



Beyond the Boundaries

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Public Relation Office,
Corporate Governance Div.
Oji Holdings Corporation

<https://www.ojiholdings.co.jp/english/>

Announcement of the Plan for Starting Up a New Containerboard Machine in Malaysia, Southeast Asia

Oji Holdings Corporation is pleased to announce that it has decided to start up a new containerboard manufacturing machine at GS Paperboard & Packaging Sdn Bhd (hereinafter “GSPP”), located in Malaysia.

1. Objectives of Starting Up a New Machine

Oji Group sets “Expansion of Overseas Business” as a fundamental policy of its management strategies, and its corrugated container business has continued to expand in Southeast Asia thanks to steady demands in the region. While Oji is operating more than 20 sites for converting, most of the base paper used for converting comes from external suppliers. It has been a challenge for the Group to improve its self-sufficiency of base paper. In addition, there are increasing demands for products with high quality and low unit weight in the containerboard market in Southeast Asia.

By starting up a new containerboard manufacturing machine, we will be able to respond to the mentioned challenges, lay a foundation for further business expansion and also increase market share.

Furthermore, by renovating the existing equipment for energy supply and water treatment at the same time, the new containerboard machine allows us to enhance our cost competitiveness and therefore leads to a strengthened business foundation for Oji.

2. Overview of the New Machine

Location	Headquarters plant of GSPP (Selangor)
Products	Liner, corrugating medium
Production volume	450,000 t/year
Investment amount	JPY 35 billion (approximately) (for containerboard machine and equipment for energy supply and water treatment)
Planned commencement of operation	April, 2021

3. Impact on Financial Results

There will be no impact on Oji Group’s financial results forecast ending March 2018 due to this investment.

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