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Press Release

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Announcement on the Commercial Operation at Nghi Son Refinery in Vietnum

The Nghi Son Refinery, operated by Nghi Son Refinery & Petrochemical Limited Liability Company (hereinafter, "NSRP"), a joint venture of Idemitsu Kosan Co.,Ltd. (Head Office: Chiyoda-ku, Tokyo; Representative Director and CEO: Shunichi Kito; hereinafter, "Idemitsu"), Mitsui Chemicals, Inc. (Head Office: Minato-ku, Tokyo; President & CEO: Tsutomu Tannowa), Kuwait Petroleum International Ltd., and PetroVietnam, has begun commercial operation as of November 14th, 2018.

Idemitsu has been involved with Vietnam for more than 30 years since it began exploration activities in the nation in the late 1980s. Idemitsu began to study possible participation in the construction of Vietnam's second oil refinery in the early 2000s, and after the final investment decision in 2013, construction began that year on the new refinery that now has begun commercial operation.

Intended to secure stable domestic supplies of petroleum products in Vietnam, the refinery is a highly efficient facility that has the capacity to process 200,000 barrels/day of crude oil as well as to maximize production of high-value-added petroleum products through use of sophisticated cracking facilities. Its petroleum products will provide a stable supply to meet Vietnam's booming demand for energy, and its petrochemical products will be sold throughout Asia.

Idemitsu commenced operations at its first refinery, the former Tokuyama Refinery, about 60 years ago. The safe and stable operation of the Nghi Son Refinery will take advantage of the operational technologies and experience that we have built up in Japan over the past six decades, Idemitsu hopes to contribute to the future progress of the petroleum refining and petrochemical industries in Vietnam.

Idemitsu will continue to expand its businesses in the rapidly growing markets of Asia.
Note that there is no impact on the Company's consolidated performance in fiscal year 2018.



The Nghi Son Refinery, which recently began commercial operation



The refinery's state-of-the-art facilities

Reference information:

1. Overview of the Nghi Son Refinery and Petrochemicals Complex

(1) Location

Nghi Son Economic Zone, Thanh Hoa Province, Vietnam

(2) Business volume

Approximately USD9 billion (of which approximately USD4 billion is provided by the sponsors, with Idemitsu's share totaling approximately USD1.4 billion)

(3) Investment ratios

Idemitsu 35.1%, Kuwait Petroleum International 35.1%, PetroVietnam 25.1%,
Mitsui Chemicals 4.7%

(4) Main equipment

- Crude distillation unit (CDU) (topper): 200,000 barrels/day
- Residue hydrodesulphurization unit (RHDS): 105,000 barrels/day
- Residue fluid catalytic cracking unit: 80,000 barrels/day
- Aroma Complex (aromatic manufacturing unit): 700,000 tons/year of paraxylene

2. Location

