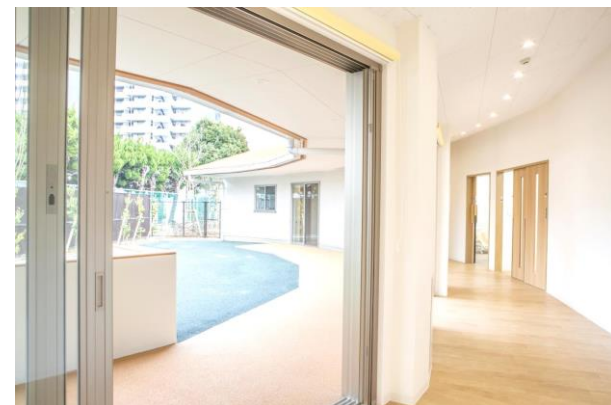




OJI HOLDINGS

“Nepia Soda-terrace”, in-house nursery, opened on April 2, 2018



Summary of Financial Business Results

May 21, 2018

ネピア ソダテラス

I. FY2017 Result Overview

1.	Financial Highlights of FY2017 (consolidated)	3
2.	Breakdown of Increase/Decrease of Operating Profit [FY2016 to FY2017] (consolidated)	4
3.	Sales and Operating Profit by Segment [FY2017 Result] (consolidated)	5
4.	Analysis of Increase/Decrease in Profit by Segment	
	(1) Household and Industrial Materials	6
	(2) Functional Materials	7
	(3) Forest Resources and Environment Marketing	8
	(4) Printing and Communications Media	9

II. FY2018 Financial Forecast

1.	Financial Forecast for FY2018 (consolidated)	11
2.	Breakdown of Increase/Decrease of Operating Profit [FY2017 to FY2018 Forecast] (consolidated)	12
3.	Sales and Operating Profit by Segment [FY2018 Forecast] (consolidated)	13
4.	Analysis of Increase/Decrease in Profit by Segment	
	(1) Household and Industrial Materials	14
	(2) Functional Materials	15
	(3) Forest Resources and Environment Marketing	16
	(4) Printing and Communications Media	17
5.	Influences of Changes in External Environment	18

III. Group Management Targets

1.	Management Plans	
	(1) Management Philosophy/ Management Strategies	20
	(2) Progress of FY2018 Mid-term Management Plan	21

IV. Topics

1.	Business Strategies :	
	(1) Southeast Asia : Corrugated Container Business	23
	(2) Overseas Disposable Diaper Business	25
	(3) Capital/Business Alliance between Oji HD and Mitsubishi Paper Mills	26
2.	R&D : Cellulose Nano-fiber(CNF)	27
3.	Others	28

《Reference Materials》

	Trends of Net Sales by Segment (consolidated)	30
	Trends of Operating Profit (consolidated)	31
	Trends of Return on Equity (ROE)	32
	Trends of Interest-bearing Debt (consolidated)	33
	Trends of CAPEX / Depreciation (consolidated)	34
	Trends of Employees (consolidated)	35
	FY2017 Industry Demands	36

I . FY2017 Result Overview

1. Financial Highlights of FY2017 (consolidated)

(¥ billion)

	FY2016	FY2017	Increase (Decrease)
Net Sales	1,439.9	1,485.9	46.0
Operating Profit	70.2	70.8	0.6
Ordinary Profit	52.9	66.0	13.1
Profit Attributable to Owners of Parent	40.3	36.2	(4.1)
Depreciation	74.9	71.9	(3.0)
Overseas Sales Ratio	28.2%	31.0%	2.8%
Operating Profit of Overseas Companies	19.7	46.5	26.8
Average Exchange Rate (¥/US\$)	108.4	110.9	2.5
Number of Consolidated Companies			
Domestic	95	91	(4)
Overseas	102	98	(4)
Total	197	189	(8)

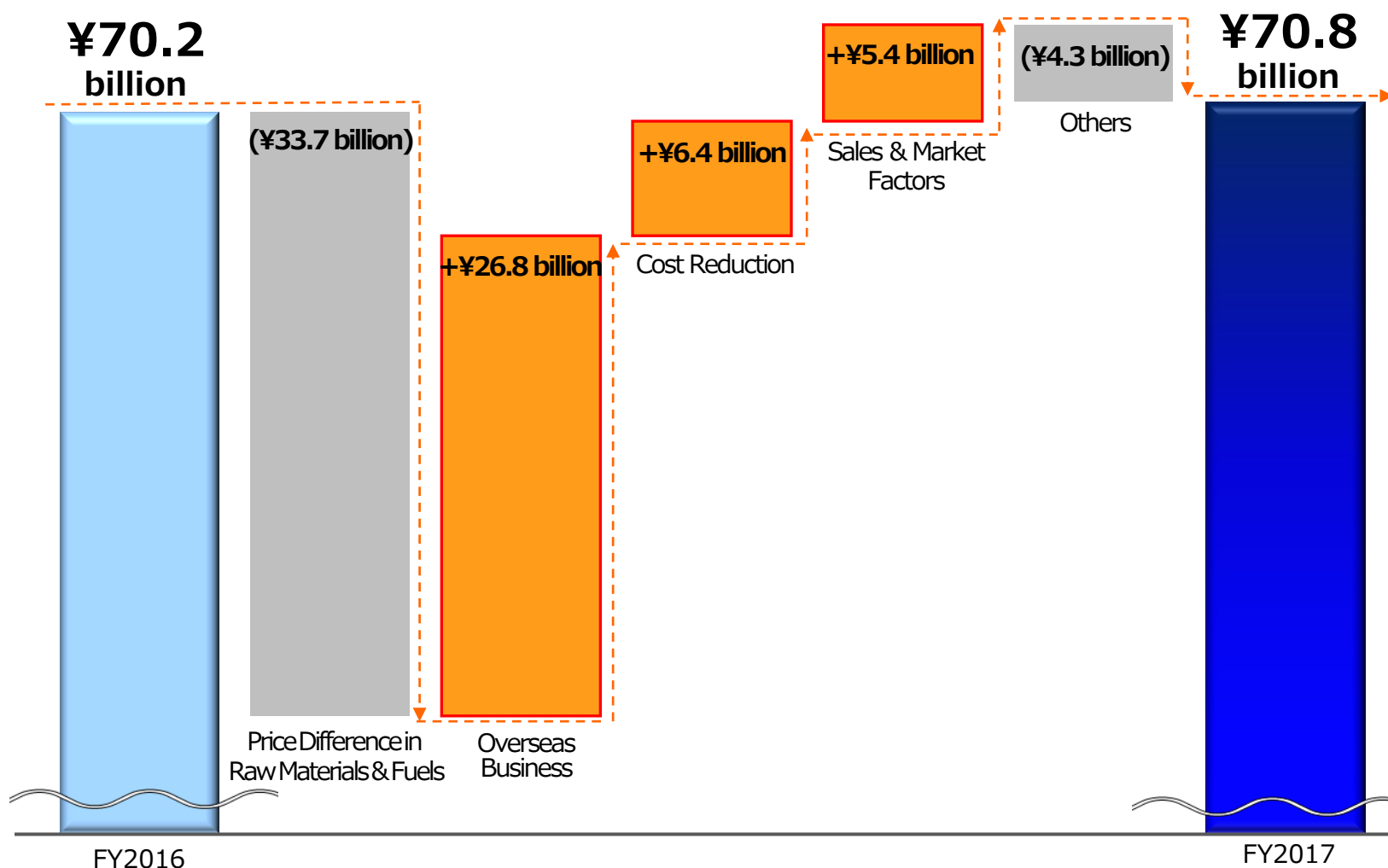
Domestic : +1[Lumber], (3)[Paper bags/folding cartons], (1)[Paper products], (1)[Corrugated containers]

Overseas : +5[Thermal products in Malaysia], +1[Corrugated containers in Australia], +1[Corrugated containers in Singapore], (7)[Corrugated containers in Malaysia], (3)[Forest plantation/lumber], (1)[Others]

Equity Method Affiliates +2 (Domestic+1, Overseas+1)

2. Breakdown of Increase/Decrease of Operating Profit [FY2016 to FY2017] (consolidated)

Profit increase of ¥0.6 billion
due to rise in pulp prices and cost reduction efforts, etc.
despite steep rise in raw material & fuel prices



3. Sales and Operating Profit by Segment

[FY2017 Result] (consolidated)

(¥ billion)

	FY2016		FY2017		Increase (Decrease)	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Household & Industrial Materials	620.3	18.8	651.3	5.4	31.0	(13.4)
Functional Materials	217.6	17.5	220.8	18.6	3.2	1.1
Forest Resources & Environment Marketing	270.3	19.1	298.5	42.3	28.2	23.2
Printing & Communications Media	296.1	5.5	291.0	(4.5)	(5.1)	(10.0)
Others	35.6	9.3	24.3	9.0	(11.3)	(0.3)
Total	1,439.9	70.2	1,485.9	70.8	46.0	0.6

*1: Sales include intra-segment sales *2: Others include adjustment amount

4. Analysis of Increase/Decrease in Profit by Segment

(1) Household and Industrial Materials

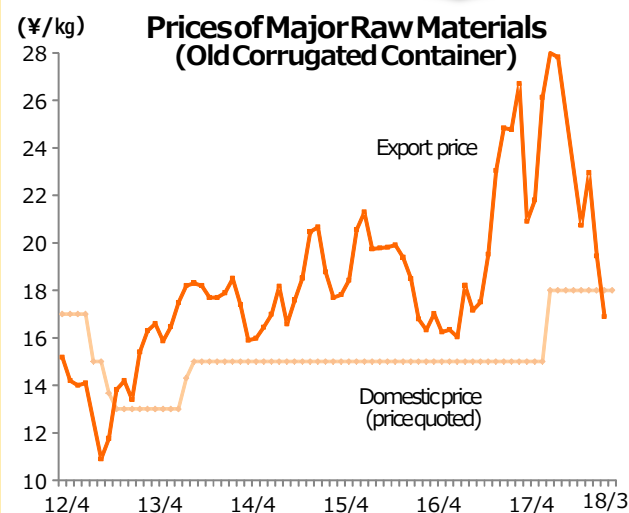
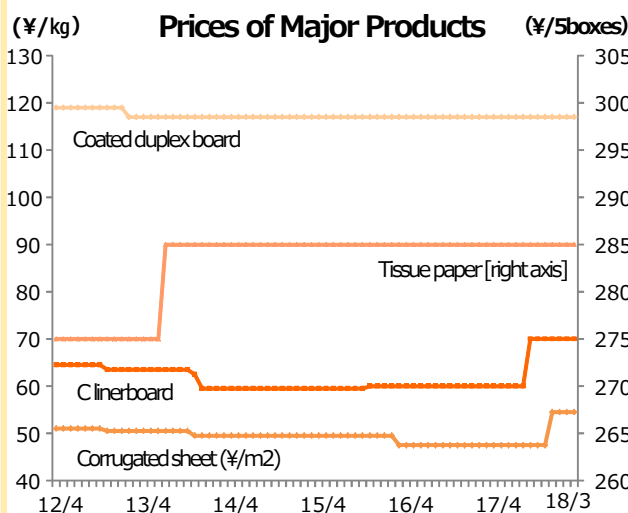
FY2016			FY2017			Increase (Decrease)
Sales	Operating Profit		Sales	Operating Profit		Operating Profit
¥620.3billion	¥18.8billion	Domestic ¥15.1billion Overseas ¥3.7billion	¥651.3billion	¥5.4billion	Domestic ¥2.2billion Overseas ¥3.2billion	(¥13.4billion) Domestic (¥12.9billion) Overseas (¥0.5billion)

Domestic (¥12.9 billion)

Price difference in raw materials & fuels (¥23.1 bil.)

Sales & market factors +¥10.1 bil.

etc.



Sales of Major Products (*)		FY2016			FY2017			Increase (Decrease)			
		Sales Volume 1,000 t (or) million m2 (or) million pcs	Unit Price ¥ / kg (or) m2	Sales Amount ¥ billion	Sales Volume 1,000 t (or) million m2 (or) million pcs	Unit Price ¥ / kg (or) m2	Sales Amount ¥ billion	Sales Volume 1,000 t (or) million m2 (or) million pcs	Year-on Year %	Unit Price ¥ / kg (or) m2	Sales Amount ¥ billion
Paperboard	Domestic	3,034	63.55	192.8	3,152	64.92	204.6	118	103.9%	1.37	11.8
Corrugated container (million m2)	Domestic & Overseas	3,864	62.57	241.7	3,969	63.69	252.8	105	102.7%	1.13	11.1
Disposable diaper (million pcs)	Domestic & Overseas	897			1,015			118	113.2%		

*Total of Group's consolidated manufacturing companies, with intra-Group consumption included

4. Analysis of Increase/Decrease in Profit by Segment

(2) Functional Materials

FY2016			FY2017			Increase (Decrease)
Sales	Operating Profit		Sales	Operating Profit		Operating Profit
¥217.6billion	¥17.5billion	Domestic ¥12.8billion Overseas ¥4.7billion	¥220.8billion	¥18.6billion	Domestic ¥13.2billion Overseas ¥5.4billion	+¥1.1billion Domestic +¥0.4billion Overseas +¥0.7billion

Domestic +¥0.4 billion

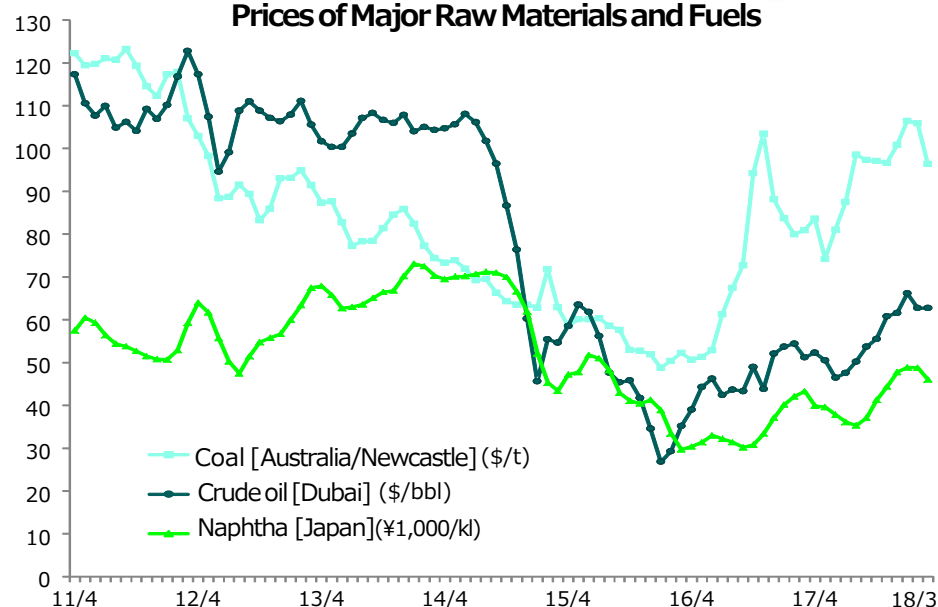
Cost reduction +¥3.2 bil.

Price difference in raw materials & fuels (¥2.3 bil.)

etc.

Overseas +¥0.7 billion

Prices of Major Raw Materials and Fuels



Sales of Major Products (*)		FY2016			FY2017			Increase (Decrease)			
		Sales Volume million m ²	Unit Price ¥/m ²	Sales Amount ¥ billion	Sales Volume million m ²	Unit Price ¥/m ²	Sales Amount ¥ billion	Sales Volume million m ²	Year-on Year %	Unit Price ¥/m ²	Sales Amount ¥ billion
Thermal paper (million m ²)	Domestic & Overseas	3,220	19.95	64.3	3,220	19.57	63.0	0	100.0%	(0.39)	(1.2)

*Total of Group's consolidated manufacturing companies, with intra-Group consumption included

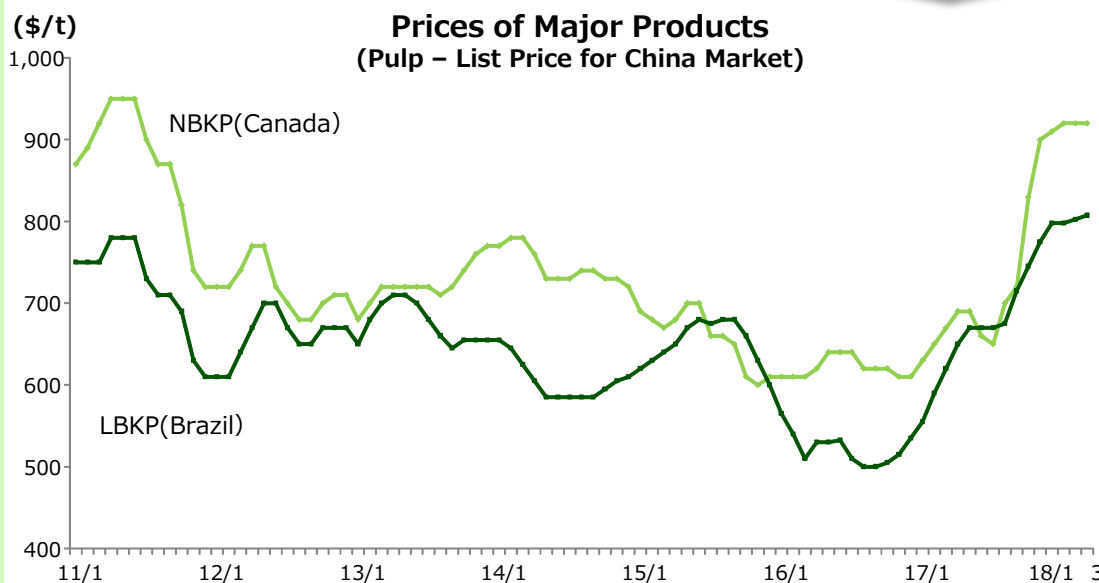
4. Analysis of Increase/Decrease in Profit by Segment

(3) Forest Resources and Environment Marketing

FY2016			FY2017			Increase (Decrease)
Sales	Operating Profit		Sales	Operating Profit		Operating Profit
¥270.3billion	¥19.1billion	Domestic ¥8.7billion Overseas ¥10.4billion	¥298.5billion	¥42.3billion	Domestic ¥8.0billion Overseas ¥34.3billion	+¥23.2billion Domestic (¥0.7billion) Overseas +¥23.9billion

Overseas +¥23.9 billion

- Rise in pulp prices +¥29.1 bil.
- Increase in cost due to BRL appreciation (¥3.8 bil.)
- Price difference in raw materials & fuels (¥4.3 bil.)
etc.



Sales of Major Products (*)		FY2016			FY2017			Increase (Decrease)			
		Sales Volume 1,000t (or) GWh	Unit Price ¥/kg	Sales Amount ¥ billion	Sales Volume 1,000t (or) GWh	Unit Price ¥/kg	Sales Amount ¥ billion	Sales Volume 1,000t (or) GWh	Year-on Year %	Unit Price ¥/kg	Sales Amount ¥ billion
Market pulp	Domestic & Overseas	2,292	58.66	134.4	2,322	68.77	159.7	31	101.3%	10.11	25.3
Electric power (Gwh)	Domestic	1,052			1,032			(20)	98.1%		

*Total of Group's consolidated manufacturing companies, with intra-Group consumption included

4. Analysis of Increase/Decrease in Profit by Segment

(4) Printing and Communications Media

FY2016

Sales

Operating Profit

¥296.1billion

¥5.5billion

Domestic ¥4.5billion
Overseas ¥1.0billion

FY2017

Sales

Operating Profit

¥291.0billion

¥(4.5billion)

Domestic ¥(8.2billion)
Overseas ¥3.7billion

Increase (Decrease)

Operating Profit

(¥100billion) Domestic (¥12.7billion)
Overseas +¥2.7billion

Domestic (¥12.7 billion)

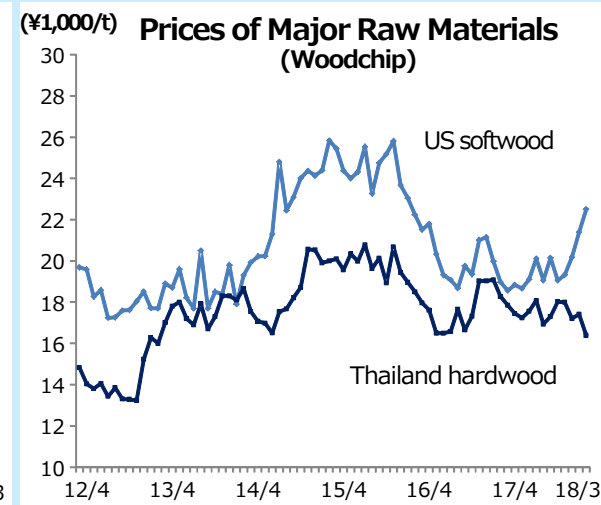
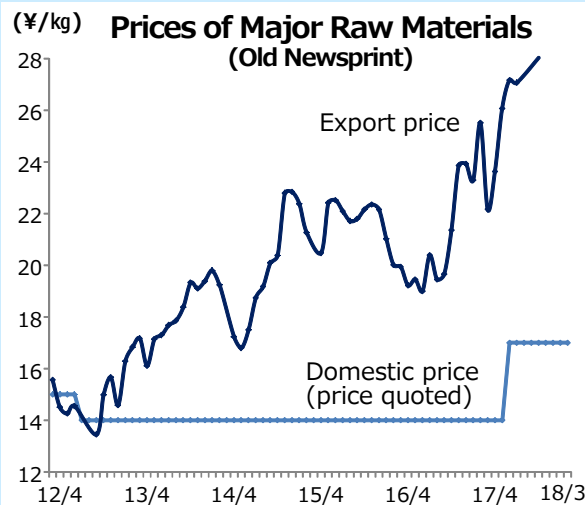
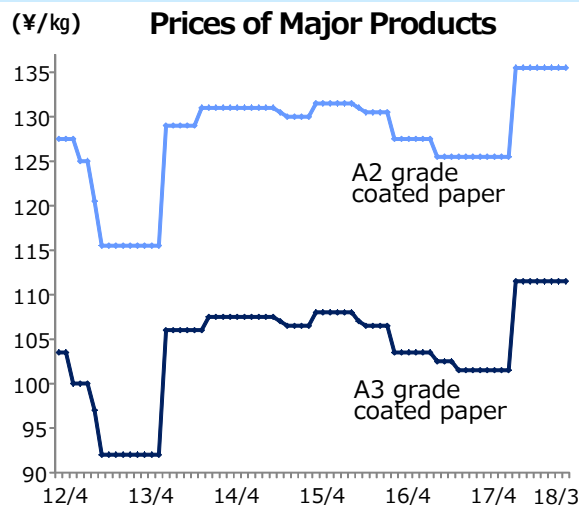
Price difference in raw materials & fuels (¥8.3 bil.)

Sales & market factors (¥4.7 bil.)

Cost reduction +¥1.5 bil. etc.

Overseas +¥2.7 billion

Profit increase due to strong market and cost reduction efforts



Sales of Major Products (*)	FY2016			FY2017			Increase (Decrease)			
	Sales Volume 1,000 t	Unit Price ¥/kg	Sales Amount ¥ billion	Sales Volume 1,000 t	Unit Price ¥/kg	Sales Amount ¥ billion	Sales Volume 1,000 t	Year-on Year %	Unit Price ¥/kg	Sales Amount ¥ billion
Newsprint, printing & communication paper Domestic	2,423	106.87	258.9	2,366	104.99	248.4	(57)	97.7%	(1.88)	(10.5)

*Total of Group's consolidated manufacturing companies, with intra-Group consumption included

II. FY2018 Financial Forecast

1. Financial Forecast for FY2018 (consolidated)

(¥ billion)

	FY2017	FY2018F	Increase (Decrease)
Net Sales	1,485.9	1,530.0	44.1
Operating Profit	70.8	100.0	29.2
Ordinary Profit	66.0	90.0	24.0
Profit Attributable to Owners of Parent	36.2	50.0	13.8
Depreciation	71.9	69.4	(2.5)
Overseas Sales Ratio	31.0%	31.5%	0.5%
Operating Profit of Overseas Companies	46.5	61.8	15.3
Average Exchange Rate (¥/US\$)	110.9	110.0	(0.9)

*The above forecasts are based on the forecasts of economic conditions made at the time of publication.
As such, actual results may differ from these forecasts due to various unforeseen circumstances.

Assumptions for FY2018 Financial Forecast

◆Raw Material & Fuel Prices

- Woodchip :
based on current contract
- Recovered paper :
price to remain static at current level
- Coal
based on current contract

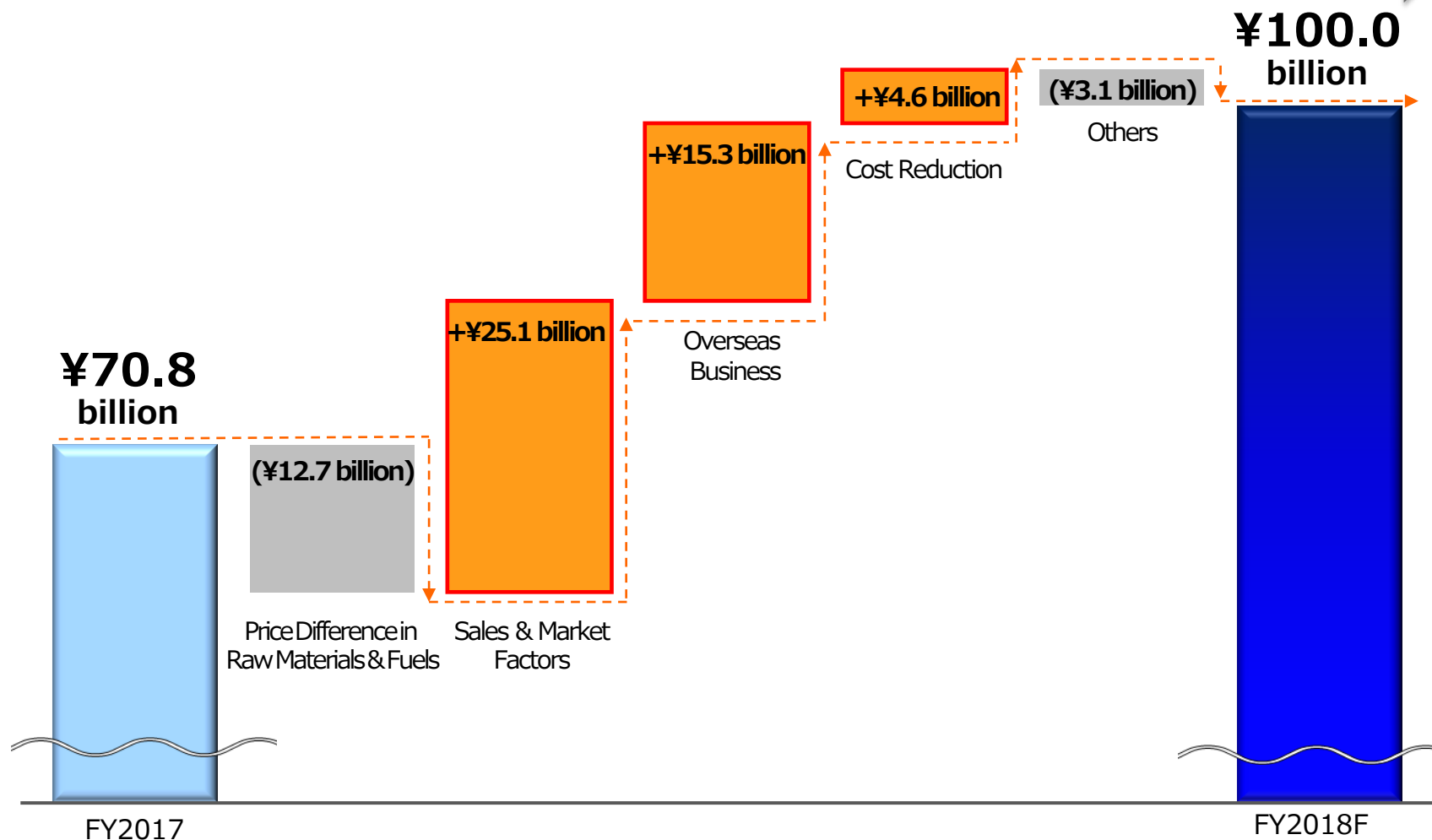
◆Effects of Fluctuation on Operating Profit (per annum)

- Exchange rate Japanese Yen : approx. ¥0.13 billion with a fluctuation of US\$ by 1% (strong US\$ -)
- Brazilian Real : approx. ¥0.39 billion with a fluctuation of US\$ by 1% (strong US\$ +)
- New Zealand Dollar : approx. ¥0.79 billion with a fluctuation of US\$ by 1% (strong US\$ +)
- Price of recovered paper : approx. ±¥4.10 billion with a fluctuation of ¥1/kg
- Price of Dubai crude oil : approx. ±¥0.28 billion with a fluctuation of US\$1/bbl
(heavy oil, bunker, naphtha and others)
- Price of pulp : approx. ±¥2.37 billion with a fluctuation of US\$10/t (high price +)

2. Breakdown of Increase/Decrease of Operating Profit [FY2017 to FY2018 Forecast] (consolidated)

Profit increase of ¥29.2 billion

due to price adjustment of paper products,
rise in pulp prices, and cost reduction efforts, etc.



3. Sales and Operating Profit by Segment

[FY2018 Forecast] (consolidated)

(¥ billion)

	FY2017		FY2018F		Increase (Decrease)	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Household & Industrial Materials	651.3	5.4	684.0	25.0	32.7	19.6
Functional Materials	220.8	18.6	228.0	20.1	7.2	1.5
Forest Resources & Environment Marketing	298.5	42.3	305.0	52.3	6.5	10.0
Printing & Communications Media	291.0	(4.5)	288.0	0.2	(3.0)	4.7
Others	24.3	9.0	25.0	2.4	0.7	(6.6)
Total	1,485.9	70.8	1,530.0	100.0	44.1	29.2

*1: Sales include intra-segment sales *2: Others include adjustment amount

4. Analysis of Increase/Decrease in Profit by Segment

(1) Household and Industrial Materials

FY2017			FY2018F			Increase (Decrease)
Sales	Operating Profit		Sales	Operating Profit		Operating Profit
¥651.3billion	¥5.4billion	Domestic ¥2.2billion Overseas ¥3.2billion	→ ¥684.0billion	¥25.0billion	Domestic ¥17.3billion Overseas ¥7.7billion	+¥19.6billion Domestic +¥15.1billion Overseas +¥4.5billion

«FY2018F: Factors behind the profit increase / decrease»

Domestic +¥15.1 billion

◆ Industrial Materials Business

+¥15.5 billion

- Sales & market factors
+¥21.6 billion
- Price difference in
raw materials & fuels
(¥6.7 billion)
etc.



"WHITO", disposable diaper brand, expects sales expansion after receiving good reviews such as external awards



Overseas +¥4.5 billion

◆ Industrial Materials Business +¥4.1 billion etc.

Expansion of Overseas Packaging Business

FY2017 : Operation commencement / Acquisition

Oji Cardboard Carton Solutions:
(Australia)
(Sept. 2017)

Manufacturing/sales of corrugated container products that require decorative printing or special treatments

Oji Fibre Solutions:
New corrugated (Australia)
container plant (Oct. 2017)

Manufacturing/sales of corrugated containers

FY2018 : Operation commencement (scheduled)

Harta Packaging Industries:
New corrugated container plant
(Malaysia)
(Jun. 2018)

New corrugated container plant
(India)
(Dec. 2018)

Capacity enhancement
of corrugated containers
(2 plants in Malaysia)
(Dec. 2018)



4. Analysis of Increase/Decrease in Profit by Segment

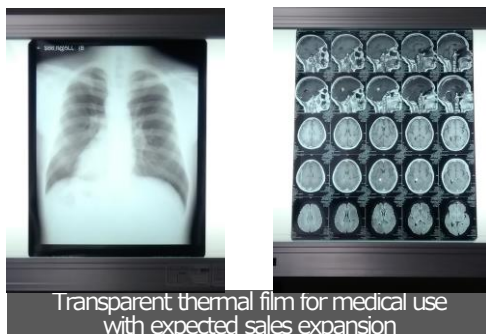
(2) Functional Materials

FY2017			FY2018F			Increase (Decrease)
Sales	Operating Profit		Sales	Operating Profit		Operating Profit
¥220.8billion	¥18.6billion	Domestic ¥13.2billion Overseas ¥5.4billion	¥228.0billion	¥20.1billion	Domestic ¥13.5billion Overseas ¥6.6billion	+¥1.5billion Domestic +¥0.3billion Overseas +¥1.2billion

«FY2018F: Factors behind the profit increase / decrease»

Domestic +¥0.3 billion

- ◆ Sales & Market Factors +¥3.1 billion
- ◆ Price Difference in Raw Materials & Fuels (¥3.4 billion) etc.



Our Technology

Fiber-reinforced thermoplastic composite material:

A sheet made from reinforcement fiber and thermoplastic fiber by utilizing paper making technology. It can be molded into a light, strong and complex form by hot pressing within a short time.



Overseas +¥1.2 billion

- ◆ Sales & Market Factors +¥4.3 billion
- ◆ Price Difference in Raw Materials & Fuels (¥4.0 billion) etc.

Expansion of Overseas Businesses

- Oji Papéis Especiais (OPE) (Brazil)
Jul. 2017 Installation of multi-layer curtain coater ... 10% increase in production capacity
→ Consider additional **capacity enhancement** to capture the demands of thermal paper
- Tele-Paper Malaysia (Malaysia)
Aug. 2017 Acquisition of one of the largest thermal materials converting companies in Asia
→ Promote integration of manufacturing of functional materials in SE Asia
- Oji Myanmar Packaging (Myanmar)
Sept. 2017 Operation commencement (Manufacturing/sales of flexible packaging products, etc.)
→ Offer **Total Solution Packaging** services

4. Analysis of Increase/Decrease in Profit by Segment

(3) Forest Resources and Environment Marketing

FY2017			FY2018F			Increase (Decrease)	
Sales	Operating Profit		Sales	Operating Profit		Operating Profit	
¥298.5billion	¥42.3billion	Domestic ¥8.0billion Overseas ¥34.3billion	→ ¥305.0billion	¥52.3billion	Domestic ¥8.9billion Overseas ¥43.4billion	+¥10.0billion	Domestic +¥0.9billion Overseas +¥9.1billion

«FY2018F: Factors behind the profit increase / decrease»

Overseas +¥9.1 billion

◆ Rise in Pulp Prices +¥14.2 billion

CENIBRA +¥10.0 billion Oji Fibre Solutions (Oji FS) +¥3.4 billion
Jiangsu Oji Paper +¥0.8 billion etc.

◆ Price Difference in Raw Materials & Fuels (¥5.4 billion) etc.

List Price for China Market

Recovery trend after hitting the bottom in Sept. 2016

	2016 (Average of Jan.-Dec.)	2017 (Average of Jan.-Dec.)	FY2018 (Assumption)	Reference (Recent price)
LBKP (Eucalyptus)	520 US\$/t	160US\$/t Rise → 680 US\$/t	740 US\$/t	820 US\$/t
NBKP (Pinus radiata)	590 US\$/t	90US\$/t Rise → 680 US\$/t	790 US\$/t	890 US\$/t



Oji FS's pre-evaporator under capacity enhancement



CENIBRA's upgraded bleaching facility (completed in Apr. 2018)

4. Analysis of Increase/Decrease in Profit by Segment

(4) Printing and Communications Media

FY2017			FY2018F			Increase (Decrease)	
Sales	Operating Profit		Sales	Operating Profit		Operating Profit	
¥291.0billion	¥(4.5billion)	Domestic ¥(8.2billion) Overseas ¥3.7billion	¥288.0billion	¥0.2billion	Domestic ¥(3.6billion) Overseas ¥3.8billion	+¥4.7billion	Domestic +¥4.6billion Overseas +¥0.1billion

«FY2018F: Factors behind the profit increase / decrease»

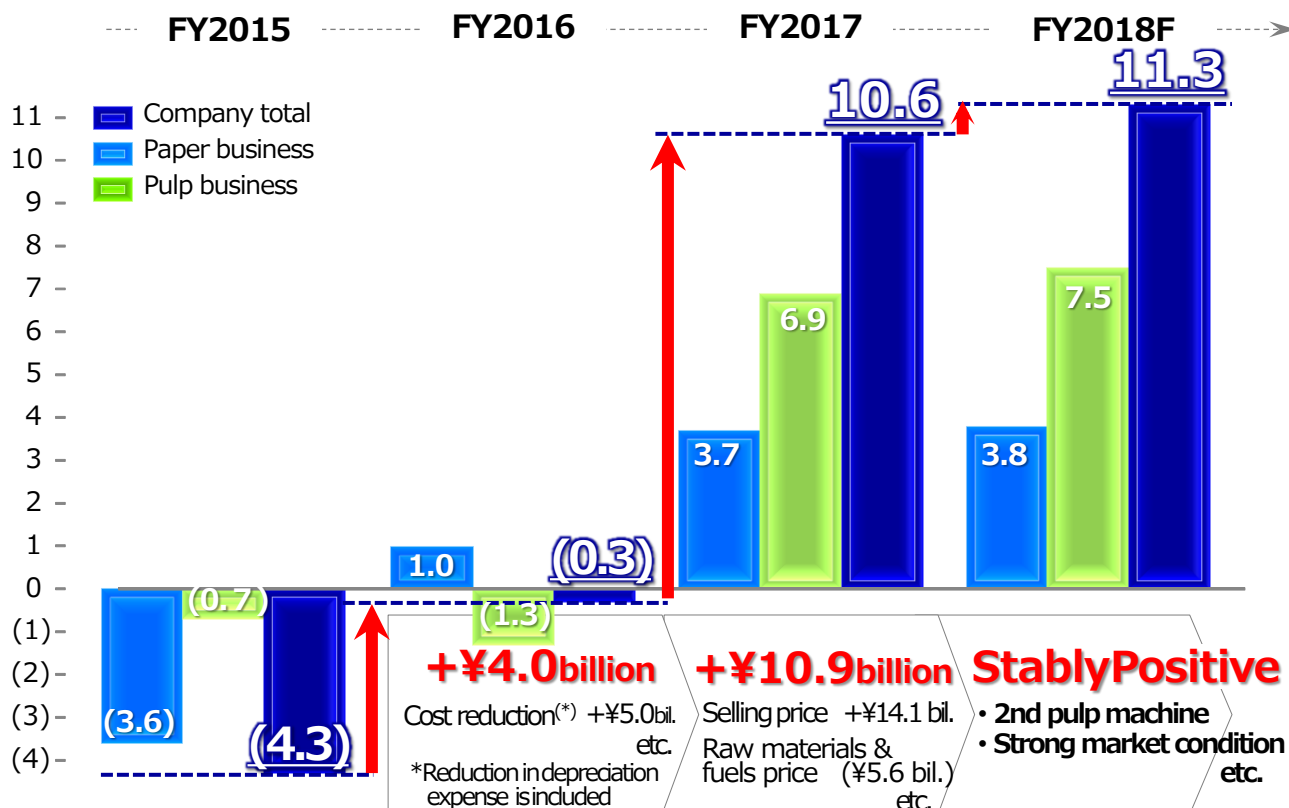
Domestic +¥4.6 billion

- ◆ Retirement Benefit Expense +¥3.8bil.
- ◆ Cost Reduction +¥3.2bil.
- ◆ Price Difference in Raw Materials & Fuels (¥1.6bil.) etc.

Overseas +¥0.1 billion



Jiangsu Oji Paper Nantong Mill (China): Operating Profit



5. Influences of Changes in External Environment

(¥billion/year)l

			Household & Industrial Materials	Functional Materials	Forest Resources & Environment Marketing	Printing & Communi- cations Media	Total
Impact on operating profit from:							
Changes in exchange rates		Assumed exchange rates for FY2018					
USD-based transactions (USD stronger by 10%)	Japanese Yen (JPY)	110.00 JPY/USD	↓	→	→	↓	(4.0)
	Brazilian Real (BRL)	3.20 BRL/USD	→	→	↑	→	+3.9
	New Zealand Dollar (NZD)	1.41 NZD/USD	↑	→	↑	→	+7.9
Conversion of profit in foreign currency to ¥ (¥ weaker by 10%)	US Dollar (USD)	110.00 JPY/USD	↑	↑	↑	→	+2.7
	Brazilian Real (BRL)	34.40 JPY/BRL	→	↑	→	→	+0.3
	New Zealand Dollar (NZD)	78.00 JPY/NZD	↑	→	↑	→	+1.1
Changes in pulp prices (USD10/t stronger)			↓	↓	↑	↓	+2.4

+ : Improve
() : Worsen

**Cope with changes in exchange rates and pulp prices
by leveraging on the Group's globalized and diversified collective strengths**

III. Group Management Targets

1. Management Plans

(1) Management Philosophy/Management Strategies



Management Philosophy

~Desired Future Image of Oji Group~

Creation of
Innovative Values

Contribution to
Future and the World

Harmony with
Nature and Society

「Beyond
the Boundaries」

Management Strategies

~Group Fundamental Policies and Numerical Management Targets~

~FY2016-18 Group Fundamental Policies~

Expansion of Overseas Businesses

**Concentration /
Advancement of Domestic Businesses**

Enhancement of Financial Foundation

~Numerical Management Targets FY2018(*)~

<Operating Profit> (consolidated)	¥100.0 billion
<Overseas Sales Ratio>	35% (Future target 50%)
<Interest-bearing Debt>	¥700.0 billion

* formulated in FY2015

1. Management Plans

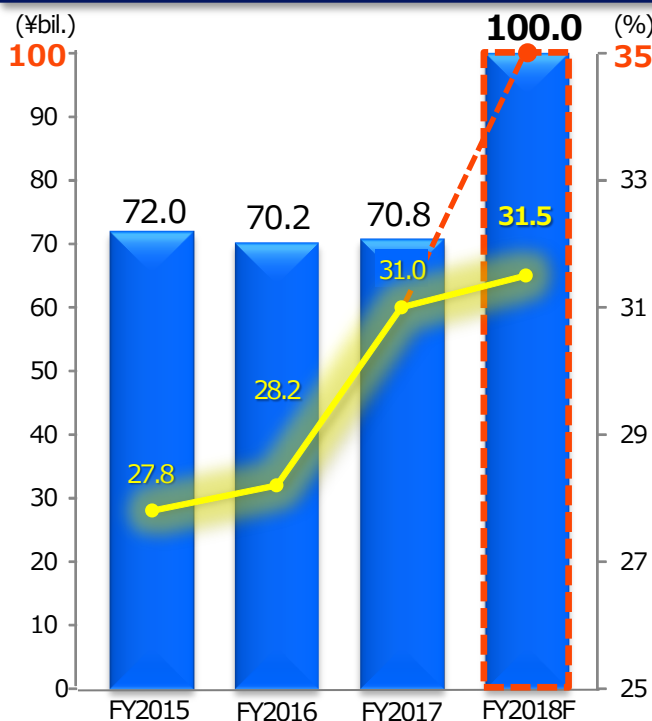
(2) Progress of FY2018 Mid-term Management Plan



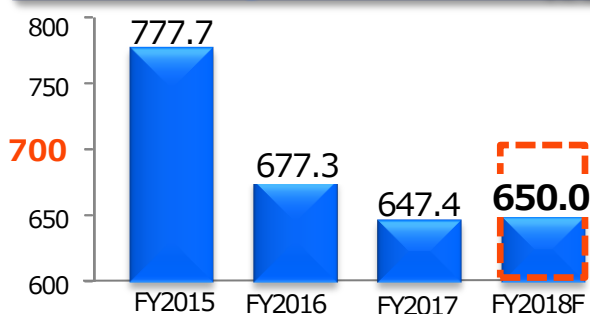
OJI HOLDINGS

Operating Profit: **¥100.0 bil.** (Achieving the target)

Overseas Sales Ratio: **31.5%** (target: 35%)



Interest-bearing Debt: **¥650.0 bil.** (Achieving the target)



Actions for Numerical Management Targets 2018

Household & Industrial Materials	[Domestic]	<ul style="list-style-type: none"> Industrial materials: profitability enhancement/cost reduction <ul style="list-style-type: none"> * O&C Ivory Board: sales expansion of high-grade boxboard * O&C Paper Bag HD: restructuring of paper bag business Disposable diapers: competitiveness enhancement (machine establishment, product launch, etc.)
	[Overseas]	<ul style="list-style-type: none"> Packaging: Expansion in (SE Asia/Oceania) Disposable diapers: <ul style="list-style-type: none"> * Manufacturing/sales in (Malaysia/Indonesia), export to (China)
Functional Materials	[Domestic]	<ul style="list-style-type: none"> Launch/sales expansion of R&D-oriented/high value-added products
	[Overseas]	<ul style="list-style-type: none"> Thermal paper/functional materials <ul style="list-style-type: none"> * Capacity enhancement (OPE (Brazil), KANZAN (Germany)) * M&A/establishment of printing/converting sites (HRL-TP (Malaysia), OMPC (Myanmar))
Forest Resources & Environment Marketing	[Domestic]	<ul style="list-style-type: none"> Renewable energy: <ul style="list-style-type: none"> * Hydroelectric (revamp)/biomass (boiler construction)
	[Overseas]	<ul style="list-style-type: none"> Pulp: <ul style="list-style-type: none"> * Establishment of new dry pulp machine (Jiangsu Oji Paper (China)) * Productivity/competitiveness enhancement (CENIBRA (Brazil), Jiangsu Oji Paper (China), Oji Fibre Solutions (NZ))
Printing & Communications Media	[Domestic]	<ul style="list-style-type: none"> Restructuring of manufacturing system/cost reduction <ul style="list-style-type: none"> * Machine shut-down: Oji Paper Kasugai Mill's #4 Machine
	[Overseas]	<ul style="list-style-type: none"> Continual cost reduction (Jiangsu Oji Paper (China))
Others	[Domestic & Overseas]	<ul style="list-style-type: none"> New materials/technologies development (CNF, water treatment technology, medicinal plants) Sales of idle assets (real estate, stocks), etc.

FY2018 Dividend: increase planned (¥10.0 → ¥12.0)

IV. Topics

1. Business Strategies

(1) Southeast Asia : Corrugated Container Business - 1

Plant Establishment and Capacity Enhancement

Plant Establishment (Corrugated containers)

Malaysia Jun.2018 (8th plant)
 India Dec.2018 (3rd plant)
 Vietnam Jul.2019 (5th plant)
 (in the country)

Capacity Enhancement (Malaysia)

Additional installation of
 containerboard machine

➡ Production capacity **+450,000t/yr**
 (Apr. 2021 (scheduled))

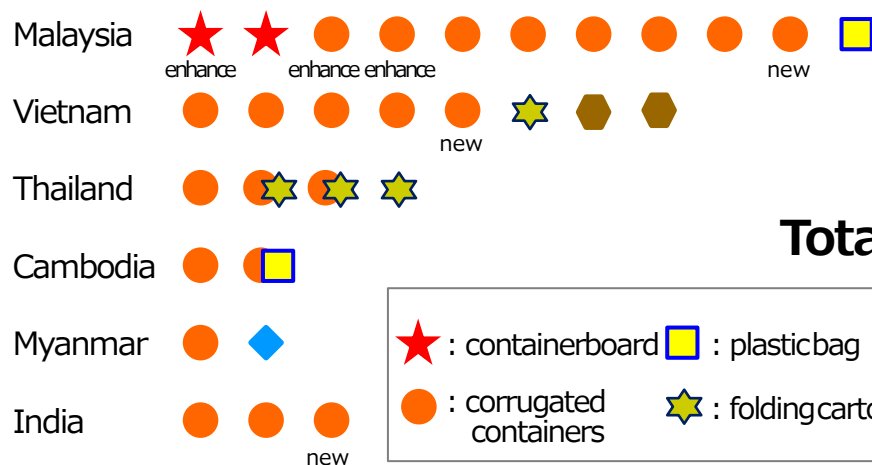
Capacity enhancement of
 corrugated container plants

➡ **Double** production capacity at 2 plants
 (Dec. 2018 (scheduled))



GSPP headquarters plant which expects new
 containerboard machine

Number of Sites in SE Asia by Country



Total: **30** sites

★ : containerboard ■ : plasticbag ● : corrugated containers
 ★ : folding cartons ◆ : flexible packaging

«Oceania»

In view of synergy with SE Asia,
 Oceania Business is also expanded

Number of Sites in Oceania by Country



Total:
12 sites

■ : other packaging

1. Business Strategies

(1) Southeast Asia : Corrugated Container Business - 2

Sped up entries into SE Asia since 2010 to further expand the business that continues to be strong

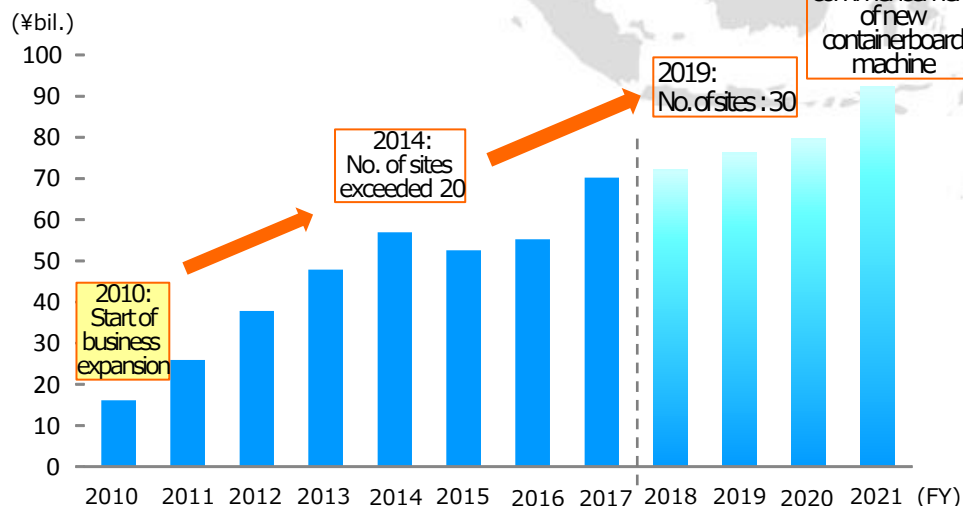
**30 sites in
6 countries**

Business Expansion in SE Asia

- 2010** Acquisition of GSPP (Malaysia)
- 2011** Acquisition of Harta (Malaysia, etc)
- 2014** No. of business sites exceeded **20**
- 2019** No. of business sites exceeds **30**

Approx. 20% of Oji Group's corrugated container sales volume in FY2017 was that of SE Asia Business

Sales of SE Asia Business



What comes next?

Increase production to keep up with demand growth (No. of sites/machine capacity)

Enter new countries
(i.e. Indonesia, Philippines, etc.)

Promote Total Packaging Business including flexible packaging

1. Business Strategies

(2) Overseas Disposable Diaper Business



Southeast Asia

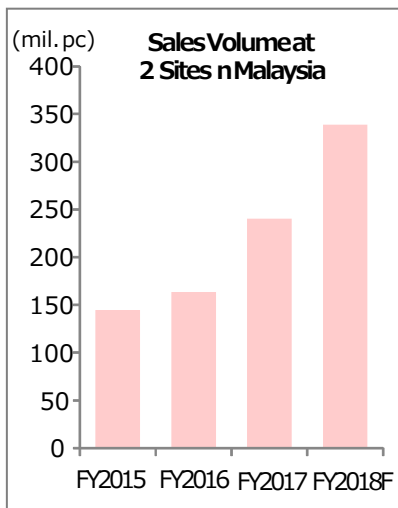
«Malaysia»

Manufacture tape/pants-type diapers at 2 sites and improve sales

Enhance market penetration of "Genki!" brand

Expand sales within Malaysia

Expand export to mainly SE Asian countries



«Indonesia»

Sales expansion of OEM products at mini markets through a JV with Indofood

What comes next?

Positively consider the start of local manufacturing



China

Export "Made-in-Japan" products

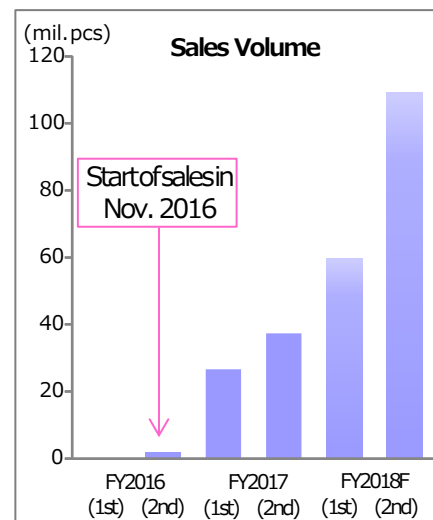
Expand sales and increase market shares at specific regions

Enhance market penetration of "Genki!" brand

Consider local manufacturing (Nantong Mill)



"MOKOMOKO" brand in Indonesia



1. Business Strategies

(3) Capital/Business Alliance between Oji HD and Mitsubishi Paper Mills

Maximize synergy from broad collaboration with Mitsubishi Paper Mills to pursue sustainable growth and uphold medium-to-long term corporate values

Before One-time collaboration in each specific business

- ◆ Communication paper business (2007~)
- ◆ Biomass power generation business
 - Construct a biomass boiler within Hachinohe Mill of Mitsubishi Paper Mills

MPM Oji Eco-Energy

Jun. 2019
Operation commencement
(scheduled)

- Capacity: ca. 75,000kW
- Sales volume: ca. 530 mil.kWa/yr
- Sales amount: ca. ¥11.0 bil./yr



Boiler under construction at Hachinohe Mill

- ◆ Household paper business
 - Develop household paper business within Hachinohe Mill of Mitsubishi Paper Mills

MPM Oji Home Products

Apr. 2019 Operation commencement (scheduled)

- Utilization of competitive infrastructure of Hachinohe Mill
- Oji's first household paper mill in Tohoku region
 - Logistics cost reduction

Hereafter Enhance multiple & interactive collaboration

Feb. 2018 Capital Alliance Agreement
→ Develop expansive/constructive capital/business alliances, including business alliance cases in the past



<Examples of Synergistic Effect>

- (1) New capital investment in joint ventures, etc.
- (2) Reduction of raw material & fuel purchase costs
- (3) Reduction of supply logistics costs
- (4) Reduction of chip procurement logistics costs
- (5) Production efficiency improvements

➡ Effect on operating profit: **¥5.0bil.and more/**
2 companies

<Others>

Consider restructuring of Oji and Mitsubishi's thermal business in Germany

2. Research & Development Cellulose Nano-fiber (CNF)



CNF's Features



CNF slurry looked through polarizing plates*

Resistant to temperature change
(coefficient of linear expansion
equivalent to that of glass)

High transparency

Hard and durable
(high elasticity)

Slurry (liquid form):

- Viscosity
- Water-retention
- Dispersibility
- Thixotropy

Sheet:

- Flexibility
- Dimensional stability under high temperature

*It seems like an aurora because fibers of CNF are short in diameter (high transparency) and long in length (high strength)

Progress of Development in FY2017

Slurry	• Start of sales of thickener, "AUROVISCO"
Powder	• Distribution of powder samples that can be dispersed to organic solvent
Sheet	• Distribution of "AUROVEIL 3D" and "AUROVEIL WP(waterproof)" samples • Operation commencement of demonstration facility [Production capacity: 250,000m ² /year]
Composite Material	Development of Highly Functionalized Polycarbonate
Application Development	Study of new applications/materials to be combined with through collaborating with various companies

Highly Functionalized Polycarbonate

Polycarbonate

- Light
- Transparency
- Impact resistance



CNF

- High elasticity
- Low coefficient of linear thermal expansion
- Transparency



Retain polycarbonate's features and:

- Increase elasticity by four times! (resistant to outside force)
- Decrease coefficient of linear thermal expansion to 1/3! (less deformation by heat)



Composite material of polycarbonate and CNF

Expected Applications

- Alternative to glass
- New applications utilizing its lightness/improved insulation

Selected as “Nadeshiko Brand” for the First Time

Mar. 2018 Oji HD and Oji Management Office were selected as “Nadeshiko Brand” for the first time



*What is “Nadeshiko Brand” ?

The Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange evaluate/select companies that work on women’s participation at high standards by setting it as one of their management strategies.

(48 companies/27 industries (1~4/each) are selected in 2018)

*Oji Group actively promotes:

- **Women’s participation** (employment, training, promotion, career courses)
- **Work-life management** (support for balancing child-care, nursery-care and work)

First in pulp & paper industry

Obtaining “Eruboshi (highest level)”

Dec. 2017 Oji HD obtained “Eruboshi (Grade 3)” Certification

*What is “Eruboshi”?

It is a company certification granted by the Minister of Health, Labour and Welfare in recognition for excellent efforts in promoting women’s participation and career advancement, based on the Act on Promotion of Women’s Participation and Advancement in the Workplace. The 5 evaluation areas include “recruitment”, “continuous employment”, “working hours”, “proportion of women in managerial position” and “various career courses”.



Apr. 2018

Opening of in-house nursery “Nepia Soda-terrace” at the adjacent area of company condominium in Edogawa-ku, Tokyo.

Purpose

- Assist employees in balancing between child-care and work → Promote women’s participation
- Reduce children on waiting lists for nursery schools

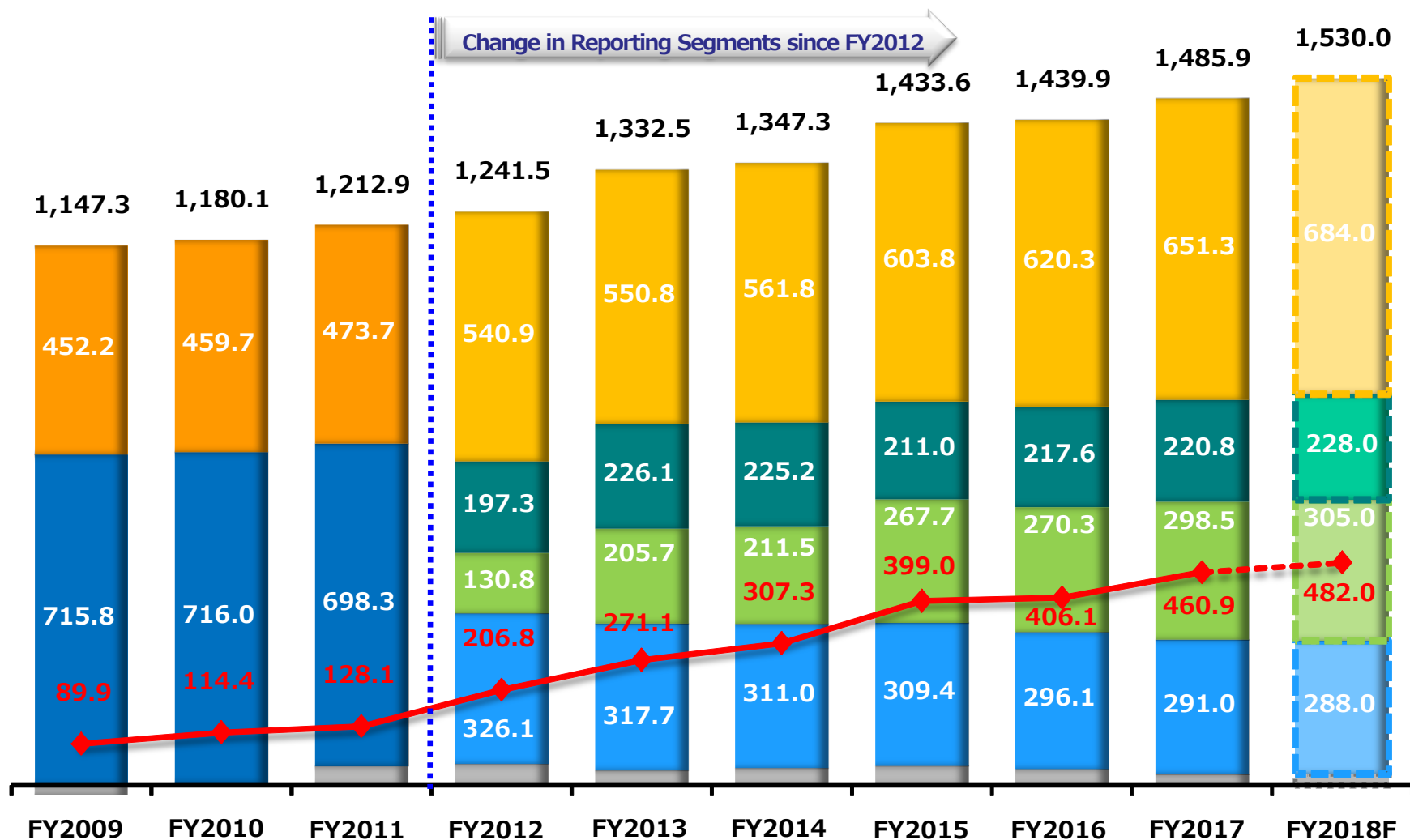


<Nursery building>
Space where children feel relaxed and free with full of bright sunshine and fresh breeze

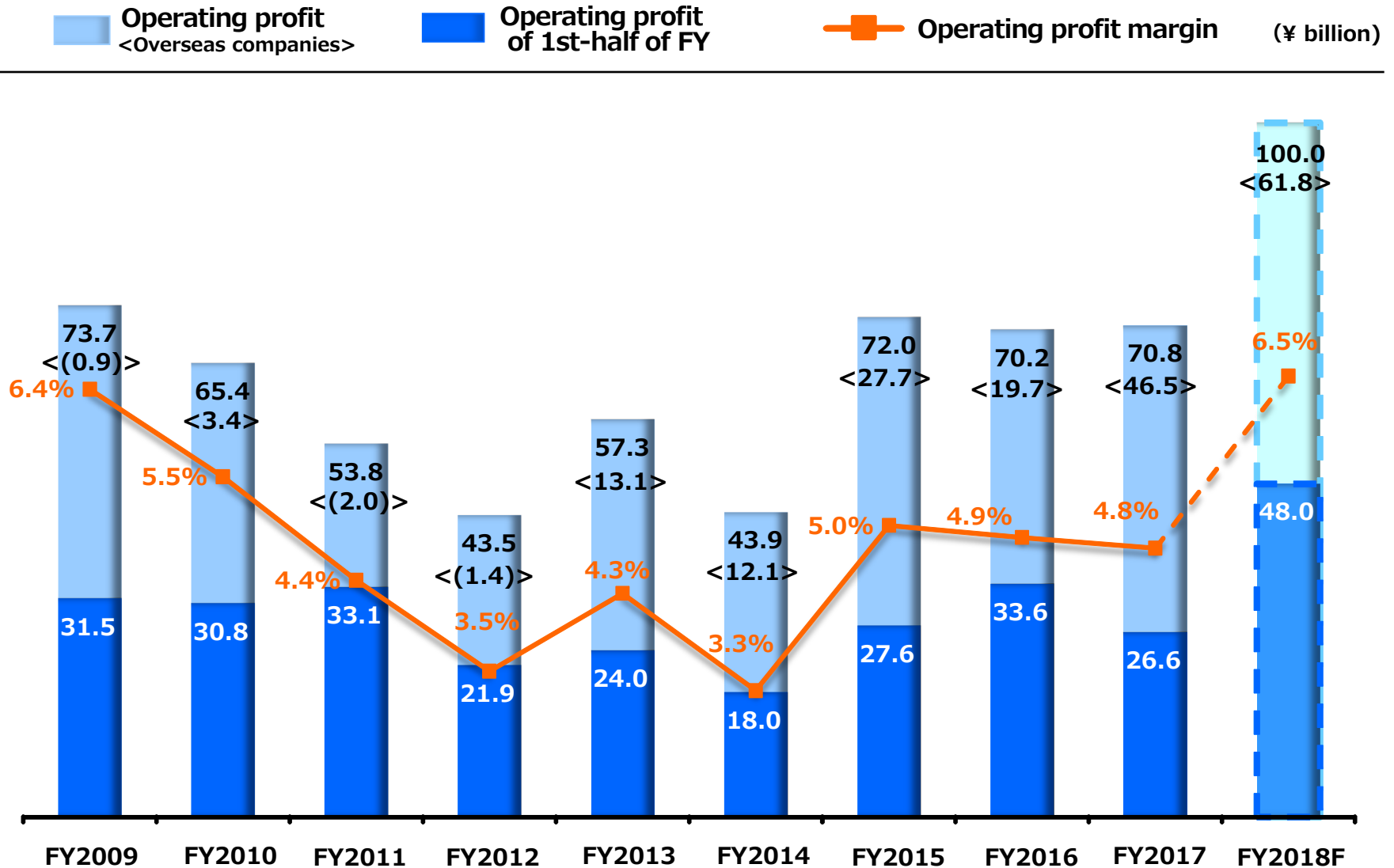
《Reference Materials》

Trends of Net Sales by Segment (consolidated)

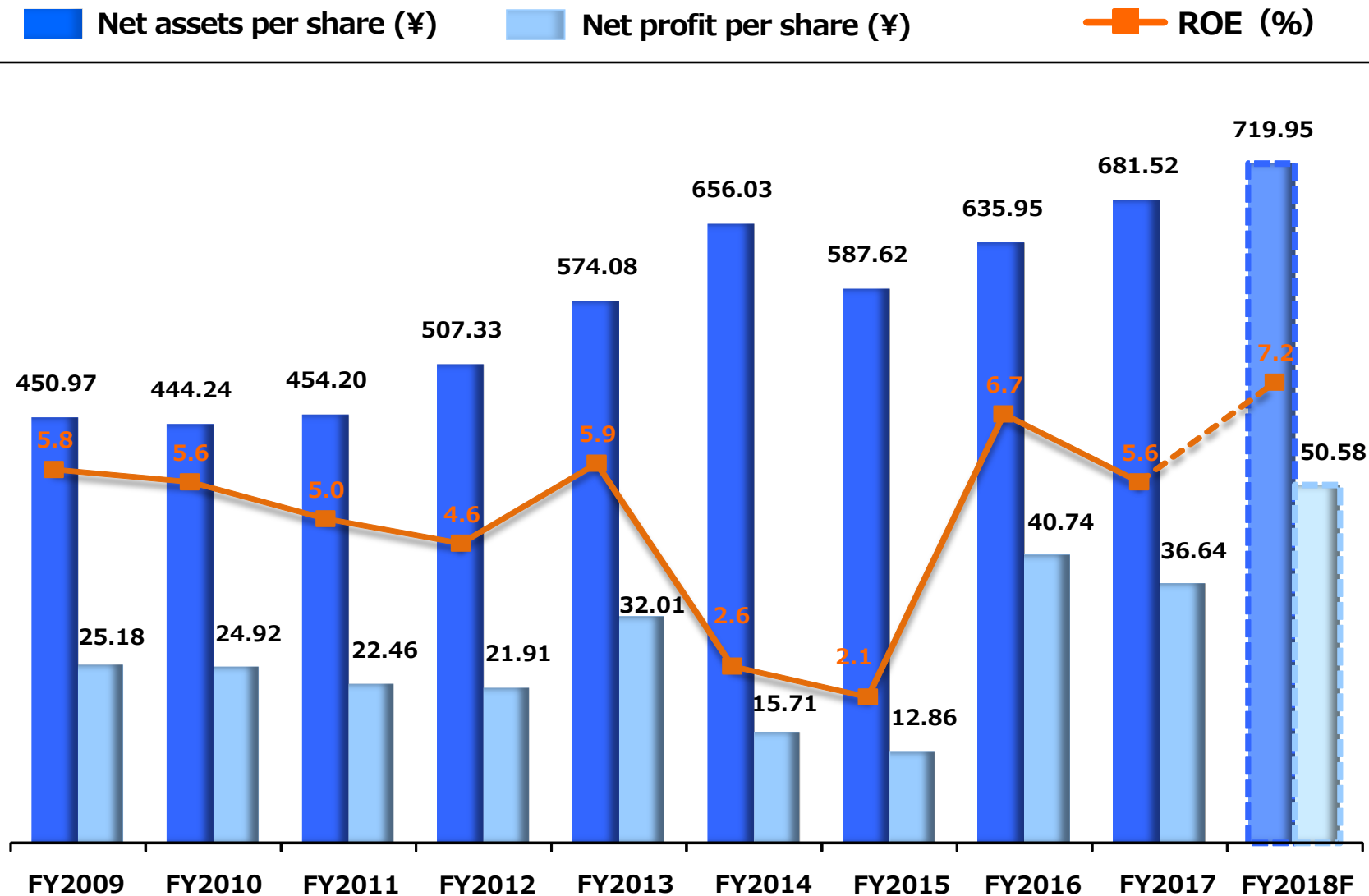
■ Converted Paper ■ Household & Industrial Materials ■ Functional Materials ◆ Overseas Sales
■ Pulp & Paper ■ Forest Resources & Environment Marketing ■ Printing & Communications Media ■ Others (¥ billion)



Trends of Operating Profit (consolidated)

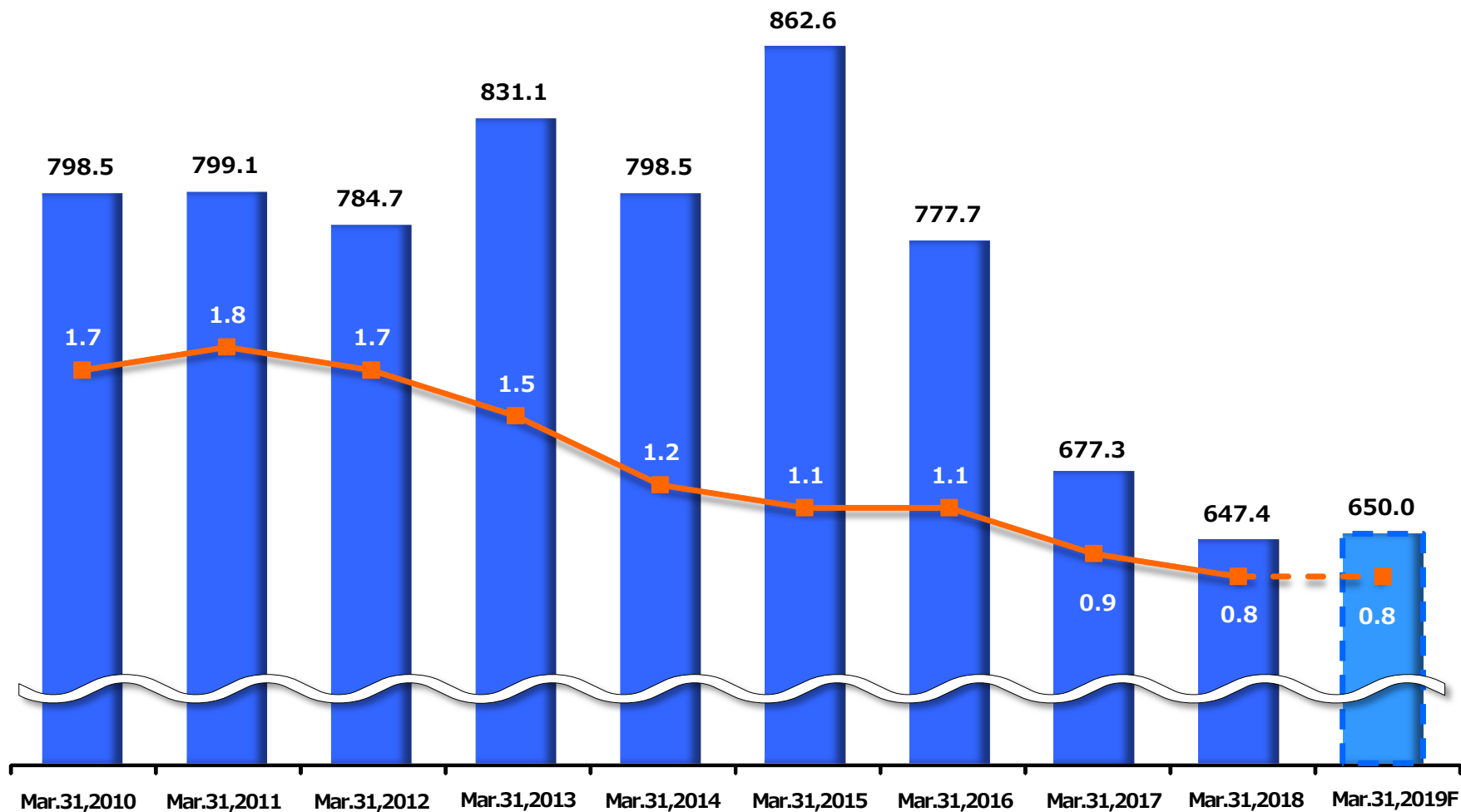


Trends of Return on Equity (ROE)

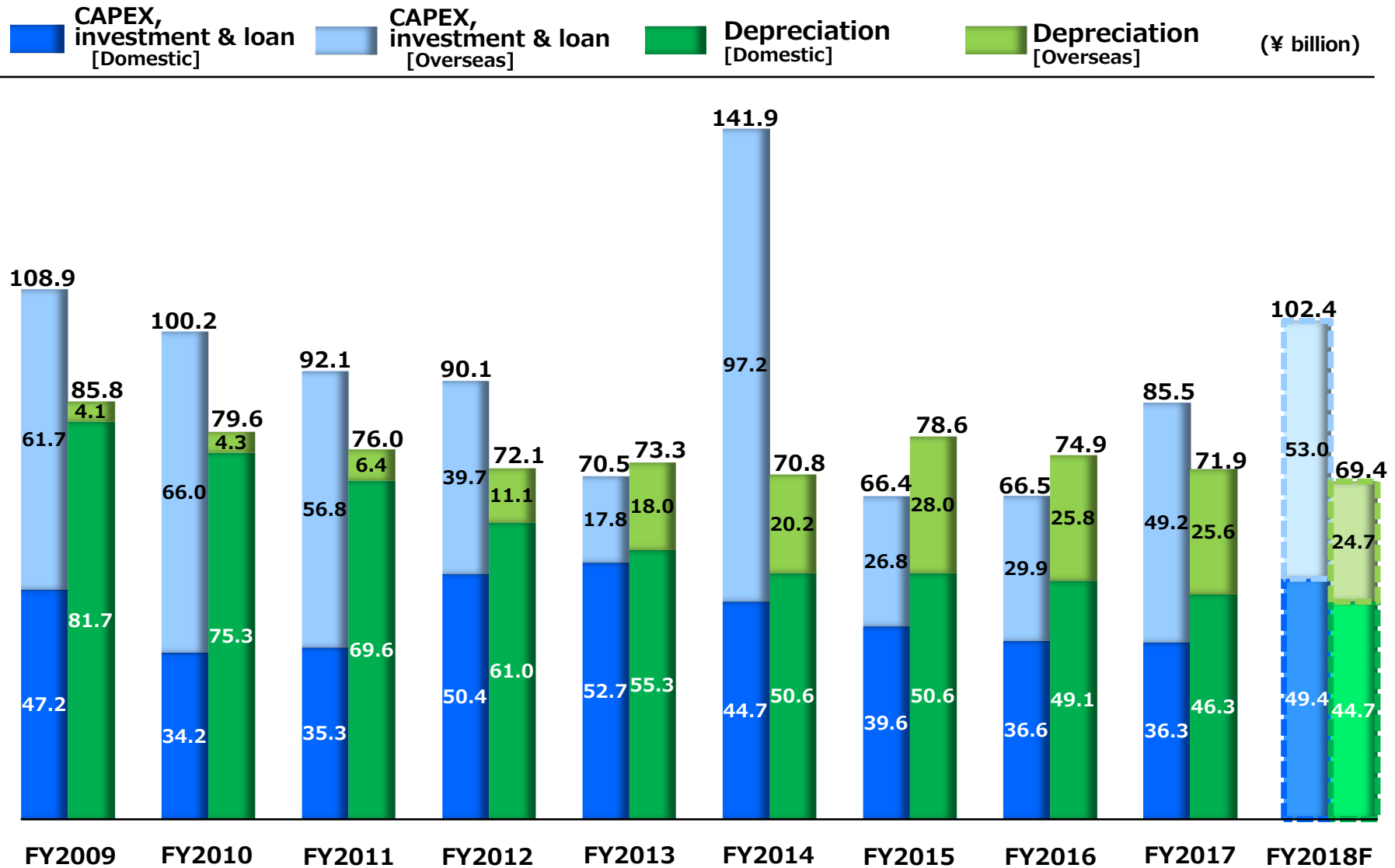


Trends of Interest-bearing Debt (consolidated)

■ Consolidated interest-bearing debts (¥billion) —■— D/E (x)



Trends of CAPEX / Depreciation (consolidated)



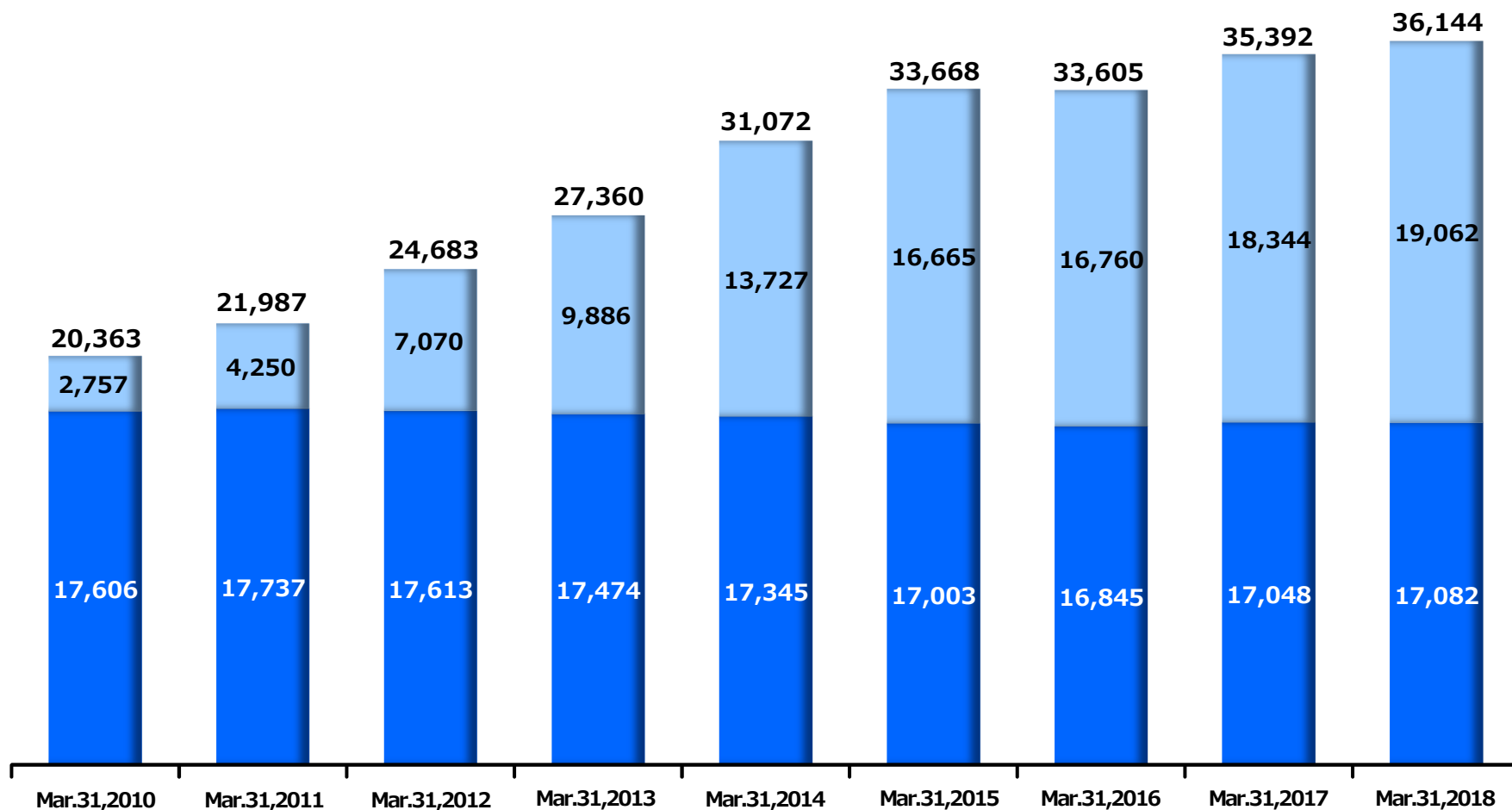
Trends of Employees (consolidated)



OJI HOLDINGS

■ **Employees [Domestic] (consolidated)**
■ **Employees [Overseas] (consolidated)**
(person)

*The figures do not include number of temporary employees



(1,000t)						
	Domestic Shipments		Custom Cleared Imports*1		Total	
	Year-on-Year		Year-on-Year		Year-on-Year	
Containerboard	9,201	102.1%	43	107.4%	9,244	102.1%
Boxboard	1,578	101.4%	241	97.2%	1,819	100.8%
Other Paperboard	656	103.6%	27	101.9%	683	103.5%
Paperboard Total	11,435	102.1%	311	98.9%	11,746	102.0%
Sanitary Paper	1,789	99.3%	205	105.5%*2	1,994	99.9%
Packaging Paper	707	100.0%	8	113.0%	715	100.1%
Newsprint	2,742	95.2%	10	78.2%	2,752	95.1%
Printing/Communications Paper	7,358	96.7%	934	93.4%	8,292	96.3%
Miscellaneous Paper	750	104.1%	18	90.4%	768	103.8%
Paper Total	13,347	97.3%	1,175	95.3%	14,522	97.1%
Paperboard and Paper Total	24,781	99.4%	1,486	96.0%	26,267	99.2%
(million m ²)						
Corrugated Containers *3	14,243	101.5%			14,243	101.5%

Source: Japan Paper Association - Statistics on Paper and Paperboard; Trade Statistics of Ministry of Finance, Japan; Japan Corrugated Case Association - Production Volume of Corrugated Case

*1: Statistics for customs cleared imports of paper: April 2017 - March 2018(preliminary)

*2: The figure includes secondary products (processed goods)

*3: The figure represents the production volume of corrugated board



Beyond the Boundaries

This document does not constitute a disclosure document under the provisions of the Financial Instruments and Exchange Law, and no guarantees are provided concerning the accuracy or completeness of the information contained therein. Forecasts and other forward-looking statements in this document represent judgments by Oji Holdings Corporation based on information available at the time of the briefing, and they may be affected by unforeseeable events. You are therefore urged not to make investment decisions solely on the basis of this document. Oji Holdings Corporation will not accept any liability whatsoever for losses incurred as a result of use of this document.