

Consolidated Financial Results for the Second Quarter of Fiscal Year 2016 [Japanese GAAP]

November 8, 2016

Company name: JX Holdings, Inc.

Code number: 5020

Stock Exchange Listings: Tokyo and Nagoya

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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 2016 (From April 1, 2016 to September 30, 2016)

(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 FY2016	3,669,759	(19.4)	47,496	—	70,960	—	25,361	—
2Q of FY2015	4,552,555	(16.4)	(45,450)	—	(27,665)	—	(44,945)	—

(Note) Comprehensive income : 2Q of FY2016: ¥ (97,491) million < — % >

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

	Net income per share	Diluted net income per share
	Yen	Yen
2Q of FY2016	10.20	—
2Q of FY2015	(18.08)	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
2Q of FY2016	6,217,051	1,804,383	22.6
FY2015	6,724,622	1,928,460	22.3

(Reference) Shareholders' equity : 2Q of FY2016 ended September 30, 2016: ¥ 1,403,279 million

FY2015 ended March 31, 2016: ¥ 1,498,924 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
FY2015	—	8.00	—	8.00	16.00
FY2016	—	8.00			
FY2016(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 2016 (From April 1, 2016 to March 31, 2017)

(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
FY2016	8,000,000	(8.4)	190,000	—	230,000	—	100,000	—	40.22

(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 (FY2016) and actual results (FY2015) excluding inventory valuation factors		Operating income		Ordinary income	
		Millions of yen	%	Millions of yen	%
	FY2016	140,000	(32.5)	180,000	(31.0)
	FY2015	207,300		260,900	

* The impact of inventory valuation on the cost of sales by using the weighted-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 : None

(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 FY2016 ended September 30, 2016 : 2,495,485,929 shares

FY2015 ended March 31, 2016 : 2,495,485,929 shares

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

Second Quarter of FY2016 ended September 30, 2016 : 9,151,795 shares

FY2015 ended March 31, 2016 : 9,122,175 shares

(iii) Average number of shares issued during the period

Second Quarter of FY2016 ended September 30, 2016 : 2,486,349,228 shares

Second Quarter of FY2015 ended September 30, 2015 : 2,486,413,379 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, 2016 to September 30, 2016), despite the slow-down of the Chinese and other Asian economies, the overall global economy moderately recovered due to the continued growth in personal consumption in the U.S. and Europe.

The Japanese economy continued a tendency toward a modest recovery that reflected the improvements in corporate earnings.

The crude oil (Dubai crude oil) prices during the same period as stated above were \$36 per barrel at the beginning of the period, and continued to increase to \$49 in early June, due partly to the expectation of oil-producing countries' freezing increases in production. Following this, prices decreased to \$39, due to a sense that crude oil supply was excessive. However, the prices increased again due to expectations of production adjustments, to \$45 at the end of the period, with an average of \$43 for the period, a decrease of \$13 from the same period of the previous fiscal year.

The copper price in international markets (price on the London Metal Exchange (the "LME")) started at 221 cents per pound at the beginning of the period, and the price generally remained low as a result of concern over the world economy in the future resulting from the slow-down of the economic growth in China and the U.K.'s leaving the European Union ("EU"). The price of copper was 219 cents at the end of the period. The average price for the period was 216 cents, a decrease of 40 cents from the same period of the previous fiscal year.

The Japanese yen against the U.S. dollar started at 112 yen at the beginning of the period. However, because of concern over an economic slowdown due to the U.K.'s leaving the EU and weakened expectations of the U.S. raising interest rates, the yen has appreciated. Consequently, the Japanese yen against the U.S. dollar was 101 yen at the end of the period, and the average was 105 yen, which was 17 yen higher than the previous fiscal year's same period.

Under these conditions, for this second quarter, on a consolidated basis, net sales decreased 19.4% from the same period of the previous fiscal year, to 3,669.8 billion yen, and ordinary income was 71.0 billion yen (a loss of 27.7 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 weighted-average method and writing down the book value), ordinary income amounted to 62.3 billion yen, a decrease of 31.5% 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 volume of gasoline continued to decrease until June as there was a structural decrease trend in domestic demand for petroleum products due partly to improvements in automobile fuel efficiency. However, since July, the sales volume has increased due partly to high temperatures, and resulted in a volume almost at the level of the same period of the previous fiscal year. The sales volume of heavy fuel oil and crude oil for electric power decreased due to the effect of factors such as the resumption of operations of nuclear power plants and the long-term planned suspension of some oil-fired power plants, compared to the same period of the previous fiscal year. Further, margins exceeded the margins of the same period of the previous year because fuel costs for self-use decreased due to a fall in crude oil prices compared to the same period of the previous fiscal year.

Regarding the petrochemical products business, despite worsening margins due to a strong yen, the margins were almost at the level of the same period of the previous year, mainly due to improved market conditions affected by factors such as problems in overseas plants.

An accounting income due to inventory valuation factors of 10.5 billion yen was generated due to the increase in crude oil prices (a factor improving the profit/loss status by 127.1 billion yen compared with the same period of the previous fiscal year).

Under these conditions, net sales in the Energy business for this second quarter were 2,965.8 billion yen, a decrease of 20.8% from the same period of the previous fiscal year, and ordinary income was 52.2 billion yen (a loss of 72.4 billion yen in the same period of the previous fiscal year). Excluding inventory valuation factors, ordinary income was 41.7 billion yen, a decrease of 5.7% from the same period of the previous fiscal year.

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

Regardless of the fact that production decreased due to mountain fires in the Fort McMurray district in the state of Alberta, Canada, crude oil and natural gas production volume increased from the same period of the previous fiscal year as a result of good performance in production from the other oil fields and gas fields. Sales prices of crude oil and natural gas dropped compared with the same period of the previous year, reflecting the crude oil market conditions.

As to the new development and production business, the consortium that was engaged in the Tangguh LNG Project, including the JX Group, made a final investment decision on the Tangguh LNG Expansion Project in Indonesia in July 2016. The commencement of production is expected in 2020.

Presently, the JX Group diligently makes efforts to review its portfolio by selecting and concentrating on business activities, and optimizing the size of investments in order to improve profits. As part of these efforts, in May 2016, we sold part of the working interest (16%) in the Culzean Gas Field in the UK North Sea, Block 22/25a, to Britoil Limited (a subsidiary of the UK company BP plc). In addition, in June, we agreed to sell all of our working interest (45%) held in the UK License P.312 Block 16/18a, comprising of a part of the Utgard gas and condensate field, previously known as the Alfa Sentral Field, to Statoil (U.K.) Limited. In addition, in August, we sold a part of our working interest (8.9%) in the Mariner field in the UK North Sea, Block 9/11a, to Siccar Point Energy U.K. Limited.

Under these conditions, net sales in the Oil and Natural Gas E&P business for this second quarter recorded 87.4 billion yen, a decrease of 3.2% from the same period of the previous fiscal year, and ordinary income/loss amounted to a loss of 2.0 billion yen (compared with an income of 17.3 billion yen in the same period of the previous fiscal year).

Metals

With regard to the resource development business, our profit/loss level was lower than the same period of the previous fiscal year, partly due to the decline of copper prices from the same period of the previous fiscal year. Regarding the Caserones Copper Mine in Chile, we now have the prospect of development of the deposit for sand tailings generated in the copper concentrate production process, and we are ready for full-scale production in terms of facilities. With a consulting firm's support, we strive to improve operators' skills and to enhance the facility maintenance system.

With regard to the copper smelting and refining business, the electrolytic copper prices (copper price quotes) were below the level of the same period of the previous fiscal year, as a consequence of the stronger yen and due to the decline in LME copper prices. The sales volume of electrolytic coppers increased from the same period of the previous fiscal year, due primarily to an increase in exports. Further, although the conditions for purchasing copper concentrate improved compared with the same period of the previous fiscal year, sulfuric acid sales prices declined due to a deterioration of the market condition.

With regard to the electronic materials business, although there was a decline in sales prices due to the effect of the stronger yen, the sales volume of our major products increased compared to the same period of the previous fiscal year thanks to an expansion in demand for the products in the IT industry, such as for smartphones and servers.

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 due to the stronger yen. The collection volume of recyclable raw material decreased from the same period of the previous fiscal year primarily as a consequence of increased collection competition.

With regard to the titanium business, the product sales volume was below the level of the same period of the previous fiscal year as a consequence of inventory reductions by a portion of the users.

Under these conditions, net sales in the Metals business for this second quarter decreased to 464.6 billion yen, a decrease of 17.5% from the same period of the previous fiscal year. Ordinary income was 0.5 billion yen (a decrease of 95.6% from the same period of the previous fiscal year).

Other

Net sales for other business activities in this second quarter were 180.7 billion yen, a decrease of 4.7% from the same period of the previous fiscal year, and ordinary income was 18.1 billion yen, an increase of 16.1% from the same period of the previous fiscal year.

With respect to the construction business, despite public investment remaining resilient, we continued to be confronted with a difficult operating environment embodied by the fact that

the recovery in business investment has sputtered and the trends (such as labor demand and supply, and raw materials prices) continue to require careful monitoring. Under these conditions, we worked aggressively to obtain orders based on our technological superiority and to strengthen sales of products—such as asphalt mixtures—as well as to reduce costs and increase operational efficiency.

Net sales of each segment specified above include in-house intersegment sales of 28.8 billion yen (compared with 33.2 billion yen in the same period of the previous fiscal year).

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

Special gain totaled 4.1 billion yen—including a 3.5 billion yen gain on sales of non-current assets.

Special loss totaled 28.0 billion yen—including 10.3 billion yen of restructuring cost and 7.2 billion yen of loss on valuation of investments in securities.

The above factors resulted in an income before income taxes of 47.1 billion yen. From this amount, by deducting 22.2 billion yen of income taxes and 0.4 billion yen of loss attributable to non-controlling interests, the profit attributable to owners of parent amounted to 25.4 billion yen, compared with the loss of 44.9 billion yen in the same period of the previous fiscal year.

(2) Explanations on Financial Position

- (i) Assets:** The total assets as of the end of this second quarter amounted to 6,217.1 billion yen, a decrease of 507.6 billion yen from the end of the previous fiscal year.
- (ii) Liabilities:** The total liabilities as of the end of this second quarter amounted to 4,412.7 billion yen, a decrease of 383.5 billion yen from the end of the previous fiscal year. The balance of interest-bearing debts amounted to 2,433.4 billion yen, a decrease of 148.0 billion yen from the end of the previous fiscal year.
- (iii) Net Assets:** The total net assets as of the end of this second quarter amounted to 1,804.4 billion yen, a decrease of 124.1 billion yen from the end of the previous fiscal year.

The shareholders' equity ratio is 22.6%, an improvement of 0.3 points from the end of the previous fiscal year. The amount of net assets per share is 564.40 yen, a 38.46 yen decrease from the end of the previous fiscal year; and the net D/E ratio (net debt equity ratio) is 1.52, a deterioration of 0.13 points from the end of the previous fiscal year.

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

JX Holdings, Inc. (the "Company") has revised the forecasts of its consolidated results for the full fiscal year 2016 from those that were previously announced (May 11, 2016). As an average for the full fiscal year 2016, the forecasts of its consolidated results assume an exchange rate of 105 yen per U.S. dollar (since October: 105 yen); a crude oil (Dubai crude

oil) price of \$44 per barrel (since October: \$45); and an international copper price (LME price) of 213 cents per pound (since October: 210 cents).

(Previous forecasts: an exchange rate of 110 yen per U.S. dollar; a crude oil price of \$40 per barrel; and an international copper price of 230 cents per pound.)

In comparison with the previous forecast, due partly to the stronger yen, net sales are expected to be 8 trillion yen (a decrease of 800.0 billion yen from the previous forecast). Further, although there have been profit-increasing factors such as cost reductions, due partly to the stronger yen, a decrease in copper prices, and a decrease in margins of petroleum products, operating income is expected to be 190.0 billion yen (a decrease of 40.0 billion yen from the previous forecast), ordinary income is expected to be 230.0 billion yen (a decrease of 30.0 billion yen from the previous forecast), and the profit attributable to owners of the parent is expected to be 100.0 billion yen (a decrease of 25.0 billion yen from the previous forecast).

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

In this quarter, there are no revisions to the Company's previous forecast of a 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

None.

(4) Matters relating to the fiscal year, etc. of consolidated subsidiaries

With respect to the 13 consolidated subsidiaries whose balance sheet date used to be December 31, we previously used their financial statements as of their balance sheet dates, and made adjustments to important transactions that occurred between each of their balance sheet dates and our consolidated balance sheet date, as required for consolidated accounting.

However, effective from the 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 a more appropriate method of disclosure of consolidated financial information. As a result of these changes, for this second quarter we have included the results of nine months, from January 1, 2016 to September 30, 2016, and have made adjustments throughout the consolidated statements of income.

As a result of the above, for this second quarter, net sales increased by 32,351 million yen, operating income increased by 3,736 million yen, and ordinary income increased by 747 million yen, respectively, and income before income taxes decreased by 7,614 million yen. Further, other comprehensive income decreased by 12,566 million yen.

(5) Additional information

(Application of the Implementation Guidance on Recoverability of Deferred Tax Assets)

We have adopted the “Implementation Guidance on Recoverability of Deferred Tax Assets” (The Accounting Standards Board of Japan (the “ASBJ”) Statement No. 26, March 28, 2016) from the first quarter.

Supplemental Information

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Account title	(Millions of yen)	
	FY 2015 (As of March 31, 2016)	2Q of FY 2016 (As of September 30, 2016)
Assets		
Current assets:		
Cash and deposits	492,698	294,622
Notes and accounts receivable-trade	774,970	681,953
Inventories	1,048,154	1,102,283
Other	338,225	268,391
Allowance for doubtful accounts	(2,763)	(2,478)
Total current assets	<u>2,651,284</u>	<u>2,344,771</u>
Non-current assets:		
Property, plant and equipment:		
Machinery, equipment and vehicles, net	891,083	647,384
Land	947,771	944,543
Other, net	614,622	781,119
Total property, plant and equipment	<u>2,453,476</u>	<u>2,373,046</u>
Intangible assets	117,459	107,156
Investments and other assets:		
Investments in securities	703,825	685,839
Other	803,324	710,955
Allowance for doubtful accounts	(4,746)	(4,716)
Total investments and other assets	<u>1,502,403</u>	<u>1,392,078</u>
Total non-current assets	<u>4,073,338</u>	<u>3,872,280</u>
Total assets	<u><u>6,724,622</u></u>	<u><u>6,217,051</u></u>

(Millions of yen)

Account title	FY 2015 (As of March 31, 2016)	2Q of FY 2016 (As of September 30, 2016)
Liabilities		
Current liabilities:		
Notes and accounts payable-trade	601,322	486,364
Short-term borrowings	792,619	628,614
Commercial papers	248,000	296,000
Current portion of bonds	20,000	—
Accounts payable-other	756,380	716,154
Provision	37,001	25,244
Other	299,664	269,730
Total current liabilities	2,754,986	2,422,106
Non-current liabilities:		
Bonds payable	185,000	215,000
Long-term loans payable	1,335,747	1,293,776
Provision	76,366	75,426
Liability for retirement benefits	130,649	129,896
Asset retirement obligations	122,745	110,468
Other	190,669	165,996
Total non-current liabilities	2,041,176	1,990,562
Total liabilities	4,796,162	4,412,668
Net assets		
Shareholders' equity:		
Common stock	100,000	100,000
Capital surplus	746,283	746,283
Retained earnings	465,268	470,852
Treasury stock	(3,959)	(3,971)
Total shareholders' equity	1,307,592	1,313,164
Accumulated other comprehensive income:		
Unrealized gain on securities	26,810	25,968
Unrealized gain on hedging derivatives	(11,953)	(11,613)
Foreign currency translation adjustment	184,136	82,777
Retirement benefits liability adjustment	(7,661)	(7,017)
Total accumulated other comprehensive income	191,332	90,115
Non-controlling interests	429,536	401,104
Total net assets	1,928,460	1,804,383
Total liabilities and net assets	6,724,622	6,217,051

(2) Consolidated Statements of Operations and Comprehensive Income (Loss)

Consolidated Statements of Operations

(Millions of yen)

Account title	2Q of FY 2015 (from April 1, 2015 to September 30, 2015)	2Q of FY 2016 (from April 1, 2016 to September 30, 2016)
Net sales	4,552,555	3,669,759
Cost of sales	4,316,867	3,342,127
Gross profit	235,688	327,632
Selling, general and administrative expenses	281,138	280,136
Operating income (loss)	(45,450)	47,496
Non-operating income:		
Interest income	1,178	1,537
Dividend income	20,517	10,868
Foreign currency exchange gain	—	4,367
Equity in earnings of affiliates	4,939	13,242
Other	14,675	15,379
Total non-operating income	41,309	45,393
Non-operating expenses:		
Interest expense	12,234	14,188
Foreign currency exchange loss	2,042	—
Other	9,248	7,741
Total non-operating expenses	23,524	21,929
Ordinary income (loss)	(27,665)	70,960
Special gain:		
Gain on sales of non-current assets	2,636	3,496
Other	1,086	606
Total special gain	3,722	4,102
Special loss:		
Loss on sales of non-current assets	413	542
Loss on disposal of non-current assets	4,442	2,680
Impairment loss	4,293	3,496
Loss on valuation of investments in securities	93	7,154
Restructuring cost	5,712	10,277
Other	2,222	3,808
Total special loss	17,175	27,957
Income (loss) before income taxes	(41,118)	47,105
Income taxes	4,425	22,173
Profit (loss)	(45,543)	24,932
Profit (loss) attributable to non-controlling interests	(598)	(429)
Profit (loss) attributable to owners of parent	(44,945)	25,361

Consolidated Statements of Comprehensive Income (Loss)

(Millions of yen)

Account title	2Q of FY 2015 (from April 1, 2015 to September 30, 2015)	2Q of FY 2016 (from April 1, 2016 to September 30, 2016)
Profit (loss)	(45,543)	24,932
Other comprehensive income (loss):		
Unrealized gain (loss) on securities	(20,920)	(1,377)
Unrealized gain (loss) on hedging derivatives	3,185	1,282
Foreign currency translation adjustment	(4,592)	(95,062)
Retirement benefits liability adjustment	(146)	635
Share of other comprehensive income (loss) of affiliates accounted for by equity method	(1,452)	(27,901)
Total other comprehensive income (loss)	(23,925)	(122,423)
Comprehensive income (loss)	(69,468)	(97,491)
Comprehensive income (loss) attributable to:		
Owners of parent	(67,151)	(75,851)
Non-controlling interests	(2,317)	(21,640)

(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 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.

II. Second Quarter of FY 2016 (April 1, 2016 - September 30, 2016)

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	2,961,702	87,393	462,410	158,254	3,669,759	-	3,669,759
In-house Intersegment Sales and Transfers	4,146	-	2,236	22,453	28,835	(28,835)	-
Total	2,965,848	87,393	464,646	180,707	3,698,594	(28,835)	3,669,759
Segment Income (Loss)	52,185	(1,959)	469	18,083	68,778	2,182	70,960

(Note 1) The segment income (loss) adjustments of 2,182 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 1,996 million yen.

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

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