

March 25, 2016  
Oji Holdings Corporation

Announcement Regarding the Implementation of Business Alliance with Chuetsu Pulp & Paper Co., Ltd

Oji Holdings Corporation (hereinafter “Oji Holdings”) has decided to form a business alliance as well as a capital alliance through third-party stock allocation (hereinafter “business and capital alliance”) with Chuetsu Pulp & Paper Co., Ltd. (hereinafter “Chuetsu Pulp & Paper”) at the Board of Directors’ Meeting held on December 2, 2014<sup>1</sup>, and has passed a resolution on the conclusion of agreements of principle concerning a formation of a business alliance in bag-making business at the Board of Directors’ Meeting held on May 29, 2015<sup>2</sup>.

Then, Oji Holdings would like to announce that, based on the said agreements of principle, it has decided to establish O&C Paper Bag Holdings Co., Ltd, a joint intermediary holding company, through joint share transfers, at the Board of Directors’ Meeting held today, March 25, 2016.

1. Purpose of Establishment of Joint Intermediary Holding Company

The domestic demand of paper-bag, especially that of heavy-duty packaging, has long been declining and this severe situation is thought to continue into the future. On the other hand, the demand has been increasing in overseas developing nations along with their economic growth.

Under such circumstances, the companies have decided to establish the joint intermediary holding company with an aim to promote growth of bag-making business; this would be achieved by strengthening domestic business through rationalization of manufacturing structures and by actively expanding overseas business through the use of their existing sites as a starting point.

2. Method of Establishment

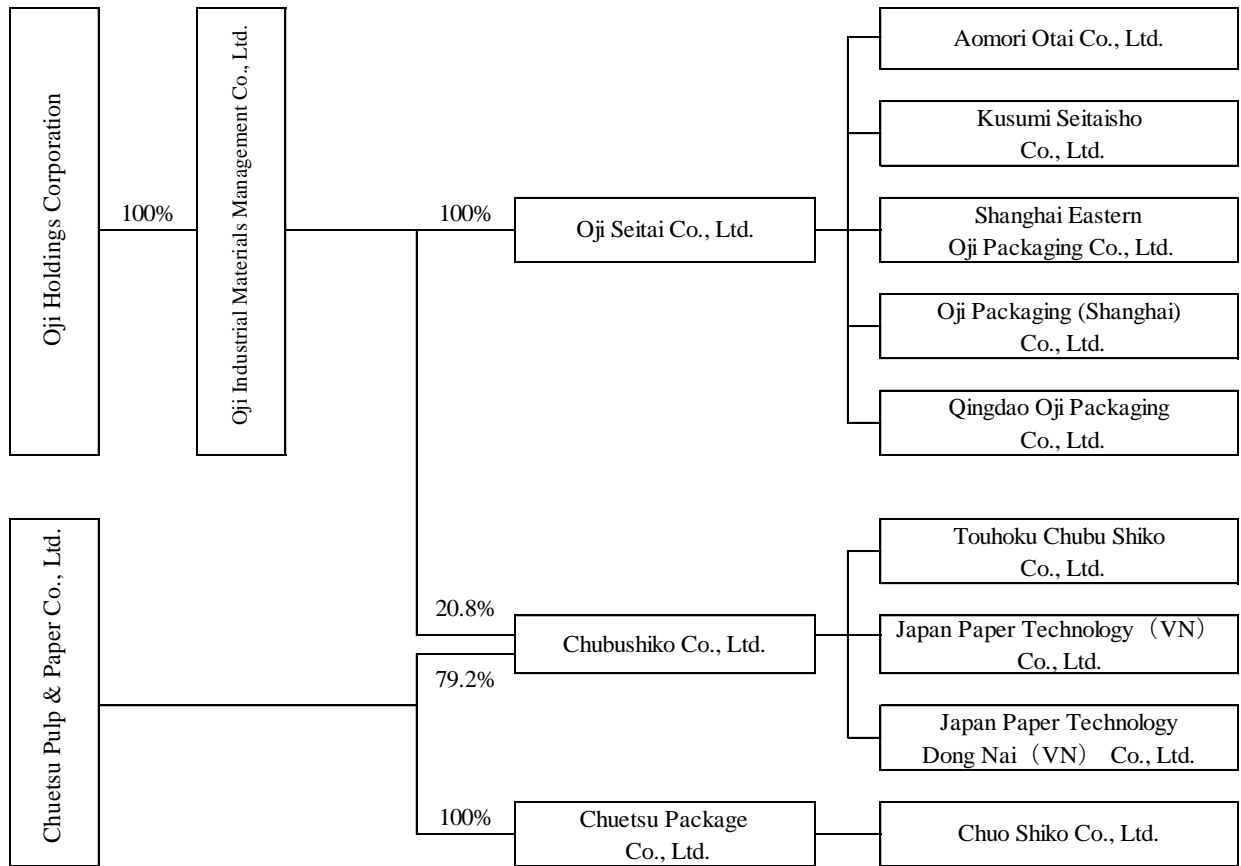
Joint share transfers by three companies, Oji Seitai Co., Ltd., which is a subsidiary of Oji Holdings, Chubushiko Co., Ltd. and Chuetsu Package Co., Ltd., which are subsidiaries of Chuetsu Pulp & Paper Co., Ltd., have been adopted as the method to establish “O&C Paper Bag Holdings Co., Ltd.”, the joint intermediary holding company. Oji Industrial Materials Management Co., Ltd., a 100% subsidiary of Oji Holdings, and Chuetsu Pulp & Paper Co., Ltd. will then hold 55% and 45% shares of this joint intermediary holding company respectively.

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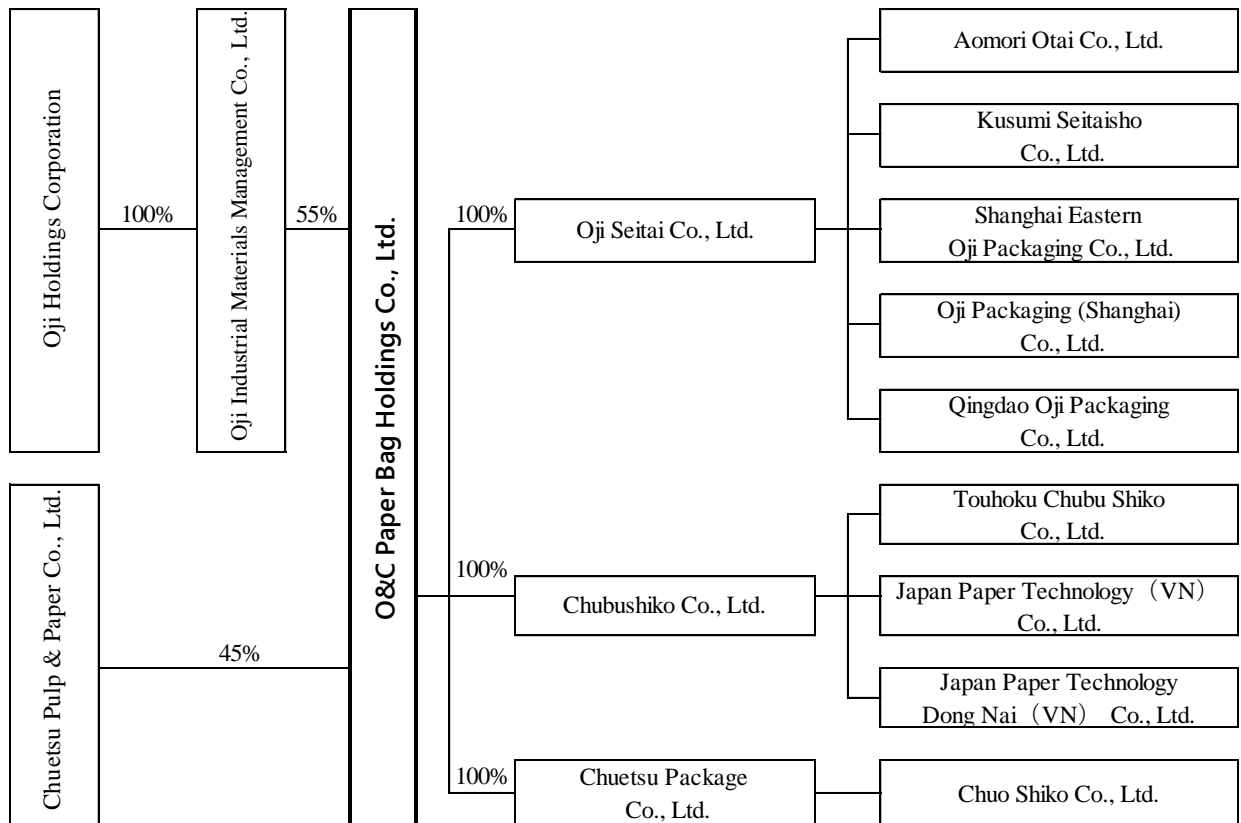
<sup>1</sup> Please refer to the news release: “Announcement regarding the business and capital alliance with Chuetsu Pulp & Paper Co., Ltd.” (2/12/2014)

<sup>2</sup> Please refer to the news release: “Announcement Regarding the Formation of the Business Alliance with Chuetsu Pulp & Paper Co., Ltd. and the Execution of Subscription for the Third-party Stock Allocation” (29/5/2015)

Before Establishment



After Establishment



### 3. Overview of Involved Companies (As of March 31)

(1) Name	Oji Seitai Co., Ltd.
(2) Representative	Director of the Board, President Takashi Mitsuno
(3) Location	12-8, Ginza 5-chome, Chuo-ku, Tokyo
(4) Business lineup	Manufacturing /sales of kraft paper-bag, plastic bag, etc.
(5) Date of establishment	January 1, 1948
(6) Accounting period	March 31
(7) Paid-in capital	¥ 377 million
(8) No. of stocks issued	7,540,000 stocks
(9) Net assets	¥ 1,752 million
(10) Total assets	¥ 13,527 million
(11) Net sales	¥ 11,554 million
(12) Net income	¥ 345 million
(13) Shareholder	Oji Industrial Materials Management Co., Ltd. 100%

(1) Name	Chubushiko Co., Ltd.
(2) Representative	Director of the Board, President Satoshi Takada
(3) Location	121, Higashiokuda-cho, Handa-shi, Aichi
(4) Business lineup	Manufacturing/sales of kraft paper-bag, sales of flexible container bag
(5) Date of establishment	May 30, 1960
(6) Accounting period	March 31
(7) Paid-in capital	¥ 168 million
(8) No. of stocks issued	336,000 stocks
(9) Net assets	¥ 849 million
(10) Total assets	¥ 3,310 million
(11) Net sales	¥ 3,018 million
(12) Net income	¥ 32 million
(13) Shareholders	Chuetsu Pulp & Paper Co., Ltd. 79.2% Oji Industrial Materials Management Co., Ltd. 20.8%

(1) Name	Chuetsu Package Co., Ltd.
(2) Representative	Director of the Board, President Yoshiaki Sakurai
(3) Location	10-6, Ginza 2-chome, Chuo-ku, Tokyo
(4) Business lineup	Manufacturing/sales of kraft paper-bag, corrugated container, paper tube, molding product, etc.
(5) Date of establishment	July 7, 1952
(6) Accounting period	March 31
(7) Paid-in capital	¥ 194 million
(8) No. of stocks issued	388,000 stocks

(9) Net assets	¥ 1,992 million
(10) Total assets	¥ 5,838 million
(11) Net sales	¥ 7,824 million
(12) Net income	¥ 17 million
(13) Shareholder	Chuetsu Pulp & Paper Co., Ltd. 100%

#### 4. Overview of Joint Holding Company

(1) Name	O&C Paper Bag Holdings Co., Ltd.
(2) Representative	Director of the Board, President Koichi Tano
(3) Location	12-8, Ginza 5-chome, Chuo-ku, Tokyo
(4) Business lineup	Pure holding company
(5) Date of establishment	May 1, 2016 (scheduled)
(6) Accounting period	March 31
(7) Paid-in capital	¥ 100 million
(8) No. of stocks issued	20,000,000 stocks
(9) Shareholders	Oji Industrial Materials Management Co., Ltd. 55% Chuetsu Pulp & Paper Co., Ltd. 45%

#### 5. Schedule

March 25, 2016	Passing of a resolution on establishment of the joint intermediary holding company by Oji Holdings, Oji Industrial Materials Management Co., Ltd. and Chuetsu Pulp & Paper Co., Ltd. Passing of a resolution on share transfer plan at the Board of Directors' Meeting of each involved company
April 11, 2016	Passing of a resolution on share transfer plan at Shareholders' Meeting of each involved company (scheduled)
May 1, 2016	Date of share transfer (scheduled) Company registration and incorporation (scheduled)

#### 6. Future Business Projection

Although the alliance has a minor impact on Oji Holdings' consolidated business performance, it would contribute to improving its consolidated business performance in the medium-to-long-term.