Quarterly Securities Report

for the Six-Month Period Ended September 30, 2015

English translation of certain items disclosed in the Quarterly Securities Report for the six-month period ended September 30, 2015, which were filed with the Director-General of the Kanto Local Finance Bureau of the Ministry of Finance of Japan on November 13, 2015.

Mitsui & Co., Ltd.

CONTENTS

As used in this report, "Mitsui" is used to refer to Mitsui & Co., Ltd. (Mitsui Bussan Kabushiki Kaisha), "we", "us", and "our" are used to indicate Mitsui & Co., Ltd. and subsidiaries, unless otherwise indicated.

1. Overview of Mitsui and Its Subsidiaries

1. Selected Financial Data

As of or for the periods ended September 30, 2015 and 2014 and as of or for the year ended March 31, 2015

	In millions of Yen, except amounts per share and other				
	Six-month period ended September 30, 2015	Six-month period ended September 30, 2014	Three-month period ended September 30, 2015	Three-month period ended September 30, 2014	As of or for the year ended March 31, 2015
Consolidated financial data					
Revenue	¥ 2,497,832	¥ 2,747,569	¥ 1,214,143	¥ 1,377,043	¥ 5,404,930
Gross profit	¥ 390,591	¥ 420,242	¥ 198,438	¥ 209,853	¥ 845,840
Profit for the period attributable to owners of the parent	¥ 130,641	¥ 222,660	¥ 33,704	¥ 94,854	¥ 306,490
Comprehensive income for the period attributable to owners of the parent	¥ (132,039)	¥ 343,404	¥ (324,184)	¥ 217,600	¥ 406,583
Total trading transactions	¥ 5,007,978	¥ 5,475,335	¥ 2,455,741	¥ 2,794,004	¥ 10,827,831
Total equity attributable to owners of the parent	¥ -	¥ -	¥ 3,906,586	¥ 4,093,681	¥ 4,099,795
Total assets	¥ -	¥ -	¥ 11,698,198	¥ 12,254,323	¥ 12,202,921
Basic earnings per share attributable to owners of the parent (Yen)	¥ 72.88	¥ 124.22	¥ 18.80	¥ 52.92	¥ 170.98
Diluted earnings per share attributable to owners of the parent (Yen)	¥ 72.86	¥ 124.20	¥ 18.79	¥ 52.91	¥ 170.95
Equity attributable to owners of the parent ratio	-	-	33.39%	33.41%	33.60%
Cash flows from operating activities	¥ 325,543	¥ 373,688	¥ -	¥ -	¥ 639,967
Cash flows from investing activities	¥ (151,693)	¥ (189,966)	¥ -	¥ -	¥ (386,397)
Cash flows from financing activities	¥ (97,094)	¥ 142,223	¥ -	¥ -	¥ (126,193)
Cash and cash equivalents at end of period	¥ -	¥ -	¥ 1,454,645	¥ 1,570,672	¥ 1,400,770

(Notes)
1. The consolidated financial statements have been prepared on the basis of International Financial Reporting Standards (IFRS).
2. Total trading transactions are voluntary disclosures for users of the consolidated financial statements as a measure commonly used by Japanese trading companies. It is not to be constructed as equivalent to revenue under IFRS. Total trading transactions represent the gross transaction volume as the aggregate nominal value of the sales contracts in which the companies act as a principal and the commissions in which the Company and certain subsidiaries serve as an agent.
3. Revenue and total trading transactions do not include consumption taxes.

2. Business Overview

We are a general trading company engaged in a range of global business activities including worldwide trading of various commodities, arranging financing for customers and suppliers in connection with our trading activities, organizing and coordinating international industrial projects by using the global office network and ability to gather information. Our business activities include the sale, import, export, offshore trading, production and a wide variety of comprehensive services such as retail, information and telecommunication, technology, logistics and finance in the areas of iron & steel, mineral & metal resources, machinery & infrastructure, chemicals, energy, lifestyle, innovation & corporate development. We also participate in the development of natural resources such as oil, gas, iron and steel raw materials. We have been proactively making strategic business investments in certain new industries such as IT, renewable energy and environmental solution businesses.

There has been no significant change in our business for the six-month period ended September 30, 2015.

Effective April 1, 2015, we transferred some businesses across reportable operating segments. For details, see Note 4, “SEGMENT INFORMATION.”

2. Operating and Financial Review and Prospects

1. Risk Factors

For the six-month period ended September 30, 2015, there is no significant change in risk factors which were described on our Annual Securities Report for the year ended March 31, 2015.

2. Material Contracts

For the six-month period ended September 30, 2015, we have not been a party to any sales contract, license of franchise contract, or business tie-up contract that on its own has a significant effect on our operating results, and there has not been any assignment of a transfer of business that on its own has a significant effect on our total assets. There are no contracts or other items which are significant in terms of our operations.

3. Management’s Discussion and Analysis of Financial Position, Operating Results and Cash Flows

This quarterly securities report contains forward-looking statements about Mitsui and its consolidated subsidiaries. These forward-looking statements are based on Mitsui’s current assumptions, expectations and beliefs in light of the information currently possessed by it and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Mitsui’s actual consolidated financial position, consolidated operating results or consolidated cash flows to be materially different from any future consolidated financial position, consolidated operating results or consolidated cash flows expressed or implied by these forward-looking statements.

Forward-looking statements were made as of September 30, 2015, unless otherwise indicated.

(1) <u>Operating Environment</u>

The following is an overview of the operating environment for the six-month period ended September 30, 2015, and thereafter.

In the global economy, the scenario of recovery driven by the United States continued unabated, yet overall growth was slower than originally forecast. This trend was linked to a greater than expected slowdown in China's economy which acted to delay recovery among developed countries while also prompting further slowdown in growth among emerging countries.

The United States economy continued to expand due to steadily improving employment, solid corporate earnings, gradual recovery in the housing market and other upbeat fundamentals. This positive trend ensued despite signs of weak external demand due a strong U.S. dollar and the downturn in emerging economies.

The Japanese economy stalled overall, despite having benefitted from positive factors in the form of an upbeat environment for employment and incomes and a surge in visitors from overseas. This was due to weakening exports stemming largely from slowing demand in China, coupled with bearish developments in personal consumption largely due to budget-minded household spending and unfavorable weather conditions.

The European economy picked up moderately, despite a recurrence of problems in Greece causing disturbance, due to depreciation in the euro currency underpinned by quantitative easing measures, along with lower crude oil prices.

The Chinese economy continued to lose steam, hampered by debt problems facing the nation's local governments, adjustments in production to reduce excess capacity, sluggish personal consumption against a backdrop of sliding share prices, along with a situation where local governments have been taking a cautious approach toward executing public works projects in the face of the government's anti-corruption campaign.

As for other emerging countries, economic disparities have been taking shape driven by factors that include: 1.) connectivity of such countries with China's economy, 2.) their reliance on resource exports, 3.) their dependence on foreign funds, and 4.) the extent to which they have made progress in implementing structural reforms.

The spot reference price for iron ore CFR North China (Fe 62%) remained soft against a backdrop of the slowing Chinese economy, trading mainly in the range of US$50–$60 per ton. The Dubai Crude spot price remained at around the level of US$50 per barrel with sluggish growth in demand weighing on the upside.

The global economic outlook poses growing concerns amid risk factors that include possibilities of a surge in capital outflows from emerging countries due to a hike in United States interest rates, and persisting economic slowdown in China.

(2) <u>Results of Operations</u>

1) Analysis of Consolidated Income Statements

Revenue

Mitsui & Co., Ltd. ("Mitsui") and its subsidiaries (collectively "we") recorded total revenue of ¥2,497.8 billion for the six-month period ended September 30, 2015 ("current period"), a decline of ¥249.8 billion from ¥2,747.6 billion for the corresponding six-month period of the previous year ("previous period").

- Revenue from sales of products for the current period was ¥2,220.5 billion, a decline of ¥252.3 billion from ¥2,472.8 billion for the previous period, as a result of the following:
  - The Energy Segment reported a decline of ¥177.6 billion. Petroleum trading operations recorded a decline of

¥131.9 billion reflecting lower crude oil prices. Furthermore, oil and gas producing operations recorded a decline of ¥27.2 billion reflecting lower crude oil and gas prices.

  - The Chemicals Segment reported a decline of ¥35.7 billion due to a decline in trading volume and lower prices of chemicals in China.
  - The Iron & Steel Products Segment reported a decline of ¥31.8 billion mainly due to a transfer of domestic structural product and metal scrap businesses from Mitsui & Co. Steel Ltd. to Metal One Mitsui Bussan Resources & Structural Steel Corporation (now called MM & KENZAI Corporation), which is an equity accounted investee.
  - The Americas Segment reported a decline of ¥28.1 billion due to a decline in sales volume of oil and gas well tubular products and a decline in trading volume of soybean, corn and butadiene in spite of an increase in Novus International, Inc. from higher methionine prices.
  - The Lifestyle Segment reported an increase of ¥25.6 billion due to an increase in trading volume of coffee, corn and soybean in spite of a decline in Multigrain Trading AG from lower soybean prices.

- Revenue from rendering of services for the current period was ¥196.7 billion, a decline of ¥11.1 billion from ¥207.8 billion for the previous period.
- Other revenue for the current period was ¥80.7 billion, an increase of ¥13.8 billion from ¥66.9 billion for the previous period.

Gross Profit

Gross profit for the current period was ¥390.6 billion, a decline of ¥29.6 billion from ¥420.2 billion for the previous period.

- The Energy Segment reported a decline of ¥40.4 billion. Mitsui E&P Middle East B.V. reported a decline of ¥16.7 billion mainly due to lower crude oil prices. Mitsui Oil Exploration Co., Ltd. reported a decline of ¥9.5 billion from lower crude oil prices and higher production costs, which was partially offset by the positive impact of exchange rate fluctuations, and Mitsui E&P USA LLC reported a decline of ¥8.6 billion from lower gas prices. Furthermore, Mitsui E&P Australia Pty Limited reported a decline of ¥7.8 billion from lower crude oil prices in spite of partially off-setting cost reductions. Meanwhile, an increase of ¥4.0 billion was recorded mainly as a reversal of losses on LNG trading in the previous period.
- The Mineral & Metal Resources Segment reported a decline of ¥20.3 billion. Iron ore mining operations in Australia reported a decline of ¥23.3 billion due to lower iron ore prices, which was partially offset by the positive impact of exchange rate fluctuations and cost reductions.
- The Americas Segment reported an increase of ¥22.2 billion. Novus International, Inc. reported an increase of ¥25.4 billion due to higher methionine prices and lower costs.

Other Income (Expenses)

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the current period were ¥283.4 billion, an increase of ¥2.0 billion from ¥281.4 billion for the previous period. The table below provides a breakdown of selling, general and administrative expenses used for our internal review.

(Billions of Yen)	Personnel	Welfare	Travel	Entertainment	Communication
Current Period	147.8	7.5	16.9	3.9	24.5
Previous Period	145.2	7.0	17.0	4.1	23.9
Change	2.6	0.5	(0.1)	(0.2)	0.6

(Billions of Yen)	Rent	Depreciation	Tax	Provision for doubtful receivables	Others	Total
Current Period	13.2	7.2	4.1	6.5	51.8	283.4
Previous Period	10.3	7.2	5.4	6.4	54.9	281.4
Change	2.9	0.0	(1.3)	0.1	(3.1)	2.0

Gain on Securities and Other Investments—Net

Gain on securities and other investments for the current period was ¥16.1 billion, an increase of ¥6.8 billion from ¥9.3 billion for the previous period.

- For the current period, a ¥9.9 billion gain due to valuation of fair value on shares in Hutchison China MediTech (including a ¥10.1 billion gain on shares in Hutchison MediPharma Holdings before a share exchange with Hutchison China MediTech) and a ¥3.5 billion gain on sales of stakes in relation to automobile business were recorded.
- For the previous period, a ¥9.1 billion gain on the sale of the stake in Silver Bell Mining, LLC was recorded.

Impairment Reversal (Loss) of Fixed Assets

Gain on fixed assets for the current period was ¥4.8 billion, an increase of ¥5.6 billion from ¥0.8 billion of loss for the previous period.

- For the current period, an ¥11.8 billion reversal of impairment was recorded at Tokyo International Air Cargo Terminal Ltd. Meanwhile, a ¥5.2 billion loss was recorded at Mitsui E&P UK Limited on fixed assets as a result of changes in estimation of asset retirement costs at oil and gas fields in the North Sea.
- There were miscellaneous small transactions for the previous period.

Gain on Disposal or Sales of Fixed Assets—Net

Gain on disposal or sales of fixed assets for the current period was ¥11.5 billion, an increase of ¥11.1 billion from ¥0.4 billion for the previous period.

- For the current period, an ¥11.6 billion gain on the sales of buildings in Japan was recorded.
- There were miscellaneous small transactions for the previous period.

Other Expense—Net

Other expense for the current period was ¥19.2 billion, a deterioration of ¥10.6 billion from ¥8.6 billion for the previous period.

- For the current period, exploration expenses totaled ¥8.3 billion, including those recorded at oil and gas producing businesses. Furthermore, a ¥6.3 billion impairment loss on goodwill on Multigrain Trading AG was recorded.
- For the previous period, exploration expenses totaled ¥12.6 billion, including those recorded at oil and gas

producing businesses.

Finance Income (Costs)

Interest Income

Interest income for the current period was ¥15.9 billion, a decline of ¥0.8 billion from ¥16.7 billion for the previous period.

Dividend Income

Dividend income for the current period was ¥26.0 billion, a decline of ¥50.9 billion from ¥76.9 billion for the previous period.

- Dividends from six LNG projects (Qatargas 1, Abu Dhabi, Oman, Qatargas 3, Equatorial Guinea and Sakhalin II) were ¥11.1 billion in total, a decline of ¥50.1 billion from ¥61.2 billion for the previous period.

Interest Expense

Interest expense for the current period was ¥25.6 billion, an increase of ¥1.0 billion from ¥24.6 billion for the previous period. The following table provides the month-end average of three-month Tibor for the Japanese yen and three-month Libor for the U.S. dollar for both periods.

	Current Period	Previous Period
Japanese yen	0.17%	0.21%
U.S. dollar	0.30%	0.23%

Share of Profit of Investments Accounted for Using the Equity Method

Share of profit of investments accounted for using the equity method for the current period was ¥88.3 billion, a decline of ¥15.5 billion from ¥103.8 billion for the previous period.

- IPP businesses recorded a deterioration of ¥19.6 billion mainly due to a one-time negative impact on IPP businesses from lower electricity prices and obsolete power plants.
- Valepar S.A. recorded a decline of ¥11.5 billion due to foreign exchange valuation losses on debt at Vale S.A. and lower iron ore prices, which was partially offset by recognition of a deferred tax asset reflecting the tax system revision in Brazil.
- Japan Australia LNG (MIMI) Pty. Ltd reported a decline due to lower oil prices.
- Inversiones Mineras Acrux SpA, a copper mining company in Chile, recorded an increase of ¥12.4 billion due to the reversal effect of additional recognition of a deferred tax liability reflecting the tax system revision in Chile for the previous period.
- For the previous period, research and developments cost incurred for the development of a new aircraft engine with General Electric Company were recorded.
- The LNG receiving terminal project in Mexico recorded an increase of ¥4.7 billion due to a change in lease accounting treatment. Furthermore, a one-time positive impact in relation to Toyo Engineering Corporation was recorded reflecting the difference between loss estimates and actual amounts.

Income Taxes

Income taxes for the current period were ¥79.3 billion, an increase of ¥0.1 billion from ¥79.2 billion for the previous period.

- Reduced tax burden in relation to income taxes recognized as other comprehensive income corresponding to sale of financial assets measured at FVTOCI was declined.
- Subsidiaries whose functional currency and currency used to calculate tax profit differ recorded an increase in tax burden on taxable temporary difference arising from depreciation of currency used to calculate tax profit against functional currency.
- Profit before income taxes for the current period was ¥225.0 billion, a decline of ¥87.1 billion from ¥312.1 billion for the previous period. In response, applicable income taxes also declined.
- For the previous period, a ¥12.0 billion negative impact on deferred tax was caused by the repeal of the Australian Mineral Resource Rent Tax (“MRRT”).

The effective tax rate for the current period was 35.2%, an increase of 9.8% from 25.4% for the previous period. The major factors for the increase were the aforementioned decline in reduced tax burden corresponding to sale of financial assets measured at FVTOCI and effects on depreciation of currency used to calculate tax profit. Furthermore, a decline in no-tax or low-tax income such as dividend income caused an increase in the effective tax rate. Meanwhile, the major factor for the decline was the negative impact for the previous year on deferred tax caused by the repeal of the Australian Mineral Resource Rent Tax (“MRRT”).

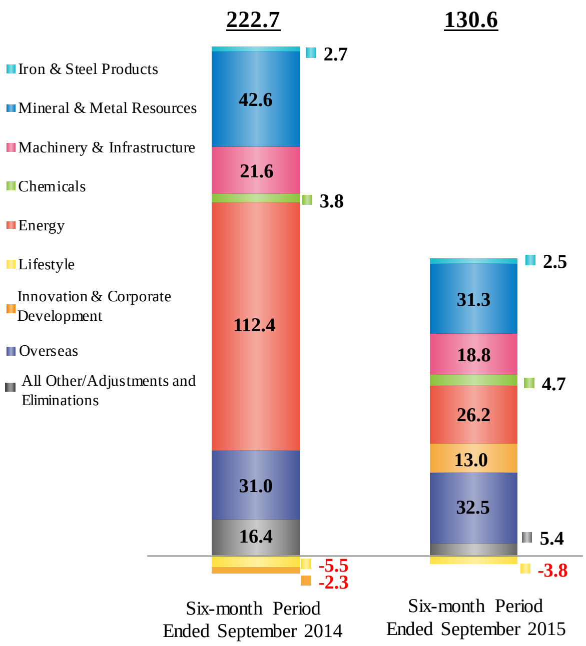
Profit for the Period

As a result of the above factors, profit for the period was ¥145.8 billion, a decline of ¥87.1 billion from ¥232.9 billion for the previous period.

Profit for the Period Attributable to Owners of the Parent

Profit for the period attributable to owners of the parent was ¥130.6 billion, a decline of ¥92.1 billion from ¥222.7 billion for the previous period.

Profit for the Period Attributable to Owners of the Parent by Operating Segment (Billions of Yen)



2) EBITDA

We use EBITDA as a measure of underlying earning power.

EBITDA is the total of “gross profit,” “selling, general and administrative expenses,” “dividend income” and “share of profit of investments accounted for using the equity method” from the consolidated statements of income and “depreciation and amortization” from the consolidated statements of cash flows.

(Billions of Yen)		Current Period	Previous Period	Change
EBITDA (a+b+c+d+e) (*1)		347.4	462.1	(114.7)
Gross profit	a	390.6	420.2	(29.6)
Selling, general and administrative expenses	b	(283.4)	(281.4)	(2.0)
Dividend income	c	26.0	76.9	(50.9)
Profit of equity method investments (*2)	d	88.3	103.8	(15.5)
Depreciation and amortization	e	125.9	142.4	(16.5)

*1 May not match with the total of items due to rounding off. The same shall apply hereafter.

*2 “Profit of equity method investments” means “share of profit of investments accounted for using the equity method” in the consolidated statements of income. The same shall apply hereafter.

3) Operating Results by Operating Segment

From the current period, for the purpose of disclosing each operating segment’s EBITDA more properly, profits and losses associated with EBITDA of jointly invested subsidiaries by several segments are allocated using “Profit of equity method investments”, and service fees received from affiliated companies are either added up as “Gross profit” or deducted from “Selling, general and administrative expenses” according to its content. Furthermore, Media Business Div., included in the Lifestyle Segment, was transferred to the Innovation & Corporate Development Segment. In accordance with the aforementioned changes, the operating segment information for the previous period has been restated to conform to the current period presentation.

Iron & Steel Products Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	5.6	6.6	(1.0)
Gross profit	16.5	20.8	(4.3)
Selling, general and administrative expenses	(15.4)	(18.9)	+3.5
Dividend income	1.3	1.0	+0.3
Profit of equity method investments	2.7	3.2	(0.5)
Depreciation and amortization	0.5	0.6	(0.1)
Profit for the period attributable to owners of the parent	2.5	2.7	(0.2)

EBITDA declined by ¥1.0 billion, mainly due to the following factors:

Gross profit declined by ¥4.3 billion.

Selling, general and administrative expenses declined by ¥3.5 billion.

Profit of equity method investments declined by ¥0.5 billion.

Profit for the period attributable to owners of the parent declined by ¥0.2 billion.

Mineral & Metal Resources Segment

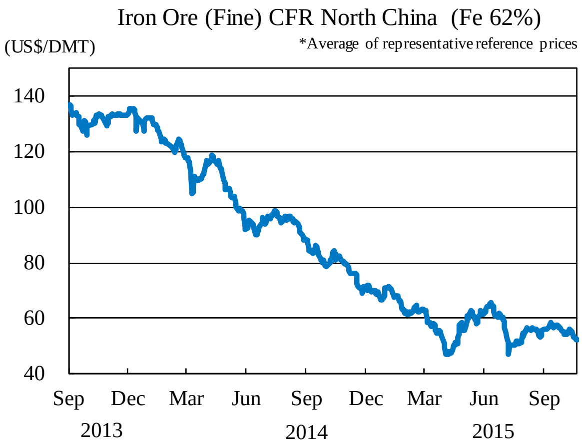
(Billions of Yen)		Current Period	Previous Period	Change
EBITDA		67.2	90.1	(22.9)
	Gross profit	57.1	77.4	(20.3)
	Selling, general and administrative expenses	(18.7)	(20.4)	+1.7
	Dividend income	0.8	0.8	0.0
	Profit of equity method investments	4.5	1.3	+ 3.2
	Depreciation and amortization	23.4	31.0	(7.6)
Profit for the period attributable to owners of the parent		31.3	42.6	(11.3)

EBITDA declined by ¥22.9 billion, mainly due to the following factors:

Gross profit declined by ¥20.3 billion reflecting the impact from lower iron ore prices on iron ore mining operations in Australia.

As for iron ore pricing, the majority of contract prices applied to products sold during the current period were based on pricing that more closely reflects current spot reference prices as in the previous period, such as the daily average of spot reference prices for the current quarter of shipments, and the daily average of spot reference prices for the shipment month.

Mitsui Iron Ore Development Pty. Ltd. reported a decline of ¥18.1 billion in gross profit reflecting lower iron ore prices, which was partially offset by the positive impact of exchange rate fluctuations and cost reduction. Mitsui-Itochu Iron Pty. Ltd. reported a decline of ¥5.2 billion in gross profit reflecting lower iron ore prices, which was partially offset by cost reductions and the positive impact of exchange rate fluctuations.



Profit of equity method investments increased by ¥3.2 billion.

- Inversiones Mineras Acrux SpA, a copper mining company in Chile, recorded an increase of ¥12.4 billion to a loss of ¥1.5 billion from a loss of ¥13.9 billion for the previous period, due to the reversal effect of additional recognition of a deferred tax liability reflecting the tax system revision in Chile.

- Valepar S.A. posted a profit of ¥4.5 billion, a decline of ¥11.5 billion from a profit of ¥16.0 billion for the previous period due to foreign exchange valuation losses on debt at Vale S.A. and lower iron ore prices, which was partially offset by recognition of a deferred tax asset reflecting the tax system revision in Brazil.
- Allocation to other segments declined by ¥5.9 billion mainly due to the negative impact from lower iron ore prices on iron ore mining operations in Australia, jointly invested with the Asia Pacific Segment.

Depreciation and amortization declined by ¥7.6 billion.

Profit for the period attributable to owners of the parent declined by ¥11.3 billion. In addition to the above, the following factors also affected results:

- A ¥12.0 billion negative impact on deferred tax was caused by the repeal of the MRRT for the previous period.
- A ¥4.5 billion gain on the sale of the stake in Silver Bell Mining, LLC was recorded for the previous period.

Machinery & Infrastructure Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	31.6	32.4	(0.8)
Gross profit	64.5	60.3	+4.2
Selling, general and administrative expenses	(63.9)	(63.1)	(0.8)
Dividend income	2.1	2.5	(0.4)
Profit of equity method investments	19.7	23.4	(3.7)
Depreciation and amortization	9.0	9.3	(0.3)
Profit for the period attributable to owners of the parent	18.8	21.6	(2.8)

EBITDA declined by ¥0.8 billion, mainly due to the following factors:

Gross profit increased by ¥4.2 billion.

- The Infrastructure Projects Business Unit reported an increase of ¥2.0 billion.
- The Integrated Transportation Systems Business Unit reported an increase of ¥2.2 billion.

Profit of equity method investments declined by ¥3.7 billion.

- The Infrastructure Projects Business Unit reported a decline of ¥11.6 billion.
  IPP businesses posted a loss of ¥7.0 billion in total, a deterioration of ¥19.4 billion from a profit of ¥12.4 billion for the previous period.
  - For the current period, a one-time negative impact was recorded due to lower electricity prices and obsolete power plants.
  - Mark-to-market valuation gains and losses, such as those on long-term power derivative contracts and long-term fuel purchase contracts, deteriorated by ¥3.1 billion to a loss of ¥0.5 billion from a gain of ¥2.6 billion for the previous period.

  The LNG receiving terminal project in Mexico recorded an increase of ¥4.7 billion due to a change in lease accounting treatment. Furthermore, a one-time positive impact in relation to Toyo Engineering Corporation was recorded reflecting the difference between loss estimates and actual amounts.
- The Integrated Transportation Systems Business Unit reported an increase of ¥8.0 billion. For the previous period, this Business Unit recorded research and development costs incurred for the development of a new aircraft engine with General Electric Company.

Profit for the period attributable to owners of the parent declined by ¥2.8 billion. In addition to the above, the following factors also affected results:

- For the current period, an ¥11.8 billion reversal gain of impairment loss was recorded at Tokyo International Air Cargo Terminal Ltd.

Chemicals Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	13.6	12.1	+1.5
Gross profit	38.1	37.2	+0.9
Selling, general and administrative expenses	(34.2)	(33.9)	(0.3)
Dividend income	0.8	0.6	+0.2
Profit of equity method investments	4.3	3.0	+1.3
Depreciation and amortization	4.7	5.1	(0.4)
Profit for the period attributable to owners of the parent	4.7	3.8	+0.9

EBITDA increased by ¥1.5 billion, mainly due to the following factors:

Gross profit increased by ¥0.9 billion.

- The Basic Chemicals Business Unit reported an increase of ¥0.3 billion.
- The Performance Chemicals Business Unit reported an increase of ¥0.5 billion.

Profit of equity method investments increased by ¥1.3 billion.

Profit for the period attributable to owners of the parent increased by ¥0.9 billion.

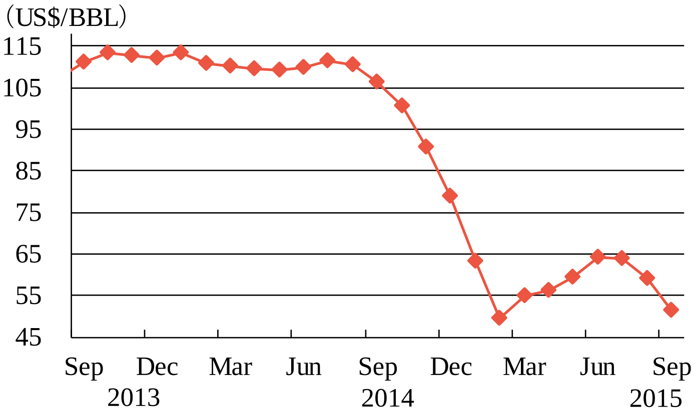
Energy Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	140.4	249.1	(108.7)
Gross profit	69.9	110.3	(40.4)
Selling, general and administrative expenses	(25.5)	(27.5)	+2.0
Dividend income	12.5	63.2	(50.7)
Profit of equity method investments	15.0	26.9	(11.9)
Depreciation and amortization	68.6	76.2	(7.6)
Profit for the period attributable to owners of the parent	26.2	112.4	(86.2)

EBITDA declined by ¥108.7 billion, mainly due to the following factors:

The weighted average crude oil prices applied to our operating results for the current period and the previous period were estimated to be US$60 and US$110 per barrel, respectively.

Crude Oil Price (JCC: Japan Crude Cocktail)



Gross profit declined by ¥40.4 billion, primarily due to the following factors:

- Mitsui E&P Middle East B.V. reported a decline of ¥16.7 billion mainly due to lower crude oil prices.
- Mitsui Oil Exploration Co., Ltd. reported a decline of ¥9.5 billion from lower crude oil prices and higher production costs, which was partially offset by the positive impact of exchange rate fluctuations.
- Mitsui E&P USA LLC reported a decline of ¥8.6 billion from lower gas prices.
- Mitsui E&P Australia Pty Limited reported a decline of ¥7.8 billion from lower crude oil prices in spite of partially

off-setting cost reductions.

- An increase of ¥4.0 billion was recorded mainly as a reversal of losses on LNG trading in the previous period.

Dividend income declined by ¥50.7 billion. Dividends from six LNG projects (Qatargas 1, Abu Dhabi, Oman, Qatargas 3, Equatorial Guinea and Sakhalin II) were ¥11.1 billion in total, a decline of ¥50.1 billion from ¥61.2 billion for the previous period.

Profit of equity method investments declined by ¥11.9 billion. Japan Australia LNG (MIMI) Pty. Ltd reported a decline due to lower oil prices.

Depreciation and amortization declined by ¥7.6 billion. Oil and gas producing operations recorded a decline of ¥7.7 billion, including a decline of ¥8.6 billion at Marcellus and Eagle Ford shale gas and oil operations in the United States.

Profit for the period attributable to owners of the parent declined by ¥86.2 billion. In addition to the above, the following factors also affected results:

- For the current period, exploration expenses of ¥7.6 billion in total were recorded, including those recorded by Mitsui E&P Australia Pty Limited and Mitsui E&P USA LLC. For the previous period, exploration expenses of ¥11.8 billion in total were recorded, including those recorded by Mitsui E&P Mozambique Area 1 Limited and Mitsui E&P Australia Pty Limited.
- For the current period, an impairment loss of ¥5.2 billion was recorded at Mitsui E&P UK Limited on fixed assets as a result of changes in estimation of asset retirement costs at oil and gas fields in the North Sea.

Lifestyle Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	6.0	5.6	+0.4
Gross profit	57.2	56.4	+0.8
Selling, general and administrative expenses	(71.4)	(67.5)	(3.9)
Dividend income	2.4	2.8	(0.4)
Profit of equity method investments	11.4	7.6	+3.8
Depreciation and amortization	6.4	6.2	+0.2
Profit for the period attributable to owners of the parent	(3.8)	(5.5)	+1.7

EBITDA increased by ¥0.4 billion, mainly due to the following factors:

Gross profit increased by ¥0.8 billion.

- The Food Resources Business Unit reported a decline of ¥0.8 billion.
- The Food Products & Services Business Unit reported an increase of ¥1.1 billion.
- The Consumer Service Business Unit reported an increase of ¥0.5 billion.

Selling, general and administrative expenses increased by ¥3.9 billion.

Profit of equity method investments increased by ¥3.8 billion.

- The Food Resources Business Unit reported an increase of ¥1.8 billion.
- The Food Products & Services Business Unit reported an increase of ¥0.5 billion.
- The Consumer Service Business Unit reported an increase of ¥1.5 billion.

Loss for the period attributable to owners of the parent improved by ¥1.7 billion. In addition to the above, the following factors also affected results:

- For the current period, Bussan Real Estate Co., Ltd. (now called Mitsui & Co. Real Estate Ltd.) recorded a ¥13.1 billion gain on the sales of buildings in Japan.
- For the current period, a ¥6.3 billion impairment loss on goodwill was recorded at Multigrain Trading AG.

Innovation & Corporate Development Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	7.2	(2.0)	+9.2
Gross profit	24.7	18.5	+6.2
Selling, general and administrative expenses	(30.1)	(31.4)	+1.3
Dividend income	4.5	4.6	(0.1)
Profit of equity method investments	5.4	3.7	+1.7
Depreciation and amortization	2.8	2.6	+0.2
Profit for the period attributable to owners of the parent	13.0	(2.3)	+15.3

EBITDA increased by ¥9.2 billion, mainly due to the following factors:

Gross profit increased by ¥6.2 billion.

- The IT & Communication Business Unit reported an increase of ¥1.5 billion.
- The Corporate Development Business Unit reported an increase of ¥4.7 billion.

Profit of equity method investments increased by ¥1.7 billion.

Profit for the period attributable to owners of the parent increased by ¥15.3 billion. In addition to the above, a ¥9.9 billion gain due to the valuation of fair value on shares in Hutchison China MediTech (including a ¥10.1 billion gain on shares in Hutchison MediPharma Holdings before share exchange with Hutchison China MediTech) was recorded.

Americas Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	39.8	19.8	+20.0
Gross profit	63.5	41.3	+22.2
Selling, general and administrative expenses	(31.9)	(31.0)	(0.9)
Dividend income	0.0	0.0	0.0
Profit of equity method investments	3.4	5.4	(2.0)
Depreciation and amortization	4.9	4.2	+0.7
Profit for the period attributable to owners of the parent	16.9	12.6	+4.3

EBITDA increased by ¥20.0 billion, mainly due to the following factors:

Gross profit increased by ¥22.2 billion. Novus International, Inc. reported an increase of ¥25.4 billion due to higher methionine prices and lower costs.

Profit of equity method investments declined by ¥2.0 billion.

Profit for the period attributable to owners of the parent increased by ¥4.3 billion. In addition to the above, a ¥4.5 billion gain on the sale of the stake in Silver Bell Mining, LLC was recorded for the previous period.

Europe, the Middle East and Africa Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	3.9	2.9	+1.0
Gross profit	10.9	10.5	+0.4
Selling, general and administrative expenses	(9.9)	(10.5)	+0.6
Dividend income	0.1	0.1	0.0
Profit of equity method investments	2.5	2.7	(0.2)
Depreciation and amortization	0.2	0.2	0.0
Profit for the period attributable to owners of the parent	2.9	3.2	(0.3)

EBITDA increased by ¥1.0 billion, mainly due to the following factors:

Gross profit increased by ¥0.4 billion.

Profit of equity method investments declined by ¥0.2 billion.

Profit for the period attributable to owners of the parent declined by ¥0.3 billion.

Asia Pacific Segment

(Billions of Yen)	Current Period	Previous Period	Change
EBITDA	22.6	29.0	(6.4)
Gross profit	12.0	10.9	+1.1
Selling, general and administrative expenses	(10.3)	(10.0)	(0.3)
Dividend income	0.7	0.6	+0.1
Profit of equity method investments	19.5	27.1	(7.6)
Depreciation and amortization	0.7	0.3	+0.4
Profit for the period attributable to owners of the parent	12.7	15.2	(2.5)

EBITDA declined by ¥6.4 billion, mainly due to the following factors:

Gross profit increased by ¥1.1 billion.

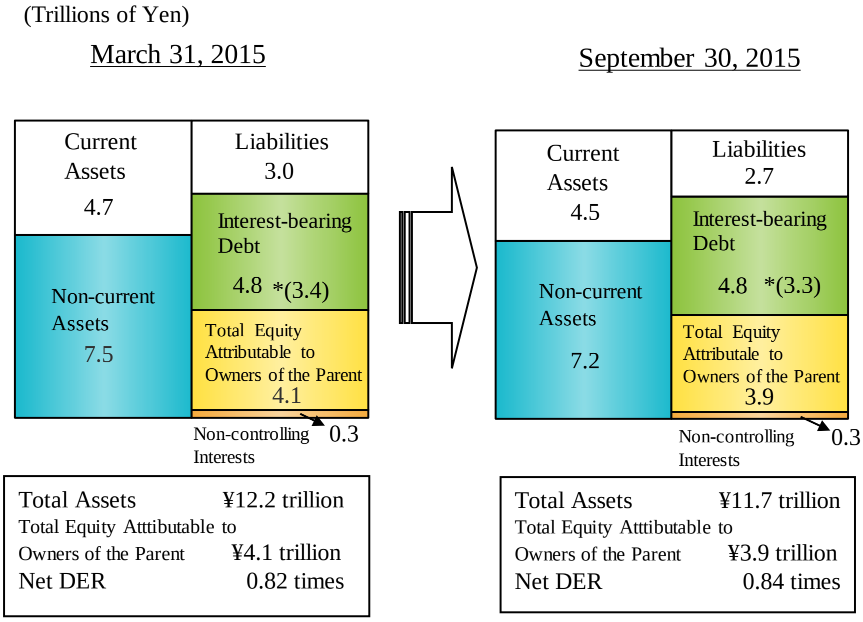
Profit of equity method investments declined by ¥7.6 billion. Allocation from other segments declined by ¥5.8 billion mainly due to the negative impact from lower iron ore prices on iron ore mining operations in Australia, jointly invested with the Mineral & Metal Resources Segment.

Profit for the period attributable to owners of the parent declined by ¥2.5 billion.

(3) **Financial Condition and Cash Flows**

1) Financial Condition

Total assets as of September 30, 2015 was ¥11,698.2 billion, a decline of ¥504.7 billion from ¥12,202.9 billion as of March 31, 2015.



(*) Figures in parenthesis in interest-bearing debt are "net interest-bearing debt," which is interest-bearing debt minus cash and cash equivalents and time deposits.

Total current assets as of September 30, 2015 was ¥4,506.2 billion, a decline of ¥224.3 billion from ¥4,730.5 billion as of March 31, 2015. Trade and other receivables declined by ¥255.1 billion, mainly due to the decline in trading volume in the Machinery & Infrastructure and the Chemicals Segments as well as lower prices in the Energy Segment.
Total current liabilities as of September 30, 2015 was ¥2,607.6 billion, a decline of ¥233.5 billion from ¥2,841.1 billion as of March 31, 2015. Trade and other payables declined by ¥154.5 billion, corresponding to the decline in trade and other receivables.

As a result, working capital, or current assets less current liabilities, as of September 30, 2015, totaled ¥1,898.6 billion, an increase of ¥9.2 billion from ¥1,889.4 billion as of March 31, 2015.

Total non-current assets as of September 30, 2015 totaled ¥7,192.0 billion, a decline of ¥280.4 billion from ¥7,472.4 billion as of March 31, 2015, mainly due to the following factors:

- Investments accounted for using the equity method as of September 30, 2015 was ¥2,711.8 billion, a decline of ¥79.5 billion from ¥2,791.3 billion as of March 31, 2015, mainly due to the following factors:
  - An decline of ¥143.0 billion resulting from foreign currency exchange fluctuations;
  - An increase of ¥14.1 billion due to an acquisition of a 25% stake in Gonvarri Eólica, S.L., which is engaged in wind turbine towers and flanges manufacturing in Spain;
  - An increase of ¥11.9 billion due to an additional acquisition of a stake in a passenger railway transportation

business in Brazil with Odebrecht TransPort S.A.; and

- A decline of ¥87.8 billion due to dividends received from equity accounted investees, despite an increase of ¥88.3 billion corresponding to the profit of equity method investments for the current period.

- Other investments as of September 30, 2015 were ¥1,395.3 billion, a decline of ¥134.5 billion from ¥1,529.8 billion as of March 31, 2015, mainly due to the following factors:
  - A ¥132.6 billion net decline mainly due to the decline of fair value on financial assets measured at FVTOCI in investments in LNG projects due to lower crude oil prices, and
  - A ¥9.4 billion net increase due to the increase of fair value on financial assets measured at FVTPL, including a ¥9.9 billion increase due to valuation of fair value on shares in Hutchison China MediTech (including a ¥10.1 billion increase due to valuation of fair value on shares in Hutchison MediPharma Holdings before a share exchange with Hutchison China MediTech).
- Trade and other receivables as of September 30, 2015 totaled ¥378.2 billion, a decline of ¥46.9 billion from ¥425.1 billion as of March 31, 2015, mainly due to a decline of ¥20.7 billion from the collection of a loan receivable to the FPSO leasing business in Brazil and Vietnam.
- Property, plant and equipment as of September 30, 2015 totaled ¥2,122.0 billion, a decline of ¥26.1 billion from ¥2,148.1 billion as of March 31, 2015, mainly due to the following factors:
  - A decline of ¥33.2 billion (including a foreign exchange translation loss of ¥34.9 billion) at iron ore mining operations in Australia;
  - A decline of ¥13.3 billion (including a foreign exchange translation loss of ¥9.7 billion) at coal mining operations in Australia; and
  - An increase of ¥10.8 billion (including a foreign exchange translation gain of ¥2.7 billion) in locomotive leasing businesses in Europe.
- Intangible assets as of September 30, 2015 totaled ¥169.5 billion, an increase of ¥6.5 billion from ¥163.0 billion as of March 31, 2015. There was an increase of ¥11.8 billion due to a reversal of impairment loss at Tokyo International Air Cargo Terminal Ltd.

Total non-current liabilities as of September 30, 2015 totaled ¥4,889.1 billion, a decline of ¥75.3 billion from ¥4,964.4 billion as of March 31, 2015.

Total equity attributable to owners of the parent as of September 30, 2015 was ¥3,906.6 billion, a decline of ¥193.2 billion from ¥4,099.8 billion as of March 31, 2015. Major components included:

- Retained earnings increased by ¥84.4 billion, which was partially offset by a dividend payment.
- Other components of equity as of September 30, 2015 declined by ¥273.3 billion.
  - Foreign currency translation adjustments declined by ¥182.9 billion reflecting the depreciation of the Australian dollar and the Brazilian real against the Japanese yen, and
  - Financial assets measured at FVTOCI declined by ¥98.2 billion. Fair value in investments in LNG projects declined reflecting the drop in oil prices.

Net interest-bearing debt or interest-bearing debt less cash and cash equivalents and time deposits as of September 30, 2015 was ¥3,290.5 billion, a decline of ¥91.7 billion from ¥3,382.2 billion as of March 31, 2015. The net debt-to-equity ratio (DER) (*) as of September 30, 2015 was 0.84 times, 0.02 points higher compared to 0.82 times as of March 31, 2015.

(*) We refer to “Net Debt-to-Equity Ratio” (“Net DER”) in this “Liquidity and Capital Resources” and elsewhere in this report. Net DER is comprised of “net interest bearing debt” divided by total equity attributable to owners of the parent. We define “net interest bearing debt” as follows:
- calculate interest bearing debt by adding up short-term debt and long-term debt
- calculate net interest bearing debt by subtracting cash and cash equivalents and time deposits with maturities within one year after three months from interest bearing debt

Our management considers that Net DER is a useful measure for investors to review the balance between interest bearing debt and total equity attributable to owners of the parent for the purpose of improving our capacity to meet debt repayment and leverage to improve return on equity in our capital structure.
“Net interest bearing debt” and “Net DER” are presented in the table below.

	Billions of Yen			
	As of March 31, 2015		As of September 30, 2015	
Short-term debt	¥	290.6	¥	329.5
Long-term debt	¥	4,503.3	¥	4,420.9
Interest bearing debt	¥	4,793.9	¥	4,750.4
Less cash and cash equivalents and time deposits	¥	(1,411.7)	¥	(1,459.9)
Net interest-bearing debt	¥	3,382.2	¥	3,290.5
Total equity attributable to owners of the parent	¥	4,099.8	¥	3,906.6
Net DER (times)		0.82		0.84

2) Cash Flows

Cash Flows from Operating Activities

(Billions of Yen)		Current Period	Previous Period	Change
Cash flows from operating activities	a	325.5	373.7	(48.2)
Cash flows from change in working capital	b	56.9	(27.5)	+84.4
Core operating cash flow	a-b	268.6	401.2	(132.6)

Net cash provided by operating activities for the current period was ¥325.5 billion, a decline of ¥48.2 billion from ¥373.7 billion for the previous period.

Net cash from an increase or a decrease in working capital, or changes in operating assets and liabilities for the current period was ¥56.9 billion of net cash inflow, an increase of ¥84.4 billion from ¥27.5 billion of net cash outflow for the previous period.

Core operating cash flow, cash flows from operating activities without the net cash flow from an increase or a decrease in working capital, for the current period amounted to ¥268.6 billion, a decline of ¥132.6 billion from ¥401.2 billion for the previous period.

- Depreciation and amortization for the current period was ¥125.9 billion, a decline of ¥16.5 billion from ¥142.4 billion for the previous period.
- Net cash inflow from dividend income, including dividends received from equity accounted investees, for the current period totaled ¥112.4 billion, a decline of ¥72.0 billion from ¥184.4 billion for the previous period.

The following table shows core operating cash flow by operating segment.

(Billions of Yen)	Current Period	Previous Period	Change
Iron & Steel Products	2.4	2.0	+0.4
Mineral & Metal Resources	71.6	85.4	(13.8)
Machinery & Infrastructure	34.5	39.8	(5.3)
Chemicals	8.8	9.9	(1.1)
Energy	111.5	210.4	(98.9)
Lifestyle	0.1	2.9	(2.8)
Innovation & Corporate Development	3.0	1.4	+1.6
Americas	27.1	11.4	+15.7
Europe, the Middle East and Africa	1.6	1.5	+0.1
Asia Pacific	3.7	4.2	(0.5)
All Other and Adjustments and Eliminations	4.3	32.3	(28.0)
Consolidated Total	268.6	401.2	(132.6)

Cash Flows from Investing Activities

Net cash used in investing activities for the current period was ¥151.7 billion, a decline of ¥38.3 billion from ¥190.0 billion for the previous period. The net cash used in investing activities consisted of:

- Net cash outflows that corresponded to investments in and advances to equity accounted investees (net of sales of investments and collection of advances) were ¥10.1 billion. The major cash outflow was an acquisition of a 25% stake in wind turbine towers and flanges manufacturing business in Spain for ¥14.1 billion and an additional acquisition of a stake in a passenger railway transportation business in Brazil for ¥11.9 billion. The major cash inflow was a repayment of loan to the FPSO leasing business for oil and gas production in Brazil and Vietnam for ¥20.7 billion.
- Net cash inflows that corresponded to other investments (net of sales and maturities of other investments) were ¥6.8 billion. The major cash inflow was a sale of shares in Coca-Cola East Japan Co., Ltd. for ¥11.7 billion.
- Net cash inflows that corresponded to long-term loan receivables (net of collection) were ¥5.7 billion.
- Net cash outflows that corresponded to purchases of property, plant, equipment and investment property (net of sales of those assets) were ¥154.2 billion. Major expenditures included:
  - Oil and gas projects other than the U.S. shale gas and oil projects for a total of ¥72.8 billion;
  - Marcellus and Eagle Ford shale gas and oil projects in the United States for ¥19.0 billion;
  - Iron ore mining projects in Australia for ¥17.0 billion; and
  - A methanol manufacturing joint venture in the United States for ¥10.2 billion.

  The major cash inflows included ¥13.5 billion from the sale of buildings in Japan by Bussan Real Estate Co., Ltd., which is sales proceeds of ¥17.0 billion less advance payment received in the previous fiscal year.

Free cash flow, or the sum of net cash provided by operating activities and net cash used in investing activities, for the current period was a net inflow of ¥173.8 billion.

Cash Flows from Financing Activities

For the current period, net cash used by financing activities was ¥97.1 billion, an increase of ¥239.3 billion from ¥142.2 billion of net cash provided for the previous period. The cash outflow from the borrowing of long-term debt was ¥77.1 billion and the cash outflow from payments of cash dividends was ¥57.4 billion. Meanwhile, the cash inflow from the borrowing of short-term debt was ¥47.0 billion.

In addition to the changes discussed above, there was a decline in cash and cash equivalents of ¥22.9 billion due to foreign exchange translation. Cash and cash equivalents as of September 30, 2015 totaled ¥1,454.6 billion, an increase of ¥53.8 billion from ¥1,400.8 billion as of March 31, 2015.

(4) Management Issues

1) Result and Forecast for Investment and Loan Plan

Our progress with the investment and loan plan in each operating segment for the current period was as follows:

<Results(approx. figure)>

	(¥ billion)	Major Segments and items
Gross Investments & Loans	-240.0	Existing Business + Projects in the pipeline -165.0 / New Business -75.0
(breakdown) Iron & Steel Products	-15.0	Wind turbine towers manufacturing
Mineral & Metal Resources	-25.0	Port and infrastructure expansion of Australian iron ore operations
Machinery & Infrastructure	-25.0	Passenger railway transportation business in Brazil
Chemicals	-15.0	Methanol production in US
Energy	-95.0	Developments of Thai businesses and shale oil/gas in US
Lifestyle	-20.0	Domestic broiler, Food service in China, British education
Innovation & Corporate Development	-10.0	High-speed mobile service in Africa
Overseas	-35.0	Tank terminal expansion in US, Wind power operation in Australia
Divestiture	+100.0	Loan to FPSO leasing, Sales of domestic real estate, Sales of Coca Cola East Japan shares

New investing activities took place or commenced during July – Sep 2015 are printed in blue ink
Investing activities pursing from the 3-month period ended Jun/15 or before are printed in black ink

We implemented investments and loans of approximately ¥165 billion to existing businesses and projects in the pipeline (*). In addition, we made new investments and loans of approximately ¥75 billion for further growth. The resulting sum of investments and loans for the current period was ¥240 billion. On the other hand, we collected approximately ¥100 billion through disposal of assets and investments.

To realize "Evolution of portfolio strategy", which is one of the key initiatives of the New Medium-term Management Plan, we will continue with improvement and modification of our portfolio adjustment and achieve positive free cash flow during the New Medium-term Management Plan by ensuring discipline in investments.

Please refer to "New Medium-term Management Plan Challenge & Innovation for 2020 – Demonstrating Mitsui Premium –" released on May 7, 2014 on our web site.

Please also refer to our Presentation Material of Financial Results for the year ended March 31, 2015 "New Medium-term Management Plan Challenge & Innovation for 2020 – Demonstrating Mitsui Premium –

Accomplishments in the First Year and Actions in Progress" for results for investments and loans in the first year of the New Medium-term Management Plan.

* Projects in which our participation has been decided and announced as of May 2014 and profit contributions from such projects are expected within several years.

2) Forecasts for the Year Ending March 31, 2016

＜Assumption＞	1st Half (Actual)	2nd Half (Forecast)	Revised Forecast	Original Forecast
Exchange rate (JPY/USD)	121.73	120	120.86	120
Crude oil (JCC)	$58.96/bbl	$56/bbl	$57/bbl	$63/bbl
Consolidated oil price	$60/bbl	$57/bbl	$58/bbl	$63/bbl

(Billions of yen)

	Revised Forecast	Original Forecast	Change	Description
Gross profit	740.0	740.0	0.0	
Selling, general and administrative expenses	(570.0)	(600.0)	30.0	Cost reductions at subsidiaries, delay in certain project costs
Gain on investments, fixed assets and other	40.0	30.0	10.0	Reversal gain of impairment, valuation gain on securities
Interest expenses	(20.0)	(30.0)	10.0	
Dividend income	60.0	60.0	0.0	
Profit of equity method investments	170.0	190.0	(20.0)	One-time negative impact in IPP business, FX valuation losses on debt at Valepar
Profit before income taxes	420.0	390.0	30.0	
Income taxes	(150.0)	(130.0)	(20.0)	
Non-controlling Interests	(30.0)	(20.0)	(10.0)	Non-controlling interest on Novus International
Profit for the year attributable to owners of the parent	240.0	240.0	0.0	

Depreciation and amortization	260.0	270.0	(10.0)

EBITDA	660.0	660.0	0.0

We assume foreign exchange rates for the six-month period ending March 31, 2016 (2nd half) will be ¥120/US$, ¥85/AU$ and ¥30/BRL, while average foreign exchange rates for the six-month period ended September 30, 2015 (1st half) were ¥121.73/US$, ¥90.90/AU$ and ¥36.46/BRL. Also, we assume the annual average crude oil price applicable to our financial results for the year ending March 31, 2016 will be US$58/barrel, down US$5 from the original assumption, based on the assumption that the crude oil price (JCC) will average US$56/barrel throughout the six-month period ending March 31, 2016.

- Selling, general and administrative expenses for the year ending March 31, 2016 are expected to be ¥570.0 billon, a decline of ¥30.0 billion from the original forecast, due to a reduction of personnel expenses and promotion costs at subsidiaries as well as delays in certain project costs.

- Gain on investments, fixed assets and other is expected to be ¥40.0 billion, an increase of ¥10.0 billion from the original forecast, due to a reversal gain of impairment and valuation gains on securities.
- Profit of equity method investments is expected to be ¥170.0 billion, a decline of ¥20.0 billion from the original forecast, due to the one-time negative impact at IPP business as well as foreign exchange valuation losses on debt at Vale S.A. and lower iron ore prices, which was partially offset by recognition of a deferred tax asset reflecting the tax system revision in Brazil.
- Non-controlling interests is expected to be ¥30.0 billion, an increase of ¥10.0 billion from the original forecast, reflecting the solid performance of Novus International, Inc.

As a result, profit for the year attributable to owners of the parent is expected to be ¥240.0 billion, the same level as the original forecast.

In addition to the above, depreciation and amortization is forecasted to decline; projected EBITDA is ¥660.0 billion, the same level as the original forecast.

The revised forecast for profit for the year attributable to owners of the parent by operating segment compared to the original forecast is as follows:

(Billions of Yen)	Year ending March 31, 2016 Revised Forecast	Year ending March 31, 2016 Original Forecast	Change
Iron & Steel Products	9.0	12.0	(3.0)
Mineral & Metal Resources	44.0	38.0	+6.0
Machinery & Infrastructure	50.0	53.0	(3.0)
Chemicals	11.0	8.0	+3.0
Energy	48.0	56.0	(8.0)
Lifestyle	(4.0)	19.0	(23.0)
Innovation & Corporate Development	18.0	3.0	+15.0
Americas	33.0	23.0	+10.0
Europe, the Middle East and Africa	4.0	2.0	+2.0
Asia Pacific	22.0	22.0	0.0
All Other and Adjustments and Eliminations	5.0	4.0	+1.0
Consolidated Total	240.0	240.0	0.0

- The revised forecast for the Iron & Steel Products Segment is ¥9.0 billion, a decline of ¥3.0 billion reflecting unfavorable market conditions.
- The revised forecast for the Mineral & Metal Resources Segment is ¥44.0 billion, an increase of ¥6.0 billion from the original forecast, reflecting the cost reduction and the recognition of deferred tax assets reflecting the tax system revision in Brazil at Valepar S.A. in spite of lower iron ore prices.
- The revised forecast for the Machinery & Infrastructure Segment is ¥50.0 billion, a decline of ¥3.0 billion from the original forecast, reflecting the one-time negative impact in IPP business in spite of the reversal gain of impairment at Tokyo International Air Cargo Terminal Ltd.

- The revised forecast for the Chemicals Segment is ¥11.0 billion, an increase of ¥3.0 billion from the original forecast due to solid trading volume.
- The revised forecast for the Energy Segment is ¥48.0 billion, a decline of ¥8.0 billion from the original forecast, reflecting lower crude oil prices in spite of partially off-setting cost reductions.
- The revised forecast for the Lifestyle Segment is a loss of ¥4.0 billion, a deterioration of ¥23.0 billion from the original forecast, reflecting the impairment loss on goodwill on Multigrain Trading AG and the poor performance of origination and merchandising of agricultural products.
- The revised forecast for the Innovation & Corporate Development Segment is ¥18.0 billion, an increase of ¥15.0 billion from the original forecast, reflecting a valuation gain on shares in Hutchison China MediTech (including shares in Hutchison MediPharma Holdings before the share exchange with Hutchison China MediTech).
- The revised forecast for the Americas Segment is ¥33.0 billion, an increase of ¥10.0 billion from the original forecast, reflecting the solid performance of Novus International, Inc. The revised forecast for the Europe, the Middle East and Africa Segment is ¥4.0 billion, an increase of ¥2.0 billion from the original forecast, reflecting a decline in selling, general and administrative expense. The revised forecast for the Asia Pacific Segment is ¥22.0 billion, the same level as the original forecast, taking into consideration the progress, which is in line with the original forecast.

3) Key commodity prices and other parameters for the year ending March 31, 2016

The table below shows assumptions for key commodity prices and foreign exchange rates for the forecast for the year ending March 31, 2016. The effects of movements on each commodity price and foreign exchange rates on profit for the year attributable to owners of the parent are included in the table.

Impact on profit for the year attributable to owners of the parent for the Year ending March 31, 2016 (Announced in May 2015)			Original Forecast (Announced in May 2015)	March 2016		Revised Forecast (Announced in November 2015)
				1st Half (Result)	2nd Half (Assumption)	
Commodity	Crude Oil/JCC	¥2.7 bn (US$1/bbl)	63	58.96	56	57
	Consolidated Oil Price(*1)		63	60	57	58
	U.S. Natural Gas(*2)	¥0.8 bn (US$0.1/mmBtu)	3.65	2.78(*3)	3.00(*4)	2.89
	Iron Ore	¥3.0 bn (US$1/ton)	(*5)	53(*6)	(*5)	(*5)
	Copper	¥1.0 bn (US$100/ton)	6,000	5,934(*7)	5,700	5,817
Forex (*8)	USD	¥1.8 bn (¥1/USD)	120	121.73	120	120.86
	AUD	¥0.8 bn (¥1/AUD)	95	90.90	85	87.95
	BRL	¥0.3 bn (¥1/BRL)	40	36.46	30	33.23

(*1) The oil price trend is reflected in profit for the year attributable to owners of the parent with a 0-6 month time lag. For the year ending March 31, 2016, we assume the annual average price applicable to our financial results as the Consolidated Oil Price based on the estimation: 4-6 month time lag, 34%; 1-3 month time lag, 38%; no time lag, 28%.
(*2) US shale gas are not all sold at Henry Hub (HH) linked prices. Therefore the sensitivity does not represent the direct impact of HH movement, but rather the impact from the movement of weighted average gas sales price.
(*3) Daily average of settlement price for prompt month Henry Hub Natural Gas Futures contracts reported by NYMEX during January 2015 - June 2015.
(*4) For natural gas sold in the US on HH linked prices, the assumed price used is US$3.00/mmBtu.
(*5) We refrain from disclosing the iron ore price assumptions.
(*6) Daily average of representative reference prices (Fine, Fe 62% CFR North China) during April 2015 to September 2015

(*7) Average of LME cash settlement price during January 2015 to June 2015

(*8) Impact of currency fluctuation on profit for the year attributable to owners of the parent of overseas subsidiaries and equity accounted investees (denomination in functional currency) against the Japanese yen. Impact of f currency fluctuation between their functional currencies against revenue currencies and exchange rate hedging are not included.

4) Profit Distribution Policy

Our profit distribution policy has been resolved as follows at the board of directors through discussion in which external directors were also involved:

- In order to increase corporate value and maximize shareholder value, we seek to maintain an optimal balance between (a) meeting investment demand in our core and growth areas through re-investments of our retained earnings, and (b) directly providing returns to shareholders by paying out cash dividends.
- In addition to the above, in relation to share buyback toward improving capital efficiency, we judge that the decision by the board of directors in a prompt and flexible manner as needed concerning its timing and amount by taking into consideration of the business environment such as, future investment activity trends, free cash flow and interest-bearing debt levels, and return on equity, continues to contribute to enhancement of corporate value.

For the six-month period ended September 30, 2015, we have decided to pay an interim dividend of ¥32 per share, the same amount as the corresponding six-month period of the previous year. For the year ending March 31, 2016, we currently envisage an annual dividend of ¥64 per share (including the interim dividend of ¥32 per share), the same amount as the year ended March 31, 2015, taking into consideration of EBITDA, core operating cash flow as well as stability and continuity of the amount of dividend, on the assumption that profit for the year attributable to owners of the parent will be ¥240 billion, as mentioned in our forecast for profit attributable to owners of the parent for the year ending March 31, 2016.

(5) Research & Development

Research and development (“R&D”) expenses were insignificant for the six-month period ended September 30, 2015.

3. Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Financial Position

Mitsui & Co., Ltd. and subsidiaries
September 30, 2015 and March 31, 2015

	Millions of Yen	
	September 30, 2015	**March 31, 2015**
ASSETS		
Current Assets:		
Cash and cash equivalents	¥ 1,454,645	¥ 1,400,770
Trade and other receivables	1,694,740	1,949,837
Other financial assets (Note 12)	342,661	384,156
Inventories (Note 12)	685,474	671,164
Advance payments to suppliers	200,117	188,545
Other current assets	128,534	136,051
Total current assets	4,506,171	4,730,523
Non-current Assets:		
Investments accounted for using the equity method	2,711,846	2,791,341
Other investments (Note 12)	1,395,327	1,529,767
Trade and other receivables(Note 12)	378,220	425,136
Other financial assets (Note 12)	137,697	130,974
Property, plant and equipment (Note 5)	2,121,974	2,148,142
Investment property	153,508	147,757
Intangible assets (Notes 2 and 6)	169,484	162,951
Deferred tax assets	64,954	78,746
Other non-current assets	59,017	57,584
Total non-current assets	7,192,027	7,472,398
Total assets	¥11,698,198	¥12,202,921

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Financial Position—(Continued)

Mitsui & Co., Ltd. and subsidiaries
September 30, 2015 and March 31, 2015

	Millions of Yen	
	September 30, 2015	March 31, 2015
LIABILITIES AND EQUITY		
Current Liabilities:		
Short-term debt	¥ 329,470	¥ 290,641
Current portion of long-term debt (Note 7)	398,225	472,718
Trade and other payables	1,229,454	1,384,039
Other financial liabilities (Notes 11 and 12)	372,422	414,011
Income tax payables	35,349	41,877
Advances from customers	187,920	177,432
Provisions	16,351	25,523
Other current liabilities	38,394	34,900
Total current liabilities	2,607,585	2,841,141
Non-current Liabilities:		
Long-term debt, less current portion (Notes 7 and 12)	4,022,682	4,030,598
Other financial liabilities (Notes 11 and 12)	125,348	147,289
Retirement benefit liabilities	43,895	46,211
Provisions	228,298	228,540
Deferred tax liabilities	436,964	482,141
Other non-current liabilities	31,867	29,627
Total non-current liabilities	4,889,054	4,964,406
Total liabilities	7,496,639	7,805,547
Equity:		
Common stock	341,482	341,482
Capital surplus	407,572	411,881
Retained earnings	2,622,217	2,537,815
Other components of equity (Note 8)	541,271	814,563
Treasury stock	(5,956)	(5,946)
Total equity attributable to owners of the parent	3,906,586	4,099,795
Non-controlling interests	294,973	297,579
Total equity	4,201,559	4,397,374
Total liabilities and equity	¥11,698,198	¥12,202,921

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Income and Comprehensive Income

Condensed Consolidated Statements of Income
Mitsui & Co., Ltd. and subsidiaries
For the Six-Month Periods Ended September 30, 2015 and 2014

	Millions of Yen	
	Six-month Period Ended September 30, 2015	Six-month Period Ended September 30, 2014
Revenue (Note 4):		
Sale of products	¥ 2,220,451	¥ 2,472,813
Rendering of services	196,715	207,815
Other revenue	80,666	66,941
Total revenue	2,497,832	2,747,569
Cost:		
Cost of products sold	(1,996,097)	(2,206,933)
Cost of services rendered	(79,014)	(88,872)
Cost of other revenue	(32,130)	(31,522)
Total cost	(2,107,241)	(2,327,327)
Gross Profit	390,591	420,242
Other Income (Expenses):		
Selling, general and administrative expenses	(283,371)	(281,361)
Gain (loss) on securities and other investments—net (Note 12)	16,070	9,305
Impairment reversal (loss) of fixed assets—net (Note 6)	4,808	(812)
Gain (loss) on disposal or sales of fixed assets—net	11,517	439
Other income (expense)—net	(19,185)	(8,574)
Total other income (expenses)	(270,161)	(281,003)
Finance Income (Costs):		
Interest income	15,945	16,735
Dividend income	25,977	76,932
Interest expense	(25,597)	(24,634)
Total finance income (costs)	16,325	69,033
Share of Profit of Investments Accounted for Using the Equity Method (Note 4)	88,275	103,809
Profit before Income Taxes	225,030	312,081
Income Taxes	(79,275)	(79,207)
Profit for the Period	¥ 145,755	¥ 232,874
Profit for the Period Attributable to:		
Owners of the parent	¥ 130,641	¥ 222,660
Non-controlling interests	15,114	10,214

	Yen	
Earnings per Share Attributable to Owners of the Parent (Note 10):		
Basic	¥ 72.88	¥ 124.22
Diluted	¥ 72.86	¥ 124.20

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Comprehensive Income
Mitsui & Co., Ltd. and subsidiaries
For the Six-Month Periods Ended September 30, 2015 and 2014

	Millions of Yen	
	Six-month Period Ended September 30, 2015	**Six-month Period Ended September 30, 2014**
Comprehensive Income:		
Profit for the period	¥ 145,755	¥ 232,874
Other comprehensive income :		
Items that will not be reclassified to profit or loss:		
Financial assets measured at FVTOCI	(117,234)	68,110
Remeasurements of defined benefit pension plans	1,479	(2,569)
Share of other comprehensive income of investments accounted for using the equity method	(3,289)	2,585
Income tax relating to items not reclassified	29,759	(17,389)
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	(66,031)	19,384
Cash flow hedges	3,818	(3,534)
Share of other comprehensive income of investments accounted for using the equity method	(147,140)	54,637
Income tax relating to items that may be reclassified	26,734	6,622
Total other comprehensive income	(271,904)	127,846
Comprehensive Income for the Period	¥ (126,149)	¥ 360,720
Comprehensive Income for the Period Attributable to:		
Owners of the parent	¥ (132,039)	¥ 343,404
Non-controlling interests	5,890	17,316

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Income and Comprehensive Income

Condensed Consolidated Statements of Income
Mitsui & Co., Ltd. and subsidiaries
For the Three-Month Periods Ended September 30, 2015 and 2014

	Millions of Yen	
	Three-month Period Ended September 30, 2015	Three-month Period Ended September 30, 2014
Revenue (Note 4):		
Sale of products	¥ 1,071,710	¥ 1,234,821
Rendering of services	99,841	107,100
Other revenue	42,592	35,122
Total revenue	1,214,143	1,377,043
Cost:		
Cost of products sold	(959,234)	(1,106,261)
Cost of services rendered	(40,342)	(44,341)
Cost of other revenue	(16,129)	(16,588)
Total cost	(1,015,705)	(1,167,190)
Gross Profit	198,438	209,853
Other Income (Expenses):		
Selling, general and administrative expenses	(143,521)	(142,113)
Gain (loss) on securities and other investments—net (Note 12)	(1,404)	8,148
Impairment reversal (loss) of fixed assets—net (Note 6)	5,237	(801)
Gain (loss) on disposal or sales of fixed assets—net	(1,422)	(36)
Other income (expense)—net	(17,642)	(6,986)
Total other income (expenses)	(158,752)	(141,788)
Finance Income (Costs):		
Interest income	7,537	8,378
Dividend income	9,813	35,943
Interest expense	(13,171)	(12,928)
Total finance income (costs)	4,179	31,393
Share of Profit of Investments Accounted for Using the Equity Method (Note 4)	28,400	39,489
Profit before Income Taxes	72,265	138,947
Income Taxes	(31,312)	(39,603)
Profit for the Period	¥ 40,953	¥ 99,344
Profit for the Period Attributable to:		
Owners of the parent	¥ 33,704	¥ 94,854
Non-controlling interests	7,249	4,490

	Yen	
Earnings per Share Attributable to Owners of the Parent (Note 10):		
Basic	¥ 18.80	¥ 52.92
Diluted	¥ 18.79	¥ 52.91

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Comprehensive Income
Mitsui & Co., Ltd. and subsidiaries
For the Three-Month Periods Ended September 30, 2015 and 2014

	Millions of Yen	
	Three-month Period Ended September 30, 2015	Three-month Period Ended September 30, 2014
Comprehensive Income:		
Profit for the period	¥ 40,953	¥ 99,344
Other comprehensive income :		
Items that will not be reclassified to profit or loss:		
Financial assets measured at FVTOCI	(146,317)	44,546
Remeasurements of defined benefit pension plans	217	(1,008)
Share of other comprehensive income of investments accounted for using the equity method	(1,307)	577
Income tax relating to items not reclassified	38,985	(11,386)
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	(75,229)	22,230
Cash flow hedges	(1,468)	(850)
Share of other comprehensive income of investments accounted for using the equity method	(223,013)	73,391
Income tax relating to items that may be reclassified	36,752	4,622
Total other comprehensive income	(371,380)	132,122
Comprehensive Income for the Period	¥ (330,427)	¥ 231,466
Comprehensive Income for the Period Attributable to:		
Owners of the parent	¥ (324,184)	¥ 217,600
Non-controlling interests	(6,243)	13,866

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Changes in Equity

Mitsui & Co., Ltd. and subsidiaries
For the Six-Month Periods Ended September 30, 2015 and 2014

	Attributable to owners of the parent							
Millions of Yen	**Common Stock**	**Capital Surplus**	**Retained Earnings**	**Other Components of Equity (Note 8)**	**Treasury Stock**	**Total**	**Non-controlling Interests**	**Total Equity**
Balance as at April 1, 2014	¥ 341,482	¥ 418,004	¥ 2,345,790	¥ 766,631	¥ (56,140)	¥ 3,815,767	¥ 284,537	¥ 4,100,304
Profit for the period			222,660			222,660	10,214	232,874
Other comprehensive income for the period				120,744		120,744	7,102	127,846
Comprehensive income for the period						343,404	17,316	360,720
Transaction with owners:								
Dividends paid to the owners of the parent (per share: ¥34)			(60,946)			(60,946)		(60,946)
Dividends paid to non-controlling interest shareholders							(7,384)	(7,384)
Acquisition of treasury stock					(11)	(11)		(11)
Sale of treasury stock..................			0		0	0		0
Cancellation of treasury stock......			(50,191)		50,191	-		-
Compensation costs related to stock options...........................		215				215		215
Equity transactions with non-controlling interest shareholders............................		(5,870)		1,122		(4,748)	6,879	2,131
Transfer to retained earnings............			17,163	(17,163)		-		-
Balance as at September 30, 2014	¥ 341,482	¥ 412,349	¥ 2,474,476	¥ 871,334	¥ (5,960)	¥ 4,093,681	¥ 301,348	¥ 4,395,029

	Attributable to owners of the parent							
Millions of Yen	**Common Stock**	**Capital Surplus**	**Retained Earnings**	**Other Components of Equity (Note 8)**	**Treasury Stock**	**Total**	**Non-controlling Interests**	**Total Equity**
Balance as at April 1, 2015	¥ 341,482	¥ 411,881	¥ 2,537,815	¥ 814,563	¥ (5,946)	¥ 4,099,795	¥ 297,579	¥ 4,397,374
Profit for the period			130,641			130,641	15,114	145,755
Other comprehensive income for the period				(262,680)		(262,680)	(9,224)	(271,904)
Comprehensive income for the period						(132,039)	5,890	(126,149)
Transaction with owners:								
Dividends paid to the owners of the parent (per share: ¥32)			(57,361)			(57,361)		(57,361)
Dividends paid to non-controlling interest shareholders							(11,111)	(11,111)
Acquisition of treasury stock					(10)	(10)		(10)
Sales of treasury stock		0			0	0		0
Compensation costs related to stock options............................		181				181		181
Equity transactions with non-controlling interest shareholders.............................		(4,490)		510		(3,980)	2,615	(1,365)
Transfer to retained earnings.............			11,122	(11,122)		-		-
Balance as at September 30, 2015	¥ 341,482	¥ 407,572	¥ 2,622,217	¥ 541,271	¥ (5,956)	¥ 3,906,586	¥ 294,973	¥ 4,201,559

Condensed Consolidated Statements of Cash Flows

Mitsui & Co., Ltd. and subsidiaries
For the Six-Month Periods Ended September 30, 2015 and 2014

	Millions of Yen	
	Six-month Period Ended September 30, 2015	Six-month Period Ended September 30, 2014
Operating Activities:		
Profit for the Period	¥ 145,755	¥ 232,874
Adjustments to reconcile profit for the period to cash flows from operating activities:		
Depreciation and amortization	125,929	142,443
Change in retirement benefit liabilities	(675)	(1,725)
Provision for doubtful receivables	6,456	6,359
(Gain) loss on securities and other investments—net	(16,070)	(9,305)
Impairment (reversal) loss of fixed assets—net	(4,808)	812
(Gain) loss on disposal or sales of fixed assets—net	(11,517)	(439)
Finance (income) costs—net	(11,555)	(65,273)
Income taxes	79,275	79,207
Share of profit of investments accounted for using the equity method	(88,275)	(103,809)
Changes in operating assets and liabilities:		
Change in trade and other receivables	267,409	48,949
Change in inventories	(22,712)	(73,886)
Change in trade and other payables	(124,494)	8,435
Other—net	(63,251)	(11,014)
Interest received	20,018	17,515
Interest paid	(25,555)	(23,977)
Dividends received	112,350	184,380
Income taxes paid	(62,737)	(57,858)
Cash flows from operating activities	325,543	373,688
Investing Activities:		
Change in time deposits	89	(976)
Investments in and advances to equity accounted investees	(53,869)	(105,900)
Proceeds from sales of investments in and collection of advances from equity accounted investees	43,763	39,709
Purchases of other investments	(23,524)	(22,189)
Proceeds from sales and maturities of other investments	30,293	47,772
Increase in long-term loan receivables	(1,831)	(989)
Collections of long-term loan receivables	7,561	23,373
Purchases of property, plant, equipment and investment property	(173,402)	(184,210)
Proceeds from sales of property, plant, equipment and investment property	19,227	13,444
Cash flows from investing activities	(151,693)	(189,966)
Financing Activities:		
Change in short-term debt	46,968	35,646
Proceeds from long-term debt	260,579	501,300
Repayments of long-term debt	(337,659)	(325,443)
Purchases and sales of treasury stock	(10)	(11)
Dividends paid	(57,369)	(60,955)
Transactions with non-controlling interests shareholders	(9,603)	(8,314)
Cash flows from financing activities	(97,094)	142,223
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(22,881)	19,083
Cash and Cash Equivalents Included in Assets Held for Sale	-	(673)
Change in Cash and Cash Equivalents	53,875	344,355
Cash and Cash Equivalents at Beginning of Period	1,400,770	1,226,317
Cash and Cash Equivalents at End of Period	¥ 1,454,645	¥ 1,570,672

See Notes to Condensed Consolidated Financial Statements

Notes to Condensed Consolidated Financial Statements

Mitsui & Co., Ltd. and subsidiaries

1. REPORTING ENTITY

Mitsui & Co., Ltd. (the "Company") is a company incorporated in Japan. Condensed Consolidated Financial Statements of the Company have a quarterly closing date as of September 30 and comprises the financial statements of the Company and its subsidiaries (collectively, the "companies"), and the interests in associated companies and joint ventures (collectively, the "equity accounted investees").

The companies, as sogo shosha or general trading companies, are engaged in business activities, such as trading in various commodities, financing for customers and suppliers relating to such trading activities worldwide, and organizing and coordinating industrial projects through their worldwide business networks.

The companies conduct sales, export, import, offshore trades and manufacture of products in the areas of "Iron & Steel Products," "Mineral & Metal Resources," "Machinery & Infrastructure," "Chemicals," "Energy," "Lifestyle," and "Innovation & Corporate Development," while providing general services for retailing, information and communications, technical support, transportation, and logistics and financing.

In addition to the above, the companies are also engaged in the development of natural resources such as oil and gas, and iron and steel raw materials and in strategic business investments in new areas such as information technology, renewable energy, and environmental solution business.

2. BASIS OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

I. BASIS OF PREPARATION

Condensed Consolidated Financial Statements have been prepared in accordance with International Accounting Standard No.34 ("IAS34") and not all information required in Consolidated Financial Statements as of the end of fiscal year is included. Therefore, Condensed Consolidated Financial Statements should be used with Consolidated Financial Statements of the previous fiscal year.

II. USE OF ESTIMATES AND JUDGMENTS

The preparation of Condensed Consolidated Financial Statements requires management to make judgments based on assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these judgments based on assumptions and estimates.

The judgments based on assumptions and estimates which could affect the accompanying Condensed Consolidated Financial Statements are the same as those of the previous fiscal year except for the following.

- Note 6. "IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES FOR ASSETS"

III. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied in the accompanying Condensed Consolidated Financial Statements are the same as those applied in the Consolidated Financial Statements of the previous fiscal year..

IV. RECLASSIFICATION

Certain reclassifications and format changes have been made to amounts as of March 31, 2015 and for the six-month period ended September 30, 2014 to conform to the current period presentation.

3. BUSINESS COMBINATIONS

No material business combinations were completed during the six-month periods ended September 30, 2015 and 2014.

4. SEGMENT INFORMATION

Six-month period ended September 30, 2015 :	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
	Millions of Yen						
Revenue	¥ 58,147	¥ 373,916	¥ 199,788	¥ 433,379	¥ 375,148	¥ 490,992	¥ 66,027
Gross Profit	¥ 16,493	¥ 57,120	¥ 64,535	¥ 38,056	¥ 69,855	¥ 57,209	¥ 24,675
Share of Profit of Investments Accounted for Using the Equity Method	¥ 2,732	¥ 4,533	¥ 19,742	¥ 4,289	¥ 15,019	¥ 11,403	¥ 5,366
Profit (Loss) for the Period Attributable to Owners of the parent	¥ 2,548	¥ 31,297	¥ 18,800	¥ 4,724	¥ 26,172	¥ (3,834)	¥ 13,041
EBITDA	¥ 5,575	¥ 67,221	¥ 31,608	¥ 13,565	¥ 140,438	¥ 6,033	¥ 7,188
Total Assets at September 30, 2015	¥ 420,051	¥ 1,786,655	¥ 1,921,011	¥ 820,224	¥ 2,252,199	¥ 1,575,925	¥ 592,488

Six-month period ended September 30, 2015 :	Americas	Europe the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
	Millions of Yen						
Revenue	¥ 406,254	¥ 54,852	¥ 62,805	¥ 2,521,308	¥ 1,323	¥ (24,799)	¥ 2,497,832
Gross Profit	¥ 63,518	¥ 10,913	¥ 11,994	¥ 414,368	¥ 836	¥ (24,613)	¥ 390,591
Share of Profit of Investments Accounted for Using the Equity Method	¥ 3,350	¥ 2,499	¥ 19,532	¥ 88,465	¥ 30	¥ (220)	¥ 88,275
Profit (Loss) for the Period Attributable to Owners of the parent	¥ 16,937	¥ 2,877	¥ 12,697	¥ 125,259	¥ 753	¥ 4,629	¥ 130,641
EBITDA	¥ 39,828	¥ 3,887	¥ 22,608	¥ 337,951	¥ (3,242)	¥ 12,692	¥ 347,401
Total Assets at September 30, 2015	¥ 602,518	¥ 156,540	¥ 412,936	¥ 10,540,547	¥ 5,398,234	¥ (4,240,583)	¥ 11,698,198

Six-month period ended September 30, 2014(As restated):	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
	Millions of Yen						
Revenue	¥ 91,237	¥ 391,095	¥ 204,910	¥ 470,474	¥ 543,794	¥ 460,182	¥ 58,331
Gross Profit	¥ 20,781	¥ 77,411	¥ 60,278	¥ 37,197	¥ 110,306	¥ 56,446	¥ 18,513
Share of Profit of Investments Accounted for Using the Equity Method	¥ 3,150	¥ 1,270	¥ 23,376	¥ 3,026	¥ 26,925	¥ 7,645	¥ 3,699
Profit (Loss) for the Period Attributable to Owners of the parent	¥ 2,710	¥ 42,601	¥ 21,591	¥ 3,815	¥ 112,369	¥ (5,462)	¥ (2,254)
EBITDA	¥ 6,586	¥ 90,051	¥ 32,399	¥ 12,075	¥ 249,149	¥ 5,646	¥ (1,973)
Total Assets at March 31, 2015	¥ 457,838	¥ 1,951,657	¥ 2,046,943	¥ 839,609	¥ 2,582,054	¥ 1,615,681	¥ 592,538

Six-month period ended September 30, 2014(As restated):	Americas	Europe the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
	Millions of Yen						
Revenue	¥ 430,553	¥ 52,680	¥ 56,947	¥ 2,760,203	¥ 1,411	¥ (14,045)	¥ 2,747,569
Gross Profit	¥ 41,250	¥ 10,471	¥ 10,926	¥ 443,579	¥ 898	¥ (24,235)	¥ 420,242
Share of Profit of Investments Accounted for Using the Equity Method	¥ 5,357	¥ 2,672	¥ 27,058	¥ 104,178	¥ 30	¥ (399)	¥ 103,809
Profit (Loss) for the Period Attributable to Owners of the parent	¥ 12,558	¥ 3,248	¥ 15,215	¥ 206,391	¥ 4,097	¥ 12,172	¥ 222,660
EBITDA	¥ 19,789	¥ 2,864	¥ 28,981	¥ 445,567	¥ 486	¥ 16,012	¥ 462,065
Total Assets at March 31, 2015	¥ 613,287	¥ 167,658	¥ 443,322	¥ 11,310,587	¥ 5,115,883	¥ (4,223,549)	¥ 12,202,921

Three-month period ended September 30, 2015 :	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
	Millions of Yen						
Revenue	¥ 27,861	¥ 183,827	¥ 114,682	¥ 210,776	¥ 169,388	¥ 244,750	¥ 35,088
Gross Profit	¥ 7,949	¥ 30,461	¥ 34,826	¥ 19,294	¥ 33,907	¥ 27,405	¥ 13,413
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	¥ 1,479	¥ 5,728	¥ (4,517)	¥ 2,277	¥ 3,160	¥ 6,037	¥ 2,616
Profit (Loss) for the Period Attributable to Owners of the parent	¥ 352	¥ 17,708	¥ 1,150	¥ 3,225	¥ 9,477	¥ (12,357)	¥ (1,271)
EBITDA	¥ 1,934	¥ 36,707	¥ 2,873	¥ 5,643	¥ 67,029	¥ (233)	¥ 2,558

Three-month period ended September 30, 2015 :	Americas	Europe the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
	Millions of Yen						
Revenue	¥ 187,859	¥ 24,886	¥ 27,313	¥ 1,226,430	¥ 687	¥ (12,974)	¥ 1,214,143
Gross Profit	¥ 31,958	¥ 5,419	¥ 6,194	¥ 210,826	¥ 443	¥ (12,831)	¥ 198,438
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	¥ 664	¥ 1,327	¥ 9,688	¥ 28,459	¥ 14	¥ (73)	¥ 28,400
Profit (Loss) for the Period Attributable to Owners of the parent	¥ 7,745	¥ 1,441	¥ 6,444	¥ 33,914	¥ (854)	¥ 644	¥ 33,704
EBITDA	¥ 20,074	¥ 1,971	¥ 11,364	¥ 149,920	¥ (2,341)	¥ 6,349	¥ 153,928

Three-month period ended September 30, 2014(As restated):	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
	Millions of Yen						
Revenue	¥ 46,636	¥ 198,799	¥ 103,819	¥ 251,631	¥ 264,107	¥ 240,365	¥ 29,034
Gross Profit	¥ 10,415	¥ 31,908	¥ 32,453	¥ 18,620	¥ 56,934	¥ 30,438	¥ 8,040
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	¥ 2,721	¥ (7,107)	¥ 9,752	¥ 1,714	¥ 13,207	¥ 3,048	¥ 1,121
Profit (Loss) for the Period Attributable to Owners of the parent	¥ 1,672	¥ 3,946	¥ 10,018	¥ 1,257	¥ 55,697	¥ (4,648)	¥ (2,557)
EBITDA	¥ 4,118	¥ 31,545	¥ 16,099	¥ 5,784	¥ 128,608	¥ 3,419	¥ (4,810)

Three-month period ended September 30, 2014(As restated):	Americas	Europe the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
	Millions of Yen						
Revenue	¥ 196,160	¥ 24,810	¥ 28,001	¥ 1,383,362	¥ 667	¥ (6,986)	¥ 1,377,043
Gross Profit	¥ 21,352	¥ 5,707	¥ 5,584	¥ 221,451	¥ 406	¥ (12,004)	¥ 209,853
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	¥ 2,388	¥ 1,355	¥ 11,477	¥ 39,676	¥ 14	¥ (201)	¥ 39,489
Profit (Loss) for the Period Attributable to Owners of the parent	¥ 6,801	¥ 2,164	¥ 4,869	¥ 79,219	¥ 2,424	¥ 13,211	¥ 94,854
EBITDA	¥ 10,023	¥ 1,720	¥ 12,124	¥ 208,630	¥ 718	¥ 8,550	¥ 217,898

Notes: (1) “All Other” principally consisted of the Corporate Staff Unit which provides financing services and operations services to external customers and/or to the companies and affiliated companies. Total assets of “All Other” at September 30, 2015 and March 31, 2015 consisted primarily of cash and cash equivalents and time deposits related to financing activities, and assets of the Corporate Staff Unit and certain subsidiaries related to the above services.

(2) Transfers between reportable segments are made at cost plus a markup.

(3) Profit (Loss) for the Period Attributable to Owners of the parent of “Adjustments and Eliminations” includes income and expense items that are not allocated to specific reportable segments, and eliminations of intersegment transactions.

(4) Since the year ended March 31, 2015, EBITDA has been disclosed by reportable segments as the information of the operating segments periodically reviewed by the entity's chief operating decision maker. EBITDA is comprised of the companies' (a) Gross Profit, (b) Selling, general and administrative expenses, (c) Dividend income, (d) Share of Profit (Loss) of Investments Accounted for Using the Equity Method as presented in the Condensed Consolidated Statements of Income and (e) Depreciation and amortization as presented in the Condensed Consolidated Statements of Cash Flows.

(5) Previously, Profit for the Period of the jointly invested subsidiaries by several segments was allocated from main segment to sub segment by using Profit for the Period Attributable to Non-controlling interests account. However, in order to disclose each operating segment's EBITDA more properly, since the three-month period ended June 30, 2015, profits and losses associated with EBITDA have been allocated by using Share of Profit (Loss) of Investments Accounted for Using the Equity Method account. Also, in order to disclose each operating segment's Total Assets more properly, since the three-month period ended June 30, 2015, Total Assets of the jointly invested subsidiaries have been allocated based on the internal profit share. In accordance with these changes, the operating segment information for the six-month and the three-month periods ended September 30, 2014 has been restated to conform to the current period presentation.

(6) Since the three-month period ended June 30, 2015, service fees received from affiliated companies, which were formerly included in Other income (expense) – net, have been either included in Revenue or deducted from Selling, general and administrative expenses according to their nature, in order to disclose each operating segment's EBITDA more properly. In accordance with these changes, the operating segment information for the six-month and the three-month periods ended September 30, 2014 has been restated to conform to the current period presentation.

(7) During the three-month period ended June 30, 2015, Media Business Div. was transferred from the "Lifestyle" segment to the "Innovation & Corporate Development" segment, in conjunction with the creation of the IT & Communication Business Unit and the Corporate Development Business Unit in "Innovation & Corporate Development" segment. In accordance with these changes, the operating segment information for the six-month and the three-month periods ended September 30, 2014 has been restated to conform to the current period presentation.

5. ACQUISITIONS AND DISPOSALS OF PROPERTY, PLANT AND EQUIPMENT

The amounts of acquisitions of property, plant and equipment for the six-month periods ended September 30, 2015 and 2014 are ¥185,425 million and ¥200,702 million, respectively.
The amounts of disposals of property, plant and equipment for the six-month periods ended September 30, 2015 and 2014 are ¥19,676 million and ¥9,582 million, respectively.

6. IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES FOR ASSETS

The amount of impairment losses for assets for the six-month periods ended September 30, 2015 and 2014 were not material.

For the six-month period ended September 30, 2015, TOKYO INTERNATIONAL AIR CARGO TERMINAL LTD., a subsidiary in the Machinery & Infrastructure Segment, recognized the reversal of impairment loss of ¥11,808 million related to the intangible asset based on the service concession arrangement in "Impairment reversal (loss) of fixed assets - net" in the Condensed Consolidated Statements of Income based on the recoverable amount of ¥12,075 million. This reversal of impairment loss mainly related to the increase in the quantity of air cargo caused by the increase in inbound and outbound flights at Haneda Airport and the cost reduction. The recoverable amount above represented the value in use. The discount rate used to calculate the value in use is deemed to reflect the market average profit margin and the risks inherent to the cash-generating unit.
The amount of reversal of impairment losses for assets for the six-month period ended September 30, 2014 was not material.

7. ISSUES, REPURCHASES AND REPAYMENTS OF FINANCIAL INSTRUMENTS

The total amount of repaid bonds for the six-month period ended September 30, 2015 was ¥20,046 million.
The total amount of issued bonds for the six-month period ended September 30, 2015 was none.

The total amount of repaid bonds for the six-month period ended September 30, 2014 was not material.
The total amount of issued bonds for the six-month period ended September 30, 2014 was ¥35,237 million.

8. EQUITY

Changes in other components of equity for the six-month periods ended September 30, 2015 and 2014 were as follows:

	Millions of Yen			
	Six-month period ended September 30, 2015		Six-month period ended September 30, 2014	
Financial Assets Measured at FVTOCI:				
Balance at beginning of period	¥	318,810	¥	369,267
Increase (decrease) during the period		(87,653)		49,689
Transfer to retained earnings		(10,577)		(17,916)
Balance at end of period	¥	220,580	¥	401,040
Remeasurements of Defined Benefit Pension Plans:				
Balance at beginning of period	¥	-	¥	-
Increase (decrease) during the period		545		(753)
Transfer to retained earnings		(545)		753
Balance at end of period	¥	-	¥	-
Foreign Currency Translation Adjustments:				
Balance at beginning of period	¥	538,728	¥	413,931
Increase (decrease) during the period		(182,967)		81,991
Balance at end of period	¥	355,761	¥	495,922
Cash Flow Hedges:				
Balance at beginning of period	¥	(42,975)	¥	(16,567)
Increase (decrease) during the period		7,905		(9,061)
Balance at end of period	¥	(35,070)	¥	(25,628)
Total:				
Balance at beginning of period	¥	814,563	¥	766,631
Increase (decrease) during the period		(262,170)		121,866
Transfer to retained earnings		(11,122)		(17,163)
Balance at end of period	¥	541,271	¥	871,334

9. DIVIDENDS

During the six-month periods ended September 30, 2015 and 2014, the Company paid dividends of ¥32 per share (total dividend of ¥57,369 million) and ¥34 per share (total dividend of ¥60,955 million), respectively.

10. EARNINGS PER SHARE

The following is a reconciliation of basic earnings per share attributable to owners of the parent to diluted earnings per share attributable to owners of the parent for the six-month and three-month periods ended September 30, 2015 and 2014:

	Six-month Period Ended September 30, 2015			Six-month Period Ended September 30, 2014		
	Profit (numerator)	Shares (denominator)	Per share amount	Profit (numerator)	Shares (denominator)	Per share amount
	Millions of Yen	In Thousands	Yen	Millions of Yen	In Thousands	Yen
Basic earnings per share attributable to owners of the parent:	¥ 130,641	1,792,519	¥ 72.88	¥ 222,660	1,792,509	¥ 124.22
Effect of dilutive securities:						
Adjustment of effect of:						
Dilutive securities of associated companies…	(9)	-		(7)	-	
Stock options …………………………………	-	351		-	257	
Diluted earnings per share attributable to owners of the parent:	¥ 130,632	1,792,870	¥ 72.86	¥ 222,653	1,792,766	¥ 124.20

	Three-month Period Ended September 30, 2015			Three-month Period Ended September 30, 2014		
	Profit (numerator)	Shares (denominator)	Per share amount	Profit (numerator)	Shares (denominator)	Per share amount
	Millions of Yen	In Thousands	Yen	Millions of Yen	In Thousands	Yen
Basic earnings per share attributable to owners of the parent:	¥ 33,704	1,792,515	¥ 18.80	¥ 94,854	1,792,508	¥ 52.92
Effect of dilutive securities:						
Adjustment of effect of:						
Dilutive securities of associated companies…	(6)	-		(4)	-	
Stock options …………………………………	-	441		-	257	
Diluted earnings per share attributable to owners of the parent:	¥ 33,698	1,792,956	¥ 18.79	¥ 94,850	1,792,765	¥ 52.91

11. CONTINGENT LIABILITIES

I. GUARANTEES

The companies provide various types of guarantees to the benefit of third parties and related parties principally to enhance their credit standings, and would be required to execute payments if a guaranteed party failed to fulfill its obligation with respect to a borrowing or trade payable.

The table below summarizes the maximum potential amount of future payments, amount outstanding and recourse provisions/collateral of the companies' guarantees as of September 30, 2015 and March 31, 2015. The maximum potential amount of future payments represents the amount without consideration of possible recoveries under recourse provisions or from collateral held or pledged that the companies could be obliged to pay if there were defaults by guaranteed parties. Such amounts bear no relationship to the anticipated losses on these guarantees and indemnifications, and, in the aggregate, they greatly exceed anticipated losses.
The companies evaluate risks involved for each guarantee in an internal screening procedure before issuing a guarantee and regularly monitor outstanding positions and record adequate allowance to cover losses expected from probable performance under these agreements. The companies believe that the likelihood to perform guarantees which would materially affect the consolidated financial position, operating result, or cash flows of the companies is remote at September 30, 2015.

	Millions of Yen			
	Maximum potential amount of future payments	**Amount outstanding (a)**	**Recourse provisions/ Collateral (b)**	**Net amount outstanding (a)-(b)**
September 30, 2015				
Type of guarantees:				
Financial guarantees				
Guarantees for third parties.....	¥ 146,719	¥ 57,827	¥ 2,381	¥ 55,446
Guarantees for the investments accounted for using the equity method	805,229	444,635	68,745	375,890
Performance guarantees				
Guarantees for third parties.....	56,109	38,000	2,155	35,845
Guarantees for the investments accounted for using the equity method	35,336	26,222	5,271	20,951
Total..................................	¥ 1,043,393	¥ 566,684	¥ 78,552	¥ 488,132

	Millions of Yen			
	Maximum potential amount of future payments	**Amount outstanding (a)**	**Recourse provisions/ Collateral (b)**	**Net amount outstanding (a)-(b)**
March 31, 2015				
Type of guarantees:				
Financial guarantees				
Guarantees for third parties.....	¥ 213,030	¥ 82,758	¥ 19,673	¥ 63,085
Guarantees for the investments accounted for using the equity method	690,440	385,616	88,859	296,757
Performance guarantees				
Guarantees for third parties.....	50,092	33,925	2,883	31,042
Guarantees for the investments accounted for using the equity method	35,767	27,034	236	26,798
Total..................................	¥ 989,329	¥ 529,333	¥ 111,651	¥ 417,682

Guarantees for third parties

The companies guarantee, severally or jointly with others, indebtedness of certain customers and suppliers in the furtherance of their trading activities. Most of these guarantees outstanding as of September 30, 2015 and March 31, 2015 will expire through 2033.

Guarantees for the investments accounted for using the equity method

The companies, severally or jointly with others, issue guarantees for the investments accounted for using the equity method for the purpose of furtherance of their trading activities and enhancement of their credit for securing financing. Most of these guarantees outstanding as of September 30, 2015 and March 31, 2015 will expire through 2020 and 2022, respectively.

The table below summarizes the maximum potential amount of future payments for the companies' guarantees by the remaining contractual period as of September 30, 2015 and March 31, 2015.

	Millions of Yen	
	September 30, 2015	**March 31, 2015**
Within 1 year	¥ 214,349	¥ 189,481
After 1 to 5 years	559,728	522,605
After 5 years	269,316	277,243
Total	¥ 1,043,393	¥ 989,329

II. LITIGATION

Various claims and legal actions are pending against the companies in respect of contractual obligations and other matters arising out of the conduct of the companies' business. Appropriate provision has been recorded for the estimated loss on claims and legal actions. In the opinion of management, any additional liabilities will not materially affect the consolidated financial position, operating results, or cash flows of the companies.

12. FAIR VALUE MEASUREMENT

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 establishes the fair value hierarchy that may be used to measure fair value, which is provided as follows. The companies recognize transfers of assets or liabilities between levels of the fair value hierarchy as of the end of each reporting period when the transfers occur.

Level 1:
Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2:
Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly or indirectly. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Inputs other than quoted prices that are observable for the assets or liabilities
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3:
Unobservable inputs for the assets or liabilities.

(1)Valuation techniques

Primary valuation techniques used for each financial instrument and non-financial asset measured at fair value are as follows:

Other Investments
- Other investments other than measured at amortized cost are measured at fair value.
- Publicly-traded other investments are measured using quoted market prices and classified as level 1.

- Non-marketable other investments are measured at fair value principally using discounted cash flow method, the market comparison approach and other appropriate valuation techniques considering various assumptions, including expected future cash flows and discount rates reflecting the related risks of the investee. The degree to which these inputs are observable in the relevant markets determines whether the investment is classified as level 2 or 3.

Derivative Instruments

- Derivative instruments mainly consist of derivative commodity instruments and derivative financial instruments.
- Exchange-traded derivative commodity instruments measured using quoted market prices are classified as level 1. Certain derivative commodity instruments measured using observable inputs of the quoted prices obtained from the market, financial information providers, and brokers, are classified as level 2. Also, the derivative commodity instruments measured using unobservable inputs are classified as level 3.
- Derivative financial instruments are mainly measured by discounted cash flow analysis using foreign exchange and interest rates or quoted prices currently available for similar types of agreements and are classified as level 2.

Inventories

- Inventories acquired with the purpose of being sold in the near future and a profit from fluctuations in price are measured at fair value based on quoted prices with certain adjustment and classified as level 2. The amounts of costs to sell as of September 30, 2015 and March 31, 2015 were immaterial.

(2)Valuation process

The valuation process involved in level 3 measurements for each applicable asset and liability is governed by the model validation policy and related procedures pre-approved by appropriate approver. Based on the policy and procedures, the personnel determine the valuation model to be utilized to measure each asset and liability at fair value. We engage independent external experts of valuation to assist in the valuation process for certain assets over a specific amount, and their results of valuations are reviewed by the responsible personnel. All of the valuations, including those performed by the external experts, are reviewed and approved by appropriate approver.

(3)Assets and liabilities measured at fair value on a recurring basis

Information by fair value hierarchy

Assets and liabilities measured at fair value on a recurring basis as of September 30, 2015 and March 31, 2015 were as follows. No assets or liabilities were transferred between level 1 and 2 for the six-month period ended September 30, 2015 and for the year ended March 31, 2015.

	Millions of Yen				
September 30, 2015	**Fair value measurements using**				
	Level 1	**Level 2**	**Level 3**	**Netting adjustments***	**Total fair value**
Assets:					
Other investments:					
Financial assets measured at FVTPL	¥ 14,386	–	¥ 44,074		
Financial assets measured at FVTOCI	573,231	–	759,100		
Total other investments	¥ 587,617	–	¥ 803,174	–	¥ 1,390,791
Derivative assets:					
Foreign exchange contracts	–	¥ 87,720	–		
Interest rate contracts	–	42,898	–		
Commodity contracts	¥ 61,867	855,691	¥ 676		
Other contracts	–	–	3,489		
Total derivative assets	¥ 61,867	¥ 986,309	¥ 4,165	¥ (784,610)	¥ 267,731
Inventories…………………………………	–	¥ 168,802	–	–	¥ 168,802
Total assets	¥ 649,484	¥ 1,155,111	¥ 807,339	¥ (784,610)	¥ 1,827,324
Liabilities:					
Derivative liabilities:					
Foreign exchange contracts	–	¥ 60,237	–		
Interest rate contracts	–	11,872	–		
Commodity contracts	¥ 42,302	848,183	¥ 359		
Other contracts	–	–	1,066		
Total derivative liabilities	¥ 42,302	¥ 920,292	¥ 1,425	¥ (782,145)	¥ 181,874
Total liabilities...	¥ 42,302	¥ 920,292	¥ 1,425	¥ (782,145)	¥ 181,874

March 31, 2015	Millions of Yen				
	Fair value measurements using				
	Level 1	Level 2	Level 3	Netting adjustments*	Total fair value
Assets:					
Other investments:					
Financial assets measured at FVTPL	¥ 4,566	–	¥ 36,446		
Financial assets measured at FVTOCI	633,366	–	850,880		
Total other investments	¥ 637,932	–	¥ 887,326	–	¥ 1,525,258
Derivative assets:					
Foreign exchange contracts.....................	–	¥ 114,855	–		
Interest rate contracts	–	41,646	–		
Commodity contracts	¥ 47,578	948,519	¥ 812		
Other contracts	–	–	3,495		
Total derivative assets	¥ 47,578	¥1,105,020	¥ 4,307	¥ (851,080)	¥ 305,825
Inventories…………………………………	–	¥ 153,065	–	–	¥ 153,065
Total assets	¥ 685,510	¥1,258,085	¥ 891,633	¥ (851,080)	¥ 1,984,148
Liabilities:					
Derivative liabilities:					
Foreign exchange contracts	–	¥ 105,700	–		
Interest rate contracts	–	12,551	–		
Commodity contracts	¥ 38,345	961,774	¥ 716		
Total derivative liabilities	¥ 38,345	¥1,080,025	¥ 716	¥ (888,853)	¥ 230,233
Total liabilities...	¥ 38,345	¥1,080,025	¥ 716	¥ (888,853)	¥ 230,233

*Amounts of netting adjustments include the net amount when, and only when, the companies currently have a legally enforceable right to set off the recognized amounts as well as intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Reconciliation of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3)

The reconciliation of financial assets measured at FVTOCI for the six-month period ended September 30, 2015 and 2014 were as follows:

	Millions of Yen	
	Six-month period ended September 30, 2015	Six-month period ended September 30, 2014
Balance at beginning of period	¥ 850,880	¥ 990,593
Other comprehensive income (Note1)	(80,957)	14,329
Purchases	8,299	7,751
Sales	(3,257)	(3,567)
Transfers into Level 3	–	–
Transfers out of Level 3	–	–
Others (Note2)	(15,865)	32,820
Balance at end of period	¥ 759,100	¥ 1,041,926

Note1: For "Other comprehensive income" for the six-month period ended September 30, 2015, fair value in investments in LNG projects declined reflecting the drop in oil prices.
Note2: "Others" includes the effect of changes in foreign exchange rates and in scope of consolidation.

Other comprehensive income related to financial assets measured at FVTOCI was included in "Financial assets measured at FVTOCI" in Condensed Consolidated Statements of Comprehensive Income.

The reconciliation of financial assets measured at FVTPL for the six-month period ended September 30, 2015 and 2014 were as follows:

	Millions of Yen	
	Six-month period ended September 30, 2015	Six-month period ended September 30, 2014
Balance at beginning of period	¥ 36,446	¥ 39,687
Gains (losses)	9,862	49
Purchases	9,186	7,275
Sales	(814)	(6,542)
Transfers into Level 3	–	–
Transfers out of Level 3	(10,221)	–
Others (Note1)	(385)	1,930
Balance at end of period	¥ 44,074	¥ 42,399

Note1: "Others" includes the effect of changes in foreign exchange rates.

Gains (losses) related to financial assets measured at FVTPL was included in "Gain (loss) on securities and other investments—net" in Condensed Consolidated Statements of Income.

Quantitative information about level 3 fair value measurements

Information about valuation techniques and significant unobservable inputs used for level 3 assets measured at fair value on a recurring basis as of September 30, 2015 and March 31, 2015 were as follows:

September 30, 2015	Valuation Technique	Principal Unobservable Input	Range
Financial assets measured at FVTOCI	Income approach	Discount rate	5.9%~16.0%

March 31, 2015	Valuation Technique	Principal Unobservable Input	Range
Financial assets measured at FVTOCI	Income approach	Discount rate	5.9%~16.0%

Information about sensitivity to changes in significant unobservable inputs

For recurring fair value measurements of financial assets measured at FVTOCI using the income approach, increases (decreases) in discount rates would result in a lower (higher) fair value.

(4) Fair value of non-current financial assets and liabilities

The fair values of non-current receivables with floating rates, including long-term loans receivable, and long-term debt with floating rates approximately equal their respective carrying amounts. The fair values of non-current receivables with fixed rate and long-term debt with fixed rate are estimated by discount cash flow analysis, using interest rates currently available for similar types of loans, accounts receivable and borrowings with similar terms and remaining maturities.

The fair values of financial instruments as of September 30, 2015 and March 31, 2015 were as follows. The fair values of current financial assets and current financial liabilities are not disclosed because the carrying amounts are approximately the same as their fair values on a reasonable basis.

	Millions of Yen			
	September 30, 2015		**March 31, 2015**	
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current receivables				
Trade and other receivables and other financial assets (*).	¥ 515,917	¥ 516,992	¥ 556,110	¥ 557,487
Non-current liabilities				
Long-term debts, less current portion and other financial liabilities (*)	¥ 4,148,030	¥ 4,233,994	¥ 4,177,887	¥ 4,256,636

(*)The fair values of other financial assets and other financial liabilities approximate their respective carrying amounts.

Trade and other receivables include loans receivable. Long-term debts include borrowings and bonds.

13. SUBSEQUENT EVENTS

Interim Dividend

On November 6, 2015, the Board of Directors approved the payment of cash dividend to shareholders of record on September 30, 2015 of ¥32 per share or a total of ¥57,368 million.

14. AUTHORIZATION OF THE ISSUE OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The issue of Condensed Consolidated Financial Statements was authorized by Tatsuo Yasunaga, Representative Director, President and CEO, and Keigo Matsubara, Representative Director, Executive Managing Officer and CFO, on November 13, 2015.