

Consolidated Financial Results for Fiscal Year 2013 [Japanese GAAP]

May 9, 2014

Company name: JX Holdings, Inc.

Code number: 5020

Stock Exchange Listings: Tokyo and Nagoya

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

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Scheduled date of annual shareholders' meeting : June 26, 2014

Scheduled date of filing of Securities Report : June 26, 2014

Scheduled date of commencement of dividend payments : June 27, 2014

Supplemental materials for the financial results : Yes

Financial results presentation : Yes (for institutional investors and analysts)

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

1. Consolidated Results for the Fiscal Year 2013 (From April 1, 2013 to March 31, 2014)

(1) Consolidated Operating Results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2013	12,412,013	10.6	213,657	(15.0)	302,329	(7.9)	107,042	(32.9)
FY2012	11,219,474	4.6	251,467	(23.3)	328,300	(19.5)	159,477	(6.5)

(Note) Comprehensive income : FY2013: ¥284,036 million < 0.2 % > ; FY2012: ¥283,345 million < 50.7 % >

	Net income per share	Diluted net income per share	Rate of return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY2013	43.05	—	5.2	4.0	1.7
FY2012	64.13	—	8.7	4.7	2.2

(Reference) Equity in earnings of affiliates : FY2013: ¥54,593 million ; FY2012: ¥59,698 million

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2013	7,781,775	2,626,294	27.4	858.66
FY2012	7,274,891	2,327,432	26.7	781.30

(Reference) Shareholders' equity : FY2013: ¥2,135,058 million ; FY2012: ¥1,942,754 million

(3) Consolidated Cash Flows

	Cash flows from Operating activities	Cash flows from Investing activities	Cash flows from Financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2013	305,153	(479,793)	180,080	280,069
FY2012	265,571	(426,110)	154,104	249,131

2. Dividends

	Annual cash dividend per share					Total dividend amount	Dividend payout ratio (Consolidated)	Dividends on equity ratio (Consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-End	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2012	—	8.00	—	8.00	16.00	39,838	24.9	2.2
FY2013	—	8.00	—	8.00	16.00	39,838	37.2	2.0
FY2014 (Forecast)	—	8.00	—	8.00	16.00		36.2	

3. Forecasts of Consolidated Results for Fiscal Year 2014 (From April 1, 2014 to March 31, 2015)

(Percentage figures are changes from the amount for the corresponding period in the previous fiscal year.)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half of FY2014	5,500,000	(4.8)	(30,000)	—	0	—	0	—	—
FY2014	11,720,000	(5.6)	145,000	(32.1)	210,000	(30.5)	110,000	2.8	44.24

Income excluding inventory valuation factors* (FY2014) 205,000 117.2 270,000 47.5
(FY2013) 94,400 183,000

* The impact of inventory valuation on the cost of sales by using the periodic average method.

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) 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

(3) Number of shares issued (Common stock)

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

FY2013 ended March 31, 2014 : 2,495,485,929 shares
FY2012 ended March 31, 2013 : 2,495,485,929 shares

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

FY2013 ended March 31, 2014 : 8,981,945 shares
FY2012 ended March 31, 2013 : 8,906,760 shares

(iii) Average number of shares issued during the period

FY2013 ended March 31, 2014 : 2,486,541,938 shares
FY2012 ended March 31, 2013 : 2,486,626,705 shares

【Reference】 Overview of Non-consolidated Results

Non-consolidated Results for the Fiscal Year 2013 (From April 1, 2013 to March 31, 2014)

(1) Operating Results (Non-consolidated Basis)

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

	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2013	50,663	0.0	41,753	1.1	44,274	2.8	43,482	92.9
FY2012	50,661	40.7	41,319	56.5	43,089	53.0	22,537	419.6

	Net income per share	Diluted net income per share
	Yen	Yen
FY2013	17.46	—
FY2012	9.05	—

(2) Financial Position (Non-consolidated Basis)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2013	3,240,965	1,267,484	39.1	509.06
FY2012	3,101,283	1,249,950	40.3	502.01

(Reference) Shareholders' equity : FY2013:¥1,267,484 million ; FY2012:¥1,249,950 million

Information Regarding the Status of Audit Procedures Performance

This report is not subject to audit procedures required pursuant to the Financial Instruments and Exchange Act. As of the time of disclosing this report, audit 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.

(1) Consolidated Balance Sheets

(Millions of yen)

Account title	FY 2012 (As of March 31, 2013)	FY 2013 (As of March 31, 2014)
Assets		
Current assets:		
Cash and deposits	250,098	281,733
Notes and accounts receivable-trade	1,339,210	1,401,114
Inventories	1,819,312	1,797,189
Deferred tax assets	74,865	27,566
Other	255,607	260,178
Allowance for doubtful accounts	(1,299)	(2,196)
Total current assets	3,737,793	3,765,584
Non-current assets:		
Property, plant and equipment:		
Buildings, structures and oil tanks	1,551,354	1,595,183
Accumulated depreciation	(1,166,543)	(1,176,967)
Buildings, structures and oil tanks, net	384,811	418,216
Machinery, equipment and vehicles	2,786,576	2,913,409
Accumulated depreciation	(2,315,090)	(2,387,889)
Machinery, equipment and vehicles, net	471,486	525,520
Land	965,353	960,203
Construction in progress	320,727	436,876
Other	141,790	146,712
Accumulated depreciation	(93,484)	(98,336)
Other, net	48,306	48,376
Total property, plant and equipment	2,190,683	2,389,191
Intangible assets:		
Goodwill	19,446	16,674
Other	115,399	116,005
Total intangible assets	134,845	132,679
Investments and other assets:		
Investments in securities	663,117	713,646
Long-term loans receivable	21,103	40,499
Deferred tax assets	50,241	68,765
Exploration and development investments	403,564	600,387
Other	85,053	81,392
Allowance for doubtful accounts	(11,508)	(10,368)
Total investments and other assets	1,211,570	1,494,321
Total non-current assets	3,537,098	4,016,191
Total assets	7,274,891	7,781,775

(Millions of yen)

Account title	FY 2012 (As of March 31, 2013)	FY 2013 (As of March 31, 2014)
Liabilities		
Current liabilities:		
Notes and accounts payable-trade	892,965	884,486
Short-term borrowings	841,863	1,079,713
Commercial papers	449,000	450,000
Current portion of bonds	45,615	30,480
Accounts payable-other	763,732	687,043
Income taxes payable	27,566	32,262
Other provision	47,578	32,916
Asset retirement obligations	1,655	1,351
Other	247,511	256,637
Total current liabilities	3,317,485	3,454,888
Non-current liabilities:		
Bonds payable	192,960	187,480
Long-term loans payable	1,019,817	1,054,020
Deferred tax liabilities	134,005	143,900
Provision for retirement benefits	93,860	—
Net defined benefit liability	—	89,357
Provision for repairs	58,277	62,051
Other provision	6,198	12,705
Asset retirement obligations	61,578	86,763
Other	63,279	64,317
Total non-current liabilities	1,629,974	1,700,593
Total liabilities	4,947,459	5,155,481
Net assets		
Shareholders' equity:		
Common stock	100,000	100,000
Capital surplus	746,711	746,711
Retained earnings	1,053,576	1,119,478
Treasury stock	(3,854)	(3,893)
Total shareholders' equity	1,896,433	1,962,296
Accumulated other comprehensive income:		
Unrealized gain on securities	35,260	51,312
Unrealized gain on hedging derivatives	7,768	5,551
Foreign currency translation adjustments	3,293	113,204
Remeasurements of defined benefit plans	—	2,695
Total accumulated other comprehensive income	46,321	172,762
Minority interests	384,678	491,236
Total net assets	2,327,432	2,626,294
Total liabilities and net assets	7,274,891	7,781,775

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

Account title	FY 2012 (from April 1, 2012 to March 31, 2013)	FY 2013 (from April 1, 2013 to March 31, 2014)
Net sales	11,219,474	12,412,013
Cost of sales	10,431,380	11,637,633
Gross profit	788,094	774,380
Selling, general and administrative expenses	536,627	560,723
Operating income	251,467	213,657
Non-operating income:		
Interest income	2,611	3,251
Dividends income	31,999	36,659
Foreign currency exchange gain	—	5,225
Equity in earnings of affiliates	59,698	54,593
Other	29,557	29,335
Total non-operating income	123,865	129,063
Non-operating expenses:		
Interest expense	25,244	23,815
Foreign currency exchange loss	7,772	—
Other	14,016	16,576
Total non-operating expenses	47,032	40,391
Ordinary income	328,300	302,329
Special income:		
Gain on sales of non-current assets	9,813	12,273
Gain on sales of investments in securities	287	4,208
Other	5,290	305
Total special income	15,390	16,786
Special loss:		
Loss on sales of non-current assets	2,706	3,240
Loss on disposal of non-current assets	12,046	12,788
Impairment loss	25,810	48,830
Loss on valuation of investments in securities	2,204	8,668
Expenses for special measures for suspended or abandoned mines	—	10,460
Loss on step acquisitions	1,939	—
Other	26,945	14,798
Total special loss	71,650	98,784
Income before income taxes and minority interests	272,040	220,331
Income taxes-current	72,493	80,255
Income taxes-deferred	8,487	13,921
Total income taxes	80,980	94,176
Income before minority interests	191,060	126,155
Minority interests in income	31,583	19,113
Net income	159,477	107,042

Consolidated Statements of Comprehensive Income

(Millions of yen)

Account title	FY 2012 (from April 1, 2012 to March 31, 2013)	FY 2013 (from April 1, 2013 to March 31, 2014)
Income before minority interests	191,060	126,155
Other comprehensive income:		
Unrealized loss on securities	12,143	17,146
Unrealized gain (loss) on hedging derivatives	1,903	(2,192)
Foreign currency translation adjustments	58,181	112,284
Share of other comprehensive income of affiliates accounted for by equity method	20,058	30,643
Total other comprehensive income	92,285	157,881
Comprehensive income	283,345	284,036
Comprehensive income attributable to:		
Shareholders of JX Holdings, Inc.	238,166	230,788
Minority interests	45,179	53,248

(3) Consolidated Statements of Changes in Net Assets

FY 2012 (from April 1, 2012 to March 31, 2013)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total
Balance at the end of previous period	100,000	746,711	933,573	(3,722)	1,776,562
Changes of items during the period					
Dividends from surplus			(39,838)		(39,838)
Net income			159,477		159,477
Purchase of treasury stock				(26)	(26)
Disposal of treasury stock				1	1
Change in equity in affiliates accounted for by the equity method-treasury stock				(107)	(107)
Change of scope of consolidation			(132)		(132)
Change of scope of equity method			496		496
Change in equity by mereger of affiliates accounted for by the equity method					
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	120,003	(132)	119,871
Balance at the end of current period	100,000	746,711	1,053,576	(3,854)	1,896,433

	Accumulated other comprehensive income					Minority interests	Total net assets
	Unrealized gains or losses on securities	Unrealized gains or losses on hedging derivatives	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the end of previous period	24,802	5,928	(63,089)	—	(32,359)	300,549	2,044,752
Changes of items during the period							
Dividends from surplus							(39,838)
Net income							159,477
Purchase of treasury stock							(26)
Disposal of treasury stock							1
Change in equity in affiliates accounted for by the equity method-treasury stock							(107)
Change of scope of consolidation							(132)
Change of scope of equity method							496
Change in equity by mereger of affiliates accounted for by the equity method							
Net changes of items other than shareholders' equity	10,458	1,840	66,382	—	78,680	84,129	162,809
Total changes of items during the period	10,458	1,840	66,382	—	78,680	84,129	282,680
Balance at the end of current period	35,260	7,768	3,293	—	46,321	384,678	2,327,432

FY 2013 (from April 1, 2013 to March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total
Balance at the end of previous period	100,000	746,711	1,053,576	(3,854)	1,896,433
Changes of items during the period					
Dividends from surplus			(39,838)		(39,838)
Net income			107,042		107,042
Purchase of treasury stock				(40)	(40)
Disposal of treasury stock				1	1
Change in equity in affiliates accounted for by the equity method-treasury stock					
Change of scope of consolidation					
Change of scope of equity method					
Change in equity by merger of affiliates accounted for by the equity method			(1,302)		(1,302)
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	65,902	(39)	65,863
Balance at the end of current period	100,000	746,711	1,119,478	(3,893)	1,962,296

	Accumulated other comprehensive income					Minority interests	Total net assets
	Unrealized gains or losses on securities	Unrealized gains or losses on hedging derivatives	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the end of previous period	35,260	7,768	3,293	—	46,321	384,678	2,327,432
Changes of items during the period							
Dividends from surplus							(39,838)
Net income							107,042
Purchase of treasury stock							(40)
Disposal of treasury stock							1
Change in equity in affiliates accounted for by the equity method-treasury stock							
Change of scope of consolidation							
Change of scope of equity method							
Change in equity by merger of affiliates accounted for by the equity method							(1,302)
Net changes of items other than shareholders' equity	16,052	(2,217)	109,911	2,695	126,441	106,558	232,999
Total changes of items during the period	16,052	(2,217)	109,911	2,695	126,441	106,558	298,862
Balance at the end of current period	51,312	5,551	113,204	2,695	172,762	491,236	2,626,294

(4) Consolidated Statements of Cash Flows

(Millions of yen)

Account title	FY 2012 (from April 1, 2012 to March 31, 2013)	FY 2013 (from April 1, 2013 to March 31, 2014)
Cash flows from operating activities:		
Income before income taxes and minority interests	272,040	220,331
Depreciation and amortization	180,363	183,623
Amortization of goodwill	2,876	1,973
Increase (decrease) in provision for repairs	7,803	3,774
Interest and dividends income	(34,610)	(39,910)
Interest expenses	25,244	23,815
Equity in (earnings) losses of affiliates	(59,698)	(54,593)
Loss (gain) on sales and disposal of non-current assets	4,939	3,755
Impairment loss	25,810	48,830
Loss (gain) on valuation of investments in securities	2,204	8,668
Loss (gain) on sales of investments in securities	(143)	(4,051)
Decrease (increase) in notes and accounts receivable-trade	(3,126)	(47,734)
Decrease (increase) in inventories	(118,836)	32,936
Increase (decrease) in notes and accounts payable-trade	(42,561)	(84,205)
Other, net	56,488	37,165
Subtotal	318,793	334,377
Interest and dividends income received	69,326	93,026
Interest expenses paid	(26,498)	(29,715)
Payments for loss on disaster	(19,716)	(4,620)
Payments for special extra retirement payments	(7,863)	—
Income taxes paid	(68,471)	(87,915)
Net cash provided by (used in) operating activities	265,571	305,153
Cash flows from investing activities:		
Purchase of investments in securities	(30,735)	(11,790)
Proceeds from sales of investments in securities	2,064	7,793
Purchase of property, plant and equipment	(312,029)	(309,963)
Proceeds from sales of property, plant and equipment	23,090	19,447
Purchase of intangible assets	(16,008)	(12,909)
Decrease (increase) in short-term receivables, net	2,097	(6,771)
Payments of long-term receivable	(16,199)	(27,051)
Collection of long-term receivable	13,567	5,977
Increase in cost of exploration and production of oil and related assets	(79,287)	(134,273)
Other, net	(12,670)	(10,253)
Net cash provided by (used in) investing activities	(426,110)	(479,793)

Account title	(Millions of yen)	
	FY 2012 (from April 1, 2012 to March 31, 2013)	FY 2013 (from April 1, 2013 to March 31, 2014)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings, net	139,880	187,357
Increase (decrease) in commercial papers, net	45,000	1,000
Proceeds from long-term loans	184,133	145,453
Repayment of long-term loans	(180,504)	(139,860)
Proceeds from issuance of bonds	30,000	25,000
Redemption of bonds	(46,492)	(46,258)
Proceeds from stock issuance to minority shareholders	50,446	77,199
Cash dividends paid	(39,838)	(39,838)
Cash dividends paid to minority shareholders	(21,392)	(24,476)
Other, net	(7,129)	(5,497)
Net cash provided by (used in) financing activities	154,104	180,080
Effect of exchange rate changes on cash and cash equivalents	14,068	25,244
Net increase (decrease) in cash and cash equivalents	7,633	30,684
Cash and cash equivalents at beginning of year	241,035	249,131
Increase in cash and cash equivalents from newly consolidated subsidiary	92	—
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(43)	—
Increase in cash and cash equivalents resulting from merger	414	254
Cash and cash equivalents at end of year	249,131	280,069

(Segment Information, etc.)

a. Segment Information

1. Outline of the Reporting Segments

The JX Group's reporting segments consist of those constituent units of the JX Group for which separate financial information is available that are subject to periodic review for the board of directors to determine distribution of management resources and to evaluate business performance.

The JX Group, which includes JX Holdings, Inc., as its holding company, is composed of segments corresponding to each product and service based on three core operating companies. The JX Group treats "Energy", "Oil and Natural Gas Exploration and Production ("E&P")", and "Metals" as the reporting segments.

We have changed the reporting segment of the titanium business, which was included in the "Other" category in the previous fiscal year, to the "Metals" segment due to a change in our business management system.

As a result of such segment category change, the segment information for FY 2012 was prepared based on the category after such change.

The business activities not included in the reporting segments are collectively contained in the "Other" category.

The details of the main products and services or business activities of each reporting segment and the "Other" category are as follows:

Energy	Petroleum refining & marketing, basic chemical products, lubricants, specialty & performance chemical products, coal, electricity, gas, and new energy.
Oil and Natural Gas E&P	Oil and natural gas exploration, development and production
Metals	Non-ferrous metal resources development and mining, copper, gold, silver, sulfuric acid, copper foils, materials for rolling and processing, thin film materials, non-ferrous metal recycling and industrial waste treatment, transportation by ships of products, including metal business products, and titanium.
Other	Asphalt paving, civil engineering work, construction work, electric wires, land transportation, real estate leasing business, and affairs common to JX Group companies including fund procurement.

2. Information on Net Sales, Income and Loss, Assets, Liabilities, and Other Items from Each Reporting Segment

Previous Consolidated Fiscal Year (April 1, 2012 – March 31, 2013)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Total	Adjustments (Note 1)	Recorded Amount on Consolidated Financial Statements
Net sales:							
Sales to outside customers	9,691,373	173,132	962,523	392,446	11,219,474	-	11,219,474
In-house intersegment sales and transfers	8,276	-	2,327	58,806	69,409	(69,409)	-
Total	9,699,649	173,132	964,850	451,252	11,288,883	(69,409)	11,219,474
Segment income (loss)	161,602	93,608	43,987	27,072	326,269	2,031	328,300
Segment assets	4,744,683	751,546	1,275,807	2,292,893	9,064,929	(1,790,038)	7,274,891
Segment liabilities	3,554,681	418,644	735,557	2,044,963	6,753,845	(1,806,386)	4,947,459
Other items:							
Depreciation and amortization (Note 2)	107,943	31,937	31,824	6,620	178,324	2,039	180,363
Amortization of goodwill	404	1,108	1,250	114	2,876	-	2,876
Interest income	1,382	625	593	15,297	17,897	(15,286)	2,611
Interest expenses	15,923	3,376	3,569	14,351	37,219	(11,975)	25,244
Equity in earnings of affiliates	5,863	9,371	43,455	1,009	59,698	-	59,698
Increase in fixed assets (Note 3)	106,006	84,920	211,815	12,936	415,677	9,575	425,252

(Notes) 1. The adjustments include the following:

- (1) The segment income adjustment of 2,031 million yen includes the net amount of 1,936 million yen, which is the income and expenses of entire Company not allocated to the reporting segments or the “Other” category.
 - (2) The loss of 1,790,038 million yen in the segment assets adjustment is due primarily to eliminating intersegment receivables by offsetting.
 - (3) The loss of 1,806,386 million yen in the segment liabilities adjustment is due primarily to eliminating intersegment liabilities by offsetting.
 - (4) The depreciation and amortization adjustment of 2,039 million yen includes 1,611 million yen in asset retirement obligations adjusted due to passage of time (interest costs).
 - (5) The increase in fixed assets adjustment of 9,575 million yen includes 9,404 million yen in assets that correspond to asset retirement obligations.
2. Depreciation and amortization includes 28,688 million yen in amortization costs for exploration and development investments.
 3. The increase in fixed assets includes the 72,544 million yen increase in exploration and development investments contained in “Investments and other assets” in the consolidated balance sheet.
 4. Segment income is adjusted to ordinary income stated in the consolidated statement of income.

Current Consolidated Fiscal Year (April 1, 2013 – March 31, 2014)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Total	Adjustments (Note 1)	Recorded Amount on Consolidated Financial Statements
Net sales:							
Sales to outside customers	10,745,707	202,193	1,036,219	427,894	12,412,013	-	12,412,013
In-house intersegment sales and transfers	9,318	-	2,914	60,677	72,909	(72,909)	-
Total	10,755,025	202,193	1,039,133	488,571	12,484,922	(72,909)	12,412,013
Segment income (loss)	108,235	105,499	47,372	38,469	299,575	2,754	302,329
Segment assets	4,712,885	1,004,360	1,521,385	2,448,033	9,686,663	(1,904,888)	7,781,775
Segment liabilities	3,471,310	579,189	855,731	2,178,432	7,084,662	(1,929,181)	5,155,481
Other items:							
Depreciation and amortization (Note 2)	105,616	37,369	32,981	5,321	181,287	2,336	183,623
Amortization of goodwill	608	1,108	253	4	1,973	-	1,973
Interest income	1,761	543	1,003	14,423	17,730	(14,479)	3,251
Interest expenses	14,343	3,517	3,842	13,837	35,539	(11,724)	23,815
Equity in earnings of affiliates	6,883	6,567	39,644	1,499	54,593	-	54,593
Increase in fixed assets (Note 3)	109,935	152,372	194,907	6,388	463,602	19,819	483,421

(Notes) 1. The adjustments include the following:

- (1) The segment income adjustment of 2,754 million yen includes the net amount of 2,712 million yen, which is the income and expenses of entire Company not allocated to the reporting segments or the “Other” category.
 - (2) The loss of 1,904,888 million yen in the segment assets adjustment is due primarily to eliminating intersegment receivables by offsetting.
 - (3) The loss of 1,929,181 million yen in the segment liabilities adjustment is due primarily to eliminating intersegment liabilities by offsetting.
 - (4) The depreciation and amortization adjustment of 2,336 million yen includes 1,893 million yen in asset retirement obligations adjusted due to passage of time (interest costs).
 - (5) The increase in fixed assets adjustment of 19,819 million yen includes 14,367 million yen in assets that correspond to asset retirement obligations.
2. Depreciation and amortization includes 32,658 million yen in amortization costs for exploration and development investments.
 3. The increase in fixed assets includes the 148,865 million yen increase in exploration and development investments contained in “Investments and other assets” in the consolidated balance sheet.
 4. Segment income is adjusted to ordinary income stated in the consolidated statement of income.

b. Related Information

Previous Consolidated Fiscal Year (April 1, 2012 – March 31, 2013)
Information by Region

(1) Net sales

(Millions of yen)

Japan	China	Others	Total
9,616,729	586,061	1,016,684	11,219,474

(Note) The net sales are calculated based on the customers' locations, and are categorized into countries or regions.

(2) Property, plant and equipment

(Millions of yen)

Japan	Chile	Others	Total
1,784,543	257,560	148,580	2,190,683

Current Consolidated Fiscal Year (April 1, 2013 – March 31, 2014)
Information by Region

(1) Net sales

(Millions of yen)

Japan	China	Others	Total
10,400,197	777,038	1,234,778	12,412,013

(Note) The net sales are calculated based on the customers' locations, and are categorized into countries or regions.

(2) Property, plant and equipment

(Millions of yen)

Japan	Chile	Others	Total
1,762,160	455,020	172,011	2,389,191

c. Information on Impairment Loss

Previous Consolidated Fiscal Year (April 1, 2012 – March 31, 2013)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Corporate Total, or Eliminations	Total
Impairment loss	5,647	—	20,163	—	—	25,810

Current Consolidated Fiscal Year (April 1, 2013 – March 31, 2014)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Corporate Total, or Eliminations	Total
Impairment loss	9,795	—	39,035	—	—	48,830

d. Information on the Amortized Amounts and Unamortized Balances of Goodwill

Previous Consolidated Fiscal Year (April 1, 2012 – March 31, 2013)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Corporate Total, or Eliminations	Total
Amortized amount	404	1,108	1,250	114	—	2,876
Unamortized balance	7,744	7,824	3,878	—	—	19,446

Current Consolidated Fiscal Year (April 1, 2013 – March 31, 2014)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Corporate Total, or Eliminations	Total
Amortized amount	608	1,108	253	4	—	1,973
Unamortized balance	7,164	5,819	3,625	66	—	16,674