

Consolidated Financial Results for Fiscal Year 2014 [Japanese GAAP]

May 11, 2015

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 ordinary general meeting of shareholders : June 25, 2015

Scheduled date of filing of Securities Report : June 25, 2015

Scheduled date of commencement of dividend payments : June 26, 2015

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 2014 (From April 1, 2014 to March 31, 2015)

(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	%
FY2014	10,882,460	(12.3)	(218,885)	—	(150,114)	—	(277,212)	—
FY2013	12,412,013	10.6	213,657	(15.0)	302,329	(7.9)	107,042	(32.9)

(Note) Comprehensive income : FY2014: ¥(124,504) million < — %> ; FY2013: ¥284,036 million < 0.2 %>

	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	%	%	%
FY2014	(111.49)	—	(13.6)	(2.0)	(2.0)
FY2013	43.05	—	5.2	4.0	1.7

(Reference) Equity in earnings of affiliates : FY2014: ¥47,140 million ; FY2013: ¥54,593 million

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2014	7,423,404	2,429,849	26.1	778.93
FY2013	7,781,775	2,626,294	27.4	858.66

(Reference) Shareholders' equity : FY2014: ¥1,936,754 million ; FY2013: ¥2,135,058 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
FY2014	737,224	(377,817)	(326,310)	327,980
FY2013	305,153	(479,793)	180,080	280,069

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	%	%
FY2013	—	8.00	—	8.00	16.00	39,838	37.2	2.0
FY2014	—	8.00	—	8.00	16.00	39,837	—	2.0
FY2015 (Forecast)	—	8.00	—	8.00	16.00		24.9	

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

(Percentage figures are changes from the amount for the corresponding 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
First half of FY2015	4,610,000	(15.3)	110,000	671.1	140,000	233.4	70,000	28.15
FY2015	9,660,000	(11.2)	250,000	—	310,000	—	160,000	64.35

Income excluding inventory valuation factors* (FY2015) 230,000 23.4 290,000 13.6
(FY2014) 186,400 255,200

* 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) 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)

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

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

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

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

FY2013 ended March 31, 2014 : 8,981,945 shares

(iii) Average number of shares issued during the period

FY2014 ended March 31, 2015 : 2,486,465,283 shares

FY2013 ended March 31, 2014 : 2,486,541,938 shares

【Reference】 Overview of Non-consolidated Results

Non-consolidated Results for the Fiscal Year 2014 (From April 1, 2014 to March 31, 2015)

(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	%
FY2014	51,639	1.9	42,493	1.8	45,783	3.4	46,137	6.1
FY2013	50,663	0.0	41,753	1.1	44,274	2.8	43,482	92.9

	Net income per share	Diluted net income per share
	Yen	Yen
FY2014	18.53	—
FY2013	17.46	—

(2) Financial Position (Non-consolidated Basis)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2014	3,082,101	1,301,910	42.2	522.90
FY2013	3,240,965	1,267,484	39.1	509.06

(Reference) Shareholders' equity : FY2014:¥1,301,910 million ; FY2013:¥1,267,484 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 2013 (As of March 31, 2014)	FY 2014 (As of March 31, 2015)
Assets		
Current assets:		
Cash and deposits	281,733	329,293
Notes and accounts receivable-trade	1,401,114	1,007,386
Inventories	1,797,189	1,356,648
Deferred tax assets	27,566	66,049
Other	260,178	239,184
Allowance for doubtful accounts	(2,196)	(2,162)
Total current assets	3,765,584	2,996,398
Non-current assets:		
Property, plant and equipment:		
Buildings, structures and oil tanks	1,595,183	1,692,142
Accumulated depreciation	(1,176,967)	(1,196,840)
Buildings, structures and oil tanks, net	418,216	495,302
Machinery, equipment and vehicles	2,913,409	3,032,725
Accumulated depreciation	(2,387,889)	(2,442,224)
Machinery, equipment and vehicles, net	525,520	590,501
Land	960,203	951,647
Construction in progress	436,876	463,922
Other	146,712	158,821
Accumulated depreciation	(98,336)	(104,577)
Other, net	48,376	54,244
Total property, plant and equipment	2,389,191	2,555,616
Intangible assets:		
Goodwill	16,674	17,713
Other	116,005	118,447
Total intangible assets	132,679	136,160
Investments and other assets:		
Investments in securities	713,646	823,009
Long-term loans receivable	40,499	45,804
Net defined benefit asset	861	499
Deferred tax assets	68,765	67,577
Exploration and development investments	600,387	728,312
Other	80,531	81,570
Allowance for doubtful accounts	(10,368)	(11,541)
Total investments and other assets	1,494,321	1,735,230
Total non-current assets	4,016,191	4,427,006
Total assets	7,781,775	7,423,404

(Millions of yen)

Account title	FY 2013 (As of March 31, 2014)	FY 2014 (As of March 31, 2015)
Liabilities		
Current liabilities:		
Notes and accounts payable-trade	884,486	680,551
Short-term borrowings	1,079,713	819,555
Commercial papers	450,000	364,000
Current portion of bonds	30,480	42,480
Accounts payable-other	687,043	797,590
Income taxes payable	32,262	28,077
Other provision	32,916	38,480
Asset retirement obligations	1,351	1,420
Other	256,637	294,278
Total current liabilities	3,454,888	3,066,431
Non-current liabilities:		
Bonds payable	187,480	205,000
Long-term loans payable	1,054,020	1,189,232
Deferred tax liabilities	143,900	146,091
Net defined benefit liability	89,357	116,875
Provision for repairs	62,051	64,104
Other provision	12,705	12,572
Asset retirement obligations	86,763	117,433
Other	64,317	75,817
Total non-current liabilities	1,700,593	1,927,124
Total liabilities	5,155,481	4,993,555
Net assets		
Shareholders' equity:		
Common stock	100,000	100,000
Capital surplus	746,711	746,711
Retained earnings	1,119,478	783,615
Treasury stock	(3,893)	(3,926)
Total shareholders' equity	1,962,296	1,626,400
Accumulated other comprehensive income:		
Unrealized gain on securities	51,312	87,008
Unrealized gain on hedging derivatives	5,551	1,083
Foreign currency translation adjustments	113,204	218,413
Remeasurements of defined benefit plans	2,695	3,850
Total accumulated other comprehensive income	172,762	310,354
Minority interests	491,236	493,095
Total net assets	2,626,294	2,429,849
Total liabilities and net assets	7,781,775	7,423,404

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

Account title	FY 2013 (from April 1, 2013 to March 31, 2014)	FY 2014 (from April 1, 2014 to March 31, 2015)
Net sales	12,412,013	10,882,460
Cost of sales	11,637,633	10,532,913
Gross profit	774,380	349,547
Selling, general and administrative expenses	560,723	568,432
Operating income (loss)	213,657	(218,885)
Non-operating income:		
Interest income	3,251	2,838
Dividends income	36,659	48,308
Foreign currency exchange gain	5,225	—
Equity in earnings of affiliates	54,593	47,140
Other	29,335	29,546
Total non-operating income	129,063	127,832
Non-operating expenses:		
Interest expense	23,815	26,083
Foreign currency exchange loss	—	9,864
Other	16,576	23,114
Total non-operating expenses	40,391	59,061
Ordinary income (loss)	302,329	(150,114)
Special gain:		
Gain on sales of non-current assets	12,273	55,996
Gain on sales of investments in securities	4,208	200
Other	305	3,402
Total special gain	16,786	59,598
Special loss:		
Loss on sales of non-current assets	3,240	1,367
Loss on disposal of non-current assets	12,788	9,825
Impairment loss	48,830	88,495
Loss on valuation of investments in securities	8,668	37,357
Expenses for special measures for suspended or abandoned mines	10,460	—
Restructuring cost	6,340	19,139
Other	8,458	8,303
Total special loss	98,784	164,486
Income (loss) before income taxes and minority interests	220,331	(255,002)
Income taxes-current	80,255	72,076
Income (loss) taxes-deferred	13,921	(37,108)
Total income taxes	94,176	34,968
Income (loss) before minority interests	126,155	(289,970)
Minority interests in income (loss)	19,113	(12,758)
Net income (loss)	107,042	(277,212)

Consolidated Statements of Comprehensive Income

(Millions of yen)

Account title	FY 2013 (from April 1, 2013 to March 31, 2014)	FY 2014 (from April 1, 2014 to March 31, 2015)
Income (loss) before minority interests	126,155	(289,970)
Other comprehensive income:		
Unrealized gain (loss) on securities	17,146	39,415
Unrealized gain (loss) on hedging derivatives	(2,192)	(3,586)
Foreign currency translation adjustments	112,284	103,136
Remeasurements of defined benefit plans, net of tax	—	1,454
Share of other comprehensive income of affiliates accounted for by equity method	30,643	25,047
Total other comprehensive income	157,881	165,466
Comprehensive income	284,036	(124,504)
Comprehensive income attributable to:		
Shareholders of JX Holdings, Inc.	230,788	(146,020)
Minority interests	53,248	21,516

(3) Consolidated Statements of Changes in Net Assets

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 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 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

FY 2014 (from April 1, 2014 to March 31, 2015)

(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	1,119,478	(3,893)	1,962,296
Cumulative effects of changes in accounting policies			(18,676)		(18,676)
Restated balance	100,000	746,711	1,100,802	(3,893)	1,943,620
Changes of items during the period					
Dividends from surplus			(39,837)		(39,837)
Net loss			(277,212)		(277,212)
Purchase of treasury stock				(34)	(34)
Disposal of treasury stock		0		1	1
Change of scope of consolidation			17		17
Change of scope of equity method			49		49
Change in equity by merger of affiliates accounted for by the equity method			(204)		(204)
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	0	(317,187)	(33)	(317,220)
Balance at the end of current period	100,000	746,711	783,615	(3,926)	1,626,400

	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	51,312	5,551	113,204	2,695	172,762	491,236	2,626,294
Cumulative effects of changes in accounting policies						(257)	(18,933)
Restated balance	51,312	5,551	113,204	2,695	172,762	490,979	2,607,361
Changes of items during the period							
Dividends from surplus							(39,837)
Net loss							(277,212)
Purchase of treasury stock							(34)
Disposal of treasury stock							1
Change of scope of consolidation							17
Change of scope of equity method							49
Change in equity by merger of affiliates accounted for by the equity method							(204)
Net changes of items other than shareholders' equity	35,696	(4,468)	105,209	1,155	137,592	2,116	139,708
Total changes of items during the period	35,696	(4,468)	105,209	1,155	137,592	2,116	(177,512)
Balance at the end of current period	87,008	1,083	218,413	3,850	310,354	493,095	2,429,849

(4) Consolidated Statements of Cash Flows

(Millions of yen)

Account title	FY 2013 (from April 1, 2013 to March 31, 2014)	FY 2014 (from April 1, 2014 to March 31, 2015)
Cash flows from operating activities:		
Income (loss) before income taxes and minority interests	220,331	(255,002)
Depreciation and amortization	183,623	197,268
Amortization of goodwill	1,973	2,204
Increase (decrease) in provision for repairs	3,774	2,049
Interest and dividends income	(39,910)	(51,146)
Interest expenses	23,815	26,083
Equity in (earnings) losses of affiliates	(54,593)	(47,140)
Loss (gain) on sales and disposal of non-current assets	3,755	(44,804)
Impairment loss	48,830	88,495
Loss (gain) on valuation of investments in securities	8,668	37,357
Loss (gain) on sales of investments in securities	(4,051)	(177)
Decrease (increase) in notes and accounts receivable-trade	(47,734)	402,558
Decrease (increase) in inventories	32,936	441,782
Increase (decrease) in notes and accounts payable-trade	(84,205)	(119,320)
Other, net	37,165	85,735
Subtotal	334,377	765,942
Interest and dividends income received	93,026	80,925
Interest expenses paid	(29,715)	(36,174)
Payments for loss on disaster	(4,620)	—
Income taxes paid	(87,915)	(73,469)
Net cash provided by (used in) operating activities	305,153	737,224
Cash flows from investing activities:		
Purchase of investments in securities	(11,790)	(36,582)
Proceeds from sales of investments in securities	7,793	307
Purchase of property, plant and equipment	(309,963)	(283,383)
Proceeds from sales of property, plant and equipment	19,447	60,640
Purchase of intangible assets	(12,909)	(12,586)
Decrease (increase) in short-term receivables, net	(6,771)	5,896
Payments of long-term receivable	(27,051)	(6,320)
Collection of long-term receivable	5,977	6,837
Increase in cost of exploration and production of oil and related assets	(134,273)	(105,017)
Other, net	(10,253)	(7,609)
Net cash provided by (used in) investing activities	(479,793)	(377,817)

Account title	(Millions of yen)	
	FY 2013 (from April 1, 2013 to March 31, 2014)	FY 2014 (from April 1, 2014 to March 31, 2015)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings, net	187,357	(251,905)
Increase (decrease) in commercial papers, net	1,000	(86,000)
Proceeds from long-term loans	145,453	226,771
Repayment of long-term loans	(139,860)	(179,291)
Proceeds from issuance of bonds	25,000	60,000
Redemption of bonds	(46,258)	(30,480)
Proceeds from stock issuance to minority shareholders	77,199	84
Cash dividends paid	(39,838)	(39,837)
Cash dividends paid to minority shareholders	(24,476)	(21,984)
Other, net	(5,497)	(3,668)
Net cash provided by (used in) financing activities	180,080	(326,310)
Effect of exchange rate changes on cash and cash equivalents	25,244	14,740
Net increase (decrease) in cash and cash equivalents	30,684	47,837
Cash and cash equivalents at beginning of year	249,131	280,069
Increase in cash and cash equivalents from newly consolidated subsidiary	—	74
Increase in cash and cash equivalents resulting from merger	254	—
Cash and cash equivalents at end of year	280,069	327,980

(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.

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, lubricants, basic chemical products, specialty & performance chemical products, gas, coal, electricity, 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, 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.

Current Consolidated Fiscal Year (April 1, 2014 – March 31, 2015)

(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	9,116,472	226,395	1,153,259	386,334	10,882,460	-	10,882,460
In-house intersegment sales and transfers	8,321	-	2,723	74,625	85,669	(85,669)	-
Total	9,124,793	226,395	1,155,982	460,959	10,968,129	(85,669)	10,882,460
Segment income (loss)	(334,613)	84,884	56,610	39,773	(153,346)	3,232	(150,114)
Segment assets	3,891,131	1,227,170	1,739,627	2,322,360	9,180,288	(1,756,884)	7,423,404
Segment liabilities	2,954,452	714,710	1,021,820	2,025,907	6,716,889	(1,723,334)	4,993,555
Other items:							
Depreciation and amortization (Note 2)	101,395	48,314	37,313	6,170	193,192	4,076	197,268
Amortization of goodwill	596	1,108	497	3	2,204	-	2,204
Interest income	1,881	514	460	13,800	16,655	(13,817)	2,838
Interest expenses	12,637	6,801	4,201	13,226	36,865	(10,782)	26,083
Equity in earnings of affiliates	6,832	5,927	33,120	1,261	47,140	-	47,140
Increase in fixed assets (Note 3)	163,801	131,728	115,673	13,380	424,582	30,525	455,107

(Notes) 1. The adjustments include the following:

- (1) The segment income adjustment of 3,232 million yen includes the net amount of 3,332 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 1,756,884 million yen in the segment assets adjustment is due primarily to eliminating intersegment receivables by offsetting.
 - (3) The loss of 1,723,334 million yen in the segment liabilities adjustment is due primarily to eliminating intersegment liabilities by offsetting.
 - (4) The depreciation and amortization adjustment of 4,076 million yen includes 3,607 million yen in asset retirement obligations adjusted due to passage of time (interest costs).
 - (5) The increase in fixed assets adjustment of 30,525 million yen includes 20,128 million yen in assets that correspond to asset retirement obligations.
2. Depreciation and amortization includes 44,349 million yen in amortization costs for exploration and development investments.
 3. The increase in fixed assets includes the 137,975 million yen increase in exploration and development investments contained in “Investments and other assets” in the consolidated balance sheet.
 4. Segment income(loss) is adjusted to ordinary loss stated in the consolidated statement of income.

b. Related Information

Previous 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

Current Consolidated Fiscal Year (April 1, 2014 – March 31, 2015)
Information by Region

(1) Net sales

(Millions of yen)

Japan	China	Others	Total
9,092,953	840,027	949,480	10,882,460

(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
1,787,165	574,288	194,163	2,555,616

c. Information on Impairment Loss

Previous 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

Current Consolidated Fiscal Year (April 1, 2014 – March 31, 2015)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Corporate Total, or Eliminations	Total
Impairment loss	19,638	23,263	47,569	167	—	90,637

(Note) In the "Energy" and "Metals" segment, 2,142 million yen is included in "Restructuring cost" on the consolidated statement of income.

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

Previous 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

Current Consolidated Fiscal Year (April 1, 2014 – March 31, 2015)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Other	Corporate Total, or Eliminations	Total
Amortized amount	596	1,108	497	3	—	2,204
Unamortized balance	6,492	4,711	6,510	—	—	17,713