

Consolidated Balance Sheets

FY2015 (As of March 31, 2016)

FY2016 (As of March 31, 2017)

Millions of yen

ASSETS		
Current assets		
Cash and deposits	¥ 60,972	¥ 45,292
Notes and accounts receivable-trade	192,572	216,602
Securities	30,000	—
Merchandise and finished goods	87,825	111,905
Work in process	391	279
Raw materials and supplies	94,211	131,181
Accounts receivable-other	28,709	36,010
Deferred tax assets	3,812	3,760
Other	17,954	16,752
Allowance for doubtful accounts	(195)	(181)
Total current assets	516,254	561,604
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	129,074	150,866
Oil storage depots, net	32,693	33,027
Machinery, equipment and vehicles, net	149,609	161,690
Land	320,971	320,496
Lease assets, net	761	674
Construction in progress	53,586	99,980
Other, net	6,571	6,584
Total property, plant and equipment	693,267	773,320
Intangible assets		
Software	3,158	3,032
Goodwill	1,452	721
Other	42,812	40,830
Total intangible assets	47,423	44,585
Investments and other assets		
Investment securities	112,040	105,720
Long-term loans receivable	2,048	2,857
Long-term prepaid expenses	7,986	6,716
Net defined benefit asset	1,738	1,928
Cost recovery under production sharing	16,917	17,302
Deferred tax assets	2,437	2,608
Other	9,330	8,899
Allowance for doubtful accounts	(481)	(365)
Total investments and other assets	152,019	145,667
Total noncurrent assets	892,710	963,573
Deferred assets		
Bond issuance cost	651	502
Total deferred assets	651	502
Total assets	¥1,409,615	¥1,525,679

FY2015 (As of March 31, 2016)

FY2016 (As of March 31, 2017)

LIABILITIES

Millions of yen

Current liabilities

Notes and accounts payable-trade	¥ 115,803	¥ 170,539
Short-term loans payable	200,619	225,169
Commercial paper	12,000	51,400
Accounts payable-other	94,582	92,428
Accrued volatile oil and other petroleum taxes	93,788	66,528
Income taxes payable	8,094	11,237
Accrued expenses	3,716	3,182
Provision for bonuses	4,962	5,326
Provision for directors' bonuses	293	315
Deferred tax liabilities	52	266
Provision for business structure improvement	4,534	2,001
Other	17,070	27,079
Total current liabilities	555,519	655,473

Noncurrent liabilities

Bonds payable	46,700	46,700
Long-term loans payable	497,831	449,282
Deferred tax liabilities	31,202	33,608
Deferred tax liabilities for land revaluation	5,249	5,243
Provision for special repairs	15,078	13,781
Provision for business structure improvement	1,171	212
Provision for environmental measures	3,416	1,997
Net defined benefit liability	9,586	5,516
Provision for executive remuneration BIP trust	41	296
Asset retirement obligations	11,375	19,338
Other	29,730	21,441
Total noncurrent liabilities	651,384	597,420
Total liabilities	¥1,206,903	¥1,252,893

NET ASSETS**Shareholders' equity**

Capital stock	¥ 40,000	¥ 40,000
Capital surplus	84,509	84,359
Retained earnings	259	49,985
Treasury shares	(1,223)	(1,113)
Total shareholders' equity	123,545	173,231

Accumulated other comprehensive income

Valuation difference on available-for-sale securities	3,042	4,794
Deferred gains or losses on hedges	(1,601)	(233)
Revaluation reserve for land	(20,660)	(20,576)
Foreign currency translation adjustment	8,507	7,215
Remeasurements of defined benefit plans	(4,786)	292
Total accumulated other comprehensive income	(15,499)	(8,508)

Non-controlling interests

Non-controlling interests	94,665	108,063
Total net assets	202,712	272,786

Total liabilities and net assets**¥1,409,615****¥1,525,679**

Consolidated Statements of Income

	FY2015 (From April 1 2015 to March 31,2016)	FY2016 (From April 1 2016 to March 31,2017)
	Millions of yen	
Net sales	¥2,244,306	¥2,292,280
Cost of sales	2,154,615	2,079,727
Gross profit	89,691	212,553
Selling, general and administrative expenses	119,433	120,370
Operating income (loss)	(29,742)	92,182
Non-operating income		
Interest income	167	218
Dividends income	1,322	671
Rent income on noncurrent assets	870	1,144
Equity in earnings of associates	3,012	1,796
Other	3,907	2,764
Total non-operating income	9,280	6,594
Non-operating expenses		
Interest expenses	12,758	12,274
Foreign exchange losses	—	1,058
Other	2,899	3,995
Total non-operating expenses	15,658	17,328
Ordinary income (loss)	(36,121)	81,448
Extraordinary income		
Gain on sales of noncurrent assets	160	322
Gain on sales of investment securities	161	910
Gain on sales of shares of subsidiaries and associates	—	1,282
Subsidy income	5,716	3,346
Gain on change in equity	1,565	—
Gain on bargain purchase	16,302	493
Other	554	558
Total extraordinary income	24,460	6,914
Extraordinary loss		
Loss on sales of noncurrent assets	484	195
Loss on disposal of noncurrent assets	6,189	6,274
Impairment loss	6,241	842
Loss on valuation of investment securities	692	808
Business structure improvement expenses	6,923	802
Loss on litigation	405	—
Loss on step acquisitions	10,190	—
Land trust expenses	1,010	—
Other	—	873
Total extraordinary losses	32,137	9,796
Profit (loss) before income taxes	(43,797)	78,565
Income taxes—current	13,293	18,267
Income taxes—deferred	(12,690)	644
Total income taxes	602	18,912
Profit (loss)	(44,400)	59,652
Profit (loss) attributable to non-controlling interests	5,829	6,417
Profit (loss) attributable to owners of parent	¥ (50,230)	¥ 53,235

Consolidated Statements of Cash Flows

FY2015	FY2016
(From April 1 2015 to March 31,2016)	(From April 1 2016 to March 31,2017)

Millions of yen

Cash flows from operating activities

Profit (loss) before income taxes	¥ (43,797)	¥ 78,565
Depreciation	27,447	34,507
Amortization of negative goodwill	(16,302)	(493)
Amortization of goodwill	730	730
Loss (gain) on step acquisitions	10,190	—
Impairment loss	6,241	842
Loss (gain) on sales of non-current assets	324	(127)
Business structure improvement expenses	6,923	802
Loss (gain) on disposal of non-current assets	6,189	6,274
Loss (gain) on sales of investment securities	(161)	(910)
Loss (gain) on valuation of investment securities	692	808
Loss (gain) on sales of shares of subsidiaries and associates	—	(1,282)
Subsidy income	(5,716)	(3,346)
Interest and dividend income	(1,489)	(890)
Interest expenses	12,758	12,274
Foreign exchange losses (gains)	119	754
Share of (profit) loss of entities accounted for using equity method	(3,012)	(1,796)
Increase (decrease) in allowance for doubtful accounts	(59)	(148)
Increase (decrease) in provision for special repairs	234	(2,375)
Increase (decrease) in provision for environmental measures	(314)	(583)
Increase (decrease) in net defined benefit liability	753	581
Decrease (increase) in notes and accounts receivable-trade	53,968	(23,948)
Recovery of recoverable accounts under production sharing	3,265	3,262
Decrease (increase) in inventories	79,904	(61,495)
Increase (decrease) in notes and accounts payable-trade	(96,090)	55,031
Decrease (increase) in other current assets	24,245	(1,528)
Increase (decrease) in other current liabilities	(18,151)	(22,773)
Decrease (increase) in investments and other assets	860	1,699
Increase (decrease) in other non-current liabilities	4,171	(2,306)
Other, net	(75)	1,535
Subtotal	53,849	73,665
Interest and dividend income received	2,154	1,014
Interest expenses paid	(13,490)	(12,407)
Payments for business structure improvement expenses	(5,107)	(3,916)
Proceeds from subsidy income	4,978	3,487
Payments for land trust expenses	(1,010)	—
Income taxes paid	(22,945)	(14,218)
Net cash provided by (used in) operating activities	¥ 18,427	¥ 47,625

Consolidated Statements of Cash Flows

FY2015

(From April 1 2015 to March 31,2016)

FY2016

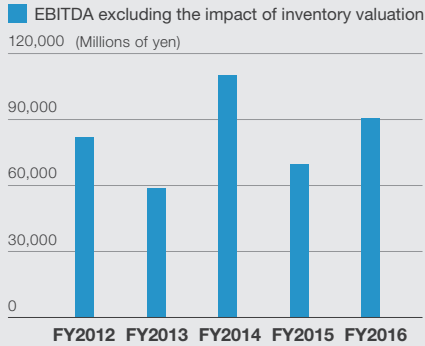
(From April 1 2016 to March 31,2017)

Millions of yen

Cash flows from investing activities		
Purchase of investment securities	¥ (976)	¥ (1,341)
Proceeds from sales and redemption of investment securities	243	7,190
Purchase of shares of subsidiaries and associates	(8,401)	(1,240)
Proceeds from sales and liquidation of shares of subsidiaries and associates	—	178
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	1,261
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	35,502	—
Purchase of property, plant and equipment	(55,743)	(108,683)
Payments for disposal of property, plant and equipment	(4,645)	(4,310)
Proceeds from sales of property, plant and equipment	1,243	593
Payments for purchases of intangible assets and long-term prepaid expenses	(16,126)	(5,977)
Decrease (increase) in short-term loans receivable	2,713	399
Payments of long-term loans receivable	(1,840)	(1,425)
Collection of long-term loans receivable	1,074	589
Payments into time deposits	(100)	(489)
Proceeds from withdrawal of time deposits	14,193	—
Proceeds from withdrawal of investments in anonymous association	—	1,233
Other, net	23	(15)
Net cash provided by (used in) investing activities	(32,839)	(112,038)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(13,138)	(2,828)
Proceeds from long-term loans payable	73,692	43,861
Repayment of long-term loans payable	(45,165)	(66,333)
Payments into deposits of restricted withdrawals	—	(6,393)
Proceeds from issuance of bonds	8,886	—
Net increase (decrease) in commercial paper	12,000	39,400
Cash dividends paid	—	(3,359)
Cash dividends paid to non-controlling shareholders	(1,578)	(947)
Proceeds from share issuance to non-controlling shareholders	—	6,229
Other, net	(2,196)	(4)
Net cash provided by (used in) financing activities	32,499	9,626
Effect of exchange rate change on cash and cash equivalents	(189)	(621)
Net increase (decrease) in cash and cash equivalents	17,898	(55,408)
Cash and cash equivalents at beginning of period	80,765	89,418
Increase in cash and cash equivalents from newly consolidated subsidiary	—	2,107
Increase (decrease) in cash and cash equivalents resulting from merger of subsidiaries	—	8
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(9,245)	—
Cash and cash equivalents at end of period	¥ 89,418	¥ 36,126

Major Indicators

EBITDA excluding the Impact of Inventory Valuation

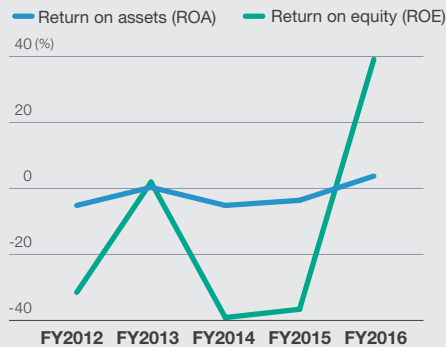


	FY2012	FY2013	FY2014	FY2015	FY2016
Operating income excluding the impact of inventory valuation	¥37,158	¥23,647	¥77,730	¥38,961	¥52,782
Depreciation and amortization ¹	44,953	35,330	32,399	30,713	37,769
EBITDA excluding the impact of inventory valuation ²	82,111	58,977	110,129	69,674	90,551

1. Including "Recovery of recoverable accounts under production sharing"

2. EBITDA excluding the impact of inventory valuation = Operating income excluding the impact of inventory valuation + Depreciation and amortization

ROA and ROE

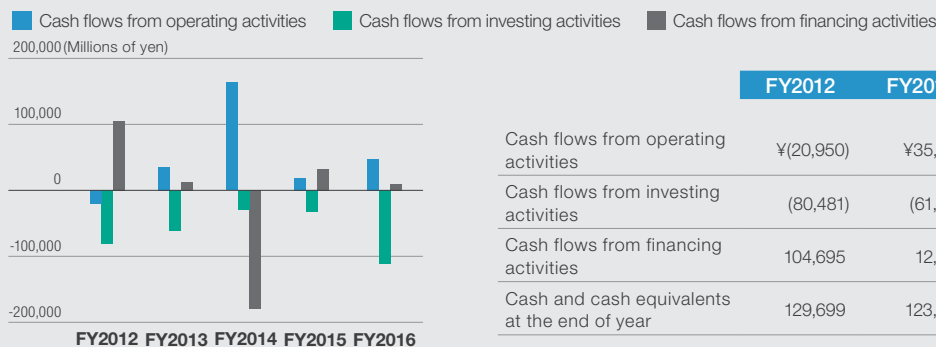


	FY2012	FY2013	FY2014	FY2015	FY2016
Profit (loss) attributable to owners of parent	¥(85,882)	¥4,348	¥(77,729)	¥(50,230)	¥53,235
Total assets	1,743,492	1,696,831	1,428,628	1,409,615	1,525,679
Total shareholders' equity	230,456	231,927	167,194	108,046	164,722
Return on assets (ROA ¹) (%)	(5.0)	0.3	(5.0)	(3.5)	3.6
Return on equity (ROE ²) (%)	(31.4)	1.9	(39.0)	(36.5)	39.0

1. ROA = Profit (loss) attributable to owners of parent / Average total assets at beginning and end of the fiscal year × 100

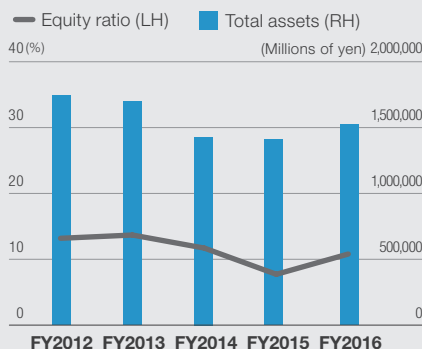
2. ROE = Profit (loss) attributable to owners of parent / Average shareholders' equity at beginning and end of the fiscal year × 100

Cash Flows by Activity



	FY2012	FY2013	FY2014	FY2015	FY2016
Cash flows from operating activities	¥(20,950)	¥35,837	¥163,384	¥18,427	¥47,625
Cash flows from investing activities	(80,481)	(61,007)	(30,126)	(32,839)	(112,038)
Cash flows from financing activities	104,695	12,555	(178,920)	32,499	9,626
Cash and cash equivalents at the end of year	129,699	123,280	80,765	89,418	36,126

Total Assets, Equity Ratio, and Net Debt-to-Equity Ratio (credit rating-based)



	FY2012	FY2013	FY2014	FY2015	FY2016
Total assets	¥1,743,492	¥1,696,831	¥1,428,628	¥1,409,615	¥1,525,679
Net interest-bearing debt	713,190	723,257	597,701	666,179	727,259
Net assets excluding non-controlling interests	230,456	231,927	167,194	108,046	164,722
Equity ratio (%)	13.2	13.7	11.7	7.7	10.8
Net debt-to-equity ratio (times) (credit rating-based)	3.1	3.1	3.6	4.6	3.6