

**Summary of Consolidated Financial and Business Results**  
**for the First Quarter of the Year Ending March 2013**

**Oji Paper Co., LTD.**

(Code No. 3861 Tokyo Stock Exchange and Osaka Stock Exchange)

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

**1. Results for the First Quarter of the Year Ending March 31, 2013 (April 1, 2012 - June 30, 2012)**  
**(Unaudited)**

## (1) Consolidated Business Results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Quarter of FY2012	304,129	(0.9)	12,384	(25.6)	10,171	(36.5)	6,789	(16.6)
First Quarter of FY2011	306,816	8.1	16,646	3.9	16,023	4.2	8,137	(2.7)

Note: Comprehensive income 1Q of FY2012 20,538 million yen 1Q of FY2011 14,667 million yen

	Net income per share	Diluted net income per share
	Yen	Yen
First Quarter of FY2012	6.88	6.87
First Quarter of FY2011	8.24	8.23

## (2) Consolidated Financial Condition

	Total assets	Net assets	Net worth/total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
First Quarter of FY2012	1,815,912	536,021	25.6	470.12
Year ended March 2012	1,634,992	463,299	27.4	454.20

Note: Shareholders' equity 1Q of FY2012 464,017 million yen (40.0 %) FY2011 448,308 million yen (- %)

**2. Dividend Conditions**

(Basic Date)	Dividend per stock				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Yearly
FY2011	—	5.00	—	5.00	10.00
FY2012	—				
FY2012 (Forecast)		5.00	—	5.00	10.00

Note : Change in forecast of dividend ... None

**3. Consolidated Forecasts for the Year Ending March 2013 (April 1, 2012 - March 31, 2013)**

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

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
1Q - 2Q	620,000	1.4	30,000	(9.4)	25,000	6.3	11,000	(8.4)	11.14
Yearly	1,270,000	4.7	68,000	26.4	60,000	24.0	28,000	26.3	28.37

Note : Change in consolidated forecasts ... No



## Qualitative Information Concerning Business Performance

### Overview of the first quarter of FY2012

During FY2012, Japanese economy showed a recovery trend thanks to reconstruction demand from Tohoku Region Pacific Coast Earthquake ("the Earthquake"), but it remained uncertain affected by financial crisis in Europe and negative impact of high yen.

In pulp and paper industry, demand for general papers was sluggish affected by negative impact of high yen and increase of import papers due to weakened demand and supply in Chinese market, and demand for paperboards and packaging papers were also sluggish.

Oji Paper Group ("we") are still making an overseas investment, and as part of this process, established a subsidiary in India and turned a pulp production company in Brazil into our consolidated company.

In existing business, we reorganized production system to promote efficient production, drove forward the cost reduction drastically around the fixed cost.

Factors above has lead to the results shown below.

Results for the first quarter (April 1, 2012 - June 30, 2012) were as follows

Consolidated net sales:	¥304,129 million (0.9% decrease)
Consolidated operating income:	¥12,384 million (25.6% decrease)
Consolidated ordinary income:	¥10,171 million (36.5% decrease)
Consolidated net income:	¥6,789 million (16.6% decrease)

Sales overview is as follows.

#### ○Pulp and Paper business

##### •Paperboards

Containerboards sales decreased affected by sluggish movement of demand for green grocery and other general demand, in spite of healthy sales movement of beverage.

Domestic sales of high-grade paperboards, specialty paperboards, and coated white lined boards were less than that of the previous year due to a reaction of favorable condition in the previous year.

##### •Packaging Papers

Domestic sales of packaging papers decreased due to sluggish demand caused by economic slump. On the other hand, export sales increased due to steady demand in Asian market.

##### •General Papers

Domestic and export sales of newsprint both decreased.

In the printing paper category, domestic demand is decreasing and import papers are increasing. Under these conditions, domestic sales extremely decreased due to selling price maintenance. Export sales remained static.

##### •Miscellaneous Papers

Sales of miscellaneous papers decreased affected by slump in export industry due to slowdown of world economy and reconstruction demand from the Earthquake.

#### ○Converted Paper business

##### •Corrugated Containers (Corrugated Sheets and Boxes)

Although sales of packaged food was steady, sales of corrugated sheets and boxes decreased affected by sluggish demand for green grocery and influences of production base relocation in electric appliance industries.

##### •Others ( Sanitary Papers, Paperware, Adhesive Papers, etc.)

As to sanitary papers, toilet rolls sales increased. On the other hand, tissue sales decreased due to the effect of selling price maintenance.

Disposable diapers sales for infants extremely decreased, while sales for adults was at the same level as the previous year.

## Consolidated quarterly balance sheets

(Unit : Millions of yen)

	FY2011 Mar 31,2012	1Q / FY2012 Jun 30,2012
Assets		
Current assets		
Cash and deposits	43,881	46,346
Notes and accounts receivable-trade	261,384	290,594
Short-term investment securities	554	3,819
Merchandise and finished goods	81,394	88,372
Work in process	15,479	16,988
Raw materials and supplies	57,462	64,516
Other	45,355	49,197
Allowance for doubtful accounts	(4,304)	(3,187)
Total current assets	<u>501,207</u>	<u>556,648</u>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	200,398	203,586
Machinery, equipment and vehicles, net	341,352	381,476
Land	233,530	236,278
Other, net	107,283	242,772
Total property, plant and equipment	<u>882,565</u>	<u>1,064,114</u>
Intangible assets		
Goodwill	15,427	15,769
Other	10,984	11,399
Total intangible assets	<u>26,411</u>	<u>27,168</u>
Investments and other assets		
Investment securities	175,648	128,749
Other	51,704	41,945
Allowance for doubtful accounts	(2,545)	(2,714)
Total investments and other assets	<u>224,807</u>	<u>167,980</u>
Total noncurrent assets	<u>1,133,785</u>	<u>1,259,263</u>
Total assets	<u>1,634,992</u>	<u>1,815,912</u>

(Unit : Millions of yen)

	<b>FY2011</b>	<b>1Q / FY2012</b>
	<b>Mar 31,2012</b>	<b>Jun 30,2012</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	216,781	216,177
Short-term loans payable	336,532	390,616
Commercial papers	—	19,000
Current portion of bonds	160	160
Income taxes payable	9,232	3,482
Provision	2,349	1,483
Other	69,138	70,124
<b>Total current liabilities</b>	<u>634,195</u>	<u>701,045</u>
<b>Noncurrent liabilities</b>		
Bonds payable	120,320	120,270
Long-term loans payable	327,707	341,379
Provision		
Provision for retirement benefits	50,398	50,721
Other provision	3,561	7,808
<b>Total provisions</b>	<u>53,959</u>	<u>58,530</u>
Other	35,509	58,666
<b>Total noncurrent liabilities</b>	<u>537,497</u>	<u>578,846</u>
<b>Total liabilities</b>	<u>1,171,692</u>	<u>1,279,891</u>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	103,880	103,880
Capital surplus	113,012	113,010
Retained earnings	304,432	306,641
Treasury stock	(43,363)	(43,368)
<b>Total shareholders' equity</b>	<u>477,961</u>	<u>480,164</u>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	6,675	3,069
Deferred gains or losses on hedges	186	(118)
Revaluation reserve for land	5,063	5,061
Foreign currency translation adjustment	(41,579)	(24,159)
<b>Total accumulated other comprehensive income</b>	<u>(29,653)</u>	<u>(16,147)</u>
Subscription rights to shares	346	362
Minority interests	14,644	71,640
<b>Total net assets</b>	<u>463,299</u>	<u>536,021</u>
<b>Total liabilities and net assets</b>	<u>1,634,992</u>	<u>1,815,912</u>

## Consolidated quarterly statements of income

(Unit : Millions of yen)

	1Q / FY2011 Apr '11 - Jun '11	1Q / FY2012 Apr '12 - Jun '12
Net sales	306,816	304,129
Cost of sales	236,681	237,284
Gross profit	<u>70,134</u>	<u>66,845</u>
Selling, general and administrative expenses		
Freightage related expenses	28,946	28,272
Other	24,541	26,188
Total selling, general and administrative expenses	<u>53,488</u>	<u>54,460</u>
Operating income	<u>16,646</u>	<u>12,384</u>
Non-operating income		
Interest income	67	177
Dividends income	1,419	1,391
Equity in earnings of affiliates	1,227	—
Other	730	978
Total non-operating income	<u>3,445</u>	<u>2,547</u>
Non-operating expenses		
Interest expenses	2,649	2,746
Foreign exchange losses	225	297
Equity in losses of affiliates	—	402
Other	1,192	1,314
Total non-operating expenses	<u>4,068</u>	<u>4,760</u>
Ordinary income	<u>16,023</u>	<u>10,171</u>
Extraordinary income		
Total extraordinary income	31	4
Extraordinary loss		
Loss on subsidiary status change from equity method affiliate to consolidated subsidiary	—	858
Loss on valuation of investment securities	1,506	580
Special retirement expenses	426	508
Loss on retirement of noncurrent assets	413	413
Other	795	202
Total extraordinary losses	<u>3,142</u>	<u>2,562</u>
Income before income taxes and minority interests	<u>12,912</u>	<u>7,612</u>
Income taxes-current	2,775	1,529
Income taxes-deferred	1,691	(840)
Total income taxes	<u>4,467</u>	<u>688</u>
Income before minority interests	<u>8,444</u>	<u>6,923</u>
Minority interests in income	307	134
Net income	<u>8,137</u>	<u>6,789</u>

## Consolidated quarterly statements of comprehensive income

	1Q / FY2011 Apr '11 - Jun '11	(Unit : Millions of yen) 1Q / FY2012 Apr '12 - Jun '12
Income before minority interests	8,444	6,923
Other comprehensive income		
Valuation difference on available-for-sale securities	(783)	(3,661)
Deferred gains or losses on hedges	84	(309)
Foreign currency translation adjustment	5,820	7,621
Share of other comprehensive income of associates accounted for using equity method	1,101	9,964
Total other comprehensive income	<u>6,222</u>	<u>13,614</u>
Comprehensive income	<u>14,667</u>	<u>20,538</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	13,781	20,298
Comprehensive income attributable to minority interests	885	240