

Third Quarter Report
Period Ended December 31, 2015

**Consolidated Financial Statements for The 3rd Quarter of FY2015
(April 1, 2015 - December 31, 2015)**

 **FUJI OIL HOLDINGS INC.**

Consolidated Balance Sheets

(Millions of yen)

	FY2014 as of Mar. 31, 2015 Amount	3rd Q of FY2015 as of Dec. 31, 2015 Amount	vs. last year Variance Amount
[Assets]			
Current assets	118,556	144,079	25,523
Cash and deposits	12,789	23,789	11,000
Notes and accounts receivable-trade	54,565	66,168	11,603
Merchandise and finished goods	21,868	23,087	1,219
Raw materials and supplies	23,290	23,707	417
Deferred income tax assets	1,186	1,201	15
Other current assets	4,948	6,327	1,379
Allowance for bad debt	(92)	(202)	(110)
Fixed assets	105,069	132,945	27,876
Tangible fixed assets	81,845	85,972	4,127
Buildings and structures	28,820	31,370	2,550
Machinery and vehicles	30,284	33,783	3,499
Tools and fixtures	1,402	1,744	342
Land	15,987	15,541	(446)
Construction in progress	5,350	3,532	(1,818)
Intangible fixed assets	1,311	19,507	18,196
Goodwill	-	18,162	18,162
Other intangible fixed assets	1,311	1,344	33
Investments and others	21,912	27,464	5,552
Investment securities	17,283	18,792	1,509
Net defined benefit asset	1,074	1,663	589
Deferred income tax assets	414	622	208
Other fixed assets	3,333	6,738	3,405
Allowance for bad debt	(193)	(351)	(158)
Total assets	223,625	277,024	53,399
[Liabilities]			
Current liabilities	57,902	79,301	21,399
Notes and accounts payable-trade	23,914	28,728	4,814
Short-term borrowings	14,712	33,668	18,956
Commercial papers	2,000	-	(2,000)
Current portion of bonds	5,000	-	(5,000)
Income taxes payable	1,469	2,624	1,155
Accrued bonuses for employees	2,009	1,324	(685)
Accrued bonuses for directors	58	2	(56)
Other current liabilities	8,738	12,953	4,215
Fixed liabilities	14,909	49,729	34,820
Bonds	-	10,000	10,000
Long-term borrowings	7,855	28,479	20,624
Deferred income tax liabilities	4,767	5,346	579
Accrued retirement benefits for directors	32	34	2
Net defined benefit liability	1,668	1,800	132
Other fixed liabilities	585	4,068	3,483
Total liabilities	72,812	129,031	56,219
[Shareholder's equity]			
Shareholder's equity	133,253	136,683	3,430
Stock	13,208	13,208	-
Capital surplus	18,324	18,302	(22)
Retained earnings	103,467	106,920	3,453
Treasury stock	(1,747)	(1,747)	(0)
Accumulated other comprehensive income	12,341	5,761	(6,580)
Valuation variance of securities	6,728	6,992	264
Deferred hedging instruments	479	(153)	(632)
Translation adjustments	5,716	(684)	(6,400)
Remeasurements of defined benefit plans	(583)	(392)	191
Non-controlling interests	5,218	5,548	330
Total shareholder's equity	150,813	147,993	(2,820)
Total liabilities and shareholder's equity	223,625	277,024	53,399

Consolidated Income Statements

(Millions of yen)

	Nine Months Ended FY2014 Q3 from Apr. 1, 2014 to Dec. 31, 2014	Nine Months Ended FY2015 Q3 from Apr. 1, 2015 to Dec. 31, 2015	Variance
Revenue	201,568	214,413	12,845
Cost of sales	166,362	172,262	5,900
Gross profit	35,206	42,151	6,945
Selling, general and administrative expenses	24,395	29,519	5,124
Operating profit	10,810	12,632	1,822
Dividends income	201	228	27
Other non-operating income	456	426	(30)
Total non-operating income	658	654	(4)
Interest expense	259	547	288
Exchange losses	-	1,423	1,423
Loss from equity method	330	374	44
Other non-operating expenses	182	534	352
Total non-operating expenses	773	2,880	2,107
Ordinary profit	10,696	10,406	(290)
Gain on sales of land	-	203	203
Insurance income	234	-	(234)
Gain on sales of investments in capital of subsidiaries and affiliates	39	-	(39)
Gain on transfer of business	-	170	170
Extraordinary gain	273	373	100
Loss on disposal of fixed assets	108	214	106
Cost related to shift to holding company structure	-	112	112
Special investigation expenses	109	-	(109)
Office transfer expenses	62	26	(36)
Extraordinary loss	280	353	73
Income before income taxes	10,688	10,426	(262)
Income taxes	2,253	3,265	1,012
Income taxes adjustment	711	376	(335)
Total Income taxes	2,965	3,641	676
Net income	7,723	6,784	(939)
Net income attributable to non-controlling interests	288	398	110
Net income attributable to owners of parent	7,435	6,386	(1,049)

Consolidated Cash Flow Statements

(Millions of yen)

	Nine Months Ended FY2014 Q3 from Apr. 1, 2014 to Dec. 31, 2014	Nine Months Ended FY2015 Q3 from Apr. 1, 2015 to Dec. 31, 2015	Variance
I Cash flows from operating activities			
Income before income taxes	10,688	10,426	(262)
Depreciation and amortization	6,332	7,047	715
(Inc)/dec net defined benefit asset	(477)	(589)	(112)
Inc/(dec) net defined benefit liability	268	467	199
Interest income and dividend income	(269)	(337)	(68)
Interest expense	259	547	288
Loss/(gain) on transfer of business	-	(170)	(170)
Loss/(gain) on sales of investments in capital of subsidiaries and affiliates	(39)	-	39
(Increase)/decrease in trade receivables	(13,241)	(10,398)	2,843
(Increase)/decrease in inventories	(1,832)	(1,376)	456
Increase/(decrease) in trade payables	4,234	3,104	(1,130)
Other	193	(32)	(225)
Sub-total	6,116	8,688	2,572
Interest income and dividend income received	269	331	62
Interest expense paid	(242)	(518)	(276)
Income taxes paid	(3,571)	(2,109)	1,462
Proceeds from insurance income	234	-	(234)
Cash flows from operating activities	2,806	6,391	3,585
II Cash flows from investing activities			
Capital expenditures of tangible assets	(5,411)	(7,970)	(2,559)
Proceeds from sales of tangible fixed assets	-	651	651
Payments for purchases of investment in securities	(9)	(1,279)	(1,270)
Payments for purchase of investments in related company	(535)	(35)	500
Payments for purchase of investments in non-consolidated subsidiaries	(114)	-	114
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(17,355)	(17,355)
Payments for sales of investments in capital of subsidiaries resulting in change in scope of consolidation	(33)	-	33
Proceeds from transfer of business	-	170	170
Payments into deposits paid	-	(3,805)	(3,805)
Other	(796)	(220)	576
Cash flows from investing activities	(6,901)	(29,844)	(22,943)
Free cash flow	(4,094)	(23,452)	(19,358)
III Cash flows from financing activities			
Increase/(decrease) in short-term borrowings	3,736	16,442	12,706
Increase/(decrease) in commercial paper	-	(2,000)	(2,000)
Proceeds from long-term borrowings	4,546	22,814	18,268
Repayment of long-term borrowings	(2,629)	(1,794)	835
Proceeds from issuance of bonds	-	10,000	10,000
Redemption of bonds	(10)	(5,000)	(4,990)
Dividend paid	(2,234)	(2,922)	(688)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(108)	(108)
Other	(418)	(373)	45
Cash flows from financing activities	2,989	37,058	34,069
IV Exchange rate changes on cash and cash equivalents	274	(2,598)	(2,872)
V Net increase in cash and cash equivalents	(830)	11,007	11,837
VI Cash and cash equivalents at the beginning	14,578	12,716	(1,862)
VII Cash and cash equivalents from newly consolidated subsidiaries at the beginning	-	23	23
VIII Cash and cash equivalents at the end	13,748	23,747	9,999

*Note

Cash and cash equivalents at the end	13,748	23,747	9,999
Fixed deposits mature over 3 months	41	41	-
Cash and bank balances	13,790	23,789	9,999

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine Months Ended FY2014 Q3 from Apr. 1, 2014 to Dec. 31, 2014	Nine Months Ended FY2015 Q3 from Apr. 1, 2015 to Dec. 31, 2015	Variance
Net income	7,723	6,784	(939)
[Other comprehensive income]			
Valuation variance of securities	1,810	263	(1,547)
Deferred gain or loss on hedging instruments	1,041	(633)	(1,674)
Translation adjustments	1,504	(6,538)	(8,042)
Remeasurements of defined benefit plans	171	191	20
Share of other comprehensive income of associates accounted for using equity method	(6)	(131)	(125)
Total other comprehensive income	4,522	(6,848)	(11,370)
Comprehensive income	12,245	(64)	(12,309)
[Comprehensive income attributable to]			
Comprehensive income attributable to owners of the parent	11,742	(194)	(11,936)
Comprehensive income attributable to non-controlling interests	503	130	(373)
Total comprehensive income	12,245	(64)	(12,309)