

Third Quarter Report  
Period Ended December 31, 2017

**Consolidated Financial Statements for The 3rd Quarter of FY2017  
(April 1, 2017 - December 31, 2017)**

 **FUJI OIL HOLDINGS INC.**

## Consolidated Balance Sheets

(Millions of yen)

	FY2016 as of Mar. 31, 2017 Amount	3rd Q of FY2017 as of Dec. 31, 2017 Amount	vs. last year Variance Amount
<b>[Assets]</b>			
<b>Current assets</b>	132,455	135,233	2,778
Cash and deposits	12,762	13,014	252
Notes and accounts receivable-trade	59,045	67,756	8,711
Merchandise and finished goods	24,740	22,690	(2,050)
Raw materials and supplies	27,657	25,761	(1,896)
Deferred income tax assets	1,435	1,074	(361)
Other current assets	7,022	5,072	(1,950)
Allowance for bad debt	(209)	(137)	72
<b>Fixed assets</b>	139,653	140,437	784
<b>Tangible fixed assets</b>	91,402	93,989	2,587
Buildings and structures	34,047	35,018	971
Machinery and vehicles	35,832	34,810	(1,022)
Tools and fixtures	2,370	2,375	5
Land	15,093	14,890	(203)
Construction in progress	4,059	6,893	2,834
<b>Intangible fixed assets</b>	23,210	23,000	(210)
Goodwill	12,898	12,302	(596)
Other intangible fixed assets	10,312	10,698	386
<b>Investments and others</b>	25,040	23,447	(1,593)
Investment securities	16,103	17,185	1,082
Net defined benefit asset	1,023	1,299	276
Deferred income tax assets	312	355	43
Other fixed assets	7,846	4,816	(3,030)
Allowance for bad debt	(245)	(209)	36
<b>Total assets</b>	<b>272,109</b>	<b>275,670</b>	<b>3,561</b>
<b>[Liabilities]</b>			
<b>Current liabilities</b>	69,576	69,772	196
Notes and accounts payable-trade	23,212	25,714	2,502
Short-term borrowings	29,789	28,570	(1,219)
Income taxes payable	2,511	1,450	(1,061)
Accrued bonuses for employees	2,320	1,631	(689)
Accrued bonuses for directors	64	-	(64)
Other current liabilities	11,679	12,404	725
<b>Fixed liabilities</b>	47,051	42,633	(4,418)
Bonds	10,000	10,000	-
Long-term borrowings	25,878	24,335	(1,543)
Deferred income tax liabilities	4,587	5,157	570
Net defined benefit liability	1,867	1,916	49
Other fixed liabilities	4,718	1,224	(3,494)
<b>Total liabilities</b>	<b>116,628</b>	<b>112,406</b>	<b>(4,222)</b>
<b>[Shareholder's equity]</b>			
<b>Shareholder's equity</b>	146,320	153,426	7,106
Stock	13,208	13,208	-
Capital surplus	15,609	15,609	-
Retained earnings	119,251	126,359	7,108
Treasury stock	(1,749)	(1,750)	(1)
<b>Accumulated other comprehensive income</b>	4,410	5,105	695
Valuation variance of securities	5,484	6,288	804
Deferred hedging instruments	41	112	71
Translation adjustments	29	(290)	(319)
Remeasurements of defined benefit plans	(1,144)	(1,005)	139
<b>Non-controlling interests</b>	4,749	4,733	(16)
<b>Total net assets</b>	<b>155,480</b>	<b>163,264</b>	<b>7,784</b>
<b>Total liabilities and net assets</b>	<b>272,109</b>	<b>275,670</b>	<b>3,561</b>

## Consolidated Income Statements

(Millions of yen)

	Nine Months Ended <b>FY2016 Q3</b> from Apr. 1, 2016 to Dec. 31, 2016	Nine Months Ended <b>FY2017 Q3</b> from Apr. 1, 2017 to Dec. 31, 2017	Variance
Revenue	218,372	230,409	12,037
Cost of sales	172,182	183,099	10,917
<b>Gross profit</b>	<b>46,189</b>	<b>47,310</b>	<b>1,121</b>
Selling, general and administrative expenses	30,550	31,487	937
<b>Operating profit</b>	<b>15,638</b>	<b>15,822</b>	<b>184</b>
Interest income	484	347	(137)
Dividends income	193	175	(18)
Profit from equity method	119	73	(46)
Other non-operating income	633	382	(251)
<b>Total non-operating income</b>	<b>1,431</b>	<b>978</b>	<b>(453)</b>
Interest expense	562	583	21
Exchange losses	252	264	12
Other non-operating expenses	524	364	(160)
<b>Total non-operating expenses</b>	<b>1,339</b>	<b>1,212</b>	<b>(127)</b>
<b>Ordinary profit</b>	<b>15,730</b>	<b>15,588</b>	<b>(142)</b>
Return of profit gained through short term trading	-	348	348
Gain on sales of investment securities	1,030	705	(325)
<b>Extraordinary gain</b>	<b>1,030</b>	<b>1,053</b>	<b>23</b>
Loss on disposal of fixed assets	148	270	122
Impairment loss	41	27	(14)
Subsidiary liquidation loss	109	-	(109)
Restructuring of affiliate company busines	-	570	570
<b>Extraordinary loss</b>	<b>299</b>	<b>868</b>	<b>569</b>
<b>Income before income taxes</b>	<b>16,460</b>	<b>15,774</b>	<b>(686)</b>
Income taxes	3,621	4,024	403
Income taxes adjustment	925	248	(677)
<b>Total Income taxes</b>	<b>4,546</b>	<b>4,272</b>	<b>(274)</b>
<b>Net income</b>	<b>11,914</b>	<b>11,501</b>	<b>(413)</b>
Net income attributable to non-controlling interests	453	430	(23)
<b>Net income attributable to owners of parent</b>	<b>11,461</b>	<b>11,070</b>	<b>(391)</b>

## Consolidated Cash Flow Statements

(Millions of yen)

	Nine Months Ended FY2016 Q3 from Apr. 1, 2016 to Dec. 31, 2016	Nine Months Ended FY2017 Q3 from Apr. 1, 2017 to Dec. 31, 2017	Variance
<b>I Cash flows from operating activities</b>			
Income before income taxes	16,460	15,774	(686)
Depreciation and amortization	7,684	8,012	328
(Inc)/dec net defined benefit asset	(397)	(275)	122
Inc/(dec) net defined benefit liability	240	214	(26)
Interest income and dividend income	(678)	(522)	156
Interest expense	562	583	21
Loss due to impairment	41	27	(14)
Subsidiary liquidation loss	109	-	(109)
Loss/(gain) on sales of investment securities	(1,030)	(704)	326
(Increase)/decrease in trade receivables	(10,972)	(8,723)	2,249
(Increase)/decrease in inventories	789	4,020	3,231
Increase/(decrease) in trade payables	3,328	2,528	(800)
Other	315	663	348
Sub-total	16,454	21,598	5,144
Interest income and dividend income received	666	523	(143)
Interest expense paid	(580)	(593)	(13)
Income taxes (paid) refund	(5,819)	(4,659)	1,160
<b>Cash flows from operating activities</b>	10,721	16,869	6,148
<b>II Cash flows from investing activities</b>			
Capital expenditures of tangible assets	(10,551)	(9,664)	887
Payments for purchases of investment in securities	(56)	(10)	46
Proceeds from sales of investments in securities	1,441	1,465	24
Proceeds from liquidation of subsidiaries and affiliates	424	-	(424)
Income by acquisition of subsidiary company stocks with change in consolidation scope	396	-	(396)
Proceeds from sales of investment in subsidiaries resulting in change in scope of consolidation	-	32	32
Purchase of investments in associated companies	-	(405)	(405)
Other	(1,332)	(1,125)	207
<b>Cash flows from investing activities</b>	(9,678)	(9,707)	(29)
<b>Free cash flow</b>	1,043	7,161	6,118
<b>III Cash flows from financing activities</b>			
Increase/(decrease) in short-term borrowings	9,033	1,153	(7,880)
Proceeds from long-term borrowings	2,423	1,120	(1,303)
Repayment of long-term borrowings	(3,473)	(5,065)	(1,592)
Dividend paid	(3,438)	(3,868)	(430)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(5,452)	(30)	5,422
Dividend paid to non-controlling interests	(312)	(123)	189
Other	(144)	(103)	41
<b>Cash flows from financing activities</b>	(1,364)	(6,917)	(5,553)
<b>IV Exchange rate changes on cash and cash equivalents</b>	(1,874)	(119)	1,755
<b>V Net increase in cash and cash equivalents</b>	(2,195)	124	2,319
<b>VI Cash and cash equivalents at beginning of period</b>	16,698	12,681	(4,017)
<b>VII Cash and cash equivalents from newly consolidated subsidiaries at beginning of period</b>	-	197	197
<b>VIII Cash and cash equivalents from exclusion of consolidated subsidiaries at beginning of period</b>	(513)	-	513
<b>IX Cash and cash equivalents at end of period</b>	13,989	13,003	(986)
*Note			
<b>Cash and cash equivalents at end of period</b>	13,989	13,003	(986)
<b>Fixed deposits mature over 3 months</b>	49	10	(39)
<b>Cash and bank balances</b>	14,038	13,014	(1,024)

**Consolidated Statements of Comprehensive Income**

(Millions of yen)

	Nine Months Ended <b>FY2016 Q3</b> from Apr. 1, 2016 to Dec. 31, 2016	Nine Months Ended <b>FY2017 Q3</b> from Apr. 1, 2017 to Dec. 31, 2017	(Millions of yen) Variance
<b>Net income</b>	11,914	11,501	(413)
[Other comprehensive income]			
Valuation variance of securities	220	804	584
Deferred gain or loss on hedging instruments	1,740	72	(1,668)
Translation adjustments	(9,083)	(321)	8,762
Remeasurements of defined benefit plans	156	138	(18)
Share of other comprehensive income of associates accounted for using equity method	(32)	(25)	7
Total other comprehensive income	(6,999)	668	7,667
<b>Comprehensive income</b>	4,915	12,170	7,255
[Comprehensive income attributable to]			
Comprehensive income attributable to owners of the parent	5,358	11,764	6,406
Comprehensive income attributable to non-controlling interests	(443)	405	848
<b>Total comprehensive income</b>	4,915	12,170	7,255