

**Summary of Consolidated Financial and Business Results  
for the First Nine Months of the Year Ending March 2015**

**Oji Holdings Corporation**

(Code No. 3861 Tokyo Stock Exchange)

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(All yen figures are rounded down to the nearest one million yen)

**1. Results for the First Nine Months of the Year Ending March 31, 2015 (April 1, 2014 - December 31, 2014)  
(Unaudited)**

## (1) Consolidated Business Results

(Figures shown in percentage are ratios compared to the previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Nine Months of FY2014	984,242	0.3	32,020	(29.8)	34,552	(33.2)	18,330	(27.1)
First Nine Months of FY2013	981,606	6.0	45,633	13.5	51,694	44.0	25,151	29.3

Note: Comprehensive income First Nine Months of FY2014 54,433 million yen -30.0% First Nine Months of FY2013 77,804 million yen +288.3%

	Net income per share	Diluted net income per share
	Yen	Yen
First Nine Months of FY2014	18.54	18.52
First Nine Months of FY2013	25.47	25.45

## (2) Consolidated Financial Condition

	Total assets	Net assets	Net worth/total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
First Nine Months of FY2014	2,123,300	750,809	29.1	624.08
Year ended March 2015	1,915,676	670,356	30.0	581.69

Note: Shareholders' equity First Nine Months of FY2014 616,850 million yen FY2013 575,034 million yen

**2. Dividend Conditions**

(Basic Date)	Dividend per stock				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Yearly
FY2013	—	5.00	—	5.00	10.00
FY2014	—	5.00	—		
FY2014 (Forecast)		5.00	—	5.00	10.00

Note : Change in forecast of dividend ... None

**3. Consolidated Forecasts for the Year Ending March 2015 (April 1, 2014-March 31, 2015)**

(Figures shown in percentage are ratios compared to the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Yearly	1,340,000	0.6	50,000	(19.4)	50,000	(28.9)	22,000	(34.9)	22.26

Note : Change in consolidated forecasts ... Yes

#### 4. In Addition

(1) Changes in important subsidiaries

(changes regarding specified subsidiaries accompanying changes in the scope of consolidation)

Newly included: 3 companies Oji Oceania Management Co., Ltd.

Oji Oceania Management (NZ) Limited.

Carter Holt Harvey Pulp & Paper Limited

Excluded: None

- The business results of Carter Holt Harvey Pulp & Paper Limited is not included in the quarterly consolidated profit and loss statement.
- The amount of expenses incurred directly for the acquisition is yet to be confirmed and the acquisition cost allocation is not yet completed. Therefore this amounts are provisional estimates based on practical information currently available.

(2) Application of simple accounting methods and quarterly peculiar accounting methods : None

(3) Changes in accounting methods compared with recent consolidated accounting periods

- ① Changes due to accounting standard changes : Yes
- ② Changes besides ① : None
- ③ Accounting estimate change : None
- ④ Restatement : None

(4) Outstanding balance of issued stocks (common stock)

① Outstanding balance of issued stocks at the end of each period (Including treasury stocks)

First Nine Months of FY2014	1,064,381,817	FY2013	1,064,381,817
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② Outstanding balance of treasury stocks at the end of each period

First Nine Months of FY2014	75,960,883	FY2013	75,831,161
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③ Weighted average number of stocks during the six months ended September 30 of each year

First Nine Months of FY2014	988,480,728	Firs Nine Months of FY2013	987,517,434
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- This document is exempt from audit procedures required by Financial Instruments and Exchange Act, and audit procedures for consolidated financial statement haven't been finished as of the date of publication.
- Forecasts released are based on expectations of future economic conditions as of the date of publication. The actual results may differ drastically from these forecasts due to various factors that may arise in the future.

## Qualitative Information Concerning Business Performance

### Overview of the First Nine Months of FY2014

During the first nine months of FY2014, economic condition surrounding the Oji Group suffered from a slower-than-expected domestic recovery, which is typically shown by negative July-September quarter GDP growth, owing to a rebound from rush demand and inventory adjustments after the implementation of consumption tax increase in April 2014. From a global view, there is now a greater uncertainty in total, though conditions depend on country and regions, due to a continued economic slowdown in Europe influenced by Ukraine crisis as well as financial deterioration/currency depreciation in resource-rich countries caused by substantial decline of crude prices that cancel out the effects of the US' steady conditions.

Factors above have lead to the results shown below.

Results for the first nine months (April 1, 2014 - December 31, 2014) are as follows.

Consolidated net sales:	¥ 984,242 million (0.3% increase)
Consolidated operating income:	¥ 32,020 million (29.8% decrease)
Consolidated ordinary income:	¥ 34,552 million (33.2% decrease)
Consolidated net income:	¥ 18,330 million (27.1% decrease)

Sales overview is as follows.

#### ○Household and Industrial Materials

Domestic sales of containerboards decreased relative to the previous year because of a weak condition of green grocery and beverage industries which resulted from negative impacts of a rebound from rush demand ahead of consumption tax increase and of unsettled weather of the summer. Despite that, a total sales volume slightly increased, thanks to an increase of export sales.

Sales volume of corrugated sheets and containers slightly decreased from influences of a rebound from rush demand ahead of consumption tax increase, though sales of those for food industry customers around beverage steadily performed.

As for household papers, sales volume of tissue decreased and that of toilet rolls slightly increased.

Regarding overseas businesses, sales of containerboards remained steady and that of corrugated sheets and containers mainly for beverage and processed food customers recorded healthy in Southeast Asia, the main region of the Group's business operation.

#### ○Functional Materials

Domestic sales of specialty papers slightly decreased compared to the previous year affected by withdrawals from some projects, despite efforts made to expand sales through developments of new products and customers. Export sales increased, thanks to expanded sales volume of films for electric uses.

Domestic sales of thermal papers steadily performed.

For overseas businesses, sales of thermal paper decreased in North America and Europe, but recorded healthy in Asia and South America.

#### ○Forest Resources and Environmental Marketing

Domestically, sales of pulp increased from the previous year, owing to the start of sales of pulp for rayon manufacturing mainly to foreign customers in the first quarter of FY2014.

For overseas businesses, sales volume of pulp for paper manufacturing was almost equivalent to that of last year, though sales decreased due to price drop.

Sales of lumber decreased because of a weak demand.

#### ○Printing and Communications Media

Sales of newsprint decreased in comparison to the previous year due to a reduced circulation.

Sales of printing and communication paper declined due to a decreased demand.

## Consolidated quarterly balance sheets

(Unit : Millions of yen)

	FY2013 Mar 31,2014	First Nine Months / FY2014 Dec 31,2014
<b>Assets</b>		
Current assets		
Cash and deposits	45,575	55,977
Notes and accounts receivable-trade	278,897	314,770
Short-term investment securities	12,557	14,676
Merchandise and finished goods	87,096	97,802
Work in process	19,330	27,503
Raw materials and supplies	65,798	84,371
Other	40,214	43,444
Allowance for doubtful accounts	(2,264)	(1,922)
Total current assets	<u>547,205</u>	<u>636,625</u>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	210,393	209,807
Machinery, equipment and vehicles, net	382,696	402,625
Land	235,063	240,503
Other, net	326,824	348,101
Total property, plant and equipment	<u>1,154,978</u>	<u>1,201,038</u>
Intangible assets		
Goodwill	14,430	41,273
Other	10,947	11,011
Total intangible assets	<u>25,377</u>	<u>52,285</u>
Investments and other assets		
Investment securities	154,038	193,256
Other	35,517	41,472
Allowance for doubtful accounts	(1,441)	(1,378)
Total investments and other assets	<u>188,114</u>	<u>233,350</u>
Total noncurrent assets	<u>1,368,471</u>	<u>1,486,675</u>
Total assets	<u>1,915,676</u>	<u>2,123,300</u>

(Unit : Millions of yen)

	FY2013 Mar 31,2014	First Nine Months / FY2014 Dec 31,2014
Liabilities		
Current liabilities		
Notes and accounts payable-trade	204,052	236,195
Short-term loans payable	184,362	329,216
Commercial papers	—	23,000
Current portion of bonds	20,085	20,070
Income taxes payable	7,948	5,050
Provision	4,241	4,262
Other	75,237	87,435
Total current liabilities	<u>495,927</u>	<u>705,229</u>
Noncurrent liabilities		
Bonds payable	160,075	140,020
Long-term loans payable	434,007	363,937
Provision	8,462	8,409
Net defined benefit liability	73,769	68,236
Other	73,078	86,657
Total noncurrent liabilities	<u>749,392</u>	<u>667,261</u>
Total liabilities	<u>1,245,320</u>	<u>1,372,490</u>
Net assets		
Shareholders' equity		
Capital stock	103,880	103,880
Capital surplus	112,965	112,956
Retained earnings	344,846	355,814
Treasury stock	(42,681)	(42,731)
Total shareholders' equity	<u>519,010</u>	<u>529,919</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,897	44,349
Deferred gains or losses on hedges	44	(770)
Revaluation reserve for land	4,214	4,231
Foreign currency translation adjustment	43,403	50,550
Remeasurements of defined benefit plans	(12,536)	(11,431)
Total accumulated other comprehensive income	<u>56,023</u>	<u>86,930</u>
Subscription rights to shares	290	334
Minority interests	95,031	133,625
Total net assets	<u>670,356</u>	<u>750,809</u>
Total liabilities and net assets	<u>1,915,676</u>	<u>2,123,300</u>

**Consolidated quarterly statements of income**

(Unit : Millions of yen)

	<b>First Nine Months / FY2013 Apr '13 - Dec '13</b>	<b>First Nine Months / FY2014 Apr '14 - Dec '14</b>
Net sales	981,606	984,242
Cost of sales	763,834	777,073
Gross profit	<u>217,772</u>	<u>207,169</u>
Selling, general and administrative expenses		
Freightage related expenses	91,804	93,041
Other	80,333	82,107
Total selling, general and administrative expenses	<u>172,138</u>	<u>175,149</u>
Operating income	<u>45,633</u>	<u>32,020</u>
Non-operating income		
Interest income	894	915
Dividends income	2,528	2,552
Foreign exchange gains	12,897	7,462
Equity in earnings of affiliates	1,394	2,152
Other	2,885	2,858
Total non-operating income	<u>20,600</u>	<u>15,941</u>
Non-operating expenses		
Interest expenses	8,239	8,220
Other	6,300	5,189
Total non-operating expenses	<u>14,540</u>	<u>13,409</u>
Ordinary income	<u>51,694</u>	<u>34,552</u>
Extraordinary income		
Gain on sales of investment securities	238	202
Gain on sales of noncurrent assets	1,781	196
Gain on negative goodwill	—	13
Total extraordinary income	<u>2,020</u>	<u>412</u>
Extraordinary loss		
Business structure improvement expenses	4,248	1,035
Loss on retirement of noncurrent assets	1,463	987
Other	3,178	725
Total extraordinary losses	<u>8,890</u>	<u>2,749</u>
Income before income taxes and minority interests	<u>44,823</u>	<u>32,215</u>
Income taxes-current	12,447	9,796
Income taxes-deferred	2,344	2,277
Total income taxes	<u>14,792</u>	<u>12,074</u>
Income before minority interests	<u>30,031</u>	<u>20,141</u>
Minority interests in income	4,880	1,811
Net income	<u>25,151</u>	<u>18,330</u>

## Consolidated quarterly statements of comprehensive income

	(Unit : Millions of yen)	
	First Nine Months / FY2013 Apr '13 - Dec '13	First Nine Months / FY2014 Apr '14 - Dec '14
Income before minority interests	30,031	20,141
Other comprehensive income		
Valuation difference on available-for-sale securities	9,543	23,017
Deferred gains or losses on hedges	(115)	(817)
Foreign currency translation adjustment	37,068	10,263
Remeasurements of defined benefit plans, net of tax	—	1,099
Share of other comprehensive income of associates accounted for using equity method	1,275	728
Total other comprehensive income	<u>47,772</u>	<u>34,291</u>
Comprehensive income	<u>77,804</u>	<u>54,433</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of the	64,386	49,220
Comprehensive income attributable to minority interests	13,417	5,213

## Sales and Operating Profit by Segment

(Unit : Millions of yen)

### 1. First Nine Months of FY2013 (Apr 1, 2013–Dec 31, 2013)

	Reporting Segment				Total	Others	Total	Adjustment	Consolidated Total
	Household and Industrial Materials	Functional Materials	Forest Resources and Environmental Marketing	Printing and Communications Media					
Sales									
(1) Sales to outside customers	381,571	151,861	110,158	214,469	858,060	123,545	981,606	—	981,606
(2) Intra-group sales between segments or transfers	28,530	14,936	38,473	21,263	103,203	72,580	175,784	(175,784)	—
Total	410,101	166,797	148,631	235,733	961,264	196,126	1,157,391	(175,784)	981,606
Segment profit (or loss)	17,408	9,203	15,447	(1,919)	40,140	5,427	45,568	65	45,633

### 2. First Nine Months of FY2014 (Apr 1, 2014–Dec 31, 2014)

	Reporting Segment				Total	Others	Total	Adjustment	Consolidated Total
	Household and Industrial Materials	Functional Materials	Forest Resources and Environmental Marketing	Printing and Communications Media					
Sales									
(1) Sales to outside customers	384,957	150,418	111,020	209,397	855,794	128,448	984,242	—	984,242
(2) Intra-group sales between segments or transfers	32,734	14,369	36,876	20,938	104,920	71,584	176,504	(176,504)	—
Total	417,691	164,788	147,897	230,336	960,714	200,033	1,160,747	(176,504)	984,242
Segment profit (or loss)	10,843	6,919	8,990	(974)	25,777	5,824	31,602	418	32,020

Household and Industrial Materials : Containerboard, boxboard, packaging paper, corrugated container, paper container, paper bag product, sanitary paper, paper diaper, etc.

Functional Materials : Specialty paper, thermal paper, adhesive paper, functional film, unwoven cloth, etc.

Forest Resources and Environmental Marketing : Lumber, tree planting, pulp, renewable energy, procurement of raw material and fuel, cornstarch, etc.

Printing and Communications Media : Newsprint, printing and writing papers, carbonless paper, business form paper, copy paper, stationery, etc.

Others : Real estate, machinery, trading business, logistics, plastic container, insurance agency, etc.