

Consolidated Financial Results for the Three-Month Period Ended June 30, 2015 (IFRS)

(Unit: Billions of Yen)

Results of Operation	1Q	1Q	Increase/Decrease	
	FY Ending March 2016	FY Ended March 2015		(%)
Revenue	1,283.7	1,370.5	△ 86.8	△ 6.3
Gross Profit	192.2	210.4	△ 18.2	△ 8.7
Selling, general and administrative expenses	△ 139.9	△ 139.2	△ 0.7	
Gain (loss) on securities and other investments - net	17.5	1.2	16.3	
Impairment loss of fixed assets	△ 0.4	0.0	△ 0.4	
Gain (loss) on disposal or sales of fixed assets - net	12.9	0.5	12.4	
Other income (expense) - net	△ 1.6	△ 1.8	0.2	
Interest income and expense - net	△ 4.0	△ 3.3	△ 0.7	
Dividend income	16.2	41.0	△ 24.8	
Share of Profit of Investments Accounted for Using the Equity Method	59.9	64.3	△ 4.4	
Profit before Income Taxes	152.8	173.1	△ 20.3	△ 11.8
Income Taxes	△ 48.0	△ 39.6	△ 8.4	
Profit for the Period Attributable to Non-controlling Interests	△ 7.9	△ 5.7	△ 2.2	
Profit for the Period Attributable to Owners of the Parent	96.9	127.8	△ 30.9	△ 24.2
Comprehensive Income for the Period Attributable to Owners of the Parent	192.1	125.8	66.3	52.7
EBITDA (*1)	193.5	244.2	△ 50.7	△ 20.8

Summary of Increase/Decrease
【Revenue】 Energy: Crude oil and gas prices declined in trading and E&P Americas: Trading volume of soybean, corn and butadiene declined Lifestyle: Trading volume of corn, soybean and coffee increased
【Gross Profit】 Mineral & Metal Resources: Iron ore prices declined Energy: Oil and gas prices declined Americas: Novus, higher methionine prices and lower costs
【SG & A expenses】 Same level as FY2015
【Gain (loss) on securities and other investments - net】 Gain on valuation on shares in Hutchison MediPharma Gain on sales of stakes in relation to automobile business (FY2015) Miscellaneous
【Impairment loss of fixed assets】 Miscellaneous
【Gain (loss) on disposal or sales of fixed assets - net】 Gain on sales of buildings in Japan (FY2015) Miscellaneous
【Other income (expense) - net】 Exploration expenses (FY2015) Exploration expenses
【Interest income and expense - net】 Same level as FY2015
【Dividend income】 Dividend income from LNG projects declined
【Share of Profit of Investments Accounted for Using the Equity Method】 Dec. Valepar, RPMC: Iron ore prices declined Inc. LNG terminal in Mexico: Change in lease accounting treatment TEC: The difference between loss estimates and actual amount

Operating Segments (*2)	<EBITDA>			<Profit for the Period Attributable to Owners of the Parent>			Summary of Increase/Decrease
	1Q (FY 2016)	1Q (FY 2015)	Increase/Decrease	1Q (FY 2016)	1Q (FY 2015)	Increase/Decrease	
Iron & Steel Products	3.6	2.5	1.1	2.2	1.0	1.2	-Gestamp: Solid performance in North America and Mexico
Mineral & Metal Resources	30.5	58.5	△ 28.0	13.6	38.7	△ 25.1	-Lower iron ore prices, weaker yen and cost reduction
Machinery & Infrastructure	28.7	16.3	12.4	17.7	11.6	6.1	-LNG terminal in Mexico: Change in lease accounting treatment -TEC: The difference between loss estimates and actual amount
Chemicals	7.9	6.3	1.6	1.5	2.6	△ 1.1	-Unfavorable market conditions in US chlor-alkali business -Solid performance in chemicals trading
Energy	73.4	120.5	△ 47.1	16.7	56.7	△ 40.0	-Crude oil and gas prices declined -Dividend income from LNG projects declined
Lifestyle	6.3	2.2	4.1	8.5	△ 0.8	9.3	-Gain on sales of buildings in Japan
Innovation & Corporate Development	4.6	2.8	1.8	14.3	0.3	14.0	-Gain on valuation on shares in Hutchison MediPharma -Sales of video streaming business in China
Americas	19.8	9.8	10.0	9.2	5.8	3.4	-Novus: Higher methionine prices and lower costs
Europe, the Middle East and Africa	1.9	1.1	0.8	1.4	1.1	0.3	-Solid performance in chemicals trading
Asia Pacific	11.2	16.9	△ 5.7	6.3	10.3	△ 4.0	-Earnings of iron ore business in Australia declined
Sub total	187.9	236.9	△ 49.0	91.4	127.3	△ 35.9	
All Other/Adjustments and Eliminations	5.6	7.3	△ 1.7	5.5	0.5	5.0	
Consolidated total	193.5	244.2	△ 50.7	96.9	127.8	△ 30.9	

Financial Position	June 2015	March 2015	Increase /Decrease
Total assets	12,466.2	12,202.9	263.3
Total equity attributable to owners of the parent	4,232.3	4,099.8	132.5
Interest-bearing debt (less cash & cash equivalents)	3,365.3	3,382.2	△ 16.9
Net DER	0.80	0.82	△ 0.02

【Total assets】
Increase in current assets because of the increase in inventory. Increase in the investments accounted for using the equity method and PPE due to yen depreciation and other factors.

【Total equity attributable to owners of the parent】
Increase in RE reflecting accumulation of earnings, T/A due to yen depreciation, and financial assets measured at FVTOCI.

Major Indicators	<Reference>	
	1Q (FY 2016)	1Q (FY 2015)
Foreign Exchange (Yen/US\$: average)	121.73	101.88
Foreign Exchange (Yen/A\$: average)	94.73	95.16
Interests (YenTIBOR 3M average)	0.17%	0.21%
Interests (US\$LIBOR 3M average)	0.28%	0.23%
Consolidated Oil Price (US\$/bbl)	\$61/bbl	\$111/bbl
	June 2015	March 2015
Foreign Exchange (Yen/US\$: closing rate)	122.45	120.17
Nikkei Average (closing price)	20,235.73	19,206.99

Cash Flows	1Q (FY 2016)	1Q (FY 2015)
Operating Activities	174.1	130.1
Investing Activities	△ 45.8	△ 151.4
(Free Cash Flow)	128.3	△ 21.3
Financing Activities	△ 12.4	20.8
Core Operating Cash Flow (*3)	150.4	201.2

Forecasts FY 2016

We maintain our profit forecast for the year ending March 31, 2016 attributable to owners of the parent of ¥240.0 billion announced together with the results of the year ended March 31, 2015. No updates have been made to this forecast.

<Notes>

*1 Gross Profit + Selling, general and administrative expenses + Dividend income + Share of Profit of Investments Accounted for Using the Equity Method + Depreciation and amortization

*2 From the three-month period ended June 30, 2015, profits and losses associated with EBITDA of jointly invested subsidiaries 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". Furthermore, Media Business Div., included in the Lifestyle Segment, is 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.

*3 Cash flows from operating activities - Changes in operating assets and liabilities