

To Our Shareholders

Atsuo Shibota
Director-President
Fuji Oil Company, Ltd.
Tennozu Parkside Building
5-8, Higashishinagawa 2-chome,
Shinagawa-ku, Tokyo , Japan

**CONVOCATION NOTICE OF
THE THIRTEENTH ANNUAL GENERAL MEETING OF
SHAREHOLDERS**

(English Translation of the Japanese Original)

Dear Shareholders:

We are pleased to inform you that the Company will hold the 13th Annual General Meeting of Shareholders (AGM) as set forth below. Your attendance at the Meeting is cordially requested.

AGENDA

1. **Date and Time** : Thursday, June 25, 2015 at 10:00 a.m.
2. **Place** : Dai-ichi Hotel Tokyo Seafort
3-15 Higashi-shinagawa 2-chome,
Shinagawa-ku, Tokyo
3. **Purposes of the Meeting**
Items to be Reported
 - 1: To report the Business Report, the consolidated Financial Statements, the Audit Reports for the consolidated financial statements by Independent Auditor and the Board of Auditors of the Company for the 13th Financial Year (April 1, 2014- March 31, 2015)
 - 2: To report the non-consolidated Financial Statements for the 13th Financial Year (April 1, 2014- March 31, 2015)**Items to be Resolved**
 - Proposition I** : **To Distribute Surplus**
 - Proposition II** : **To Elect Thirteen Directors**
 - Proposition III** : **To Elect Four Auditors**

(The Business Report, the Financial Statements, the consolidated Financial Statements, and the Audit Reports by Independent Auditor and the Board of Auditors of the Company, part of reference materials for the AGM, are attached herewith as "The Business Report for the 13th Financial Year".)

**REFERENCE MATERIALS FOR
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Propositions and relevant information:

Proposition I : To distribute surplus

1. Items Related to Year-end Dividends

It is our policy to maintain stable dividend payments to our shareholders while taking into consideration the Group's financial results, cash position, etc., as well as necessary internal reserves for the medium-and long-term business development. In consideration of the business results for FY2014 and the financial forecasts for FY2015 of the Company, we would like to propose the dividend payment for the period as follows:

Note: The source of the year-end dividends for FY2014 is Other Capital Surplus.

- (1) Kind of property to be distributed
Cash
- (2) Allotment of property for the dividends and the total amount thereof
3 yen per share
Total amount of 231,652,803 yen
- (3) Effective date of the dividend distribution from surplus
June 26, 2015

2. Items Related to Appropriation of Surplus

We would like to propose that the Company transfer other capital surplus to retained earnings brought forward pursuant to the provision of Article 452 of the Companies Act, in order to eliminate the loss of the retained earnings brought forward and to ensure flexibility in our future capital policy as follows:

- (1) Item and amount of surplus to be reduced
Other Capital Surplus: JPY15,511,788,593
- (2) Item and amount of surplus to be increased
Retained Earnings Brought Forward: JPY15,511,788,593

Proposition II : To Elect Thirteen Directors

This is a proposal for electing thirteen Directors as the term of office for all thirteen incumbent Directors expires as of the closing of the 13th AGM.

The names and personal histories of Director-Candidates are as follows:

No.	Name (Date of Birth)	Brief Personal History, Assignment and Position and Major Concurrent Post(s) in Other Corporation(s)	Number of the Company's share held
1	Fumio Sekiya (Dec. 2, 1946)	<p>1970.4 Joined Fuji Oil Co., Ltd.(former FOC)</p> <p>1999.6 Director cum Deputy General Manager of Sodegaura Refinery (Sodegaura), former FOC</p> <p>2003.1 Director cum Managing Executive Officer, the Company</p> <p>2004.6 Representing Director-President, former FOC</p> <p>2004.6 Representing Director-Vice President, the Company</p> <p>2006.5 Representing Director-President, the Company</p> <p>2011.2 Representing Director-President, Petro Progress, Inc. (PPT)</p> <p>2011.6 Director, PPT [Present]</p> <p>2014.6 Representing Director-Chairman, the Company [Present]</p> <p>Major Concurrent Posts: Director, PPT</p>	13,800
2	Atsuo Shibota (May 14, 1954)	<p>1977.4 Joined Ministry of International Trade and Industry (now, Ministry of Economy, Trade and Industry (METI))</p> <p>2003.7 Director-General, Trade Control Dept., Trade and Economic Cooperation Bureau, METI</p> <p>2005.9 General Manager, Beijing Center, Japan External Trade Organization</p> <p>2008.7 Senior Fellow, Research Group, Research Institute of Economy, Trade & Industry cum Director for Energy, Agency for Natural Resources and Energy, METI</p> <p>2009.7 Director-General, Trade and Economic Cooperation Bureau, METI</p> <p>2010.7 Director-General of Customs and Tariff Bureau, Ministry of Finance cum President of Customs Training Institute</p> <p>2012.8 Retired from office</p> <p>2012.11 Adviser, former FOC</p> <p>2013.4 Representing Director cum Senior Managing Director, former FOC</p> <p>2013.6 Director, Fuji Oil Sales Co., Ltd. (FOSC)</p> <p>2013.6 President, Fuji Tanker Co., Ltd. (FTC)</p> <p>2013.6 Director, PPT [Present]</p> <p>2013.10 Representing Director-Senior Managing Director, the Company</p> <p>2014.6 Representing Director-President, the Company [Present]</p> <p>Major Concurrent Posts: Director, PPT</p>	1,200

3	Koji Watanabe (Sep. 10, 1952)	1976.4 Joined former FOC 2002.6 General Manager, Refining Dept., Sodegaura, Former FOC 2005.7 Deputy General Manager of Sodegaura cum General Manager, Refining Dept., Sodegaura, former FOC 2008.6 Director cum Deputy General Manager of Sodegaura cum General Manager, Refining Dept., Sodegaura, former FOC 2011.6 Managing Director cum Deputy General Manager of Sodegaura, former FOC 2012.6 Managing Director cum General Manager of Sodegaura, former FOC 2013.10 Managing Director cum General Manager of Sodegaura, the Company 2014.6 Senior Managing Director cum General Manager of Sodegaura, the Company [Present]	3,700
		Responsibility in the Company: General Manager of Sodegaura	
4	Jun Inomata (Jun. 6, 1953)	1977.4 Joined former FOC 2003.6 General Manager, Operation Management Dept., Sodegaura, former FOC 2007.6 General Manager, Operation Management & Technical Administration Dept., former FOC 2008.6 Director cum General Manager, Operation Management & Technical Administration Dept., former FOC 2009.6 Director cum General Manager, General Coordination & Planning Dept., former FOC 2011.6 Director, former FOC 2012.6 Managing Director, former FOC 2013.10 Managing Director, the Company [Present]	2,100
		Responsibility in the Company: Operation Management & Technical Administration Dept., Safety & Environmental Protection Office	
5	Nozomu Kanou (Apr. 27, 1955)	1979.4 Joined the Development Bank of Japan (DBJ) 2005.6 General Manager, Transportation & Community Dept., DBJ 2008.3 General Manager, Corporate Finance Fourth Division, DBJ 2008.10 Managing Executive Officer (General Manager, Kansai Branch), DBJ 2010.6 Managing Executive Officer, DBJ 2012.6 Managing Director, former FOC 2013.6 Auditor, PPT [Present] 2013.10 Managing Director, the Company [Present]	2,900
		Major Concurrent Post: Auditor, PPT Responsibility in the Company: General Administration Dept., Finance & Accounting Dept.,	

6	Masataka Shimizu (Jun. 23, 1944)	1968.4 Joined Tokyo Electric Power Co., Inc. (TEPCO) 1995.6 General Manager, Ota Office, Minami Branch, Tokyo area, TEPCO 1997.6 General Manager, Materials & Procurement Dept., TEPCO 2001.6 Director cum General Manager, Materials & Procurement Dept., TEPCO 2004.6 Managing Director, TEPCO 2006.6 Executive Vice President, TEPCO 2008.6 President, TEPCO 2011.6 Adviser, TEPCO 2012.6 Director, former FOC 2015.10 Director, the Company [Present]	Nil
7	Masayuki Kobayashi (Feb. 1, 1959)	1981.4 Joined Showa Sekiyu K.K. (now, Showa Shell Sekiyu K.K. (SSS)) 2011.3 Executive Officer, SSS 2013.3 Executive Officer cum General Manager of Supply Division cum General Manager of Crude & Marine Division, SSS 2014.3 Executive Officer cum General Manager of Crude & Marine Division cum General Manager of Oil Products Division, SSS 2015.3 Executive Officer, Oil Business COO cum General Manager of Crude & Marine Division, SSS [Present]	Nil
		Major Concurrent Posts : Executive Officer, Oil Business COO cum General Manager of Crude & Marine Division, SSS	
8	Yoshimasa Takao (Mar. 11, 1951)	1973.4 Joined Sumitomo Chemical Co., Ltd. (SCC) 2003.6 Executive Officer, SCC 2006.6 Managing Executive Officer, SCC 2008.6 Director & Managing Executive Officer, SCC 2009.4 Representative Director & Senior Managing Executive Officer, SCC 2009.11 Director, former FOC 2012.4 Representative Director & Executive Vice President, SCC 2015.4 Director & Executive Deputy Chairman, SCC [Present]	Nil
		Major Concurrent Post : Director & Executive Deputy Chairman, SCC	
9	Emad Al-Abdulkarim (Feb. 2, 1964)	1986.10 Joined Kuwait Petroleum Corporation (KPC) 2001.2 Manager, Supply Operations, KPC 2004.12 Manager, Naphtha/Mogas/LPG Sales Dept., KPC 2006.1 Manager, Marketing Planning, KPC 2007.12 Manager, Bunker Sales Dept., KPC 2009.7 Manager, Naphtha/Mogas/LPG Sales Dept., KPC 2013.4 Deputy Managing Director, Marketing Operations, KPC 2013.7 Deputy Managing Director, Marketing (Middle Distillates, Fuel Oil & Special Products), KPC [Present] 2013.6 Director, the Company [Present] 2013.7 Chairman, KPC (Far East) [Present] 2013.7 Board Member, KPC (Western Hemisphere) [Present]	Nil
		Major Concurrent Post : Deputy Managing Director, Marketing, (Middle Distillates, Fuel Oil & Special Products), KPC Chairman, KPC (Far East) Board Member, KPC (Western Hemisphere)	

10	Mohammed Hamad Al-Fahad (Nov. 18, 1963)	1999.4 Senior Legal Advisor, Ministry of Petroleum & Mineral Resources, Kingdom of Saudi Arabia (MINPET) 2004.4 Director General, Law Dept., MINPET 2006.1 Legal Expert and Supervisor, Law Dept., MINPET [Present] 2010.6 Director, Arabian Oil Company, Ltd. 2013.10 Director, the Company [Present] Major Concurrent Post : Legal Expert and Supervisor, Law Dept., MINPET	Nil
11	Jun Kotake (Aug. 6, 1956)	1979.4 Joined former FOC 2007.6 General Manager, Marketing & Supply Dept., Former FOC 2012.7 Deputy General Manager of Sodegaura, former FOC 2013.4 Deputy General Manager of Sodegaura cum General Manager, Administration Dept., Sodegaura, former FOC 2013.6 Director cum Deputy General Manager of Sodegaura cum General Manager, Administration Dept., Sodegaura, former FOC 2013.6 Auditor, Fuji Rinkai Co., Ltd. 2013.10 Director cum Deputy General Manager of Sodegaura cum General Manager, Administration Dept., Sodegaura, the Company 2014.5 Director cum Deputy General Manager of Sodegaura, the Company 2014.6 Director, the Company [Present] Responsibility in the Company: Coordination & Planning Dept.	1,600
12	Katsunori Yagi (Jan. 24, 1958)	1981.4 Joined former FOC 2007.6 General Manager, Operation Management Dept., Sodegaura, former FOC 2011.6 General Manager, Refining Dept., Sodegaura, former FOC 2013.10 General Manager, Refining Dept., Sodegaura, the Company 2014.6 Director, Fuji Rinkai Co., Ltd. [Present] 2014.6 Director Deputy General Manager, Sodegaura cum General Manager, Refining Dept., Sodegaura, the Company [Present] Major Concurrent Posts: Director, Fuji Rinkai Co., Ltd. Responsibility in the Company: Refining Dept.	700
13	Shigeto Yamamoto (May. 22, 1957)	1981.4 Joined former FOC 2012.3 Director, FTC 2012.7 General Manager, Marketing & Supply Dept., former FOC 2012.7 Director, Petro Progress Pte Ltd. (PPS) [Present] 2013.10 General Manager, Marketing & Supply Dept., the Company 2014.6 Director, FSOC [Present] 2014.6 Representing Director-President, FTC [Present] 2014.6 Director cum General Manager, Marketing & Supply Dept., the Company [Present] 2014.6 Representing Director-President, PPT [Present]	600

		Major Concurrent Posts: Representing Director-President, PPT Director, PPS Representing Director-President, FTC Director, FSOC Responsibility in the Company: Marketing & Supply Dept.	
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- Note :
1. Mr. Masayuki Kobayashi has a concurrent post of Executive Officer, Oil Business COO, SSS. The Company has a business relationship with SSS for sale of petroleum products and others.
 2. Mr. Yoshimasa Takao has a concurrent post of Director & Executive Deputy Chairman, SCC. The Company has a business relationship with SCC for sale of petrochemical products and others. His term of office as Director of SCC expires as of the closing of its Annual General Meetings of Shareholders to be held in June 2015 and then he is to be appointed as Executive Deputy Chairman, SCC. Also, he is to be elected as Outside Auditor of Inabata & Co., Ltd. at its Annual General Meetings of Shareholders to be held in June 2015.
 3. Mr. Emad Al-Abdulkarim has concurrent posts of Deputy Managing Director, Marketing, (Middle Distillates, Fuel Oil & Special Products), Chairman (Far East) & Board Member (Western Hemisphere), KPC. The Company has a business relationship with KPC for purchase of KPC's crude oil and others.
 4. The Company has no special interest concerning business relationships with the other Director-Candidates.
 5. Mr. Masataka Shimizu has been, for a part of the past five years, an operating officer of TEPCO, one of the Company's specified affiliated entities, and has been an Outside Director of the former FOC, the Company's former subsidiary, in the past.
 6. Mr. Masayuki Kobayashi is an operating officer of SSS, and has been for a part of the past five years an operating officer of SSS, one of the Company's specified affiliated entities.
 7. Mr. Yoshimasa Takao is an operating officer of SCC, and has been for a part of the past five years an operating officer of SCC, one of the Company's specified affiliated entities, and has been an Outside Director of the former FOC, the Company's former subsidiary, in the past.
 8. Messrs. Masataka Shimizu, Masayuki Kobayashi, Yoshimasa Takao, Emad Al-Abdulkarim and Mohammed Hamad Al-Fahad are candidates for "Outside Directors". Reasons for the election of the nominees as "Outside Directors" and the terms of office in the Company are as follows:
 - Messrs. Masataka Shimizu, Masayuki Kobayashi and Yoshimasa Takao have experience and achievement in the top energy or material companies in Japan. The Company expects them to provide advice in relation to our management operation, from independent point of view, thereby strengthening the Corporate Governance.
Mr. Masataka Shimizu is our "Outside Director" at present and his incumbent term of office will reach 1 year and 8 months as of the closing of this General Meeting of Shareholders.
 - Messrs. Emad Al-Abdulkarim and Mohammed Hamad Al-Fahad are expected to provide advice with their experience and knowledge acquired through serving in a national oil company / a government organization in the Middle East oil producing countries. The Company considers their advice useful to promote the business of the Company group. Messrs. Emad Al-Abdulkarim and Mohammed Hamad Al-Fahad are "Outside

Directors” at present and their incumbent terms of office will reach 2 years and 1 year and 8 months respectively as of the closing of this General Meeting of Shareholders.

9. Regarding the nominations of Messrs. Masataka Shimizu and Mohammed Hamad Al-Fahad for “Outside Directors,” we have confirmed that there is not conflict with the criteria for determining independence of outside officers set out by the Tokyo Stock Exchange.

Proposition III : To Elect Four Auditors

This is a proposal for electing four Auditors as the term of office for all four incumbent Auditors expires as of the closing of the 13th AGM. In accordance with the provisions of the relevant laws, the consent of the Board of Auditors to this proposition has been obtained.

The names and personal histories of Auditor-Candidates are as follows:

No.	Name (Date of Birth)	Career, Post and Major Concurrent Post(s)	Number of the Company's share held
1	Takao Arai (Aug. 3, 1951)	1975.4 Joined Tokyo Electric Power Co., Inc. (TEPCO) 2007.6 Executive Officer cum General Manager, Fuel Dept., TEPCO 2009.6 Managing Director, TEPCO 2010.6 Director, Fuji Oil Company, Ltd. (former FOC) 2012.6 Full-Time Auditor, former FOC 2013.6 Auditor, Petro Progress, Inc. [Present] 2013.6 Auditor, Fuji Oil Sales Co., Ltd. [Present] 2013.6 Auditor, Fuji Tanker Co., Ltd. [Present] 2013.10 Full-Time Auditor, the Company [Present] Major Concurrent Posts: Auditor, Petro Progress, Inc. Auditor, Fuji Tanker Co., Ltd. Auditor, Fuji Oil Sales Co., Ltd.	900
2	Yasushi Yamawaki (Jan. 23, 1948)	1970.4 Joined Nippon Yusen Kabushiki Kaisha (NYK LINE) 2000.6 Director, NYK LINE 2002.6 Managing Director, NYK LINE 2005.4 Representative Director, Senior Managing Director, NYK LINE 2006.4 Representative Director, Executive Vice-President Corporate Officer, NYK LINE 2008.4 Representative Director Vice-Chairman, Executive Vice-Chairman Corporate Officer, NYK LINE 2009.6 Auditor, former FOC 2009.6 Auditor, the Company [Present] 2010.4 Director, Executive Vice-Chairman Corporate Officer, NYK LINE 2011.4 Director, NYK LINE 2011.6 Executive Board Advisor, NYK LINE 2013.2 Board Advisor, NYK LINE [Present] Major Concurrent Posts: Board Advisor, NYK LINE	Nil

3	Tsuyoshi Inoue (Apr. 4, 1952)	1976.4 Joined the Development Bank of Japan (DBJ) 2004.6 General Manager, Tohoku Branch, DBJ 2006.6 Auditor, DBJ 2008.10 Audit & Supervisory Board Member, DBJ 2010.6 Managing Director, Japan Nuclear Fuel Ltd. (JNFL) 2013.6 Director, Managing Executive Officer, JNFL 2014.6 President and Representative Director, Value Management Institute, Inc. [Present] 2014.6 Auditor, Mitsubishi Paper Mills Limited [Present]	Nil
		Major Concurrent Posts: President and Representative Director, Value Management Institute, Inc. Auditor (Outside), Mitsubishi Paper Mills Limited	
4	Shigeru Nozaki (Aug. 13, 1948)	1972.4 Joined the Export-Import Bank of Japan (EIBJ) (now, Japan Bank for International Cooperation (JBIC)) 1999.6 Director General, Loan Dept. IV, EIBJ 1999.10 Director General, Energy and Natural Resources Finance Dept. JBIC 2000.10 Director General, International Finance Policy Dept. JBIC 2002.5 Resident Executive Director, Osaka Branch, JBIC 2003.10 Senior Executive Director, JBIC 2007.7 Corporate Advisor, Mitsubishi Corporation 2012.6 Audit & Supervisory Board Member, Sumitomo Metal Mining Co., Ltd. [Present]	Nil
		Major Concurrent Posts: Audit & Supervisory Board Member (Outside), Sumitomo Metal Mining Co., Ltd.	

- Note:
- The Company has no special interest concerning business relationships with the above Auditor-Candidates.
 - Mr. Yasushi Yamawaki has been an Outside Auditor of the former FOC, the Company's former subsidiary, in the past.
 - Messrs. Yasushi Yamawaki, Tsuyoshi Inoue, and Shigeru Nozaki are candidates for "Outside Auditors". Reasons for the election of the nominees as "Outside Auditors" and the terms of office in the Company are as follows:
 - Mr. Yasushi Yamawaki is nominated as Outside Auditor candidate for his extensive experience and expertise in company management. The Company expects him to monitor the business decisions and execution of duties by Directors from an independent standpoint to ensure that the interests of general shareholders are properly considered. He is an Outside Auditor of the Company at present and will be holding the post for 6 years as at the conclusion of this Annual General Meeting of Shareholders.
 - Mr. Tsuyoshi Inoue is nominated as Outside Auditor candidate for his extensive experience and expertise in a financial institution and knowledge in finance and accounting as well as for his experience and expertise as a director and an auditor in the leading companies of Japan. The Company expects him to monitor the business decisions and execution of duties by Directors from an independent standpoint to ensure that the interests of general shareholders are properly considered.
 - Mr. Shigeru Nozaki is nominated as Outside Auditor candidate for his extensive experience and expertise in a financial institution and

knowledge in finance and accounting as well as for his experience and expertise as an auditor in a resource development company of Japan. The Company expects him to monitor the business decisions and execution of duties by Directors from an independent standpoint to ensure that the interests of general shareholders are properly considered.

4. The Company registered Mr. Yasushi Yamawaki as Independent Officer with the Tokyo Stock Exchange pursuant to the rules of the Exchange. Regarding the nominations of Messrs. Yasushi Yamawaki, Tsuyoshi Inoue and Shigeru Nozaki for “Outside Auditors,” we have confirmed that there is not conflict with the criteria for determining independence of outside officers set out by the Tokyo Stock Exchange.

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Business Report (April 1, 2014 – March 31, 2015)

I. BUSINESS OVERVIEW OF FOC GROUP

1. Business Progress and Results

(Business Environment)

In the crude oil market, the Dubai crude started at the US\$104/bbl level at the beginning of the period. After exceeding US\$111/bbl in June against a background of escalating geopolitical risks including Iraq destabilization, it took a downward turn due to over-supply of crude oil caused by an increase in supply of shale oil in the U.S. and others as well as stagnated demand in emerging economies and Europe. When the OPEC decided not to change output quotas in its meeting at the end of November, the price began to plunge until it hit US\$42/bbl in January. Afterward it turned upward and reached about US\$53/bbl at the end of the period. As a result, the Dubai crude marked about US\$84/bbl on a yearly average basis, down about US\$21/bbl over the previous period.

In the foreign exchange market, the yen, trading at the ¥103/US\$ level at the beginning of the period, grew weaker in the second half of August because of the end of quantitative easing of the U. S. and the outlook for interest rate hikes in the U.S. After the Bank of Japan decided to carry out further monetary easing at the end of October, the yen further weakened to reach the ¥120/US\$ level at the end of the period. As a result, it marked about ¥110/US\$ on a yearly average basis, a depreciation of about ¥10/US\$ over the previous period.

In the domestic oil products market, annual result of sales quantity of Gasoline, Kerosene and Gas Oil fell below the levels of the previous period owing to a significant decrease in demand witnessed at the beginning of the period as a reaction to a last-minute rise before the consumption tax hike, an increase of fuel-efficient cars, the erratic weather during the drive season, warmer winter, and diversification of heating energy sources such as electricity and gas. The result of Fuel Oil (C) dropped substantially year on year due to increased use of coal and LNG as alternative fuels for power generation. Under these situations, sales quantity of the products for the period was at 94.5% of the previous period's figure.

(Consolidated Business Results)

Under these business environments, consolidated net sales resulted in 666.1 billion yen, down 36.7 billion yen over the previous period, due to lower selling prices of products caused by the drop in crude oil prices.

Operating loss for the period amounted to 20.3 billion yen, down 12.5 billion yen over the previous period, which is mainly attributable to negative effects of inventory valuation caused by the significant drop in crude prices during the period (effects of inventory valuation calculated by using the average method and the influence of inventory write-downs based on decrease in profitability on cost of sales), which pushed up the cost of sales by 25.0 billion yen (note: in the

previous period, positive effects of inventory valuation pushed down the sales cost by 1.9 billion yen).

Ordinary loss stood at 18.6 billion yen, down 8.5 billion yen over the previous period, despite an improvement in non-operating income including an increase in exchange gains on foreign currency assets from the yen depreciation and an increase in equity in earnings of affiliates.

As a result, net loss stood at 18.1 billion yen for the period, down 6.2 billion yen over the previous year.

Please note that operating income and ordinary income excluding inventory valuation factors amounted to 4.7 billion yen (up 14.5 billion yen over the previous period) and 6.4 billion yen (up 18.5 billion yen over the previous period), respectively. Those improvements are attributable to such factors as an increase in sales quantity and a large reduction in refining costs including repair costs as compared to the previous period when a major Shut-down Maintenance, which takes place once in every four years, was carried out at the Sodegaura Refinery, as well as a decrease in in-house fuel costs as a result of the drop in crude oil prices, while the selling prices of asphalt pitch (product from Eureka thermal cracking unit) remained flat without turning down.

(Progress)

Production

The Sodegaura Refinery made the best use of the characteristics of its facilities and equipment including Eureka thermal cracking unit, processed larger quantity of extra-heavy crude, and operated flexibly to meet specific demands for products. As a result, the operating ratio of the crude distillation unit for the period stood at 98.5%.

Refined products produced during the period stood 8,328 thousand kiloliters, up 13.3% over the previous period, when the major Shut-down Maintenance was carried out.

(Unit: Thousand Kiloliters)

Category	FY2014	FY2013	Change (%)
Material Processed			
Crude Oil	8,169	7,159	114.1
Semifinished Products	494	512	96.5
Total	8,664	7,671	112.9
Refined Products Produced			
Gasoline / Naphtha	2,480	2,018	122.9
Kerosene, Gas Oil, Fuel Oil (A)	3,705	2,911	127.3
Fuel Oil (C)	631	1,024	61.6
Others	1,511	1,397	108.2
Total	8,328	7,352	113.3

Sales

Reflecting increased production at the Refinery, total sales of the products for the period came to 8,580 thousand kL, up 11.9% over the previous period.

Looking at sales by product, while Fuel Oil(C) decreased substantially, Gasoline is up 26.6%, Kerosene / Gas Oil / Fuel Oil(A) are up 25.5%, and Benzene / Xylene are up 20.5% over the previous year as a result of increases in production and sales of light distillates such as Gasoline and Gas Oil, which were mainly for export markets.

(Unit: Thousand Kiloliters)

Products	FY2014	FY2013	Change (%)
Gasoline	2,249	1,777	126.6
Naphtha	363	368	98.6
Kerosene, Gas Oil, Fuel Oil(A)	3,751	2,988	125.5
Fuel Oil(C)	647	1,118	57.9
Benzene, Xylene	564	468	120.5
Others	1,004	947	106.0
Total	8,580	7,668	111.9

Safety and Environment

Our key commitments under the corporate philosophy are to “ensure stable supplies of energy” and “maintain safety and protect the global environment.” In order to achieve these commitments, we are working on various measures at the whole Company level on a daily basis.

○ Stable Supplies of Energy

We have established the “Business Continuity Plan (BCP)” to prepare for disasters such as major earthquakes. In-house education and training are being conducted based on this BCP and systems for ensuring stable supply of energy at any time are being established, including aseismic reinforcement of existing equipment/facilities and installation of emergency power generators.

○ Safety and Environment Protection

Being aware of our responsibility as a company who deals with a large volume of hazardous materials, we are pursuing various activities for safety on a daily basis, including operation monitoring, on-site patrol, safety check/inspection on equipment and facilities, repairing, and safety education/training.

As the measures to reduce burden on the environment, we have been working on to supply eco-friendly products such as bio-gasoline and low-sulfur gasoline/gas oil as well as keeping up efforts to reduce greenhouse gas emissions by pursuing energy conservation and energy efficiency and to reduce and recycle waste throughout the Company

Group's Trends

Followings are main activities of our consolidated subsidiaries:

Fuji Rinkai Co., Ltd. started solar power generation business utilizing idle land on Nakasode Crude Storage Base of the Company in June 2014. It sells the power generated by the solar power generation facility (approximately 1 MW capacity) to Tokyo Electric Power Company, Inc.

Petro Progress Pte Ltd., an important overseas base of the Company based in Singapore, has been continuing business operations including purchase and sale of crude oil and oil products.

2. Capital Investment

Investment of 2.8 billion yen was made for the period mainly to save energy, secure safety and protect the environment. These expenditures were funded through bank loans and own funds.

3. Financing

Loans from financial institutions during the period are as shown in the table below. The balance of bank loans became 133,226 million yen, down by 60,151 million yen as compared with the end of the previous period as a result of a cutback of stock fund due to the drop in crude oil prices and other factors.

(unit: Million Yen)

	End of FY2013	Movement	End of FY2014
Long-term loans payable	46,773	-3,941	42,832
Short-term loans payable	146,603	-56,209	90,394
Total	193,377	-60,151	133,226

Note : The balance of long-term loans payable at the end of the period includes 6,368 million yen, which is to be repaid within a year.

4. Challenges to be addressed

Domestic demand for oil products is expected to continue a downward trend due to changes in social structure, such as declining birthrate and aging population as well as advances in energy conservation and fuel conversion.

But oil remains the leading source of primary energy for the country. We as a supplier of a key source energy hold stable supplies of energy at the top of our Corporate Philosophy, and are committed to improve the corporate value by fully leveraging our strengths, which include our Refinery's prime location in Tokyo Bay and a solid client base, and by taking full advantage of all business opportunities.

Specifically, we will strive towards achieving our Medium-Term Business Plan drawn up in November 2013 by continuously and steadily implementing such undertakings as "Stable Operation and High Operating Rate at Sodegaura Refinery", "First-Rate Cost Competitiveness", "Introduction of Asphalt

Pitch-Fueled Boiler Turbine Generator (ASP-BTG).”

ASP-BTG is expected to reduce utility costs at the Sodegaura Refinery substantially and enhance the value of ASP. We conducted a groundbreaking ceremony for the ASP-BTG construction at the Refinery in March 2015 and aim to begin its operation in July 2017 as planned, upon the next major Shut-down Maintenance is completed.

Ministry of Economy, Trade and Industry released new standards in July 2014 under the “Law Concerning Sophisticated Methods of Energy Supply Structure”, requiring all oil refiners in Japan to raise their residue oil cracking capacity so as to meet the standards by the end of FY2016.

We shall examine all the measures to meet the requirement, including adjustment of our equipment capacity and business alliances with other refiners.

We aim to achieve business development and sustainable growth by pre-empting changes in the business environment, while at the same time striving to maintain safe and stable operations.

The Company, therefore, asks our shareholders to extend continuing support and assistance in the coming years.

5. Financial Summary

(unit: Million Yen)

	10th FY 4/1/2011-3/31/2012	11th FY 4/1/2012-3/31/2013	12th FY 4/1/2013-3/31/2014	13th FY 4/1/2014-3/31/2015
Sales	701,650	780,028	702,942	666,179
Ordinary Profit	1,305	3,277	-10,112	-18,624
Profit for the Period	3,371	-13,025	-11,897	-18,109
Profit per Share	43.66 yen	-168.69 yen	-154.39 yen	-234.99 yen
Total Assets	409,950	360,891	380,242	287,889
Net Assets	94,766	81,116	75,347	58,351

Note: 1. Profit per Share is calculated based on the average number of shares outstanding during the period.

2. Main factors of difference from the previous financial year are as follows:

- 10th FY due to declined operating ratio in the Sodegaura Refinery during minor periodic shut-down maintenance
- 11th FY due to impairment loss on upstream two projects and decrease in product margins
- 12th FY due to drop in sales volume caused by major Shut-down Maintenance at the Sodegaura Refinery, significant decrease in product margins, and extraordinary losses related to withdrawal from upstream two projects
- 13th FY as stated in 1. Business Progress and Results

6. Principal Subsidiaries(As of March 31, 2015)

Name	Paid-up Capital	Holding Ratio (%)	Main Business
Petro Progress Inc.	3,000 Million Yen	100.0	Purchasing and marketing of crude oil and petroleum products, Consignment refining
Petro Progress Pte Ltd.	34 Million Singapore \$ and 733 thousand U.S. \$	(100.0)	Overseas purchasing and marketing of crude oil and petroleum products, Consignment refining
Fuji Tanker Co., Ltd.	50 Million Yen	100.0	Chartering and scheduling of crude oil tankers
Fuji Oil Sales Co., Ltd.	100 Million Yen	100.0	Agency services for petroleum products sales/supply, Agency services for insurance companies
Fuji Rinkai Co., Ltd.	10 Million Yen	85.0	Loading/unloading of crude oil & petroleum products, Seaward disaster prevention operations, Waste disposal management services, Hyper plant cleaning services, Solar power generation
Arabian Oil Co., Ltd.	100 Million Yen	100	Asset management of oil development projects.
Japan Oil Engineering Co. Ltd.	600 Million Yen	(90.0)	Engineering and consulting services in upstream and downstream sectors of the oil and gas industry
Tokyo Petroleum Industrial Co., Ltd.	120 Million Yen	(99.7)	Manufacturing, sale, and recycling of asphalt mixture
Ain JPTC Co., Ltd.	200 Million Yen	(99.5)	Leasing of real estate

Note: 1. Percentages in parentheses stand for the shareholding ratios indirectly held by the Company.

2. Ain JPTC Co., Ltd. transferred all of its insurance agency business to Fuji Oil Sales Co., Ltd. as of June 1, 2014.

7. Main Business (As of March 31, 2015)

To refine, store, sell, buy, import and export crude oil and petroleum products

8. Location of Principal Business (As of March 31, 2015)

Fuji Oil Company, Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
	Sodegaura Refinery	Sodegaura-shi, Chiba, Japan
Petro Progress Inc.	Head Office	Shinagawa-ku, Tokyo, Japan
Petro Progress Pte Ltd.	Head Office	Singapore
Fuji Tanker Co., Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
Fuji Oil Sales Co., Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
Fuji Rinkai Co., Ltd.	Head Office	Sodegaura-shi, Chiba, Japan
Arabian Oil Co., Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
Japan Oil Engineering Co. Ltd.	Head Office	Chuo-ku, Tokyo, Japan
Tokyo Petroleum Industrial Co., Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
Ain JPTC Co., Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan

9. FOC Group Employees (as of March 31, 2015)

Number of Employees	Difference from the previous period
643	0

10. Major Lenders (As of March 31, 2015)

(unit: Million Yen)

Lender	Outstanding Balance End of FY2014
Mizuho Bank, Ltd.	30,965
Japan Oil, Gas and Metals National Corporation	24,159
Sumitomo Mitsui Banking Corporation	15,273
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	13,462
Development Bank of Japan Inc.	12,943
Mitsubishi UFJ Trust and Banking Corporation	10,092
Sumitomo Mitsui Trust Bank, Limited	9,877

II. SHARE RELATED INFORMATION(AS OF MARCH 31, 2015)

- i) Total number of shares authorized to be issued : 200,000,000 shares
 ii) Total number of shares issued : 78,183,677 shares
 iii) Number of shareholders : 10,882
 iv) Major Shareholders

Name	Shareholder's investment in the Company	
	Number of Shares Held (thousand)	Share Holding Ratio(%)
The Tokyo Electric Power Co., Inc.	6,839.9	8.85
Japan Trustee Services Bank, Ltd.(Trust Account)	6,811.3	8.82
Kuwait Petroleum Corporation	5,811.3	7.52
Government of the Kingdom of Saudi Arabia	5,811.3	7.52
Showa Shell Sekiyu K.K.	5,144.0	6.66
Sumitomo Chemical Co., Ltd.	5,051.6	6.54
BBH For Fidelity Low-Priced Stock Fund(Principal All Sector Sub-portfolio)	4,756.5	6.15
NYK Line(Nippon Yusen Kabushiki Kaisha)	2,750.8	3.56
CBNY-GOVERNMENT OF NORWAY	2,155.5	2.79
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,755.5	2.27

Note : 1. Share holding ratio is calculated excluding treasury stocks of 966.0 thousand shares.
 2. Fractional shares less than 100 shares are rounded off.

III. BOARD OF DIRECTORS AND AUDITORS

1. Directors and Auditors (as of March 31, 2015)

Name	Post	Department(s) of Responsibility, Concurrent Post(s) in Other Companies and Organizations
Fumio Sekiya	Representing Director cum Chairman of the Board of Directors	Director, Petro Progress Inc.
Atsuo Shibota	Representing Director cum Director-President	Director, Petro Progress Inc.
Koji Watanabe	Senior Managing Director	General Manager of Sodegaura Refinery
Jun Inomata	Managing Director	In charge of Operation Management & Technical Administration Dept. and Safety & Environmental Protection Office
Nozomu Kanou	Managing Director	In charge of General Administration Dept. and Finance & Accounting Dept. Auditor, Petro Progress Inc.
Shigeya Kato	Director (Outside)	Senior Advisor, Showa Shell Sekiyu K.K. ^(*6) Director, Seibu Oil Company Limited ^(*7)
Osamu Ishitobi	Director (Outside)	Representative Director, Chairman of the Board and CEO, Sumitomo Chemical Company, Limited ^(*8)
Masataka Shimizu	Director (Outside)	
Emad Al-Abdulkarim	Director (Outside)	Deputy Managing Director, Marketing, (Middle Distillates, Fuel Oil & Special Products), Kuwait Petroleum Corporation ^(*9) Chairman, Kuwait Petroleum Corporation (Far East) Board Member, Kuwait Petroleum Corporation (Western Hemisphere)
Mohammed Al-Fahad	Director (Outside)	Legal Expert and Supervisor, Law Dept., Ministry of Petroleum and Mineral Resources, Government of Kingdom of Saudi Arabia ^(*10)
Jun Kotake	Director	In charge of General Coordination & Planning Dept.
Katsunori Yagi	Director	Deputy General Manager of Sodegaura Refinery (in charge of Refining Dept.), General Manager, Refining Dept. Director, Fuji Rinkai Co., Ltd.
Shigeto Yamamoto	Director	In charge of Marketing & Supply Dept. General Manager, Marketing & Supply Dept. Representing Director cum Director-President, Petro Progress Inc. Representing Director, Fuji Tanker Co., Ltd. Director, Fuji Oil Sales Co., Ltd.
Takao Arai	Auditor (Full-Time)	Auditor, Petro Progress Inc. Auditor, Fuji Tanker Co., Ltd. Auditor, Fuji Oil Sales Co., Ltd.
Nobuhiko Ishii ^(*3)	Auditor (Outside)	
Yasushi Yamawaki ^(*4)	Auditor (Outside)	Board Advisor, NYK Line ^(*11)
Shigeru Watanabe ^(*5)	Auditor (Outside)	

Note: 1. New Directors during the period are as follows:

- Messrs. Katsunori Yagi and Shigeto Yamamoto were newly elected as Directors at the 12th Annual General Meeting of Shareholders (AGM) held on June 26, 2014.
2. Changes in Concurrent Posts held by Directors during the period are as follows:
 - Representing Director cum Director-President Atsuo Shibota resigned his post of Representing Director of Fuji Tanker Co., Ltd. at the closing of its Annual General Meeting of Shareholders held on June 24, 2014. He resigned his post of Director of Fuji Oil Sales Co., Ltd. upon the expiration of his term at the closing of its Annual General Meeting of Shareholders on June 20, 2014.
 - Director Shigeya Kato resigned his post of Representing Director cum Chairman and Group CEO of Showa Shell Sekiyu K.K. upon the expiration of his term at the closing of its Annual General Meeting of Shareholders held on March 26, 2015 and assumed the post of Senior Advisor of the same company on the same date.
 - Director Osamu Ishitobi was serving as Representative Director and Vice Chairman of Sumitomo Chemical Company, Limited at the beginning of the period, and was elected and appointed as Representative Director, Chairman of the Board and CEO of the same company at its Annual General Meeting of Shareholders and its Board of Directors meeting held on June 24, 2014.
 - Director Jun Kotake resigned his post of Auditor of Fuji Rinkai Co., Ltd. upon the expiration of his term at the closing of its Annual General Meeting of Shareholders held on June 12, 2014.
 - Director Katsunori Yagi was newly elected as Director of Fuji Rinkai Co., Ltd. at its Annual General Meeting of Shareholders held on June 12, 2014.
 - Director Shigeto Yamamoto was newly elected as Director of Petro Progress Inc. at its Annual General Meeting of Shareholders on June 27, 2014 and was appointed as Representing Director cum Director-President of the same company at its Board of Directors meeting held on the same date. He was elected as Representing Director of Fuji Tanker Co., Ltd. at its Annual General Meeting of Shareholders and its Board of Directors meeting held on June 24, 2014. He was newly elected as Director of Fuji Oil Sales Co., Ltd. at its Annual General Meeting of Shareholders on June 20, 2014.
 3. Auditor Nobuhiko Ishii has many years of experience in a financial institution and has considerable expertise in finance and accounting. The Company registered him as Independent Officer with the Tokyo Stock Exchange pursuant to the rules of the Exchange.
 4. The Company registered Auditor Yasushi Yamawaki as Independent Officer with the Tokyo Stock Exchange pursuant to the rules of the Exchange.
 5. Auditor Shigeru Watanabe has many years of experience in a financial institution and has considerable expertise in finance and accounting. The Company registered him as Independent Officer with the Tokyo Stock Exchange pursuant to the rules of the Exchange.
 6. Showa Shell Sekiyu K. K. is a shareholder of the Company with 5,144.0 thousand shares (holding ratio: 6.66%) and has business relationship with the Company in sales and purchase of oil products.
 7. Seibu Oil Co., Ltd has no special business relationship to be disclosed with the Company.
 8. Sumitomo Chemical Co., Ltd. is a shareholder of the Company with 5,051.6 thousand shares (holding ratio: 6.54%) and has business relationship with the Company in sales and purchase of oil chemical products.
 9. Kuwait Petroleum Corporation is a shareholder of the Company with 5,811.3 thousand shares (holding ratio: 7.52%) and has business relationship with the Company in trading of crude oil.
 10. Government of Kingdom of Saudi Arabia is a shareholder of the Company with 5,811.3 thousand shares (holding ratio: 7.52%).
 11. NYK Line is a shareholder of the Company with 2,750.8 thousand shares (holding ratio: 3.56%) and has business relationship with the Company in chartering of crude oil Tankers.

2. Directors who Resigned during Period

Name	Post at the time of Retirement	Department(s) of Responsibility, Concurrent Post(s) in Other Companies and Organizations at the time of Retirement	Date of Retirement (Reason)
Koji Tamashiro	Managing Director	In charge of General Administration Dept. and Personnel Dept. Representing Director cum Director-President, Petro Progress Inc. Representing Director cum Director-President, Fuji Oil Sales Co., Ltd.	June 26, 2014 (Resignation)
Hikojiro Seki	Director	Deputy General Manager of Sodegaura Refinery Representing Director cum Director-President, Fuji Rinkai Co., Ltd.	June 26, 2014 (Resignation)

Note: Changes in Concurrent Posts held by Directors who resigned during the period are as follows:

- Mr. Koji Tamashiro resigned his post of Representing Director cum Director-President of Petro Progress Inc. upon the expiration of his term at the closing of its Annual General Meeting of Shareholders on June 27 2014. He was newly elected as Director of Fuji Oil Sales Co., Ltd. at its Annual General Meeting of Shareholders on June 20, 2014, and was appointed as Representing Director cum Director-President of the same company at its Board of Directors meeting held on the same date.
- Mr. Hikojiro Seki was serving as Director of Fuji Rinkai Co., Ltd. at the beginning of the period, and was appointed as Representing Director cum Director-President of Fuji Rinkai Co., Ltd. at its Board of Directors meeting held on June 12, 2014.

3. Remuneration Paid to Directors and Auditors

Category of Officers	Number of officers	Remuneration Paid
Director	15	254 Million Yen
Auditor	4	45 Million Yen

- Note :
1. The above table includes 2 officers who retired at the closing of the Company's 12th AGM held on June 26, 2014.
 2. The above remuneration amounts include a total of 34 Million Yen paid to 8 Outside Officers.

4. Information related to Outside Directors and Auditors

i) Concurrent Post(s) Held in Other Companies and Organizations

As stated in section III. "1.Directors and Auditors (as of March 31, 2015)" on page 9.

ii) Main Activities during the Period

Name	Main Activities
Shigeya Kato	Attended 86% of the Board of Directors meetings held during the period. Provided advice and supervision on the execution of duties by directors, based on company management experience and achievements over many years in the energy industry, from an independent standpoint and with due considerations to general shareholders'

	interests.
Osamu Ishitobi	<p>Attended 86% of the Board of Directors meetings held during the period.</p> <p>Provided advice and supervision on the execution of duties by directors, based on company management experience and achievements over many years in the basic materials industry, from an independent standpoint and with due considerations to general shareholders' interests.</p>
Masataka Shimizu	<p>Attended 86% of the Board of Directors meetings held during the period.</p> <p>Provided advice and supervision on the execution of duties by directors, based on company management experience and achievements over many years in the energy industry, from an independent standpoint and with due considerations to general shareholders' interests.</p>
Emad Al-Abdulkarim	<p>Attended all of the Board of Directors meetings held during the period.</p> <p>Provided advice and supervision on the execution of duties by directors, based on experience and expertise in a national oil company of a Middle East oil producing country, from an independent standpoint and with due considerations to general shareholders' interests.</p>
Mohammed Al-Fahad	<p>Attended all of the Board of Directors meetings held during the period.</p> <p>Provided advice and supervision on the execution of duties by directors, based on experience and expertise in government organizations of a Middle East oil producing country, from an independent standpoint and with due considerations to general shareholders' interests.</p>
Nobuhiko Ishii	<p>Attended all of the Board of Directors and all of the Board of Auditors meetings held during the period.</p> <p>Provided comments and questions so that the general shareholders' interests would be taken into consideration in decision makings, from an independent standpoint and by employing many years of experience in a financial institution and expertise in finance and accounting.</p>
Yasushi Yamawaki	<p>Attended all of the Board of Directors and all of the Board of Auditors meetings held during the period.</p> <p>Provided comments and questions so that the general shareholders' interests would be taken into consideration in decision-makings, from an independent standpoint and by employing many years of experience and expertise in company management.</p>
Shigeru Watanabe	<p>Attended all of the Board of Directors and the Board of Auditors meetings held during the period.</p> <p>Provided comments and questions so that the general shareholders' interests would be taken into consideration in decision makings, from an independent standpoint and by employing many years of experience in a financial institution, expertise in finance and accounting, and experience and expertise as auditor of a domestic E&P company.</p>

IV. ACCOUNTING AUDITOR

1. Name of Accounting Auditor

KPMG AZSA LLC

2. Remuneration for the Period

	Remuneration
Remuneration paid for services rendered under Article 2 (1) of the Certified Public Accountant Law	84Million Yen
Remuneration paid for another service than described above	1Million Yen
Total cash and other compensation paid by the Company and its subsidiaries	103Million Yen

Note: 1. Under the audit contract with the Accounting Auditor, specific separation is not, or practically cannot be, made between the audit fees payable for auditing services rendered under the Companies Act. and the ones rendered under the Financial Instruments and Exchange Act. The above amount paid for services as provided under Article 2 (1) of the Certified Public Account Law shows the total for services rendered for these two audits.

2. One of the Company's principal subsidiaries, Petro Progress Pte Ltd., is audited by an accounting auditor other than the Company's accounting auditor.

3. Another service than auditing

Advisory service concerning preparation of the Company's consolidated financial statements, etc.

4. Policy for dismissing or not reappointing Accounting Auditor

In the event the Accounting Auditor is deemed to fall under any of the matters listed in the items of Article 340 (1) of the Companies Act, the Board of Auditors shall by its unanimous resolution dismiss such Accounting Auditor. One of the members on the Board of Auditors shall be appointed to report the dismissal with its reason to the first Annual General Meeting of Shareholders to be held after the dismissal.

In the event there arises a material doubt about the Accounting Auditor's ability to provide reliable service, the Board of Auditors of the Company shall decide the contents of a proposition of dismissal or no-reappointment of such Accounting Auditor, and the Board of Directors the Company shall submit the said proposition to the Annual General Meeting of Shareholders based on such decision.

V. COMPANY'S POLICIES

Fundamental Policy for the Development of Internal Control Systems

Pursuant to Article 362 (5) of the Companies Act, the fundamental policy concerning the development of the systems to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Association of the Company, and other systems necessary to ensure the properness of operations of the Company as well as the Company group that is comprised of the Company and its subsidiaries ("Group") is given as below.

1. Systems to secure execution of duties by Directors of the Company to comply with applicable laws and regulations and the Articles of Association of the Company

The Company established its Charter of Corporate Behavior to ensure thorough compliance with applicable laws and regulations whether domestic or international, the Articles of Association of the Company and other relevant regulations. Along with the foregoing, the Board of Directors will determine and implement the Company's policies and plans to improve compliance and internal control systems.

The Company will endeavor to maintain and enhance the function of the Board of Directors in supervising Directors' execution of duties by having outside Directors on the Board.

Auditors of the Company will audit Directors' execution of duties as well as the status of development and implementation of the internal control systems from independent points of view.

2. Systems to secure proper business operations of the Company and the Group

1) System concerning storage and management of information concerning execution of duties by Directors of the Company

Information concerning Directors of the Company's execution of duties will be recorded, stored and maintained at relevant departments in forms of minutes, intra-office memoranda or other documents pursuant to Regulations concerning Board of Directors, Regulations concerning Executive Committee, Regulations concerning Application for Management Approval, and Regulations concerning Documentation, and shall be kept for later retrieval.

The department of the Company in charge of internal audit shall conduct audit in accordance with Regulations concerning Internal Audit to assess the status of recording, storage and maintenance of these documents and regularly report the results thereof to the Board of Directors and the Board of Auditors.

2) Regulations concerning risk management of the Company and other systems

Systematic preventive mechanism will be improved in ordinary times by improving a system to comprehensively identify and evaluate material risks to business management and by improving regulations concerning risk management.

The Company establishes its Business Continuity Plan (BCP) and maintains it on a regular basis to prepare for unforeseen events such as major earthquakes and outbreaks of infectious diseases.

If a serious loss is anticipated, Director in charge of the relevant department shall report it to Representing Director-President, and necessary countermeasures will be taken through deliberations at the Board Meeting, Executive Committee meeting, etc. When any contingency occurs, an emergency headquarters shall be set up immediately.

The department of the Company in charge of internal audit will conduct audit in accordance with Regulations concerning Internal Audit to assess the improvement/implementation status of risk management system and regularly report the results thereof to the Board of Directors and the Board of Auditors of the Company.

3) System to ensure efficient execution of duties by Directors of the Company

The Board of Directors of the Company will determine basic management policies, matters required by the laws and regulations and Articles of Association of the Company, and other important management issues. In addition, the Board will supervise Directors' execution of duties, too.

The Executive Committee consisting of full-time Directors of the Company and full-time Auditors of the Company shall share information concerning the overall management, and along with determining specific policies for each operating division of the Company, make decisions for efficient execution of duties in accordance with the decisions made by the Board of Directors of the Company.

Under the instruction from full-time Directors in charge based on decisions made by the Executive Committee, each department shall execute its duties efficiently pursuant to Regulations concerning Corporate Organization, Regulations concerning Administrative Authority and other relevant regulations, and report the results of operations to Director in charge of the department and the Board of Directors of the Company.

Following the report from each department, the Executive Committee shall review each of the specific policies and take necessary actions to improve the system concerning efficient execution of duties.

4) System to ensure that the execution of duties by employees of the Company and officers and employees of its subsidiaries/affiliates ("Subsidiaries") complies with applicable laws, regulations and the Articles of Association of the Company

The Company laid down its Charter of Corporate Behavior and requires employees of the Company and officers and employees of the Subsidiaries to strictly comply with applicable laws and regulations whether domestic or international, the Articles of Association of the Company and other relevant

regulations, and carries out measures to instill an awareness for the compliance into officers and employees of the Company and officers and employees of its Subsidiaries.

“Helpline” is set up at the head office of the Company and the corporate lawyer’s office in order to receive information on violation of the laws and regulations and to provide advice thereon. The Department of the Company in charge of the Helpline will examine the information submitted to the Helpline, implement Company-level preventive measures through consultation with the relevant departments, and regularly report the matter to the Board of Directors of the Company and the Board of Auditors of the Company.

The department of the Company in charge of internal audit shall conduct audit in accordance with Regulation concerning Internal Audit to assess legitimacy of the execution of duties by employees of the Company and officers and employees of its Subsidiaries and regularly report the results thereof to the Board of Directors and the Board of Auditors.

5) Systems as given below to ensure the appropriateness of execution of duties in the Group

- a. System for reporting to the Company on the matters relating to execution of duties by officers and employees of the Company’s Subsidiaries
- b. Regulations concerning risk management of the Company’s Subsidiaries and other systems
- c. System to ensure efficient execution of duties by officers and employees of the Company’s Subsidiaries

The Company shall ensure thorough management of the Subsidiaries on their execution of duties concerning risk management, effectiveness of their execution of duties, and other important matters through the departments of the Company in charge by specifying matters to be reported to and matters to be approved by the Company on the basis of the Company’s regulations concerning management of the Subsidiaries, etc., and by facilitating close communications between the said departments of the Company in charge and the Subsidiaries.

The department of the Company in charge of internal audit shall conduct audit in accordance with the Company’s regulations concerning internal audit to assess the properness of execution of duties in the entire Subsidiaries and regularly report the results thereof to the Board of Directors and the Board of Auditors of the Company.

6) Systems concerning assigning assistants to Auditors of the Company, independence of such assistants, and effectiveness of instructions given to such assistants

When Auditors of the Company ask for assigning assistants to assist in executing their duties, a relevant division shall be established to which such assistants belong. Job description and authority of such assistants shall be determined taking consideration of Auditors of the Company’s opinions.

The assistants shall not receive any instruction from others than Auditors of

the Company concerning this assistance. Prior consensus from the Board of Auditors of the Company is required for staff change and performance evaluation of the assistants.

7) Systems as given below concerning reporting to Auditors of the Company

- a. System for Directors and employees of the Company to report to Auditors of the Company
- b. System for Directors, Auditors and employees of the Subsidiaries or the persons who received reports from them to report to Auditors of the Company

Directors and employees of the Company and Directors, Auditors and employees of the Subsidiaries shall make necessary reports to Auditors of the Company regularly or at any time upon request of Auditors of the Company. The persons who received reports from them shall report to Auditors of the Company without delay.

Among the matters to be reported are the following:

- ✓ Important matters of business management and operations, and status and results of execution of duties, including matters related to compliance, risk management and internal control systems,
- ✓ Uncovered facts which may cause serious losses to the Company or the Subsidiaries,
- ✓ Newly disclosed information of the Company,
- ✓ Information submitted to “Helpline”, and
- ✓ Other important matters related to compliance.

8) System to ensure that any person who made a report to Auditors of the Company shall not be given any unfavorable treatment based on such reporting

Directors of the Company shall clearly indicate in relevant regulations of the Company that any employees of the Company or Directors, Auditors and employees of the Subsidiaries who made a report to Auditors of the Company in accordance with 7) above shall not be given any unfavorable treatment based on such reporting.

9) Matters concerning processing of payment (including payment in advance) for expenses or payables incurred in connection with execution of duties by Auditors of the Company

Directors of the Company shall cooperate so that proper processing of payment for the expenses or payables incurred in connection with execution of duties by Auditors of the Company will be carried out without any hindrance to execution of duties of Auditors of the Company.

10) Other Systems to ensure effective audit by Auditors of the Company

Directors of the Company shall hold regular meetings with Auditors of the Company in order to secure good communications with each other.

Directors of the Company shall assist Auditors of the Company so that Auditors of the Company can have good communications with, gather information from, and exchange information with employees of the Company, and Directors, Auditors and employees of the Subsidiaries, thereby facilitating Auditors of the Company's proper execution of duties.

Directors of the Company shall provide assistance to Auditors of the Company on the survey of important business counterparts as Auditors of the Company deem necessary.

Directors of the Company shall provide assistance to Auditors of the Company so that Auditors of the Company can get necessary advice from auditing and legal firms or other outside specialists when necessary.

(Revised on March 10, 2015)

Note: Fractional amounts less than the unit indicated are rounded off in this report.

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Consolidated balance sheets

(As of March 31, 2015)

(Unit : Million Yen)

Fuji Oil Company, Ltd.

<u>Assets</u>		<u>Liabilities</u>	
<u>Current assets</u>	<u>162,633</u>	<u>Current liabilities</u>	<u>174,955</u>
Cash and deposits	15,217	Accounts payable-trade	29,892
Notes and accounts receivable-trade	61,569	Short-term loans payable	90,394
Short-term investment securities	235	Current portion of long-term loans payable	6,368
Inventories	79,072	Accounts payable-other	21,839
Accounts receivable-other	4,497	Accounts payable-gasoline tax	21,492
Deferred tax assets	215	Income taxes payable	95
Other	1,826	Other	4,872
		<u>Noncurrent liabilities</u>	<u>54,582</u>
<u>Noncurrent assets</u>	<u>125,255</u>	Long-term loans payable	36,464
Property, plant and equipment	91,466	Deferred tax liabilities	9,630
Buildings and structures	10,498	Net defined benefit liability	2,848
Storage tanks	3,220	Provision for directors' retirement benefits	40
Machinery, equipment and vehicles	24,530	Provision for special repairs	2,265
Land	51,664	Provision for repairs	2,962
Construction in progress	1,315	Other	369
Other	237		
Intangible assets	579	<u>Total liabilities</u>	<u>229,537</u>
Software	417		
Other	162	<u>Net assets</u>	
Investments and other assets	33,208	<u>Shareholders' equity</u>	<u>57,921</u>
Investment securities	13,827	Capital stock	24,467
Long-term loans receivable	958	Capital surplus	57,215
Long-term accounts receivable-other	18,296	Retained earnings	-22,330
Net defined benefit asset	47	Treasury stock	-1,431
Other	545		
Allowance for doubtful accounts	-466	<u>Accumulated other comprehensive income</u>	<u>146</u>
		Valuation difference on available-for-sale securities	242
		Revaluation reserve for land	1
		Foreign currency translation adjustment	-600
		Remeasurements of defined benefit plans	503
		<u>Minority interests</u>	<u>284</u>
		<u>Total net assets</u>	<u>58,351</u>
<u>Total assets</u>	<u>287,889</u>	<u>Total liabilities and net assets</u>	<u>287,889</u>

Consolidated statements of income
(For the period from April 1, 2014 to March 31, 2015)

(Unit: Million Yen)

Account	Amount
Net sales	666,179
Cost of sales	683,083
Gross loss	16,904
Selling, general and administrative expenses	3,422
Operating loss	20,327
Non-operating income	5,638
Interest income	24
Dividends income	268
Foreign exchange gains	3,152
Share of profit of entities accounted for using equity method	1,702
Rental income of oil tanks	152
Other	337
Non-operating expenses	3,935
Interest expenses	2,766
Rental of oil tanks	291
Other	877
Ordinary loss	18,624
Extraordinary income	6
Gain on sales of noncurrent assets	1
Gain on sales of investment securities	5
Extraordinary loss	65
Loss on sales of noncurrent assets	38
Loss on retirement of noncurrent assets	23
Impairment loss	0
Other	2
Loss before income taxes and minority interests	18,683
Income taxes-current	120
Income taxes-deferred	-746
Loss before minority interests	18,056
Minority interests in income	52
Net loss	18,109

Consolidated statements of changes in net assets
(For the period from April 1, 2014 to March 31, 2015)

(Unit : Million Yen)

Fuji Oil Company, Ltd.

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of Apr. 1, '14	24,467	57,215	-3,176	-1,431	77,074
Cumulative effect of changes in accounting policies			-658		-658
Restated balance	24,467	57,215	-3,834	-1,431	76,416
Changes of items during the period					
Dividends from surplus			-386		-386
Net loss			-18,109		-18,109
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	-18,495	-	-18,495
Balance as of Mar. 31, '15	24,467	57,215	-22,330	-1,431	57,921

	Accumulated other comprehensive income					
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance as of Apr. 1, '14	115	0	1	-2,295	217	-1,961
Cumulative effect of changes in accounting policies						
Restated balance	115	0	1	-2,295	217	-1,961
Changes of items during the period						
Dividends from surplus						
Net loss						
Net changes of items other than shareholders' equity	126	-0		1,695	285	2,107
Total changes of items during the period	126	-0	-	1,695	285	2,107
Balance as of Mar. 31, '15	242	-	1	-600	503	146

	Minority interests	Total net assets
Balance as of Apr. 1, '14	234	75,347
Cumulative effect of changes in accounting policies		-658
Restated balance	234	74,689
Changes of items during the period		
Dividends from surplus		-386
Net loss		-18,109
Net changes of items other than shareholders' equity	50	2,158
Total changes of items during the period	50	-16,337
Balance as of Mar. 31, '15	284	58,351

Notes to financial statements (Consolidated basis)

Basis of presenting consolidated financial statements

1. Scope of consolidation

- | | |
|---|---|
| (1) Number of consolidated subsidiaries | 9 companies |
| Consolidated subsidiaries | Petro Progress Inc.
Petro Progress Pte. Ltd.
Fuji Tanker Company, Ltd.
Fuji Oil Sales Company, Ltd.
Fuji Rinkai Company, Ltd.
Arabian Oil Company, Ltd.
Japan Oil Engineering Company, Ltd.
Tokyo Petroleum Industrial Company, Ltd.
AIN JPTC Company, Ltd. |
| (2) Number of unconsolidated subsidiaries | 2 companies |
| Unconsolidated subsidiary | Sigma Techno Company, Ltd.
Middle East Construction Company, Ltd. |
| Reasons for exclusion | Total assets, sales, net income/loss (on the equity basis) and retained earnings (on the equity basis) etc. of such companies are assumed to be insignificant. |

2. Application of equity method

- | | |
|---|--|
| (1) Affiliates consolidated under equity method | |
| Number of companies | 2 companies |
| Names of companies | Aramo Shipping (Singapore) Pte Ltd.
Tokai Engineering and Construction Company, Ltd. |
| (2) Unconsolidated companies and affiliates excluded from the consolidation under equity method | |
| Number of companies | 4 companies |
| Names of main companies | Sigma Techno Company, Ltd.
Middle East Construction Company, Ltd.
Kyodo Terminal Company, Ltd.
Keiyo Sea Berth Company, Ltd. |
| Reasons for exclusion | Net income/loss (on the equity basis) and retained earnings (on the equity basis) of such subsidiaries and affiliates are assumed to be insignificant. |

3. Significant accounting policies

(1) Valuation basis and method of assets

① Inventories

Valuation at cost (A method of the book value devaluation by the decrease of the profitability)

a. Merchandise, finished goods and raw materials

Gross average method at cost

b. Supplies

Moving average method at cost

② Securities

Other securities

Marketable securities

Market price

(The evaluation difference is recorded directly in net assets and cost of sales of such securities is calculated by moving average method)

Non-marketable securities

Moving average method at cost

③ Derivatives

Market value

(2) Depreciation/amortization method of noncurrent assets

① Property, plant and equipment

Petrochemical plants & power generation facilities

Declining-balance method

Others

Straight-line method

* Service years of major fixed assets

Buildings and structures

2 to 60 years

Storage tanks

10 to 15 years

Machinery and equipment

2 to 17 years

② Intangible assets

Straight-line method

* Software for Company use is amortized equally in 5 years.

(3) Significant accounting method of reserves

① Allowance for doubtful accounts

Ordinary receivables/loans

Estimated based on the actual ratio of the bad debts

Others

Estimated individually

② Provision for repairs

Estimated as repair and maintenance cost for provision for repairs of machinery and equipment to be conducted every 2 years or 4 years under the concerned laws.

③ Provision for directors' retirement benefits

Estimated in accordance with the internal rules.

④ Provision for special repairs

Estimated as repair and maintenance cost for periodical inspection and repair of storage tanks regulated by Fire Defense Law.

- (4) Accounting for retirement benefits
 - ① Attribution of estimated retirement benefits
Benefit formula attribution is applied.
 - ② Accounting method for actuarial gains and losses and prior service costs
Prior service costs are amortized by the straight-line method over a period (10 years) within the average remaining years of service of the eligible employees.
Actuarial gains and losses are amortized from the year following the year in which the gain or loss is incurred by the straight-line method over a period (10 years) within the average remaining years of service of the eligible employees.
- (5) Other significant accounting policy
 - ① Accounting of hedged assets/liabilities
“Deferred hedge accounting method” is applied.
However, Foreign-currency-denominated payables/receivables hedged by forward exchange contracts are translated at the respective forward contract rates and an interest rate swap qualified for hedge accounting is not stated at fair value but the net settlement of interest under such an interest swap is reported as a component of interest on the related hedged assets or liabilities.
 - ② Treatment of consumption tax
Consumption tax and local consumption tax is excluded.
 - ③ Adoption of consolidated tax filing system
FOC group adopts the consolidated tax filing system.

4. Changes in accounting principles

FOC is applying the Accounting Standard for Retirement Benefits (ASBJ Statement No.26 of May 17, 2012; hereinafter the “Accounting Standard for Retirement Benefits”) and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 of March 26, 2015) from this accounting period on.

FOC has changed its accounting methods on attribution of estimated retirement benefits from straight-line attribution to benefit formula attribution, and has changed its calculation method of discount rates from the approach regarding the approximate average remaining years of service of eligible employees as the remaining term of typical bonds to the approach based upon a single weighted average reflecting both estimated terms and estimated amounts of payments of retirement benefits.

In accordance with the transitional accounting treatment set forth in Clause 37 of the Accounting Standard for Retirement Benefits, the effect of the change in the accounting principle at the beginning of this accounting period is added to or deducted from remeasurements of defined benefit plans in retained earnings.

As a result, provision for retirement benefits increases by 499 million yen, long-term prepaid pension cost decreases by 158 million yen and retained earnings decreases by 658 million yen at the beginning of this accounting period.

The impacts of the effect upon both net income (loss) and per share data are negligible.

5. Changes in presentation methods

‘Long-term accounts receivable-other,’ which had previously been included in “Other” under ‘Investments and other assets’ on the Consolidated balance sheets, is presented as a separate line item from the current financial year due to the increased materiality.

Notes to consolidated balance sheets

1. Pledged assets (million yen)

Pledged assets (Factory mortgage law)	
Buildings and structures	9,702
Storage tanks	3,220
Machinery, equipment and vehicles	24,068
Land	48,952
Total	85,944
Long term debt secured	
Long-term loans payable	39,392
(included current portion)	4,868
Total	39,392

2. Accumulated depreciation for property, plant and equipment

261,912 million Yen

3. Deferred gain on national subsidies and insurance claims

Gain on national subsidies	
Machinery, equipment and vehicles	645 million Yen
Gain on insurance claims	
Machinery, equipment and vehicles	128 million Yen

4. Contingent liabilities

The FOC group had the following guarantee liabilities of non-consolidated subsidiaries and employees of the Companies.

For employees of the Companies

As guarantor for housing loan of employees	34 million Yen
--	----------------

For Japan biofuels supply LLP

As guarantor for the agreement for overdraft	460 million Yen
--	-----------------

As guarantor for the postponement of import consumption tax payment	109 million Yen
---	-----------------

As guarantor for conclusion of dealing letter of credit	466 million Yen
---	-----------------

Notes to consolidated statements of changes in net assets

1. Type and number of shares outstanding and treasury stock

(1) Shares outstanding	
Type of shares	Common stock
As at the beginning of fiscal year	78,183,677 shares
Increase for the period	—
Decrease for the period	—
As at the end of fiscal year	78,183,677 shares
(2) Treasury stock	
Type of treasury stock	Common stock
As at the beginning of fiscal year	1,121,076 shares
Increase for the period	—
Decrease for the period	—
As at the end of fiscal year	1,121,076 shares

2. Dividends

- (1) At the ordinary general meetings of shareholders held on June 26, 2014, the following dividends were approved.
- | | |
|-----------------------------|-----------------|
| ① Total amount of dividends | 386 million Yen |
| ② Dividends per share | 5 Yen |
| ③ Record date | March 31, 2014 |
| ④ Effective date | June 27, 2014 |
- (2) Dividends with a record date in the period but an effective date after the end of the period.
- | | |
|-----------------------------|-----------------|
| ① Total amount of dividends | 231 million Yen |
| ② Capital funds | Capital surplus |
| ③ Dividends per share | 3 Yen |
| ④ Record date | March 31, 2015 |
| ⑤ Effective date | June 26, 2015 |

Notes to financial instruments

1. Status of financial instruments

The FOC Group maintains its temporary surplus funds mainly in short-term deposits, while capital investment funds and operating funds are raised through bank loans.

Accounts receivable-trade are exposed to customer credit risks and foreign exchange risks. Some foreign-currency-denominated receivables are hedged by forward exchange contracts. Short-term investment securities and investment securities mainly consist of stocks, and the market values of listed stocks are examined quarterly.

Accounts payable-trade and accounts payable-other are to be settled within short periods. Some foreign-currency-denominated payables are hedged by forward exchange contracts. Short-term loans payable is mainly to procure funds to buy crude oil and long-term loans payable is mainly to procure funds for capital investments.

Interest-rate risks of some loans are hedged by interest-rate swap agreements.

Derivative transactions are handled and managed pursuant to the Company's internal rules which stipulate authorities, maximum amounts, etc.

66.1% of accounts receivable-trade at the end of this accounting period is for the particular large customer.

2. Market value of financial instruments

Amounts recognized in the consolidated balance sheets, market values, and the differences between them as at March 31, 2015 (year-end date of FY2014) are as shown below.

Note, however, that items for which it is extremely difficult to determine market values are not included in the following table (see (Note 2)).

(Unit: Million Yen)

	Consolidated balance sheets amount	Market value	Difference
(1) Cash and deposits	15,217	15,217	-
(2) Account receivable-trade	61,569	61,569	-
(3) Short-term investment securities and investment securities			
Other securities	2,151	2,151	-
(4) Accrued revenue	4,497	4,497	-
(5) Long-term loans receivable	958		
Allowance for doubtful accounts	-415		
(*1)	543	543	-
(6) Long-term accounts receivable-other	18,296	18,212	-83
Total assets	102,276	102,192	-83
(1) Accounts payable-trade	29,892	29,892	-
(2) Short-term loans payable	90,394	90,394	-
(3) Accounts payable-other	21,839	21,839	-
(4) Accounts payable-gasoline tax	21,492	21,492	-
(5) Income taxes payable	95	95	-
(6) Long-term loans payable	42,832	42,904	71
Total liabilities	206,547	206,618	71

(*1) Allowance for doubtful accounts recognized in long-term loans receivable is offset.

(Note 1) Calculation of market value of financial instruments and items relating to short-term investment securities and derivative transactions

Assets

(1) Cash and deposits, (2) Notes and accounts receivable – trade, (4) Accrued revenue

Because the settlement periods of the above items are short and their market values are almost the same as their book values, the relevant book values are used.

(3) Short-term investment securities and investment securities

Market prices of stock exchanges are used as market values of stocks. Market values of the other securities depend on present values calculated by discounting their values at effective interest rates corresponding to their remaining terms. In relation to the market value of investment securities, for shares the market prices of stock exchanges are used.

(5) Long-term loans receivable

Market values of those loans are calculated on a basis of interest rates which are adjusted to credit risks of borrowers. For doubtful accounts, allowances for them are calculated on a basis of present values of estimated future cash flows, prospected collections of loans receivable, etc. As the market values for long-term loans receivable are deemed close to the amounts gained by deducting allowances for doubtful accounts from long-term loans receivable, the relevant book values are used for their market values.

(6) Long-term accounts receivable-other

Market values of Long-term accounts receivable-other depend on present values calculated by discounting expected amount to be received that reflects collectability at effective safe interest rates corresponding to their remaining terms.

Liabilities

(1) Accounts payable-trade, (2) Short-term loans payable, (3) Accounts payable-other, (4) Accounts payable-gasoline tax, and (5) Income taxes payable

Because the settlement periods of the above items are short and their market values are almost the same as their book values, the relevant book values are used.

(6) Long-term loans payable

Because long-term loans payable with variable interest rates reflect the market interest rates in a short period and the credit status remains almost unchanged, their market values are almost the same as their book values, so that the relevant book values are used.

Market values of long-term bank loans with fixed interest rates depend on present values calculated by discounting their values plus interests at interest rates to be carried in case of applying for similar loans.

Derivative transaction

Market values of foreign exchange transaction are calculated based on future exchange market.

Transactions of commodity swap are based on prices offered by partner banks.

As interest rate swap qualified for hedge accounting is processed together with long-term loans payable, which is hedged, its market value is included in the market value of the long-term loans payable. (see “Liabilities (6)”)

As interest rate swap translated at a forward contract rate is processed together with accounts payable-trade and short-term loans payable, which are hedged, its market value is included in the market value of accounts payable-trade and short-term loans payable. (see “Liabilities (1) and (2)”)

(Note 2) Financial instruments for which it is extremely difficult to determine market values
(Unit : Million Yen)

Category	Consolidated balance sheets amount
Unlisted stocks	353
Stocks of subsidiaries and affiliates	11,557
Other	0

Because those securities and investments do not have their market values and are not able to be estimated by future cash flows, they are extremely difficult to determine the market values and are not included in “Assets 3) Other securities” in the above table.

Notes to per share data

Net assets per share	753.51 Yen
Basic net loss per share	234.99 Yen

Subsequent events

None

Other note

Fractional sums less than one million yen are omitted.

Balance sheets

(As of March 31, 2015)

(Unit : Million Yen)

Fuji Oil Company, Ltd.

<u>Assets</u>		<u>Liabilities</u>	
<u>Current assets</u>	<u>153,426</u>	<u>Current liabilities</u>	<u>174,217</u>
Cash and deposits	7,492	Accounts payable-trade	29,123
Accounts receivable-trade	59,804	Short-term loans payable	90,899
Merchandise and finished goods	27,475	Current portion of long-term loans payable	6,368
Raw materials and supplies	51,566	Lease obligations	17
Accounts receivable other	5,174	Accounts payable-other	21,707
Prepaid expenses	1,279	Accounts payable-gasoline tax	21,492
Deferred tax assets	215	Income taxes payable	50
Income taxes receivable	226	Accrued expenses	491
Short-term loans receivable	37	Deposits received	55
Other	154	Other	4,012
 <u>Noncurrent assets</u>	 <u>118,530</u>	 <u>Noncurrent liabilities</u>	 <u>54,308</u>
Property, plant and equipment	89,822	Long-term loans payable	36,424
Buildings	2,966	Lease obligations	12
Storage tanks	3,220	Deferred tax liabilities	9,335
Structures	7,279	Provision for retirement benefits	2,983
Machinery and equipment	24,073	Provision for special repairs	2,265
Vehicles	0	Provision for repairs	2,962
Tools, furniture and fixtures	101	Asset retirement obligations	106
Land	50,835	Other	217
Lease assets	30		
Construction in progress	1,315		
Intangible assets	423	<u>Total liabilities</u>	<u>228,525</u>
Software	414		
Other	9	<u>Net assets</u>	
Investments and other assets	28,284		
Investment securities	1,506	<u>Shareholders' equity</u>	<u>41,356</u>
Stocks of subsidiaries and affiliates	26,031	Capital stock	24,467
Long-term loans receivable	948	Capital surplus	34,197
Other	212	Legal capital surplus	9,467
Allowance for doubtful accounts	-415	Other capital surplus	24,730
		Retained earnings	-15,511
		Other retained earnings	-15,511
		Retained earnings brought forward	-15,511
		Treasury stock	-1,797
		 <u>Valuation and translation adjustments</u>	 <u>2,074</u>
		Valuation difference on available-for-sale securities	142
		Revaluation reserve for land	1,932
		 <u>Total net assets</u>	 <u>43,431</u>
 <u>Total assets</u>	 <u>271,957</u>	 <u>Total liabilities and net assets</u>	 <u>271,957</u>

Statements of income

(For the period from April 1, 2014 to March 31, 2015)

(Unit: Million Yen)

Fuji Oil Company, Ltd.

Account	Amount	
Net sales		652,683
Cost of sales		670,880
Gross loss		18,196
Selling, general and administrative expenses		2,541
Operating loss		20,738
Non-operating income		1,554
Interest income	19	
Dividends income	1,054	
Foreign exchange gains	193	
Rental income of oil tanks	152	
Other	135	
Non-operating expenses		3,939
Interest expenses	2770	
Rental of oil tanks	291	
Other	877	
Ordinary loss		23,123
Extraordinary loss		58
Loss on sales of noncurrent assets	35	
Loss on retirement of noncurrent assets	22	
Impairment loss	0	
Loss before income taxes		23,181
Income taxes current		-743
Income taxes deferred		-864
Net loss		21,573

Statements of changes in net assets

(For the period from April 1, 2014 to March 31, 2015)

(Unit : Million Yen)

Fuji Oil Company, Ltd.

	Shareholders' equity								Valuation and translation adjustments			Total net assets
	Capital stock	Capital surplus			Retained earnings		Treasury stock	Total share-holders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings						
					Retained earnings brought forward							
Balance as of April 1, 2014	24,467	9,467	24,730	34,197	7,105	7,105	-1,797	63,973	2	1,932	1,935	65,909
Cumulative effect of changes in accounting policies					-658	-658		-658				-658
Restated balance	24,467	9,467	24,730	34,197	6,447	6,447	-1,797	63,315	2	1,932	1,935	65,251
Changes of items during the period												
Dividends from surplus					-386	-386		-386				-386
Net loss					-21,573	-21,573		-21,573				-21,573
Net changes of items other than shareholders' equity									139		139	139
Total changes of items during the period	-	-	-	-	-21,959	-21,959	-	-21,959	139	-	139	-21,819
Balance as of March 31, 2015	24,467	9,467	24,730	34,197	-15,511	-15,511	-1,797	41,356	142	1,932	2,074	43,431

Notes to financial statements (Unconsolidated basis)

Significant accounting policies

1. Valuation basis and method of assets

(1) Securities

① Stocks of subsidiaries and affiliates

Moving average method at cost

② Other securities

Marketable securities

Market price

(The evaluation difference is recorded directly in net assets and cost of sales of such securities is calculated by moving average method)

Non-marketable securities

Moving average method at cost

(2) Derivatives

Market value

(3) Inventories

① Merchandise, finished goods and raw materials

Gross average method at cost

② Supplies

Moving average method at cost

The amounts of inventories stated in the balance sheet were computed by using the method that book values are reduced to reflect declines in profitability.

2. Depreciation/amortization method of fixed assets

(1) Property, plant and equipment (excluding lease assets)

Petrochemical plants

Declining-balance method

& power generation facilities

Other tangible fixed assets

Straight line method

* Service years of major fixed assets:

Buildings and structures

2 to 60 years

Storage tanks

10 to 15 years

Machinery and equipment & vehicles

2 to 17 years

(2) Intangible assets (excluding lease assets) Straight line method

* Software for internal use is amortized in 5 years by equal amount.

(3) Lease assets

* Straight line method with their residual values being zero over their leased periods used as the numbers of years for service life.

3. Accounting method of allowance and provisions

(1) Allowance for doubtful accounts

Ordinary receivables/loans

Estimated based on the actual ratio of the bad debts

Others

Estimated individually

(2) Provision for retirement benefits

① Attribution of estimated retirement benefits

Benefit formula attribution is applied.

② Accounting method for prior service costs and actuarial gains and losses

Prior service costs are amortized by the straight-line method over a period (10 years) within the average remaining years of service of the eligible employees.

Actuarial gains and losses are amortized from the year following the year in which the gain or loss is incurred by the straight-line method over a period (10 years) within the average remaining years of service of the eligible employees.

(3) Provision for special repairs

Estimated as repair and maintenance cost for periodical inspection and repair of storage tanks regulated by Fire Defense Law and for vessels required by the Vessel Safety Law.

(4) Provision for repairs

Estimated as repair and maintenance cost for Provision for repairs of machinery and equipment to be conducted every 2 years or 4 years under the concerned laws.

4. Accounting of hedged assets/liabilities

“Deferred hedge accounting method” is applied.

However, Foreign-currency-denominated payables hedged by forward exchange contracts are translated at the respective forward contract rate and an interest rate swap qualified for hedge accounting is not stated at fair value but the net settlement of interest under such an interest swap is reported as a component of interest on the related hedged assets or liabilities.

5. Accounting of retirement benefits

The method by which unrecognized actuarial gains and losses and unrecognized prior service costs are posted differs from that of consolidated financial statements.

6. Treatment of consumption tax

Consumption tax and local consumption tax is excluded.

7. Adoption of consolidated tax filing system

The Company adopts the consolidated tax filing system.

Changes in accounting principles

FOC is applying the Accounting Standard for Retirement Benefits (ASBJ Statement No.26 of May 17, 2012; hereinafter the “Accounting Standard for Retirement Benefits”) and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 of March 26, 2015) from this accounting period on.

FOC has changed its accounting methods on attribution of estimated retirement benefits from straight-line attribution to benefit formula attribution, and has changed its calculation method of discount rates from the approach regarding the approximate average remaining years of service of eligible employees as the remaining term of typical bonds to the approach based upon a single weighted average reflecting both estimated terms and estimated amounts of payments of retirement benefits.

In accordance with the transitional accounting treatment set forth in Clause 37 of the Accounting Standard for Retirement Benefits, the effect of the change in the accounting principle at the beginning of this accounting period is added to or deducted from remeasurements of defined benefit plans in retained earnings brought forward.

As a result, provision for retirement benefits increases by 499 million yen, long-term prepaid pension cost decreases by 158 million yen and retained earnings brought forward decreases by 658 million yen at the beginning of this accounting period.

The impacts of the effect upon both net income (loss) and per share data are negligible.

Changes in presentation methods

‘Finished goods’, ‘Semi-finished goods’, ‘Crude oil’, ‘Supplies’ and ‘Goods in transit,’ which had previously been stated independently on the balance sheets, are integrated into ‘Merchandise and finished goods’ and ‘Raw materials and supplies’ from the current financial year in order to improve clarity.

‘Accounts receivable other,’ which had previously been included in “Other” under ‘Current assets,’ is presented as a separate line item from the current financial year due to the increased materiality.

The items listed in 'Interest and dividends income,' in the previous period on the statements of income, are listed separately in 'Interest income' and 'Dividends income' from the current financial year in order to improve clarity.

'Rental income of oil tanks' and 'Rental of oil tanks,' which had previously been included in "Other" under 'Non-operating income' and 'Non-operating expenses,' respectively, are presented as separate line items from the current financial year in order to improve clarity.

Notes to balance sheets

- | | |
|---|--------------------|
| 1. Short-term receivables from affiliates | 1,284 million Yen |
| Short-term payables to affiliates | 27,288 million Yen |
| Long-term receivables from affiliates | 941 million Yen |

- | | |
|---|---------------------|
| 2. Accumulated depreciation for property, plant and equipment | 259,779 million Yen |
|---|---------------------|

3. Contingent liabilities

Warrantee	Amount	Object of guarantee
Petro Progress Pte Ltd.	25,290 million Yen (66,093 million Yen)	Conclusion of dealing letter of credit (as maximum amount)
Japan Biofuels Supply LLP	1,037million Yen (2,424 million Yen)	Overdraft agreement Postponement of import consumption tax payment Conclusion of dealing letter of credit (as maximum amount)
Fuji Oil Sales Company, Ltd.	190 million Yen (510 million Yen)	Operational payables (as maximum amount)
Employees	34 million Yen	Housing loan
Total	26,552 million Yen	

4. Collateral assets

Pledged assets		
Assets	Book value (million Yen)	Kind of guarantee
Buildings	2,434	Factory mortgage law
Storage tanks	3,220	
Structures	7,268	
Machinery and equipment	24,068	
Land	48,952	
Total	85,944	

Long-term debt secured	
Items	Balance
Long-term loans payable (included current portion)	39,392 (4,868)

5. Deferred gain on national subsidies and insurance claims

Gain on national subsidies	
Machinery and equipment etc.	645 million Yen
Gain on insurance claims	
Machinery and equipment	128 million Yen

6. Revaluation reserve for land

By the merger of old Fuji Oil Company, Ltd. as of October 1 2013, the amount is received in accordance with the Law on Revaluation of land.

Notes to statements of income

1. Transactions with subsidiaries:

Operating transactions

Sales to subsidiaries	3,181 million Yen
Purchase from subsidiaries	487,967 million Yen
Other operational transactions	135 million Yen

Non-operating transactions

813 million Yen

Notes to statements of changes in net assets

1. Type and number of treasury stock

Treasury stock

Type of treasury stock	Common stock
As at the beginning of fiscal year	966,076 shares
Increase for the period	- shares
Decrease for the period	- shares
As at the end of fiscal year	966,076 shares

Notes to tax effect accounting

Significant components of deferred tax assets are loss carried forward for tax purposes, as well as tax adjustments of reserve for shut-down maintenance.

Other than the deferred tax assets, deferred tax liabilities are accounted for revaluation of land.

Notes to related party transactions

1. Subsidiaries

Name of the company		Petro Progress Pte Ltd.		
Voting right		Indirect 100%		
Name of the company	Interlocking directors	-		
	Business relationship	Purchase of crude oil and refined products		
Transaction		Purchase of crude oil	Amount	404,049 million Yen
Closing balance		Account	Accounts payable-trade	25,364 million Yen

Name of the company		Tokai Engineering and Construction Co. Ltd.		
Voting right		Direct 40%		
Name of the company	Interlocking directors	-		
	Business relationship	Construction and maintenance of plants		
Transaction		Sale of buildings and land	Amount	104 million Yen
		Loss on sales of non-current assets	Amount	35 million Yen

Transaction terms and policy for determination thereof

*1 Purchase prices of crude oil are determined in consideration of prevailing terms and conditions as well as market trends.

*2 Amount of transaction and balance does not include consumption tax.

*3 Sales prices of buildings and land are determined with consideration of assessments by a real estate appraiser.

2. Director

Name	Shigeya Kato		
Voting right	-		
Business transaction	Director of the Company interlocking Chairman, Representing Director and Group CEO of Showa Shell Sekiyu K.K. which is a business partner of the Company		
Transaction	Sales of crude oil and refined products	Amount	431,503 million Yen
	Borrowing and lending of crude oil	Amount	75,725 million Yen
	Purchase of refined products	Amount	99,317 million Yen
Closing balance	Account	Accounts receivable-trade	40,673 million Yen
	Account	Accounts payable-trade	3,335 million Yen

Name	Osamu Ishitobi		
Voting right	-		
Business transaction	Director of the Company interlocking Representative Director, Chairman of the Board and CEO of Sumitomo Chemical Co. Ltd. which is a business partner of the Company		
Transaction	Sales of refined product	Amount	44,129 million Yen
Closing balance	Account	Accounts receivable-trade	3,721 million Yen

Transaction terms and policy for determination thereof

*1 Sales prices of refined products are determined in consideration of prevailing terms and conditions as well as market trends.

*2 Mr. Shigeya Kato resigned Chairman, Representing Director and Group CEO of Showa Shell Sekiyu K. K. as of March 26, 2015. The transaction amounts above are for the period up to the end of the month of his resignation and closing balances are those as of the end of the said month.

*3 Amount of closing balance includes consumption tax while the amount of transaction does not include consumption tax.

*4 The above transactions are so called third party transactions with following the general terms and conditions of business.

Notes to per share data

Net assets per share	562.45 Yen
Basic net loss per share	279.38 Yen

Subsequent events

None

Other note

Fractional sums less than one million yen are omitted.

Supplementary detailed statements

(For the period from April 1, 2014 to March 31, 2015)

Fuji Oil Company, Ltd.

1. Movement of Property, plant and equipment and Intangible assets

(Unit : Million Yen)

	Kind of assets	Book value on April 1, 2014	In- crease	De- crease	Depre- ciation	Book value on March 31,2015	Accumulated depreciation	Acquisition cost at the end of the period
Prop- erty, plant and equip- ment	Buildings	3,087	107	19	208	2,966	7,168	10,134
	Storage tanks	3,090	433	-	303	3,220	41,880	45,100
	Structures	7,945	54	0	720	7,279	39,884	47,164
	Machinery and equipment	30,604	268	0	6,798	24,073	170,044	194,118
	Vehicles	0	-	0	0	0	2	2
	Tools, furniture and fixtures	110	25	5	29	101	663	765
	Land	50,955	-	120 (0)	-	50,835	-	50,835
	Lease assets	52	-	-	21	30	134	165
	Construction in progress	290	2,297	1,272	-	1,315	-	1,315
	Total	96,137	3,185	1,418 (0)	8,082	89,822	259,779	349,602
Intan- gible assets	Software	641	99	14	312	414		
	Other	15	-	-	6	9		
	Total	656	99	14	318	423		

Notes

The number in parenthesis shows impairment losses

2. Details of allowances, provisions and reserves

(Unit : Million Yen)

Kind of provisions	Balance	Increase	Decrease		Balance
			Purpose	Other	
Allowance for doubtful accounts	415	-	-	-	415
Provision for retirement benefits	3,438	112	567	-	2,983
Provision for special repairs	2,206	287	227	-	2,265
Provision for repairs	987	1,975	-	-	2,962

3. Selling, general and administrative expenses

(Unit : Million Yen)

Expense	Amount
Selling expenses	288
Sales commission	29
Packing, haulage and warehouse expenses	226
Other	33
General and administrative expenses	2,252
Personnel expenses	1,182
Officers' remuneration	299
Salary, wages and allowance	635
Retirement payments and provisions	115
Other labor cost	131
Other general and administrative expense	978
Rental	122
Insurance	102
Business consignment expenses	189
Rates and taxes	104
Research	51
Other	491
Reduction	△ 83
Depreciation	91
Total	2,541

Independent Auditor's Report

May 11, 2015

The Board of Directors
Fuji Oil Company, Ltd.

KPMG AZSA LLC

Keiji Ikeda (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Hiroyuki Emoto (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

We have audited the consolidated financial statements, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of Fuji Oil Company, Ltd. as at March 31, 2015 and for the year from April 1, 2014 to March 31, 2015 in accordance with Article 444-4 of the Companies Act.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit as independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the results of operations of Fuji Oil Company, Ltd. and its consolidated subsidiaries for the period, for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Other Matter

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.

Independent Auditor's Report

May 11, 2015

The Board of Directors
Fuji Oil Company, Ltd.

KPMG AZSA LLC

Keiji Ikeda (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Hiroyuki Emoto (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

We have audited the financial statements, comprising the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules of Fuji Oil Company, Ltd. as at March 31, 2015 and for the year from April 1, 2014 to March 31, 2015 in accordance with Article 436-2-1 of the Companies Act.

Management's Responsibility for the Financial Statements and Others

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements and the supplementary schedules based on our audit as independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the supplementary schedules. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements and the supplementary schedules in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of Fuji Oil Company, Ltd. for the period, for which the financial statements and the supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Other Matter

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.

Audit Report (Translation)

With respect to Directors' execution of their duties during the 13th financial year (from April 1, 2014 to March 31, 2015), the Board of Auditors of Fuji Oil Company, Ltd. has prepared this audit report after deliberations based on the audit reports prepared by each Auditor, and hereby report as follows:

1. Method and Contents of Audit by Auditors and the Board of Auditors

The Board of Auditors has established the audit policies, the audit plan, etc. and received a report from each Auditor regarding the status of implementation of their audits and results thereof. In addition, the Board of Auditors has received reports from Directors, the accounting auditor, etc. regarding the status of execution of their duties, and requested explanations as necessary.

In accordance with the audit policies, the audit plan, etc., each Auditor endeavored to facilitate a mutual understanding with Directors and Internal Audit Department, etc., endeavored to collect information and maintain and improve the audit environment, has attended the meetings of the Board of Directors and other important meetings, received reports on the status of execution of duties from Directors and Internal Audit Department and requested explanations as necessary, examined important approval/decision documents, and inspected the status of the corporate affairs and assets of the Company. Also, each Auditor received reports from Directors and Internal Audit Department on a regular basis on the establishment and implementation status of (i) the systems to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Association of the Company, and other systems necessary to ensure the properness of operations of the Company as well as the Company group that is comprised of the Company and its subsidiaries (Fundamental Policy for the Development of Internal Control Systems) as described in the Business Report and (ii) the systems (internal control systems) based on such resolutions, and requested explanations as necessary. And, with regard to the internal control systems over financial reporting, each Auditor has received reports from the Board of Directors, the accounting auditor, KPMG AZSA LLP, etc. regarding the assessment of such systems and the status of audits, and requested explanations as necessary.

With respect to the subsidiaries, each Auditor received from subsidiaries reports on their respective business as necessary. Based on the above-described methods, each Auditor examined the Business Report and Supplementary Detailed Statements thereof for the business year under consideration.

In addition, each Auditor monitored and verified whether the accounting auditor maintained its independence and properly conducted its audit, received a report from the accounting auditor on the status of its execution of duties, and requested explanations as necessary. Each Auditor was notified by the accounting auditor that it had established a "system to ensure that the execution of the duties of the accounting auditor be properly conducted" (pursuant to the items of Article 131 of the Company Accounting Ordinance) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on October 28, 2005), and requested explanations as necessary. Based on the above-described methods, each Auditor examined the Financial Statements (Balance Sheet, Profit and Loss Statement, Statement of Change in Net Assets, and Notes to Financial Statements) and the Supplementary Detailed

Statements thereof, as well as the Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Profit and Loss Statement, Consolidated Statement of Change in Net Assets, and Notes to Consolidated Financial Statements), for the business year under consideration.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

- (i) We acknowledge that the Business Report and Supplementary Detailed Statements thereof fairly present the status of the Company in conformity with the applicable laws and regulations and Articles of Association of the Company.
- (ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or Articles of Association of the Company was found with respect to Directors' execution of their duties.
- (iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents of the Business Report and Directors' execution of their duties concerning the internal control systems, including those over financial reporting.

(2) Results of Audit of Financial Statements and Supplementary Detailed Statements thereof

We acknowledge that the methods and results of audit performed by the accounting auditor, KPMG AZSA LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the accounting auditor, KPMG AZSA LLC, are appropriate.

May 18, 2015

BOARD OF AUDITORS of FUJI OIL COMPANY, LTD.

Full-time Auditor: Takao Arai (seal)
Outside Auditor: Nobuhiko Ishii (seal)
Outside Auditor: Yasushi Yamawaki (seal)
Outside Auditor: Shigeru Watanabe (seal)
(Under their hands)