

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 3861
June 5, 2018

**NOTICE OF THE 94TH ORDINARY GENERAL
MEETING OF SHAREHOLDERS**

Dear Shareholder:

You are cordially invited to attend the 94th Ordinary General Meeting of Shareholders of Oji Holdings Corporation (the “Company”), which will be held on Thursday, June 28, 2018, at 10:00 a.m., Japan Standard Time (The reception desk is scheduled to open at 9:00 a.m.), at Event Hall, B2F, Belle Salle Nihonbashi, Tokyo Nihonbashi Tower, 2-7-1, Nihonbashi, Chuo-ku, Tokyo, Japan. * Please note that the venue is changed from the last year’s meeting.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or online. In this case, please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights, following the “Instruction for Exercising Voting Rights” described on page 3 by 5:30 p.m. Japan Standard Time, Wednesday, June 27, 2018.

Sincerely yours,

Susumu Yajima,
President and Chief Executive Officer
Oji Holdings Corporation
7-5, Ginza 4-chome, Chuo-ku, Tokyo, Japan

MEETING AGENDA

Items to Be Reported:

1. The business report and consolidated financial statements for the 94th term (from April 1, 2017 to March 31, 2018); and report on auditing results of the consolidated financial statements by the Accounting Auditor and the Audit & Supervisory Board
2. The non-consolidated financial statements for the 94th term (from April 1, 2017 to March 31, 2018)

Items to Be Resolved:

Item 1: Election of Fifteen (15) Directors

Item 2: Election of Two (2) Audit & Supervisory Board Members

Matters related to the exercise of voting rights:

1. In the case that a voting form without indication of approval or disapproval for an agenda was submitted, it will be handled as an approval.
2. If you exercise your voting rights both in writing and online, the latter will prevail.
In addition, if you exercise your voting rights online more than once, the last exercise of your voting rights will prevail.
3. In the case of attendance by proxy, please appoint another shareholder who has voting rights for the Company and submit to the Company a document (letter of proxy, etc.) which evidences the authority of proxy.

-
1. Pursuant to the provisions of applicable laws and regulations and Article 15 of the Articles of Incorporation, of the documents to be provided with this notice, the documents listed below are not provided in this notice because they have been provided to shareholders on the website of Oji Holdings Corporation.

- “Subscription right to shares of the Company,” “System to ensure the properness of operations and an overview of the current status of its operation” and “Basic Policy on Corporate Control” in the business report
- “Consolidated Statement of Changes in Net Assets” and “Notes to Consolidated Financial Statements” in Consolidated Financial Statements
- “Non-consolidated Statement of Changes in Net Assets” and “Notes to Non-consolidated Financial Statements” in Non-consolidated Financial Statements

The above mentioned documents provided on the website comprise a portion of the documents audited by each Audit & Supervisory Board Member, the Audit & Supervisory Board and the Accounting Auditor in the course of the preparation of their audit reports.

2. When attending the meeting in person, please present the enclosed voting form at the reception desk.
 3. Please note that persons other than shareholders who are able to exercise voting rights, including proxies and their companions who are not shareholders, are not permitted to enter the venue.
 4. Please note that the Company’s Officers and staff will be dressed in Cool Biz style on the day.
 5. If circumstances arise whereby revisions should be made to the contents of the Reference Documents for the General Meeting of Shareholders and business report, consolidated financial statements and non-consolidated financial statements, the Company will notify the revised version on the Company’s website (<https://www.ojiholdings.co.jp/>).
 6. Please be advised that the Company has decided to discontinue the courtesy gifts to those shareholders who come to the meeting venue starting from this year in consideration of, among others, the fairness between those shareholders who come to the meeting venue and those who cannot come to the meeting venue.
-

Instruction for Exercising Voting Rights

How to Exercise Your Voting Rights

- **If you are able to attend the General Meeting of Shareholders:**

Please bring the enclosed voting form with you and present it at the reception desk on the day of the meeting.

Date and time of the meeting: **Thursday, June 28, 2018, at 10:00 a.m. Japan Standard Time**
(The reception desk is scheduled to open at 9:00 a.m.)

- **If you are unable to attend the General Meeting of Shareholders:**

1. To exercise your voting rights in writing:

Please indicate whether you are for or against for each agenda item listed on the enclosed voting form, and return the form by post so that it reaches us by the deadline below.

*In the case that a voting form without indication of approval or disapproval for an agenda was submitted, it will be handled as an approval.

Deadline: **Wednesday, June 27, 2018 at 5:30 p.m. Japan Standard Time**

2. To exercise your voting rights online:

Please access the designated Shareholder Voting Website (<https://www.web54.net>; Japanese), login by entering the voter code and password which are given on the right side enclosed voting form, and enter whether you are for or against for each agenda item by the below deadline, following the on-screen instructions.

Deadline: **Wednesday, June 27, 2018 at 5:30 p.m. Japan Standard Time**

- Please read the following if you plan to exercise your voting rights online.

1. If you exercise your voting rights both in writing and online, the latter will prevail.
2. If you exercise your voting rights online more than once, the last exercise of your voting rights will prevail.
3. If you use the Shareholder Voting Website, your provider may charge for connection fees, and your telecommunications carrier may charge you for communication fees, but these fees must be borne by the shareholder. Please note that a dedicated website for access via mobile phone is not available.
4. Passwords are a means for confirming that the person exercising voting rights is the shareholder. Please store it with care until the close of this Meeting. Please note that we cannot give out passwords over the telephone.
5. If you enter your password incorrectly a certain number of times, the site will become locked and unusable. If this happens, please follow the on-screen instructions.
6. Please call the number below with any questions about how to vote on this site from a personal computer.
Dedicated Phone Line of Stock Transfer Agency “Web Support,” Sumitomo Mitsui Trust Bank, Limited
Telephone: 0120 (652) 031 (toll free, Japan only) (Calling hours: 9:00 a.m. to 9:00 p.m.)

- **“ICJ Platform,”** a platform for electronic exercise of voting rights operated by ICJ Inc., will be available for institutional investors.

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Agenda Items and References

Item 1: Election of Fifteen (15) Directors

The terms of office for all the current fourteen (14) Directors will expire at the conclusion of this General Meeting of Shareholders. At this juncture, the Company hereby requests the election of fifteen (15) Directors.


The candidates for Director are as follows:

<Reference> The Company's Policies for Director Nomination and Standards of Independence for Outside Officers are published in the "Fundamental Policies on Corporate Governance" disclosed on the website of the Company on the Internet (<https://www.ojiholdings.co.jp/group/policy/governance.html>).

Candidates for Director

No.	Name	Attributes of the Candidate	Positions in the Company
1	Kiyotaka Shindo	Reelection	Representative Director and Chairman of the Board
2	Susumu Yajima	Reelection	Representative Director of the Board, President and CEO
3	Ryoji Watari	Reelection	Representative Director of the Board and Executive Vice President
4	Kazuo Fuchigami	Reelection	Representative Director of the Board and Executive Vice President
5	Hidehiko Aoyama	Reelection	Director of the Board and Senior Executive Officer
6	Yoshiaki Takeda	Reelection	Director of the Board and Senior Executive Officer
7	Shoji Fujiwara	Reelection	Director of the Board and Senior Executive Officer
8	Yoshiki Koseki	Reelection	Director of the Board and Executive Officer
9	Masatoshi Kaku	Reelection	Director of the Board and Executive Officer
10	Ryuichi Kisaka	Reelection	Director of the Board and Executive Officer
11	Kazuhiko Kamada	Reelection	Director of the Board and Executive Officer
12	Hiroyuki Isono	Reelection	Director of the Board and Executive Officer
13	Koichi Ishida	New election	Corporate Officer
14	Michihiro Nara	Reelection Outside director Independent director	Director
15	Nobuaki Terasaka	Reelection Outside director Independent director	Director

Brief history, positions and responsibilities in the Company
and significant concurrent positions


No. 1 Kiyotaka Shindo (March 27, 1952) 	Reelection	April 1975	Joined the Company
		April 2007	Corporate Officer, the Company
		June 2009	Director and Executive Officer, the Company
		April 2012	Representative Director, President and CEO, the Company
		October 2012	Representative Director of the Board, President and CEO, the Company
		January 2015	Representative Director and Chairman of the Board, the Company (to the present)

- ▶ **Reasons for selecting as a candidate for director**
 He has a wealth of experience and track record in the areas of engineering and overseas business in the Company as well as the Group companies.
 He is in charge of running the Company as top executive, serving as Representative Director of the Board, President and Chief Executive Officer since 2012 and as Representative Director and Chairman of the Board since 2015, driving the restructuring of the Company's business portfolio towards its completion, the reinforcement of corporate governance, and the enhancement of management structure.
 In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

Number of the Company shares owned:	73,000
Term of office as a director (as of the conclusion of this Meeting):	9 years
Number of attendance at meetings of the Board of Directors:	13/14 (92.9%)

- ▶ **Other special notes**
 - ▶ There is no special interest between Mr. Kiyotaka Shindo and the Company.

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 2 Susumu Yajima (May 11, 1951)		April 1975	Joined the former Honshu Paper Co., Ltd.
	June 2006	Corporate Officer, the Company	
	June 2009	Director and Executive Officer, the Company	
	April 2012	Representative Director and Executive Vice President, the Company	
	October 2012	Representative Director of the Board and Executive Vice President, the Company	
	January 2015	Representative Director of the Board, President and CEO, the Company (to the present)	

Number of the Company shares owned:	121,200
-------------------------------------	---------

Term of office as a director (as of the conclusion of this Meeting):	9 years
--	---------

Number of attendance at meetings of the Board of Directors:	14/14 (100%)
---	-----------------

▶ **Reasons for selecting as a candidate for director**
 He has a wealth of experience and track record in the areas of corporate planning and forest resources and environment marketing business in the Company as well as the Group companies.
 He is in charge of running the Company as top executive, serving since 2015 as Representative Director of the Board, President and Chief Executive Officer, playing the leading role in formulating and executing management policies that aim to achieve the Group's further growth and globalization based on the Group's management philosophy.
 In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

▶ **Other special notes**
 ▶ There is no special interest between Mr. Susumu Yajima and the Company.

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 3 Ryoji Watari (February 2, 1953)		April 1975	Joined the Company
	April 2007	Corporate Officer, the Company	
	April 2011	Executive Officer, the Company	
	June 2012	Director and Executive Officer, the Company	
	October 2012	Director of the Board and Executive Officer, the Company	
	June 2013	Director of the Board and Senior Executive Officer, the Company	
	April 2015	Representative Director of the Board and Executive Vice President, the Company (to the present)	

▶ Significant concurrent positions

- President and Representative Director, Oji Industrial Materials Management Co., Ltd.
- Chairman and Director, Oji Nepia Co., Ltd.
- Director, Oji Container Co., Ltd.
- Director, Oji Materia Co., Ltd.
- Director, Mori Shigyo Co., Ltd.

Number of the Company shares owned:	91,830
-------------------------------------	--------

Term of office as a director (as of the conclusion of this Meeting):	6 years
--	---------

Number of attendance at meetings of the Board of Directors:	14/14 (100%)
---	-----------------

▶ Reasons for selecting as a candidate for director

He has a wealth of experience and track record in the areas of printing and communications media business and household and industrial materials businesses in the Company as well as the Group companies. He is in charge of running the Company, as part of its senior management team, currently serving as Representative Director of the Board and Executive Vice President, and President of Industrial Materials Company as well as Household and Consumer Products Company, contributing, in such capacity, to the further promotion of material-processing-integrated business and the expansion of overseas business, as well as strengthening of brands of household paper business and disposable diaper business. In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

▶ Other special notes

- ▶ There is no special interest between Mr. Ryoji Watari and the Company.

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 4 Kazuo Fuchigami (July 22, 1951)	Reelection	April 1974	Joined the former Honshu Paper Co., Ltd.
		April 2008	Corporate Officer, the Company
		April 2011	Executive Officer, the Company
		June 2012	Director and Executive Officer, the Company
		October 2012	Director of the Board and Executive Officer, the Company
		June 2013	Director of the Board and Senior Executive Officer, the Company
		April 2015	Representative Director of the Board and Executive Vice President, the Company (to the present)



Number of the Company shares owned:	82,436
Term of office as a director (as of the conclusion of this Meeting):	6 years
Number of attendance at meetings of the Board of Directors:	14/14 (100%)

▶ Significant concurrent positions

- President and Representative Director, Oji Functional Materials Progressing Center Inc.
- Director, Oji F-Tex Co., Ltd.
- Director, Oji Imaging Media Co., Ltd.

▶ Reasons for selecting as a candidate for director

He has a wealth of experience and track record in the areas of printing and communications media business and functional materials business in the Company as well as the Group companies.


He is in charge of running the Company, as part of its senior management team, currently serving as Representative Director of the Board and Executive Vice President, as well as President of Functional Materials Company, contributing, in such capacity, to the further strengthening and expansion of overseas functional materials business, which covers the entire supply chain from upstream to downstream, and the fusion between existing core technologies and new materials to expand them into new business areas.

In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

▶ Other special notes

- ▶ There is no special interest between Mr. Kazuo Fuchigami and the Company.

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 5 Hidehiko Aoyama (January 23, 1954) 	Reelection	April 1976	Joined the former Kanzaki Paper Co., Ltd.
		April 2008	Corporate Officer, the Company
		April 2012	Executive Officer, the Company
		October 2012	Executive Officer, the Company
		June 2013	Director of the Board and Executive Officer, the Company
		April 2015	Director of the Board and Senior Executive Officer, the Company (to the present)

- ▶ Significant concurrent positions
 - Representative Director, President and CEO, Oji Paper Co., Ltd.

Number of the Company shares owned:	39,596
-------------------------------------	--------


Term of office as a director (as of the conclusion of this Meeting):	5 years
--	---------

Number of attendance at meetings of the Board of Directors:	14/14 (100%)
---	-----------------


- ▶ Reasons for selecting as a candidate for director
He has a wealth of experience and track record in the areas of printing and communications media, and logistics in the Company as well as the Group companies.
He is in charge of running the Company, as part of its management team, currently serving as President of Printing and Communications Media Company, as well as Representative Director, President and CEO of Oji Paper Co., Ltd., contributing, in such capacity, to the restructuring of the optimal production platform, the strengthening of international competitiveness through continued cost reduction, and the enhancement of cash flows.
In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

- ▶ Other special notes
 - ▶ There is no special interest between Mr. Hidehiko Aoyama and the Company.


Brief history, positions and responsibilities in the Company
and significant concurrent positions

<p>No. 6 Reelection</p> <p style="text-align: center;">Yoshiaki Takeda (March 29, 1954)</p> 	<p>April 1977 Joined the Company</p> <p>April 2011 Corporate Officer, the Company</p> <p>October 2012 Corporate Officer, the Company</p> <p>June 2013 Executive Officer, the Company</p> <p>June 2017 Director of the Board and Executive Officer, the Company</p> <p>April 2018 Director of the Board and Senior Executive Officer, the Company (to the present)</p>
	<p>▶ Significant concurrent positions</p> <ul style="list-style-type: none"> • President and Representative Director, Oji Management Office Inc. • Director, Jiangsu Oji Paper Co., Ltd.
<p>Number of the Company shares owned:</p> <hr/> <p>Term of office as a director (as of the conclusion of this Meeting):</p> <p>Number of attendance at meetings of the Board of Directors:</p>	<p>11,181</p> <hr/> <p>1 year</p> <p>10/10 (100%)</p>
	<p>▶ Reasons for selecting as a candidate for director</p> <p>He has a wealth of experience and track record in the areas of finance and accounting, and printing and communications media business in the Company as well as the Group companies.</p> <p>He is in charge of running the Company, as part of its management team, currently serving as General Manager of Corporate Governance Division, as well as President and Representative Director of Oji Management Office Inc., contributing, in such capacity, to the strengthening of the Group's growth and business in China as well as to the promotion of its diversity.</p> <p>In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.</p> <p>▶ Other special notes</p> <ul style="list-style-type: none"> ▶ There is no special interest between Mr. Yoshiaki Takeda and the Company. ▶ Concerning Mr. Yoshiaki Takeda's attendance at meetings of the Board of Directors, the scope of the total number of meetings includes only those meetings of the Board of Directors held after his appointment on June 29, 2017.

Brief history, positions and responsibilities in the Company
and significant concurrent positions

<p>No. 7</p> <p style="text-align: center;">Shoji Fujiwara (March 24, 1954)</p> 	<p>Reelection</p>	<p>April 1976</p> <p>April 2010</p> <p>October 2012</p> <p>June 2013</p> <p>April 2016</p> <p>June 2017</p> <p>April 2018</p>	<p>Joined the Company</p> <p>Corporate Officer, the Company</p> <p>President, Oji Green Resources Co., Ltd.</p> <p>Corporate Officer, the Company</p> <p>Executive Officer, the Company</p> <p>Director of the Board and Executive Officer, the Company</p> <p>Director of the Board and Senior Executive Officer, the Company (to the present)</p>
<p>▶ Significant concurrent positions</p> <ul style="list-style-type: none"> • Senior Managing Director, Oji Functional Materials Progressing Center Inc. • President and Representative Director, Oji F-Tex Co., Ltd. 			
<p>Number of the Company shares owned:</p>		<p>13,272</p>	
<p>Term of office as a director (as of the conclusion of this Meeting):</p>		<p>1 year</p>	<p>▶ Reasons for selecting as a candidate for director</p> <p>He has a wealth of experience and track record in the areas of engineering, and forest resources and environment marketing business in the Company as well as the Group companies.</p> <p>He is in charge of running the Company, as part of its management team, currently serving as Vice President of Functional Materials Company, as well as President and Representative Director of Oji F-Tex Co., Ltd., contributing, in such capacity, to the ongoing development and expanding business domains of high value-added products including highly functional film.</p> <p>In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.</p>
<p>Number of attendance at meetings of the Board of Directors:</p>		<p>9/10 (90.0%)</p>	
<p>▶ Other special notes</p> <ul style="list-style-type: none"> ▶ There is no special interest between Mr. Shoji Fujiwara and the Company. ▶ Concerning Mr. Shoji Fujiwara's attendance at meetings of the Board of Directors, the scope of the total number of meetings includes only those meetings of the Board of Directors held after his appointment on June 29, 2017. 			

Brief history, positions and responsibilities in the Company
and significant concurrent positions

<p>No. 8</p> <p style="text-align: center;">Yoshiki Koseki</p> <p style="text-align: center;">(August 8, 1954)</p> 	<p>Reelection</p> <p>April 1977</p> <p>April 2010</p> <p>April 2012</p> <p>June 2012</p> <p>October 2012</p>	<p>Joined the former Honshu Paper Co., Ltd.</p> <p>Corporate Officer, the Company</p> <p>Executive Officer, the Company</p> <p>Director and Executive Officer, the Company</p> <p>Director of the Board and Executive Officer, the Company (to the present)</p>
<p>▶ Significant concurrent positions</p> <ul style="list-style-type: none"> • Director and Vice President, Oji Industrial Materials Management Co., Ltd. • President and Representative Director, Oji Materia Co., Ltd. • Director, Oji Container Co., Ltd. • Director, Mori Shigyo Co., Ltd. 		
<p>Number of the Company shares owned:</p>	<p>35,000</p>	<p>▶ Reasons for selecting as a candidate for director</p> <p>He has a wealth of experience and track record in the areas of engineering, and household and industrial material business in the Company as well as the Group companies.</p> <p>He is in charge of running the Company, as part of its management team, currently serving as Vice President of Industrial Materials Company, as well as President and Representative Director of Oji Materia Co., Ltd., contributing, in such capacity, to the strengthening of cost competitiveness and the expansion of packaging business, such as containerboard and corrugated containers, which are expected to grow steadily going forward.</p> <p>In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.</p>
<p>Term of office as a director (as of the conclusion of this Meeting):</p>	<p>6 years</p>	
<p>Number of attendance at meetings of the Board of Directors:</p>	<p>14/14 (100%)</p>	
<p>▶ Other special notes</p> <ul style="list-style-type: none"> ▶ There is no special interest between Mr. Yoshiki Koseki and the Company. 		

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 9 Masatoshi Kaku (January 2, 1956)	Reelection	April 1978	Joined the former Nippon Pulp Industry Co., Ltd.
		April 2011	Corporate Officer, the Company
		April 2012	Executive Officer, the Company
		October 2012	Executive Officer, the Company
		June 2013	Director of the Board and Executive Officer, the Company (to the present)



▶ Significant concurrent positions
Representative Director, President and CEO, Oji Engineering Co., Ltd.

▶ Reasons for selecting as a candidate for outside director
He has a wealth of experience and track record in the areas of engineering and functional materials business in the Company as well as the Group companies.


He is in charge of running the Company, as part of its management team, currently serving as Director in charge of Innovation Promotion Division, as well as Representative Director, President and CEO of Oji Engineering Co., Ltd., contributing, in such capacity, to innovative value creation through research and development involving, among others, cellulose nanofiber materials, along with the enhancement of technological strength of the Group as a whole.

In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.


▶ Other special notes
▶ There is no special interest between Mr. Masatoshi Kaku and the Company.

Number of the Company shares owned:	27,620
Term of office as a director (as of the conclusion of this Meeting):	5 years
Number of attendance at meetings of the Board of Directors:	14/14 (100%)

Brief history, positions and responsibilities in the Company
and significant concurrent positions

<p>No. 10 Reelection</p> <p style="text-align: center;">Ryuichi Kisaka (May 21, 1956)</p> 	<p>April 1982 Joined the former Kanzaki Paper Co., Ltd.</p> <p>October 2012 President and Representative Director, Oji Imaging Media Co., Ltd.</p> <p>June 2013 Corporate Officer, the Company</p> <p>June 2015 Director of the Board and Executive Officer, the Company (to the present)</p>
<p>Number of the Company shares owned: 23,980</p> <hr/> <p>Term of office as a director (as of the conclusion of this Meeting): 3 years</p> <hr/> <p>Number of attendance at meetings of the Board of Directors: 14/14 (100%)</p>	<p>▶ Significant concurrent positions</p> <ul style="list-style-type: none"> • Senior Managing Director, Oji Management Office Inc. <p>▶ Reasons for selecting as a candidate for director</p> <p>He has a wealth of experience and track record in the areas of research and development, and functional materials business in the Company as well as the Group companies.</p> <p>He is in charge of running the Company, as part of its management team, currently serving as Deputy General Manager of Corporate Governance Division, as well as Senior Managing Director of Oji Management Office Inc., contributing, in such capacity, to the strengthening of corporate governance and the strengthening and expanding overseas business of the Group.</p> <p>In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.</p> <p>▶ Other special notes</p> <ul style="list-style-type: none"> ▶ There is no special interest between Mr. Ryuichi Kisaka and the Company.

Brief history, positions and responsibilities in the Company and significant concurrent positions

No. 11 Reelection Kazuhiko Kamada (February 7, 1960) 	May 2013	Joined Oji Management Office Inc.
	June 2013	General Manager, Corporate Strategy Office and Head Senior Manager, International Affairs, Oji Forest & Products Co., Ltd.
	April 2014	President and Representative Director, Oji Forest & Products Co., Ltd.
	January 2015	Corporate Officer, the Company
	June 2015	Director of the Board and Executive Officer, the Company (to the present)
		▶ Significant concurrent positions <ul style="list-style-type: none"> • Director, Oji Green Resources Co., Ltd. • Director, Oji Forest & Products Co., Ltd. • Chairman, Pan Pac Forest Products Ltd.
Number of the Company shares owned:	19,000	
Term of office as a director (as of the conclusion of this Meeting):	3 years	▶ Reasons for selecting as a candidate for director He has a wealth of experience and track record in the areas of overseas business, and forest resources and environment marketing business at a general trading company and the Company as well as the Group companies.
Number of attendance at meetings of the Board of Directors:	14/14 (100%)	He is in charge of running the Company, as part of its management team, currently serving as President of Forest Resources and Environment Marketing Business Company, contributing, in such capacity, to the reinforcement of the foundation and the launches of high value-added products in pulp business, as well as expansion of energy business. In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.
		▶ Other special notes <ul style="list-style-type: none"> ▶ Mr. Kazuhiko Kamada is concurrently serving as President and Representative Director, O&C Fiber Trading Co., Ltd., with which the Company has business relationship including the provision of loans.

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 12 Reelection Hiroyuki Isono (May 20, 1960)	April 1984	Joined the Company
	October 2012	Director of the Board, Oji Management Office Inc.
	April 2014	Corporate Officer, the Company
	June 2015	Director of the Board and Executive Officer, the Company
		(to the present)



- ▶ Significant concurrent positions
 - Representative Director and Chairman of the Board, Oji Oceania Management Co., Ltd.
 - Chairman of the Board, Oji Fibre Solutions (NZ) Ltd.

▶ Reasons for selecting as a candidate for director
 He has a wealth of experience and track record in the areas of overseas business and corporate planning in the Company as well as the Group companies.

He is in charge of running the Company, as part of its management team, currently serving as Representative Director and Chairman of the Board of Oji Oceania Management Co., Ltd., as well as Chairman of the Board of Oji Fibre Solutions (NZ) Ltd., contributing, in such capacity, to the strengthening and expanding of overseas business particularly in Oceania.

In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

- ▶ Other special notes
 - ▶ Mr. Hiroyuki Isono is concurrently serving as Chairman of the Board of Oji Oceania Management (NZ) Ltd., with which the Company has business relationship including the provision of loans.

Number of the Company shares owned:	27,472
Term of office as a director (as of the conclusion of this Meeting):	3 years
Number of attendance at meetings of the Board of Directors:	14/14 (100%)

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 13 New election

Koichi Ishida

(November 5, 1955)



Number of the
Company shares owned: 13,396

April 1978 Joined the Company
October 2012 Corporate Officer, Oji Paper Co., Ltd.
April 2014 Director, Oji Paper Co., Ltd.
April 2016 Corporate Officer, the Company
 (to the present)

▶ Significant concurrent positions

- Vice President, Oji Paper Co., Ltd.
- Director, Oji Engineering Co., Ltd.

▶ Reasons for selecting as a candidate for director

He has a wealth of experience and track record in the areas of engineering and printing and communications media business in the Company as well as the Group companies.

He is in charge of running the Company, as part of its management team, currently serving as Vice President of Printing and Communications Media Company, as well as Vice President of Oji Paper Co., Ltd., contributing, in such capacity, to the restructuring of the optimal production platform in response to changing demand and continued cost reduction.

In view of the aforementioned, he has been newly selected as candidate for Director, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

▶ Other special notes

- ▶ There is no special interest between Mr. Koichi Ishida and the Company.

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 14	Reelection	April 1974	Registered as an attorney-at-law
	Outside director Independent director	June 2014	Director, the Company (to the present)

Michihiro Nara

(May 17, 1946)



▶ Significant concurrent positions

- Attorney-at-law
- Outside Director, SEIKO EPSON CORPORATION
- Outside Director, Chori Co., Ltd.
- Outside Director, Nihon Tokushu Toryo Co., Ltd.

▶ Reasons for selecting as a candidate for outside director

He has a wealth of experience, high-level expertise and wide-ranging knowledge gained through his career as an attorney-at-law. He has been selected as a candidate for outside director on an ongoing basis, as he is believed capable to provide his opinions to the management of the Company, from a standpoint independent therefrom.

Although he does not have experience being directly involved in corporate management other than being an outside director or outside audit & supervisory board member, the Company judged that he will be able to duly carry out the duties as an outside director owing to the reasons stated above.

Number of the Company shares owned:	0
-------------------------------------	---

Term of office as a director (as of the conclusion of this Meeting):	4 years
--	---------

Number of attendance at meetings of the Board of Directors:	13/14 (92.9%)
---	------------------

▶ Other special notes

- ▶ There is no special interest between Mr. Michihiro Nara and the Company.
- ▶ Mr. Michihiro Nara is a candidate for outside director as prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
- ▶ The Company has designated Mr. Michihiro Nara as an independent director and notified the Tokyo Stock Exchange of such designation in accordance with its regulation. In the event that Mr. Nara is elected, the Company intends that he remain as an independent director.
- ▶ Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has concluded a contract for limitation of liability with Mr. Michihiro Nara, limiting the liability for damage prescribed in Article 423, Paragraph 1 of the same Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations. In the event that Mr. Nara is elected, it is anticipated that the said contract will continue to remain in force.
- ▶ During Mr. Michihiro Nara's office as an Outside Director at Nihon Tokushu Toryo Co., Ltd., a case of embezzlement of the company's funds by an ex-employee occurred in August 2015. Mr. Nara was not aware of that fact, but had regularly been making recommendations aimed to strengthen internal controls. Following the unraveling of the case, he also made recommendations to ensure thorough legal compliance and to strengthen the management system in order to prevent recurrence.

Brief history, positions and responsibilities in the Company
and significant concurrent positions

No. 15	Reelection	April 1976	Joined Ministry of International Trade and Industry
	Outside director	July 2009	Director-General, Nuclear and Industrial Safety Agency
	Independent director	August 2011	Retired from office
		June 2015	Director, the Company (to the present)

Nobuaki Terasaka

(April 9, 1953)



- ▶ Significant concurrent positions
 - Representative Director and President, Mutual Service Aid Guarantee Corporation

- ▶ Reasons for selecting as a candidate for outside director
He has a wealth of experience, high-level expertise and wide-ranging knowledge gained through his career as an administrative official, especially in the areas such as natural resources/energy and international trade. He has been selected as a candidate for outside director on an ongoing basis, as he is believed capable to provide his opinions to the management of the Company, from a standpoint independent therefrom.

Number of the Company shares owned:	0
-------------------------------------	---

Term of office as a director (as of the conclusion of this Meeting):	3 years
--	---------

Number of attendance at meetings of the Board of Directors:	14/14 (100%)
---	-----------------

- ▶ Other special notes
 - ▶ There is no special interest between Mr. Nobuaki Terasaka and the Company.
 - ▶ Mr. Nobuaki Terasaka is a candidate for outside director as prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
 - ▶ The Company has designated Mr. Nobuaki Terasaka as an independent director and notified the Tokyo Stock Exchange of such designation in accordance with its regulation. In the event that Mr. Terasaka is elected, the Company intends that he remain as an independent director.
 - ▶ Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has concluded a contract for limitation of liability with Mr. Nobuaki Terasaka, limiting the liability for damage prescribed in Article 423, Paragraph 1 of the same Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations. In the event that Mr. Terasaka is elected, it is anticipated that the said contract will continue to remain in force.

Item 2: Election of Two (2) Audit & Supervisory Board Members

The term of office for Audit & Supervisory Board Member Mikinao Kitada will expire at the conclusion of this General Meeting of Shareholders. In addition, Audit & Supervisory Board Member Yuko Miyazaki resigned on December 11, 2017. Therefore, the Company hereby requests the election of two (2) Audit & Supervisory Board Members.

The Audit & Supervisory Board has given its consent regarding this item.

The candidates for Audit & Supervisory Board Member are as follows:

<Reference> The Company's Policies for Audit & Supervisory Board Member Nomination and Standards of Independence for Outside Officers are published in the "Fundamental Policies on Corporate Governance" disclosed on the website of the Company on the Internet (<https://www.ojiholdings.co.jp/group/policy/governance.html>).

		Brief history and positions in the Company and significant concurrent positions	
No. 1	Reelection	April 1976	Appointed public prosecutor
	Outside audit & supervisory board member	January 2012	Superintendent Public Prosecutor of Osaka High Public Prosecutors Office
	Independent audit & supervisory board member	January 2014	Retired from office
		March 2014	Registered as an attorney-at-law
		June 2014	Audit & Supervisory Board Member, the Company (to the present)

Mikinao Kitada

(January 29, 1952)



Number of the Company shares owned:	0
Term of office as an audit & supervisory board member (as of the conclusion of this Meeting):	4 years
Number of attendance at meetings of the Board of Directors:	14/14 (100%)
Number of attendance at meetings of the Audit & Supervisory Board:	15/15 (100%)

▶ Significant concurrent positions

- Attorney-at-law
- Outside Statutory Auditor, Askul Corporation
- Outside Director, Yokogawa Bridge Holdings Corp.
- Outside Audit & Supervisory Board Member, Sojitz Corporation

▶ Reasons for selecting as a candidate for outside audit & supervisory board member


He has a wealth of experience, high-level expertise and wide-ranging knowledge gained through his career as a public prosecutor and an attorney-at-law.

Based on such knowledge, he is currently auditing the execution of duties of Directors appropriately from the independent and objective standpoint in the capacity of outside audit & supervisory board member.

Although he does not have experience being directly involved in corporate management other than being an outside director or outside audit & supervisory board member, the Company judged that he will be able to appropriately carry out the duties as an outside audit & supervisory board member owing to the reasons stated above. He has been selected as candidate for outside audit & supervisory board member on an ongoing basis.

▶ Other special notes

- ▶ There is no special interest between Mr. Mikinao Kitada and the Company.
- ▶ Mr. Mikinao Kitada is a candidate for outside audit & supervisory board member as prescribed in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
- ▶ The Company has designated Mr. Mikinao Kitada as an independent audit & supervisory board member and notified the Tokyo Stock Exchange of such designation in accordance with its regulation. In the event that Mr. Kitada is elected, the Company intends that he remain as an independent audit & supervisory board member.
- ▶ Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has concluded a contract for limitation of liability with Mr. Mikinao Kitada, limiting the liability for damage prescribed in Article 423, Paragraph 1 of the same Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations. In the event that Mr. Kitada is elected, it is anticipated that the said contract will continue to remain in force.

		Brief history and positions in the Company and significant concurrent positions	
No. 2	<p>New election Outside audit & supervisory board member Independent audit & supervisory board member</p> <p>Norio Henmi (June 13, 1957)</p> 	<p>April 1989</p>	<p>Registered as an attorney-at-law (to the present)</p> <ul style="list-style-type: none"> ▶ Significant concurrent positions <ul style="list-style-type: none"> • Attorney-at-law ▶ Reasons for selecting as a candidate for outside audit & supervisory board member <p>He has a wealth of experience, high-level expertise and wide-ranging knowledge gained through his long-standing career as an attorney-at-law mainly in the area of corporate legal affairs.</p> <p>Although he does not have experience being directly involved in corporate management other than being an outside director or outside audit & supervisory board member, the Company judged that he will be able to appropriately carry out the duties as an outside audit & supervisory board member owing to the reasons stated above. He has been newly selected as candidate for outside audit & supervisory board member.</p>
<p>Number of the Company shares owned:</p>		<p>0</p>	<ul style="list-style-type: none"> ▶ Other special notes ▶ There is no special interest between Mr. Norio Henmi and the Company. <ul style="list-style-type: none"> ▶ Mr. Norio Henmi is a candidate for outside audit & supervisory board member as prescribed in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act. ▶ In the event that Mr. Norio Henmi is elected, the Company intends to designate Mr. Henmi as an independent audit & supervisory board member and notify the Tokyo Stock Exchange of such designation in accordance with its regulation. ▶ In the event that Mr. Norio Henmi is elected, it is anticipated that the Company concludes a contract for limitation of liability with Mr. Henmi pursuant to Article 427, Paragraph 1 of the Companies Act, limiting the liability for damage prescribed in Article 423, Paragraph 1 of the same Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations.

(Attached Documents)

Business Report (from April 1, 2017 to March 31, 2018)

1. Review of Group Operations

(1) Review of Operations

The global economy during fiscal 2017, the fiscal year ended March 31, 2018, was generally healthy. In particular, the U.S. and Chinese economy continued to grow. The Japanese economy continued to recover at a moderate pace owing to the continued improvement of corporate earnings and personal consumption.

Amid such an environment, the results of the Oji Group's operations for fiscal 2017 were as follows. Net sales increased 3.2% year on year to 1,485,895 million yen and operating profit increased 0.8% year on year to 70,781 million yen due to factors including growth in the international pulp market, despite factors including a steep rise in fuel prices for domestic businesses. Ordinary profit also increased 24.6% year on year to 65,958 million yen due to factors including a decrease in foreign exchange loss, although profit attributable to owners of parent decreased 10.1% year on year to 36,222 million yen.

The situation for each business segment was as follows.

Segment	Net sales		Operating profit	
Household and Industrial Materials	651,319 million yen	(Up 5.0% year on year)	5,436 million yen	(Down 71.1% year on year)
Functional Materials	220,798 million yen	(Up 1.5% year on year)	18,559 million yen	(Up 5.8% year on year)
Forest Resources and Environment Marketing Business	298,490 million yen	(Up 10.4% year on year)	42,305 million yen	(Up 121.2% year on year)
Printing and Communications Media	290,988 million yen	(Down 1.7% year on year)	(4,502) million yen	(-)
Others	277,004 million yen	(Up 2.7% year on year)	8,756 million yen	(Down 1.6% year on year)
Subtotal	1,738,602 million yen	(Up 3.9% year on year)	70,555 million yen	(Up 0.9% year on year)
Adjustments	(252,706) million yen	(-)	226 million yen	(-)
Total	1,485,895 million yen	(Up 3.2% year on year)	70,781 million yen	(Up 0.8% year on year)

(Notes) 1. Adjustments represent those mainly for inter-segment transactions.

2. Numbers less than one million yen are rounded down to the nearest million.

[Household and Industrial Materials]

Net sales 651,319 million yen (Up 5.0% year on year)

Operating profit 5,436 million yen (Down 71.1% year on year)

Main Businesses: Containerboard/corrugated containers, Boxboard/packaging materials, Folding cartons/paper bags, Household papers, Disposable diapers

In the domestic business, the sales volume of containerboard and corrugated containers increased from the previous year as sales of those for uses such as fruit and vegetables, beverages, processed food, and mail order business were firm. The sales volume of white paperboard increased from the previous year as domestic sales and exports to Southeast Asia were particularly strong. As for packaging materials, domestic sales volume increased from the previous year, although export sales volume decreased. In disposable diapers, while the domestic sales volume of disposable diapers for babies remained nearly flat from the previous year, sales of those products for adults increased from the previous year. Household paper sales were firm and sales volume increased from the previous year. In the overseas business, in Southeast Asia, containerboard sales performed strongly, while sales of corrugated containers were also buoyant, primarily for beverage and processed food uses. Sales volume of disposable diapers increased significantly from the previous year on the back of growth in demand in emerging economies, particularly as sales of tape-type disposable diapers in addition to Genki! brand pants-type disposable diapers started in Malaysia, distribution volume to retail stores

increased and sales through a major minimarket Indomaret started in Indonesia, and its local market entry in China started in earnest through the start-up of a local sales organization.

[Functional Materials]

Net sales 220,798 million yen (Up 1.5% year on year)

Operating profit 18,559 million yen (Up 5.8% year on year)

Main Businesses: Specialty paper, Thermal paper, Adhesive products, Film

In the domestic business, specialty paper and thermal paper sales in Japan were nearly flat from the previous year, while the domestic sales volume of film increased from the previous year particularly for uses in smartphone manufacturing processes. Export sales volume increased from the previous fiscal year due to the sales expansion of release paper and other products for such uses as logistics labels, electrical components, and synthetic leather.

In the overseas business, Tele-Paper (M) Sdn. Bhd., which is a Malaysian company that has newly joined the Group, contributed to performance improvement. In addition, thermal paper sales were firm in Latin America.

[Forest Resources and Environment Marketing Business]

Net sales 298,490 million yen (Up 10.4% year on year)

Operating profit 42,305 million yen (Up 121.2% year on year)

Main Businesses: Pulp, Energy, Lumber

In the domestic business, sales volume of the pulp business increased from the previous year due to strong sales of dissolving pulp particularly for exports. In the lumber business, sales volume increased from the previous year owing to the strong sales. In the energy business, electricity sales volume was firm and nearly flat from the previous year.

In the overseas pulp business, sales volume increased from the previous year owing to the strong sales of Celulose Nipo-Brazileira S.A., Jiangsu Oji Paper Co., Ltd., and Oji Fibre Solutions (NZ) Ltd. In the lumber business, sales volume increased from the previous year owing to the strong sales of Pan Pac Forest Products Ltd.

[Printing and Communications Media]

Net sales 290,988 million yen (Down 1.7% year on year)

Operating profit (4,502) million yen (-)

Main Businesses: Newsprint, Printing/publication/communication paper

In the domestic business, newsprint sales volume declined from the previous year reflecting the decline in newspaper circulation and decline in number of pages. Although sales volume of printing/communication paper remained nearly flat from the previous year, sales decreased from the previous year mainly reflecting the effect of the softening of the market conditions.

In the overseas business, Jiangsu Oji Paper Co., Ltd. achieved steady sales growth in printing paper and overall sales volume increased from the previous year.

[Others]

Net sales 277,004 million yen (Up 2.7% year on year)

Operating profit 8,756 million yen (Down 1.6% year on year)

Main businesses: Real estate, Engineering, Trading, Logistics, etc.

Sales in the others segment increased from the previous year due to an increase in sales for the trading business.

(2) Capital investment of Oji Group

The Group's capital investment for the year under review amounted to 69,297 million yen, an increase of 11,439 million yen compared to the previous year.

The Group has continued to make such investments in fields required for restructuring its business portfolio and to implement works aimed at achieving improved product quality, higher energy efficiency, and greater productivity, as well as projects for safety and the environment.

The following summarizes the Group's principal capital investment programs.

1. Principal works that were completed during the year under review

Company Name	Work description
Oji Nepia Co., Ltd.	Works to install disposable diaper production equipment (Nagoya Plant)
Oji Fibre Solutions (QLD) Pty. Ltd.	Works to set up a new corrugated container mill (Australia)
Oji Papéis Especiais Ltda	Works to increase in production of thermal recording paper (Brazil)
Pan Pac Forest Products (Otago) Ltd	Works to install lumbering equipment (New Zealand)
Jiangsu Oji Paper Co., Ltd.	Works to install pulp machines (China)

2. Principal works that were underway during the year under review

Company Name	Work description
Oji F-Tex Co., Ltd.	Works to renovate hydroelectric power plant (1st base, Tokai Mill)
MPM Oji Eco-Energy Co., Ltd.	Joint electric power generation business with Mitsubishi Paper Mills Limited
Oji Paper Co., Ltd.	Works to renovate hydroelectric power plant (Isarigawa Power Plant, Tomakomai Plant)
Oji Fibre Solutions (NZ) Ltd.	Works to renovate heat exchange equipment (New Zealand)
Celulose Nipo-Brasileira S.A.	Works to consolidate log processing equipment (Brazil)
Celulose Nipo-Brasileira S.A.	Works to renovate pulp manufacturing facilities (Brazil)

(3) Changes in assets and results of operation

Segment	90th FY2013	91st FY2014	92nd FY2015	93rd FY2016	94th FY2017
Net sales (millions of yen)	1,332,510	1,347,281	1,433,595	1,439,855	1,485,895
Operating profit (millions of yen)	57,290	43,867	71,987	70,243	70,781
Ordinary profit (millions of yen)	65,176	49,360	60,517	52,949	65,958
Profit attributable to owners of parent (millions of yen)	31,618	15,526	12,706	40,270	36,222
Profit per share (yen)	32.01	15.71	12.86	40.74	36.64
Total assets (millions of yen)	1,898,170	2,140,641	1,909,483	1,901,029	1,967,991
Net assets (millions of yen)	657,626	784,420	711,230	759,198	810,011
Net assets per share (yen)	574.08	656.03	587.62	635.95	681.52

- (Notes) 1. Profit per share was calculated by dividing profit attributable to owners of parent by the average number of shares outstanding for the year under review upon subtracting from it the number of treasury stocks.
2. Net assets per share were calculated by dividing net assets by the number of shares outstanding at the end of the year under review upon subtracting from it the number of treasury stocks.
3. Figures for FY2013 through FY2016 shown in the table above reflect the results of the restatement of prior-year financial statements.
4. Numbers less than one million yen are rounded down to the nearest million.

(4) Issue to address of Oji Group

Business strategy of Oji Group

The Group will strive to achieve medium- to long-term enhancement of its corporate value, by exploring “beyond the boundaries into the future,” based on the three themes of the Group’s management philosophy, namely, “Creation of Innovative Values,” “Contribution to Future and the World” and “Harmony with Nature and Society.”

Under the aforementioned management philosophy, the Group has established as basic policy of its business strategies, three objectives of “Expansion of Overseas Businesses,” “Concentration and Advancement of Domestic Businesses” and “Enhancement of Financial Foundation,” whereby the following management target has been set out.

Management target for fiscal 2018	
Consolidated operating profit	Balance of interest-bearing liabilities
100 billion yen	700 billion yen

To achieve the aforementioned, the following specific initiatives are being taken.

(a) Household and Industrial Materials

- Industrial Materials (Containerboard business, Corrugated containers business, Boxboard and packaging papers business, Folding cartons and paper bag business)

Overseas, the Group has been expanding its business operations, mainly in Southeast Asia, India and Oceania. In Southeast Asia, for which steady growth is expected, to further strengthen our integrated business platform for containerboard/corrugated containers, in Malaysia we expanded production facilities for containerboard and updated energy supply and water supply and drainage facilities (scheduled to come on line in April 2021) at GS Paperboard & Packaging Sdn. Bhd. Furthermore, in central Malaysia, we decided to expand plants and increase production capacity for two existing factories manufacturing corrugated containers (scheduled to come on line in December 2018). We also decided to build a new factory to become our fifth corrugated container manufacturing site in Vietnam (scheduled to come on line in July 2019) and a corrugated container manufacturing site in Chennai, India (scheduled to come on line in December 2018). In Australia, in September 2017 we acquired a corrugated containers business in the Melbourne suburbs from Cardboard Cartons Pty Ltd. Furthermore, in October 2017, we launched operations of the new corrugated container factory in Queensland. Going forward, the Group will continue to expand its sites, including expansion into countries where it does not yet have a presence such as Indonesia and the Philippines, while also deepening cooperation throughout Southeast Asia, India, and Oceania to rejuvenate the manufacturing and sales network, thereby bolstering profit-earning capability. In Japan's domestic market, the Group is set to further promote the material-processing-integrated business. In the meantime, the Group promotes strengthening the operational base of the all business fields, drawing on the measures for expanding business and enhancing productivity/competitiveness in its corrugated container processing business through M&As, thereby aiming to become the leading integrated packaging maker. Furthermore, O&C Ivory Board Co., Ltd, established as a joint venture as one of our capital and business alliance policies with Chuetsu Pulp & Paper Co., Ltd, began commercial production in October 2017 of high grade boxboard for which stable demand is expected.
- Household and Consumer Products (Household paper business, Disposable diaper business)

In the household paper business, the Group will aim to further increase the value of the "Nepia" brand by mainly introducing environmentally-friendly products which have acquired forest certifications and high-end products which include "hana-celeb." Also, at MPM Oji Home Products Co., Ltd., a joint venture with Mitsubishi Paper Mills Limited, we are moving forward with preparations to bring manufacturing facilities for household paper product online at Mitsubishi Paper Mill's Hachinohe Mill (scheduled to come online in April 2019). With this initiative, the Group will boost the competitiveness of its household paper business through logistics cost reductions and other measures by acquiring the Group's first household paper business site in the Tohoku region, and the Group will continue to expand the household paper business, which is expected to enjoy stable demand going forward.

In the disposable diaper business for babies, in addition to introducing "Genki!," a unified brand both in Japan and overseas, the Group launched nationwide sales of "Whito," Oji's highest-quality brand ever, in October 2017. Our unprecedented new proposals of "diapers for 3-hour use" and "diapers for 12-hour use," as well as our proprietary "quilting technology" that controls absorbency, breathability, and fit, the three basic functions of a diaper, made possible by a quilt-type groove pressed into the front side of the absorption pad, were well received. In November 2017, we won the "10th Parenting Award," and in January 2018, we won the "Nikkei Award for Excellence" in the "2017 Nikkei Superior Products and Services

Award,” winning favorable recognition. Going forward, the Group will work to cultivate a high price point market targeting customers seeking quality. In addition, by utilizing the full production capacity of our added tape-type and pants-type disposable diaper processing machines, the Group will work to further strengthen overseas exports as well as domestic sales. In China, we launched a new sales team and are strengthening our sales system to further expand sales. In Southeast Asia, we are engaged in manufacturing and sales at two locations in Malaysia and sales through our joint venture in Indonesia, while working toward further expansion by moving forward with preparations for proprietary local manufacturing in Indonesia. Also, with respect to the “nepia Tender” brand of disposable diapers for adults, the Group will continue to develop products that resolve the problems that nursing care facilities face.

(b) Functional Materials (Specialty paper business, Thermal paper business, Adhesive products business, Film business)

Up until now, the Group’s development of the functional materials business in Southeast Asia has been primarily in upstream businesses such as thermal paper business and adhesive products business. However, in 2016, the Group acquired Hyper-Region Labels Sdn. Bhd., which is engaged in the printing, processing, and sales of adhesive products, and in August 2017, acquired 76% of the shares of Tele-Paper (M) Sdn. Bhd, a company that processes and sells thermal paper and carbonless copy paper in Malaysia. Based on these sites, the Group will learn end users’ needs accurately and in a timely manner, thereby integrating the upstream, midstream and downstream businesses, and enhance the cultivation of new businesses and bolster new product development. Furthermore, in Myanmar, the Group expanded sales of labels for consumer goods including foods and began commercial operation in September 2017 of a flexible packaging business to provide films and other products for consumer goods. For thermal papers, the Group expanded production capacity at Brazil’s Oji Papéis Especiais Ltda., as part of its global strategy, working to increase sales in response to robust demand. Going forward, we will work to flexibly respond to the demand accompanying economic developments in the emerging market including Southeast Asia, South America, the Middle East, and Africa, while also working to expand new business areas.

In Japan, while working to continue existing businesses by boosting competitiveness through continuous reviews of the production system, by fusing the Group’s core technologies cultivated thus far such as “paper making” with new materials, we are also developing non-“paper” products such as carbon-fiber composite sheets that provide both the ability to adjust form and high strength (for use in tablet housings, etc.) and light diffusion materials utilizing “nano-printing” technology. Also, at Advanced Film Research Center in Shiga, located on the same site as one of our production sites, we are more efficiently developing high-performance film products such as capacitor films for EV/HEV applications and optical films, pursuing expansion into new business fields.

(c) Forest Resources and Environment Marketing Business (Pulp business, Energy business, Lumber business)

In the pulp business, the Group is implementing strategic earnings countermeasures at key sites. Oji Fiber Solutions (NZ) Ltd. in New Zealand is working on measures to stabilize and improve the efficiency of operations through introducing and applying the Group’s technical expertise and operation management methods, etc. In Brazil, Celulose Nipo-Brasileira S.A. has been working on an ongoing basis to improve revenue by modernizing manufacturing equipment among other efforts, making efforts to strengthen the business foundation so it is capable of withstanding fluctuations in the pulp market. At China’s Jiangsu Oji Paper Co., Ltd., the second dry pulp manufacturing facility began commercial operations in October 2017. Also, in Japan, in addition to the traditional products for rayon applications, production launched for high-value-added products such as materials for medical supplies and filtering applications using dissolving pulp (DP) equipment.

In the energy business, the three installed biomass power generators have been operating steadily. We also made steady progress in the renovations and modernization construction of existing hydropower generators, and steadily expanded our energy sales volume. Furthermore,

we plan to launch the joint biomass power generation business with Mitsubishi Paper Mills Limited in 2019. In the power retailing business field, the joint power sales business with ITOCHU ENEX CO., LTD. is expanding its results. Moreover, in line with growth in the energy business, we are expanding the biomass fuel business including reinforcing production facilities that make woodchips for fuel utilizing untapped domestic wood resources to boost procurement.

In the lumber business, the Group has been increasing its production capabilities centered on Asia/Oceania, including bringing new lumber mills on line and renewing manufacturing plants. Furthermore, it is establishing sales companies in China, Indonesia, and Vietnam, working to expand sales of pulp, biomass fuels, and lumber products, etc. outside the Group and to strengthen its trading company function in a wide range of fields.

(d) Printing and Communications Media (Newsprint business, Printing/publication/communications paper business)

The Group is conducting restructuring of its production platform, as appropriate, closely taking into account the current business environment. Oji Paper Co., Ltd. shut down paper machine No.7 at its Tomioka Mill in 2016 and paper machine No.4 at its Kasugai Mill in June 2017. The Group will aim to achieve an increase in cash flows, along with strengthening of its international competitiveness, through continuously reviewing/restructuring its cost structure by establishing a demand-based optimal production structure.

China's Jiangsu Oji Paper Co., Ltd. has been steadily expanding its sales of printing paper and reducing costs by fully utilizing the strength of the integrated manufacturing of paper and pulp, posting positive operating profit. By increasing sales and further reducing costs through the dry pulp production facilities that began commercial operations in October 2017, the Group will work to further enhance the competitiveness of both the paper business and pulp business, aiming to stabilize and expand positive operating profit.

(e) Improving Research and Development (R&D)

The Group is engaged in innovative value creation including cellulose nano-fiber materials (CNF), medicinal plants, and water treatment technologies, through flexible and streamlined research and development activities, mainly under the initiative of the Innovation Promotion Division, in close collaboration with the operations within the Group.

The Group is placing particularly diligent efforts into developing CNF as a future business pillar. Firstly, regarding facilities, in addition to commencing operations of a manufacturing pilot plant for "CNF Slurry," which is made through the Group's proprietary technology of phosphate esterification and has promise as a commercial application of CNF, in January 2018 the Group introduced the world's first facility for producing continuous transparent sheets, one of its proprietary products. In terms of products, the CNF thickener "AUROVISCO" was officially adopted as a thickener for car chemical products for general consumers, and we launched supply in May 2017. Furthermore, by proactively providing samples of "AUROVEIL," the CNF continuous transparent sheets realized through the Group's proprietary technology and development, "AUROVEIL WP" with improved water resistance, "AUROVEIL 3D," which can be freely molded, and "CNF Powder," which can be dissolved in a range of organic solvents, we are accelerating the development of applications in a broader range of fields. Parallel with the development of these applications, in March 2018, by combining polycarbonate resin and CNF, we succeeded in developing composite materials with clearly superior attributes than existing materials with promising new applications. We will continue to create new possibilities and contribute to the invigoration of the market for CNF, the light, strong, sustainable natural materials.

Regarding medicinal plants, research to cultivate medicinal plant licorice led to the Group developing the first fast cultivation technique in Japan that satisfies the amount of medicinal properties stipulated in the Japanese Pharmacopoeia, 17th edition. From 2017, the Group began to evaluate the mass production of medicinal plant licorice through large-scale cultivation. Going forward, the Group will aim to sell the licorice as material for traditional Chinese medicines and will also consider using the licorice as an ingredient for quasi-drugs, sweeteners, and other applications, as the Group focuses on this as a key new business.

In the water treatment technology field, utilizing the knowhow in water preparation and waste water processing cultivated through the paper manufacturing technology we have developed over many years, we are providing water treatment systems suitable for a variety of water environments by matching that knowhow with a range of needs. At the Water Environment Business Promotion Section launched in 2017, technologies and facilities to implement the appropriate local surveys, water quality analysis, and lab experiments are constantly at the ready. In addition to placing full-time water treatment staff experts at the department and proposing water treatment systems, we have established a system to remove cadmium from industrial waste water. Also, the Group's water processing system has been introduced in the preparation of industrial water used in an industrial park in Thailand. Going forward, while advancing innovation in water treatment system technology, we will aim to expand penetration, contributing to the development of water environments not only in Japan, but also in emerging countries including Southeast Asia.

Additionally, as new development fields, while pursuing development of nano-level microscopic structures through our proprietary technology, as one of our medical goods, we developed and began to provide samples of the disposable "Sponge Bath Hot Cloth," which stays warmer longer, for hospitals and nursing care facilities.

(f) Environmental Management

The Group is the largest owner of forests in Japan among private-sector companies. As such, the Group is committed to promoting environmental management, and is dedicated to developing its business activities in harmony with the environment. In addition to sustainable forest management, the Group is working towards having zero-environmental burden, and will continue to responsibly procure lumber and other raw materials.

Furthermore, in February 2018, the Group concluded a capital alliance agreement for a capital and business alliance with Mitsubishi Paper Mills Limited. Thus far, starting with their business alliance in the communication paper field, the two companies established joint ventures in the biomass power generation business and the household paper business, expanding the scope of their business alliance. This capital alliance will allow the two companies to go beyond one-off cooperative relationships in specific businesses and further strengthen their cooperative relationships in multiple businesses. Furthermore, the implementation of this capital alliance is conditioned on the acquisition of the required approvals and licenses from both Japanese and overseas competition authorities.

Lastly, the Group is making efforts to promote both work-style reforms and diversity. The Group has prioritized empowering women in the workplace, and those efforts have been well received. In December 2017, based on the "Act on Promotion of Women's Participation and Advancement in the Workplace," the Group was awarded the highest level (Class 3) "Eruboshi" designation by the Japanese Minister of Health, Labour, and Welfare as a leading company in empowering women in the workplace. Furthermore, in March 2018, the Group was selected for the first time as a "Nadeshiko Brand," a listed enterprise that is exceptional in encouraging women's success in the workplace, jointly selected by Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE).

By carrying out the measures above, the Group aims to become a global corporate group that continues to create innovative value.

<Reference> Basic Views on Corporate Governance

Drawing on the fundamental values and the behavior principles that the Oji Group has carried down as a company since its founding, the Oji Group has formulated the Oji Group Corporate Code of Conduct by which it as a whole engages in corporate activities with an awareness of its responsibility and a high ethical principle as a corporate citizen. The Oji Group will continuously strive towards enhancement of its corporate governance, regarding it as one of the highest priority issues in its management, by ensuring efficiency, soundness and transparency of the management, while building trust relationship with its diverse stakeholders. In doing so, the Oji Group will aim to increase its corporate value and become a company that is trusted by society.

The Fundamental Policies on Corporate Governance of the Company is posted on its website (<https://www.ojiholdings.co.jp/group/policy/governance.html>).

(5) Main businesses of Oji Group

(as of March 31, 2018)

Segment	Main Businesses
Household and Industrial Materials	Containerboard business, Corrugated containers business, Boxboard and packaging papers business, Folding cartons and paper bags business, Household papers business, Disposable diapers business
Functional Materials	Specialty paper business, Thermal paper business, Adhesive products business, Film business
Forest Resources and Environment Marketing Business	Pulp business, Energy business, Lumber business
Printing and Communications Media	Newsprint business, Printing and publication and communications paper business
Others	Real estate, Engineering, Trading business, Logistics, etc.

(6) Main offices and mills of Oji Group (as of March 31, 2018)

(i) The Company

Main Sites	
Headquarters:	Chuo-ku, Tokyo
Research Centers:	Koto-ku, Tokyo, Amagasaki, Hyogo, other

(ii) Domestic subsidiaries

Stated in the table titled “(8) Significant subsidiaries”

(7) Employees of Oji Group

(as of March 31, 2018)

Segment	Number of employees	Change from previous fiscal year-end
Household and Industrial Materials	17,508	An increase of 200
Functional Materials	5,334	An increase of 719
Forest Resources and Environment Marketing Business	7,214	A decrease of 45
Printing and Communications Media	3,411	A decrease of 76
Others	2,677	A decrease of 46
Total	36,144	An increase of 752

(8) Significant subsidiaries

(as of March 31, 2018)

Company name	Headquarter location	Category	Capital stock	Percentage of voting rights of the Company	Major business description
Oji Container Co., Ltd.	Chuo-ku, Tokyo	Household and Industrial Materials	millions of yen 10,000	% (100)	Production and distribution of corrugated container products (sheet and box)
Oji Seitai, Co., Ltd.	Chuo-ku, Tokyo	Household and Industrial Materials	1,299	(55.0)	Production and distribution of heavy-duty paper sack
Oji Materia Co., Ltd.	Chuo-ku, Tokyo	Household and Industrial Materials	600	100	Production and distribution of paperboard (containerboards, specialty paperboards, and boxboards), packaging materials, and pulps
Oji Packaging Co., Ltd.	Edogawa-ku, Tokyo	Household and Industrial Materials	350	(100)	Production and distribution of folding cartons and synthetic resin container
Oji Nepia Co., Ltd.	Chuo-ku, Tokyo	Household and Industrial Materials	350	100	Production and distribution of household paper and disposable diaper
Mori Shigyo Co., Ltd.	Kyoto-shi, Kyoto	Household and Industrial Materials	310	(100)	Production and distribution of corrugated container products (sheet and box)
GSPH Holdings Sdn. Bhd.	Malaysia	Household and Industrial Materials	Millions of Malaysian ringgit 255	(75.0)	Control and management of GSPH Group (production and distribution of containerboards and corrugated container products (sheet and box))
Harta Packaging Industries Sdn. Bhd.	Malaysia	Household and Industrial Materials	18	(100)	Production and distribution of corrugated container products (sheet and box)
OJI TAC Co., Ltd.	Chuo-ku, Tokyo	Functional Materials	millions of yen 1,550	(100)	Production and distribution of paper- and resin-processed products, packaging materials, and adhesive paper
Oji F-Tex Co., Ltd.	Chuo-ku, Tokyo	Functional Materials	350	100	Production and distribution of specialty printing paper, specialty function paper, film products, and specialty paperboard
Oji Imaging Media Co., Ltd.	Chuo-ku, Tokyo	Functional Materials	350	100	Production and distribution of thermal recording paper (paper and film) and inkjet paper

Company name	Headquarter location	Category	Capital stock	Percentage of voting rights of the Company	Major business description
Oji Papéis Especiais Ltda.	Brazil	Functional Materials	Millions of Brazilian Real 409	% (100)	Production and distribution of thermal recording paper and carbonless copy paper
KANZAN Spezialpapiere GmbH	Germany	Functional Materials	Millions of euros 25	(94.7)	Production and distribution of thermal recording paper
Oji Paper (Thailand) Ltd.	Thailand	Functional Materials	Millions of Thai baht 1,340	(100)	Production and distribution of carbonless copy paper and thermal recording paper
Kanzaki Specialty Papers Inc.	USA	Functional Materials	Millions of US dollars 34	(100)	Production and distribution of thermal recording paper
Japan Brazil Paper and Pulp Development Ltd.	Chuo-ku, Tokyo	Forest Resources and Environment Marketing Business	millions of yen 61,788	(55.5)	Management of pulp production company in Brazil. Pulp trading in the country
Oji Cornstarch Co., Ltd.	Chuo-ku, Tokyo	Forest Resources and Environment Marketing Business	1,000	(60.0)	Production and distribution of corn starch and saccharified products
Oji Green Resources Co., Ltd.	Chuo-ku, Tokyo	Forest Resources and Environment Marketing Business	350	100	Trading in lumber, pulp, and raw fuel materials, plantation business management, and the energy business
Oji Forest & Products Co., Ltd.	Chuo-ku, Tokyo	Forest Resources and Environment Marketing Business	288	(100)	Trading in lumber and paper raw materials, gardening, and afforestation services
Celulose Nipo-Brasileira S.A.	Brazil	Forest Resources and Environment Marketing Business	Millions of US dollars 257	(55.5)	Plantation service and production and distribution of pulp
Pan Pac Forest Products Ltd.	New Zealand	Forest Resources and Environment Marketing Business	Millions of New Zealand dollars 126	(100)	Forest management, plantation and logging services. Distribution of lumbers and production and distribution of pulp and lumber products

Company name	Headquarter location	Category	Capital stock	Percentage of voting rights of the Company	Major business description
Oji Paper Co., Ltd.	Chuo-ku, Tokyo	Printing and Communications Media	millions of yen 350	% 100	Production and distribution of newsprint, paper, and pulp
Oji Logistics Co., Ltd.	Chuo-ku, Tokyo	Others	1,434	100	Warehousing, truck transportation, and domestic sea transportation services
Kyokuyo Co., Ltd.	Chuo-ku, Tokyo	Others	1,300	90.0	Trading of paper, synthetic resin, and packaging materials
Oji Engineering Co., Ltd.	Chuo-ku, Tokyo	Others	800	100	Design, manufacture, installation, overhaul, and distribution of various machinery products
Oji Real Estate Co., Ltd.	Chuo-ku, Tokyo	Others	650	(100)	Real-estate trading, brokerage, leasing, and management services
Jiangsu Oji Paper Co., Ltd.	China	Forest Resources and Environment Marketing Business / Printing and Communications Media	Millions of US dollars 911	(90.0)	Production and distribution of paper and pulp
Oji Fibre Solutions (NZ) Ltd.	New Zealand	Household and Industrial Materials / Forest Resources and Environment Marketing Business	Millions of New Zealand dollars 728	(60.0)	Production and distribution of pulp, paperboard, corrugated container products, and paper bag products

- (Notes)
1. GS Paper & Packaging Sdn. Bhd., which appeared in the table above in past years, was reorganized as a holding company and renamed GSPP Holdings Sdn. Bhd. effective August 15, 2017.
 2. Kyokuyo Pulp & Paper Co., Ltd. was renamed Kyokuyo Co., Ltd. effective January 1, 2018.
 3. Jiangsu Oji Paper Co., Ltd. is categorized into both Forest Resources and Environment Marketing Business and Printing and Communications Media and Oji Fibre Solutions (NZ) Ltd. is categorized into both Household and Industrial Materials and Forest Resources and Environment Marketing Business. As such, they appear in the respective categories in the above table.
 4. Capital stock value less than the minimum unit is truncated for presentation.
 5. The percentage of voting rights of the Company shown in parentheses denotes one that includes voting rights held by subsidiaries.
 6. The number of the Group's consolidated subsidiaries as of March 31, 2018 stood at 189, including significant subsidiaries whose names are listed above. The number of equity method affiliate companies totaled 23 as of March 31, 2018.
 7. There is no subsidiary that falls under the category of specified wholly-owned subsidiary as of March 31, 2018.

(9) Financing activities of Oji Group

The Group obtained necessary cash by securing loans from financial institutions and issuing commercial paper.

In addition, the Group issued 33rd series unsecured corporate bonds (10 billion yen) and 34th series unsecured corporate bonds (10 billion yen) in January 2018 to fund part of the repayment of long-term loans payable.

(10) Main lenders and borrowing amount of Oji Group

(as of March 31, 2018)

Lender	Loan balance
	millions of yen
The Norinchukin Bank	43,093
Sumitomo Mitsui Banking Corporation	42,603
Mizuho Bank, Ltd.	38,892
Sumitomo Mitsui Trust Bank, Limited	24,705
Nippon Life Insurance Company	22,130

- (Notes) 1. In addition to the loans listed above, the Company obtained 231,827 million yen in syndicate loans.
2. Numbers less than one million yen are rounded down to the nearest million.

(11) The status of the Group's corporate reorganization activities and acquisition of shares in other companies

In August 2017, Oji Asia Management Sdn. Bhd., a wholly-owned subsidiary of the Company, acquired 76% of issued shares of Tele-Paper (M) Sdn. Bhd., which engages in the processing and sales of thermal paper and carbonless copy paper in Malaysia. Together with Oji Paper (Thailand) Ltd., our existing subsidiary in Thailand engaging in the production of thermal paper and carbonless copy paper, the Group will expand the business domain of thermal paper and carbonless copy paper businesses to cover production and processing, integrating the upstream, midstream and downstream businesses in Southeast Asia and thereby enhance the cultivation of new businesses and bolster new product development.

(12) Policy concerning exercise of authority in case that the Articles of Incorporation stipulates that the Board of Directors shall determine dividends of surplus, etc.

(i) Basic policy for distribution of profit

The Company's basic policy is to maintain stable dividends to shareholders to the extent possible while comprehensively considering the business results for each business year and the internal reserves necessary in preparation for future management initiatives.

(ii) Matters related to year-end dividend

The year-end dividend for the current fiscal year will be 5 yen per share with the record date of March 31, 2018 by comprehensively considering the business results for the current fiscal year and future business environment, etc.

Combined with the interim dividend of 5 yen per share, which was implemented for the interim period, this will bring total dividends for the current fiscal year to 10 yen per share, the same as for the previous fiscal year.

(a) Type of dividend property

Cash

(b) Matters related to allotment of dividend property to shareholders and total amount thereof 5 yen per common share of the Company; Total amount 4,955,042,575 yen

(c) Effective date of dividends of surplus

June 6, 2018

(13) Significant matters related to the current state of Oji Group other than those mentioned in the preceding items

Not applicable.

2. Shares of the Company (as of March 31, 2018)

- (1) Total number of shares authorized to be issued 2,400,000,000 shares
 (2) Total number of shares issued 1,014,381,817 shares
 (Treasury stock) (23,373,302 shares)
 (3) Total number of shareholders 57,119 shareholders
 (6,718 decrease compared with March 31, 2017)

(4) Major shareholders (top 10)

Name of shareholder	Shares held	Percentage of total shares issued
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust account)	73,035	7.4
Japan Trustee Services Bank, Ltd. (Trust account)	52,873	5.3
Japan Trustee Services Bank, Ltd. (Trust account 4)	36,206	3.7
Sumitomo Mitsui Banking Corporation	31,668	3.2
Nippon Life Insurance Company	25,658	2.6
Mizuho Bank, Ltd.	21,636	2.2
Oji Group Employee Stock-holding Association	20,380	2.1
Japan Trustee Services Bank, Ltd. (Trust account 9)	19,781	2.0
STATE STREET BANK WEST CLIENT - TREATY505234	18,255	1.8
Japan Trustee Services Bank, Ltd. (Trust account 5)	16,849	1.7

- (Notes) 1. The Company holds treasury stock of 23,373 thousand shares, which is excluded from the above list.
 2. The percentage of total shares issued has been calculated after excluding the Company's treasury stock (23,373 thousand shares).
 3. Numbers less than one thousand are rounded down to the nearest thousand.

3. Officers of the Company

(1) Directors and Audit & Supervisory Board Members (Positions, name, responsibilities, and significant concurrent positions)

(as of March 31, 2018)

Positions	Name	Responsibilities and significant concurrent positions
Representative Director and Chairman of the Board*	Kiyotaka Shindo	
Representative Director of the Board, President and CEO*	Susumu Yajima	Group CEO
Representative Director of the Board and Executive Vice President*	Ryoji Watari	President, Industrial Materials Company and President, Household and Consumer Products Company President and Representative Director, Oji Industrial Materials Management Co., Ltd. Chairman and Director, Oji Nepia Co., Ltd. Director, Oji Container Co., Ltd. Director, Oji Materia Co., Ltd. Director, Mori Shigyo Co., Ltd.
Representative Director of the Board and Executive Vice President*	Kazuo Fuchigami	President, Functional Materials Company President and Representative Director, Oji Functional Materials Progressing Center Inc. Director, Oji F-Tex Co., Ltd. Director, Oji Imaging Media Co., Ltd.
Director*	Hidehiko Aoyama	President, Printing and Communications Media Company Representative Director, President and CEO, Oji Paper Co., Ltd. In charge of Oji Logistics Co., Ltd.
Director*	Yoshiki Koseki	Vice President, Industrial Materials Company Director and Vice President, Oji Industrial Materials Management Co., Ltd. President and Representative Director, Oji Materia Co., Ltd. Director, Oji Container Co., Ltd. Director, Mori Shigyo Co., Ltd.
Director*	Yoshiaki Takeda	General Manager, Corporate Governance Div. President, Oji Management Office Inc. In charge of: Oji Human Support Co., Ltd. Oji Business Center Co., Ltd. Oji Paper Management (Shanghai) Co., Ltd. Director, Jiangsu Oji Paper Co., Ltd.
Director*	Shoji Fujiwara	Vice President, Functional Materials Company Senior Managing Director, Oji Functional Materials Progressing Center Inc. President and Representative Director, Oji F-Tex Co., Ltd.
Director*	Masatoshi Kaku	Deputy General Manager, Corporate Governance Div. In charge of Innovation Promotion Div. Representative Director, President and CEO, Oji Engineering Co., Ltd.
Director*	Ryuichi Kisaka	Deputy General Manager, Corporate Governance Div. Senior Managing Director, Oji Management Office Inc.
Director*	Kazuhiko Kamada	President, Forest Resources and Environment Marketing Business Company Director, Oji Green Resources Co., Ltd. Director, Oji Forest & Products Co., Ltd. Chairman, Pan Pac Forest Products Ltd.

Positions	Name	Responsibilities and significant concurrent positions
Director*	Hiroyuki Isono	Representative Director and Chairman of the Board, Oji Oceania Management Co., Ltd. and Chairman of the Board, Oji Fibre Solutions (NZ) Ltd.
Director	Michihiro Nara	Attorney-at-law Outside Director, Seiko Epson Corp. Outside Director, Chori Co., Ltd. Outside Director, Nihon Tokushu Toryo Co., Ltd.
Director	Nobuaki Terasaka	Representative Director and President, Mutual Service Aid Guarantee Corporation
Audit & Supervisory Board Member	Motokazu Ogata	(Standing) Audit & Supervisory Board Member of Oji Container Co., Ltd., Oji Packaging Co., Ltd., Oji Seitai, Co., Ltd., Oji Materia Co., Ltd., Mori Shigyo Co., Ltd., Oji Paper Co., Ltd. and Oji Engineering Co., Ltd.
Audit & Supervisory Board Member	Tomihiko Yamashita	(Standing) Audit & Supervisory Board Member of Oji F-Tex Co., Ltd., Oji Imaging Media Co., Ltd., Oji Green Resources Co., Ltd. and Oji Real Estate Co., Ltd.
Audit & Supervisory Board Member	Makoto Katsura	
Audit & Supervisory Board Member	Mikinao Kitada	Attorney-at-law Outside Statutory Auditor, Askul Corporation Outside Director, Yokogawa Bridge Holdings Corp. Outside Audit & Supervisory Board Member, Sojitz Corporation

- (Notes) 1. Mr. Michihiro Nara and Mr. Nobuaki Terasaka, Directors, are outside directors as prescribed in Article 2, Item 15 of the Companies Act.
The Company has designated both Mr. Michihiro Nara and Mr. Nobuaki Terasaka, as independent directors and notified the Tokyo Stock Exchange of such designation in accordance with its regulation.
2. Mr. Makoto Katsura and Mr. Mikinao Kitada are outside audit & supervisory board members as prescribed in Article 2, Item 16 of the Companies Act.
The Company has designated Mr. Makoto Katsura and Mr. Mikinao Kitada as independent directors and notified the Tokyo Stock Exchange of such designation in accordance with its regulation.
3. The following changes were made to Directors of the Board and Audit & Supervisory Board Members at the conclusion of the 93rd Ordinary General Meeting of Shareholders held on June 29, 2017.
- | | | |
|------------|----------------------------------|----------------|
| Assumption | Director | |
| | Yoshiaki Takeda | Shoji Fujiwara |
| Retirement | Director | |
| | Gemmei Shimamura | |
| Assumption | Audit & Supervisory Board Member | |
| | Tomihiko Yamashita | |
| Retirement | Audit & Supervisory Board Member | |
| | Satoshi Fukui | |
4. Standing Audit & Supervisory Board Members were elected by a resolution of the Audit & Supervisory Board at a meeting held on June 29, 2017, as follows.
- | | |
|---|--------------------|
| Audit & Supervisory Board Member (Standing) | Motokazu Ogata |
| Audit & Supervisory Board Member (Standing) | Tomihiko Yamashita |

5. The table below shows the Audit & Supervisory Board Member who resigned from office during the period from the day immediately following the conclusion of the 93rd Ordinary General Meeting of Shareholders held on June 29, 2017 to the last day of the current fiscal year.

Name	Position at the time of the retirement	Responsibilities in the Company and significant concurrent positions	Date of the retirement	Reasons of the retirement
Yuko Miyazaki	Outside Audit & Supervisory Board Member	Attorney-at-law, Outside Director, Seven Bank, Ltd.	December 11, 2017	Resignation

The Company has no special interest with the organizations where Outside Officers hold significant concurrent positions above.

6. Mr. Motokazu Ogata, Audit & Supervisory Board Member, has sound knowledge of finance and accounting due to his long experience serving in the Company's finance and accounting business unit after joining the Company, and to his experience serving as a Director of the Board in charge of the finance and accounting business unit of a subsidiary of the Company.
7. The twelve (12) Directors of the Board whose names are marked with an asterisk concurrently serve as Executive Officers.
8. Effective April 1, 2018, partial changes were made to the responsibilities of Directors of the Board concurrently serving as Executive Officers. Their post-change responsibilities are as shown in the table of the following section titled "(2) The Status of Executive Officers."
9. Pursuant to the provisions of the Articles of Incorporation, the Company has concluded, in conformity with Article 427, Paragraph 1 of the Companies Act, a contract for limitation of liability with all of its outside directors and audit & supervisory board members on the limitation of liability for damages set forth in Article 423, Paragraph 1 of the Companies Act. The maximum amount of the liability for damages under the above-mentioned contract is set at an amount provided for by applicable laws and regulations.

(2) Status of Executive Officers

(as of April 1, 2018)

Positions	Name	Responsibilities
Chairman of the Board*	Kiyotaka Shindo	
President and Chief Executive Officer*	Susumu Yajima	Group CEO
Executive Vice President*	Ryoji Watari	President, Industrial Materials Company and President, Household and Consumer Products Company President and Representative Director, Oji Industrial Materials Management Co., Ltd. Chairman and Director, Oji Nepia Co., Ltd.
Executive Vice President*	Kazuo Fuchigami	President, Functional Materials Company President and Representative Director, Oji Functional Materials Progressing Center Inc.
Senior Executive Officer*	Hidehiko Aoyama	President, Printing and Communications Media Company Representative Director, President and CEO, Oji Paper Co., Ltd. In charge of Oji Logistics Co., Ltd.
Senior Executive Officer*	Yoshiaki Takeda	General Manager, Corporate Governance Div. President, Oji Management Office Inc. In charge of: Oji Human Support Co., Ltd. Oji Business Center Co., Ltd. Oji Paper Management (Shanghai) Co., Ltd.
Senior Executive Officer*	Shoji Fujiwara	Vice President, Functional Materials Company Senior Managing Director, Oji Functional Materials Progressing Center Inc. President and Representative Director, Oji F-Tex Co., Ltd.
Executive Officer*	Yoshiki Koseki	Vice President, Industrial Materials Company Director and Vice President, Oji Industrial Materials Management Co., Ltd. President and Representative Director, Oji Materia Co., Ltd. In charge of Oji Container Co., Ltd.
Executive Officer*	Masatoshi Kaku	Deputy General Manager, Corporate Governance Div. In charge of Innovation Promotion Div. Representative Director, President and CEO, Oji Engineering Co., Ltd.
Executive Officer*	Ryuichi Kisaka	Deputy General Manager, Corporate Governance Div. Senior Managing Director, Oji Management Office Inc.
Executive Officer*	Kazuhiko Kamada	President, Forest Resources and Environment Marketing Business Company
Executive Officer*	Hiroyuki Isono	Representative Director and Chairman of the Board, Oji Oceania Management Co., Ltd. and Chairman of the Board, Oji Fibre Solutions (NZ) Ltd.
Senior Executive Officer	Yasuo Nakanishi	President, Oji Asia Packaging Sdn. Bhd.
Senior Executive Officer	Jun Maruyama	Senior Executive Officer, Oji Industrial Materials Management Co., Ltd. and President, Mori Shigyo Co., Ltd.
Executive Officer	Masaru Yokoyama	General Manager, Innovation Promotion Div.
Executive Officer	Yutaka Fushino	Managing Director, Oji Industrial Materials Management Co., Ltd. and President, Oji Container Co., Ltd.

Positions	Name	Responsibilities
Executive Officer	Fumio Shindo	Vice President, Forest Resources and Environment Marketing Business Company President, Oji Green Resources Co., Ltd.
Corporate Officer	Masanori Oshiumi	Senior Managing Director, Oji Oceania Management Co., Ltd. Senior Managing Director, Oji Fibre Solutions (NZ) Ltd.
Corporate Officer	Noriaki Shimizu	Vice President, Household and Consumer Products Company President, Oji Nepia Co., Ltd.
Corporate Officer	Junnichi Tomita	President, Oji Asia Management Sdn. Bhd.
Corporate Officer	Koichi Ishida	Vice President, Printing and Communications Media Company Vice President, Oji Paper Co., Ltd.
Corporate Officer	Hisashi Ibayashi	Managing Director, Oji Functional Materials Progressing Center Inc. and President, Oji Imaging Media Co., Ltd.

(Note) The twelve (12) Executive Officers whose names are marked with an asterisk concurrently serve as Directors of the Board.

(3) Total amount of remuneration, etc. for Directors and Audit & Supervisory Board Members for the year under review

Position	No. of Personnel	Basic remuneration	Bonuses	Performance-linked and stock-based remuneration	Total
Director (Outside Director)	15	322 million yen	168 million yen	185 million yen	676 million yen
	(2)	(30 million yen)	(-)	(-)	(30 million yen)
Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	6	90 million yen	-	-	90 million yen
	(3)	(34 million yen)	(-)	(-)	(34 million yen)
Total	21	412 million yen	168 million yen	185 million yen	766 million yen

- (Notes)
1. The maximum remuneration, etc. for Directors determined by a resolution of the General Meeting of Shareholders is 700 million yen a year (resolution of the 92nd Ordinary General Meeting of Shareholders held on June 29, 2016).
 2. The Company introduced a performance-linked and stock-based remuneration plan for Directors (excluding Outside Directors) separately from the maximum remuneration, etc. mentioned in Note 1. pursuant to the resolution passed at the 92nd Ordinary General Meeting of Shareholders held on June 29, 2016. The maximum number of points to be granted by the Company to its Directors (excluding Outside Directors) under this plan is 570,000 points per fiscal year (normally one point = one Company share).
 3. The maximum remuneration, etc. for Audit & Supervisory Board Members determined by a resolution of the General Meeting of Shareholders is 97 million yen a year (resolution of the 82nd Ordinary General Meeting of Shareholders held on June 29, 2006).
 4. As of March 31, 2018, the number of Directors stood at fourteen (14) and that of Audit & Supervisory Board Members at four (4).
 5. Numbers less than one million yen are rounded down to the nearest million.

(4) Matters relating to Outside Officers

(i) Relationships between the Company and organizations where significant concurrent positions are held

(as of March 31, 2018)

Position	Name	Concurrent positions
Outside Director	Michihiro Nara	Attorney-at-law, Outside Director, Seiko Epson Corporation, Outside Director, Chori Co., Ltd., Outside Director, Nihon Tokushu Toryo Co., Ltd.
Outside Director	Nobuaki Terasaka	Representative Director and President, Mutual Service Aid Guarantee Corporation
Outside Audit & Supervisory Board Member	Mikinao Kitada	Attorney-at-law, Outside Statutory Auditor, Askul Corporation, Outside Director, Yokogawa Bridge Holdings Corp., Outside Audit & Supervisory Board Member, Sojitz Corporation

(Note) The Company has no special interest with the organizations where Outside Officers hold significant concurrent positions above.

(ii) Major activities during the fiscal year ended March 31, 2018

Position	Name	Status of attendance at the Board of Directors' Meeting	Status of attendance at the Audit & Supervisory Board Meeting	Principal comments
Outside Director	Michihiro Nara	13/14 (92.9%)	–	Provided expert opinions based on his rich experience and his wide-ranging knowledge from attorney's professional perspective
Outside Director	Nobuaki Terasaka	14/14 (100%)	–	Provided expert opinions based on his rich experience and wide-ranging knowledge as an administrative official
Outside Audit & Supervisory Board Member	Makoto Katsura	14/14 (100%)	15/15 (100%)	Provided expert opinions based on his rich experience as a diplomat and his wide-ranging knowledge
Outside Audit & Supervisory Board Member	Mikinao Kitada	14/14 (100%)	15/15 (100%)	Provided expert opinions based on his rich experience as a public prosecutor and an attorney-at-law and his wide-ranging knowledge
Outside Audit & Supervisory Board Member	Yuko Miyazaki (retired from office on December 11, 2017)	9/10 (90.0%)	10/11 (90.9%)	Provided expert opinions based on her rich experience and her wide-ranging knowledge from attorney's professional perspective

(Note) The status of Ms. Yuko Miyazaki's attendance at Board of Directors' Meetings and Audit & Supervisory Board Meetings shown above is based on the number of such meetings held through the date of her resignation from office.

4. Matters related to Accounting Auditors

(1) Name of the Accounting Auditor

PricewaterhouseCoopers Aarata LLC

(2) Accounting Auditor remunerations, etc. for the year under review

Segment	Amount paid
Remuneration of the Company's Accounting Auditors	millions of yen 79
The amount required to be paid to Accounting Auditors by the Company and its consolidated subsidiaries	257
Total amount of other property benefits	

- (Notes)
1. The above-mentioned payments include audit fee under the Financial Instruments and Exchange Act because the audit agreement between the Company and its Accounting Auditors does not distinguish between the audit fee under the Companies Act and the audit fee under the Financial Instruments and Exchange Act.
 2. The Audit & Supervisory Board of the Company has given the consent prescribed in Article 399, Paragraphs 1 and 2 of the Companies Act concerning the amount of remuneration, etc. for Accounting Auditors after examining and evaluating, among others, the audit plan developed by the Accounting Auditors, the comparison between the audit plan and the actual results for the previous fiscal year, audit hours, and changes in the amount of remuneration.
 3. Numbers less than one million yen are rounded down to the nearest million.

(3) Description of non-audit service

The Company has paid consideration to PricewaterhouseCoopers Aarata LLC for the preparation of a comfort letter in connection with the issuance of corporate bonds, which is among the services other than those prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(4) Company's subsidiaries audited by another audit firm among significant subsidiaries

Among the Company's significant subsidiaries, the following companies are audited by a certified public accountant or an audit firm other than the Company's Accounting Auditors (including without limitation such entity at a non-Japan location that has qualifications equivalent to those of the Company's Accounting Auditors) (limited to such entity as conforms to the Companies Act or the Financial Instruments and Exchange Act [or any non-Japan laws or regulations equivalent to the former acts]: Mori Shigyo Co., Ltd., Jiangsu Oji Paper Co., Ltd., Oji Fibre Solutions (NZ) Ltd., Oji Papéis Especiais Ltda., Pan Pac Forest Products Ltd., Celulose Nipo-Brasileira S.A., Kanzaki Specialty Papers Inc., KANZAN Spezialpapiere GmbH, Oji Paper (Thailand) Ltd., GSPP Holdings Sdn. Bhd., and Harta Packaging Industries Sdn. Bhd.

(5) Company's policy on Accounting Auditor dismissal or non-reappointment decision

If an Accounting Auditor is deemed to have significant difficulty in properly performing his/her duties, the Audit & Supervisory Board determines a proposal to be submitted to the General Meeting of Shareholders for dismissing or not reappointing the Accounting Auditor.

Or, if an Accounting Auditor is deemed to fall under any of provisions in Article 340, Paragraph 1 of the Companies Act, the Accounting Auditor shall be dismissed, based on the unanimous agreement of Audit & Supervisory Board members.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2018	As of March 31, 2017 (Ref.)
Assets		
Current assets		
Cash and deposits	50,357	43,833
Notes and accounts receivable–trade	325,373	292,780
Short-term investment securities	12,406	9,787
Merchandise and finished goods	96,658	93,973
Work in process	19,502	18,215
Raw materials and supplies	86,994	78,992
Deferred tax assets	8,185	10,926
Short-term loans receivable	3,504	4,716
Accounts receivable–other	19,877	17,417
Other	11,894	10,669
Allowance for doubtful accounts	(1,511)	(1,613)
Total current assets	633,241	579,698
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	204,777	207,271
Machinery, equipment and vehicles	366,700	383,471
Tools, furniture and fixtures	5,313	5,371
Land	235,846	237,328
Forests	112,590	115,563
Standing timber	93,238	94,112
Lease assets	2,788	3,113
Construction in progress	35,389	23,892
Total property, plant and equipment	1,056,644	1,070,124
Intangible assets		
Goodwill	9,664	9,503
Other	11,626	12,169
Total intangible assets	21,290	21,673
Investments and other assets		
Investment securities	162,336	152,384
Long-term loans receivable	7,855	5,485
Long-term prepaid expenses	21,333	21,046
Net defined benefit asset	51,614	39,535
Deferred tax assets	1,873	1,060
Other	13,261	11,738
Allowance for doubtful accounts	(1,460)	(1,719)
Total investments and other assets	256,814	229,532
Total noncurrent assets	1,334,749	1,321,330
Total assets	1,967,991	1,901,029

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2018	As of March 31, 2017 (Ref.)
Liabilities		
Current liabilities		
Notes and accounts payable–trade	248,490	205,147
Short-term loans payable	153,911	178,480
Commercial papers	1,000	2,000
Current portion of bonds	40,000	40,000
Accounts payable–other	16,062	17,528
Accrued expenses	49,560	43,722
Income taxes payable	9,320	9,385
Other	19,393	31,477
Total current liabilities	537,738	527,742
Noncurrent liabilities		
Bonds payable	60,000	80,000
Long-term loans payable	392,511	376,835
Deferred tax liabilities	73,914	64,744
Deferred tax liabilities for land revaluation	7,828	7,867
Provision for loss on litigation	2,717	3,357
Net defined benefit liability	51,422	54,123
Long-term deposits received	7,929	8,430
Other	23,917	18,730
Total noncurrent liabilities	620,241	614,089
Total liabilities	1,157,979	1,141,831
Net assets		
Shareholders' equity		
Capital stock	103,880	103,880
Capital surplus	112,086	112,455
Retained earnings	377,801	350,676
Treasury stock	(14,465)	(14,394)
Total shareholders' equity	579,303	552,618
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	39,287	34,075
Deferred gains or losses on hedges	(170)	(729)
Revaluation reserve for land	5,835	5,921
Foreign currency translation adjustment	31,973	31,908
Remeasurements of defined benefit plans	17,412	4,863
Total accumulated other comprehensive income	94,338	76,039
Subscription rights to shares	246	266
Non-controlling interests	136,122	130,273
Total net assets	810,011	759,198
Total liabilities and net assets	1,967,991	1,901,029

Consolidated Statements of Income

(Millions of yen, with fractions less than one million yen discarded)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2017 (Ref.)
Net sales	1,485,895	1,439,855
Cost of sales	1,144,157	1,105,387
Gross profit	341,737	334,468
Selling, general and administrative expenses	270,955	264,224
Operating profit	70,781	70,243
Non-operating income		
Interest and dividends income	4,251	4,454
Equity in earnings of affiliates	521	1,377
Insurance income	1,609	249
Miscellaneous income	4,514	5,277
Total non-operating income	10,896	11,359
Non-operating expenses		
Interest expenses	6,924	7,470
Foreign exchange losses	607	12,558
Miscellaneous loss	8,187	8,624
Total non-operating expenses	15,719	28,653
Ordinary profit	65,958	52,949
Extraordinary income		
Gain on sales of noncurrent assets	5,252	8,083
Gain on revision of retirement benefit plan	1,305	13,704
Gain on sales of investment securities	912	3,255
Other	187	3,960
Total extraordinary income	7,657	29,004
Extraordinary loss		
Impairment loss	2,364	6,972
Loss on retirement of noncurrent assets	2,329	2,015
Loss on disaster	2,153	905
Special retirement expenses	–	3,153
Other	1,768	3,485
Total extraordinary losses	8,616	16,532
Income before income taxes and minority interests	64,999	65,421
Income taxes—current	17,794	15,020
Income taxes—deferred	3,836	9,383
Profit	43,368	41,017
Profit attributable to non-controlling interests	7,145	746
Profit attributable to owners of parent	36,222	40,270

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2018	As of March 31, 2017 (Ref.)
Assets		
Current assets		
Cash and deposits	2,965	4,442
Operating accounts receivable	188	173
Real estate for sale	14	14
Deferred tax assets	337	875
Short-term loans receivable	373,193	367,237
Accounts receivable–other	7,758	7,480
Other	147	199
Allowance for doubtful accounts	(1,340)	(340)
Total current assets	383,265	380,082
Noncurrent assets		
Property, plant and equipment		
Buildings	17,938	18,952
Structures	298	368
Machinery and equipment	151	596
Vehicles	0	0
Tools, furniture and fixtures	928	868
Land	42,766	42,885
Forests	15,642	15,642
Standing timber	22,299	22,328
Lease assets	1	2
Construction in progress	283	190
Total property, plant and equipment	100,309	101,834
Intangible assets		
Software	10	18
Other	61	63
Total intangible assets	71	81
Investments and other assets		
Investment securities	80,699	76,930
Stocks of subsidiaries and affiliates	531,617	518,212
Investments in capital	2	2
Investments in capital of subsidiaries and affiliates	7,156	5,804
Long-term loans receivable	34,409	74,385
Long-term prepaid expenses	1,111	1,128
Other	608	613
Allowance for doubtful accounts	(19)	(1,579)
Total investments and other assets	655,586	675,497
Total noncurrent assets	755,967	777,413
Total assets	1,139,233	1,157,495

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2018	As of March 31, 2017 (Ref.)
Liabilities		
Current liabilities		
Accounts payable–trade	31	23
Short-term loans payable	243,014	264,627
Commercial papers	1,000	2,000
Current portion of bonds	40,000	40,000
Lease obligations	0	0
Accounts payable–other	22,824	17,760
Accrued expenses	2,444	2,701
Income taxes payable	555	1,456
Allowance for transfer of shares of subsidiaries and affiliates	–	1,200
Other	1,272	5,432
Total current liabilities	311,144	335,202
Noncurrent liabilities		
Bonds payable	60,000	80,000
Long-term loans payable	380,373	360,776
Lease obligations	0	1
Deferred tax liabilities	4,438	3,459
Provision for retirement benefits	2,497	2,520
Long-term deposits received	4,626	4,875
Other	2,421	2,415
Total noncurrent liabilities	454,357	454,048
Total liabilities	765,501	789,251
Net assets		
Shareholders' equity		
Capital stock	103,880	103,880
Capital surplus		
Capital reserve	108,640	108,640
Other capital surplus		
Total capital surplus	108,640	108,640
Retained earnings		
Retained earnings reserve	24,646	24,646
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	15,468	15,833
Reserve for overseas investment loss	17	36
General reserve	101,729	101,729
Retained earnings brought forward	3,995	952
Total retained earnings	145,857	143,198
Treasury stock	(14,005)	(13,935)
Total shareholders' equity	344,373	341,783
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	29,449	26,591
Deferred gains or losses on hedges	(338)	(397)
Total valuation and translation adjustments	29,111	26,194
Subscription rights to shares	246	266
Total net assets	373,731	368,244
Total liabilities and net assets	1,139,233	1,157,495

Non-consolidated Statements of Income

(Millions of yen, with fractions less than one million yen discarded)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2017 (Ref.)
Operating revenue	27,961	27,741
Operating expenses		
General and administrative expenses	15,764	15,465
Other	2,254	2,670
Operating profit	9,943	9,605
Non-operating income		
Interest and dividends income	6,021	6,360
Brand maintenance income	1,432	1,425
Miscellaneous income	800	387
Total non-operating income	8,254	8,174
Non-operating expenses		
Interest expenses	4,427	5,007
Foreign exchange losses	196	2,177
Brand maintenance expenses	1,417	1,527
Miscellaneous loss	882	1,220
Total non-operating expenses	6,924	9,931
Ordinary profit	11,272	7,847
Extraordinary income		
Gain on sales of noncurrent assets	3,811	7,727
Gain on sales of investment securities	185	2,874
Total extraordinary income	3,996	10,602
Extraordinary loss		
Loss on valuation of investment securities	496	–
Loss on valuation of shares of subsidiaries and affiliates	97	3,336
Provision of allowance for transfer of shares of subsidiaries and affiliates	–	1,243
Impairment loss	–	1,111
Other	29	739
Total extraordinary losses	623	6,431
Income before income taxes	14,645	12,018
Income taxes—current	1,835	2,318
Income taxes—deferred	226	166
Profit	12,584	9,532

REPORT OF INDEPENDENT AUDITORS

May 10, 2018

To the Board of Directors of Oji Holdings Corporation

PricewaterhouseCoopers Aarata LLC

Designated and Engagement Partner
Certified Public Accountant

Takashi Sasaki (Seal)

Designated and Engagement Partner
Certified Public Accountant

Sakae Toda (Seal)

Designated and Engagement Partner
Certified Public Accountant

Yuichiro Amano (Seal)

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, that is, the consolidated balance sheets, the consolidated statements of income, the consolidated statement of changes in net assets, and the notes to consolidated financial statements of Oji Holdings Corporation (the "Company") applicable to the fiscal year from April 1, 2017 to March 31, 2018.

Responsibility of the Company's management for consolidated financial statements

The Company's management is responsible for preparing and properly presenting consolidated financial statements in accordance with accounting standards generally accepted in Japan. This includes establishing and operating internal control determined as necessary by the management for the preparation and proper presentation of consolidated financial statements that are free of material misstatement caused by fraud or error.

Responsibility of independent auditors

Our responsibility is to independently express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free of material misstatement.

An audit entails performing procedures to gain evidence of audit with regard to the amounts and presentation of the consolidated financial statements. Based on our judgment, we select and apply the auditing procedures in consideration of the assessment of risks associated with the material misstatement of consolidated financial statements caused by fraud or error. The purpose of the audit is not to express an opinion on the effectiveness of internal control; however, in conducting risk assessment, we will consider internal control relating to the preparation and proper presentation of consolidated financial statements to formulate relevant auditing procedures depending on the conditions. An audit also includes examining the assessment of the accounting policies, the methods of application thereof, and significant estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that we have obtained adequate and appropriate audit evidence as the basis for our opinion.

Audit opinion

As a result of our audit, it is our opinion that the above consolidated financial statements properly present in all material respects the Company's financial position and the results of operations of the corporate group comprising Oji Holdings Corporation and its consolidated subsidiaries applicable to the year ended March 31, 2018 in accordance with accounting standards generally accepted in Japan.

Conflict of interest

Our firm and engagement partners have no interest in the Company that must be disclosed pursuant to the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

REPORT OF INDEPENDENT AUDITORS

May 10, 2018

To the Board of Directors of Oji Holdings Corporation

PricewaterhouseCoopers Aarata LLC

Designated and Engagement Partner
Certified Public Accountant
Takashi Sasaki (Seal)

Designated and Engagement Partner
Certified Public Accountant
Sakae Toda (Seal)

Designated and Engagement Partner
Certified Public Accountant
Yuichiro Amano (Seal)

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the financial statements, that is, the non-consolidated balance sheets, the statements of income, the non-consolidated statement of changes in net assets, the notes to non-consolidated financial statements, and the supplementary schedules of Oji Holdings Corporation (the "Company") applicable to the 94th business year from April 1, 2017 to March 31, 2018.

Responsibility of the Company's management for financial statements

The Company's management is responsible for preparing and properly presenting financial statements and the supplementary schedules in accordance with accounting standards generally accepted in Japan. This includes establishing and operating internal control determined as necessary by the management for the preparation and proper presentation of financial statements and the supplementary schedules that are free of material misstatement caused by fraud or error.

Responsibility of independent auditors

Our responsibility is to independently express an opinion on the financial statements and the supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements and the supplementary schedules are free of material misstatement.

An audit entails performing procedures to gain evidence of audit with regard to the amounts and presentation of the financial statements and the supplementary schedules. Based on our judgment, we select and apply the auditing procedures in consideration of the assessment of risks associated with the material misstatement of financial statements and the supplementary schedules caused by fraud or error. The purpose of the audit is not to express an opinion on the effectiveness of internal control; however, in conducting risk assessment, we will consider internal control relating to the preparation and proper presentation of financial statements and the supplementary schedules to formulate relevant auditing procedures depending on the conditions. An audit also includes examining the assessment of the accounting policies, the methods of application thereof, and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements and the supplementary schedules.

We believe that we have obtained adequate and appropriate audit evidence as the basis for our opinion.

Audit opinion

As a result of our audit, it is our opinion that the above financial statements and the supplementary schedules properly present in all material respects the Company's financial position and the results of operations of the Company applicable to the year ended March 31, 2018 in accordance with accounting standards generally accepted in Japan.

Conflict of interest

Our firm and engagement partners have no interest in the Company that must be disclosed pursuant to the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

AUDIT REPORT OF THE AUDIT & SUPERVISORY BOARD

The Audit & Supervisory Board, having deliberated the issues based on the reports made by each Audit & Supervisory Board Member regarding the execution of duties by the Directors during the 94th business year from April 1, 2017 to March 31, 2018, prepared this Audit Report and hereby submits it as follows:

1. Outline of auditing method applied by the Audit & Supervisory Board Members and the Audit & Supervisory Board and details thereof

(1) The Audit & Supervisory Board established auditing policies, allocation of duties, and other relevant matters, and received reports from each Audit & Supervisory Board Member regarding his or her audits and results thereof, as well as received reports from the Directors, other relevant personnel, and Accounting Auditors regarding execution of their duties, and requested explanations as necessary.

(2) In accordance with the auditing policies, allocation of duties, and other relevant matters established by the Audit & Supervisory Board, each Audit & Supervisory Board Member endeavored to collect information, established auditing circumstances through communication with Directors, internal audit staff and other employees, and executed audits using the following method.

1) Audit & Supervisory Board Members attended the Board of Directors' meetings and other important meetings to receive reports regarding execution of duties from Directors, employees, etc. and requested explanations as necessary. Audit & Supervisory Board Members also inspected significant approved documents and examined the status of operations and financial position at its headquarters, etc. Furthermore, Audit & Supervisory Board Members received from subsidiaries their business reports as necessary through communication and information sharing with their Directors and Audit & Supervisory Board Members, and examined the status of operations and financial position at its principal offices, etc.

2) Audit & Supervisory Board Members monitored and verified the resolutions adopted by the Board of Directors regarding the establishment of the system for ensuring that the Directors' duties, which are a part of the business report and described in the Company's website in accordance with laws and regulations and the provisions of the Articles of Incorporation, are executed in conformity of laws and regulations, and the Articles of Incorporation of the Company, and the establishment of the system necessary to ensure proper business operations of a corporate group consisting of a stock company and its subsidiaries set forth in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, and the systems (Internal Control System) established in accordance with the resolution of the Board of Directors.

3) Audit & Supervisory Board Members reviewed the basic policy stipulated in Article 118, Item 3 (a) of the Ordinance for Enforcement of the Companies Act and the activities stipulated in (b) in the same Item, which are described in the Company's website, as stated in 2) above, based on the deliberations at the meetings of the Board of Directors and other meetings.

4) Audit & Supervisory Board Members also monitored and verified that Accounting Auditor maintains independence and conducts the audits appropriately. Audit & Supervisory Board Members also received reports of the status of the execution of duties from Accounting Auditor and requested explanations as necessary. In addition, Audit & Supervisory Board Members were informed of the arrangement of the "System for ensuring that the duties are executed appropriately" (matters stipulated in the items of Article 131 of the Corporate Accounting Rules) in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council, October 28, 2005) from the Accounting Auditor and requested explanations as necessary.

In accordance with the procedures mentioned above, we reviewed the business report and its supplementary schedules, the financial statements (the balance sheet, statement of income, statement of changes in net assets and notes to the financial statements), and the supplementary schedules, as well as the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to the consolidated financial statements), for the year ended March 31, 2018.

2. Results of Audit

(1) Results of audit of business report etc.

- 1) The business report and supplementary schedules present fairly the condition of the Company in conformity with related laws and regulations, and the Articles of Incorporation of the Company.
- 2) Regarding the execution of duties by Directors, there were no instances of misconduct or material matters in violation of laws and regulations, nor the Articles of Incorporation of the Company.
- 3) Resolution of the Board of Directors regarding the Internal Control System is fair and reasonable. There are no matters requiring additional mention regarding the description in the business report and the execution of duties by Directors concerning such Internal Control System.
- 4) There are no matters to be pointed out with respect to the basic policies on those who control the decision of the Company's financial and operational policies. Activities stipulated in Article 118, Item 3 (b) of the Ordinance for Enforcement of the Companies Act are in line with such basic policies, unharmed to common interest of shareholders, and not intended to maintain the positions of Directors or Audit & Supervisory Board Members of the Company.

(2) Results of audit of financial statements and supplementary schedules

The auditing methods and results of the Accounting Auditor, PricewaterhouseCoopers Aarata LLC, are fair and reasonable.

(3) Results of audit of consolidated financial statements

The auditing methods and results of the Accounting Auditor, PricewaterhouseCoopers Aarata LLC, are fair and reasonable.

May 10, 2018

Audit & Supervisory Board of Oji Holdings Corporation

Audit & Supervisory Board Member (Standing) Motokazu Ogata (Seal)

Audit & Supervisory Board Member (Standing) Tomihiro Yamashita (Seal)

Audit & Supervisory Board Member Makoto Katsura (Seal)

Audit & Supervisory Board Member Mikinao Kitada (Seal)

- Notes:
1. Mr. Makoto Katsura and Mr. Mikinao Kitada are outside audit & supervisory board members prescribed in Article 2, Item 16, and Article 335, Paragraph 3 of the Companies Act.
 2. Since Ms. Yuko Miyazaki resigned from the position of Audit & Supervisory Board Member on December 11, 2017, she has not signed and sealed this Audit Report.