

January 18, 2008

Investigation Result Regarding Content Ratio of Recovered Paper

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We have conducted an in-house investigation about the content ratio of recovered paper in all Oji Paper products produced and sold in Japan as recycled paper products. Please refer to the Appendix for the detailed results of this investigation. As shown in the Appendix, under the present circumstances, for products subject to the Japanese Green Purchasing Law, there were no deviations between our claimed ratios and the actual content ratios.

Regarding recycled paper not subject to the Green Purchasing Law, though deviations were found for a portion of products, the content ratio of recovered paper is almost the same as what we have claimed. As for those products where deviations were found, we have already stopped production.

However, it is a fact that there were deviations between our claimed ratios and the actual content ratios of recovered paper in some of our products, such as PPC papers and printing papers, in the past.

Protecting the environment is one of the most pressing issues currently facing mankind. Oji Paper has been actively reducing CO₂ emission through business efforts including energy-saving initiatives and use of alternative energy sources. We are also strongly committed to promoting overseas tree planting and utilization of recovered paper.

We would like to take this occasion to express our sincerest apologies to our users and customers, and to all parties involved, for this severe inconvenience.

We will continue to make regulatory compliance a top management priority so as to avoid any recurrence.

We kindly ask for the understanding of our clients and customers.

Appendix

1. 2008 New Year's Greeting Cards Made of Recycled Paper Delivered by Oji Paper

Type	Content Ratio of Recovered Paper (%)			Delivered Quantity (Tons)	Production Time
	Claimed Ratio	Actual Ratio	Deviation		
Illustrated postcards	40	20	Yes	200	August 2007
Inkjet papers	40	0	Yes	208	2006
Total				408	

Note 1: No other instances were found for production and delivery of other postcard papers, such as normal postcard paper and double postcard papers.

Note 2: Production of illustrated postcard papers started in 1994, and has since been carried out once every 2 years.

Note 3: Inkjet paper production occurred only twice: in 2005 (446 tons) and in 2006 (416 tons). After this, production was discontinued.

2. Brands that Oji Paper Produces from Recycled paper (Production Quantity: October to December 2007)

(1) Products Subject to the Green Purchasing Law

Classification	Type	Content Ratio of Recovered Paper (%)			Production Quantity (Tons/month)
		Our Claim	Actual Ratio	Deviation	
Printing papers	Uncoated wood-free papers	70, 100	Same as claimed	No	5,202
	Uncoated groundwood (medium grade) papers	70, 100	Same as claimed	No	1,776
	Uncoated groundwood (low grade) papers	70	Same as claimed	No	283
	Coated papers	70, 100	Same as claimed	No	12,854
	Lightweight coated papers	70, 100	Same as claimed	No	2,892
	Total				23,007
	Communications papers	PPC papers	100	Same as claimed	No
Form papers		70, 100	Same as claimed	No	485
Total					7,236
Grand Total					30,243

(2) Recycled-paper Not Subject to the Green Purchasing Law

Classification	Type	Content Ratio of Recovered Paper (%)			Production Quantity (Tons/month)
		Our Claim	Actual Ratio	Deviation	
Printing papers	Uncoated wood-free papers	Approx. 50	Same as claimed	No	1,514
	Uncoated groundwood (medium grade) papers	Approx. 30	Same as claimed	No	2,474
	Uncoated groundwood (medium grade) papers	Approx. 50	Approx. 10	Yes	158
	Uncoated groundwood (low grade) papers	Approx. 30	Same as claimed	No	1,167
	Coated papers	Approx. 50	Same as claimed	No	6,322
	Coated papers	50	5	Yes	78
	Lightweight coated papers	Approx. 70	Same as claimed	No	25,964
	Total				37,677
Communications papers/ Packaging papers/ Cartonboards	PPC papers	50, 70	Same as claimed	No	3,933
	Form papers	Approx. 30	Approx. 30	No	207
	Form papers	Approx. 70	Approx. 10	Yes	255
	Carbonless papers	Around 40	40 to 60	No	55
	Bleached kraft papers (for envelopes, etc.)	Approx. 30	Same as claimed	No	1,162
	Bleached kraft papers (for envelopes, etc.)	Approx. 50	Approx. 30	Yes	147
	Unbleached kraft papers (for envelopes, etc.)	40	Same as claimed	No	1,126
	Unbleached kraft papers (for envelopes, etc.)	Approx. 30	Approx. 20	Yes	596
	Cartonboards	Approx. 90	Same as claimed	No	19,430
	Cartonboards	40	0	Yes	96
	Total				26,911
Grand Total				64,588	

Total quantity of products with deviation: 1,330

Note 1: The content ratio of recovered paper expresses the weighted average for the relevant paper types and paper mills.

Note 2: Some bleached and unbleached kraft paper products could potentially become subject to the Green Purchasing Law, but this cannot be confirmed at the present time.

3. PPC papers—Content Ratio of Recovered Paper: April to September 2007

	April to June			July to September			Production Quantity (Tons/month)
	Our Claim	Actual Ratio	Deviation	Our Claim	Actual Ratio	Deviation	
100% products	100	Same as claimed	No	100	Same as claimed	No	2,160
	100	45 to 100	Yes	100	40 to 100	Yes	4,800
70% products	70	0	Yes	70	Same as claimed	No	555
	70	60 to 70	Yes	70	60 to 70	Yes	2,450
50% products	50	Same as claimed	No	50	Same as claimed	No	635
Total							10,600

As described in section 2 above, no deviations were found in or after October 2007.

4. Group Companies

* Our investigation found no problems regarding paper production at Oji Paperboard Co., Ltd. and Oji Nepia Co., Ltd.

* Investigation is currently under way at Oji Specialty Paper Co., Ltd.