



OJI HOLDINGS



Sarufutsu company-owned forest and Mokeuni Swamp in Hokkaido



Summary of Financial Business Results

November 2, 2021

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Beyond the Boundaries



I . 1st-half of FY2021 Result Overview

1. Financial Highlights of 1st-half of FY2021 (consolidated)

(¥ billion)

		1st-half of FY2020	1st-half of FY2021	Increase (Decrease)
Net Sales		652.4	708.5	56.1
Operating Profit		29.3	63.7	34.4
	[Domestic Companies]	[19.0]	[35.5]	[16.5]
	[Overseas Companies]	[10.3]	[28.2]	[17.9]
Ordinary Profit		22.1	68.8	46.7
Profit Attributable to Owners of Parent		10.3	45.6	35.3
Depreciation		30.2	30.9	0.7
Overseas Sales Ratio		28.6%	32.4%	3.8pt
Average Exchange Rate (¥/US\$)		106.9	109.8	2.9
Number of Consolidated Companies	Domestic	93	92	(1)
	Overseas	96	93	(3)
	Total	189	185	(4)

Domestic : (1) [Release Paper]

Overseas : (2) [Household and Consumer Products], (1) [Automotive Interior Materials]

2. Sales and Operating Profit by Segment

[1st-half of FY2021 Result]



(¥ billion)

	1st-half of FY2020		1st-half of FY2021		Increase (Decrease)	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Household & Industrial Materials	309.6	13.0	343.6	18.1	34.0	5.1
Functional Materials	90.9	5.1	91.4	7.2	0.5	2.1
Forest Resources & Environment Marketing	119.2	6.7	141.6	23.7	22.4	17.0
Printing & Communications Media	114.2	0.7	117.6	10.8	3.4	10.1
Others	18.5	3.8	14.3	3.9	(4.2)	0.1
Total	652.4	29.3	708.5	63.7	56.1	34.4

*1: Sales include intra-segment sales *2: Others include adjustment amount

3. Analysis of Operating Profit by Segment

(1) Household and Industrial Materials



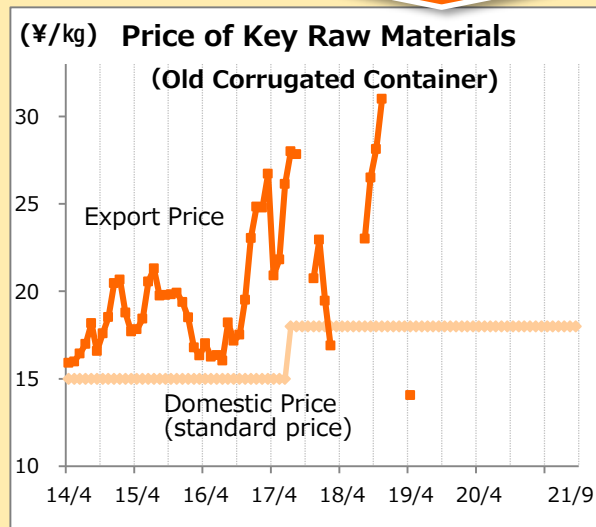
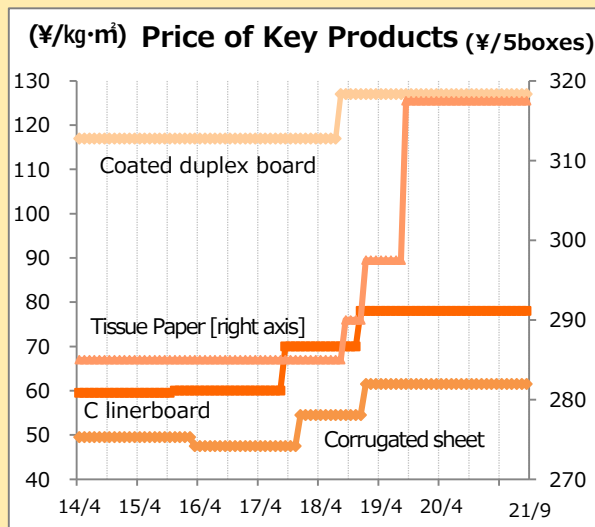
1st-half of FY2020			1st-half of FY2021			Increase (Decrease)		
Net Sales		Operating Profit	Net Sales		Operating Profit	Operating Profit		
¥309.6 bil.	¥13.0 bil.	Domestic ¥8.2 bil. Overseas ¥4.8 bil.	¥343.6 bil.	¥18.1 bil.	Domestic ¥13.5 bil. Overseas ¥4.6 bil.	+¥5.1 bil.	Domestic +¥5.3 bil. Overseas (¥0.2 bil.)	

Domestic +¥5.3 billion

Sales&market factor +¥7.0 bil.
 Price difference in raw materials& fuels (¥2.6 bil.)
 etc.

Overseas (¥0.2 billion)

Price difference in raw materials& fuels (¥5.3 bil.)
 Sales&market factor +¥6.5 bil.
 etc.



Sales of Key Products (*)		1st-half of FY2020			1st-half of FY2021			Increase (Decrease)			
		Sales Volume 1000t(or) million m	Unit Price ¥/kg(or)m	Sales Amount ¥ billion	Sales Volume 1000t(or) million m	Unit Price ¥/kg(or)m	Sales Amount ¥ billion	Sales Volume 1000t(or) million m	Year-on Year %	Unit Price ¥/kg(or)m	Sales Amount ¥ billion
Paperboard	Domestic	1,351	68.81	93.0	1,461	68.34	99.8	110	108.1%	(0.48)	6.9
Corrugated containers (million m)	Domestic	1,444	66.09	95.5	1,528	65.20	99.6	83	105.8%	(0.89)	4.2

*Total of Group's consolidated manufacturing companies, with intra-Group consumption included

3. Analysis of Operating Profit by Segment

(2) Functional Materials



1st-half of FY2020			1st-half of FY2021			Increase (Decrease)		
Net Sales	Operating Profit		Net Sales	Operating Profit		Operating Profit		
¥90.9 bil.	¥5.1 bil.	Domestic ¥2.8 bil. Overseas ¥2.3 bil.	¥91.4 bil.	¥7.2 bil.	Domestic ¥4.7 bil. Overseas ¥2.5 bil.	+¥2.1 bil.	Domestic +¥1.9 bil. Overseas +¥0.2 bil.	

Domestic +¥1.9 billion

Sales&market factor +¥1.2 bil.

Cost reduction +¥1.0 bil.

Price difference in raw materials& fuels (¥0.8 bil.)

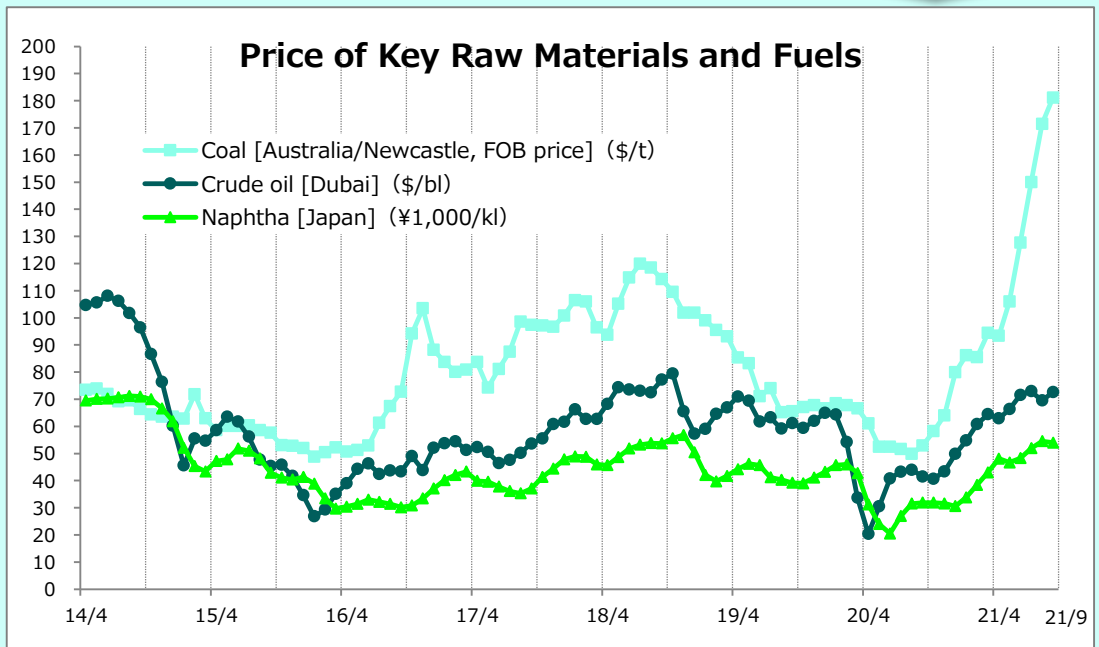
etc.

Overseas +¥0.2 billion

Sales&market factor +¥0.1 bil.

Price difference in raw materials& fuels (¥0.2 bil.)

etc.



Sales of Key Products (*)	1st-half of FY2020			1st-half of FY2021			Increase (Decrease)				
	Sales Volume	Unit Price	Sales Amount	Sales Volume	Unit Price	Sales Amount	Sales Volume	Year-on Year	Unit Price	Sales Amount	
	million m ²	¥/m ²	¥ billion	million m ²	¥/m ²	¥ billion	million m ²	%	¥/m ²	¥ billion	
Thermal paper (million m)	Domestic& Overseas	1,525	18.03	27.5	1,612	17.65	28.4	87	105.7%	(0.38)	1.0

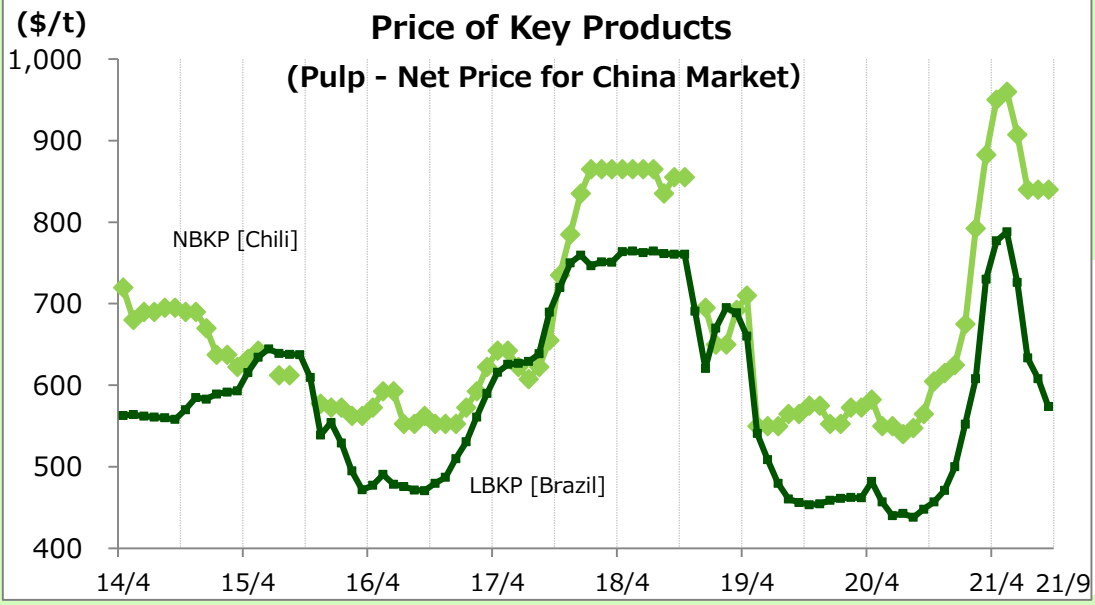
*Total of Group's consolidated manufacturing companies, with intra-Group consumption included

3. Analysis of Operating Profit by Segment

(3) Forest Resources and Environment Marketing



1st-half of FY2020			1st-half of FY2021			Increase (Decrease)		
Net Sales	Operating Profit		Net Sales	Operating Profit		Operating Profit		
¥119.2 bil.	¥6.7 bil.	Domestic ¥4.7 bil. Overseas ¥2.0 bil.	¥141.6 bil.	¥23.7 bil.	Domestic ¥4.6 bil. Overseas ¥19.1 bil.	+¥17.0 bil.	Domestic (¥0.1 bil.) Overseas +¥17.1 bil.	



Overseas +¥17.1 billion

- Rise in pulp sales prices +¥13.3 bil.
- Exchange rate effect (weaker Real) +¥1.5 bil. etc.

NBKP	575 \$/t	+245\$/t	820 \$/t	785 \$/t	790 \$/t
LBKP	460 \$/t	+170\$/t	630 \$/t	565 \$/t	540 \$/t
	2020 Result (Jan-Dec)		2021 (Jan-Dec Forecast)	2021 (Jul-Dec Forecast)	Reference (Oct. Assumption)

Sales of Key Products (*)		1st-half of FY2020			1st-half of FY2021			Increase (Decrease)			
		Sales Volume 1,000t (or) GWh	Unit Price ¥/kg	Sales Amount ¥ billion	Sales Volume 1,000t (or) GWh	Unit Price ¥/kg	Sales Amount ¥ billion	Sales Volume 1,000t (or) GWh	Year-on Year %	Unit Price ¥/kg	Sales Amount ¥ billion
Market pulp	Domestic& Overseas	1,116	51.86	57.9	1,024	70.29	72.0	(92)	91.7%	18.43	14.1
Electric power (GWh)	Domestic	780	-	-	756	-	-	(24)	96.9%	-	-

*Total of Group's consolidated manufacturing companies, with intra-Group consumption included

3. Analysis of Operating Profit by Segment

(4) Printing and Communications Media



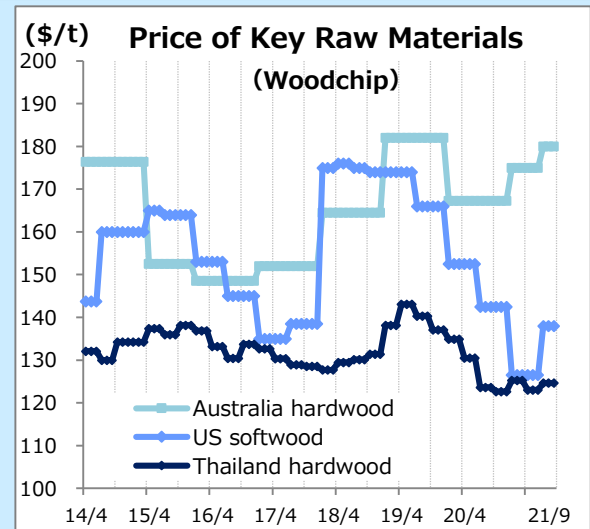
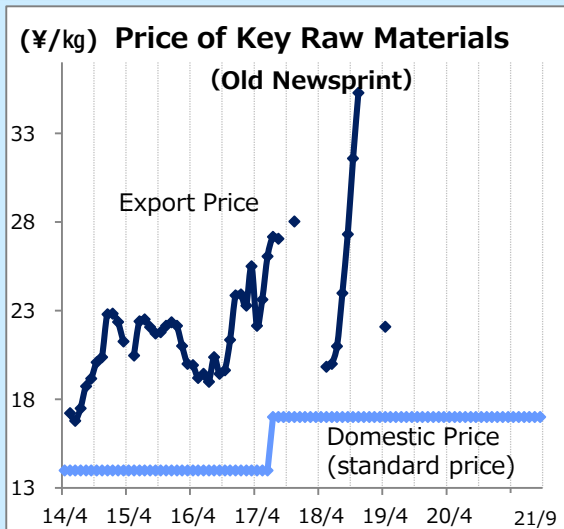
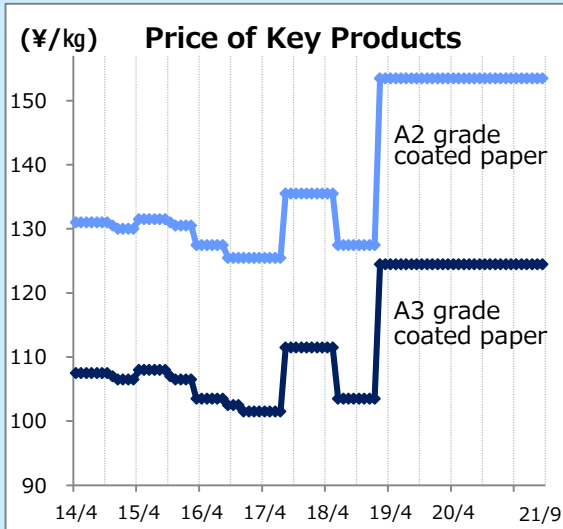
1st-half of FY2020			1st-half of FY2021			Increase (Decrease)	
Net Sales	Operating Profit		Net Sales	Operating Profit		Operating Profit	
¥114.2 bil.	¥0.7 bil.	Domestic (¥0.4 bil.) Overseas ¥1.1 bil.	¥117.6 bil.	¥10.8 bil.	Domestic ¥8.6 bil. Overseas ¥2.2 bil.	+¥10.1 bil.	Domestic +¥9.0 bil. Overseas +¥1.1 bil.

Domestic +¥9.0 billion

Sales&marketfactor +¥7.5 bil. Cost reduction +¥1.2 bil.
Price difference in raw materials& fuels (¥1.5 bil.) etc.

Overseas +¥1.1 billion

Sales& marketfactor +¥2.7 bil. Price difference in raw materials& fuels (¥1.9 bil.) etc.



Sales of Key Products (*)	1st-half of FY2020			1st-half of FY2021			Increase (Decrease)			
	Sales Volume 1,000 t	Unit Price ¥/kg	Sales Amount ¥ billion	Sales Volume 1,000 t	Unit Price ¥/kg	Sales Amount ¥ billion	Sales Volume 1,000 t	Year-on Year %	Unit Price ¥/kg	Sales Amount ¥ billion
Newsprint, printing & communication paper Domestic	831	113.54	94.4	887	96.54	85.6	56	106.7%	(17.00)	(8.8)

*Total of Group's consolidated manufacturing companies, with intra-Group consumption included



II. FY2021 Financial Forecast

1. Financial Forecast for FY2021 (consolidated)

(¥ billion)

	FY2020	FY2021F	Increase (Decrease)
Net Sales	1,359.0	1,450.0	91.0
Operating Profit	84.8	120.0	35.2
[Domestic Companies]	[63.2]	[62.0]	[(1.2)]
[Overseas Companies]	[21.6]	[58.0]	[36.4]
Ordinary Profit	83.1	120.0	36.9
Profit Attributable to Owners of Parent	49.6	70.0	20.4
Depreciation	62.8	62.3	(0.4)
Overseas Sales Ratio	29.3%	34.1%	4.9pt
Average Exchange Rate(¥/US\$)	106.1	112.4	6.3

*The above forecasts are based on the forecasts of economic conditions made at the time of publication. As such, actual results may differ from these forecasts due to various unforeseen circumstances.

Assumption for FY2021 Financial Forecast

◆ Assumption

Exchange rates : to remain static at current level
 Woodchip : based on current contract
 Recovered paper : static at current level
 Coal : based on current contract
 Heavy Oil : static at current level

◆ Effects of fluctuation on operation profit (per annum)

Exchange rates [JPY] : approx. ¥0.13 billion with a fluctuation of US\$ by 1% (strong US\$ -)
 [BRL] : approx. ¥0.24 billion with a fluctuation of US\$ by 1% (strong US\$ +)
 [NZD] : approx. ¥0.83 billion with a fluctuation of US\$ by 1% (strong US\$ +)
 Price of pulp : approx. ¥2.27 billion with a fluctuation of US\$10/t (high price +)
 Price of woodchip : approx. ±¥2.88 billion with a fluctuation of US\$10/BDt
 Price of recovered paper : approx. ±¥3.95 billion with a fluctuation of ¥1/kg
 Price of Dubai crude oil : approx. ±¥0.25 billion with a fluctuation of US\$1/bbl
 (heavy oil, bunker, naphtha and others)

2. Sales and Operating Profit by Segment

[FY2021 Forecast]

(¥ billion)

	FY2020		FY2021F		Increase (Decrease)	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Household & Industrial Materials	647.5	38.1	706.0	28.0	58.5	(10.1)
Functional Materials	182.3	11.5	186.0	14.0	3.7	2.5
Forest Resources & Environment Marketing	245.3	16.7	303.0	52.0	57.7	35.3
Printing & Communications Media	244.0	11.2	232.0	19.0	(12.0)	7.8
Others	39.9	7.3	23.0	7.0	(16.9)	(0.3)
Total	1,359.0	84.8	1,450.0	120.0	91.0	35.2

*1: Sales include intra-segment sales *2: Others include adjustment amount

3. Operating Profit by Segment

	(¥ billion)		
	FY2020	FY2021F	
Household & Industrial Materials	Net Sales	647.5	706.0
	Operating Profit	38.1	28.0
	[Domestic]	[29.2]	[21.6]
	[Overseas]	[8.9]	[6.4]
Operating Profit Margin	5.9%	4.0%	

Operating Profit
(¥10.1 billion)

- ◆ Domestic (¥7.6 billion)
- ◆ Overseas (¥2.5 billion)

	(¥ billion)		
	FY2020	FY2021F	
Functional Materials	Net Sales	182.3	186.0
	Operating Profit	11.5	14.0
	[Domestic]	[7.6]	[8.9]
	[Overseas]	[3.9]	[5.1]
Operating Profit Margin	6.3%	7.5%	

Operating Profit
+¥2.5 billion

- ◆ Domestic +¥1.3 billion
- ◆ Overseas +¥1.2 billion

	(¥ billion)		
	FY2020	FY2021F	
Forest Resources & Environment Marketing	Net Sales	245.3	303.0
	Operating Profit	16.7	52.0
	[Domestic]	[10.0]	[8.9]
	[Overseas]	[6.7]	[43.1]
Operating Profit Margin	6.8%	17.2%	

Operating Profit
+¥35.3 billion

- ◆ Domestic (¥1.1 billion)
- ◆ Overseas +¥36.4 billion

	(¥ billion)		
	FY2020	FY2021F	
Printing & Communications Media	Net Sales	244.0	232.0
	Operating Profit	11.2	19.0
	[Domestic]	[9.1]	[15.2]
	[Overseas]	[2.1]	[3.8]
Operating Profit Margin	4.6%	8.2%	

Operating Profit
+¥7.8 billion

- ◆ Domestic +¥6.1 billion
- ◆ Overseas +¥1.7 billion

4. Impact on Operating Profit from External Environment



(¥billion/year)

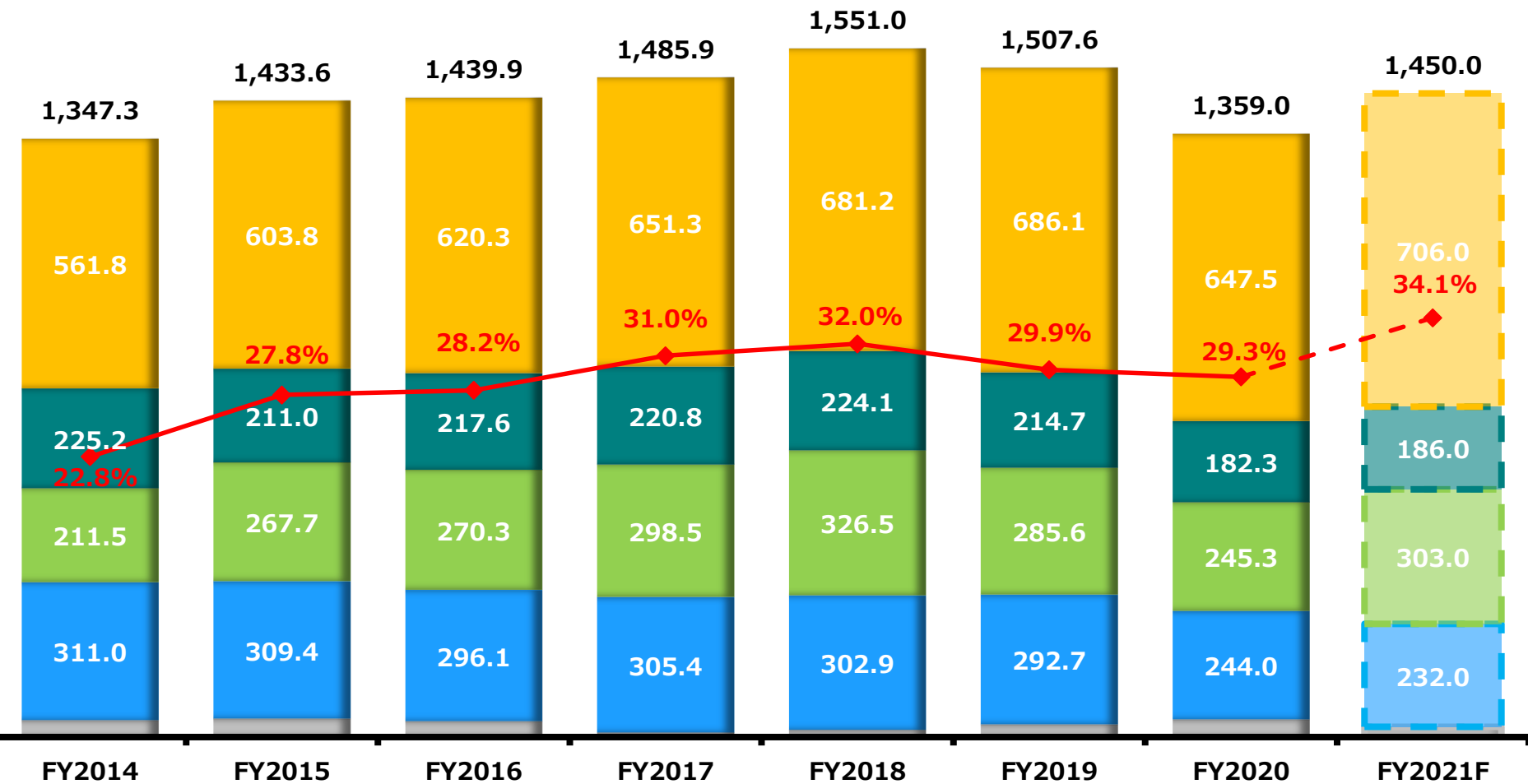
Impact on operating profit from:			Household & Industrial Materials	Functional Materials	Forest Resources & Environment Marketing	Printing & Communications Media	Total
◆ Changes in exchange rates							
Assumed exchange rates for 2nd-half of FY2021							
Impact on profit and transactions in USD (USD stronger by 10%)	Japanese Yen(※)(JPY) 115.00 JPY/USD		↓	↓	↑	↓	↓ (1.3)
	Brazilian Real (BRL) 5.50 BRL/USD		↓	↓	↑	↓	↑ +2.4
	New Zealand Dollar (NZD) 1.40 NZD/USD		↑	↓	↑	↓	↑ +8.3
(※) The figure includes the effect of conversion of profit in USD to JPY							
◆ Changes in pulp prices							
Pulp sales & purchase (USD 10/t stronger)			↓	↓	↑	↓	↑ +2.3
							+ : Improve () : Worsen



《 Reference Materials 》

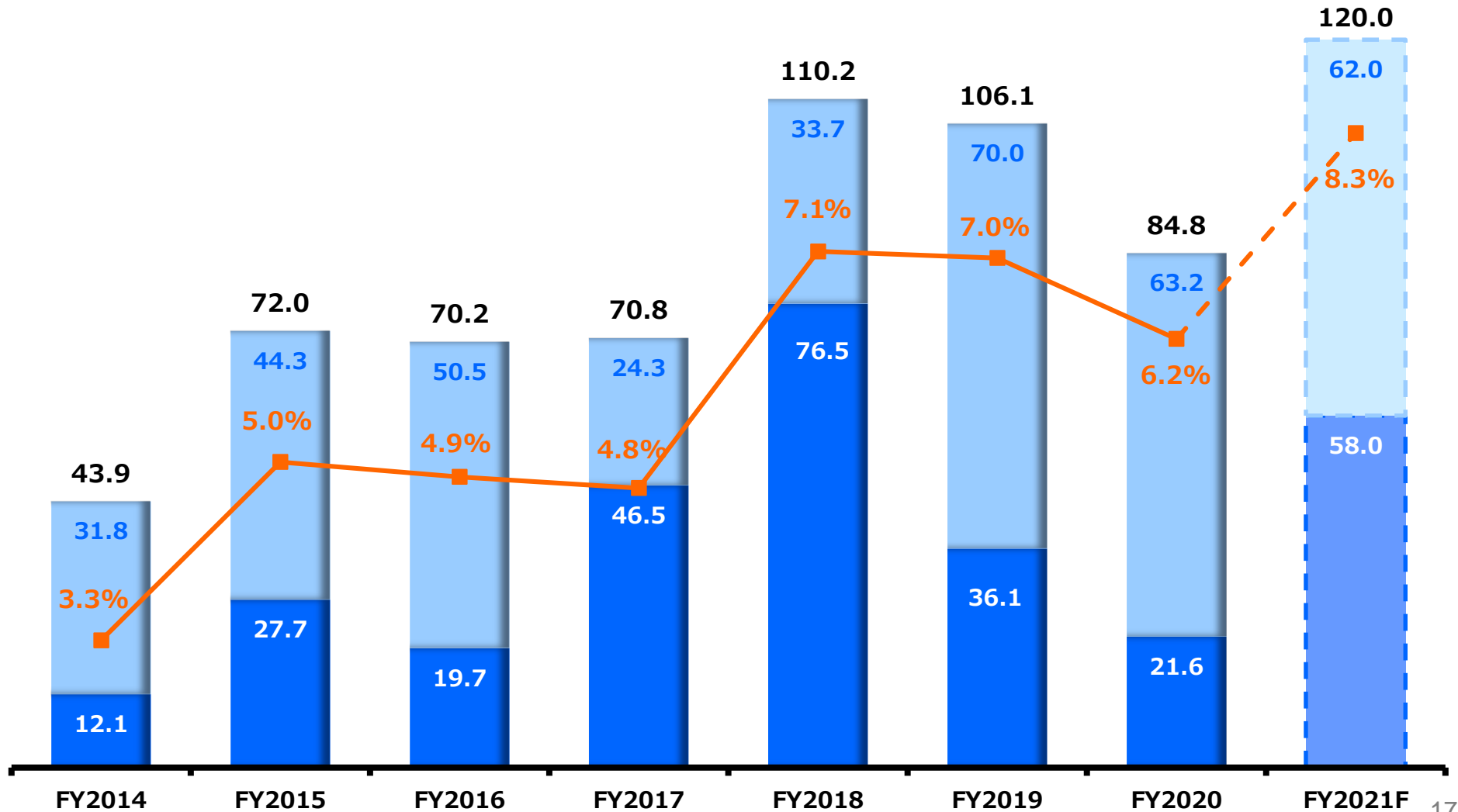
Trends of Net Sales by Segment (consolidated)

■ Household & Industrial Materials ■ Functional Materials ■ Others ◆ Overseas Sales (¥ billion)
■ Forest Resources & Environment Marketing ■ Printing & Communications Media



Trends of Operating Profit (consolidated)

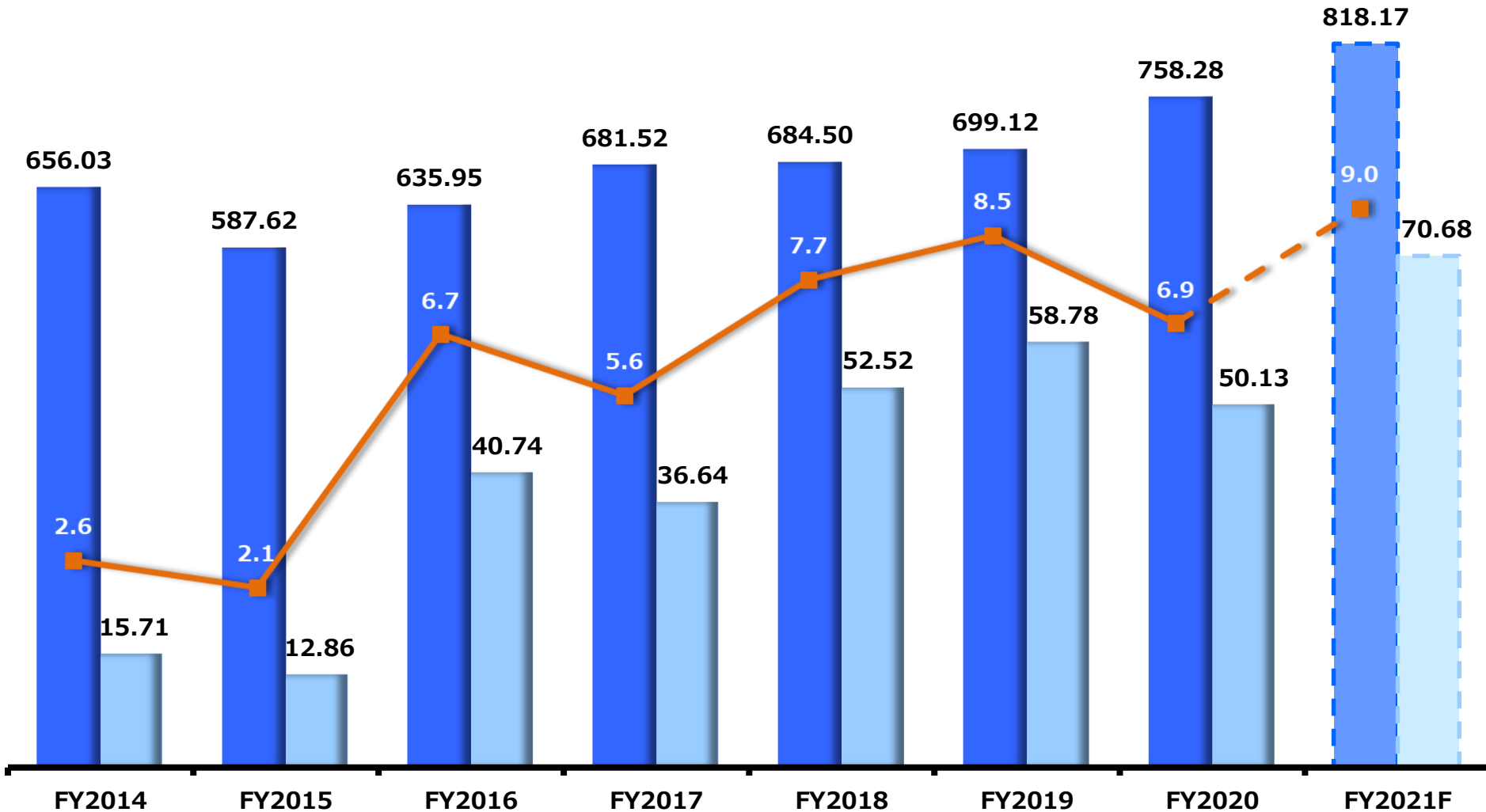
■ Operating profit of domestic companies
 ■ Operating profit of overseas companies
 —■— Operating profit margin (¥ billion)



Trends of Return on Equity (ROE)



■ Net assets per share (¥)
 ■ Net profit per share (¥)
 —■— ROE (%)

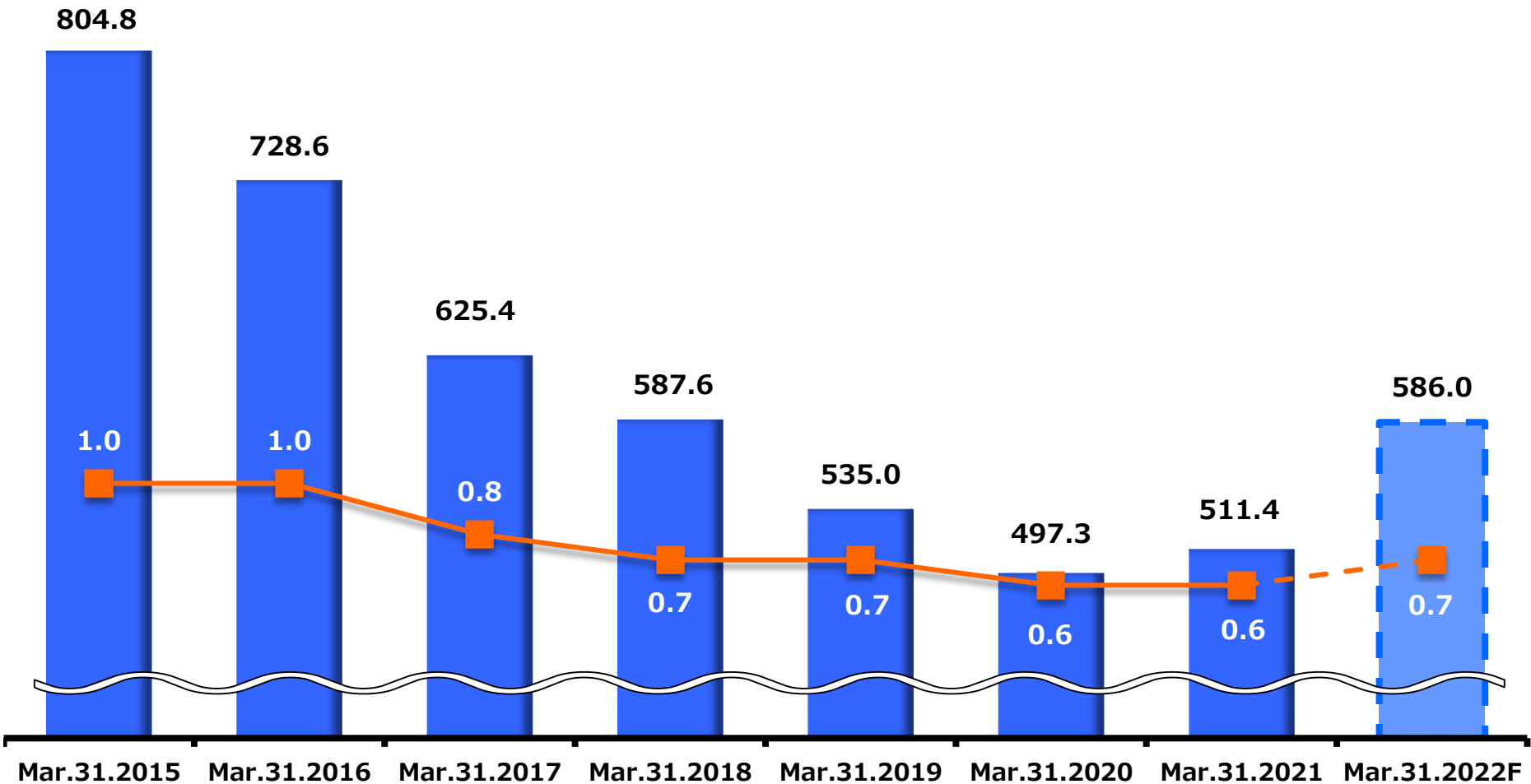


Trends of Net Interest-bearing Debt (consolidated)

Consolidated net interest-bearing debt (¥ billion)

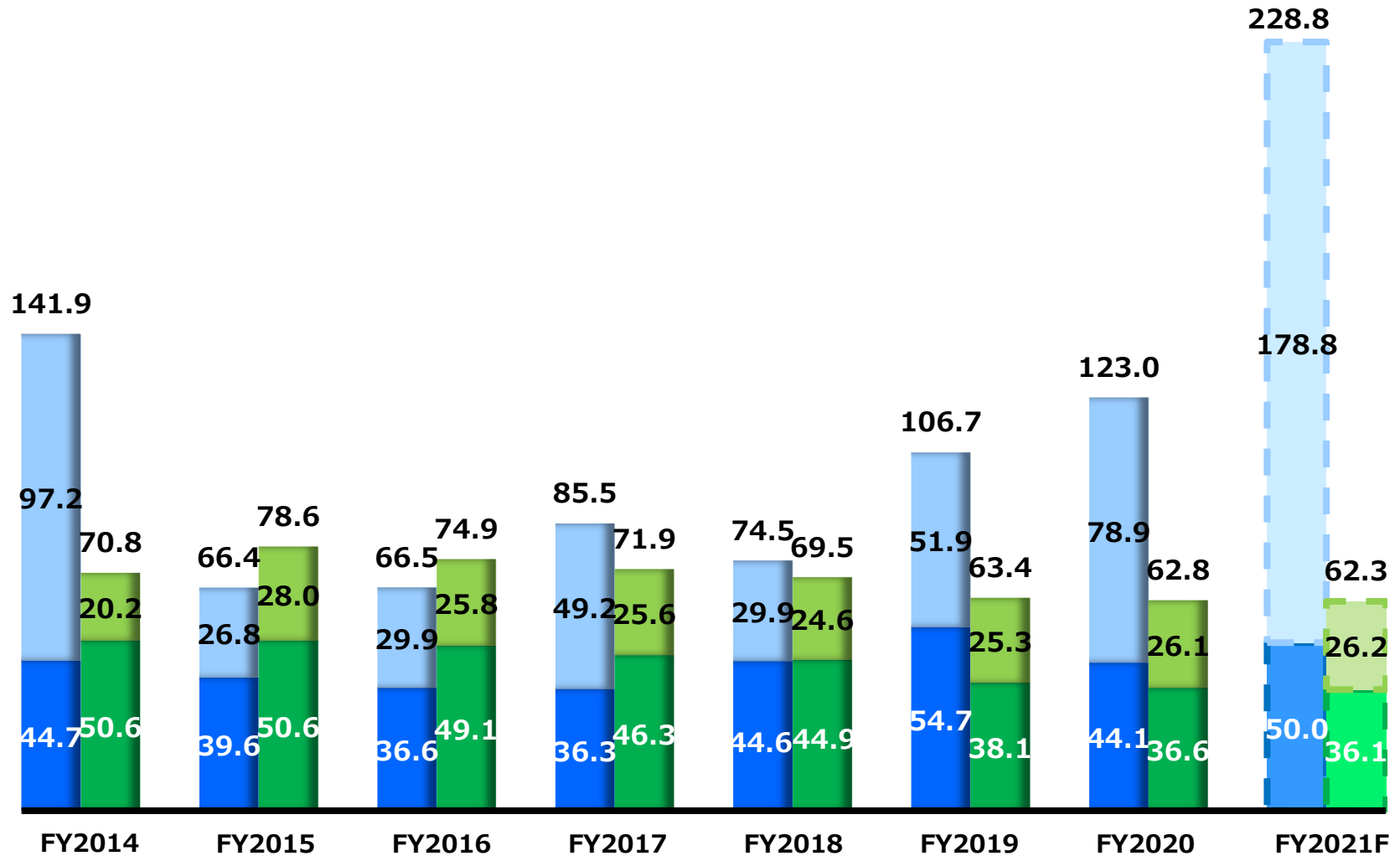
D/E(x)

*D/E(x) = consolidated net interest-bearing debt / net assets at the year-end



Trends of CAPEX / Depreciation (consolidated)

■ CAPEX, investment & loan [Domestic]
 ■ CAPEX, investment & loan [Overseas]
 ■ Depreciation [Domestic]
 ■ Depreciation [Overseas]
 (¥ billion)

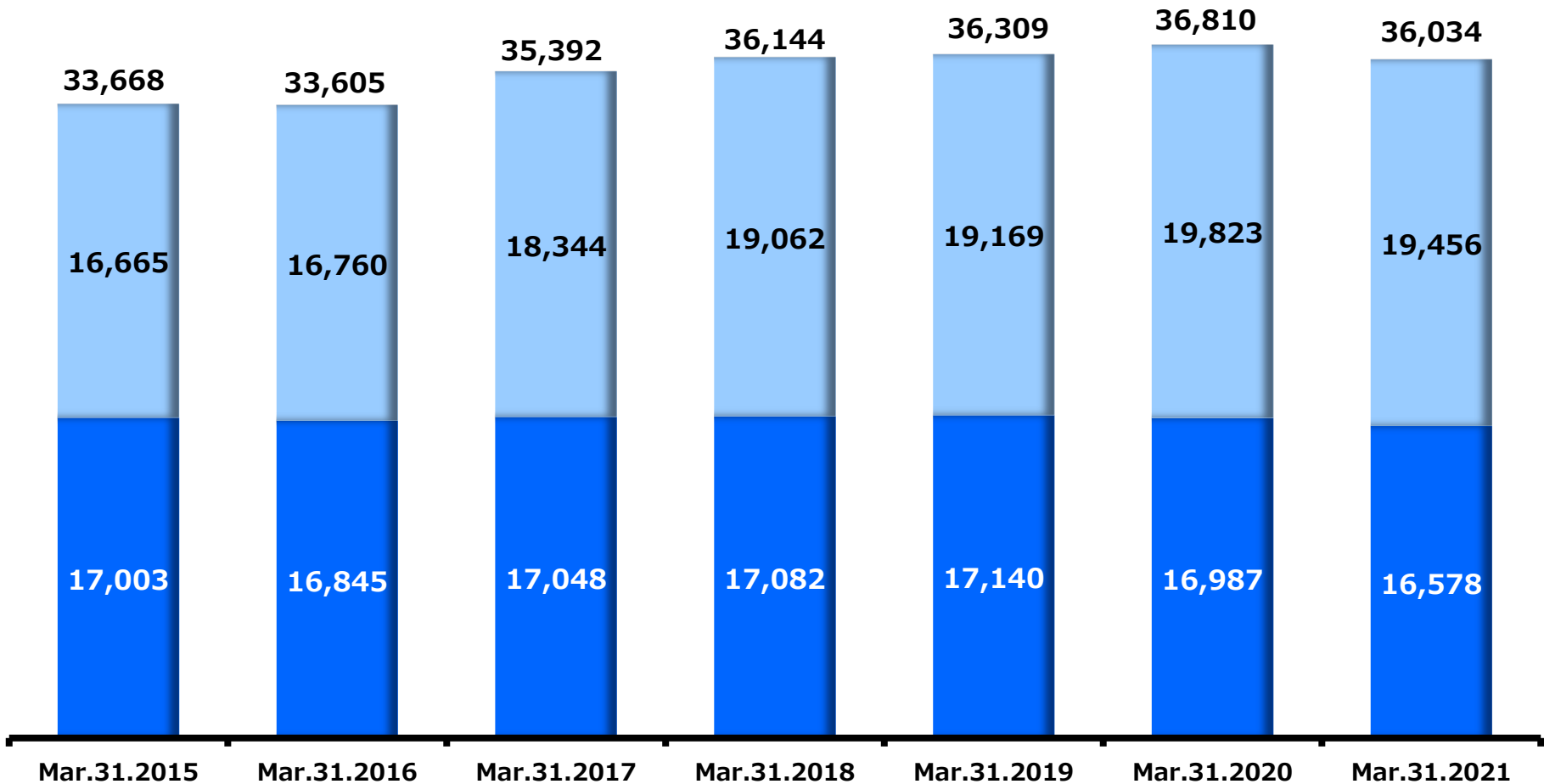


History of the Number of Employees (consolidated)



Employees [Domestic] (consolidated) **Employees [Overseas] (consolidated)** **(person)**

*The figures do not include number of temporary employees



1st-half of FY2021 Industry Demand

(1,000t)

	Domestic Shipments		Custom Cleared Imports *1		Total	
	Year-on-Year		Year-on-Year		Year-on-Year	
Containerboard	4,547	105.3%	19	81.6%	4,566	105.2%
Boxboard	713	111.4%	119	110.0%	832	111.2%
Other Paperboard	307	111.0%	13	94.6%	319	110.3%
Paperboard Total	5,566	106.4%	151	104.0%	5,717	106.3%
Sanitary Paper	883	100.9%	110	96.0% *2	993	100.4%
Packaging Paper	322	114.1%	5	140.2%	328	114.4%
Newsprint	982	98.0%	1	64.9%	983	98.0%
Printing/Communications Paper	2,775	109.7%	349	104.3%	3,125	109.0%
Miscellaneous Paper	307	112.5%	9	116.7%	316	112.6%
Paper Total	5,270	106.2%	474	102.6%	5,745	105.9%
Paperboard and Paper Total	10,836	106.3%	626	103.0%	11,462	106.1%
Corrugated Containers *3	7,330	104.5%			7,330	104.5%

(million m²)

Source: Japan Paper Association - Statistics on Paper and Paperboard; Trade Statistics of Ministry of Finance, Japan; Japan Corrugated Case Association - Production Volume of Corrugated Case

*1: Statistics for customs cleared imports of paper: April 2021 - September 2021 (preliminary)

*2: The figure includes secondary products (processed goods)

*3: The figure represents the production volume of corrugated board