November 14, 2019

Press Release

Company Name: Idemitsu Kosan Co.,Ltd.
President and Representative Director:
Shunichi Kito
(Company Code: 5019, TSE, First Sect.)
Contact person:
Koji Tokumitsu, General Manager, Investor Relations Office, Finance Department
(TEL: +81-3-3213-9307)

Announcement on Revisions to Consolidated Earnings Forecasts for the Fiscal Year Ending March 2020

Idemitsu Kosan Co.,Ltd. (hereinafter, "we" or the "Idemitsu") hereby announces that it has revised its consolidated earnings forecasts for the fiscal year ending March 31, 2020, previously announced on May 15, 2019, in light of recent operating performance and other factors, as follows:

1. Revisions to Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2020 (April 1, 2019-March 31, 2020)

	Net Sales (JPY millions)	Operating Income (JPY millions)	Ordinary Income (JPY millions)	Net Income Attributable to Owners of the Parent (JPY millions)	Net Income per Share (JPY)
Previous Forecast (A)	6,790,000	220,000	228,500	160,000	530.23
Current Forecast (B)	6,100,000	165,000	150,000	100,000	332.53
Change (B-A)	(690,000)	(55,000)	(78,500)	(60,000)	
Change (%)	(10.2%)	(25.0%)	(34.4%)	(37.5%)	
(For Reference) Previous FY Results (FY 3/2019)	4,425,144	179,319	169,121	81,450	401.63

Note) We plan to execute a share repurchase of up to 4.8 million shares on March 24, 2020. This repurchase is reflected in the average number of shares for the purposes of calculating the net income per share figure in the consolidated earnings forecast for the fiscal year ending March 2020

2. Reasons for the Revisions in Earnings Forecasts

We expect that net sales will decrease relative to the previous forecast due to a decrease in crude oil prices, among other factors.
The operating income forecast has been revised downward by 55 billion yen from the previously announced forecast, to 165 billion yen, reflecting 28 billion yen in losses on inventory impact and revisions in crude oil and coal prices.
The ordinary income forecast has been revised downward by 78.5 billion yen, to 150 billion yen, due to an increase in equity losses from affiliates in addition to the factors stated above.
As a result, our forecast for net income attributable to owners of the parent has been revised downward by 60 billion yen from the previously announced forecast, to 100 billion yen.

(Assumptions)

(Units: USD/bbl., USD/ton, JPY/USD)

	Previous Forecast	Revised Forecast	Change
Crude Oil Price (Dubai)	70.0	63.1	(6.9)
Naphtha Price	650	515	(135)
Exchange Rate	110.0	107.5	(2.5)

Note) Revised assumptions from October 2019 onward: crude oil price: $60/bbl.; naphtha price: $485/ton, exchange rate: 105 JPY/USD

3. Dividend Forecast
   The interim and fiscal year-end dividend forecasts each remain unchanged at ¥80/share (total annual dividend forecast: ¥160/share).

4. Plans for acquisition and cancellation of treasury shares
   Idemitsu plans to acquire treasury shares up to 4.8 million shares (up to 12 billion yen) from November 15, 2019 to March 24, 2020. All shares are expected to be cancelled on April 30, 2020.

* The above earnings forecasts are based on information available as of the announcement date of this document. Actual results may differ from the forecasted figures due to various subsequent events.