

August 30, 2006

Company Name: Oji Paper Co., Ltd.
Name of Representative: Kazuhisa Shinoda
Representative Director and President
(Code: 3861, Tokyo Stock Exchange and Osaka Securities
Exchange (each at the First Section))
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Notice Regarding the Tender Offer

Oji Paper Co., Ltd. (the “Company”) made the following decision at a meeting of its board of directors held today regarding the tender offer (the “Tender Offer”) for the common shares of Hokuetsu Paper Mills, Ltd. (“Hokuetsu”), commenced on August 2, 2006:

1. Decision

The Company will not change the terms and conditions of the Tender Offer.

2. Reasons for the Decision

To pursue a successful completion of the Tender Offer by modifying the terms of the offer such as the tender offer period, the tender offer price, and the minimum number of shares to be purchased would likely force the Company to devote its management resources for an extended period of time to a highly uncertain goal of acquiring 100% of the shares of Hokuetsu. Such efforts are not necessarily compatible with the original purpose of enhancing the enterprise and shareholder values of the Company through the proposed business integration with Hokuetsu. For the foregoing reasons, the board decided not to modify the terms and conditions of the Tender Offer.