

September 5, 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))
Direct your queries to: Tomoo Edagawa
Corporate Officer, General Manager of Corporate Planning
Division
(Tel: 81-3-3563-4383)

Notice Regarding Result of Tender Offer

Pursuant to the resolution passed at a meeting of the board of directors held on August 1, 2006, Oji Paper Co., Ltd. (the "Tender Offeror") commenced a tender offer (the "Tender Offer") on August 2, 2006 for the common shares of Hokuetsu Paper Mills, Ltd. (the "Subject Company"), which ended on September 4, 2006. The Tender Offeror hereby announces the result of the Tender Offer.

1. Outline of the Tender Offer (publicly announced on August 1, 2006)

- | | |
|---|---|
| (1) Name and address of the Tender Offeror: | Oji Paper Co., Ltd.
7-5, Ginza 4-chome, Chuo-ku
Tokyo 104-0061 Japan |
| (2) Name of the Subject Company: | Hokuetsu Paper Mills, Ltd. |
| (3) Class of Shares, etc.
to be Purchased or otherwise Acquired: | Common stock |
| (4) Tender Offer Period: | From Wednesday, August 2, 2006 to
Monday, September 4, 2006 (for 34
days) |
| (5) Tender Offer Price: | 800 yen per share |

2. Result of Tender Offer

(1) Tendered Shares

- | | |
|---|--------------------|
| Minimum number of shares to be purchased: | 100,818,239 shares |
| Total number of tendered shares: | 11,254,829 shares |

Total number of shares to be purchased: 0 shares

(2) Success/Failure of Tender Offer

The total number of the tendered shares (11,254,829 shares) was less than the minimum number of shares to be purchased (100,818,239 shares). Consequently, none of the tendered shares will be purchased.

Total number of tendering shareholders	Total number of tendered shares	Total number of shares to be purchased	Total number of shares to be returned
67	11,254,829 shares	0 shares	11,254,829 shares

(3) Calculation Method if Purchase, etc. is to be Made by Proration

N/A

(4) Number of Shares Held by the Tender Offeror and the Ownership Percentage of Shares after the Tender Offer

Number of Shares Held after the Tender Offer

Tender Offeror: 5,615,045 shares (ownership percentage: 2.66%)
Specially Related Parties: 889,616 shares (ownership percentage: 0.42%)
Total: 6,504,661 shares (ownership percentage: 3.08%)

(Note) The ownership percentages have been calculated based on the total number of voting rights of the shareholders of the Subject Company (160,933) stated in the Securities Report for the 168th Term filed by the Subject Company on June 28, 2006 plus the number of voting rights (50,000) represented by the 50,000,000 common shares issued by way of third-party allotment described in the Subject Company's press release dated August 7, 2006 in Japanese entitled "Notice Concerning Completion of Payment for New Shares Issued by Allotment to a Third Party".

(5) Funds necessary for the purchase

N/A

3. Method and Commencement Date of Settlement

(1) Name and Address of the Head Office of Securities Company in Charge of Settlement

Nomura Securities Co., Ltd. (the "Tender Offer Agent")
9-1 Nihonbashi 1-chome, Chuo-ku
Tokyo 103-8011 Japan

(2) Commencement Date of Settlement

September 8, 2006 (Friday)

(3) Method of Returning Share Certificates, etc.

Since none of the tendered shares will be purchased, the Tender Offer Agent will return the certificates representing such shares to the respective tendering shareholders, etc. promptly after the commencement date of settlement by delivering to the tendering shareholders, etc., or by mailing to the address of the tendering shareholders, etc. (or the standing agent in the case of non-Japanese shareholders), pursuant to instructions from those tendering shareholders, etc., or in the case where the share certificates of tendered shares are kept in the custody of the Tender Offer Agent (or by Japan Securities Depository Center Inc. through the Tender Offer Agent), the status of these share certificates will be restored to the same status as of the time such shares were tendered.

4. Places at which Copy of the Tender Offer Report is Available for Public Inspection

Oji Paper Co., Ltd.
7-5, Ginza 4-chome, Chuo-ku
Tokyo 104-0061 Japan

Tokyo Stock Exchange, Inc.
2-1 Nihonbashi Kabutocho, Chuo-ku
Tokyo 103-8220 Japan

Osaka Securities Exchange Co., Ltd.
8-16, Kitahama 1-chome, Chuo-ku
Osaka 541-0041 Japan

*The Company plans to post an English translation of the Tender Offer Report on its website.

5. Effects on Business

No impact is expected on the performance of the Company for the fiscal year ending in March 2007.