

Consolidated Financial Results for the Second Quarter of Fiscal Year 2015 [Japanese GAAP]

November 4, 2015

Company name: JX Holdings, Inc.

Code number: 5020

Stock Exchange Listings: Tokyo and Nagoya

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Scheduled date of commencement of dividend payments : December 7, 2015

Supplemental materials for the quarterly financial results : Yes

Quarterly financial results presentation : Yes (for institutional investors and analysts)

(Amounts of less than ¥ 1 million are rounded off)

1. Consolidated Results for the Second Quarter of FY 2015 (From April 1, 2015 to September 30, 2015)

(1) Consolidated Operating Results (Percentage figures are changes from the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2Q of FY2015	4,552,555	(16.4)	(45,450)	—	(27,665)	—	(44,945)	—
2Q of FY2014	5,442,426	(5.8)	14,266	(89.8)	41,990	(76.2)	17,659	(80.3)

(Note) Comprehensive income : 2Q of FY2015: ¥ (69,468) million < — % >

2Q of FY2014: ¥ 6,069 million < (96.8) % >

	Net income per share	Diluted net income per share
	Yen	Yen
2Q of FY2015	(18.08)	—
2Q of FY2014	7.10	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
2Q of FY2015	7,182,907	2,334,564	25.7
FY2014	7,423,404	2,429,849	26.1

(Reference) Shareholders' equity : 2Q of FY2015 ended September 30, 2015: ¥ 1,849,419 million

FY2014 ended March 31, 2015: ¥ 1,936,754 million

2. Dividends

	Annual cash dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Year-End	Total
	Yen	Yen	Yen	Yen	Yen
FY2014	—	8.00	—	8.00	16.00
FY2015	—	8.00			
FY2015(Forecast)			—	8.00	16.00

(Note) Revisions of the forecast of cash dividends since the latest announcement: None

3. Forecasts of Consolidated Results for FY 2015 (From April 1, 2015 to March 31, 2016)

(Percentage figures are changes from the same period in the previous fiscal year.)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2015	9,350,000	(14.1)	110,000	—	150,000	—	45,000	—	18.10

(Note) Revisions of the forecasts of consolidated results since the latest announcement: Yes

Please refer to "Notification of Revisions to the Forecasts" announced today.

As for the forecasts of income excluding inventory valuation factors*, please see the following.

Forecasts (FY2015) and actual results (FY2014) excluding inventory valuation factors		Operating income		Ordinary income	
		Millions of yen	%	Millions of yen	%
	FY2015	190,000	1.9	230,000	(9.9)
FY2014	186,400		255,200		

* The impact of inventory valuation on the cost of sales by using the average method and writing down the book value.

Explanatory Notes

(1) Changes in the number of material subsidiaries during the term under review : None

Note: This item indicates whether there were changes in specified subsidiaries involving a change in the scope of consolidation.

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies and in accounting estimates, and restatement

(i) Changes in accounting policies owing to revisions in accounting standards and the like : Yes

(ii) Changes in accounting policies other than (i) above : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of shares issued (Common stock)

(i) Number of issued shares at the end of the period (including treasury stocks)

Second Quarter of FY2015 ended September 30, 2015 : 2,495,485,929 shares

FY2014 ended March 31, 2015 : 2,495,485,929 shares

(ii) Number of treasury stocks at the end of the period

Second Quarter of FY2015 ended September 30, 2015 : 9,089,048 shares

FY2014 ended March 31, 2015 : 9,055,789 shares

(iii) Average number of shares issued during the period

Second Quarter of FY2015 ended September 30, 2015 : 2,486,413,379 shares

Second Quarter of FY2014 ended September 30, 2014 : 2,486,482,783 shares

Information Regarding the Status of Quarterly Review Procedures Performance

This report is not subject to quarterly review procedures required pursuant to the Financial Instruments and Exchange Act. As of the time of disclosing this report, quarterly review procedures of consolidated financial statements required pursuant to the Financial Instruments and Exchange Act have not been completed.

Explanation Regarding Appropriate Use of Forward-looking Statements on Results, and Other Specific Comments

This material contains forward-looking statements; however, actual results may differ materially from those reflected in such forward-looking statements, due to various factors, including the following:

(1) changes in macroeconomic conditions and changes in the competitive environment in the energy, resources and materials industries; (2) revisions to laws and strengthening of regulations; and (3) litigation and other similar risks.

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1. Qualitative Information on the Quarterly Results

(1) Explanations on Operating Results

Overview

During the consolidated cumulative second quarter (from April 1, 2015 to September 30, 2015), despite the slow-down of the Chinese and other Asian economies, the overall global economy moderately recovered due partly to the U.S. economy's recovery of its strong personal consumption as a result of an improved employment environment, and the European economy's recovery led by its high personal consumption.

The Japanese economy continued a tendency toward a modest recovery, with an increase in its personal consumption as a result of an improved employment environment and recovery of capital investments motivated by improvements in corporate earnings.

The crude oil (Dubai crude oil) prices during the same period as stated above increased from \$53 per barrel at the beginning of the period up to \$66 in early May due to concern over the Middle East situation. After that, due partly to the excessiveness of crude oil in the market, the prices decreased to \$44 at the end of the period, with an average of \$56 for the period, a decrease of \$48 from the same period of the previous fiscal year.

The copper prices in international markets (prices on the London Metal Exchange (the "LME")) dropped from 273 cents per pound at the beginning of the period, as a result of the slow-down of the economic growth in China. They were at 231 cents at the end of the period. The average price for the period was 256 cents per pound, a decrease of 57 cents from the same period of the previous fiscal year.

The Japanese yen against the U.S. dollar generally moved slightly during the period, after starting at 120 yen at the beginning of the period, and was at 120 yen at the end of the period, with an average of 122 yen for the period, which was 19 yen lower than the previous fiscal year's same period.

Under these conditions, for the consolidated cumulative second quarter, net sales decreased by 16.4% from the same period of the previous fiscal year, to 4,552.6 billion yen, and ordinary loss amounted to 27.7 billion yen (income of 42.0 billion yen in the same period of the previous fiscal year).

Excluding inventory valuation factors (the impact of inventory valuation on the cost of sales by using the average method and devaluating the book value), ordinary income amounted to 91.0 billion yen, an increase of 27.1% from the same period of the previous fiscal year.

The overview of our operating results by segment is as outlined below.

Energy

Regarding the petroleum products business, the sales volumes of heavy fuel oil and crude oil for electric power generation decreased compared to the same period of the previous fiscal year. This was due to a decline in demand for air-conditioning because of low temperatures, and the effects of the restart of nuclear power plants. However, the sales volumes of gasoline and other petroleum products increased from the same period of the previous fiscal

year. This is because the demand for these products had dropped in the previous fiscal year, due to the repercussions of the pre-consumption tax hike purchasing rush. Margins exceeded the margins in the same period of the previous fiscal year, because the fuel cost for our own use decreased due to the drop of the crude oil prices compared with the same period of the previous fiscal year.

Regarding petrochemical products business, the market conditions, in particular, the market conditions of paraxylene, the main petrochemical product, improved compared with the same period of the previous fiscal year, due to equipment trouble and regular repair overseas.

An accounting loss due to inventory valuation factors of 116.6 billion yen was generated, because the crude oil prices have fallen since June (a factor deteriorating the profit/loss status by 86.1 billion yen compared with the same period of the previous fiscal year).

Under these conditions, net sales in the Energy business for the consolidated cumulative second quarter were 3,742.5 billion yen, a decrease of 18.9% from the same period of the previous fiscal year, due to the influence of the drop of the crude oil prices compared with the same period of the previous year, and ordinary loss amounted to 72.4 billion yen (compared with a loss of 35.3 billion yen in the same period of the previous fiscal year). Excluding inventory valuation factors, ordinary income was 44.2 billion yen (compared with a loss of 4.8 billion yen in the same period of the previous fiscal year).

Oil and Natural Gas Exploration and Production (E&P)

Crude oil and natural gas production volume increased compared with the same period of the previous fiscal year, due to the contribution of the projects which newly commenced production, although there was a natural decline in the production volume from the oil fields and gas fields. Sales prices of crude oil and natural gas on a calendar year basis dropped compared with the same period of the previous year, reflecting the crude oil market conditions.

With regard to the exploration activities, we discovered, in April 2015, crude oil in offshore Deepwater Block R in Sabah, Malaysia, in which we hold a participating interest as an operator. In August 2015, we concluded an agreement with a subsidiary of Ecopetrol S.A., a Colombian national oil company, that we would acquire part of the participating interest in Block FZA-M-320, located offshore in the Foz do Amazonas Basin, off the coast of Amapá State in the Federative Republic of Brazil.

Regarding the development and production activities, in August 2015, we decided to move the Culzean gas field located in Block 22/25a in the U.K. North Sea, in which we have a participating interest, to the development stage.

Under these conditions, net sales in the Oil and Natural Gas E&P business for the consolidated cumulative second quarter recorded 90.3 billion yen, a decrease of 13.5% from the same period of the previous fiscal year, and ordinary income amounted to 17.3 billion yen, a decrease of 50.1% from the same period of the previous fiscal year.

Metals

With regard to the resource development business, our profit level was lower than the same period of the previous fiscal year partly as copper prices were on the decline from the same period of the previous fiscal year. After we commenced producing copper concentrates at

the Caserones Copper Mine in Chile in May 2014, although there was a delay in accomplishing full-scale production due to the time required, among other things, to develop the deposit for sand tailings generated in the copper concentrate production process, the full-scale production system was organized, and we are focusing on stabilizing the full-scale production.

With regard to the copper smelting and refining business, the electrolytic copper prices were below the level of the same period of the previous fiscal year due to the decline in LME copper prices, despite the weaker yen. The sales volume of electrolytic copper was almost at the level of the same period of the previous fiscal year due to the export increase, despite the decline in the domestic sales volume. On the other hand, conditions for purchasing copper concentrate and sulfuric acid sales prices improved compared with the same period of the previous fiscal year.

With regard to the electronic materials business, our product sales volume generally increased from the same period of the previous fiscal year, with the growing demand in the IT industry, such as for smartphones.

With regard to the recycling and environmental services business, product prices of precious metals generally decreased from the same period of the previous fiscal year, primarily as a result of the decline in metal prices. The volume of collected copper slightly decreased, but that of precious metals increased from the same period of the previous fiscal year.

With regard to the titanium business, the product sales volume was above the level of the same period of the previous fiscal year, due to the recovery of demand.

Under these conditions, net sales in the Metals business for the consolidated cumulative second quarter increased to 563.2 billion yen, an increase of 2.4% from the same period of the previous fiscal year. Ordinary income was 10.6 billion yen, a decrease of 55.8% from the same period of the previous fiscal year, partly because LS-Nikko Copper Inc., a South Korean company accounted for by the equity method, recorded losses, such as impairment loss of resource development investment.

Other

Net sales for other business activities in the consolidated cumulative second quarter were 189.7 billion yen, a decrease of 9.5% from the same period of the previous fiscal year, and ordinary income was 15.6 billion yen, a decrease of 4.9% from the same period of the previous fiscal year.

With respect to the construction business, despite the trend in private capital investment recovery, we continued to be confronted with a difficult operating environment, because of the generally weak movements in public investments, and the trends (such as labor demand and supply, and raw materials prices) requiring careful monitoring. Under these conditions, we worked aggressively to obtain orders based on technological superiority and to strengthen sales of products—such as asphalt mixtures—as well as to improve profitability through cost reductions and increasing operational efficiency.

Net sales of each segment specified above include in-house intersegment sales of 33.2 billion yen, compared with 38.7 billion yen in the same period of the previous fiscal year.

Special Gain & Loss, and Profit Attributable to Owners of Parent

Special gain totaled 3.7 billion yen—including 2.6 billion yen of gain on sales of non-current assets.

Special loss totaled 17.2 billion yen—including 5.7 billion yen of restructuring cost for residential-use fuel cell business, 4.4 billion yen of loss on disposal of non-current assets, and 4.3 billion yen of impairment loss.

The above factors resulted in loss before income taxes and minority interests of 41.1 billion yen. From this amount, by deducting 4.4 billion of income taxes and 0.6 billion yen of loss attributable to non-controlling interests, the loss attributable to owners of parent amounted to 44.9 billion yen (profit of 17.7 billion yen in the same period of the previous fiscal year).

Effective from the first quarter, we have adopted the “Accounting Standard for Business Combinations” (The Accounting Standards Board of Japan (the “ASBJ”) Statement No. 21, September 13, 2013) and other relevant standards, and have restated the accounting terms, “minority interests in income,” to “profit attributable to non-controlling interests,” and “net income,” to “profit attributable to owners of parent.”

(2) Explanations on Financial Position

- (i) Assets:** The total assets as of the end of the second quarter amounted to 7,182.9 billion yen, a decrease of 240.5 billion yen from the end of the previous fiscal year.
- (ii) Liabilities:** The total liabilities as of the end of the second quarter amounted to 4,848.3 billion yen, a decrease of 145.2 billion yen from the end of the previous fiscal year. The balance of interest-bearing debts amounted to 2,803.3 billion yen, an increase of 183.0 billion yen from the end of the previous fiscal year.
- (iii) Net Assets:** The total net assets as of the end of the second quarter amounted to 2,334.6 billion yen, a decrease of 95.3 billion yen from the end of the previous fiscal year.

The shareholders' equity ratio is 25.7%, a decrease of 0.4 points from the end of the previous fiscal year. The amount of net assets per share is 743.81 yen, a 35.12 yen decrease from the end of the previous fiscal year; and the net D/E ratio (net debt equity ratio) is 1.37, a deterioration of 0.19 points from the end of the previous fiscal year.

(3) Explanations on Future Forecast Information, including the Forecasts of Consolidated Results

The Company has revised the full-year forecast of its consolidated results that it announced last time (May 11, 2015).

As a full fiscal year average, the revised forecasts of consolidated results assume an exchange rate of 121 yen per U.S. dollar; a crude oil price (Dubai crude) of \$53 per barrel; and an international copper price (LME price) of 243 cents per pound. (Previous forecast: an

exchange rate of 115 yen per U.S. dollar; a crude oil price of \$60 per barrel; and an international copper price of 270 cents per pound.)

Net sales are expected to be 9,350.0 billion yen (a decrease of 310.0 billion yen compared with the previous forecast), primarily due to a decrease in the crude oil price compared with the previous forecast.

Further, operating income is expected to be 110.0 billion yen (a decrease of 140.0 billion yen compared with the previous forecast), due partly to expansion of losses from inventory valuation factors caused by the decrease in the crude oil price, and a decline of copper prices. Ordinary income is expected to be 150.0 billion yen (a decrease of 160.0 billion yen compared with the previous forecast), and profit attributable to owners of parent is expected to be 45.0 billion yen (a decrease of 115.0 billion yen compared with the previous forecast).

Please note that, this forecast of consolidated results is based on information available as of the date of announcement of this report. The actual financial results may differ from the forecasted figures, due to various factors.

In this quarter under review, there are no revisions to the Company's previous forecast of dividend payment of 16 yen per share for the fiscal year, consisting of an interim dividend of 8 yen per share and a year-end dividend of 8 yen per share.

2. Matters regarding Summary Information (Explanatory Notes)

(1) Changes in the number of material subsidiaries during the term under review

None.

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements

(Calculation of Tax Expenses)

Tax expenses are calculated by multiplying net income before income taxes by the estimated effective tax rate, which is reasonably estimated for the net income before income taxes for the consolidated fiscal year, including this second quarter, after applying tax-effect accounting.

(3) Changes in accounting policies and in accounting estimates, and restatement

(Changes in Accounting Policies)

(Application of Accounting Standard for Business Combinations, and Other Relevant Standards)

We adopted the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013), the "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013) and other relevant standards, effective from the first quarter. Accordingly, the Company's accounting method has been

changed to record the differences arising from a change in the Company's ownership interest in the subsidiaries over which the Company continues to have control as capital surplus, and to record the acquisition-related costs as expenses in the consolidated fiscal year when they are incurred. In addition, for business combinations performed at and after the beginning of the first quarter, the Company's accounting method was changed to reflect the adjustment to the amount of allocation of the acquisition cost arising from the finalization of the tentative accounting treatment in the quarterly consolidated financial statements for the quarter where the date of business combination belongs. In addition, we have restated accounting terms such as "net income," and changed the term "minority interests" to "non-controlling interests." To reflect these restatements, we have reclassified the quarterly and full-year consolidated financial statements for the consolidated cumulative second quarter of the previous fiscal year, and for the previous consolidated fiscal year.

The Accounting Standard for Business Combinations and other standards were adopted in accordance with transitional treatments stipulated in Paragraph 58-2(4) of the Accounting Standard for Business Combinations, Paragraph 44-5(4) of the Accounting Standard for Consolidated Financial Statements, and Paragraph 57-4(4) of the Accounting Standard for Business Divestitures, and they have been prospectively adopted from the beginning of the first quarter.

There is no impact of the above on the profit/loss status for this consolidated cumulative second quarter. The impact on the capital surplus as of the end of this second quarter is minor.

(4) Changes in matters relating to the fiscal year, etc. of consolidated subsidiaries, and in matters relating to the application of equity method

With respect to the eleven consolidated subsidiaries and one affiliate accounted for by the equity method whose balance sheet date is December 31, we previously used their financial statements as of their balance sheet dates, and made adjustments of important transactions that occurred until our consolidated balance sheet date, as required for consolidated accounting. However, effective from this first quarter, the balance sheet date of these companies has been changed to March 31, or we have adopted the method of provisionally having their accounts closed on the consolidated balance sheet date in accordance with the full-year closing, in order to ensure proper disclosure of consolidated financial information. As a result of these changes, with respect to the consolidated cumulative second quarter, we have consolidated the results of nine months, from January 1, 2015 to September 30, 2015, and have made adjustments throughout the consolidated statements of income.

The impact of the above on the profit/loss status, or other comprehensive income for this consolidated cumulative second quarter, is minor.

Supplemental Information

3. Consolidated Financial Statements

Consolidated Financial Statements

(1) Consolidated Balance Sheets

Account title	(Millions of yen)	
	FY 2014 (As of March 31, 2015)	2Q of FY 2015 (As of September 30, 2015)
Assets		
Current assets:		
Cash and deposits	329,293	272,137
Notes and accounts receivable-trade	1,007,386	816,152
Inventories	1,356,648	1,343,032
Other	305,233	333,544
Allowance for doubtful accounts	(2,162)	(2,618)
Total current assets	<u>2,996,398</u>	<u>2,762,247</u>
Non-current assets:		
Property, plant and equipment:		
Machinery, equipment and vehicles, net	590,501	955,965
Land	951,647	950,029
Other, net	1,013,468	651,136
Total property, plant and equipment	<u>2,555,616</u>	<u>2,557,130</u>
Intangible assets	136,160	129,997
Investments and other assets:		
Investments in securities	823,009	787,375
Exploration and development investments	728,312	757,767
Other	195,450	193,247
Allowance for doubtful accounts	(11,541)	(4,856)
Total investments and other assets	<u>1,735,230</u>	<u>1,733,533</u>
Total non-current assets	<u>4,427,006</u>	<u>4,420,660</u>
Total assets	<u><u>7,423,404</u></u>	<u><u>7,182,907</u></u>

(Millions of yen)

Account title	FY 2014 (As of March 31, 2015)	2Q of FY 2015 (As of September 30, 2015)
Liabilities		
Current liabilities:		
Notes and accounts payable-trade	680,551	571,480
Short-term borrowings	819,555	826,980
Commercial papers	364,000	452,000
Current portion of bonds	42,480	41,240
Accounts payable-other	797,590	637,900
Provision	38,480	28,695
Other	323,775	279,800
Total current liabilities	3,066,431	2,838,095
Non-current liabilities:		
Bonds payable	205,000	185,000
Long-term loans payable	1,189,232	1,298,044
Provision	76,676	76,236
Liability for retirement benefits	116,875	111,903
Asset retirement obligations	117,433	118,546
Other	221,908	220,519
Total non-current liabilities	1,927,124	2,010,248
Total liabilities	4,993,555	4,848,343
Net assets		
Shareholders' equity:		
Common stock	100,000	100,000
Capital surplus	746,711	746,420
Retained earnings	783,615	718,752
Treasury stock	(3,926)	(3,943)
Total shareholders' equity	1,626,400	1,561,229
Accumulated other comprehensive income:		
Unrealized gain on securities	87,008	67,799
Unrealized gain on hedging derivatives	1,083	3,510
Foreign currency translation adjustment	218,413	213,114
Retirement benefits liability adjustment	3,850	3,767
Total accumulated other comprehensive income	310,354	288,190
Non-controlling interests	493,095	485,145
Total net assets	2,429,849	2,334,564
Total liabilities and net assets	7,423,404	7,182,907

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

Account title	2Q of FY 2014 (from April 1, 2014 to September 30, 2014)	2Q of FY 2015 (from April 1, 2015 to September 30, 2015)
Net sales	5,442,426	4,552,555
Cost of sales	5,157,390	4,316,867
Gross profit	285,036	235,688
Selling, general and administrative expenses	270,770	281,138
Operating income (loss)	14,266	(45,450)
Non-operating income:		
Interest income	1,424	1,178
Dividend income	20,385	20,517
Equity in earnings of affiliates	24,395	4,939
Other	11,800	14,675
Total non-operating income	58,004	41,309
Non-operating expenses:		
Interest expense	12,972	12,234
Foreign currency exchange loss	5,968	2,042
Other	11,340	9,248
Total non-operating expenses	30,280	23,524
Ordinary income (loss)	41,990	(27,665)
Special gain:		
Gain on sales of non-current assets	24,949	2,636
Other	2,174	1,086
Total special gain	27,123	3,722
Special loss:		
Loss on sales of non-current assets	311	413
Loss on disposal of non-current assets	3,648	4,442
Impairment loss	10,899	4,293
Loss on valuation of investments in securities	6,201	93
Restructuring cost	8,191	5,712
Other	3,759	2,222
Total special loss	33,009	17,175
Income (loss) before income taxes	36,104	(41,118)
Income taxes	12,427	4,425
Profit (loss)	23,677	(45,543)
Profit (loss) attributable to non-controlling interests	6,018	(598)
Profit (loss) attributable to owners of parent	17,659	(44,945)

Consolidated Statements of Comprehensive Income

(Millions of yen)

Account title	2Q of FY 2014 (from April 1, 2014 to September 30, 2014)	2Q of FY 2015 (from April 1, 2015 to September 30, 2015)
Profit (loss)	23,677	(45,543)
Other comprehensive income:		
Unrealized gain (loss) on securities	19,710	(20,920)
Unrealized gain (loss) on hedging derivatives	(4,250)	3,185
Foreign currency translation adjustment	(28,852)	(4,592)
Retirement benefits liability adjustment	(783)	(146)
Share of other comprehensive income of affiliates accounted for by equity method	(3,433)	(1,452)
Total other comprehensive income	(17,608)	(23,925)
Comprehensive income	6,069	(69,468)
Comprehensive income attributable to:		
Owners of parent	8,732	(67,151)
Non-controlling interests	(2,663)	(2,317)

(3) Explanatory Notes to Consolidated Financial Statements

(Notes on the Assumption of a Going Concern)

None

(Notes on Significant Changes in Shareholders' Equity)

None

(Segment Information, etc.)

Segment Information

I. Second Quarter of FY 2014 (April 1, 2014 - September 30, 2014)

Information on Net Sales and Income (Loss) from each Reporting Segment

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Total	Adjustments (Note 1)	Recorded Amount on Consolidated Statements of Income (Note 2)
Net Sales							
Sales to Outside Customers	4,612,974	104,444	548,608	176,400	5,442,426	-	5,442,426
In-house Intersegment Sales and Transfers	4,006	-	1,382	33,280	38,668	(38,668)	-
Total	4,616,980	104,444	549,990	209,680	5,481,094	(38,668)	5,442,426
Segment Income (Loss)	(35,307)	34,745	23,943	16,374	39,755	2,235	41,990

(Note 1) The segment income (loss) adjustments of 2,235 million yen includes the net amount of the entire Company's income and expenses not allocated to the reporting segments or the "Other" category of 2,091 million yen.

(Note 2) Segment income (loss) is adjusted to ordinary income stated in the consolidated statement of income.

II. Second Quarter of FY 2015 (April 1, 2015 - September 30, 2015)

Information on Net Sales and Income (Loss) from each Reporting Segment

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Total	Adjustments (Note 1)	Recorded Amount on Consolidated Statements of Income (Note 2)
Net Sales							
Sales to Outside Customers	3,739,099	90,322	561,072	162,062	4,552,555	-	4,552,555
In-house Intersegment Sales and Transfers	3,424	-	2,177	27,616	33,217	(33,217)	-
Total	3,742,523	90,322	563,249	189,678	4,585,772	(33,217)	4,552,555
Segment Income (Loss)	(72,435)	17,334	10,571	15,574	(28,956)	1,291	(27,665)

(Note 1) The segment income (loss) adjustments of 1,291 million yen includes the net amount of the entire Company's income and expenses not allocated to the reporting segments or the "Other" category of 1,262 million yen.

(Note 2) Segment income (loss) is adjusted to ordinary loss stated in the consolidated statement of income.

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