

## Consolidated Financial Results for the First Quarter of Fiscal Year 2015 [Japanese GAAP]

July 31, 2015

Company name: JX Holdings, Inc.

Code number: 5020

Stock Exchange Listings: Tokyo and Nagoya

URL: <http://www.hd.jx-group.co.jp/>

Representative: Yukio Uchida, Representative Director, President

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Scheduled date of filing of Quarterly Securities Report : August 13, 2015

Scheduled date of commencement of dividend payments : —

Supplemental materials for the quarterly financial results : Yes

Quarterly financial results presentation : Yes (for institutional investors and analysts)

(Amounts of less than ¥ 1 million are rounded off)

### 1. Consolidated Results for the First Quarter of FY 2015 (From April 1, 2015 to June 30, 2015)

(1) Consolidated Operating Results (Percentage figures are changes from the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1Q of FY2015	2,304,083	(12.8)	79,664	—	97,024	553.4	53,293	276.4
1Q of FY2014	2,640,850	(4.8)	2,707	(95.0)	14,850	(79.5)	14,157	(60.3)

(Note) Comprehensive income : 1Q of FY2015: ¥ 71,099 million < — % >

1Q of FY2014: ¥ 5,754 million < (94.3) % >

	Net income per share	Diluted net income per share
	Yen	Yen
1Q of FY2015	21.43	—
1Q of FY2014	5.69	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
1Q of FY2015	7,494,323	2,477,240	26.4
FY2014	7,423,404	2,429,849	26.1

(Reference) Shareholders' equity : 1Q of FY2015 ended June 30, 2015: ¥ 1,978,299 million

FY2014 ended March 31, 2015: ¥ 1,936,754 million

### 2. Dividends

	Annual cash dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Year-End	Total
	Yen	Yen	Yen	Yen	Yen
FY2014	—	8.00	—	8.00	16.00
FY2015	—				
FY2015(Forecast)		8.00	—	8.00	16.00

(Note) Revisions of the forecast of cash dividends since the latest announcement: None

### 3. Forecasts of Consolidated Results for FY 2015 (From April 1, 2015 to March 31, 2016)

(Percentage figures are changes from the same period in the previous fiscal year.)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
1H of FY2015	4,730,000	(13.1)	115,000	706.1	140,000	233.4	70,000	296.4	28.15
FY2015	9,660,000	(11.2)	250,000	—	310,000	—	160,000	—	64.35

(Note) Revisions of the forecasts of consolidated results since the latest announcement: Yes

The company has revised the forecasts for 1H of FY2015 that we announced last time (May 11, 2015).

As for the forecasts for full year of FY2015, the company has left it unchanged as previously announced.

In addition, forecasts of income excluding inventory valuation factors\*, please see the following.

		Operating income		Ordinary income	
		Millions of yen	%	Millions of yen	%
(Forecasts)	1H of FY2015	95,000	116.5	120,000	67.6
Income excluding inventory valuation factors	FY2015	230,000	23.4	290,000	13.6

\* The impact of inventory valuation on the cost of sales by using the average method and writing down the book value.

## Explanatory Notes

(1) Changes in the number of material subsidiaries during the term under review : None

Note: This item indicates whether there were changes in specified subsidiaries involving a change in the scope of consolidation.

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies and in accounting estimates, and restatement

(i) Changes in accounting policies owing to revisions in accounting standards and the like : Yes

(ii) Changes in accounting policies other than (i) above : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of shares issued (Common stock)

(i) Number of issued shares at the end of the period (including treasury stocks)

First Quarter of FY2015 ended June 30, 2015 : 2,495,485,929 shares

FY2014 ended March 31, 2015 : 2,495,485,929 shares

(ii) Number of treasury stocks at the end of the period

First Quarter of FY2015 ended June 30, 2015 : 9,074,542 shares

FY2014 ended March 31, 2015 : 9,055,789 shares

(iii) Average number of shares issued during the period

First Quarter of FY2015 ended June 30, 2015 : 2,486,422,678 shares

First Quarter of FY2014 ended June 30, 2014 : 2,486,485,769 shares

## Information Regarding the Status of Quarterly Review Procedures Performance

This report is not subject to quarterly review procedures required pursuant to the Financial Instruments and Exchange Act. As of the time of disclosing this report, quarterly review procedures of consolidated financial statements required pursuant to the Financial Instruments and Exchange Act have not been completed.

## Explanation Regarding Appropriate Use of Forward-looking Statements on Results, and Other Specific Comments

This material contains forward-looking statements; however, actual results may differ materially from those reflected in such forward-looking statements, due to various factors, including the following:

(1) changes in macroeconomic conditions and changes in the competitive environment in the energy, resources and materials industries; (2) revisions to laws and strengthening of regulations; and (3) litigation and other similar risks.

**Supplemental Information**  
**Consolidated Financial Statements**

**(1) Consolidated Balance Sheets**

Account title	(Millions of yen)	
	FY 2014 (As of March 31, 2015)	1Q of FY 2015 (As of June 30, 2015)
<b>Assets</b>		
Current assets:		
Cash and deposits	329,293	287,096
Notes and accounts receivable-trade	1,007,386	884,383
Inventories	1,356,648	1,545,222
Other	305,233	324,181
Allowance for doubtful accounts	(2,162)	(2,292)
Total current assets	2,996,398	3,038,590
Non-current assets:		
Property, plant and equipment:		
Land	951,647	952,349
Other, net	1,603,969	1,613,978
Total property, plant and equipment	2,555,616	2,566,327
Intangible assets	136,160	133,832
Investments and other assets:		
Investments in securities	823,009	834,267
Other	923,762	932,621
Allowance for doubtful accounts	(11,541)	(11,314)
Total investments and other assets	1,735,230	1,755,574
Total non-current assets	4,427,006	4,455,733
Total assets	7,423,404	7,494,323

(Millions of yen)		
Account title	FY 2014 (As of March 31, 2015)	1Q of FY 2015 (As of June 30, 2015)
<b>Liabilities</b>		
Current liabilities:		
Notes and accounts payable-trade	680,551	686,986
Short-term borrowings	819,555	889,061
Commercial papers	364,000	464,000
Current portion of bonds	42,480	42,480
Accounts payable-other	797,590	659,126
Provision	38,480	20,448
Other	323,775	307,943
Total current liabilities	3,066,431	3,070,044
Non-current liabilities:		
Bonds payable	205,000	185,000
Long-term loans payable	1,189,232	1,233,789
Provision	76,676	75,959
Liability for retirement benefits	116,875	111,340
Asset retirement obligations	117,433	116,212
Other	221,908	224,739
Total non-current liabilities	1,927,124	1,947,039
Total liabilities	4,993,555	5,017,083
<b>Net assets</b>		
Shareholders' equity:		
Common stock	100,000	100,000
Capital surplus	746,711	746,711
Retained earnings	783,615	816,990
Treasury stock	(3,926)	(3,936)
Total shareholders' equity	1,626,400	1,659,765
Accumulated other comprehensive income:		
Unrealized gain on securities	87,008	101,033
Unrealized gain on hedging derivatives	1,083	2,083
Foreign currency translation adjustment	218,413	211,633
Retirement benefits liability adjustment	3,850	3,785
Total accumulated other comprehensive income	310,354	318,534
Non-controlling interests	493,095	498,941
Total net assets	2,429,849	2,477,240
Total liabilities and net assets	7,423,404	7,494,323

## (2) Consolidated Statements of Income and Comprehensive Income

### Consolidated Statements of Income

(Millions of yen)

Account title	1Q of FY 2014 (from April 1, 2014 to June 30, 2014)	1Q of FY 2015 (from April 1, 2015 to June 30, 2015)
Net sales	2,640,850	2,304,083
Cost of sales	2,504,378	2,082,289
Gross profit	136,472	221,794
Selling, general and administrative expenses	133,765	142,130
Operating income	2,707	79,664
Non-operating income:		
Interest income	701	674
Dividend income	5,720	14,784
Foreign currency exchange gain	1,211	—
Equity in earnings of affiliates	9,655	10,288
Other	6,017	5,002
Total non-operating income	23,304	30,748
Non-operating expenses:		
Interest expense	6,186	6,001
Foreign currency exchange loss	—	1,291
Other	4,975	6,096
Total non-operating expenses	11,161	13,388
Ordinary income	14,850	97,024
Special gain:		
Gain on sales of non-current assets	23,666	1,303
Other	2,023	292
Total special gain	25,689	1,595
Special loss:		
Loss on sales of non-current assets	64	346
Loss on disposal of non-current assets	2,018	3,040
Impairment loss	7,046	1,042
Other	1,020	1,329
Total special loss	10,148	5,757
Income before income taxes and minority interests	30,391	92,862
Income taxes	11,938	32,419
Profit	18,453	60,443
Profit attributable to non-controlling interests	4,296	7,150
Profit attributable to owners of parent	14,157	53,293

## Consolidated Statements of Comprehensive Income

(Millions of yen)

Account title	1Q of FY 2014 (from April 1, 2014 to June 30, 2014)	1Q of FY 2015 (from April 1, 2015 to June 30, 2015)
Profit	18,453	60,443
Other comprehensive income:		
Unrealized gain (loss) on securities	12,598	13,879
Unrealized gain (loss) on hedging derivatives	(1,649)	1,071
Foreign currency translation adjustment	(17,590)	(4,093)
Retirement benefits liability adjustment	(392)	(88)
Share of other comprehensive income of affiliates accounted for by equity method	(5,666)	(113)
Total other comprehensive income	(12,699)	10,656
Comprehensive income	5,754	71,099
Comprehensive income attributable to:		
Owners of parent	6,826	61,476
Non-controlling interests	(1,072)	9,623

### (3) Explanatory Notes to Consolidated Financial Statements

(Notes on the Assumption of a Going Concern)

None

(Notes on Significant Changes in Shareholders' Equity)

None

(Segment Information, etc.)

#### Segment Information

##### I. First Quarter of FY 2014 (April 1, 2014 - June 30, 2014)

##### Information on Net Sales and Income (Loss) from each Reporting Segment

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Total	Adjustments (Note 1)	Recorded Amount on Consolidated Statements of Income (Note 2)
Net Sales							
Sales to Outside Customers	2,230,976	54,781	267,572	87,521	2,640,850	-	2,640,850
In-house Intersegment Sales and Transfers	1,906	-	642	14,646	17,194	(17,194)	-
Total	2,232,882	54,781	268,214	102,167	2,658,044	(17,194)	2,640,850
Segment Income (Loss)	(24,345)	20,020	9,741	7,357	12,773	2,077	14,850

(Note 1) The segment income (loss) adjustments of 2,077 million yen includes the net amount of the entire Company's income and expenses not allocated to the reporting segments or the "Other" category of 2,057 million yen.

(Note 2) Segment income (loss) is adjusted to ordinary income stated in the consolidated statement of income.

##### II. First Quarter of FY 2015 (April 1, 2015 - June 30, 2015)

##### Information on Net Sales and Income (Loss) from each Reporting Segment

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Total	Adjustments (Note 1)	Recorded Amount on Consolidated Statements of Income (Note 2)
Net Sales							
Sales to Outside Customers	1,902,891	45,757	278,568	76,867	2,304,083	-	2,304,083
In-house Intersegment Sales and Transfers	1,635	-	1,178	12,211	15,024	(15,024)	-
Total	1,904,526	45,757	279,746	89,078	2,319,107	(15,024)	2,304,083
Segment Income (Loss)	60,348	12,327	15,568	6,983	95,226	1,798	97,024

(Note 1) The segment income (loss) adjustments of 1,798 million yen includes the net amount of the entire Company's income and expenses not allocated to the reporting segments or the "Other" category of 1,793 million yen.

(Note 2) Segment income (loss) is adjusted to ordinary income stated in the consolidated statement of income.

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