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Press Release

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Announcement on Revisions to Consolidated Earnings Forecasts for the Fiscal Year Ending March 2021

Idemitsu Kosan Co., Ltd. (hereinafter, "Idemitsu") hereby announces that it has revised its consolidated earnings forecasts for the fiscal year ending March 31, 2021 (April 1, 2020-March 31, 2021), previously announced on May 26, 2020, in light of recent operating performance and other factors, as follows:

1. Revisions to Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2021 (April 1, 2020-March 31, 2021)

	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)	3,900,000	60,000	30,000	5,000	16.82
Revised Forecast (B)	4,300,000	35,000	(2,000)	(20,000)	(67.28)
Change (B - A)	+400,000	(25,000)	(32,000)	(25,000)	(84.10)
Change (%)	+10.3%				
(Reference) Previous FY Results (FY 3/2020)	6,045,850	(3,860)	(13,975)	(22,935)	(76.31)

2. Reasons for the Revisions in Earnings Forecasts

Idemitsu revised its net sales forecast upward by 400 billion yen, to 4.3 trillion yen, due to an increase in its Dubai crude oil price assumption. Operating and ordinary income forecasts were revised downward due to the impact of inventory valuation losses, despite expected increases from a recovery in sales of functional materials and cost reductions. As a result of the above, Idemitsu revised its forecast for net income attributable to owners of the parent by 25 billion yen, to a loss of 20 billion yen.

(Assumptions)

(Units: USD/bbl, JPY/USD)

	Previous Forecast	Revised Forecast	Change
Crude Oil Price (Dubai)	25.0	38.4	+13.4
Exchange Rate	105.0	106.0	+1.0

Note) Assumptions for October 2020 and beyond: crude oil price of $40/bbl, exchange rate of 105 JPY/USD

3. Dividend Forecast

The fiscal year-end dividend forecast remains unchanged at ¥60/share (total annual dividend forecast: ¥120/share).

*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.