

**Asahi Kasei Corporation**

Head Office: 1-105 Kanda Jinbocho, Chiyoda-ku, Tokyo, Japan

Security code: 3407

Contact: Corporate Communications, Phone +81-3-3296-3008, Fax +81-3-3296-3162

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## Consolidated Results for 1st Quarter Fiscal 2016: April 1, 2016 – June 30, 2016

(All figures in millions of yen, rounded to the nearest million, unless otherwise specified)

**I. Summary of Consolidated Results**

## 1. Operating results (percent change from previous year in brackets)

	Q1 2016	Q1 2015
Net sales	425,825 [−7.9%]	462,372 [+3.4%]
Operating income	29,879 [−15.9%]	35,547 [+33.4%]
Ordinary income	28,281 [−22.5%]	36,485 [+33.4%]
Net income attributable to owners of the parent	24,093 [+16.4%]	20,691 [+21.7%]
Net income per share*	17.25	14.81
Diluted net income per share*	—	—

\* Yen

Note: Comprehensive income was ¥(43,341) million during Q1 2016, and ¥33,021 million during Q1 2015.

## 2. Financial position

At end of	June 2016	March 2016
Total assets	2,106,101	2,211,729
Net assets	999,754	1,057,399
Net worth/total assets	46.8%	47.1%
Net worth per share*	705.21	745.94

\* Yen

Notes:

- Net worth consists of shareholders' equity and accumulated other comprehensive income.
- Net worth as of June 30, 2016, was ¥984,991 million; as of March 31, 2016, ¥1,041,901 million.

**II. Cash Dividends**

Fiscal year	Cash dividends per share*				Total annual
	Q1	Q2	Q3	Q4	
2015	—	10.00	—	10.00	20.00
2016	—				
2016 (forecast)		10.00	—	10.00	20.00

\* Yen

### III. Forecast for Fiscal 2016 (April 1, 2016 – March 31, 2017)

#### 1. Latest forecasts (percent change from results in year-ago period in brackets)

	For Q1–Q2	For the fiscal year
Net sales	910,000 [–5.0%]	1,910,000 [–1.6%]
Operating income	63,000 [–25.4%]	145,000 [–12.2%]
Ordinary income	61,000 [–25.1%]	143,000 [–11.4%]
Net income attributable to owners of the parent	45,000 [–4.6%]	92,000 [+0.3%]
Net income per share*	32.22	65.87

\* Yen

#### Notes:

- Performance forecasts are based on the best information available at this time, but actual results may diverge from these forecasts due to a variety of factors which cannot be foreseen.
- The forecast for fiscal 2016 announced on May 11, 2016, will be revised at the end of the 2nd quarter of fiscal 2016.

### IV. Other Information

#### 1. Changes in significant subsidiaries which affected scope of consolidation during the period

Asahi Kasei Chemicals Corp., a consolidated subsidiary and specified subsidiary of Asahi Kasei Corp., was dissolved by absorption in a merger with Asahi Kasei Corp. as the surviving company, and therefore eliminated from the scope of consolidation beginning with the first quarter of the fiscal year ending March 31, 2017.

Furthermore, although not specified subsidiaries, Asahi Kasei Fibers Corp. and Asahi Kasei E-materials Corp. were also dissolved by absorption in a merger with Asahi Kasei Corp. as the surviving company, and therefore similarly eliminated from the scope of consolidation.

#### 2. Special accounting methods for preparation of the consolidated financial statements

Income tax expenses: A reasonable estimate of the effective tax rate after applying tax-effect accounting for the current fiscal year is made, and quarterly income before income taxes is multiplied by the corresponding effective tax rate.

#### 3. Changes in accounting policies, changes in accounting estimates, and retroactive restatement

##### Changes in accounting policy

Application of revised implementation guidance on recoverability of deferred tax assets:

The Accounting Standards Board of Japan (ASBJ) issued revised Guidance No. 26 “Implementation Guidance on Recoverability of Deferred Tax Assets.” This revised guidance is applied from the first quarter of the fiscal year ending March 31, 2017. Accordingly, the method of accounting related to recoverability of deferred tax assets has been partially amended.

In accordance with the transitional accounting provisions set forth in Article 49, Paragraph 4, of the revised Guidance No. 26, the difference between the amount of deferred tax assets at the beginning of the first quarter of the fiscal year ending March 31, 2017, as calculated in accordance with the applicable provisions of Article 49, Paragraph 3, Items 1 through 3, of the revised Guidance No. 26, and the amount of deferred tax assets at the end of the fiscal year ended March 31, 2016, is added to retained earnings at the beginning of the first quarter of the fiscal year ending March 31, 2017.

The effect of this change on deferred tax assets (investments and other assets) and retained earnings at the beginning of the first quarter of the fiscal year ending March 31, 2017, is immaterial.

Application of practical solution on a change in depreciation method due to Tax Reform 2016:

The ASBJ issued Practical Issues Task Force (PITF) No. 32 “Practical Solution on a change in

depreciation method due to Tax Reform 2016.” This practical solution is applied from the first quarter of the fiscal year ending March 31, 2017. Accordingly, the method of depreciation of buildings and accompanying facilities and of structures is changed from the declining-balance method to the straight-line method.

The effect of this change on operating income, ordinary income, and income before income taxes during the first quarter of the fiscal year ending March 31, 2017, is immaterial.

#### 4. Number of shares outstanding

	Q1 2016	FY 2015
Number of shares outstanding at end of period	1,402,616,332	1,402,616,332
Number of shares of treasury stock at end of period	5,872,072	5,861,678
Average number of shares outstanding during period	1,396,748,718	1,396,858,929*

\* Q1 2015

## V. Overview of Consolidated Results

### 1. Consolidated group results

Although the US and Europe were on a path of gradual recovery with increased consumer spending during the April–June quarter of fiscal 2016, uncertainty in the global economy remained due to financial market turmoil in the wake of the UK referendum to withdraw from the EU, and slow economic growth persisting in China and other emerging economies. The Japanese economic recovery became somewhat stagnant with sluggish consumer spending while the stronger yen and the economic slowdown in China, etc., hampered exports.

Consolidated net sales of Asahi Kasei Corp. and its consolidated subsidiaries and equity-method affiliates (the Asahi Kasei Group) decreased by ¥36.5 billion (7.9%) from a year ago to ¥425.8 billion and operating income decreased by ¥5.7 billion (15.9%) to ¥29.9 billion with negative impacts from the stronger yen, amortization of goodwill, etc., as an effect of the acquisition of Polypore International, LP and its consolidated subsidiaries (collectively “Polypore”) in electronics operations, and reduced reimbursement prices in pharmaceutical operations. Ordinary income decreased by ¥8.2 billion (22.5%) to ¥28.3 billion. Net income attributable to owners of the parent increased by ¥3.4 billion (16.4%) to ¥24.1 billion with significant gain on sales of investment securities and lower total income taxes.

### 2. Results by operating segment

In April 2016, the Asahi Kasei Group reorganized its business portfolio together with the beginning of a new strategic management initiative. The previous four reportable segments of Chemicals & Fibers, Homes & Construction Materials, Electronics, and Health Care, together with an “Others” category, have been changed to the three reportable segments of Material, Homes, and Health Care, together with an “Others” category. The figures for the year-ago period have been recalculated in accordance with the new segment configuration for comparison purposes.

#### MATERIAL

Sales decreased by ¥35.7 billion (13.5%) from a year ago to ¥228.9 billion, and operating income decreased by ¥6.1 billion (25.9%) from a year ago to ¥17.3 billion.

In fibers & textiles operations, although shipments of Lamous™ artificial suede for automotive upholstery increased, the price of each product declined due to the impact of the stronger yen and lower feedstock costs.

Among chemical operations, in petrochemicals, feedstock costs for each product declined with lower oil and naphtha prices, but shipments of styrene decreased. In performance polymers, although each product was impacted by the stronger yen, shipments of synthetic rubber for fuel-efficient tires increased. In performance materials and consumables, each product was impacted by the stronger yen, but sales of electronic materials, Ceolus™ microcrystalline cellulose, and coating materials such as Duranate™ hexamethylene diisocyanate (HDI)-based polyisocyanate were firm, and shipments of Saran Wrap™ cling film increased.

Among electronics operations, in separators, shipments of Hipore™ lithium-ion battery separator increased. While results of Polypore, consolidated from the second quarter of fiscal 2015, were included, significant amortization of goodwill, etc., was recorded, and the stronger yen had an impact. In electronic devices, the stronger yen had an impact and shipments of devices for smartphones such as electronic compasses and devices for camera modules decreased.

#### HOMES

Sales increased by ¥4.0 billion (3.2%) from a year ago to ¥126.1 billion, and operating income increased by ¥1.8 billion (25.8%) from a year ago to ¥8.5 billion.

Among homes operations, in order-built homes, deliveries of Hebel Haus™ unit homes and Hebel Maison™ apartment buildings increased. In remodeling, selling, general and administrative expenses such as labor costs increased, but in real estate, management of rental units was firm.

In construction materials operations, although sales of Neoma™ phenolic foam insulation panels were firm, shipments decreased for foundation systems and autoclaved aerated concrete (AAC).

#### HEALTH CARE

Sales decreased by ¥4.5 billion (6.4%) from a year ago to ¥66.7 billion, and operating income decreased by ¥1.1 billion (10.4%) from a year ago to ¥9.6 billion.

In pharmaceuticals operations, shipments of Teribone™ osteoporosis drug and Recomodulin™ recombinant thrombomodulin increased, but operations were impacted by reduced reimbursement prices, while Flivas™ agent for treatment of benign prostatic hyperplasia was impacted by competition from generics.

In medical devices operations, there was an impact from the stronger yen and, in Japan, reduced reimbursement prices for dialysis-related products, but shipments of Planova™ virus removal filters increased.

In critical care operations, on a local-currency basis, the LifeVest™ wearable defibrillator business continued to expand well, and sales of other products such as defibrillators and related accessories increased, but selling, general and administrative expenses grew with reinforced sales activity. The higher exchange value of the yen had an impact on the translation of results into consolidated accounts.

#### OTHERS

Sales decreased by ¥0.3 billion (6.7%) from a year ago to ¥4.1 billion, and operating income increased by ¥0.3 billion (78.3%) from a year ago to ¥0.7 billion.

## VI. Consolidated Financial Statements

### 1. Balance sheets

	At end of March 2016	At end of June 2016
Assets		
Current assets		
Cash and deposits	146,054	136,178
Notes and accounts receivable–trade	280,095	261,996
Short-term investment securities	1,534	1,265
Merchandise and finished goods	159,441	147,023
Work in process	108,684	127,575
Raw materials and supplies	68,618	65,897
Deferred tax assets	18,133	18,125
Other	75,324	65,673
Allowance for doubtful accounts	(1,865)	(1,883)
Total current assets	856,018	821,849
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	495,817	492,756
Accumulated depreciation	(268,635)	(270,047)
Buildings and structures, net	227,183	222,709
Machinery, equipment and vehicles	1,348,103	1,334,992
Accumulated depreciation	(1,149,544)	(1,147,429)
Machinery, equipment and vehicles, net	198,559	187,563
Land	61,046	60,614
Lease assets	12,928	12,959
Accumulated depreciation	(11,183)	(11,456)
Lease assets, net	1,745	1,503
Construction in progress	49,240	51,194
Other	147,286	146,522
Accumulated depreciation	(129,072)	(128,809)
Other, net	18,215	17,713
Subtotal	555,989	541,296
Intangible assets		
Goodwill	305,112	274,726
Other	189,470	173,378
Subtotal	494,582	448,104
Investments and other assets		
Investment securities	244,598	228,427
Long-term loans receivable	16,353	16,804
Deferred tax assets	20,098	25,018
Other	24,280	24,791
Allowance for doubtful accounts	(189)	(188)
Subtotal	305,140	294,851
Total noncurrent assets	1,355,711	1,284,252
Total assets	2,211,729	2,106,101

	At end of March 2016	At end of June 2016
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable–trade	126,653	124,839
Short-term loans payable	313,587	141,303
Commercial paper	—	56,000
Lease obligations	919	766
Accrued expenses	98,717	80,071
Income taxes payable	32,735	27,295
Advances received	74,667	78,903
Provision for periodic repairs	3,908	2,456
Provision for product warranties	2,355	2,375
Provision for removal cost of property, plant and equipment	2,130	1,322
Asset retirement obligations	568	600
Other	69,423	70,549
Total current liabilities	725,662	586,479
Noncurrent liabilities		
Bonds payable	40,000	40,000
Long-term loans payable	94,632	199,522
Lease obligations	537	502
Deferred tax liabilities	64,930	54,129
Provision for periodic repairs	558	142
Provision for removal cost of property, plant and equipment	7,228	6,672
Provision for loss on litigation	2,171	1,985
Net defined benefit liability	186,300	184,498
Asset retirement obligations	3,480	3,214
Long-term guarantee deposits	20,131	20,132
Other	8,702	9,073
Total noncurrent liabilities	428,669	519,869
Total liabilities	1,154,330	1,106,348
<b>Net assets</b>		
Shareholders' equity		
Capital stock	103,389	103,389
Capital surplus	79,410	79,410
Retained earnings	763,076	773,350
Treasury stock	(3,150)	(3,158)
Total shareholders' equity	942,724	952,990
Accumulated other comprehensive income		
Net unrealized gain on other securities	92,280	79,678
Deferred gains or losses on hedges	(179)	(357)
Foreign currency translation adjustment	48,429	(8,485)
Remeasurements of defined benefit plans	(41,353)	(38,834)
Total accumulated other comprehensive income	99,177	32,001
Non-controlling interests	15,498	14,763
Total net assets	1,057,399	999,754
Total liabilities and net assets	2,211,729	2,106,101

## 2. Statements of income and statements of comprehensive income

### 1) Statements of income

	Q1 2015	Q1 2016
Net sales	462,372	425,825
Cost of sales	327,120	291,274
Gross profit	135,252	134,551
Selling, general and administrative expenses	99,705	104,671
Operating income	35,547	29,879
Non-operating income		
Interest income	339	308
Dividends income	1,910	1,993
Foreign exchange gains	484	—
Other	885	1,012
Total non-operating income	3,617	3,312
Non-operating expenses		
Interest expense	830	1,013
Equity in losses of affiliates	253	146
Foreign exchange loss	—	2,498
Other	1,597	1,253
Total non-operating expenses	2,680	4,911
Ordinary income	36,485	28,281
Extraordinary income		
Gain on sales of investment securities	—	3,869
Gain on sales of noncurrent assets	15	12
Total extraordinary income	15	3,881
Extraordinary loss		
Loss on disposal of noncurrent assets	471	682
Impairment losses	75	10
Business structure improvement expenses	196	517
Provision for loss on litigation	2,813	—
Business integration expense	—	599
Total extraordinary loss	3,555	1,807
Income before income taxes	32,945	30,355
Total income taxes	12,064	5,904
Net income	20,881	24,450
Net income attributable to non-controlling interests	190	357
Net income attributable to owners of the parent	20,691	24,093

## 2) Statements of comprehensive income

	Q1 2015	Q1 2016
Net income	20,881	24,450
Other comprehensive income		
Net increase (decrease) in unrealized gain on other securities	3,609	(12,560)
Deferred gains or losses on hedges	1,621	(178)
Foreign currency translation adjustment	6,556	(55,771)
Remeasurements of defined benefit plans	578	2,529
Share of other comprehensive income of affiliates accounted for using equity method	(223)	(1,811)
Total other comprehensive income	12,140	(67,791)
Comprehensive income	33,021	(43,341)
Comprehensive income attributable to:		
Owners of the parent	32,826	(43,083)
Non-controlling interests	195	(257)



### 3. Statements of cash flows

	Q1 2015	Q1 2016
Cash flows from operating activities		
Income before income taxes	32,945	30,355
Depreciation and amortization	21,355	21,444
Impairment loss	75	10
Amortization of goodwill	2,618	4,416
Amortization of negative goodwill	(40)	(40)
Decrease in provision for periodic repairs	(1,030)	(1,865)
(Decrease) increase in provision for product warranties	(99)	40
Decrease in provision for removal cost of property, plant and equipment	(1,402)	(1,364)
Increase in provision for loss on litigation	2,813	—
Decrease in net defined benefit liability	(820)	(1,573)
Interest and dividend income	(2,248)	(2,300)
Interest expense	830	1,013
Equity in losses of affiliates	253	146
Gain on sales of investment securities	—	(3,869)
Gain on sale of property, plant and equipment	(15)	(12)
Loss on disposal of noncurrent assets	471	682
Decrease in notes and accounts receivable–trade	15,973	11,228
Increase in inventories	(17,585)	(10,437)
(Decrease) increase in notes and accounts payable–trade	(3,641)	2,017
Decrease in accrued expenses	(20,691)	(16,908)
Increase in advances received	12,469	4,616
Other, net	(1,485)	6,524
Subtotal	40,745	44,121
Interest and dividend income, received	3,274	3,484
Interest expense paid	(594)	(547)
Income taxes paid	(8,648)	(13,596)
Net cash provided by operating activities	34,778	33,462
Cash flows from investing activities		
Payments into time deposits	(1,205)	(1,210)
Proceeds from withdrawal of time deposits	7,945	1,509
Purchase of property, plant and equipment	(19,477)	(18,926)
Proceeds from sales of property, plant and equipment	167	2,136
Purchase of intangible assets	(2,882)	(2,381)
Purchase of investment securities	(405)	(5,927)
Proceeds from sales of investment securities	125	4,275
Payments for transfer of business	(200)	—
Payments of loans receivable	(20)	(2,357)
Collection of loans receivable	366	165
Other, net	445	71
Net cash used in investing activities	(15,142)	(22,646)

	Q1 2015	Q1 2016
Cash flows from financing activities		
Net decrease in short-term loans payable	(18,492)	(177,948)
Increase in commercial paper	27,000	56,000
Proceeds from long-term loans payable	2,961	125,885
Repayment of long-term loans payable	(362)	(99)
Repayments of lease obligations	(420)	(292)
Purchase of treasury stock	(34)	(8)
Proceeds from disposal of treasury stock	—	0
Cash dividends paid	(13,969)	(13,968)
Cash dividends paid to non-controlling interests	(328)	(556)
Other, net	354	194
Net cash used in financing activities	(3,290)	(10,791)
Effect of exchange rate change on cash and cash equivalents	1,162	(9,941)
Net increase (decrease) in cash and cash equivalents	17,507	(9,916)
Cash and cash equivalents at beginning of period	112,297	145,307
Increase in cash and cash equivalents resulting from changes in scope of consolidation	6,273	281
Cash and cash equivalents at end of period	136,078	135,672

#### 4. Notes to consolidated financial statements

##### Consolidated balance sheets

##### Contingent liabilities

In October 2015 Asahi Kasei Corp. disclosed that Asahi Kasei Construction Materials Corp., a consolidated subsidiary of Asahi Kasei Corp., which performed pile installation work as secondary subcontractor for the construction of a condominium complex in Yokohama, Kanagawa, Japan, submitted incorrect data in the pile installation report for the precast concrete piles installed for this project. There was manipulation of ammeter data and flowmeter data for the installation of piles.

Asahi Kasei Corp. established a task force and an internal fact-finding committee as well as an independent commission to advance investigation, and on October 22, 2015, Asahi Kasei Construction Materials Corp. reported its record of similar pile installation work over the past 10 years to Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT).

On November 24, 2015, Asahi Kasei Construction Materials Corp. completed all possible investigation of whether or not there was manipulation of data regarding the installation of precast concrete piles, and reported the results to the MLIT. Out of the 3,052 projects subject to investigation, manipulation of data was found for 360 projects.

Regarding projects where manipulation of data was found, Asahi Kasei Construction Materials is cooperating with the prime contractors and the owners of the buildings in efforts to confirm safety based on instructions from the MLIT. Regarding projects where a Specific Administrative Agency has confirmed safety, the Specific Administrative Agency has issued a report to the MLIT. (At a meeting of the House of Councillors Committee on Land and Transport held on April 5, 2016, it was reported that the safety of 357 of the 360 projects had been confirmed.)

Although there is a possibility that an effect on the consolidated results of Asahi Kasei Corp. may emerge such as the recording of an additional reserve, etc., no such effect is reflected in the consolidated financial statements due to the difficulty of making a rational estimate of the amount of financial impact from this matter as of the time of preparation of the consolidated financial statements.

## VII. Additional Information

### 1. Consolidated net sales and operating income (loss) by segment

Note: In April 2016, the Asahi Kasei Group reorganized its business portfolio together with the beginning of a new strategic management initiative. The previous four reportable segments of Chemicals & Fibers, Homes & Construction Materials, Electronics, and Health Care, together with an “Others” category, have been changed to the three reportable segments of Material, Homes, and Health Care, together with an “Others” category. The figures for the year-ago period have been recalculated in accordance with the new segment configuration for comparison purposes.

#### 1) Consolidated net sales by segment

(billions of yen)

		Q1 2015	Q1 2016	Increase (decrease)	Q1–Q2 2016 forecast
Material	Fibers	33.0	30.9	(2.1)	64.0
	Chemicals	206.9	165.8	(41.1)	338.0
	Electronics	24.7	32.2	7.6	68.0
		264.5	228.9	(35.7)	470.0
Homes	Homes	109.9	115.7	5.8	269.0
	Construction Materials	12.2	10.3	(1.9)	23.0
		122.1	126.1	4.0	292.0
Health Care	Health Care	38.5	34.5	(4.0)	69.0
	Critical Care	32.7	32.2	(0.5)	67.0
		71.3	66.7	(4.5)	136.0
Others		4.4	4.1	(0.3)	12.0
Total		462.4	425.8	(36.5)	910.0

#### 2) Consolidated operating income (loss) by segment

(billions of yen)

		Q1 2015	Q1 2016	Increase (decrease)	Q1–Q2 2016 forecast
Material	Fibers	4.0	3.3	(0.7)	6.0
	Chemicals	15.4	14.2	(1.2)	28.5
	Electronics	4.3	(0.1)	(4.4)	(1.0)
		23.4	17.3	(6.1)	33.5
Homes	Homes	6.1	7.8	1.7	23.5
	Construction Materials	1.2	0.9	(0.4)	1.5
		6.8	8.5	1.8	25.0
Health Care	Health Care	9.3	6.8	(2.5)	10.0
	Critical Care	1.5	2.8	1.4	6.5
		10.7	9.6	(1.1)	16.5
Others		0.4	0.7	0.3	2.0
Combined		41.3	36.2	(5.1)	77.0
Corporate expenses and eliminations		(5.7)	(6.3)	(0.5)	(14.0)
Total		35.5	29.9	(5.7)	63.0

Note: Figures for operating income by business category within segments include intrasegment transactions which are eliminated from the segment totals.

## 2. Operating income increases/decreases by segment

(billions of yen)

		Increase (decrease) due to:			Net increase (decrease)
		Sales volume	Sales prices [ <i>of which, due to foreign exchange</i> ]	Operating costs and others	
Material	Fibers	0.0	(1.4)	(0.4)	0.7
	Chemicals	(1.8)	(21.4)	(5.8)	21.9
	Electronics	1.5	(2.1)	(1.4)	(3.9)
		(0.2)	(24.8)	(7.6)	19.0
Homes	Homes	0.7	1.4	—	(0.4)
	Construction Materials	(0.6)	(0.0)	—	0.3
Homes		0.2	1.4	—	0.2
Health Care	Health Care	(0.6)	(2.9)	(0.9)	1.0
	Critical Care	2.1	0.3	0.1	(1.0)
Health Care		1.5	(2.6)	(0.8)	(0.0)
Others		0.1	—	—	0.2
Subtotal		1.5	(26.0)	(8.4)	19.4
Corporate expenses and eliminations		—	—	—	(0.5)
Consolidated		1.5	(26.0)	(8.4)	18.9

## 3. Major financial metrics (consolidated)

(billions of yen, except employees and D/E ratio)

	Q1 2015	Q1 2016
Capital expenditure (tangible)	18.8	19.9
Capital expenditure (intangible)	2.3	2.2
Depreciation and amortization*	21.4	21.4
Balance of payments	1.4	1.3
<i>of which, dividends received</i>	1.9	2.0
Employees at end of period	31,108	33,664
D/E ratio	0.26	0.44

\* Excluding amortization of goodwill.

## 4. Contract trends for home construction operations

	Q1 2015	Q1 2016	Increase (decrease)	Q1–Q2 2016 forecast
No. of orders received (home units)	4,745	4,008	(737)	9,300
Value of orders received (¥ billion)	106.8	96.5	(10.3)	219.4
Backlog of orders (¥ billion)	553.5	534.9	(18.6)	551.1
No. of sales (home units)	2,784	3,124	340	7,750
Value of sales (¥ billion)	67.8	74.7	6.9	181.3

## 5. Key operating factors

		Q1 2015	Q1 2016	Increase (decrease)	Q1–Q2 2016 forecast
Naphtha price (yen/kL, domestic)		48,800	31,600	(17,200)	32,300
Exchange rates	Yen/US\$	121	108	(13)	107
(market average)	Yen/€	134	122	(12)	119

## 6. Interest-bearing debt (consolidated)

(billions of yen)

	At end of March 2016	At end of June 2016	Increase (decrease)
Short-term loans payable	313.6	141.3	(172.3)
Commercial paper	—	56.0	56.0
Long-term loans payable	94.6	199.5	104.9
Bonds payable	40.0	40.0	—
Lease obligations	1.5	1.3	(0.2)
Total	449.7	438.1	(11.6)