & Paper Limited

Changes in the consolidated subsidiaries during the current fiscal year are as follows:

(Increase) 19 companies: 13 companies, United Packaging Co., Ltd., Carter Holt Harvey Pulp & Paper Limited and their related 7 companies and People & Grit (M) Sdn. Bhd. and its related 3 companies, are included in the scope of consolidation because of the stock acquisition during the current fiscal year.

6 companies, Oji Oceania Management Co., Ltd., Oji Oceania Management (NZ) Limited, Oji Oceania Management (AUS) Pty. Ltd., Oji Asia Household Product Sdn. Bhd., PT Oji Indo Makmur Perkasa and Oji Myanmar Packaging Co., Ltd. were newly established and are included in the scope of consolidation from the current fiscal year.

(Decrease) 4 companies: 2 companies, Kanzaki Oji Shigyo Co., Ltd., and Oi Paper Co., Ltd., are excluded from the scope of consolidation effective the current fiscal year because of the decreased materiality of their businesses in the Group due to the transfer of part of their businesses.

2 companies, Richbox Paper Products (M) Sdn. Bhd. and Superpac Manufacturing Sdn. Bhd. are excluded from the scope of consolidation effective the current fiscal year due to liquidation.

(2) Number of non-consolidated subsidiaries: 121

These companies are excluded from the scope of consolidation, as all of these non-consolidated subsidiaries are small-sized companies and their total assets, net sales, net income (amount corresponding to the Company's equity in such subsidiaries), retained earnings (amount corresponding to the Company's equity in such subsidiaries), etc., are insignificant relative to the total assets, net sales, net income (amount corresponding to the Company's equity in such subsidiaries), retained earnings (amount corresponding to the Company's equity in such subsidiaries), etc., of the consolidated companies as a whole, and they do not have significant impact on the consolidated financial statements.

2. Matters concerning the application of the equity method

(1) Number of affiliates under the equity method: 19 (17 as of the end of the previous fiscal year)

Main affiliates under the equity method include:

Yupo Corporation, Kokusai Pulp & Paper Co., Ltd., and Ocean Trans Co., Ltd.

Changes in the affiliates under the equity method during the current fiscal year are as follows:

(Increase) 2 companies: 2 companies, PT Indo Oji Sukses Pratama and Oji-Itochu Enex power retailing Co., Ltd. were newly established and are included in the application of the equity method from the current fiscal year.

(2) Number of non-consolidated subsidiaries and affiliates to which the equity method was not applied

Non-consolidated subsidiaries: 121

Affiliates: 53

These non-consolidated subsidiaries and affiliates are excluded from the scope of the equity method, as their net income/loss (amount corresponding to the Company's equity in such subsidiaries and affiliates), retained earnings (amount corresponding to the Company's equity in such subsidiaries and affiliates), etc., are insignificant relative to the net income/loss (amount corresponding to the Company's equity in such subsidiaries and affiliates), retained earnings (amount corresponding to the Company's equity in such subsidiaries and affiliates), etc., of the consolidated companies as a whole, and they do not have significant impact on the consolidated financial statements.

3. Matters concerning the fiscal year of consolidated subsidiaries

Of the Company's consolidated subsidiaries, the fiscal year of Oji Papés Especiais Ltda., Celulose Nipo-Brasileira S.A., Jiangsu Oji Paper Co., Ltd., Oji Oceania Management (NZ) Limited, Carter Holt Harvey Pulp & Paper Limited and other 74 companies ends on December 31. In preparing the consolidated financial statements, the financial statements as of the account closing date of each company are used. However, we made the adjustments necessary for consolidation purposes if major transactions were executed between their account closing dates and the consolidated account closing date. For certain consolidated subsidiaries, we prepared the financial statements based on a provisional closing of accounts as of the consolidated account closing date that were prepared in the same way as the settlement of full-year accounts.

4. Matters concerning accounting standards

(1) Standard and method of valuation of significant assets

(i) Marketable securities

Held-to-maturity debt securities: Stated at cost using the amortized cost method.

Available-for-sale securities

Securities with market quotations: Stated at market based on the market price as of the end of the fiscal year (the valuation difference is accounted for as a separate component of net assets and the cost of sales is calculated by using the moving-average method).

Securities without market quotations: Stated at cost using the moving-average method.

(ii) Derivatives

Stated at market

(iii) Inventories

Mainly stated at cost using the periodic average method

(The amount stated on the balance sheet is calculated by using the method of write-downs based on the decreased profitability.)

(2) Depreciation method of significant depreciable assets

Property, plant and equipment (excluding lease assets)

Declining balance method (provided, however, that the straight-line method is applied to buildings acquired on or after April 1, 1998 (excluding accompanying facilities) and certain consolidated subsidiaries)

Lease assets

Straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero.

(3) Standards for significant reserves

(i) Allowance for doubtful accounts

In order to prepare for potential credit losses on receivables outstanding at the end of the current fiscal year, an estimated uncollectible amount is recorded at the amount calculated based on the historical rate of credit loss with respect to normal receivables and at the amount determined in consideration of collectibility of individual receivables with respect to doubtful accounts and certain other receivables.

(ii) Allowance for loss on transfer of shares of affiliated companies

In order to prepare for the loss on transfer of shares of affiliated companies, an estimated loss on the said transfer is recorded.

(iii) Provision for loss on litigation

The Company's consolidated subsidiary in Brazil is in the following litigation with the tax authorities in the country: tax-related lawsuits relating to IR (corporate tax), CS (social burden charge), ICMS (product distribution service tax), PIS/COFINS (burden charges on social integration plan/social insurance loan) and others; lawsuit relating to INSS social insurance premiums and various taxes and dues; and two or more labor service-related lawsuits and civil lawsuits. To prepare for losses on such pending lawsuits, a provision for loss on litigation is recorded.

(4) Significant hedge accounting method

(i) Hedge accounting method

Hedging activities are principally accounted for under the deferral hedge method.

Designation (*furiate-shori*) is applied to monetary assets/liabilities denominated in foreign currencies with foreign exchange forward contacts qualifying for such designation and designated exceptional accounting (*tokurei-shori*) is applied to interest rate swaps qualifying for such exceptional accounting, and integration accounting (*ittai-shori*) is applied to interest rate and currency swaps qualifying for such integration accounting (*tokurei-shori* and *furiate-shori*).

(ii) Hedging instruments and hedged items

Hedging instruments	Hedged items
Foreign exchange forward contracts	Monetary assets/liabilities denominated in foreign currencies
Interest rate and currency swaps	Loans payable denominated in foreign currencies
Interest rate swaps	Borrowings and loans
Commodity swaps	Electricity

(iii) Hedging policy

The risk management policy of the Group requires hedging against the foreign exchange fluctuation risk, interest rate fluctuation risk and price fluctuation risk on raw materials arising in the normal course of the business of the Group.

(iv) Method for assessing the hedge effectiveness

At the end of each fiscal year, hedge effectiveness with respect to the hedging instruments and hedged items is assessed for each hedging transaction. This annual assessment excludes any transaction where important terms and conditions such as principal, interest rate, and duration are identical between the assets/liabilities of hedging instruments and hedged items.

(5) Other important matters forming the basis of preparation of consolidated financial statements

(i) Accounting treatment method for retirement benefits

In order to prepare for the provision of retirement benefits for employees, the difference between retirement benefit obligations and pension assets is recorded as net defined benefit liability based on the estimated amounts as of the end of the current fiscal year. In addition, unrecognized actuarial losses and unrecognized prior service cost are recognized as remeasurements of defined benefit plans in accumulated other comprehensive income in the net assets section, after adjusting for tax effects.

Standards for net defined benefit liability are as follows:

a) Method to attribute the estimated amounts of retirement benefits to the period
In the calculation of retirement benefit obligation, the projected benefit formula is used to attribute the estimated benefit to the period through the end of the current fiscal year.

b) Method to recognize actuarial losses and prior service cost as expenses
Prior service cost is accounted for as an expense calculated by using the straight-line method based on the average remaining service period of the employees in service during the period in which it arises (12-17 years).
Actuarial losses are accounted for as expenses for the subsequent fiscal years calculated by using the straight-line method based on the average remaining service period of the employees in service during the period in which they arise (12-17 years).

c) Adoption of the simplified method for small-sized companies, etc.
In certain consolidated subsidiaries, the simplified method, in which the Company's benefit obligation is assumed to be equal to an amount required for voluntary resignations at the end of the current fiscal year, is applied for the calculation of net defined benefit liability and retirement benefit cost.

(ii) Accounting treatment for consumption taxes
Consumption and local consumption taxes are accounted for under the tax exclusion method.

(iii) Application of consolidated taxation system
Consolidated taxation system is applied.

5. Change in accounting policy

(Application of accounting standard for retirement benefits)

The Company applies the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26 of May 17, 2012) and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 of March 26, 2015) to the provisions of the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits, effective from the current fiscal year. Accordingly, the Company reviewed the method of calculating retirement benefits liability and service cost to change the method to attribute the estimated amounts of retirement benefits to the period from the straight-line basis to the projected benefit formula. The Company has also changed the method to decide on discount rate from the one using the number of years that is similar to the average remaining years of service to the one using the single weighted average rate of discount that reflects the estimated payment period and amount of every estimated payment period of the retirement benefits.

Application of the Accounting Standard for Retirement Benefits and Guidance on Accounting Standard for Retirement Benefits is in line with the transitional measures provided in Paragraph 37 of the Accounting Standard for Retirement Benefits. In accordance with such measures, the effect of the change to the calculation method for the retirement benefits liability and service cost has been added to or deducted from the retained earnings as of the beginning of the current fiscal year.

As a result of the change, net defined benefit liability as of the beginning of the current fiscal year decreased by 4,053 million yen and retained earnings increased by 2,611 million yen. This change had only minor impact on operating income, ordinary income and income before income taxes in the current fiscal year. This change also had only minor impact on net assets per share, net income per share, and

fully diluted net income per share.

6. Change in presentation

(Consolidated Balance Sheet)

Because of the increased materiality of the amount, "Assets for retirement benefit" that were reported in "Other" under "Total investments and other assets" in the prior consolidated fiscal year are separately reported in the current fiscal year.

The amount of "Assets for retirement benefit" in the prior consolidated fiscal year was 534 million yen.

"Leasehold right" (1,815 million yen at the end of the current fiscal year) that was separately reported under "Intangible assets" in the prior consolidated fiscal year are included in "Other" in the current fiscal year due to immateriality of the amount.

"Provision for directors' retirement benefits" (1,383 million yen at the end of the current fiscal year) and "Provision for environmental measures" (1,861 million yen at the end of the current fiscal year) that were separately reported under "Noncurrent liabilities" in the prior consolidated fiscal year are included in "Other" in the current fiscal year due to immateriality of the amount.

Notes to Consolidated Balance Sheet

1. Assets pledged as collateral and obligations related to collateral

(1) Assets pledged as collateral (millions of yen)

Cash and deposits	1,975
Notes and accounts receivable–trade	1,956
Merchandise and finished goods	3,302
Buildings and structures	14,954
Machinery, equipment and vehicles	12,565
Land	14,631
Standing timber	19,016
Investment securities	1,724
Long-term loans receivable (including the amount scheduled to be collected within one year)	3,109
Other	2,813
Total	76,048

Of the above, the following amounts have been eliminated in the consolidated balance sheet: within the investment securities, 640 million yen of investments in consolidated subsidiaries, and within the long-term loans receivable, 3,109 million yen of loans receivable from consolidated subsidiaries.

(2) Obligations related to collateral (millions of yen)

Short-term loans payable	6,800
Long-term loans payable	6,524
Notes and accounts payable–trade	482
Total	13,807

2. Accumulated depreciation of property, plant and equipment (millions of yen)

2,400,406
(including the amount of accumulated impairment loss)

3. Guarantee obligations (millions of yen)

PT. Korintiga Hutani	5,817
Alpac Forest Products Inc.	3,766
Other	5,039
Total	14,624

4. Notes discounted (millions of yen) 12,204
   Notes receivable endorsed 21

5. Revaluation of land
   Pursuant to the "Act on Revaluation of Land" (Act No. 34 of March 31, 1998) and the "Act on Partial Amendment to the Act on Revaluation of Land" (Act No. 19 of March 31, 2001), the Group performed revaluation of land for business use held by certain consolidated subsidiaries and recorded revaluation reserve for land in the net assets section.
   - Revaluation method: The value is calculated based on the property tax valuation prescribed in Article 2, Item 3 of the "Enforcement Order on Act on Revaluation of Land" (Cabinet Order No. 119 of March 31, 1998) and the land value designated as the tax basis for land value tax as prescribed in Article 2, Item 4 thereof.
   - Revaluation date: March 31, 2002

Notes to Consolidated Statement of Income

1. Provision of allowance for transfer of shares of affiliated companies
   An estimated amount of loss likely to be incurred due to the sale of shares of Alpac Forest Products Inc., an affiliate under the equity method, is recorded.

2. Business structure improvement expenses
   Business structure improvement expenses include the amount of impairment loss recorded for relevant assets due to terminated operation of paper equipment at the Tokai Mill at the First base and at the Fujinomiya base of Oji F-Tex Co., Ltd., the Tomioka Mill of Oji Paper Co., Ltd., and the Nichinan Mill.

Notes to Consolidated Statement of Changes in Net Assets

1. Class and number of shares issued as of the end of the current fiscal year
   Common stock 1,064,381,817

2. Class and number of treasury shares as of the end of the current fiscal year
   Common stock 75,999,709

3. Matters related to dividends

(1) Amount of dividends from surplus distributed during the current fiscal year

Resolution	Class of shares	Total dividend amount (millions of yen)	Dividend per share (yen)	Record date	Effective date
Board of Directors' Meeting held on May 14, 2014	Common stock	4,949	5.0	March 31, 2014	June 5, 2014
Board of Directors' Meeting held on October 31, 2014	Common stock	4,949	5.0	September 30, 2014	December 1, 2014

(2) Dividends with the record date falling within the current fiscal year and with the effective date falling within the following fiscal year

Resolution	Class of shares	Total dividend amount (millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date
Board of Directors' Meeting held on May 15, 2015	Common stock	4,948	Retained earnings	5.0	March 31, 2015	June 4, 2015

4. Class and number of shares to be delivered upon exercise of subscription rights to shares outstanding at the end of the current fiscal year (excluding those for which the exercise period has not started).

Common stock 1,113,000

Notes on Per Share Information

1. Net assets per share 666.40 yen
2. Net income per share 17.55 yen
(Calculated from the weighted average number of common shares during the period)

Notes on Financial Instruments

1. Matters related to financial instruments

The Group invests temporary surplus cash in low-risk financial instruments such as bank deposits only and does not make any investment for speculative purposes.

The Group reduces customer credit risk from notes and accounts receivables–trade by the following methods:

- The Group checks and manages due dates and balances of receivables on a customer by customer basis.
- Each sales department of the Group periodically monitors, and investigates, as necessary, the credit position of key customers.

With respect to stocks, which are the Group's main investment securities, the Group checks periodically their fair values and financial conditions of such issuing entities (the companies with which the Group has business relationships) and reviews the benefits of continuing to hold such stocks, considering its relationships with such companies.

With respect to loans, short-term loans payable are mainly for financing related to operating activities, while long-term loans payable are mainly for financing related to investment in property, plant and equipment. Long-term loans payable with floating interest rates are partly hedged by using derivative transactions (interest rate swaps) by which interest rates are fixed. In utilizing derivative transactions, the Group limits the counterparties to highly rated financial institutions to reduce counterparty risk.

Derivative transactions entered into and managed by the Group are as follows:

- Foreign exchange forward contracts and currency swaps to hedge foreign exchange fluctuation risk related to monetary assets/liabilities and loans payable denominated in foreign currencies,
- Interest rate swaps to hedge interest rate fluctuation risk on loans, and
- Commodity swaps to hedge price fluctuation risk related to energy purchases.

The Group enters into and manages derivative transactions in accordance with its derivative transaction standards.

2. Matters related to fair values etc. of financial instruments

The following table presents the Company's financial instruments on the consolidated balance sheet, their fair values and the differences at March 31, 2015 (the consolidated account closing date for the current fiscal year).

(Millions of yen)

	Consolidated balance sheet amount (*)	Fair value (*)	Difference
(1) Cash and deposits	45,567	45,567	–
(2) Notes and accounts receivable–trade	298,826		
(3) Short-term loans receivable	4,854		
Allowance for doubtful accounts	(1,973)		
	301,707	301,707	–
(4) Long-term loans receivable	3,493		
Allowance for doubtful accounts	(1,232)		
	2,261	2,261	0
(5) Short-term investment securities and investment securities			
(i) Held-to-maturity debt securities	13,377	13,425	48
(ii) Stocks of affiliates	3,608	1,052	(2,555)
(iii) Available-for-sale securities	135,258	135,258	–
(6) Notes and accounts payable–trade	[209,977]	[209,977]	–
(7) Short-term loans payable	[190,869]	[190,869]	–
(8) Commercial papers	[10,000]	[10,000]	–
(9) Bonds payable	[160,075]	[161,895]	1,820
(10) Long-term loans payable	[501,635]	[506,488]	4,852
(11) Derivative transactions	[186]	[186]	–

(*) The items in the section of liabilities are shown in square brackets [ ].

Note 1: Method for measuring fair values of financial instruments and matters relating to securities and derivative transactions

(1) Cash and deposits, (2) Notes and accounts receivable–trade, and (3) Short-term loans receivable

The relevant book values are used because the carrying amounts approximate fair value due to the short maturities of these instruments.

(4) Long-term loans receivable

The fair value of long-term loans receivable is calculated by applying a discount rate to the total of the principal and interest. The discount interest rate is based on the assumed interest rate if similar new borrowings.

(5) Short-term investment securities and investment securities

The fair value of equity securities equals quoted market price. The fair value of debt securities equals quoted market price or has been provided by financial institutions with which the Company has business relationships.

(6) Notes and accounts payable–trade, (7) Short-term loans payable and (8) Commercial papers

The relevant book values are used because the carrying amounts approximate fair value due to the short maturities of these instruments. The current portion of long-term loans payable (the consolidated balance sheet amount: 128,851 million yen) is included in "(10) Long-term loans payable."

(9) Bonds payable

The fair value of bonds payable issued by the Company is measured based on the market price (Reference: Statistical Prices for OTC Bond Transactions). The bonds payable includes the current portion (the consolidated balance sheet amount: 20,055 million yen).

(10) Long-term loans payable

The fair value of long-term loans payable is calculated by applying a discount rate to the total of the principal and interest. The discount interest rate is based on the assumed interest rate for similar new borrowings. Long-term loans hedged by interest rate swaps are qualified for exceptional accounting (described in (11) below) and the fair value is calculated by discounting the total amount of the principal and interest with the interest rate swaps, based on the reasonably estimated interest rate for similar borrowings. The long-term loans payable includes the current portion (the consolidated balance sheet amount: 128,851 million yen).

(11) Derivative transactions

The fair value of derivative transactions is based on the price provided by financial institutions with which the Company has business relationships. The designated exceptional accounting of interest rate swaps is included in the fair value of the underlying long-term loans payable, as the interest rate swaps are accounted for as part of the long-term loans payable (described in (10) above).

Note 2: Regarding non-listed stocks and investments in capital (the consolidated balance sheet amount: 68,149 million yen), as quoted prices are not available and also the future cash flows cannot be estimated reliably, the fair value of the items is deemed to be extremely difficult to measure and are not included in "(5) Short-term investment securities and investment securities."

Notes on Investment and Rental Property

Disclosure is omitted due to immateriality in the consolidated financial statements.

Business combination through acquisition

1. Outline of the business combination

(1) Name and business lines of acquired company

Name of acquired company	Carter Holt Harvey Pulp & Paper Limited (hereinafter referred to as "CHHPP") and 7 other companies (collectively the "CHHPP Group")
Business lines	Pulp, paperboard and packaging businesses

(2) Primary rationale for the business combination

In recent years, we have been aggressively expanding our overseas businesses, particularly in Southeast Asia and other emerging markets where strong growth for the pulp & paper market is expected. We position paperboards and packaging products as our core products and have either acquired or built a total of 21 plants/facilities (including ongoing greenfield projects) in Southeast Asia and India over the past few years.

Further, we have been focusing on the forest resources business. Overseas, we have been operating the plantation forests, lumber-processing and pulp business in New Zealand (Pan Pac Forest Products Ltd.; hereafter "Pan Pac"), the plantation forests and pulp business in Brazil (Celulose Nipo-Brasileira S.A.; hereafter "CNB") and a number of other plantation assets in Southeast Asia and Oceania. We are aiming to further expand the resources business in Japan and other parts of the world going forward by promoting effective use of resources while aggressively pursuing deployment of business activities also into new fields.

The CHHPP Group operates three major businesses: the pulp business, paperboard business and packaging business.

(i) Pulp Business: Benefiting from its regional advantage with access to abundant softwood supplies, which are available only in limited countries around the world, CHHPP manufacturers bleached and unbleached softwood kraft pulp products such as NBKP and NUKP. The

acquisition of CHHPP will allow our Group to offer broader products and solutions to meet the diverse needs of our customers, adding to our Pan Pac's BCTMP and CNB's leaf bleached kraft pulp (LBKP).

(ii) Paperboard Business: Using its softwood kraft pulp as the key raw material, CHHPP manufactures paperboard products which are known to be stronger than recycled products that are provided by its competitors in Asia. As the market in Asia continues to expand, we are anticipating further growth in demand for durable paperboards. We seek to market CHHPP's outstanding products to various customers to meet their needs for durability, while using CHHPP's paperboards as raw material for our packaging products to accommodate a wider range of demands going forward.

(iii) Packaging Business: The CHHPP Group manufactures packaging products in five facilities in New Zealand and Australia, in addition to operating its paper bag and paper cup businesses. As we expect that the trade volume among Asia Pacific Rim countries will continue to increase, we believe that the business will grow in parallel with robust demand in the region.

Other important point is that the acquisition of the CHHPP Group also provides us with access to softwood resources in Oceania, thereby expanding Oji Group's wood product business in the region and allowing us to develop and market its advanced materials as well as new materials made from various types of wood.

(3) Date of business combination

December 1, 2014

(4) Legal form of business combination

Share acquisition with cash as consideration

(5) Name of the company following combination

There is no change in the trade name following the combination

(6) Percentage of voting rate acquired

100% (Note)

(7) Major grounds for determining acquiring company

Share acquisition in exchange for cash by the Company's consolidated subsidiaries, Oji Oceania Management (NZ) Limited (hereinafter referred to as "OOM (NZ)") and Oji Oceania Management (AUS) Pty. Ltd. (hereinafter referred to as "OOM (AUS)") (Note)

Note: OOM (NZ) is a wholly-owned subsidiary of Oji Oceania Management Co., Ltd., jointly owned by the Company and Innovation Network Corporation of Japan ("INCJ") (60 % of voting rights owned by the Company), and OOM (AUS) is a wholly-owned subsidiary of OOM (NZ).
The Company's ownership ratio in CHHPP group is going to be 60%.

2. Period of business performance of the acquired company included in the consolidated financial statements

From December 1, 2014 to December 31, 2014

3. Acquisition cost of the acquired company and breakdown of amount

Acquisition value	1,044 million NZD
Cost directly incurred for acquisition (E.g. advisory fee)	9 million NZD

Acquisition value includes the value to pay to the seller in exchange for the shares to be acquired, and repayment of liability of CHHPP which was payable to the seller.

4. Items regarding distribution of acquisition cost

(1) Amounts and breakdown of assets acquired and liabilities assumed on the date of business combination

Current assets	33,661 million yen
Noncurrent assets	73,823 million yen
Total assets	107,484 million yen
Current liabilities	35,975 million yen
Noncurrent liabilities	4,210 million yen
Total liabilities	40,186 million yen

Because the distribution of acquisition cost has not completed, a provisional accounting entry is made based on reasonable information available at the time.

(2) Amount of goodwill, reason for recognition, and method and period of amortization

(a) Amount of goodwill generated
51 million NZD

(b) Reason for recognition of goodwill
Since the acquisition cost exceeds the net amount of assets acquired and liabilities assumed, the excess amount has been recognized as goodwill.

(c) Period and method of amortization of goodwill
Amortized by the straight-line method over 15 years

Notes to Non-consolidated Financial Statements

Notes on Matters Concerning Important Accounting Policies

1. Standard and method of valuation of marketable securities

Held-to-maturity debt securities:	Stated at cost using the amortized cost method.
Stocks of subsidiaries and affiliates:	Stated at cost using the moving-average method.
Available-for-sale securities	
Securities with market quotations:	Stated at market based on the market price as of the end of the fiscal year (the valuation difference is accounted for as a separate component of net assets and the cost of sales is calculated by using the moving-average method).
Securities without market quotations:	Stated at cost using the moving-average method.

2. Depreciation method of noncurrent assets

Property, plant and equipment:	Declining balance method
(excluding lease assets)	However, the straight-line method is applied to buildings acquired on or after April 1, 1998 (excluding accompanying facilities).
Intangible assets:	Straight-line method
Lease assets:	Depreciation expenses arising from lease assets in a finance lease transaction that does not transfer ownership are calculated by using the straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero. Lease transactions whose inception date is prior to the beginning of the fiscal year of the initial application of "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13 of March 30, 2007) are accounted for under the method similar to the one that is applicable to regular rental transactions. There are no lease assets pertaining to finance lease transactions that transfer ownership.

3. Standards for reserves

Allowance for doubtful accounts:	In order to prepare for potential credit losses on receivables outstanding at the end of the current fiscal year, an estimated uncollectible amount is recorded at the amount calculated based on the historical rate of credit loss with respect to normal receivables and at the amount determined in consideration of collectibility of individual receivables with respect to doubtful accounts and certain other receivables.

Provision for retirement benefits:	In order to prepare for the provision of retirement benefits for employees, an amount that is determined to have accrued at the end of the current fiscal year is recorded based on the estimated amounts of the retirement benefit obligation as of the end of the current fiscal year. In the calculation of retirement benefit obligation, the benefit formula basis is used to attribute the estimated benefit to the period through the end of the current fiscal year. Prior service cost is accounted for as an expense calculated by using the straight-line method based on the average remaining service period of the employees in service during the period in which it arises. Actuarial losses are accounted for as expenses for the subsequent fiscal years calculated by using the straight-line method based on the average remaining service period of the employees in service during the period in which they arise.
Allowance for loss on transfer of shares of affiliated companies	In order to prepare for the loss on transfer of shares of affiliated companies, an estimated loss on the said transfer is recorded.

4. Hedge accounting method: Designated exceptional accounting (*tokurei-shori*) is applied to interest rate swaps qualifying for such exceptional accounting. Integration accounting (*ittai-shori*) is applied to interest rate and currency swaps qualifying for such integration accounting (*tokurei-shori* and *furiate-shori*).

5. Other important matters forming the basis of preparation of financial statements

Accounting treatment for retirement benefits	The accounting treatment method for unrecognized actuarial gain or losses and the untreated amounts of unrecognized prior service cost related to retirement benefits is different from the treatment for these items in the consolidated financial statements.
Accounting treatment for consumption taxes	Consumption and local consumption taxes are accounted for under the tax exclusion method.
Application of consolidated taxation system	Consolidated taxation system is applied.

Change in accounting policy

(Application of accounting standard for retirement benefits)

The Company applies the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26 of May 17, 2012) and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 of March 26, 2015) to the provisions of the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits, effective from the current fiscal year. Accordingly, the Company has reviewed the method of calculate retirement benefits liability and service cost to change the method to attribute the estimated amounts of retirement benefits to the period from the straight-line basis to the projected benefit formula. The Company has also changed the method to decide on discount rate from the one using the number of years that is similar to the average remaining years of service to the one using the single weighted average rate

of discount that reflects the estimated payment period and amount of every estimated payment period of the retirement benefits.
Application of the Accounting Standard for Retirement Benefits and Guidance on Accounting Standard for Retirement Benefits is in line with the transitional measures provided in Paragraph 37 of the Accounting Standard for Retirement Benefits. In accordance with such measures, the effect of the change to the calculation method for the retirement benefits liability and service cost has been added to or deducted from the retained earnings as of the beginning of the current fiscal year.
As a result of the change, provision for retirement benefits as of the beginning of the current fiscal year increased by 38 million yen and retained earnings decreased by 24 million yen. This change had only minor impact on operating income, ordinary income and income before income taxes in the current fiscal year. This change also had only minor impact on net assets per share, net income per share, and fully diluted net income per share.

6. Change in presentation

(Non-consolidated Balance Sheet)
"Accounts receivable–trade" (99 million yen at the end of the current fiscal year) under "Current assets" and "Operating accounts receivable" (70 million yen at the end of the current fiscal year) under "Other", both of which were separately reported in the prior fiscal year are indicated as "Operating accounts receivable" in the current fiscal year.
"Prepaid expenses" (36 million yen at the end of the current fiscal year) that were separately reported under "Current assets" in the prior fiscal year are included in "Other" in the current fiscal year due to immateriality of the amount.
"Long-term accounts payable–other" (476 million yen at the end of the current fiscal year) and "Provision for environmental measures" (31 million yen at the end of the current fiscal year) that were separately reported under "Noncurrent liabilities" in the prior fiscal year are included in "Other" in the current fiscal year due to immateriality of the amount.

(Non-consolidated Statement of Income)
"Brand maintenance income" that was included in "Other" under "Non-operating income" in the prior fiscal year is separately reported in the current fiscal year, because of the increased materiality of the amount.
"Brand maintenance income" that was included in "Other" under "Non-operating income" in the prior fiscal year is separately reported in the current fiscal year, because of the increased materiality of the amount.
"Brand maintenance expenses" that was included in "Other" under "Non-operating income" in the prior fiscal year is separately reported in the current fiscal year because of the increased materiality of the amount.
"Loss on liquidation of subsidiaries" (121 million yen at the end of the current fiscal year), "Allowance for doubtful accounts" (95 million yen at the end of the current fiscal year), and "Loss on retirement of noncurrent assets" (50 million yen at the end of the current fiscal year), which were separately reported under "Extraordinary loss" in the prior fiscal year are included in "Other" in the current fiscal year due to immateriality of the amount.

Notes to Non-consolidated Balance Sheet

1. Assets pledged as collateral and obligations related to collateral

(1) Assets pledged as collateral (millions of yen)

Forests	159
Standing timber	299
Stocks of subsidiaries and affiliates	640
Long-term loans receivable (including the amount scheduled to be collected within one year)	3,109
Total	4,208

(2) Obligations related to collateral (millions of yen)

Long-term loans payable (including the amount scheduled to be paid within one year)	2,761

2. Accumulated depreciation of property, plant and equipment (millions of yen)

53,790
(including the amount of accumulated impairment loss)

3. Receivables from and payables to subsidiaries and affiliates (millions of yen)

Short-term monetary receivables from subsidiaries and affiliates	74,358
Long-term monetary receivables from subsidiaries and affiliates	408,352
Short-term monetary payables to subsidiaries and affiliates	92,349
Long-term monetary payables to subsidiaries and affiliates	4

4. Guarantee obligations, etc. (millions of yen)

Jiangsu Oji Paper Co., Ltd.	6,761
PT. Korintiga Hutani	5,817
GS Paper & Packaging Sdn. Bhd.	3,943
Alpac Forest Products Inc.	3,766
Sahakij Packaging Co., Ltd.	1,980
Other	8,400
Total	30,669

Notes to Non-consolidated Statement of Income

1. Volume of transactions with subsidiaries and affiliates (millions of yen)

Operating revenue	30,640
Of which business advisory fee income	15,479
Of which dividends income	11,338
Other	3,822
Operating expenses	13,237
Transaction volume–non-trading	7,951

2. Provision of allowance for transfer of shares of affiliated companies

An estimated amount of loss likely to be incurred due to the sale of shares of Alpac Forest Products Inc., an affiliate under the equity method, is recorded.

Notes to Non-consolidated Statement of Changes in Net Assets

Class and number of treasury shares as of the end of the current fiscal year

Common stock	74,629,380

Notes on Tax Effect Accounting

Deferred tax assets and deferred tax liabilities by major category of cause

Deferred tax assets	(millions of yen)
Stocks of subsidiaries resulting from company split	15,924
Investment securities	4,472
Allowance for transfer of shares of affiliated companies	1,810
Loss carried forward	1,521
Provision for retirement benefits	722
Allowance for doubtful accounts	630
Other	1,587
Subtotal	26,669
Valuation allowance	(8,402)
Total deferred tax assets	18,266

Deferred tax liabilities	(millions of yen)
Valuation difference on available-for-sale securities	(11,348)
Reserve for advanced depreciation of noncurrent assets	(8,562)
Reserve for overseas investment loss	(208)
Other	(344)
Total deferred tax liabilities	(20,464)
Net amount of deferred tax assets	(2,197)

Notes on Noncurrent Assets Used by the Company under Lease Arrangements

Apart from the noncurrent assets recorded on the non-consolidated balance sheet, the Company uses certain additional research equipment and office equipment under finance lease transactions that do not transfer ownership.

Notes on Transactions with Related Parties

Subsidiaries and affiliates (Millions of yen)

Attribute	Company name	Ownership ratio of voting rights (%)	Nature of relationship		Details of the transaction	Transaction amount	Account	Balance at the end of the fiscal year
			Concurrent appointment as the director of the related party	Business relationship				
Consolidated subsidiary	Oji Materia Co., Ltd.	Direct: 100.0	Concurrent appointment by directors of the Company	Business advisory services Financing relationship	Lending of funds (decrease in the balance)	(7,463)	Long-term loans receivable	68,318
							Short-term loans receivable	9,781
					Business advisory fee	4,496	–	–
Consolidated subsidiary	Mori Shigyo Co., Ltd.	Indirect: 100.0	Concurrent appointment by directors of the Company	Financing relationship	Borrowing of funds (decrease in the balance)	(2,500)	Short-term loans payable	12,500
Consolidated subsidiary	Oji Imaging Media Co., Ltd.	Direct: 100.0	Concurrent appointment by directors of the Company	Business advisory services Financing relationship	–	–	Long-term loans receivable	16,900
					Borrowing of funds (increase in the balance)	2,140	Short-term loans payable	8,046
Consolidated subsidiary	Oji F-Tex Co., Ltd.	Direct: 100.0	Concurrent appointment by directors of the Company	Business advisory services Financing relationship	Lending of funds (decrease in the balance)	(808)	Long-term loans receivable	13,321
							Short-term loans receivable	10,878
					Borrowing of funds (increase in the balance)	236	Short-term loans payable	236
Consolidated subsidiary	Oji Green Resources Co., Ltd.	Direct: 100.0	Concurrent appointment by directors of the Company	Business advisory services Financing relationship	Lending of funds (increase in the balance)	7,766	Long-term loans receivable	27,970
							Short-term loans receivable	3,558
Consolidated subsidiary	Oji Forest & Products Co., Ltd.	Indirect: 100.0	–	Financial assistance	Lending of funds (increase in the balance)	1,216	Long-term loans receivable	3,594
							Short-term loans receivable	9,177
Consolidated subsidiary	Oji Paper Co., Ltd.	Direct: 100.0	Concurrent appointment by directors of the Company	Business advisory services Financing relationship	–	–	Long-term loans receivable	199,224
					Borrowing of funds (increase in the balance)	13,308	Short-term loans payable	33,732
					Business advisory fee	5,330	–	–
					Interest income	2,564	–	–
Consolidated subsidiary	Oji Real Estate Co., Ltd.	Indirect: 100.0	Concurrent appointment by directors of the Company	Utilization of assets held by the Company	Lending of funds (decrease in the balance)	(2,320)	Long-term loans receivable	15,296
							Short-term loans receivable	500
					Borrowing of funds (increase in the balance)	195	Short-term loans payable	195

Attribute	Company name	Ownership ratio of voting rights (%)	Nature of relationship		Details of the transaction	Transaction amount	Account	Balance at the end of the fiscal year
			Concurrent appointment as the director of the related party	Business relationship				
Consolidated subsidiary	Oji Management Office Inc.	Direct: 100.0	Concurrent appointment by directors of the Company	Business advisory services Financing relationship	Personnel expenses	4,346	–	–
					Outsourcing fees	3,845	–	–
Consolidated subsidiary	Oji Oceania Management Co., Ltd.	Direct: 60.0	Concurrent appointment by directors of the Company	–	Underwriting of capital increase	37,803	–	–
Consolidated subsidiary	Oji Oceania Management (NZ) Limited	Indirect: 60.0%	Concurrent appointment by directors of the Company	Financial assistance	Lending of funds (increase in the balance)	25,798	Long-term loans receivable	21,285
							Short-term loans receivable	4,512

Note 1: In the table above, the transaction amount is presented exclusive of consumption and local consumption taxes and the balance at the end of the fiscal year is presented inclusive of consumption and local consumption taxes.

Note 2: Terms and conditions of the transaction and the policy for determining them;
(i) The interest rates for loans and borrowings of money are determined in a rational manner by considering market rates. These loans and borrowings are not secured by collateral.
(ii) Business advisory fees are charged for management and operational support.
(iii) Outsourcing fees are paid for operational support.
(iv) Personnel expenses consist of the amount paid for employees assigned to the Company from Oji Management Office Inc.

Notes on Per Share Information

1. Net assets per share 378.48 yen
2. Net income per share 9.86 yen
(Calculated from the weighted average number of common shares during the period)

Company Applicable to Consolidated Dividends Regulations

The Company will be subject to the application of regulations on consolidated dividends when and after the final date of the current fiscal year is the final date of the most recent fiscal year.