

---

## Announcement Regarding Restructuring of Manufacturing System

---

Oji Holdings Corporation (“Oji”, Director of the Board/President: Masatoshi Kaku, Head Office: Tokyo) has worked on restructuring its manufacturing system as appropriate, in response to the structural changes in its domestic demand. Oji hereby announces it has decided to close and remodel the following manufacturing facilities as further measures.

### <Overview>

|                                       | Oji Paper Co., Ltd.                                |                                  | Oji F-Tex Co., Ltd.                                 |                    |
|---------------------------------------|--|----------------------------------|---|--------------------|
|                                       | Tomakomai Mill                                     | Tomioka Mill                     | Ebetsu Mill   |                    |
|                                       | #N-5 Machine                                       | #9 Machine                       | #1 Machine  | #4 Machine         |
| Major products                        | Newsprint  | Printing and communication paper | Printing and communication paper<br>Specialty paper | Specialty paper    |
| Restructuring of manufacturing system | Remodel it to containerboard & kraft paper machine | Shut down                        | Shut down   | Shut down          |
| Capacity reduction (per year)         | 200,000 t (Newsprint)                              | 130,000 t                        | 45,000 t  | 15,000 t           |
| Scheduled time of implementation      | Shut down) 1st-half of FY2020<br>Start up) FY2021  | End of FY2019                    | 1st-half of FY2020                                  | 1st-half of FY2020 |

These measures will result in capacity reductions of graphic paper of approximately 400,000 t/year, cost reductions of ¥3.7 billion/year, mainly fixed costs, and capital expenditures of ¥15.0 billion by estimate. Note that the book value of these facilities was reduced in the previous fiscal year to the recoverable value taking into consideration structural changes in future domestic demand. Therefore, there will be no material impact on consolidated results for the fiscal year ending March 2020.

Oji apologizes for inconveniences caused to its customers and all other related parties and sincerely appreciates your continued understanding.

### Contact

Public Relations and Investor Relations Department, Oji Holdings Corporation

Phone: +81-3-3563-4523, E-mail: [oji-holdings@oji-gr.com](mailto:oji-holdings@oji-gr.com)

Hiroyuki Iizuka [General Manager, Corporate Administration Division], Oji Paper Co., Ltd.

Phone: +81-3-3563-7100

Yoshiya Ogawa [General Manager, Corporate Administration Division], Oji F-Tex Co., Ltd.

Phone: +81-3-5550-3041

Ryoji Fukumoto [General Manager, Business & Promotion Division], Oji Materia Co., Ltd.

Phone: +81-3-3543-1112