Presentation on Results for FY 2018

Idemitsu Kosan Co.,Ltd.

May 15, 2019

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Overview of the New Integrated Company

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Overview of the New Integrated Company

Petroleum Segment

Refining capacity: 945,000 BD *1

Domestic fuel oil sales volume:
43.0 million KL/year

Number of service stations: 6,500

Basic Chemicals Segment

Production Capacity

Ethylene: 1 mil tons/year
Paraxylene/mixed xylene: 1.28 mil tons/year
Styrene monomers: 0.55 mil tons/year

Power and Renewable Energy Segment

Power generation capacity: 800MW
(Renewable energy: 200MW)

Solar panel production capacity: 1GW/year

Functional Materials Segment

(Lubricants, performance chemicals, electronic materials, functional asphalt, agricultural-biotechnology, solid electrolyte)

Lubricants sales volume: 1.3 mil KL/year *2

Performance chemicals production capacity
Engineering plastics: 220,000 tons/year
Adhesive materials: 76,000 tons/year

OLED materials production capacity:
10 tons/year

Resources Segment

Crude oil production: 27,000 BD

Thermal coal production:
12 million tons/year

*1 1,090,000 barrels/day when adding the crude oil refining capacity of Fuji Oil, Co.,Ltd with which a petroleum products trade agreement has been signed

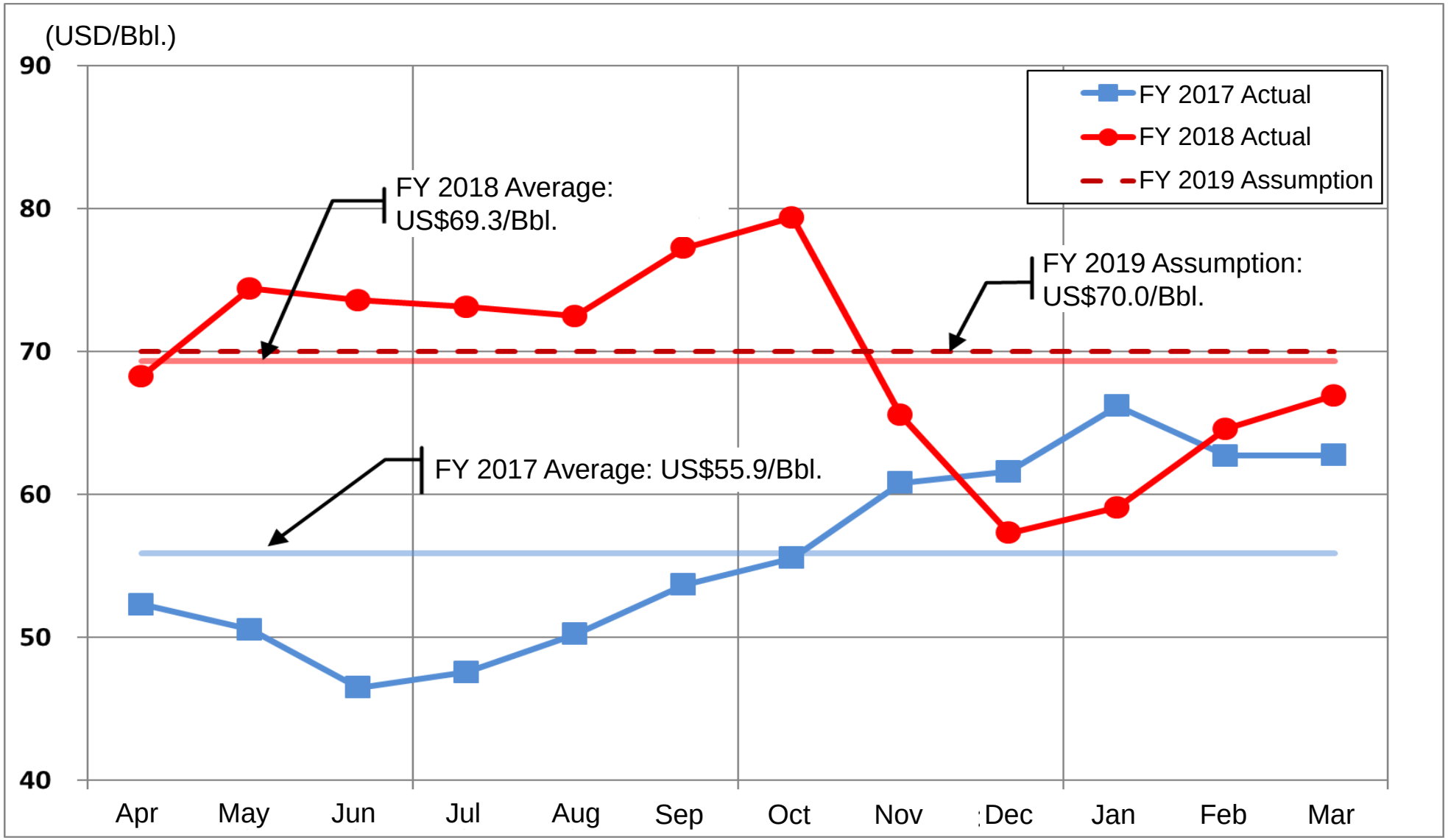
*2 Lubricants sales volume excludes sales by Shell Lubricants Japan K.K.

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FY 2018 Results

Crude Oil Price Trends

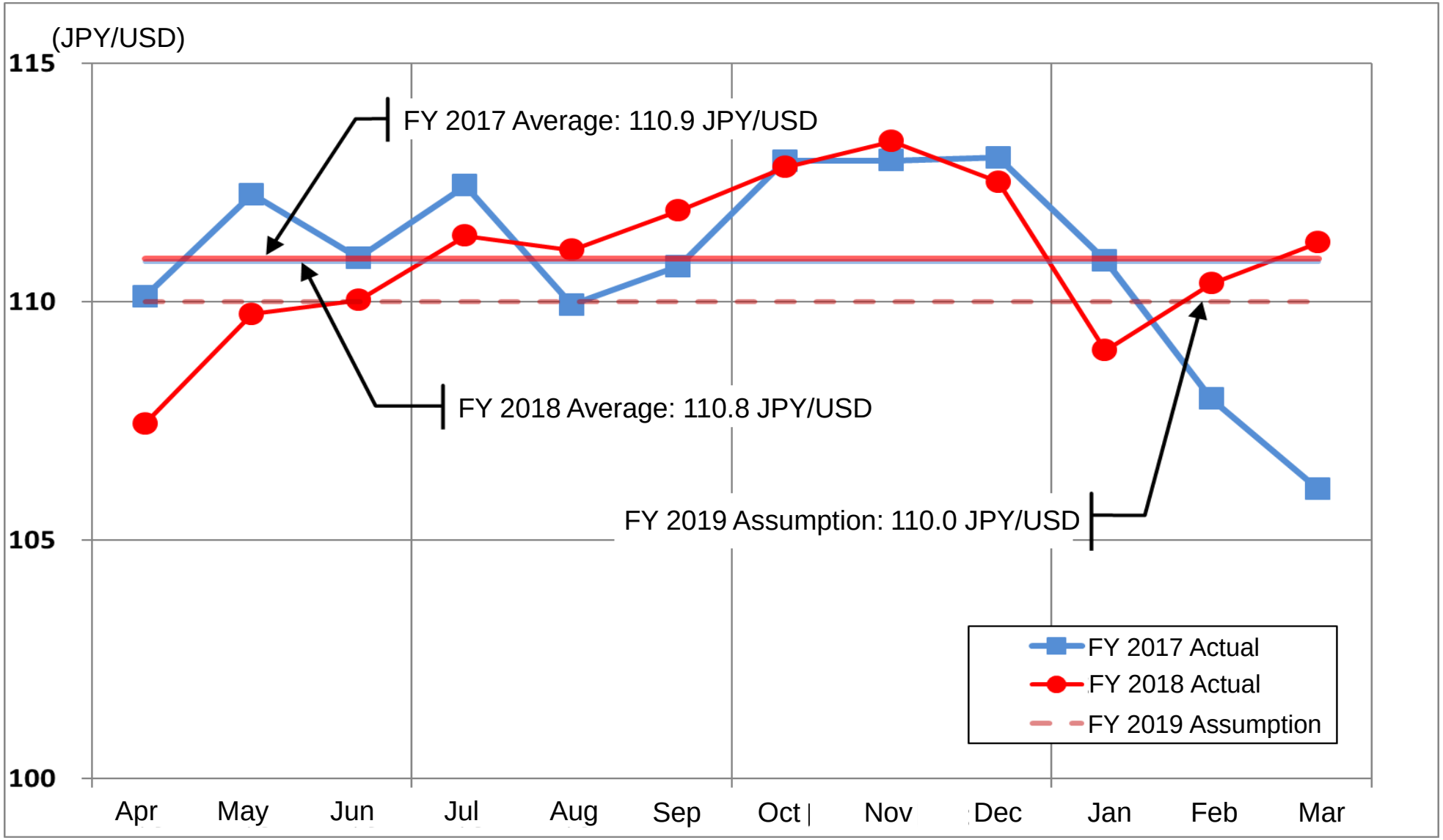
<Monthly Dubai Crude Oil Price Trends and Assumptions for Performance Forecasts>



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JPY/USD Exchange Rate (TTM) Trends

<Monthly JPY/USD (TTM) Trends and Assumptions for Performance Forecasts>



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Overview

<FY 2018 results>

- **Operating income decreased by ¥22.0 billion year-on-year, to ¥179.3 billion, as increased profits in the resources segment resulting from an increase in resources prices were more than offset by the decrease in the petroleum products segment due to inventory impact, among other factors**
- **Ordinary income decreased by ¥57.2 billion year-on-year, to ¥169.1 billion. Corporate taxes also increased in response to the decreased burden seen in FY 2017. As a result, net income attributable to owners of the parent decreased by ¥80.9 billion year-on-year, to ¥81.5 billion**

<FY 2019 Performance Forecasts>

- **We assume a fiscal year average crude oil price of $70/barrel and an exchange rate of 110 JPY/USD**
- **Despite an increase in profits from the petroleum segment, we forecast flat growth in operating income excluding inventory impact + equity income (+¥1.7 billion year-on-year, to ¥220 billion). Net income attributable to owners of the parent is forecasted to increase by ¥73 billion year-on-year, to ¥160 billion**

<FY2018 Dividends and FY2019 Dividends Forecasts>

- **FY 2018 full-year dividends is ¥100/share (interim dividends: ¥50/share; fiscal year end dividends: ¥50/share)**
- **We forecast FY2019 full-year dividends of ¥160/share (interim dividends: ¥80/share; fiscal year end dividends: ¥80/share)**

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(1) Overview

1) Crude Oil / Exchange Rates

(Units: $/Bbl., $/Ton, ¥/$)

	FY 2017	FY 2018	Change	
Crude Oil (Dubai)	55.9	69.3	13.5	24.1%
Crude Oil (Brent)	54.3	71.0	16.8	30.9%
Naphtha Price (Customs)	520	621	101	19.5%
Thermal Coal (NEWC)	88.9	107.1	18.2	20.5%
Exchange Rate (TTM)	110.9	110.8	(0.1)	(0.1%)

* Brent prices and general coal prices are averages based on the calendar year (January-December).

2) Consolidated Income Statement (Summary)

(Units: ¥ billions)

	FY 2017	FY 2018	Change	
Net Sales	3,730.7	4,425.1	694.5	18.6%
Operating Income	201.3	179.3	(22.0)	(10.9%)
(Inventory impact)	*31.1*	*6.0*	*(25.1)*	*(80.7%)*
(Excluding inventory impact)	*170.2*	*173.3*	*3.1*	*1.8%*
Non-operating Income/Loss	25.0	(10.2)	(35.2)	—
Ordinary Income	226.3	169.1	(57.2)	(25.3%)
Extraordinary Gain/Loss	(14.2)	(24.4)	(10.3)	—
Net Income Attributable to Owners of the Parent	162.3	81.5	(80.9)	(49.8%)
(Excluding inventory impact)	*140.5*	*77.3*	*(63.2)*	*(45.0%)*

* Gross average method of inventory valuation
* "Inventory impact" represents the impact of inventory valuation and the reduction in book value of inventory assets
* Figures rounded to the nearest billion yen

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(2) Segment Information

1) Operating Income

(Units: ¥ billions)

	FY2017	FY2018	Change	
Petroleum Products	88.6	56.5	(32.1)	(36.3%)
(Excluding inventory impact)	*57.5*	*50.5*	*(7.0)*	*(12.2%)*
Petrochemical Products	42.2	31.8	(10.4)	(24.7%)
Resources	66.8	87.1	20.3	30.4%
Oil Exploration and Production	*27.2*	*37.0*	*9.8*	*36.0%*
Coal, etc.	*39.6*	*50.1*	*10.5*	*26.6%*
Others	7.3	7.8	0.5	6.9%
Reconciliation	(3.6)	(3.9)	(0.3)	—
Total	201.3	179.3	(22.0)	(10.9%)
(Excluding inventory impact)	*170.2*	*173.3*	*3.1*	*1.8%*

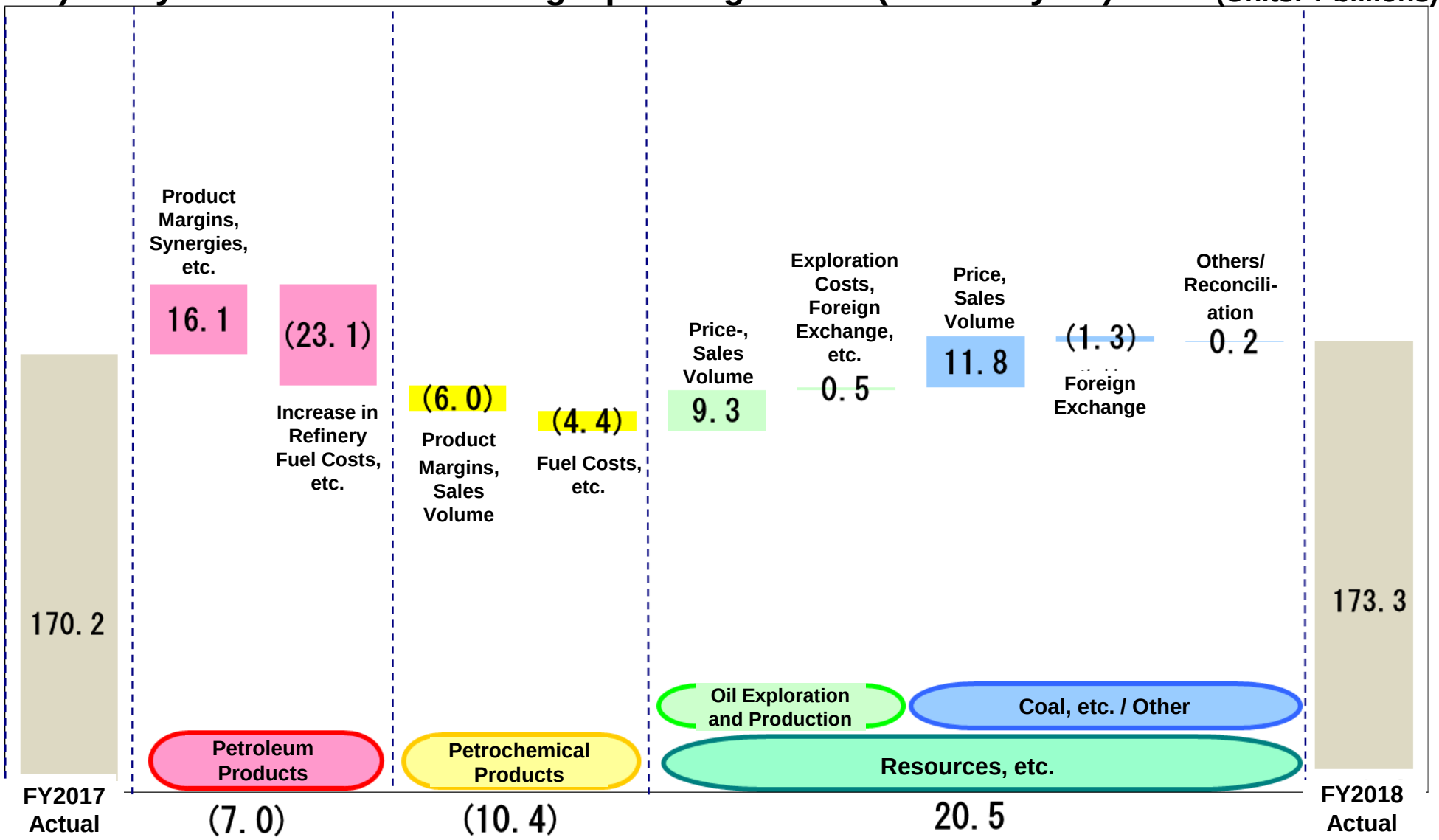
*** Fiscal years for Australian coal operations and Oil Exploration and Production included in the Resources Business end in December**

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(2) Segment Information

2) Analysis of Factors Affecting Operating Profits (Year-on-year)

(Units: ¥ billions)



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(3) Showa Shell Sekiyu FY2018

Consolidated Income Statement (Summary)

FY 2018 has 15 months (January 1, 2018 to March 31, 2019), due to a change in the fiscal year end

(Units: ¥ billions)

	(Reference) Jan/2017-Mar/2018	Jan/2018-Mar/2019	Change	
Net Sales	2,647.7	3,082.8	435.1	16.4%
Oil Business	88.2	91.9	3.7	4.2%
Energy Solutions Business	(10.2)	(9.5)	0.7	—
Others and adjustment	1.7	1.8	0.1	5.9%
(Excluding inventory impact)	*79.7*	*84.3*	*4.6*	*5.8%*
(Inventory impact)	*30.6*	*11.0*	*(19.6)*	*(64.1%)*
Operating Income	110.3	95.3	(15.0)	(13.6%)
Ordinary Income	125.7	101.0	(24.7)	(19.6%)
Extraordinary Gain/Loss	(21.5)	(26.9)	(5.4)	—
Net Income Attributable to Owners of the Parent	66.1	39.1	(27.0)	(40.8%)

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Forecast for FY 2019 Performance

- FY 2018(E): Estimate of the total of Idemitsu Kosan and Showa Shell Sekiyu on a 100% consolidated basis
- Segment information: Total of operating income and equity earnings of affiliates (Equity Income)

(1) Overview

1) Crude Oil / Exchange Rates

(Units: $/Bbl., $/Ton, ¥/$)

	FY2018(E)	FY2019 Forecast	Change	
Crude Oil (Dubai)	69.3	70.0	0.7	1.0%
Crude Oil (Brent)	71.0	72.0	1.0	1.4%
Naphtha Price (Customs)	621	650	29	4.7%
Thermal Coal (NEWC)	107.1	93.0	(14.1)	(13.1%)
Exchange Rate (TTM)	110.8	110.0	(0.8)	(0.7%)

* Brent prices and general coal prices are averages based on the calendar year (January-December).

2) Consolidated Income Statement (Summary)

(Units: ¥ billions)

	FY2018(E)	FY2019 Forecast	Change	
Net Sales	6,866.6	6,790.0	(76.6)	(1.1%)
Operating Income	229.1	220.0	(9.1)	(4.0%)
+ Equity Income				
(Inventory impact)	*10.8*	*0.0*	*(10.8)*	*(100.0%)*
(Excluding inventory impact)	*218.3*	*220.0*	*1.7*	*0.8%*
Ordinary Income	236.5	228.5	(8.0)	(3.4%)
Extraordinary Gain/Loss	(55.7)	10.0	65.7	—
Net Income Attributable to Owners of the Parent	94.5	160.0	65.5	69.3%
(Excluding inventory impact)	*87.0*	*160.0*	*73.0*	*83.9%*

* Gross average method of inventory valuation
* "Inventory impact" represents the impact of inventory valuation and the reduction in book value of inventory assets
* Figures rounded to the nearest billion yen

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(2) Segment Information

1) Operating Income + Equity Income

(Units: ¥ billions)

	FY2018(E)	FY2019 Forecast	Change	
Petroleum	79.8	78.0	(1.8)	(2.3%)
(Excluding inventory impact)	*69.0*	*78.0*	*9.0*	*13.0%*
Basic Chemicals	50.4	45.5	(4.9)	(9.8%)
Functional Materials	33.2	39.0	5.8	17.4%
Power and Renewable Energy	(7.5)	2.0	9.5	—
Resources	88.5	61.0	(27.5)	(31.1%)
Oil Exploration and Production	*37.1*	*21.0*	*(16.1)*	*(43.4%)*
Coal, etc.	*51.5*	*40.0*	*(11.5)*	*(22.3%)*
Others/Reconciliation	(15.4)	(5.5)	9.9	—
Total	229.1	220.0	(9.1)	(4.0%)
(Excluding inventory impact)	*218.3*	*220.0*	*1.7*	*0.8%*

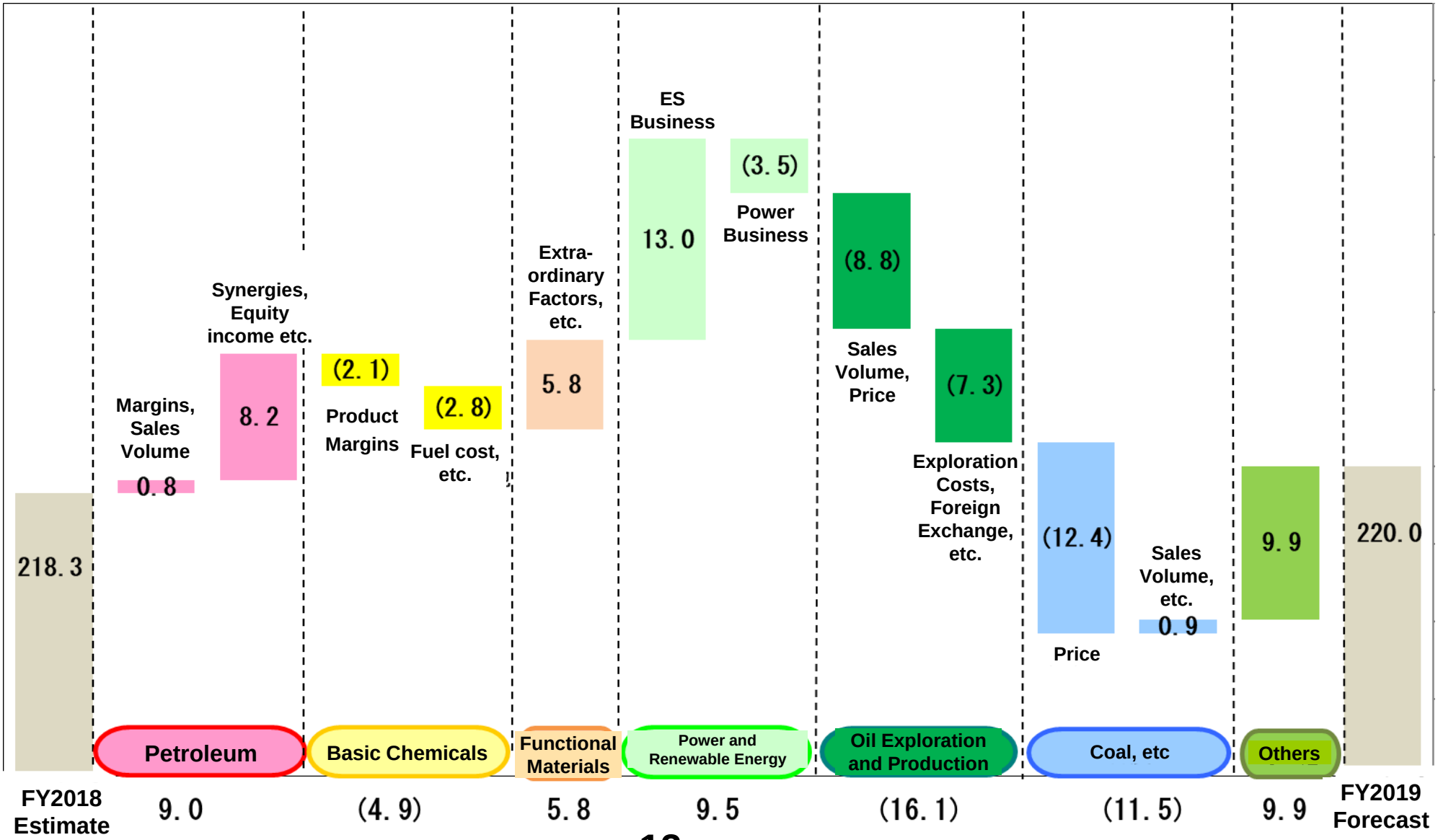
*** Fiscal years for Australian coal operations and Oil Exploration and Production included in the Resources Business end in December**

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(2) Segment Information

2) Analysis of Factors Affecting Operating Income + Equity Income (excluding inventory impact, year-on-year)

(Units: ¥ billions)



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(2) Segment Information

(3) Integration Synergies with Showa Shell Sekiyu (vs. FY 2015)

(Units:¥ billions)

Section	Major Initiatives	FY 2018 Actual	FY 2019 Forecast
Crude Oil Procurement	・Joint procurement of crude oil ・Joint allocation of crude oil tankers ・Reduction of ship chartering and new shipbuilding costs	1.0	1.5
Supply/ Demand, Overseas, Logistics, Sales	・Integrate production planning system ・Interchange of finished & intermediate products at 7 refineries ・Mutual utilization of oil terminal and joint shipping ・Integrate imports/exports and expand overseas sales ・Optimize utilization of oil terminals and distribution	8.0	18.0
Manufacturing, Procurement	・Develop best practices for initiatives to improve refinery margins ・Reduce procurement costs through joint procurement ・Optimize adaptation to IMO's MARPOL treaty, response to reduced gasoline demand, etc.	3.0	8.0
Shared	・Reduce duplicate costs through organizational integration ・Optimize capital investments ・Mutual utilization of lubricants terminal ・Other (IT systems, BPR, etc.)	1.0	2.5
Total		13.0	30.0

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(3) Investments

(Units: ¥ billions)

	FY 2018 Estimate	FY 2019 Forecast	Change
Strategic	100.1	122.0	21.9
Maintenance/Renewal	57.6	71.0	13.4
Total	157.7	193.0	35.3
Depreciation Expense (including goodwill amortization)	86.1	103.0	16.9

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(4) Shareholder Returns

■Policy

With consideration for the returns to shareholders is an important responsibility of management, the New Integrated Company will steadily secure shareholder returns by realizing the effects of integration

■FY 2019-2021 Plan

Aim to achieve cumulative net income of over JPY500bn and return 50% or more to shareholders (over 10% of return is planned to be executed through share buyback)

■FY 2019 Dividends

Based on the above, we plan to pay dividends of ¥160/share in FY 2019. In addition, we plan to implement a share buyback in order to achieve a total payout ratio of 50% in FY 2019

Dividend per Share	Interim	Year-end	Total
FY2017 (Actual)	¥40	¥40	¥80
FY2018 (Actual)	¥50	¥50	¥100
FY2019 (Plan)	¥80	¥80	¥160

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1. Financial Reporting

(1) FY 2018 Results (vs. 2/14 Forecasts)

1) Crude Oil / Exchange Rates

(Units: $/Bbl., $/Ton, ¥/$)

	2/14 Forecasts	FY2018 Actual	Difference	
Crude Oil (Dubai)	68.4	69.3	0.9	1.4%
Crude Oil (Brent)	71.0	71.0	0.0	0.0%
Naphtha Price (Customs)	619	621	2	0.3%
Thermal Coal (NEWC)	107.3	107.1	(0.2)	(0.2%)
Exchange Rate (TTM)	111.6	110.8	(0.8)	(0.7%)

* Brent prices and general coal prices are averages based on the calendar year (January-December).

2) Consolidated Income Statement (Summary)

(Units: ¥ billions)

	2/14 Forecasts	FY2018 Actual	Difference	
Net Sales	4,270.0	4,425.1	155.1	3.6%
Operating Income	169.0	179.3	10.3	6.1%
(Inventory impact)	*0.0*	*6.0*	*6.0*	—
(Excluding inventory impact)	*169.0*	*173.3*	*4.3*	*2.6%*
Non-operating Income/Loss	(6.0)	(10.2)	(4.2)	—
Ordinary Income	163.0	169.1	6.1	3.8%
Extraordinary Gain/Loss	(40.0)	(24.4)	15.6	—
Net Income Attributable to Owners of the Parent	60.0	81.5	21.5	35.8%
(Excluding inventory impact)	*60.0*	*77.3*	*17.3*	*28.8%*

* Gross average method of inventory valuation
* "Inventory impact" represents the impact of inventory valuation and the reduction in book value of inventory assets
* Figures rounded to the nearest billion yen

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1. Financial Reporting

(1) FY 2018 Results (vs. 2/14 Forecasts)

3) Operating Income by Segment

(Units: ¥ billions)

	2/14 Forecasts	FY2018 Actual	Difference	
Petroleum Products	47.0	56.5	9.5	20.2%
(Excluding inventory impact)	*47.0*	*50.5*	*3.5*	*7.4%*
Petrochemical Products	34.0	31.8	(2.2)	(6.5%)
Resources	85.0	87.1	2.1	2.5%
Oil Exploration and Production	*36.0*	*37.0*	*1.0*	*2.9%*
Coal, etc.	*49.0*	*50.1*	*1.1*	*2.3%*
Others	7.0	7.8	0.8	10.8%
Reconciliation	(4.0)	(3.9)	0.1	—
Total	169.0	179.3	10.3	6.1%
(Excluding inventory impact)	*169.0*	*173.3*	*4.3*	*2.6%*

* Fiscal years for Oil Exploration and Production included in the Resources Business as well as the Australian coal operations end in December

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1. Financial Reporting

(2) FY2018 Net Sales by Segment

(Units: ¥ billions)

	FY 2017	FY 2018	Change	
Petroleum Products	2,870.8	3,488.9	618.1	21.5%
Petrochemical Products	500.7	555.4	54.7	10.9%
Resources	289.4	308.0	18.6	6.4%
Oil Exploration and Production	*80.8*	*77.5*	*(3.3)*	*(4.1%)*
Coal, etc.	*208.6*	*230.5*	*21.9*	*10.5%*
Others/Reconciliation	69.8	72.8	3.0	4.3%
Total	3,730.7	4,425.1	694.5	18.6%

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1. Financial Reporting

(3) Extraordinary Gains/Losses

(Units: ¥ billions)

	FY2017	FY2018	Change
Gain on Sale of Fixed Assets	1.7	4.2	2.5
Gain on Sale of Affiliate Stock	12.1	0.2	(11.9)
Other	0.4	7.1	6.7
Total Extraordinary Gains	14.3	11.5	(2.8)
Loss on Sale and Depletion of Fixed Assets	3.4	3.0	(0.4)
Impairment Losses	8.7	15.9	7.2
Other	16.3	17.1	0.7
Total Extraordinary Losses	28.4	36.0	7.5
Total Extraordinary Gains/Losses	(14.2)	(24.4)	(10.3)

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1. Financial Reporting

(4) Consolidated Balance Sheet

(Units: ¥ billions)

	3/31/2018	3/31/2019	Change
Cash and Deposits	88.4	91.9	3.4
Receivables	486.2	453.3	(32.9)
Inventory	535.6	586.6	50.9
Other Current Assets	98.0	93.7	(4.3)
Total Current Assets	1,208.2	1,225.4	17.2
Tangible Fixed Assets	1,006.8	992.0	(14.8)
(Land)	579.7	576.3	(3.5)
(Other)	427.0	415.7	(11.3)
Other Fixed Assets	705.2	672.9	(32.4)
Total Fixed Assets	1,712.0	1,664.9	(47.1)
Total Assets	2,920.3	2,890.3	(30.0)

	3/31/2018	3/31/2019	Change
Payables	429.6	399.2	(30.4)
Short-term Borrowings	305.9	368.7	62.8
Other Current Liabilities	426.2	427.9	1.7
Total Current Liabilities	1,161.6	1,195.8	34.2
Long-term Borrowings	586.2	581.2	(5.0)
Other Fixed Liabilities	266.6	234.4	(32.1)
Total Fixed Liabilities	852.7	815.6	(37.2)
Total Liabilities	2,014.3	2,011.4	(3.0)
Shareholders' Equity	702.8	710.0	7.1
Other Comprehensive Income	165.9	132.1	(33.7)
Noncontrolling Interests	37.2	36.8	(0.4)
Total Net Assets	905.9	878.9	(27.0)
Total Liabilities and Net Assets	2,920.3	2,890.3	(30.0)

Total Interest-bearing Debt	893.6	951.4	57.7
Equity Ratio	29.7%	29.1%	(0.6%)
Net D/E Ratio	0.93	1.02	0.09

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1. Financial Reporting

(5) Consolidated Fiscal Status (Estimates as of 4/1/2019)

（Units：¥ billions）

Assets	
Total Current Assets	1,820.0
（Goodwill and Customer-related assets）	250.0
Total Fixed Assets	2,340.0
Total Assets	4,160.0

Liabilities and Net Assets	
Total Liabilities	2,850.0
Shareholders' Equity Other Comprehensive Income	1,240.0
Noncontrolling Interests	70.0
Total Net Assets	1,310.0
Total Liabilities and Net Assets	4,160.0

Net Interest-bearing Debt	940.0
Equity Ratio (%)	29.8
Net D/E Ratio (x)	0.8

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1. Financial Reporting

(6) Consolidated Statement of Cash Flows

(Units: ¥ billions)

	FY2017	FY2018
CF from Operating Activities	136.8	151.0
Net Income before Tax Adjustments	212.2	144.7
Depreciation Expense	67.9	61.6
Increase in Sales Receivables and Inventory	(265.7)	(26.7)
Other	122.4	(28.6)
CF from Investing Activities	(89.9)	(122.3)
Purchase of Tangible Fixed Assets	(58.1)	(76.3)
Other	(31.8)	(46.0)
CF from Financing Activities	(51.9)	(20.2)
Increase (Decrease) in Borrowings, etc.	(154.3)	58.2
Proceeds from Stock Issuance	118.6	0.0
Expenditures for Share buyback	(0.0)	(55.9)
Other	(16.2)	(22.4)
Translation Gains/Losses	1.8	(4.7)
Increase in Cash and Cash Equivalents	(3.2)	3.9
Cash and Cash Equivalents - Beginning Balance	90.1	86.8
Cash and Cash Equivalents - Ending Balance	86.8	90.7

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2. Sensitivity

(1) Impact of a US$1/bbl. Increase in Crude Oil Prices on FY Earnings

Petroleum	Increase in refinery fuel costs, etc.	(￥1.0billion)
	Inventory impact	￥5.0 billion
		￥4.0 billion
Oil Exploration & Production		￥1.0 billion

(2) Impact of a 1 JPY/USD Appreciation on FY Earnings

Petroleum	Decrease in refinery fuel costs, etc.	￥0.5 billion
	Inventory impact	(￥3.0 billion)
		(￥2.5 billion)
Basic Chemicals		(￥0.5 billion)
Oil Exploration & Production		—

* In addition to the above, the resources and other businesses are impacted by fluctuations in exchange rates with other currencies (NOK, AUD, etc.)

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3. Sales and Production

(1)－1.Sales Volume (Domestic Fuel Oil Sales Volume: Non-consolidated)

（Units:Thousand KL,%）

	FY 2017	FY 2018	Change	
Gasoline	7,876	7,691	(184)	(2.3%)
(Premium-Unleaded)	825	777	(49)	(5.9%)
(Regular-Unleaded)	7,050	6,915	(136)	(1.9%)
Naphtha	280	384	104	37.0%
Jet Fuel	1,856	1,973	117	6.3%
Kerosene	2,579	2,280	(299)	(11.6%)
Diesel Oil	6,163	6,041	(121)	(2.0%)
Heavy Fuel Oil A	2,320	2,099	(221)	(9.5%)
Heavy Fuel Oil C	2,386	2,143	(242)	(10.2%)
Toal Domestic Sales Volum	23,459	22,612	(847)	(3.6%)
Exported Volume	3,299	3,361	62	1.9%
(General Exports)	1,298	1,309	12	0.9%
Total Sales Volume	26,757	25,973	(784)	(2.9%)

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3. Sales and Production

(1)－2.Sales Volume (Petrochemical Products: Non-consolidated)

(Units:Thousand tons, %)

	FY 2017	FY 2018	Change	
Petrochemical Products-Total	3,450	3,543	93	2.7%
(Basic Chemicals)	3,403	3,493	90	2.6%
(Performance Chemicals)	47	50	3	6.9%

(1)－3.Sales Volume (Lubricants)

（Units:Thousand KL,%）

	FY 2017	FY 2018	Change	
Lubricants	1,233	1,271	38	3.1%

*Includes sales of overseas licenses

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3. Sales and Production

(1)－4.Oil Exploration & Production – Production Volume (including Gas)

(Units:Thousand BOED)

	FY 2017	FY 2018	Change	
Norway	33.7	26.8	(6.9)	(20.4%)
United Kingdom	3.3	0.0	(3.3)	(100.0%)
Total	37.0	26.8	(10.1)	(27.4%)
Total('000BOE)	13,493	9,795	(3,698)	(27.4%)

*Figures based on interest owned by Idemitsu's resource development subsidiaries

(1)－5. Coal – Production Volume

(Units:Thousand tons)

	FY 2017	FY 2018	Change	
Ensham	4,455	4,453	(2)	(0.0%)
Muswellbrook	1,516	1,516	0	0.0%
Boggabri	5,611	5,302	(309)	(5.5%)
Tarawonga	692	204	(488)	(70.5%)
Sub Total	12,274	11,475	(799)	(6.5%)
Malinau	1,164	1,068	(96)	(8.2%)
Total Production Volume	13,438	12,543	(895)	(6.7%)

*Figures based on interst owned by Idemitsu Group

*Fiscal years for Oil Exploration and Production and Coal operations end in December

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3. Sales and Production

(2)－1.Sales Forecasts (Petroleum Segment)

（Units:Thousand KL,%）

	FY 2018（E）	FY 2019 Forecast	Difference	
Gasoline	15,386	14,880	(507)	(3.3%)
Naphtha	447	390	(57)	(12.8%)
Jet Fuel	5,261	5,310	49	0.9%
Kerosene	4,452	4,610	158	3.5%
Diesel Oil	11,380	11,060	(320)	(2.8%)
Heavy Fuel Oil A	3,808	3,790	(18)	(0.5%)
Heavy Fuel Oil C	3,550	3,300	(250)	(7.0%)
Toal Domestic Sales Volume	44,285	43,340	(945)	(2.1%)
Exported Volume	4,118	3,570	(547)	(13.3%)
Total Sales Volume	48,402	46,910	(1,492)	(3.1%)

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3. Sales and Production

(2)－2.Sales Forecasts (Basic Chemicals Segment)

(Units:Thousand tons, %)

	FY 2018（E）	FY 2019 Forecast	Difference	
Basic Chemicals	4,289	4,270	(19)	(0.4%)

(2)－3.Sales Forecasts (Functional Materials Segment)

（Units:Thousand KL,Thousand tons,%）

	FY 2018	FY 2019 Forecast	Difference	
Lubricants	1,271	1,300	29	2.3%
Performance Chemicals	618	660	42	6.7%

*Includes sales of overseas licenses

*Lubricant oil sales volume excludes sales by Shell Lubricants Japan K.K.

(2)－4.Sales Forecasts (Power and Renewable Energy Segment)

(Units:Million kWh, %)

	FY 2018（E）	FY 2019 Forecast	Difference	
Retail Power Sales	2,314	2,720	406	17.5%

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3. Sales and Production

(2)－5.Oil E&P – Production Volume Forecasts ,including Gas (Resources Segment)

（Units:Thousand BOED）

	FY 2018	FY 2019 Forecast	Difference	
Norway	26.8	22.7	(4.1)	(15.3%)
Total('000BOE)	9,795	8,300	(1,495)	(15.3%)

*Figures based on interest owned by Idemitsu's resource development subsidiaries

(2)－6. Coal – Production Volume Forecasts (Resources Segment)

（Units:Thousand tons）

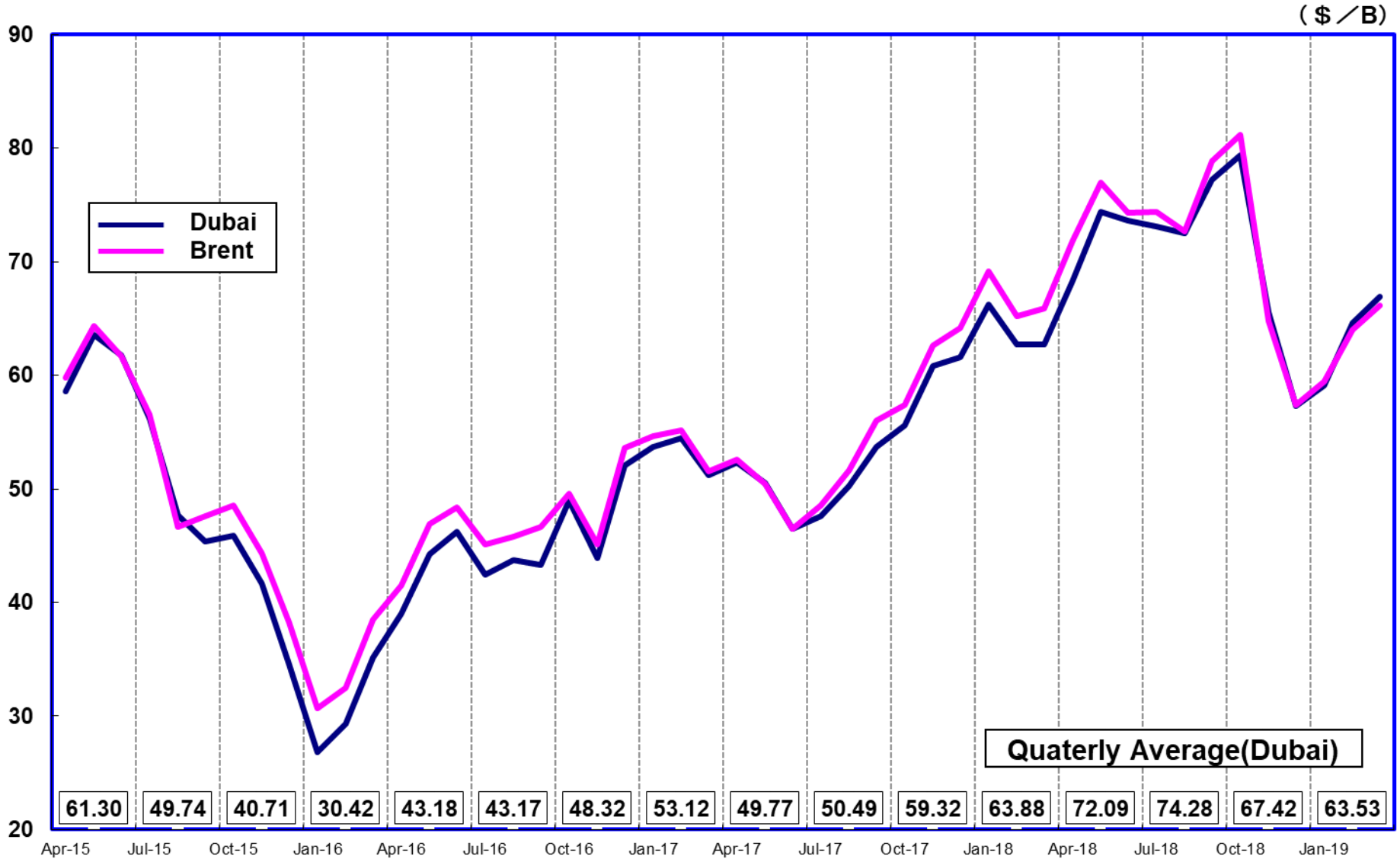
	FY 2018	FY 2019 Forecast	Difference	
Ensham	4,453	4,360	(93)	(2.1%)
Muswellbrook	1,516	1,500	(16)	(1.1%)
Boggabri	5,302	5,990	688	13.0%
Tarawonga	204	0	(204)	(100.0%)
Sub Total	11,475	11,850	375	3.3%
Malinau	1,068	1,230	162	15.2%
Total Production Volume	12,543	13,080	537	4.3%

*Figures based on interst owned by Idemitsu Group
*Fiscal years for Oil Exploration and Production and Coal operations end in December

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4. Market Conditions

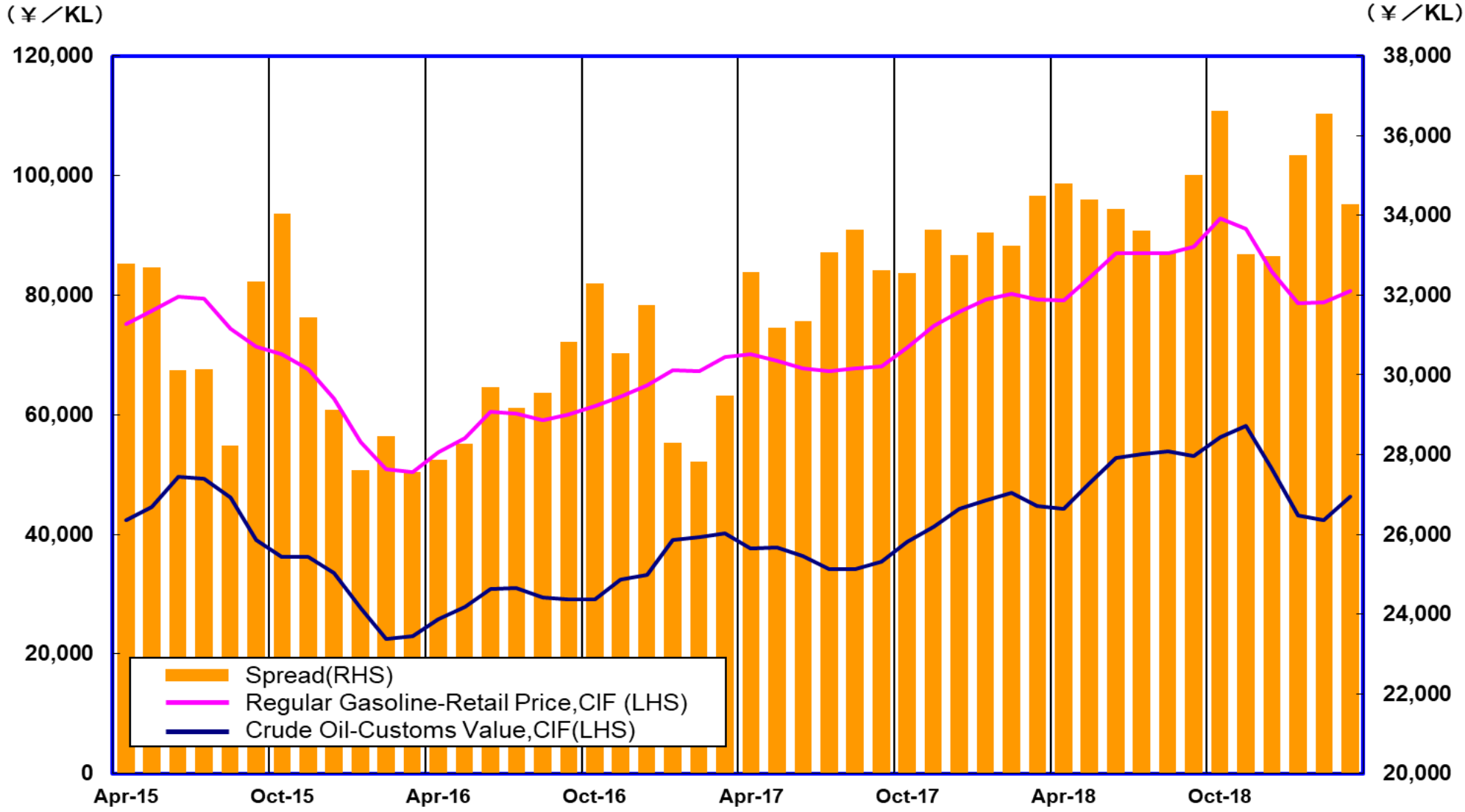
(1) Crude Oil Prices (Dubai and Brent)



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4. Market Conditions

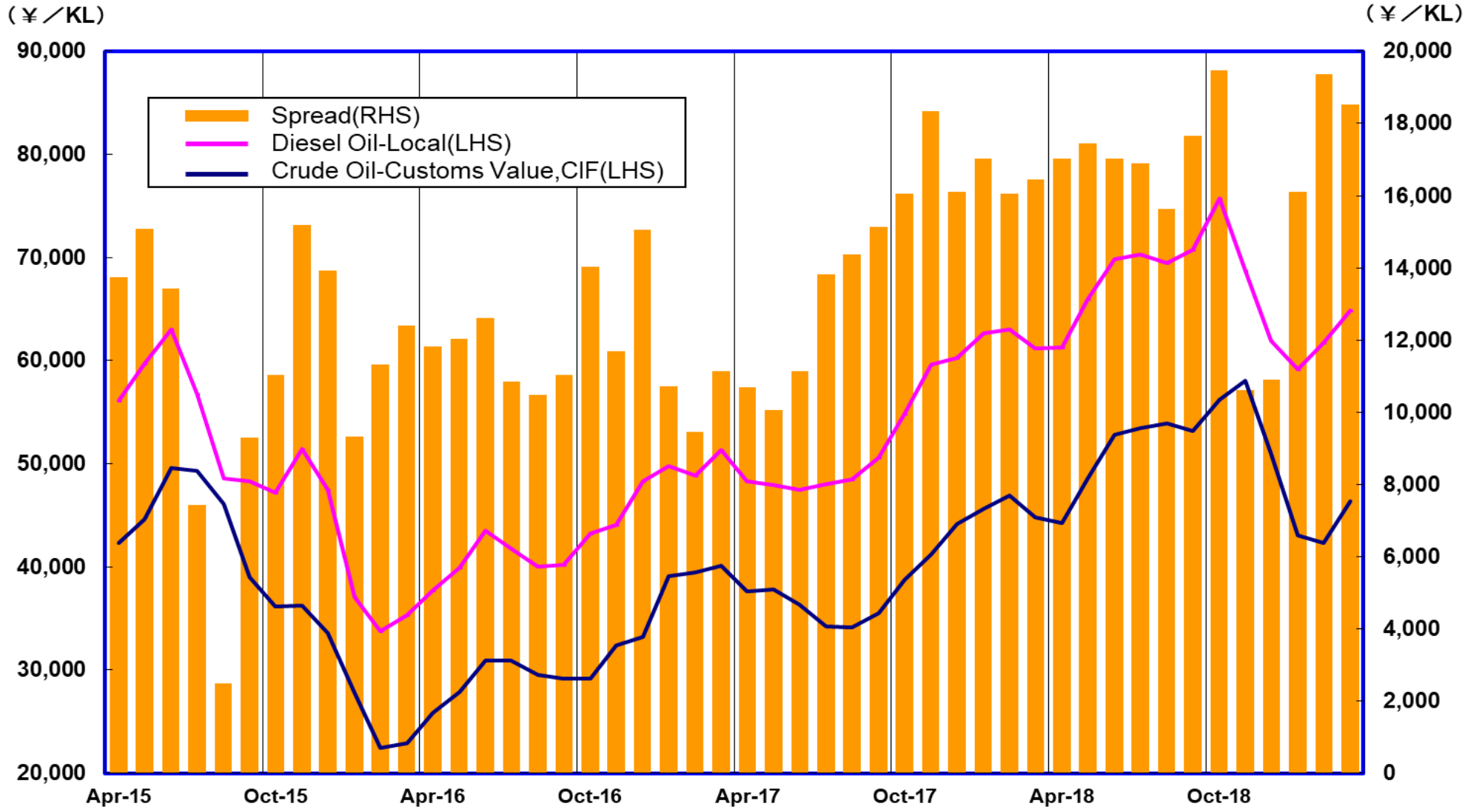
(2) Gasoline, Crude Oil CIF (Prices and Spreads)



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4. Market Conditions

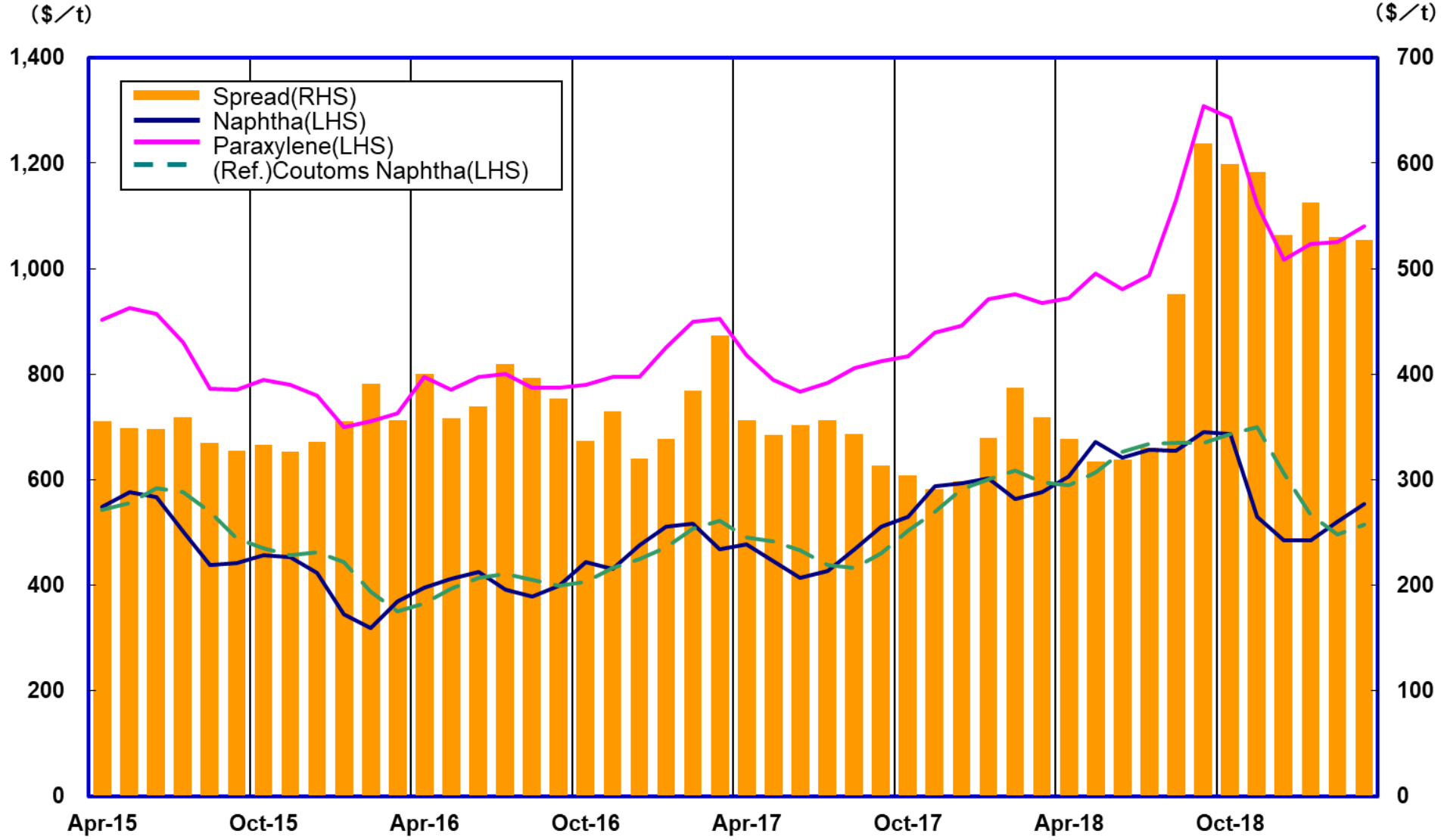
(3) Diesel Oil – Crude Oil CIF (Prices and Spreads)



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4. Market Conditions

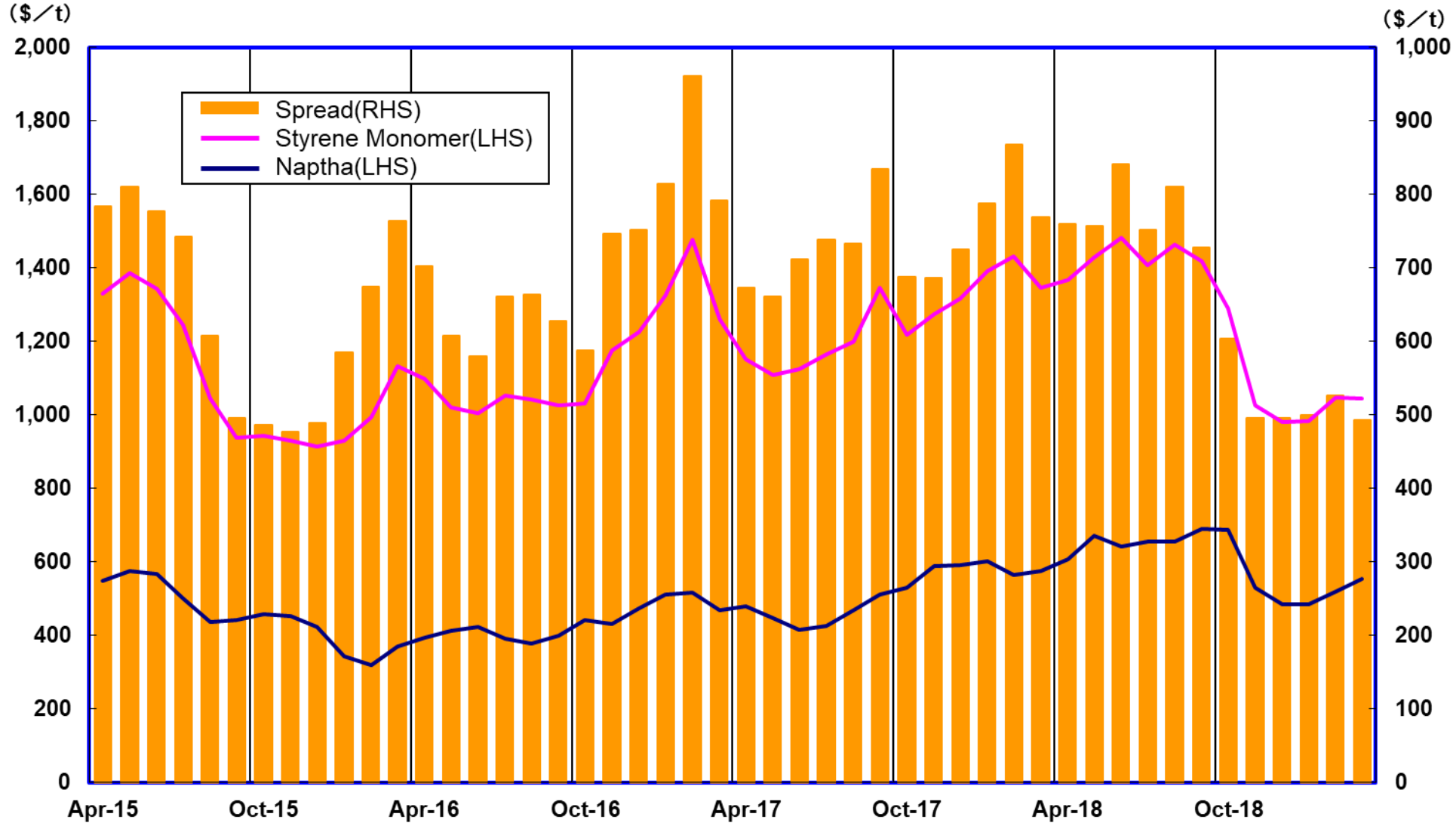
(4) Paraxylene, Naptha (Prices and Spreads)



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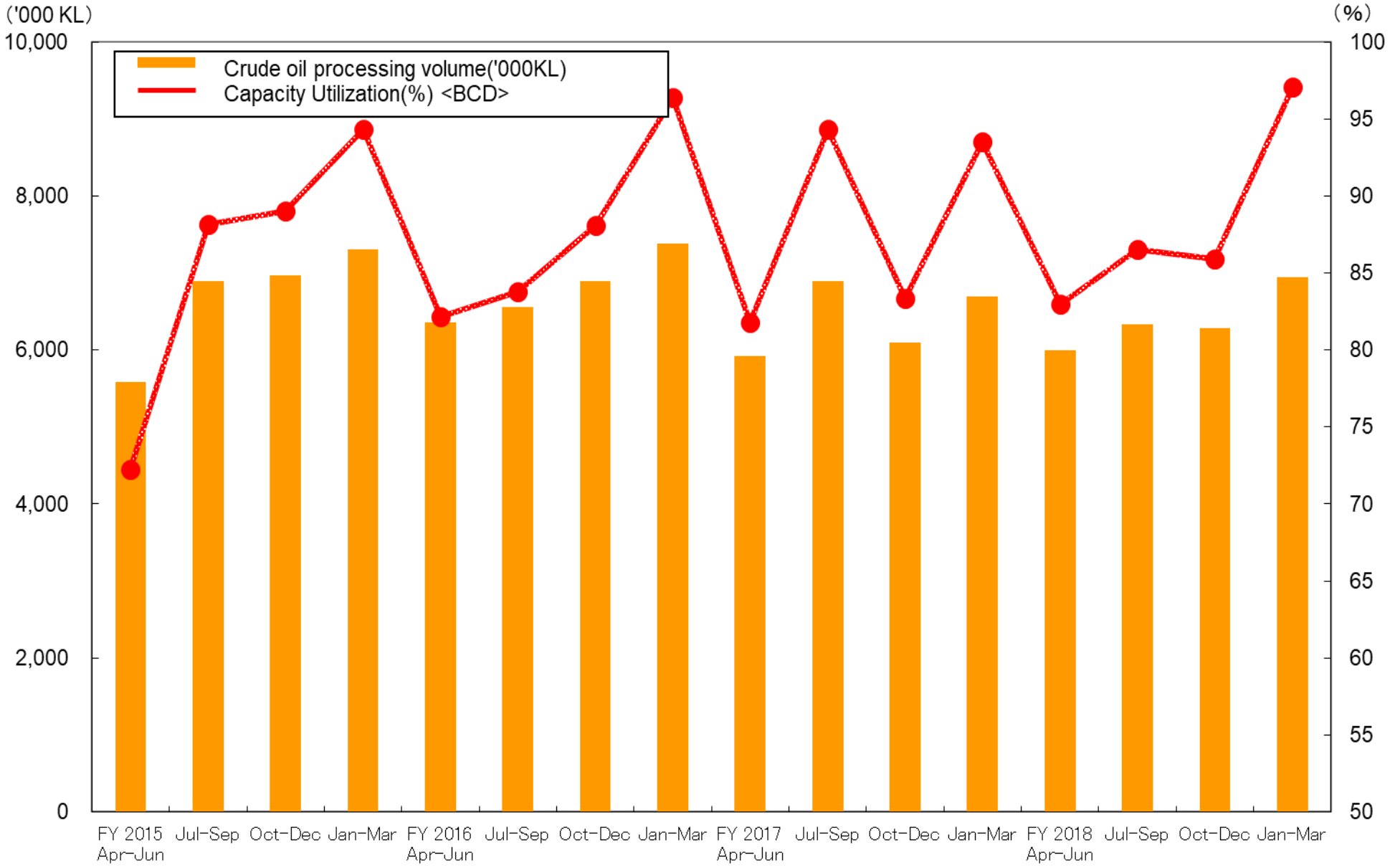
4. Market Conditions

(5) Styrene Monomer, Naptha (Prices and Spreads)



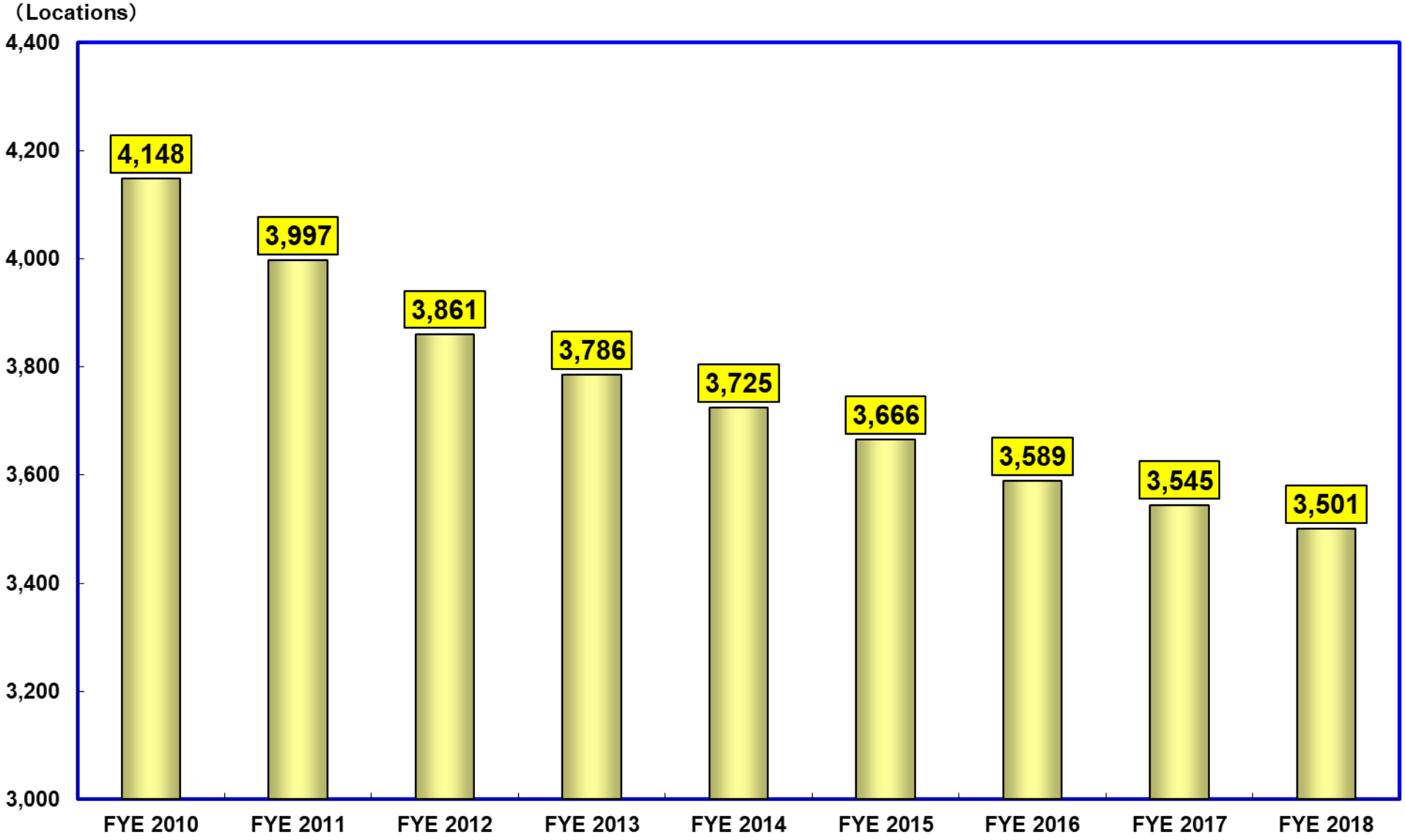
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5. Capacity Utilization at Refineries



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6. Number of Service Stations



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Any information about forecasts for the Company's operating results, management strategy and management policy contained in this documents other than historical facts is prepared, according to judgments made by the top management of the Company based on information available as of the publication of the document.

Actual business environments contain potential risk factors and uncertainties including economic situations, crude oil prices, trends in petroleum products, market conditions, currency exchange rates and interest rates.

Consequently, actual operating results of the Company may substantially differ from forecasts due to changes in the important factors mentioned above.

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