

First Quarter Report  
Period Ended June 30, 2016

**Consolidated Financial Statements for The 1st Quarter of FY2016  
(April 1, 2016 - June 30, 2016)**

 **FUJI OIL HOLDINGS INC.**

## Consolidated Balance Sheets

(Millions of yen)

	FY2015 as of Mar. 31, 2016 Amount	1st Q of FY2016 as of Jun. 30, 2016 Amount	vs. last year Variance Amount
<b>[Assets]</b>			
<b>Current assets</b>	130,869	125,419	(5,450)
Cash and deposits	16,771	12,396	(4,375)
Notes and accounts receivable-trade	56,149	55,977	(172)
Merchandise and finished goods	22,766	22,790	24
Raw materials and supplies	27,196	26,493	(703)
Deferred income tax assets	2,334	2,639	305
Other current assets	5,818	5,299	(519)
Allowance for bad debt	(166)	(177)	(11)
<b>Fixed assets</b>	136,007	137,679	1,672
<b>Tangible fixed assets</b>	89,491	89,225	(266)
Buildings and structures	31,366	30,972	(394)
Machinery and vehicles	35,106	35,082	(24)
Tools and fixtures	1,857	1,805	(52)
Land	16,129	16,114	(15)
Construction in progress	5,031	5,251	220
<b>Intangible fixed assets</b>	22,528	22,787	259
Goodwill	13,133	13,292	159
Other intangible fixed assets	9,395	9,495	100
<b>Investments and others</b>	23,987	25,666	1,679
Investment securities	16,324	17,113	789
Net defined benefit asset	656	788	132
Deferred income tax assets	373	355	(18)
Other fixed assets	7,479	8,200	721
Allowance for bad debt	(847)	(791)	56
<b>Total assets</b>	266,877	263,098	(3,779)
<b>[Liabilities]</b>			
<b>Current liabilities</b>	66,482	63,093	(3,389)
Notes and accounts payable-trade	25,017	22,135	(2,882)
Short-term borrowings	21,361	20,996	(365)
Income taxes payable	3,795	2,276	(1,519)
Accrued bonuses for employees	2,194	3,095	901
Accrued bonuses for directors	50	-	(50)
Other current liabilities	14,063	14,589	526
<b>Fixed liabilities</b>	51,607	51,607	0
Bonds	10,000	10,000	-
Long-term borrowings	28,639	28,132	(507)
Deferred income tax liabilities	7,089	7,157	68
Accrued retirement benefits for directors	35	18	(17)
Net defined benefit liability	1,820	1,772	(48)
Other fixed liabilities	4,022	4,526	504
<b>Total liabilities</b>	118,089	114,700	(3,389)
<b>[Shareholder's equity]</b>			
<b>Shareholder's equity</b>	139,524	141,292	1,768
Stock	13,208	13,208	-
Capital surplus	18,302	18,302	-
Retained earnings	109,761	111,529	1,768
Treasury stock	(1,748)	(1,748)	(0)
<b>Accumulated other comprehensive income</b>	2,798	702	(2,096)
Valuation variance of securities	5,390	5,927	537
Deferred hedging instruments	(980)	(1,617)	(637)
Translation adjustments	(422)	(2,470)	(2,048)
Remeasurements of defined benefit plans	(1,189)	(1,137)	52
<b>Non-controlling interests</b>	6,464	6,403	(61)
<b>Total shareholder's equity</b>	148,787	148,398	(389)
<b>Total liabilities and shareholder's equity</b>	266,877	263,098	(3,779)

## Consolidated Income Statements

(Millions of yen)

	Three Months Ended <b>FY2015 Q1</b> from Apr. 1, 2015 to Jun. 30, 2015	Three Months Ended <b>FY2016 Q1</b> from Apr. 1, 2016 to Jun. 30, 2016	Variance
Revenue	66,191	71,759	5,568
Cost of sales	54,138	56,736	2,598
<b>Gross profit</b>	<b>12,052</b>	<b>15,022</b>	<b>2,970</b>
Selling, general and administrative expenses	9,533	10,162	629
<b>Operating profit</b>	<b>2,519</b>	<b>4,860</b>	<b>2,341</b>
Interest income	28	169	141
Dividends income	114	100	(14)
Profit from equity method	-	91	91
Gain on valuation of derivatives	124	84	(40)
Other non-operating income	92	120	28
Total non-operating income	359	565	206
Interest expense	83	185	102
Loss from equity method	199	-	(199)
Other non-operating expenses	160	405	245
Total non-operating expenses	444	591	147
<b>Ordinary profit</b>	<b>2,434</b>	<b>4,834</b>	<b>2,400</b>
Loss on disposal of fixed assets	64	71	7
Extraordinary loss	64	71	7
<b>Income before income taxes</b>	<b>2,369</b>	<b>4,763</b>	<b>2,394</b>
Income taxes	1,192	1,414	222
Income taxes adjustment	(242)	(141)	101
Total Income taxes	950	1,273	323
<b>Net income</b>	<b>1,419</b>	<b>3,489</b>	<b>2,070</b>
Net income attributable to non-controlling interests	116	175	59
<b>Net income attributable to owners of parent</b>	<b>1,302</b>	<b>3,314</b>	<b>2,012</b>

## Consolidated Cash Flow Statements

(Millions of yen)

	Three Months Ended FY2015 Q1 from Apr. 1, 2015 to Jun. 30, 2015	Three Months Ended FY2016 Q1 from Apr. 1, 2016 to Jun. 30, 2016	Variance
<b>I Cash flows from operating activities</b>			
Income before income taxes	2,369	4,763	2,394
Depreciation and amortization	2,231	2,521	290
(Inc)/dec net defined benefit asset	(196)	(131)	65
Inc/(dec) net defined benefit liability	268	49	(219)
Interest income and dividend income	(142)	(269)	(127)
Interest expense	83	185	102
(Increase)/decrease in trade receivables	2,381	(742)	(3,123)
(Increase)/decrease in inventories	(764)	(405)	359
Increase/(decrease) in trade payables	(4,976)	(2,125)	2,851
Other	664	1,335	671
Sub-total	1,918	5,179	3,261
Interest income and dividend income received	127	269	142
Interest expense paid	(69)	(194)	(125)
Income taxes paid	(925)	(2,834)	(1,909)
<b>Cash flows from operating activities</b>	<b>1,050</b>	<b>2,419</b>	<b>1,369</b>
<b>II Cash flows from investing activities</b>			
Capital expenditures of tangible assets	(2,178)	(3,916)	(1,738)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(17,355)	-	17,355
Payments into deposits paid	(4,719)	-	4,719
Other	(272)	(372)	(100)
<b>Cash flows from investing activities</b>	<b>(24,525)</b>	<b>(4,289)</b>	<b>20,236</b>
<b>Free cash flow</b>	<b>(23,475)</b>	<b>(1,869)</b>	<b>21,606</b>
<b>III Cash flows from financing activities</b>			
Increase/(decrease) in short-term borrowings	27,876	543	(27,333)
Increase/(decrease) in commercial paper	(2,000)	-	2,000
Proceeds from long-term borrowings	600	-	(600)
Repayment of long-term borrowings	(756)	(877)	(121)
Dividend paid	(1,461)	(1,547)	(86)
Dividend paid to non-controlling interests	(98)	(14)	84
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(83)	(15)	68
Other	(61)	(44)	17
<b>Cash flows from financing activities</b>	<b>24,015</b>	<b>(1,954)</b>	<b>(25,969)</b>
<b>IV Exchange rate changes on cash and cash equivalents</b>	<b>(102)</b>	<b>(518)</b>	<b>(416)</b>
<b>V Net increase in cash and cash equivalents</b>	<b>436</b>	<b>(4,343)</b>	<b>(4,779)</b>
<b>VI Cash and cash equivalents at the beginning</b>	<b>12,716</b>	<b>16,698</b>	<b>3,982</b>
<b>VII Cash and cash equivalents from newly consolidated subsidiaries at the beginning</b>	<b>23</b>	<b>-</b>	<b>(23)</b>
<b>VIII Cash and cash equivalents at the end</b>	<b>13,176</b>	<b>12,354</b>	<b>(822)</b>

\*Note

Cash and cash equivalents at the end	13,176	12,354	(822)
Fixed deposits mature over 3 months	41	41	0
Cash and bank balances	13,218	12,396	(822)

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three Months Ended <b>FY2015 Q1</b> from Apr. 1, 2015 to Jun. 30, 2015	Three Months Ended <b>FY2016 Q1</b> from Apr. 1, 2016 to Jun. 30, 2016	Variance
<b>Net income</b>	1,419	3,489	2,070
[Other comprehensive income]			
Valuation variance of securities	539	537	(2)
Deferred gain or loss on hedging instruments	(114)	(636)	(522)
Translation adjustments	(1,129)	(2,250)	(1,121)
Remeasurements of defined benefit plans	63	52	(11)
Share of other comprehensive income of associates accounted for using equity method	(22)	14	36
Total other comprehensive income	(663)	(2,284)	(1,621)
<b>Comprehensive income</b>	756	1,205	449
[Comprehensive income attributable to]			
Comprehensive income attributable to owners of the parent	692	1,219	527
Comprehensive income attributable to non-controlling interests	63	(13)	(76)
<b>Total comprehensive income</b>	756	1,205	449