

First Quarter Report  
Period Ended June 30, 2017

**Consolidated Financial Statements for The 1st Quarter of FY2017  
(April 1, 2017 - June 30, 2017)**

 **FUJI OIL HOLDINGS INC.**

## Consolidated Balance Sheets

(Millions of yen)

	FY2016 as of Mar. 31, 2017 Amount	1st Q of FY2017 as of Jun. 30, 2017 Amount	vs. last year Variance Amount
<b>[Assets]</b>			
<b>Current assets</b>	132,455	131,593	(862)
Cash and deposits	12,762	10,123	(2,639)
Notes and accounts receivable-trade	59,045	59,513	468
Merchandise and finished goods	24,740	23,466	(1,274)
Raw materials and supplies	27,657	25,547	(2,110)
Deferred income tax assets	1,435	1,677	242
Other current assets	7,022	11,413	4,391
Allowance for bad debt	(209)	(149)	60
<b>Fixed assets</b>	139,653	136,111	(3,542)
Tangible fixed assets	91,402	91,351	(51)
Buildings and structures	34,047	34,025	(22)
Machinery and vehicles	35,832	34,410	(1,422)
Tools and fixtures	2,370	2,408	38
Land	15,093	15,081	(12)
Construction in progress	4,059	5,425	1,366
Intangible fixed assets	23,210	22,704	(506)
Goodwill	12,898	12,592	(306)
Other intangible fixed assets	10,312	10,111	(201)
Investments and others	25,040	22,056	(2,984)
Investment securities	16,103	17,304	1,201
Net defined benefit asset	1,023	1,114	91
Deferred income tax assets	312	304	(8)
Other fixed assets	7,846	3,569	(4,277)
Allowance for bad debt	(245)	(236)	9
<b>Total assets</b>	272,109	267,705	(4,404)
<b>[Liabilities]</b>			
<b>Current liabilities</b>	69,576	68,589	(987)
Notes and accounts payable-trade	23,212	21,018	(2,194)
Short-term borrowings	29,789	26,117	(3,672)
Income taxes payable	2,511	2,300	(211)
Accrued bonuses for employees	2,320	3,420	1,100
Accrued bonuses for directors	64	-	(64)
Other current liabilities	11,679	15,733	4,054
<b>Fixed liabilities</b>	47,051	43,081	(3,970)
Bonds	10,000	10,000	-
Long-term borrowings	25,878	24,957	(921)
Deferred income tax liabilities	4,587	5,016	429
Net defined benefit liability	1,867	1,831	(36)
Other fixed liabilities	4,718	1,275	(3,443)
<b>Total liabilities</b>	116,628	111,671	(4,957)
<b>[Shareholder's equity]</b>			
<b>Shareholder's equity</b>	146,320	147,718	1,398
Stock	13,208	13,208	-
Capital surplus	15,609	15,609	-
Retained earnings	119,251	120,649	1,398
Treasury stock	(1,749)	(1,749)	(0)
<b>Accumulated other comprehensive income</b>	4,410	3,430	(980)
Valuation variance of securities	5,484	6,287	803
Deferred hedging instruments	41	86	45
Translation adjustments	29	(1,845)	(1,874)
Remeasurements of defined benefit plans	(1,144)	(1,098)	46
<b>Non-controlling interests</b>	4,749	4,885	136
<b>Total net assets</b>	155,480	156,034	554
<b>Total liabilities and net assets</b>	272,109	267,705	(4,404)

## Consolidated Income Statements

(Millions of yen)

	Fiscal Year Ended <b>FY2016 Q1</b> from Apr. 1, 2016 to Jun. 30, 2016	Three Months Ended <b>FY2017 Q1</b> from Apr. 1, 2017 to Jun. 30, 2017	Variance
Revenue	71,759	77,366	5,607
Cost of sales	56,736	61,245	4,509
<b>Gross profit</b>	<b>15,022</b>	<b>16,121</b>	<b>1,099</b>
Selling, general and administrative expenses	10,162	10,709	547
<b>Operating profit</b>	<b>4,860</b>	<b>5,411</b>	<b>551</b>
Interest income	169	170	1
Dividends income	100	90	(10)
Profit from equity method	91	19	(72)
Gain on valuation of derivatives	84	-	(84)
Other non-operating income	120	162	42
Total non-operating income	565	443	(122)
Interest expense	185	292	107
Other non-operating expenses	405	240	(165)
Total non-operating expenses	591	533	(58)
<b>Ordinary profit</b>	<b>4,834</b>	<b>5,321</b>	<b>487</b>
Loss on disposal of fixed assets	71	62	(9)
Extraordinary loss	71	62	(9)
<b>Income before income taxes</b>	<b>4,763</b>	<b>5,258</b>	<b>495</b>
Income taxes	1,414	1,837	423
Income taxes adjustment	(141)	(163)	(22)
Total Income taxes	1,273	1,674	401
<b>Net income</b>	<b>3,489</b>	<b>3,583</b>	<b>94</b>
Net income attributable to non-controlling interests	175	223	48
<b>Net income attributable to owners of parent</b>	<b>3,314</b>	<b>3,360</b>	<b>46</b>

## Consolidated Cash Flow Statements

(Millions of yen)

	Fiscal Year Ended <b>FY2016 Q1</b> from Apr. 1, 2016 to Jun. 30, 2016	Three Months Ended <b>FY2017 Q1</b> from Apr. 1, 2017 to Jun. 30, 2017	Variance
<b>I Cash flows from operating activities</b>			
Income before income taxes	4,763	5,258	495
Depreciation and amortization	2,521	2,602	81
(Inc)/dec net defined benefit asset	(131)	(90)	41
Inc/(dec) net defined benefit liability	49	47	(2)
Interest income and dividend income	(269)	(260)	9
Interest expense	185	292	107
(Increase)/decrease in trade receivables	(742)	(1,197)	(455)
(Increase)/decrease in inventories	(405)	2,646	3,051
Increase/(decrease) in trade payables	(2,125)	(1,839)	286
Other	1,335	1,315	(20)
Sub-total	5,179	8,774	3,595
Interest income and dividend income received	269	261	(8)
Interest expense paid	(194)	(306)	(112)
Income taxes paid	(2,834)	(1,755)	1,079
<b>Cash flows from operating activities</b>	<b>2,419</b>	<b>6,973</b>	<b>4,554</b>
<b>II Cash flows from investing activities</b>			
Capital expenditures of tangible assets	(3,916)	(3,609)	307
Proceeds from sales of investment in subsidiaries resulting in change in scope of consolidation	-	32	32
Other	(372)	(281)	91
<b>Cash flows from investing activities</b>	<b>(4,289)</b>	<b>(3,858)</b>	<b>431</b>
<b>Free cash flow</b>	<b>(1,869)</b>	<b>3,115</b>	<b>4,984</b>
<b>III Cash flows from financing activities</b>			
Increase/(decrease) in short-term borrowings	543	(3,423)	(3,966)
Repayment of long-term borrowings	(877)	(365)	512
Dividend paid	(1,547)	(1,891)	(344)
Dividend paid to non-controlling interests	(14)	(20)	(6)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(15)	(30)	(15)
Other	(44)	(46)	(2)
<b>Cash flows from financing activities</b>	<b>(1,954)</b>	<b>(5,778)</b>	<b>(3,824)</b>
<b>IV Exchange rate changes on cash and cash equivalents</b>	<b>(518)</b>	<b>(120)</b>	<b>398</b>
<b>V Net increase in cash and cash equivalents</b>	<b>(4,343)</b>	<b>(2,783)</b>	<b>1,560</b>
<b>VI Cash and cash equivalents at beginning of period</b>	<b>16,698</b>	<b>12,681</b>	<b>(4,017)</b>
<b>VII Cash and cash equivalents from newly consolidated subsidiaries at beginning of period</b>	<b>-</b>	<b>197</b>	<b>197</b>
<b>VIII Cash and cash equivalents at end of period</b>	<b>12,354</b>	<b>10,095</b>	<b>(2,259)</b>

\*Note

<b>Cash and cash equivalents at end of period</b>	12,354	10,095	(2,259)
<b>Fixed deposits mature over 3 months</b>	41	28	(13)
<b>Cash and bank balances</b>	12,396	10,123	(2,273)

**Consolidated Statements of Comprehensive Income**

(Millions of yen)

	Fiscal Year Ended <b>FY2016 Q1</b> from Apr. 1, 2016 to Jun. 30, 2016	Three Months Ended <b>FY2017 Q1</b> from Apr. 1, 2017 to Jun. 30, 2017	Variance
<b>Net income</b>	3,489	3,583	94
[Other comprehensive income]			
Valuation variance of securities	537	802	265
Deferred gain or loss on hedging instruments	(636)	43	679
Translation adjustments	(2,250)	(1,934)	316
Remeasurements of defined benefit plans	52	46	(6)
Share of other comprehensive income of associates accounted for using equity method	14	(30)	(44)
Total other comprehensive income	(2,284)	(1,071)	1,213
<b>Comprehensive income</b>	1,205	2,512	1,307
[Comprehensive income attributable to]			
Comprehensive income attributable to owners of the parent	1,219	2,380	1,161
Comprehensive income attributable to non-controlling interests	(13)	132	145
<b>Total comprehensive income</b>	1,205	2,512	1,307