

May 13, 2016

Company Name: Oji Holdings Corporation  
Code No. : 3861  
Contact: Yoshiaki Takeda,  
Executive Officer,  
Corporate Governance Div.  
Telephone: +81-3-3563-1111

**Notice Regarding Loss on Stock Evaluation of Subsidiaries and Affiliates and Differences between the Forecasts and the Results for the Year ended March 2016**

Oji Holdings Corporation (“the Company”) would like to announce that the Company recorded loss on stock evaluation of subsidiaries and affiliates for the fiscal year ended March 2016 (from April 1, 2015 to March 31, 2016).

The Company would also like to announce that there are differences between the forecast for the year ended March 2016, released on February 4, 2016, and the actual results we released today.

1. Impairment loss on stocks of subsidiaries

As “Notice Regarding Impairment Loss Incurred by Chinese Subsidiary, Recording of Extraordinary Income, and Revision of Consolidated Forecasts”, released on February 4, 2016, about the assets for Printing and Communications Media business of Jiangsu Oji Paper Co., Ltd. (“Jiangsu Oji”), the Company recorded a fixed asset impairment loss of 56,641 million yen (3,085 million yuan at 18.36 yen / yuan as of the end of December, 2015) in extraordinary losses on its consolidated financial statements of the fiscal year ended March 2016.

As a consequence of this impairment loss, Oji Paper Co., Ltd. (“Oji Paper”), a subsidiary of the Company, recorded a loss on stock evaluation of subsidiaries of 67,600 million yen in extraordinary losses on its individual financial statements because the actual value of shares of Jiangsu Oji which Oji Paper held has declined significantly. This loss on stock evaluation of subsidiaries has no impact on consolidated financial statements since it is eliminated on consolidation.

2. Impairment loss on stocks of affiliates (equity-method affiliates)

The business results of PT. Korintiga Hutani (“KTH”), a planting business company in Indonesia, which the Company invested 34.34% through a holding company, has differed from the initial business plan mainly due to the influence of weak local currency, the Company recorded one-time amortization of goodwill for KTH, etc. of 3,820 million yen as “Equity in losses of affiliates” in Non-operating expense (reduction of “Equity in earnings of affiliates” in Non-operating income) on its consolidated financial statements of the year ended March 2016.

Besides, the Company incurred impairment loss on the share of the holding company of KTH and recorded a loss on stock evaluation of subsidiaries of 8,084 million yen in extraordinary losses on the individual financial statements of the year ended March 2016. This loss on stock evaluation of subsidiaries has no impact on consolidated financial statements since it is eliminated on consolidation.

Although the business results of KTH has differed from the initial business plan, KTH is contributing to the creation of a synergy in the whole our group and we continuously seek further effect.

3. Differences between the consolidated business forecasts and the actual results

Consolidated results for the year ended March 31, 2016 (April 1, 2015 – March 31, 2016)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per share
unit	millions of yen				yen
Forecast previously released (A)	1,530,000	70,000	65,000	25,000	25.29
<b>Actual results (B)</b>	<b>1,433,595</b>	<b>73,685</b>	<b>62,362</b>	<b>15,257</b>	<b>15.44</b>
Differences (B-A)	(96,405)	3,685	(2,638)	(9,743)	
Differences (%)	(6.3)	5.3	(4.1)	(39.0)	
(Ref.) Results for the year ended March 31, 2015	1,347,281	46,694	52,970	17,344	17.55

(Reasons of differences)

The result of operating income exceeded the forecast previously released, but on the other hand, owing to foreign exchange losses on valuation and the record of the above 2., "Equity in losses of affiliates", the result of ordinary income fell short of the forecast, and the result of profit attributable to owners of parent also fell short of the forecast because in addition to the result of ordinary income fell short of the forecast, we recorded business structure improvement expenses of the decision on stop of production facilities of the group companies in extraordinary losses, and we reviewed the tax expenses because of the tax reform.

END