Presentation on Results for FY2023

May 14, 2024

Idemitsu Kosan Co.,Ltd.

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Initiatives aimed at enhancing corporate and equity value

-Action to Implement Management that is Conscious of Cost of Capital And Stock Price-

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Progress on the Medium-Term Plan

3-year Plan and Forecast

	Plan	Forecast	Change
Operating+Equity Income*	¥560 billion	¥730 billion	+¥170 billion
Net Income*	¥380 billion	¥480 billion	+¥100 billion
Cash flows	¥910 billion	¥1,130 billion	**+¥220 billion**

Financial Condition at the end of FY23

ROE*	Equity Ratio	Net D/E	Shareholders' Equity
11.3%	35.9%	0.67	**¥1.8 trillion**

- ✓ Smooth start in Year 1 of the plan due to initiatives to enhance earnings in existing businesses, etc., **confirming high growth potential in existing businesses**
- ✓ 3-year CF to exceed the medium-term plan by ¥220 billion and shareholders' equity at the end of FY23 to reach 1.8 trillion, **suggesting an increase in strategic options for the company**

* Excluding inventory impact

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Overview of Initiatives toward FY25

Further improving capital efficiency in existing businesses × **Reallocating cash**

Upward revision of ROIC target

FY25: Existing businesses 7%

FY22 (adjusted*) : 3.4%
Initial FY25 Plan: 5%

New business investment screening

Key areas: 4 designated

Increased allocation towards existing growth investments (including M&A)

vs. Medium-term Plan: +¥50 billion~

Further Earnings Improvement

FY25: Operating + Equity

¥230 billion

vs. FY22 (adjusted*): +¥100 billion
vs. FY23 (adjusted*): +¥50 billion

Review of the capital structure (adequate shareholders' equity)

Share repurchase: ¥100 billion

50% total payout ratio for shareholder returns, plus a ¥100 billion share repurchase

Achieve 2030 GHG reduction targets

Almost achieve ~20% of the required 7.3 million t reduction in FY23

Achieve 10% ROE in FY25 and rapidly achieve 1.0x PBR by improving capital efficiency and achieving further sustainable growth

*Figure adjusted for time-lags in the petroleum segment, coal prices in the resources segment (FY25 plan assumption of $120/t), etc. to facilitate comparison excluding the impact of the external environment

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Further improving capital efficiency in existing businesses

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ROIC by Segment: Key Initiatives (1)

■ Petroleum + Basic Chemicals Segment (FY22 2.3% ➡ FY25 6%)

✓ Optimize refining capability to reduce invested capital while expanding high-growth overseas businesses and achieving profitability at NSRP in FY25 to secure ROIC spread

Items	Details	Earnings Improvement	Capital Compression
Terminate Seibu Oil refinery operations	Reduce facilities, fixed costs, and working capital, increase capacity utilization of existing refineries, reduce GHG	↗	↘
Expand overseas businesses (e.g. biofuel)	**Pursue medium-to-long-term growth opportunities** through overseas subsidiaries (IIA/IAC)	↗	-
Improve NSRP earnings	Continue high capacity utilization after regular maintenance and reduce costs to **achieve profitability in FY2025**	↗	-
Capital/business alliances with Fuji Oil	Create synergies, capture equity income	↗	-
Improve domestic and overseas profit margins	Properly reflect cost increase in prices	↗	-
Compress working capital	Optimize inventory levels, review schedules of receivables and payables	-	↘
		+88	(184)

[¥ billions]

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ROIC by Segment: Key Initiatives (2)

Functional Materials Segment (FY22 4.5% ➡ FY25 10%)

✓ ROIC improved to over 7% in FY23 through withdrawal from unprofitable businesses, etc. Aiming to exceed 10% through earnings improvement and strategic investments including M&A

Items	Details	Earnings Improvement	Capital Compression
Improve earnings in the lubricant business, etc.	Adequately reflect cost increase in pricing, streamline low-margin products, expand overseas sales, expand sales of electronic materials, etc.	↗	–
Reshuffle the performance chemicals business	Withdraw from acrylic acid, L-MODU, BPA, etc.	↗	↘
Execute M&A	**Pursue M&A for further growth**	↗	↗
		+28	+50

[¥ billions]

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ROIC by Segment: Key Initiatives (3)

Power/Renewable Energy Segment (FY22 0.3% ➡ FY25 4%)

✓ Implement structural reforms (revamp the overseas renewable energy businesses, achieve profitability at Solar Frontier) to ensure 4% ROIC

Items	Details	Earnings Improvement	Capital Compression
Optimize electricity sales volume	Initiatives focused on sales within self generation	↗	–
Revamp the overseas renewable energy businesses	**Strategic reformulation of the BOT and overseas gas/fire power businesses**	↗	↘
Improve Solar Frontier earnings	Establishment of a stable profit base as a systems integrator equipped with EPC capabilities, **achieve profitability in FY2025**	↗	–
		+8	(73)

[¥ billions]

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ROIC by Segment: Key Initiatives (4)

Resources Segment (FY22 17.2% ➡ FY25 14%)

✓ Reduced invested capital by aggregating coal mining interests
Achieve high ROIC by continuing stable supply to steadily evolve the portfolio

Items	Details	Earnings Improvement	Capital Compression
Aggregation of coal mining interests	Sold interests in the Ensham Mine, Continue stable supply based on existing mining interests	→	↘
Promoting portfolio evolution	Obtain lithium and vanadium interests and leverage existing assets to improve quality of earnings	↗	↗
		(22) *1	(40)

[¥ billions]

Corporate

✓ Promote company-wide, cross-organizational DX and centralize procurement functions to further improve ROIC in each segment

Items	Details	Earnings Improvement	Capital Compression
Promoting DX	Leverage generated AI to enhance facility reliability and accelerate R&D etc. to achieve a 30% increase in productivity by FY25	↗	–
Reducing procurement costs	Create a procurement headquarters to promote organization-wide procurement, reducing costs while enhancing productivity and strengthening governance	↗	↘

*1 Decreased due to production cost increase

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ROIC by Segment

Segment	FY22 ROIC (adjusted)	FY22 Invested Capital	FY25 ROIC Target	NOPAT*2 / Invested Capital*3 FY25 vs FY22 (¥ bn)
Petroleum + Basic Chemicals	2.3%	71%	6%	+88 / (184)
Functional Materials	4.5%	10%	10%	+28 / +50
Power/Renewable Energy	0.3%	7%	4%	+8 / (73)
Resources	17.2%	9%	14%	(22) / (40)
Total of Existing Businesses*1	**3.4%**	**100%**	**7%**	**+100 / (280)**
2050 CN Investments	-	-	-	- / +150
Total	**3.4%**	**100%**	**6%**	**+100 / (130)**

*1 Includes corporate expenses, etc. *2 NOPAT used for ROIC numerator
*3 Land marked to market; reserve borrowings excluded from calculations as they create no effective burden

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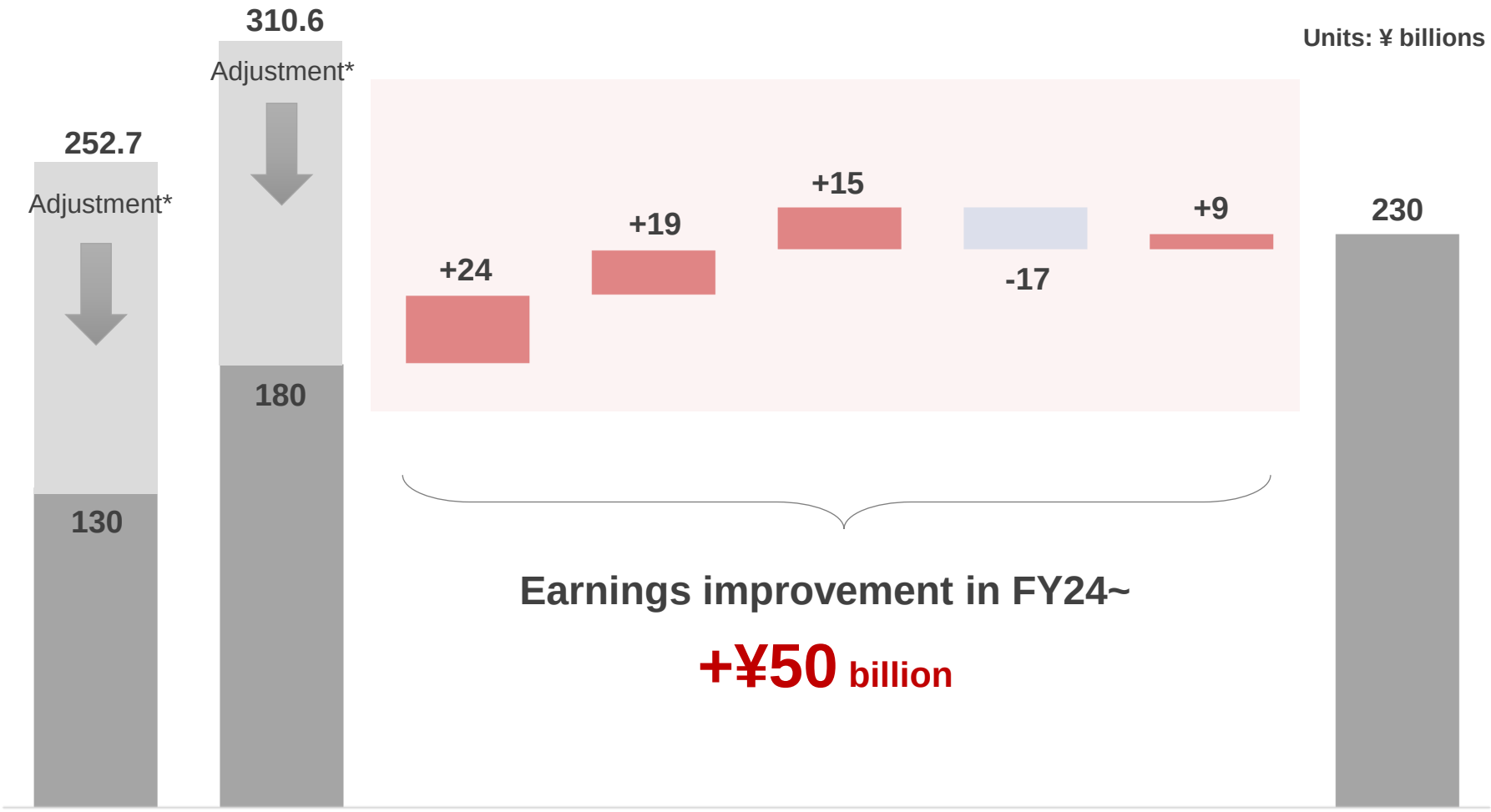
Further Profit Improvement in Existing Businesses

- **FY25 Operating + Equity Income: ¥230 billion (vs. FY23 adjusted: +¥50 billion)**



*Adjusts for time lag in the petroleum segment and coal prices in the resources segment (to $120/t as assumed in the FY25 plan) to facilitate comparison by eliminating major external factors

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Reallocating cash

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Screening Results of "New Business Contributing to CN" 16PJ

- **Designated 4 key areas for investment towards CN in 2050**
- **Establish KSFs** towards rapid implementation by 2030 and profitability thereafter
  - Market feasibility = Pursue economy, versatility, scalability, continuity, supplementation
  - Use of existing assets = Reduce initial investment and shorten time to implementation
  - Strong business partners = Achieve low-cost renewable energy/materials and economies of scale
  - Technological advantage = Pursue barriers to entry and high value-added

✓ Business Development towards 2030

Blue Ammonia
- Fuel conversion from coal

1 million t supply to Shunan Industrial Complex
(~2030 Lake Charles, USA/Tokuyama Complex)
- Manufacturing partner: Mitsubishi Corporation, Proman
- Hub partners: Tosoh, Tokuyama, Zeon

e-Methanol
- Direct use for ships
- Expand into synthetic gasoline

Produce **80,000t**
(~2030 Hokkaido Refinery)
- Manufacturing partner: ENEOS, HEPCO (green ammonia)

200,000t supply
(~2029 Australia, etc.)
- Manufacturing partner: HIF Global
- SC partner: Mitsui O.S.K.

SAF
- "Domestic supply of 500,000 kL of CORSIA-qualified fuel"

ATJ: produce **100,000kl**
(~2028 Chiba Complex)

HEFA: produce **250,000kl**
(~2028 Tokuyama Complex)

Overseas PJ **150,000kl** supply
(~2030 Australia, etc.)

Lithium Solid Electrolytes
- Capture increase in EV demand

Commercialize all-solid batteries (2027~28 Chiba Complex)
- Battery development partner: Toyota Motor
- Materials development partner: Umicore

✓ Further potential towards 2050

- Green Ammonia
- Green Hydrogen
- Synthetic Fuel /Chemicals
- Bio-fuel/ Chemicals
- Recycle Supply Chain

*Companies' names are simplified

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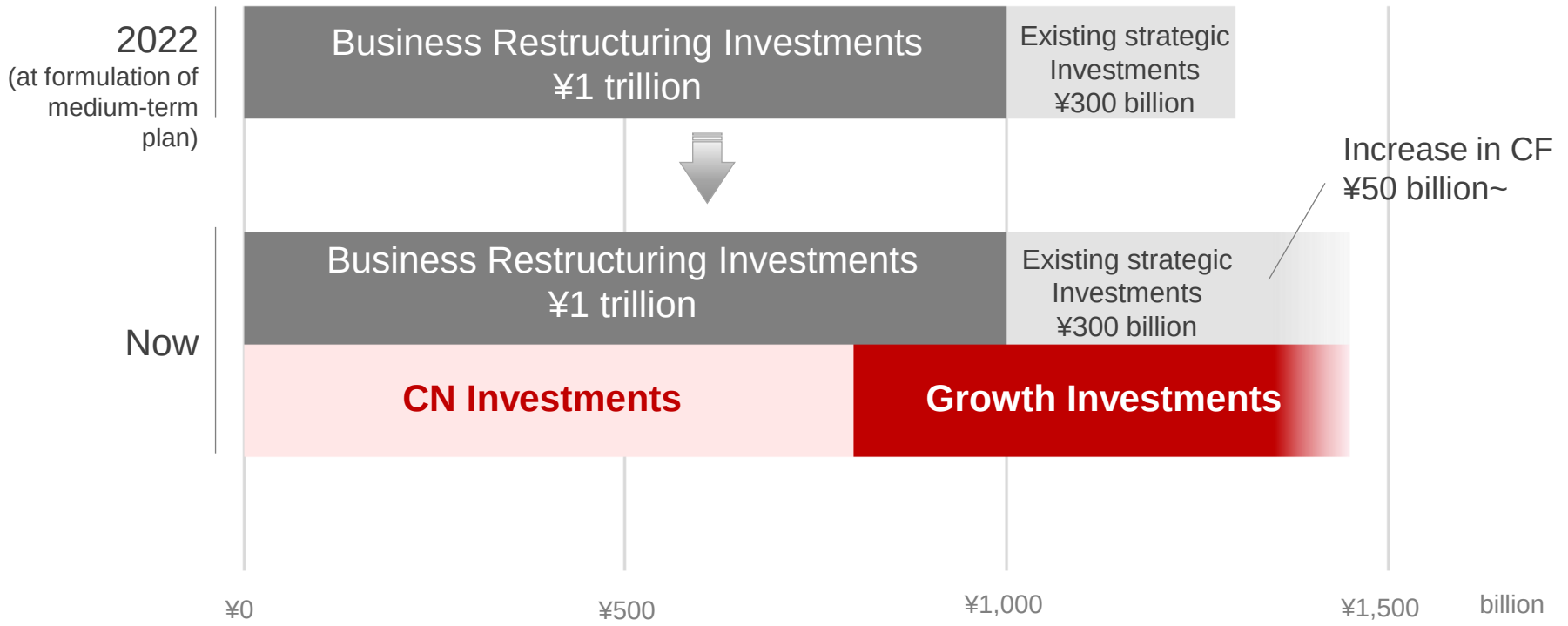
Investment Allocation (FY2023~2030)

- Reviewed our FY2023-2030 strategic investments based on a timeline in light of screening and increase in CF during the medium-term plan period
  - ✓ **Investments leading to higher CF or ROIC towards 2030 (Growth investments)**: Strength earning power of existing businesses to achieve ROIC/ROE targets (mainly Diverse resource conservation/circulation solutions, Smart Yorozuya)
  - ✓ **Desirable investments towards CN in 2050 (CN investments)**: Planning to invest about ¥800 billion to reduce GHG and to evolve the business portfolio (mainly Energy one step ahead)



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Reviewing the Capital Structure(Pursuing Adequate Shareholders' Equity)

Adequate shareholders' equity

- ✓ Maintain current credit rating to secure a stable financial base to achieve steady progress in restructuring efforts
  (maintain optimal balance between shareholders' equity, interest-bearing liabilities, and CF)

Reviewing the capital structure

Pursue adequate shareholders' equity through ¥100 billion acquisition of treasury shares

Relationship between shareholder returns policy and the review of the capital structure

- ✓ No changes to the current medium-term shareholder returns policy of returning at least 50% of 3-year cumulative net income excluding inventory impact
- ✓ In addition to the above, executing a ¥100 billion acquisition of treasury shares to pursue adequate shareholders' equity

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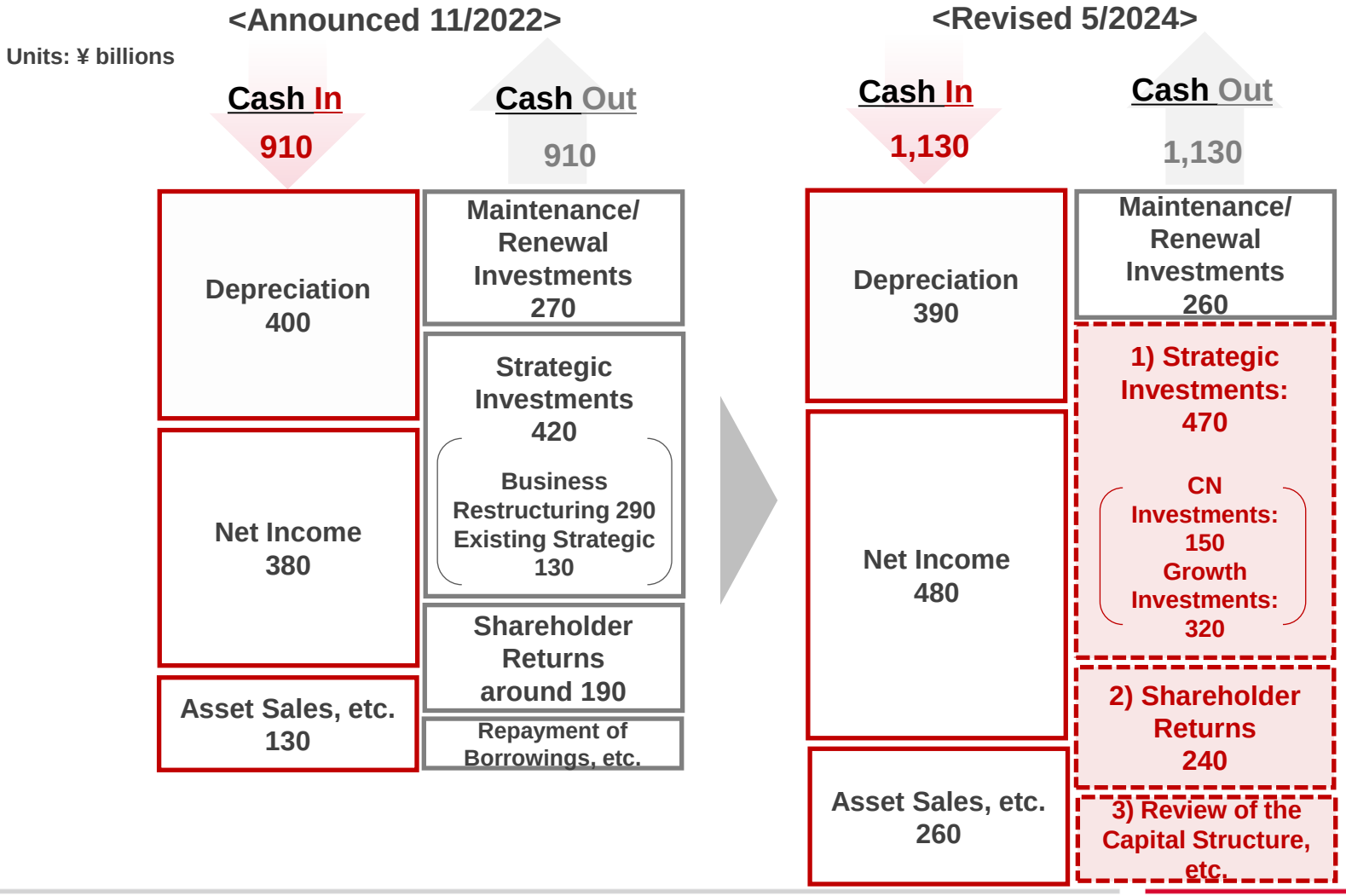
3-year Cash Flow Allocation (FY2023~2025)

- Increase in CF to be used for **1) strategic investments, 2) shareholder returns, and 3) review of the capital structure**



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Achieving GHG reduction targets

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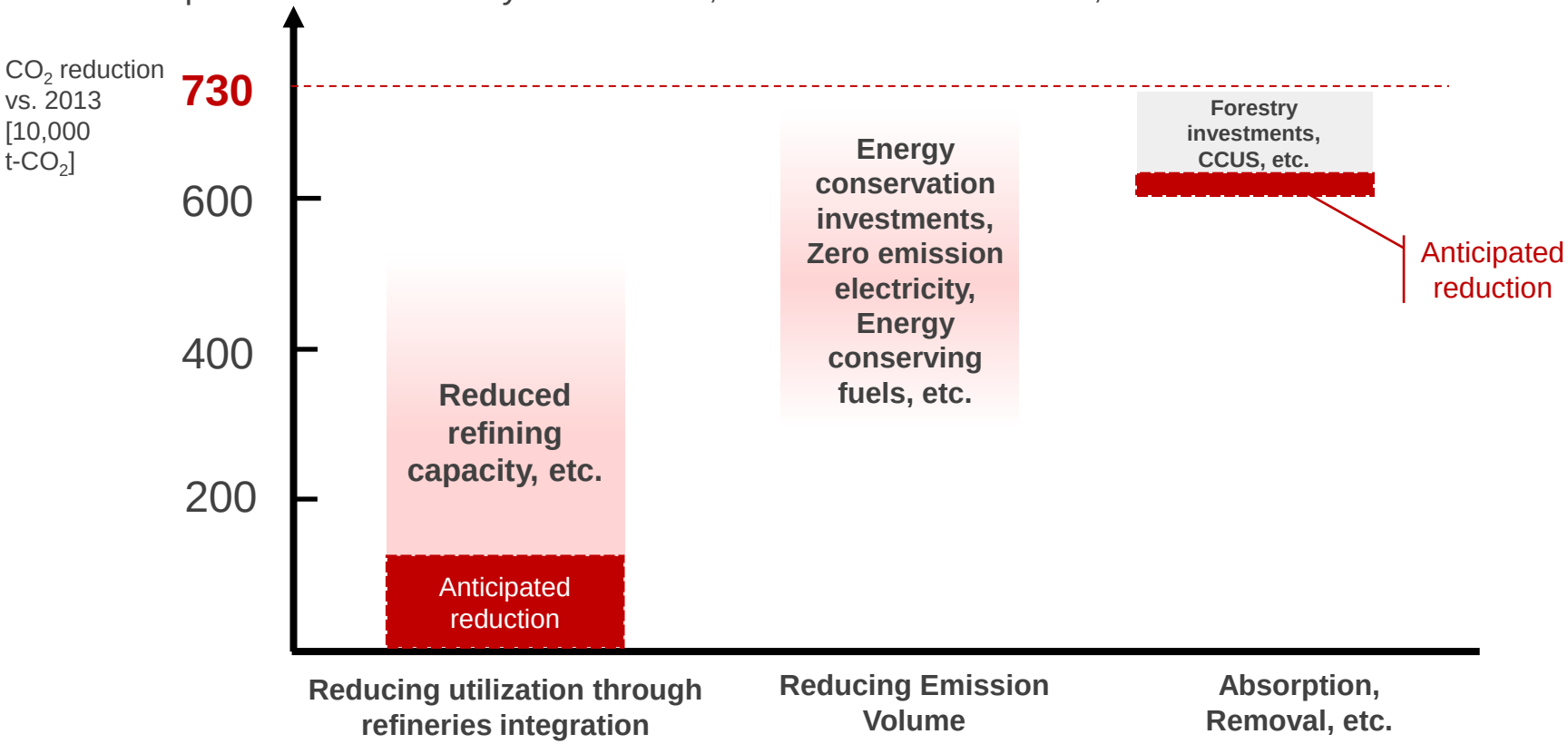
Progress on FY2030 Scope1+2 Reduction Targets

- **Almost achieve ~20% of the required 7.3 million t reduction towards 46% reduction by FY2030**

✓ Reduce utilization through refineries integration: terminated Seibu Oil refinery operations, stopped L-MODU/acrylic acid devices, consider stopping Chiba District crackers, etc.
✓ Reduce emission volume: energy conservation investments at complexes/manufacturing facilities, consider transition to energy conserving fuels, etc.
✓ Absorption/removal: forestry investments, CCS in Tomakomai area, etc.



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Highlights

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FY2023 Results

Summary

- ✓ Operating + equity income (segment income) excluding inventory impact increased by ¥57.9 billion y-o-y, as the positive impact of time-lag in the petroleum business, etc. offset the negative impact of mining size reduction in the coal business and the decrease in coal prices in reaction to the sharp rise observed in the previous year

- ✓ Net income excluding inventory impact decreased by ¥22.9 billion y-o-y, mainly due to ¥41.1 billion in provision of allowance for doubtful accounts due to an increase in the discount rate on investments/loans to NSRP under the high interest rate environment

[¥ billions]

	FY22	FY23	Change	11/14 Forecasts (Reference)
Operating + Equity Income	308.4	363.0	+54.6	265.0
Inventory Impact	*55.7*	*52.5*	*(3.3)*	*45.0*
Exc. Inventory Impact	*252.7*	*310.6*	*+57.9*	*220.0*
Extraordinary Income	26.7	(58.5)	(85.2)	(17.0)
Net Income	253.6	228.5	(25.1)	180.0
Exc. Inventory Impact	*215.0*	*192.1*	*(22.9)*	*150.0*

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FY2024 Forecasts and Shareholder Returns

Summary

- ✓ Segment income excluding inventory impact decreased by ¥125.6 billion y-o-y due to a loss of the positive time-lag earned in the previous FY, etc. in the petroleum business, decline in the coal market, mining size reduction, etc.

[¥ billions]

	FY23	FY24	Change
Operating + Equity Income	363.0	185.0	(178.0)
Inventory Impact	*(52.5)*	*(0)*	*(52.5)*
Exc. Inventory Impact	*310.6*	*185.0*	*(125.6)*
Net Income	228.5	125.0	(103.5)
Exc. Inventory Impact	*192.1*	*125.0*	*(67.1)*

Shareholder Returns

[FY23 Results]

- ✓ Dividend* : ¥80 interim (before 5-for-1 stock split), ¥16 FY end
- ✓ Announced ¥35 billion acquisition of treasury shares in November 2023
  (progress as of April 30, 2024: 46.51%)

[FY24 Forecast]

- ✓ No change to the shareholder return policy
- ✓ Annual dividend: ¥32/share (¥16/share for both interim and FY end)
- ✓ Planning a ¥70 billion acquisition of treasury shares including ¥50 billion to revamp the capital structure

*Effective January 1,2024, a 5-for-1 stock split of shares of common stock was implemented, and although the annual dividend cannot be simply combined due to the stock split, it is expected to be ¥160 per share on a pre-split basis and ¥32 per share on a post-split basis.

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Results for FY2023

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Topics (1/2)

Situation of Nghi Son Refinery in Vietnam

[FY23]

- ✓ While operating income excluding inventory impact increased, NSRP reported net losses due to an increase in financial expenses

  *Zero on consolidated basis FY23 due to loss on write-down of long-term loans receivable reported in FY21

- ✓ Stable capacity utilization exceeding 100% due to initiatives aimed at enhancing productivity achieved during the regular maintenance period

[FY24]

- ✓ Forecasting a large increase in operating income, but net loss due to remaining high financial expenses

  * Zero on consolidated basis FY24 due to loss on provision of allowance for doubtful accounts reported in FY23

- ✓ Planning another 15～20% increase in capacity utilization. Forecasting significant growth y-o-y, in part due to the maintenance in the previous FY
- ✓ Commenced manufacturing of ultra low-sulfur diesel oil, maximizing profit opportunities by fulfilling domestic petroleum demand in Vietnam while also capturing environmental needs
- ✓ Continuing constructive discussions between sponsors aimed at achieving positive net profits in FY25



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Topics (2/2)

Trends in Petroleum Demand and Sales

- ✓ In FY23, gasoline demand decreased due to less ownership of gasoline-powered vehicles and improved fuel efficiency. Diesel oil also decreased due to streamlined logistics, etc. This trend is expected to continue in FY24

	FY22 (Reference)	**FY23**	**FY24 (Forecast)**
Core products	100.9%	**97.5%**	**97.9%**
Gasoline	*101.3%*	***97.9%***	***98.2%***
Diesel oil	*103.0%*	***98.1%***	***98.2%***
Jet fuel	136.8%	**105.7%**	**102.9%**

* Idemitsu sales growth rate (y-o-y)

Review of the refining supply system

- ✓ Terminated refining operations at Yamaguchi Refinery in March 2024 (refining capacity: 120,000 BD)
- ✓ Announced a capital/business alliance with Fuji Oil
  - -Planning to make Fuji Oil an equity-method affiliate by acquiring shares from Sumitomo Chemical and JERA
  - -Enhance efficiency of manufacturing/supply in the petroleum business and enhance competitiveness to improve profitability
  - -Pursue decarbonization by becoming the flagship supply hub of next-generation carbon neutral fuel in the Keiyo Area

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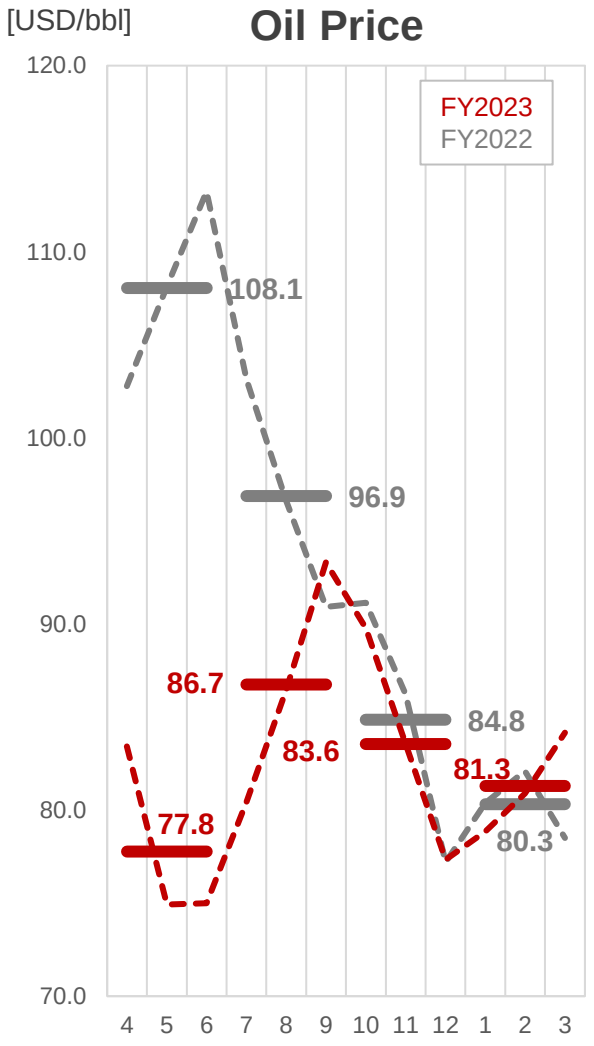
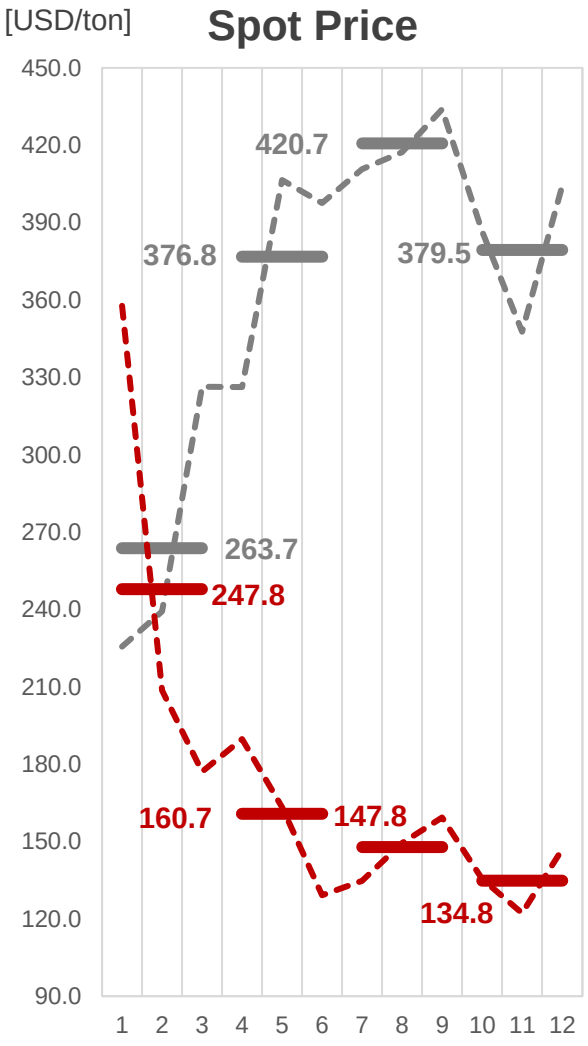
Operating Environment

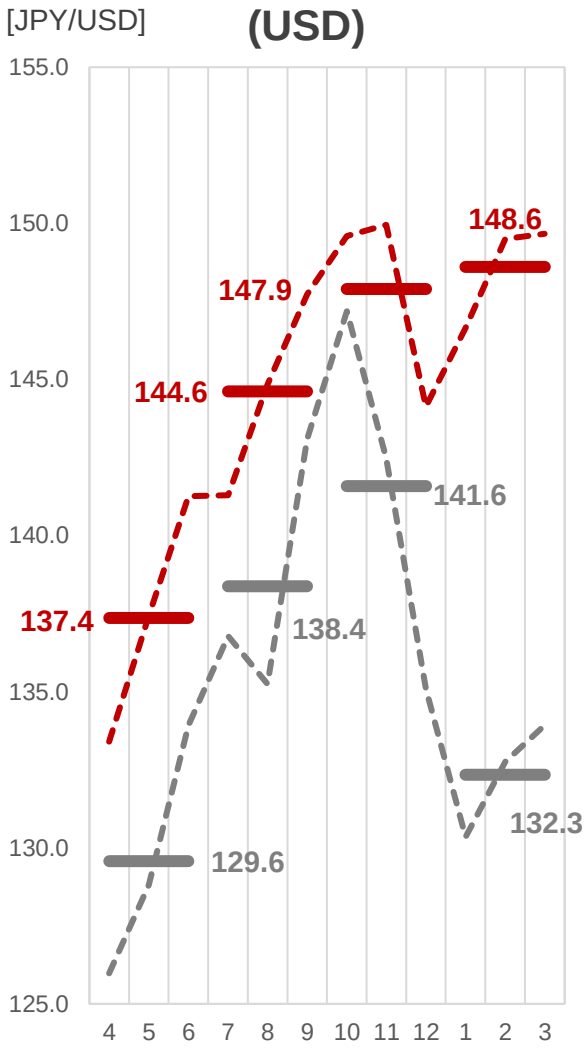
Dubai Crude Oil Price



Australian Coal Spot Price



Exchange Rate (USD)



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Overview

Crude Oil/Coal/Exchange Rate

[USD/bbl, USD/ton, JPY/USD]

	FY2022	FY2023	Change	
Crude Oil (Dubai)	92.5	82.3	(10.2)	(11.0%)
Crude Oil (Brent)*	101.2	82.6	(18.5)	(18.3%)
Australian Coal Spot Price*	360.2	172.8	(187.4)	(52.0%)
Exchange Rate (TTM)	135.5	144.6	+9.2	+6.8%

*Brent prices and Australian coal spot prices are averages based on the calendar year (Jan-Dec).

Consolidated Income Statement(Summary)

[¥ billions]

	FY2022	FY2023	Change	
Net Sales	9,456.3	8,719.2	(737.1)	(7.8%)
Operating Income	282.4	346.3	+63.9	+22.6%
Inventory impact	*55.7*	*52.5*	*(3.3)*	*(5.9%)*
Equity Income	26.0	16.7	(9.3)	(35.6%)
Operating Income + Equity Income	**308.4**	**363.0**	**+54.6**	**+17.7%**
Excluding inventory impact	***252.7***	***310.6***	***+57.9***	***+22.9%***
Ordinary Income	321.5	385.2	+63.7	+19.8%
Extraordinary Income/Losses	26.7	(58.5)	(85.2)	–
Net Income Attributable to Owners of the Parent	**253.6**	**228.5**	**(25.1)**	**(9.9%)**
Excluding inventory impact	***215.0***	***192.1***	***(22.9)***	***(10.6%)***

*Gross average method of inventory valuation
*Inventory impact" represents the impact of inventory valuation and the reduction in book value of inventory assets

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Segment Information

Operating + Equity Income

[¥ billions]

	FY2022	FY2023	Change	
Petroleum	**73.0**	**219.7**	**+146.6**	**+200.8%**
Excluding inventory impact	***17.3***	***167.2***	***+149.9***	***+867.6%***
Basic Chemicals	**10.1**	**22.0**	**+12.0**	**+119.0%**
Functional Materials	**17.0**	**27.6**	**+10.6**	**+62.6%**
Power and Renewable Energy	**0.5**	**(7.6)**	**(8.1)**	**–**
Resources*	**230.9**	**116.9**	**(114.0)**	**(49.4%)**
Oil Exploration and Production	*32.8*	*19.1*	*(13.7)*	*(41.7%)*
Coal	*198.1*	*97.8*	*(100.3)*	*(50.6%)*
Others/Reconciliation	**(23.0)**	**(15.6)**	**+7.4**	**–**
Total	**308.4**	**363.0**	**+54.6**	**+17.7%**
Excluding inventory impact	***252.7***	***310.6***	***+57.9***	***+22.9%***

*Fiscal year for Coal Oil E&P and Coal included in the Resources Segment end in Dec.

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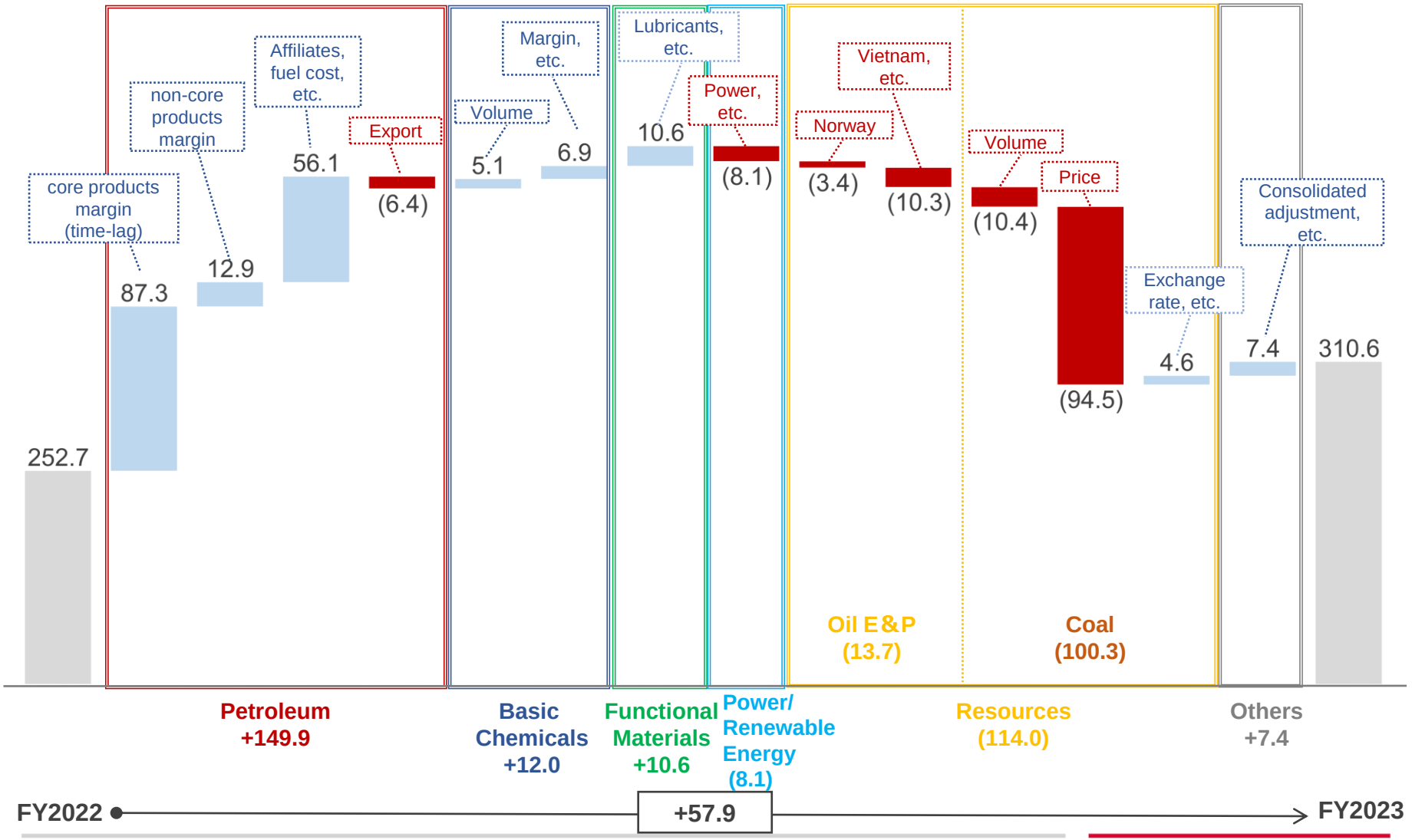
Segment Information

Factors Affecting Operating + Equity Income (excluding inventory impact, y-o-y)

[¥ billions]



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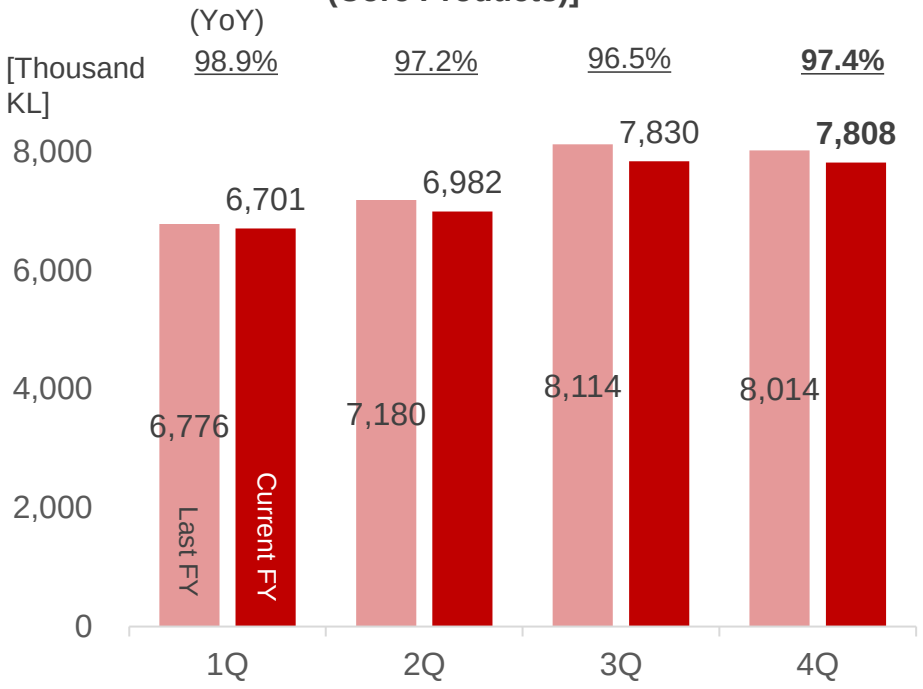
Segment Information

[Petroleum] YoY +¥149.9 bn (FY22: ¥17.3 bn ➡ FY23: ¥167.2 bn)

[Y-o-Y Change in Petroleum Sales Volume (Core Products)]



[Trends in Domestic Petroleum Product Margin*]

*Average margin of gasoline, diesel oil, kerosene, and heavy oil A (domestic spot –crude oil)



- ✓ Profit increased as a result of improved domestic core product margins due to positive time-lag, improved non-core product margins and a decrease in fuel costs, etc.
- ✓ Increased earnings from international trading businesses also contributed to the profit
- ✓ The above was partially offset by a decrease in export volume due to regular maintenances

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Segment Information

[Basic Chemicals] YoY +¥12.0 bn (FY22: ¥10.1 bn ➡ FY23: ¥22.0 bn)

- ✓ Sales volume improved following the regular maintenance in the last FY and sales expansion after the launch of PX operations at Chita
- ✓ Profits improved due to margin improvement and decrease in fuel costs, etc.

Product [USD/ton]	FY22		FY23		Change	
	Price	Margin	Price	Margin	Price	Margin
PX	1,090	**352**	1,036	**388**	(54)	**+36**
MX	1,013	**276**	933	**284**	(81)	**+8**
SM	1,180	**442**	1,052	**403**	(128)	**(39)**

[Functional Materials] YoY +¥10.6 bn (FY22: ¥17.0 bn ➡ FY23: ¥27.6 bn)

- ✓ Lubricants: Increased due to reversal of negative time lag in the previous FY
- ✓ Performance chemicals: Increased due to withdrawal from unprofitable businesses, etc.
- ✓ Electronic materials: Remained flat due to lackluster demand for Smartphones and OLED-TVs

[Power/Renewable Energy] YoY -¥8.1 bn (FY22: ¥0.5 bn ➡ FY23: -¥7.6 bn)

- ✓ Power: Decreased due to reduced sales prices, increased procurement costs related to a conflict of a power generation plant and increase in biomass raw material costs in spite of continuous initiatives for sales within self generation
- ✓ Solar: Improved due to cost reductions from structural reforms and sales expansion of solar power for self-consumption model

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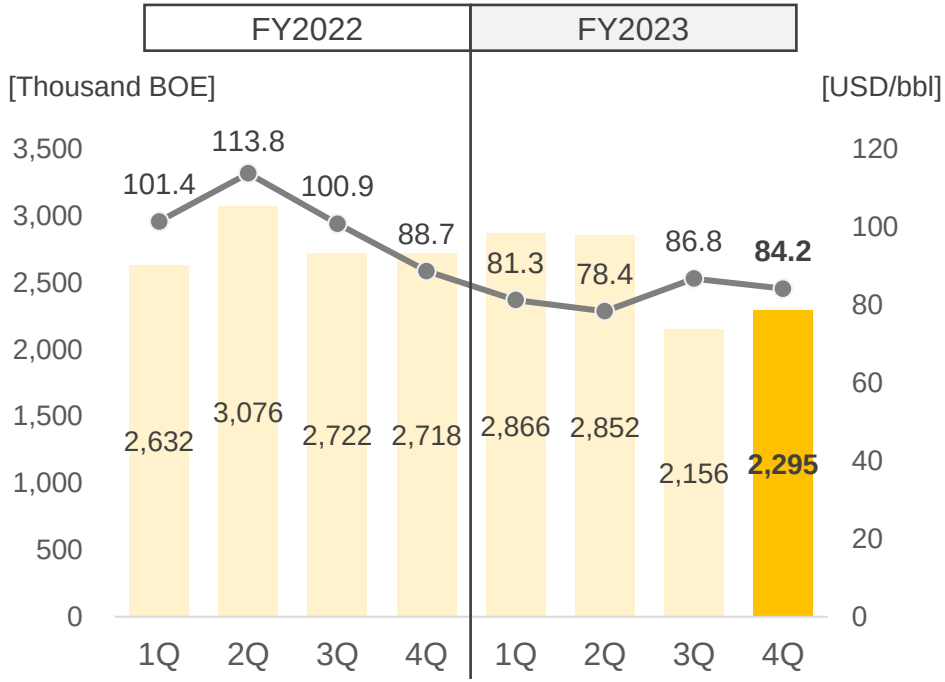
Segment Information

[Oil E&P] YoY -¥13.7 bn
(FY22 : ¥32.8bn ➡ FY23 : ¥19.1bn)

<Crude Oil Production Volume and Brent Crude Oil Price Trends>

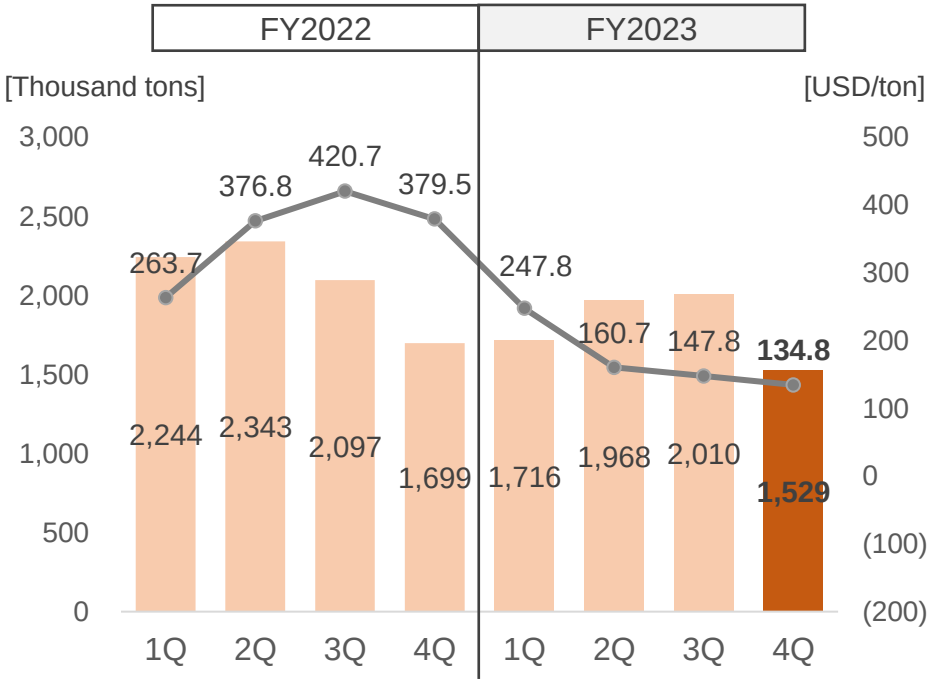


- ✓ Production volume decreased due to regular maintenances
- ✓ Profit decreased due to a fall in crude oil prices and to cost-related factors

* Figures reflect share of rights owned in resource development affiliates

[Coal] YoY -¥100.3 bn
(FY22 : ¥198.1bn ➡ FY23 : ¥97.8 bn)

<Coal Production Volume and Australian Coal Spot Price Trends>



- ✓ Profit fell due to the reversal of the strong market conditions observed in the previous FY as well as a decrease in production volume following mining size reduction

* Terminated mining at Muswellbrook in March 2023 and sold Ensham in August 2023

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Balance Sheet

[¥ billions]

	3/31/2023	3/31/2024	Change		3/31/2023	3/31/2024	Change
Cash and Deposits	105.2	139.3	+34.1	Total Current Liabilities	2,164.0	2,192.5	+28.5
Receivables, Inventory, etc.	2,626.9	2,777.5	+150.6	Total Fixed Liabilities	1,072.1	1,007.3	(64.8)
Total Current Assets	2,732.1	2,916.8	+184.8	Total Liabilities	3,236.1	3,199.8	(36.3)
Tangible Fixed Assets	1,390.0	1,362.6	(27.4)	Shareholders' Equity and Other Comprehensive Income	1,614.5	1,799.9	+185.4
Other Fixed Assets	743.3	732.9	(10.4)	Noncontrolling Interests	14.8	12.6	(2.1)
Total Fixed Assets	2,133.3	2,095.5	(37.8)	Total Net Assets	1,629.3	1,812.5	+183.2
Total Assets	4,865.4	5,012.3	+146.9	Total Liabilities and Net Assets	4,865.4	5,012.3	+146.9

Net D/E ratio	0.87	0.67	(0.20)
Total Interest-bearing debt	1,503.4	1,342.7	(160.7)
Equity ratio	33.2%	35.9%	+2.7%

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Statement of Cash Flows

[¥ billions]

Cash Flows from Operating Activities	**377.4**
Net Income before tax	326.8
Depreciation Expense	108.6
Change in Working Capital	(39.1)
Other	(18.9)
Cash Flows from Investing Activities	**(65.8)**
Purchase of fixed assets	(92.7)
Sales of assets, etc.	26.9
Cash Flows from Financing Activities	**(280.5)**
Change in borrowings	(176.1)
Dividend payments, share buyback	(97.6)
Other	(6.8)
Translation gains/losses	2.7
Change in cash and deposits	33.8
Cash and Cash Equivalents - Beginning Balance	**103.1**
Cash and Cash Equivalents - Ending Balance	**136.9**

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Forecasts for FY2024

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Forecasts for FY2023

Crude Oil/Coal/Exchange Rate

[USD/bbl, USD/ton, JPY/USD]

	FY2023	FY2024	Change	
Crude Oil (Dubai)	82.3	85.0	+2.7	+3.2%
Crude Oil (Brent)*	82.6	85.0	+2.4	+2.8%
Australian Coal Spot Price*	172.8	125.0	(47.8)	(27.7%)
Exchange Rate (TTM)	144.6	145.0	+0.4	+0.3%

*Brent prices and Australian coal spot prices are averages based on the calendar year (Jan-Dec).

Consolidated Income Statement(Summary)

[¥ billions]

	FY2023	FY2024	Change	
Net Sales	8,719.2	8,700.0	(19.2)	(0.2%)
Operating Income	346.3	169.0	(177.3)	(51.2%)
Inventory impact	*52.5*	*0.0*	*(52.5)*	*(100.0%)*
Equity Income	16.7	16.0	(0.7)	(4.3%)
Operating Income + Equity Income	**363.0**	**185.0**	**(178.0)**	**(49.0%)**
Excluding inventory impact	***310.6***	***185.0***	***(125.6)***	***(40.4%)***
Ordinary Income	**385.2**	**188.0**	**(197.2)**	**(51.2%)**
Extraordinary Income/Losses	**(58.5)**	**(12.0)**	**+46.5**	**–**
Net Income Attributable to Owners of the Parent	**228.5**	**125.0**	**(103.5)**	**(45.3%)**
Excluding inventory impact	***192.1***	***125.0***	***(67.1)***	***(34.9%)***

*Gross average method of inventory valuation.
Inventory impact represents the impact of inventory valuation and the reduction in book value of inventory assets

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Segment Information

Operating + Equity Income

[¥ billions]

	FY2023	FY2024	Change		FY2024 (medium-term plan)
Petroleum	**219.7**	**102.0**	**(117.7)**	**(53.6%)**	**102.0**
Excluding inventory impact	***167.2***	***102.0***	***(65.2)***	***(39.0%)***	***102.0***
Basic Chemicals	**22.0**	**26.0**	**+3.9**	**+17.9%**	**26.0**
Functional Materials	**27.6**	**31.0**	**+3.4**	**+12.4%**	**28.0**
Power and Renewable Energy	**(7.6)**	**(3.0)**	**+4.6**	**–**	**3.0**
Resources*	**116.9**	**57.0**	**(59.9)**	**(51.3%)**	**54.0**
Oil Exploration and Production	*19.1*	*12.0*	*(7.1)*	*(37.2%)*	*13.0*
Coal	*97.8*	*45.0*	*(52.8)*	*(54.0%)*	*41.0*
Others/Reconciliation	**(15.6)**	**(28.0)**	**(12.4)**	**–**	**(18.0)**
Total	**363.0**	**185.0**	**(178.0)**	**(49.0%)**	**195.0**
Excluding inventory impact	***310.6***	***185.0***	***(125.6)***	***(40.4%)***	***195.0***

*Fiscal year for Oil E&P and Coal included in the Resources Segment end in Dec.

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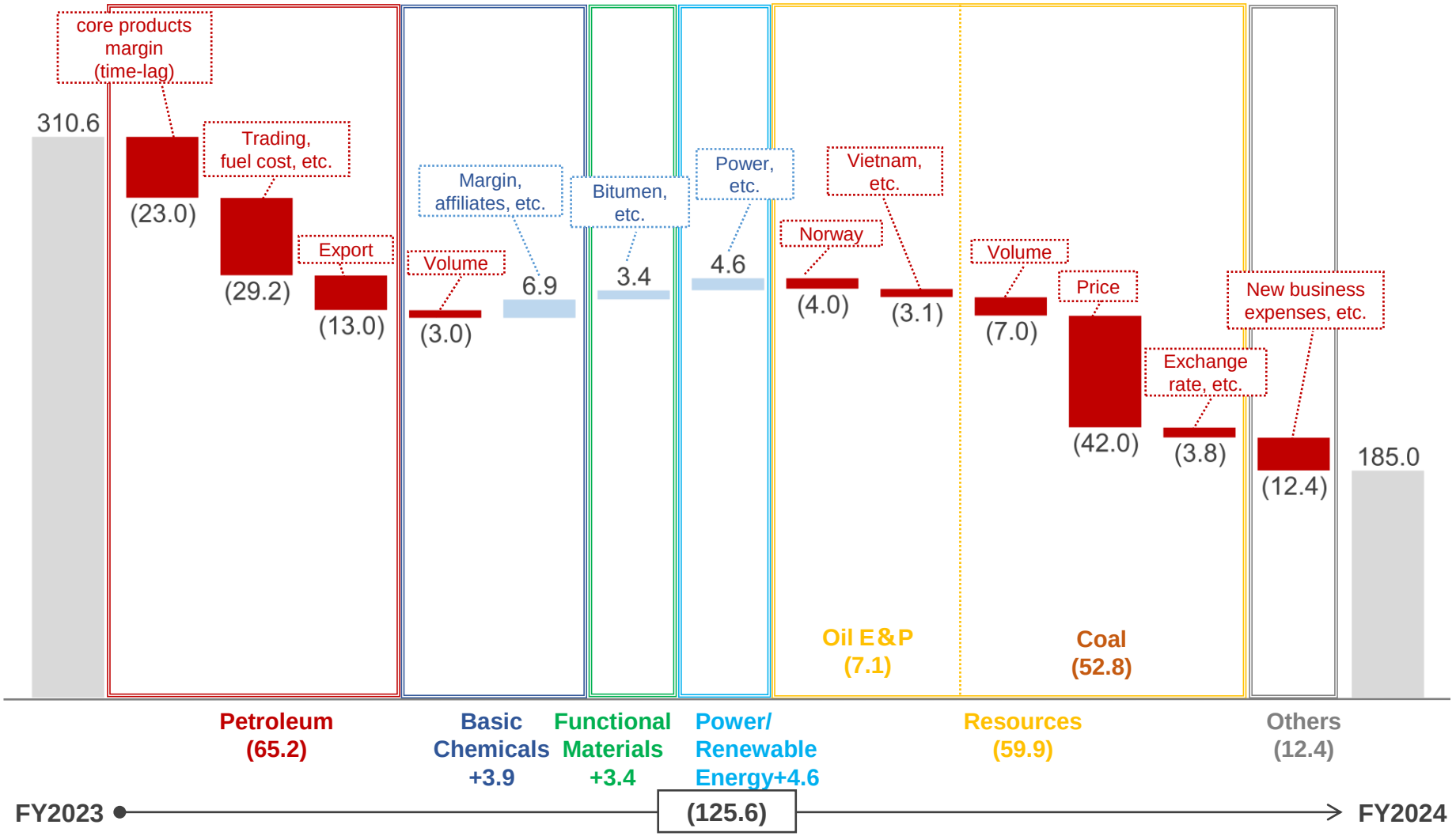
Segment Information

Factors Affecting Operating + Equity Income (excluding inventory impact, y-o-y)

[¥ billions]



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Segment Information

[Petroleum] YoY -¥65.2 bn (FY23: ¥167.2 bn ➡ FY24: ¥102.0 bn)

- ✓ Decreases mainly due to a loss of the positive time-lag margin earned in the previous FY
- ✓ Costs increase for fuel due to rising petroleum prices as well as higher logistics fare related to the 2024 problem
- ✓ Export margin decreases due to a loss of the positive time-lag earned in the previous FY

[Basic Chemicals] YoY +¥3.9 bn (FY23: ¥22.0 bn ➡ FY24: ¥26.0 bn)

- ✓ Sales volume decreases mainly due to regular maintenances
- ✓ Profits increases supported by higher margins for styrene monomers and affiliates' profit

[USD/ton]

Product	FY23		FY24		Change	
	Product	Margin	Product	Margin	Product	Margin
PX	1,036	**388**	1,060	**390**	+24	**+2**
MX	933	**284**	940	**270**	+7	**(14)**
SM	1,052	**403**	1,110	**440**	+58	**+37**

[Functional Materials] YoY +¥3.4 bn (FY23: ¥27.6 bn ➡ FY24: ¥31.0 bn)

- ✓ Lubricants remains flat as sales from overseas expansion is offset by increased expenses related to the 2024 problem
- ✓ Performance chemicals remains flat as reduced sales volume due to regular maintenance is offset by increased sales prices
- ✓ Bitumen increases due to sales expansion of functional products
- ✓ Electronic Materials increases due to sales expansion in line with demand recovery

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Segment Information

[Power/Renewable Energy] YoY +¥4.6 bn (FY23: -¥7.6 bn ➡ FY24: -¥3.0 bn)

- ✓ Power business improves following reduction in generated power due to conflicts in the previous FY, etc.
- ✓ Solar business improves continuous cost reductions from structural reforms as well as the expansion for EPC businesses

[Oil E&P] YoY -¥7.1 bn (FY23: ¥19.1 bn ➡ FY24: ¥12.0 bn)

- ✓ Decreases due to reduced production volume and increased costs in both Vietnam and Norway

[Coal] YoY -¥52.8 bn (FY23: ¥97.8 bn ➡ FY24: ¥45.0 bn)

- ✓ Decreases due to the price impact of the weaker coal market, lower sales volume following mining size reduction

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Financial forecasts（Balance Sheet, Cash Flows)

[¥billions]

	3/31/2025		3/31/2025
Current Assets	2,840	Liabilities	3,350
Fixed Assets	2,300	Net Assets	1,790
Total Assets	5,140	Total Liabilities and Net Assets	5,140

Net D/E ratio	0.8
Total interest-bearing debt	152.0
Equity ratio	35%

Operating Cash Flows	**265**
Net Income	177
Depreciation Expense	129
Other	(41)
Investing Cash Flows	**(335)**
Strategic Investments	(250)
Maintenance Investments	(80)
Other	(5)
Financing Cash Flows	**30**
Shareholder returns*	(138)
Change in borrowings, etc.	168
Change in cash	**(40)**

*including ¥70 billion acquisition of treasury shares, determined and announced on May 14, 2024

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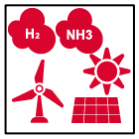
Progress on the Medium-Term Plan

*The icons on topics (from next page) related to progress in the medium-term plan shows business areas below



Energy one step ahead



Diverse resource conservation /circulation solutions



Smart Yorozuya

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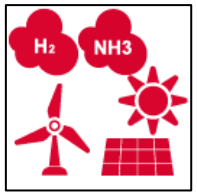
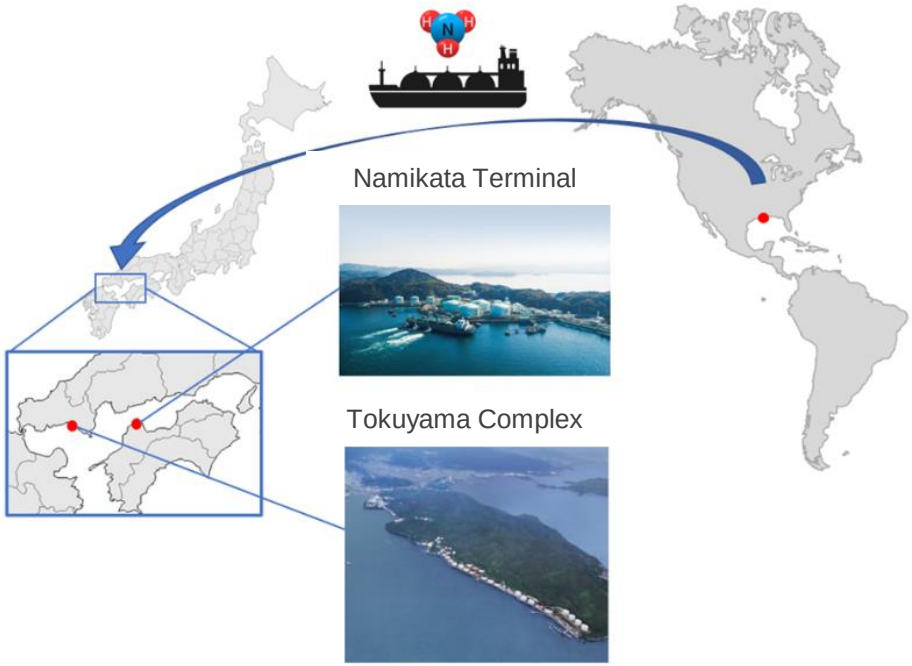
Topics related to Progress on the Medium-term Plan (1/7)

Participation in the clean ammonia production project in Lake Charles, Louisiana, USA



- ✓ Project being considered in Louisiana, USA by Mitsubishi Corporation and Proman
- ✓ Aiming to commence production of 1.15 million tons of clean ammonia per year by FY2030
- ✓ Idemitsu (Tokuyama Complex) and Mitsubishi Corporation (Namikata Terminal) will establish import bases to create hubs for domestic supply



(Link to our disclosure document)
https://www.idemitsu.com/en/news/2023/240227.html

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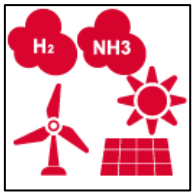
Topics related to Progress on the Medium-term Plan (2/7)

First in Japan to use ammonia combustion as fuel for a commercial naphtha cracking furnace at Tokuyama Complex (achieving over 20% fuel conversion)



- ✓ Installing ammonia combustion equipment, etc. with IHI Corporation and IHI Plant Corporation after being selected as a recipient of the “Oil Supply Structure Sophistication Project Expenses Subsidy”
- ✓ This facility was completed in this February, and Japan's first demonstration of ammonia combustion was conducted in the same month
- ✓ Aiming to use the facility to accumulate data and know-how to provide solutions to shift to the use of ammonia fuel within industrial heating furnaces in the chemicals industry



Naphtha cracking furnace where demonstration experiment was conducted



Inside the naphtha cracking furnace during ammonia combustion

(Link to our disclosure document)
https://www.idemitsu.com/en/news/2023/240315.html

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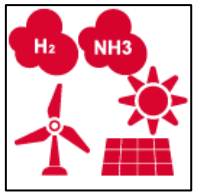
Topics related to Progress on the Medium-term Plan (3/7)

Collaboration with Zen-Noh's subsidiary to secure SAF feedstocks and develop business in North America



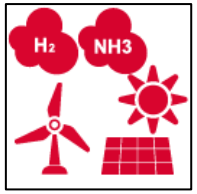
- ✓ Signed MOU with Zen-Noh Grain Corporation regarding "strategic cooperation in establishing an SAF supply chain."
- ✓ Aimed at securing a variety of vegetable oil feedstock for HEFA technology, a SAF production technology
- ✓ To consider supplying vegetable oil feedstock to Japan, in addition to business development in North America



Illustration of collaborative business

(Link to our disclosure document)
https://www.idemitsu.com/jp/news/2024/240411_en.pdf

Investment in Jet Zero Australia, an Australian SAF manufacturer



- ✓ A leading company promoting SAF manufacturing and raw material projects in Queensland, etc.
- ✓ Aiming to accumulate knowledge to build SAF's global supply chain in order to establish a stable supply system

(Link to our disclosure document)
https://www.idemitsu.com/en/news/2023/240313.html

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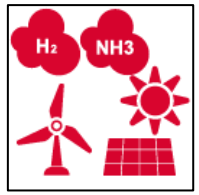
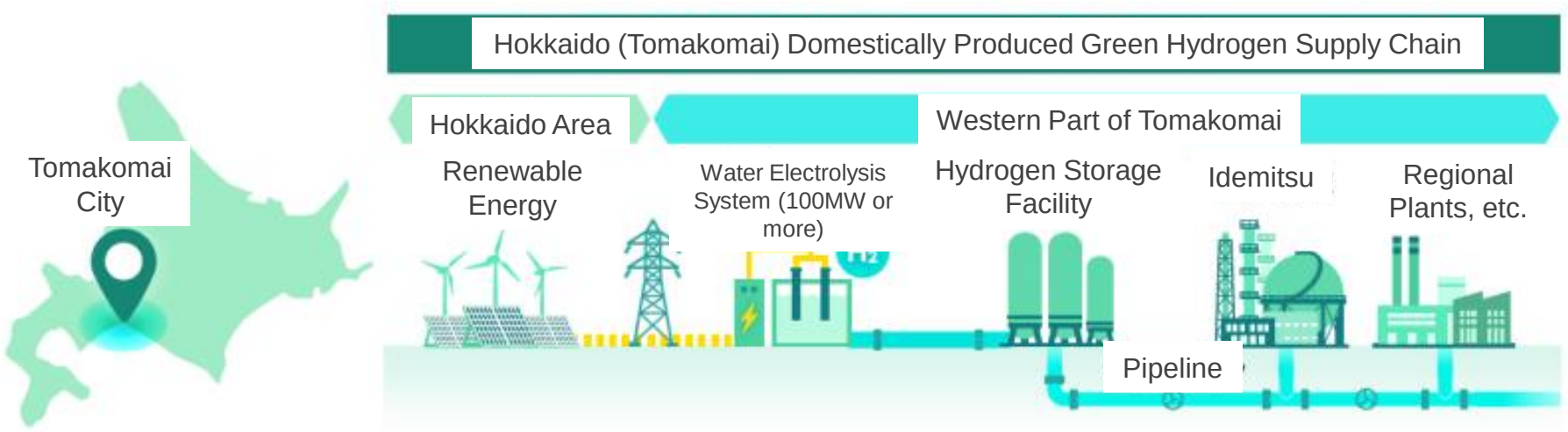
Topics related to Progress on the Medium-term Plan (4/7)

Launch of study for establishment of Japan's largest green hydrogen supply chain in Hokkaido



- ✓ MOU signed by Idemitsu, ENEOS, and HEPCO
- ✓ To construct a water electrolysis plant that can produce more than 10,000 tons per year of green hydrogen (largest in Japan) in the western part of the Tomakomai area by 2030
- ✓ To produce green hydrogen using abundant renewable electricity
- ✓ Aiming to create a supply chain that supplies Idemitsu and other plants in the region via pipelines



(Link to our disclosure document)
https://www.idemitsu.com/jp/news/2023/240220_en.pdf

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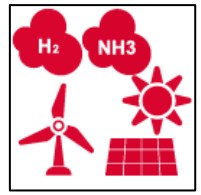
Topics related to Progress on the Medium-term Plan (5/7)

Investment in HIF Global for building synthetic methanol supply chain



- ✓ First investment by a Japanese company in HIF, which manufactures synthetic fuel (e-fuel)/synthetic methanol (e-methanol) in South America, North America, Australia, and elsewhere
- ✓ Promoting the establishment of a supply chain for e-fuel and e-methanol domestically and overseas



Picture of the ceremony for the investment with HIF

(Link to our disclosure document, Japanese only as of 14 May, English to be disclosed later)
https://www.idemitsu.com/jp/news/2024/240513.pdf

Investment in Manulife Forest Climate Fund



- ✓ Idemitsu's first forestry investments
- ✓ Aiming to achieve carbon neutrality by 2050 and Idemitsu's CO2 reduction targets

(Link to our disclosure document)
https://www.idemitsu.com/jp/news/2024/240417_en.pdf

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Topics related to Progress on the Medium-term Plan (6/7)

Idemitsu and Mitsui Chemicals to consider consolidating their Chiba ethylene complexes to optimize production

- ✓ Closure of Idemitsu's facility and consolidation of production at Mitsui's facility by FY2027
- ✓ Aiming to further collaborate efforts for greater improvements in the competitiveness of the existing businesses

(Link to our disclosure document)
https://www.idemitsu.com/jp/news/2023/240327_2_en.pdf

Selected as a "Health and Productivity Management Stock" and recognized as a "Health and Productivity Management Organization 2024 - White 500" for the third consecutive year -

- ✓ Selected jointly by METI and TSE
- ✓ Implementing initiatives to improve employee engagement

(Link to our disclosure document)
https://www.idemitsu.com/en/news/2023/240312_2.html

Selected as a Nadeshiko Brand for the second consecutive year

- ✓ Listed companies that actively promote female advancement, selected jointly by METI and the TSE

(Link to our disclosure document, Japanese only)
https://www.idemitsu.com/jp/news/2023/240325_2.pdf

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Topics related to Progress on the Medium-term Plan (7/7)

Received Medal with Purple Ribbon for contributions to achieving practical use of OLED full-color displays

- ✓ Masakazu Funabashi of the Electronic Material Department, Advanced Materials Company, was awarded the Medal with Purple Ribbon in Spring 2024
- ✓ Invented the efficient and long-lasting blue light emission technology
- ✓ Practical use of light in all 3 primary colors became possible in OLED lighting
- ✓ Significant contribution to practical applications of advanced devices with OLED full-color displays



OLED materials



Light emission evaluation for OLED elements



Masakazu Funabashi, the recipient

Recipient interview (The passion of an Idemitsu employee, Japanese only)

(Link to our disclosure document, Japanese only)
https://www.idemitsu.com/jp/news/2024/240430_1.pdf

ESG Top Seminar Held on April 3

- ✓ Representative Director, Executive Vice President and Chief Operating Officer Susumu Nibuya and Outside Director Maki Kado attended as speakers

(Explanatory movie, Japanese only)
https://players.brightcove.net/5260471200001/XY5I6YbNt_default/index.html?videoId=6350294733112
(Explanatory meeting materials)
https://ssl4.eir-parts.net/doc/5019/announcement14/99273/01.pdf

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Reference

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Operating＋Equity Income
(Exc. Inventory impact, vs. medium-term plan)

[¥ billions]

	Latest forecasts as of May 2024				Medium-term plan announced in November 2022			
	FY23	FY24	FY25	3-year	FY23	FY24	FY25	3-year
Petroleum	167.2	102.0	115.0	384.2	73.0	102.0	84.0	259.0
Basic Chemicals	22.0	26.0	33.0	81.0	21.0	26.0	33.0	80.0
Functional Materials	27.6	31.0	46.0	104.6	19.0	28.0	42.0	89.0
Power and Renewable Energy	(7.6)	(3.0)	8.0	(2.6)	0.0	3.0	6.0	9.0
Resources	116.9	57.0	42.0	215.9	85.0	54.0	42.0	181.0
Others	(15.6)	(28.0)	(14.0)	(57.6)	(23.0)	(18.0)	(17.0)	(58.0)
Total	310.6	185.0	230.0	725.5	175.0	195.0	190.0	560.0

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ROE/ROIC Performance

[%]	Category 1	Category 2	FY20	FY21	FY22	FY23
ROE	Inc. inventory impact	Overall	3.0	21.8	16.8	13.4
	Exc. inventory impact	Overall	2.6	9.2	14.2	11.3
ROIC	Exc. inventory impact	Overall	2.8	6.8	6.2	8.4
	Exc. inventory impact (adjusted)	Overall for existing businesses	-	-	3.4	4.8
		Petroleum + Basic Chemicals	-	-	2.3	4.5
		Functional Materials	-	-	4.5	7.3
		Power/ Renewable Energy	-	-	0.3	(3.6)
		Resources	-	-	17.2	17.9

[Formulas]
- ROE: Net income attributable to owners of the parent / average of FY beginning and FY end shareholders' equity
- ROIC: (Post-tax operating income + equity income excluding inventory impact) / (shareholder' equity + interest-bearing liabilities)*

  * Land marked to market; reserve borrowings excluded from calculations as they create no effective burden

[Notes]
- ROIC: ROIC by segment disclosed from FY22 onward
- ROIC (actual): Adjusts for time lag in the petroleum segment and coal prices in the resources segment (to $120/t as assumed in the FY25 plan) to facilitate comparison by eliminating major external factors

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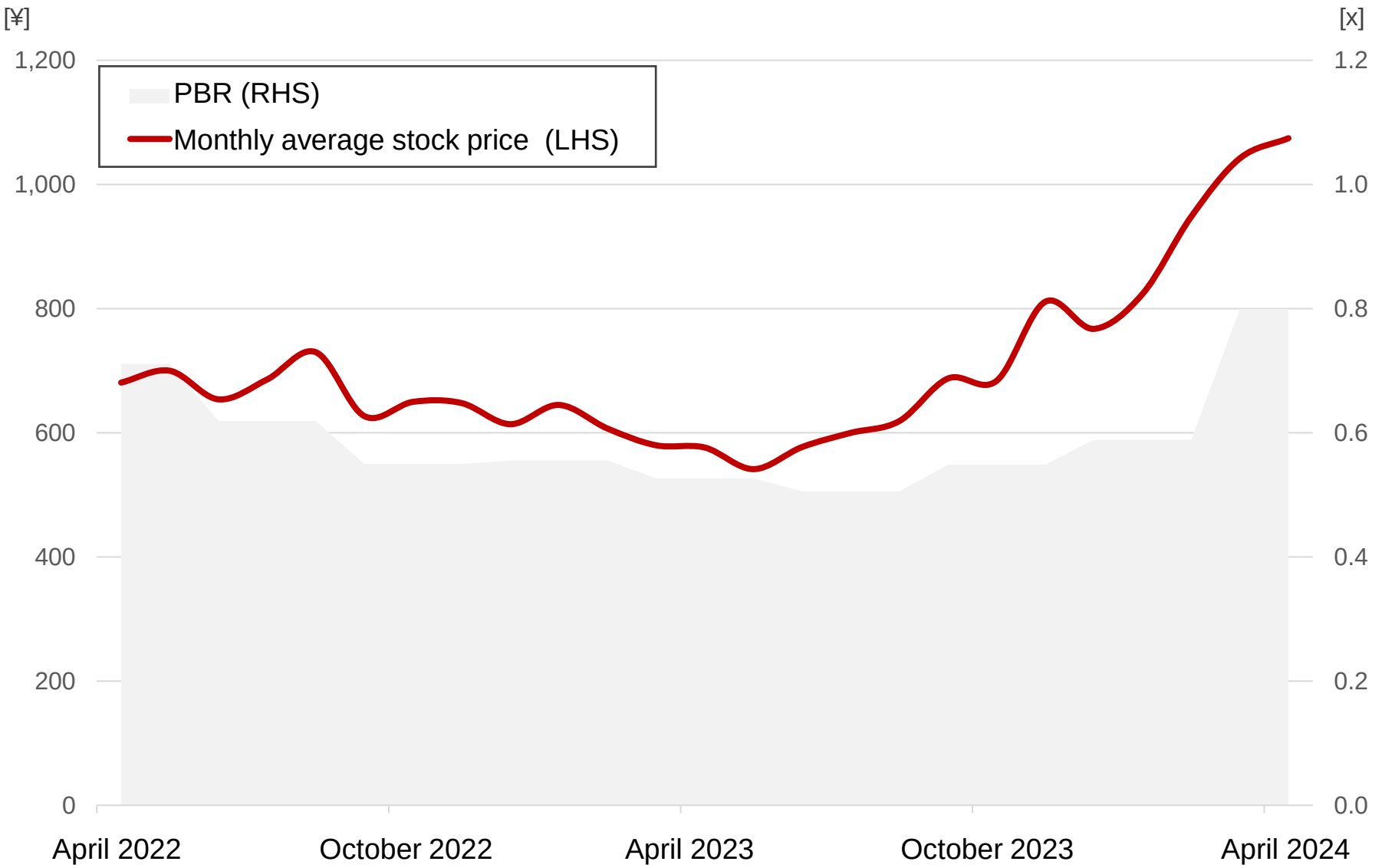
Stock Price/PBR Performance



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Financial Results

Net Sales by segment

[¥ billions]

	FY2022	FY2023	Change	
Petroleum	**7,403.9**	**7,080.8**	**(323.1)**	**(4.4%)**
Basic Chemicals	**666.9**	**601.6**	**(65.3)**	**(9.8%)**
Functional Materials	**511.0**	**515.4**	**+4.4**	**+0.9%**
Power and Renewable Energy	**197.1**	**141.5**	**(55.5)**	**(28.2%)**
Resources*	**672.1**	**370.5**	**(301.6)**	**(44.9%)**
Oil Exploration and Production	*43.4*	*38.3*	*(5.1)*	*(11.7%)*
Coal	*628.7*	*332.1*	*(296.5)*	*(47.2%)*
Others/Reconciliation	**5.4**	**9.5**	**+4.1**	**+77.0%**
Total	**9,456.3**	**8,719.2**	**(737.1)**	**(7.8%)**

*Fiscal year for Oil E&P and Coal included in the Resources Segment end in Dec.

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Financial Results

Quarterly segment income (cumulative, exc. inventory impact)

[¥ billions]

	FY2022				FY2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Petroleum	57.4	61.1	1.2	17.3	18.4	105.0	114.1	167.2
Equity income	7.0	12.4	12.8	12.9	4.9	3.8	6.9	9.9
Basic Chemicals	8.1	14.2	11.4	10.1	(1.4)	12.0	21.4	22.0
Equity income	(0.1)	(0.1)	0.5	(0.1)	(0.6)	(1.0)	(1.8)	(4.0)
Functional Materials	3.3	8.6	16.4	17.0	5.5	13.4	22.8	27.6
Equity income	0.0	0.3	(0.3)	(0.7)	(0.2)	(0.1)	0.4	0.3
Power and Renewable Energy	(3.7)	(2.9)	1.1	0.5	(0.5)	(0.4)	(2.3)	(7.6)
Equity income	(0.4)	(0.7)	(0.4)	(1.6)	0.3	0.3	0.8	0.3
Resources								
-Oil Exploration and Production	6.5	17.1	26.4	32.8	5.7	10.5	13.3	19.1
Equity income	2.9	6.7	10.6	13.7	3.5	5.3	7.3	10.3
-Coal	25.1	83.0	151.3	198.1	34.7	59.3	76.4	97.8
Equity income	–	–	–	–	(0.0)	(0.0)	(0.0)	(0.1)
Others/Reconciliation	(11.9)	(14.9)	(22.5)	(23.0)	(5.1)	(5.2)	(11.5)	(15.6)
Equity income	1.1	1.7	1.7	1.8	0.0	0.0	(0.0)	(0.0)
Total	84.9	166.2	185.4	252.7	57.4	194.6	234.1	310.6
Equity income	10.5	20.3	25.0	26.0	7.8	8.3	13.6	16.7

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Financial Results

Quarterly segment income (Q on Q, exc. inventory impact)

[¥ billions]

	FY2022				FY2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Petroleum	57.4	3.7	(59.9)	16.1	18.4	86.6	9.0	53.1
Equity income	7.0	5.4	0.4	0.1	4.9	(1.0)	3.1	3.0
Basic Chemicals	8.1	6.1	(2.8)	(1.3)	(1.4)	13.4	9.4	0.7
Equity income	(0.1)	(0.0)	0.6	(0.6)	(0.6)	(0.4)	(0.8)	(2.2)
Functional Materials	3.3	5.3	7.8	0.6	5.5	7.8	9.4	4.8
Equity income	0.0	0.3	(0.6)	(0.4)	(0.2)	0.1	0.5	(0.1)
Power and Renewable Energy	(3.7)	0.8	4.0	(0.7)	(0.5)	0.1	(1.9)	(5.3)
Equity income	(0.4)	(0.3)	0.3	(1.2)	0.3	0.0	0.4	(0.5)
Resources								
-Oil Exploration and Production	6.5	10.5	9.3	6.4	5.7	4.8	2.8	5.9
Equity income	2.9	3.8	3.9	3.1	3.5	1.8	2.1	3.0
-Coal	25.1	57.8	68.4	46.8	34.7	24.6	17.2	21.4
Equity income	—	—	—	—	(0.0)	(0.0)	(0.0)	(0.1)
Others/Reconciliation	(11.9)	(3.0)	(7.7)	(0.5)	(5.1)	(0.1)	(6.3)	(4.1)
Equity income	1.1	0.6	0.1	0.0	0.0	0.0	(0.0)	0.0
Total	84.9	81.3	19.2	67.3	57.4	137.1	39.6	76.4
Equity income	10.5	9.8	4.7	1.0	7.8	0.5	5.2	3.1

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Sensitivity

Major items affecting operating profit by changes in assumptions(FY24)

	Assumption Items	Assumption (FY24)	Range of fluctuation	Segment	Income impact (¥ billions)	Major Factors
Excluding inventory impact	Crude oil price	85.0$/bbl	±10$/bbl	Petroleum	±16.0	Fuel cost, time-lag
	Singapore product margin	–	±5$/bbl		±34.0	Export
	Exchange rate	145.0¥/$	±5¥/$		±10.0	Fuel cost, time-lag
	Thermal coal price	125.0$/t	±10$/t	Resources (Coal)	±3.0	Thermal coal
Inventory impact	Crude oil price	85.0$/bbl	±10$/bbl	Petroleum	±53.0	
	Exchange rate	145.0¥/$	±5¥/$		±32.0	

* In the petroleum segment, only performance impacts on products made in domestic refineries are shown. In addition to the above, income will also be affected by sales of overseas affiliates

* 9-month impact during shown for the resources segment (coal), as its fiscal year ends in Dec. The assumption is averaged from Jan. to Dec.

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Sales Volume

Petroleum

[thousand KL,%]

	FY2022	FY2023	Change	
Gasoline	12,870	12,597	(273)	(2.1%)
Naphtha	374	351	(24)	(6.3%)
Jet Fuel	2,366	2,502	+136	+5.7%
Kerosene	3,701	3,557	(144)	(3.9%)
Diesel Oil	10,227	10,031	(196)	(1.9%)
Heavy Fuel Oil A	3,286	3,135	(151)	(4.6%)
Heavy Fuel Oil C	2,700	2,359	(341)	(12.6%)
Total Domestic Sales Volume	**35,525**	**34,532**	**(993)**	**(2.8%)**
Exported Volume	7,854	7,477	(377)	(4.8%)
Total Sales Volume	**43,379**	**42,009**	**(1,369)**	**(3.2%)**

*Export includes bond sales of jet fuel and heavy fuel oil C

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Sales Volume

Basic Chemicals

[kt,%]

	FY2022	FY2023	Change	
Basic Chemicals	3,428	3,497	+69	+2.0%

Functional Materials

[KKL,kt,%]

	FY2022	FY2023	Change	
Lubricants	1,152	1,136	(16)	(1.4%)
Performance Chemicals	643	672	+29	+4.6%

*Lubricants include sales overseas

Power/Renewable Energy

[Mkwh,%]

	FY2022	FY2023	Change	
Retail Power Sales	3,302	1,948	(1,354)	(41.0%)

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Production Volume

Resources (Oil E&P)

[KBOED,%]

	FY2022	FY2023	Change	
Vietnam	15.0	14.1	(0.9)	(5.8%)
Norway	15.6	13.8	(1.8)	(11.7%)
Total('000BOED)	30.5	27.9	(2.7)	(8.8%)
Total('000BOE)	11,149	10,170	(979)	(8.8%)

*The numbers reflect our rights and ownership ratios based on our equity share
*The number shows Jan-Dec volume as fiscal year for Oil E&P in the Resources Segment ends in Dec.
* Corrected errors in Vietnam FY22

Resources (Coal)

[kt,%]

	FY2022	FY2023	Change	
Ensham	2,668	1,689	(979)	(36.7%)
Muswellbrook	1,130	15	(1,115)	(98.7%)
Boggabri	4,585	5,519	+934	+20.4%
Total	**8,382**	**7,223**	**(1,159)**	**(13.8%)**

*The numbers reflect our rights and ownership ratios
*The number shows Jan-Dec volume as fiscal year for Coal in the Resources Segment ends in Dec.

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Sales Volume(Forecasts)

Petroleum

[KKL,%]

	FY 2023	FY 2024	Change	
Gasoline	12,597	12,370	(227)	(1.8%)
Naphtha	351	300	(51)	(14.5%)
Jet Fuel	2,502	2,570	+68	+2.7%
Kerosene	3,557	3,430	(127)	(3.6%)
Diesel Oil	10,031	9,850	(181)	(1.8%)
Heavy Fuel Oil A	3,135	3,060	(75)	(2.4%)
Heavy Fuel Oil C	2,359	2,070	(289)	(12.2%)
Total Domestic Sales Volume	**34,532**	**33,650**	**(882)**	**(2.6%)**
Exported Volume	7,477	7,360	(117)	(1.6%)
Total Sales Volume	**42,009**	**41,010**	**(999)**	**(2.4%)**

*Export includes bond sales of jet fuel and heavy fuel oil C

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Sales Volume(Forecast)

Basic Chemicals

[kt,%]

	FY 2023	FY 2024	Change	
Basic Chemicals	3,497	3,200	(297)	(8.5%)

Functional Materials

[KKL,kt,%]

	FY 2023	FY 2024	Change	
Lubricants	1,136	1,135	(1)	(0.1%)
Performance Chemicals	672	570	(102)	(15.2%)

*includes sales overseas

Power/Renewable Energy

[Mkwh,%]

	FY 2023	FY 2024	Change	
Retail Power Sales	1,948	1,840	(109)	(5.6%)

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Production Volume(Forecasts)

Resources (Oil E&P)

[KBOED,%]

	FY 2023	FY 2024	Change	
Norway	14.1	13.0	(1.1)	(7.5%)
Vietnam	13.8	12.4	(1.4)	(10.0%)
Total('000BOED)	27.9	25.4	(2.4)	(8.8%)
Total('000BOE)	10,170	9,303	(866)	(8.5%)

*The numbers reflect our rights and ownership ratios based on our equity share
*The number shows Jan-Dec volume as fiscal year for Oil E&P in the Resources Segment ends in Dec.

Resources (Coal)

[kt,%]

	FY 2023	FY 2024	Change	
Ensham	1,689	–	(1,689)	–
Muswellbrook	15	–	(15)	–
Boggabri	5,519	5,680	+161	+2.9%
Total	**7,223**	**5,680**	**(1,543)**	**(21.4%)**

*Fiscal year for Oil E&P and Coal included in the Resources Segment end in Dec.
*The numbers reflect our rights and ownership ratios
*Muswellbrook was ceased in FY22. Ensham was sold in FY23

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Crude Oil Prices(Dubai and Brent)



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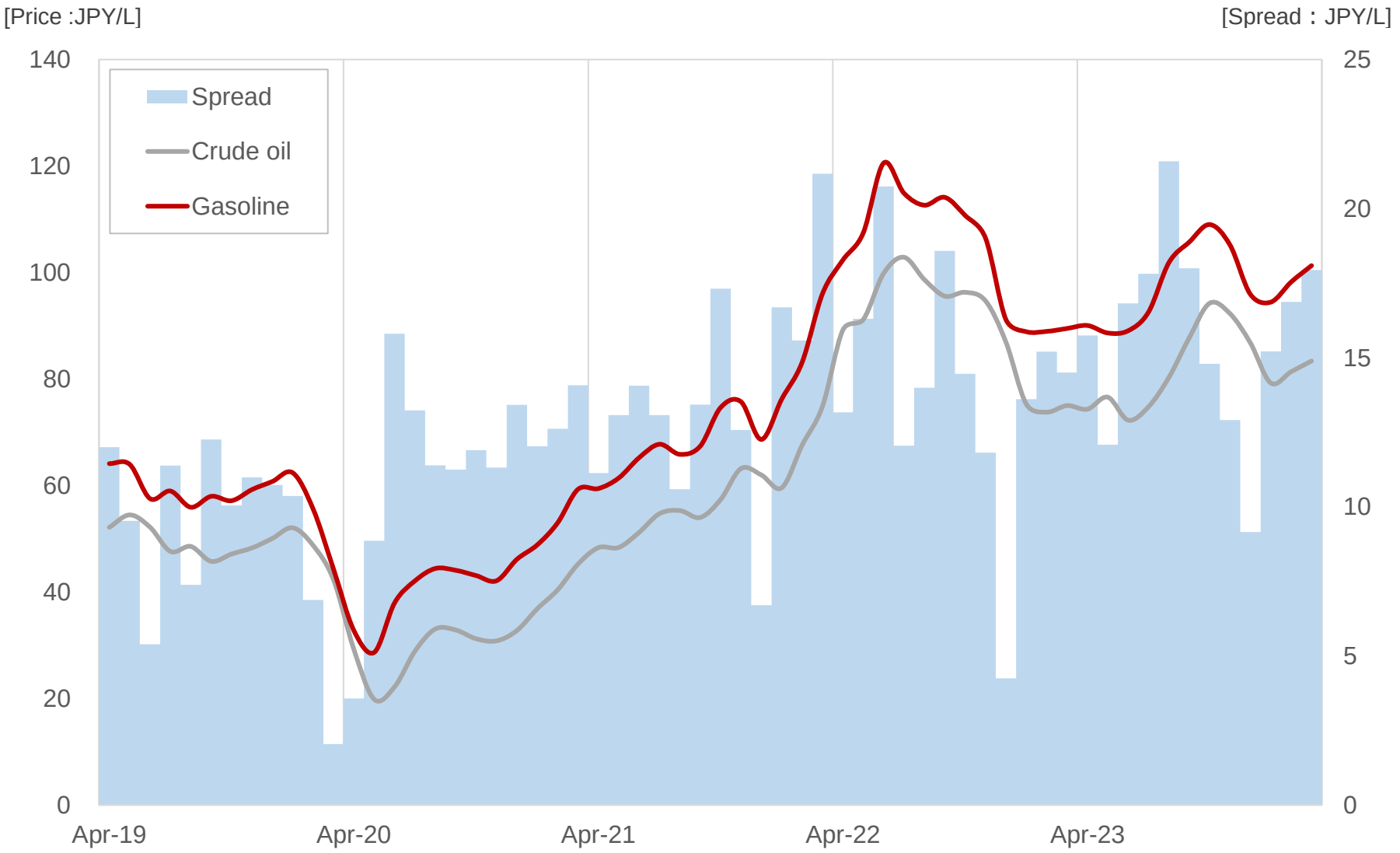
Gasoline-Crude Oil(Domestic spot price and spread)



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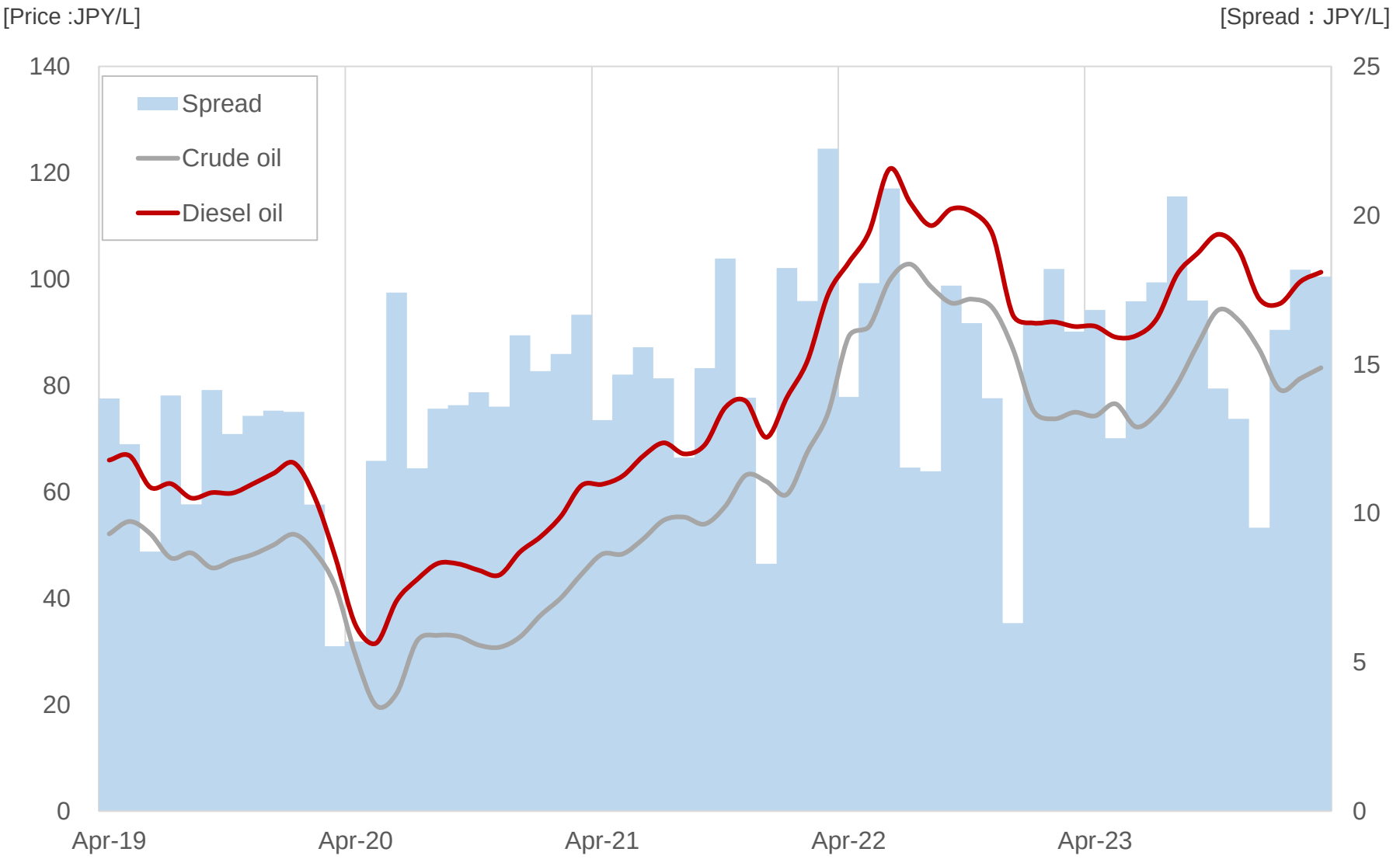
Diesel-Crude Oil(Domestic spot price and spread)



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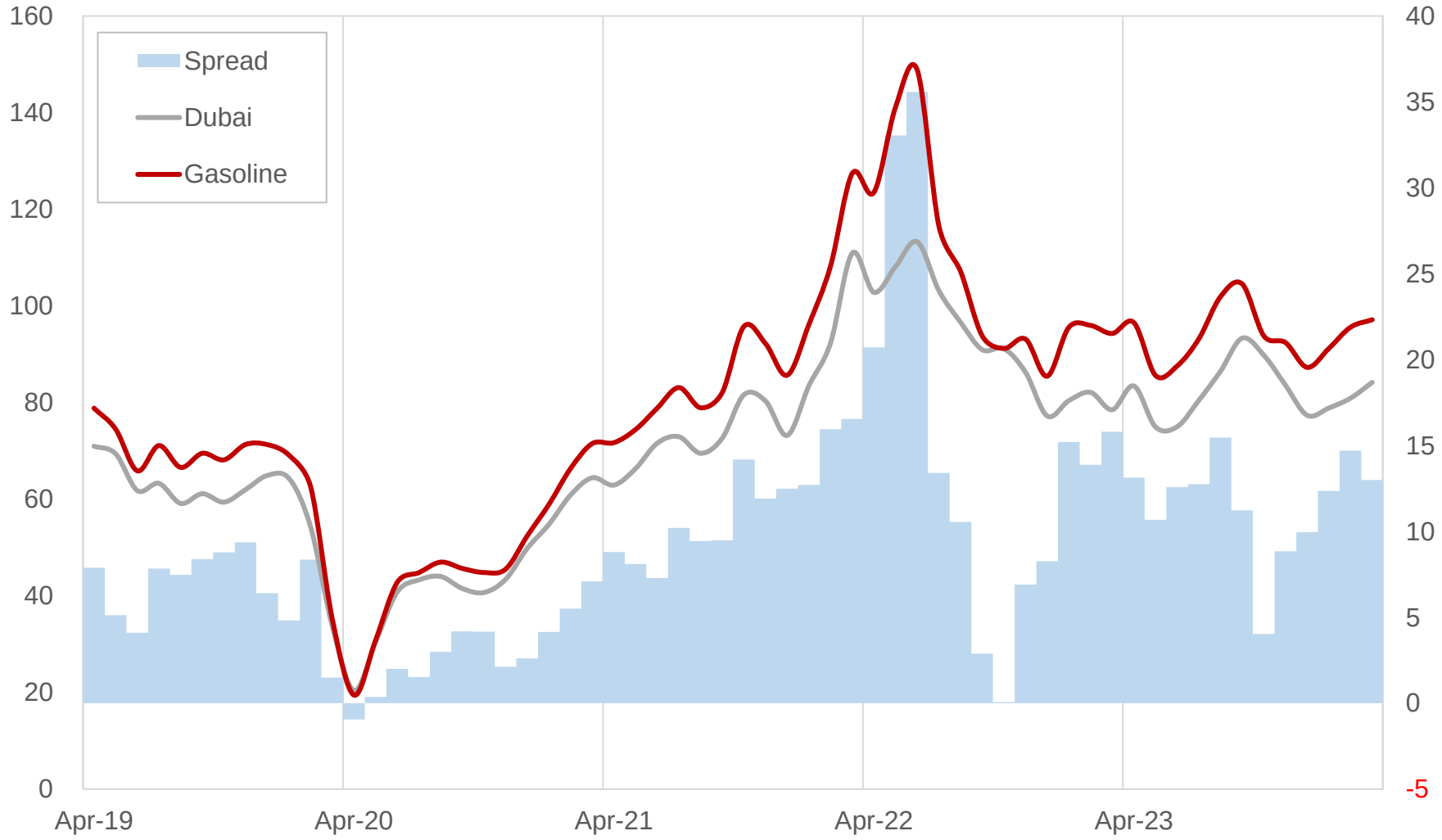
Gasoline-Crude Oil(Singapore spot price and spread)

[Price :USD/bbl]

[Spread：USD/bbl]



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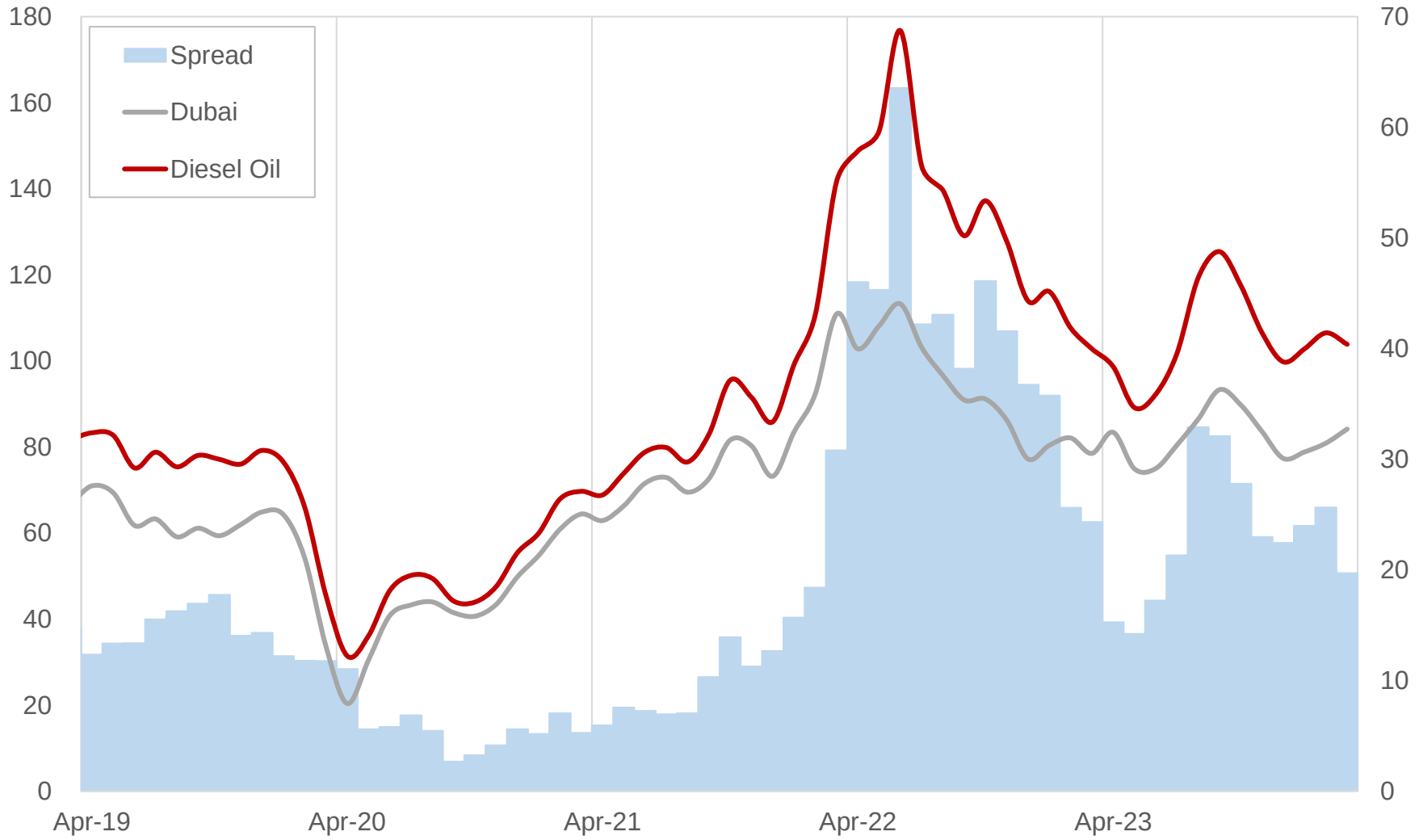
Diesel-Crude Oil(Singapore spot price and spread)

[Price :USD/bbl]

[Spread：USD/bbl]



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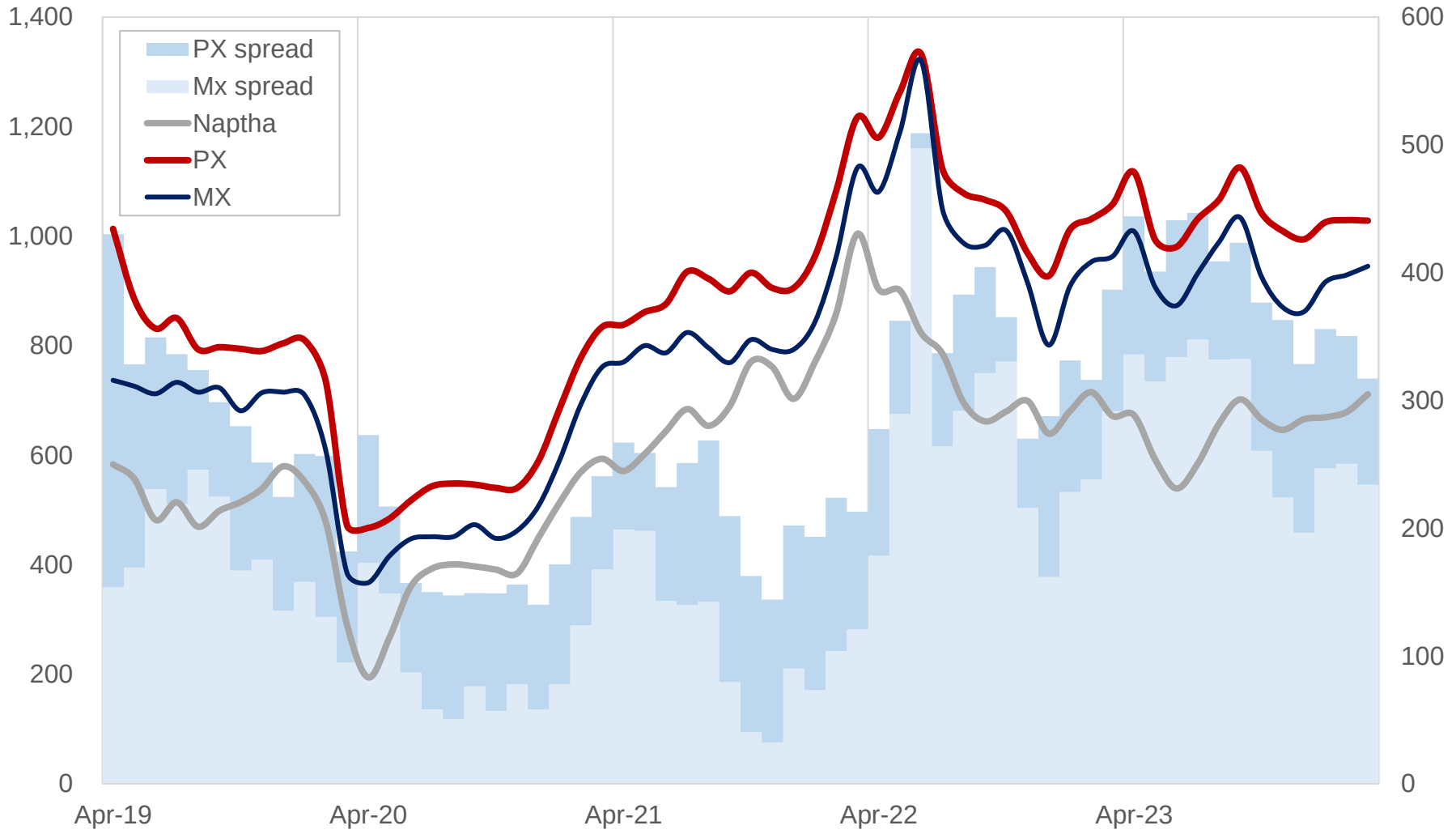
Para-Xylene, Mixed Xylene-Naphtha

(price and spread)



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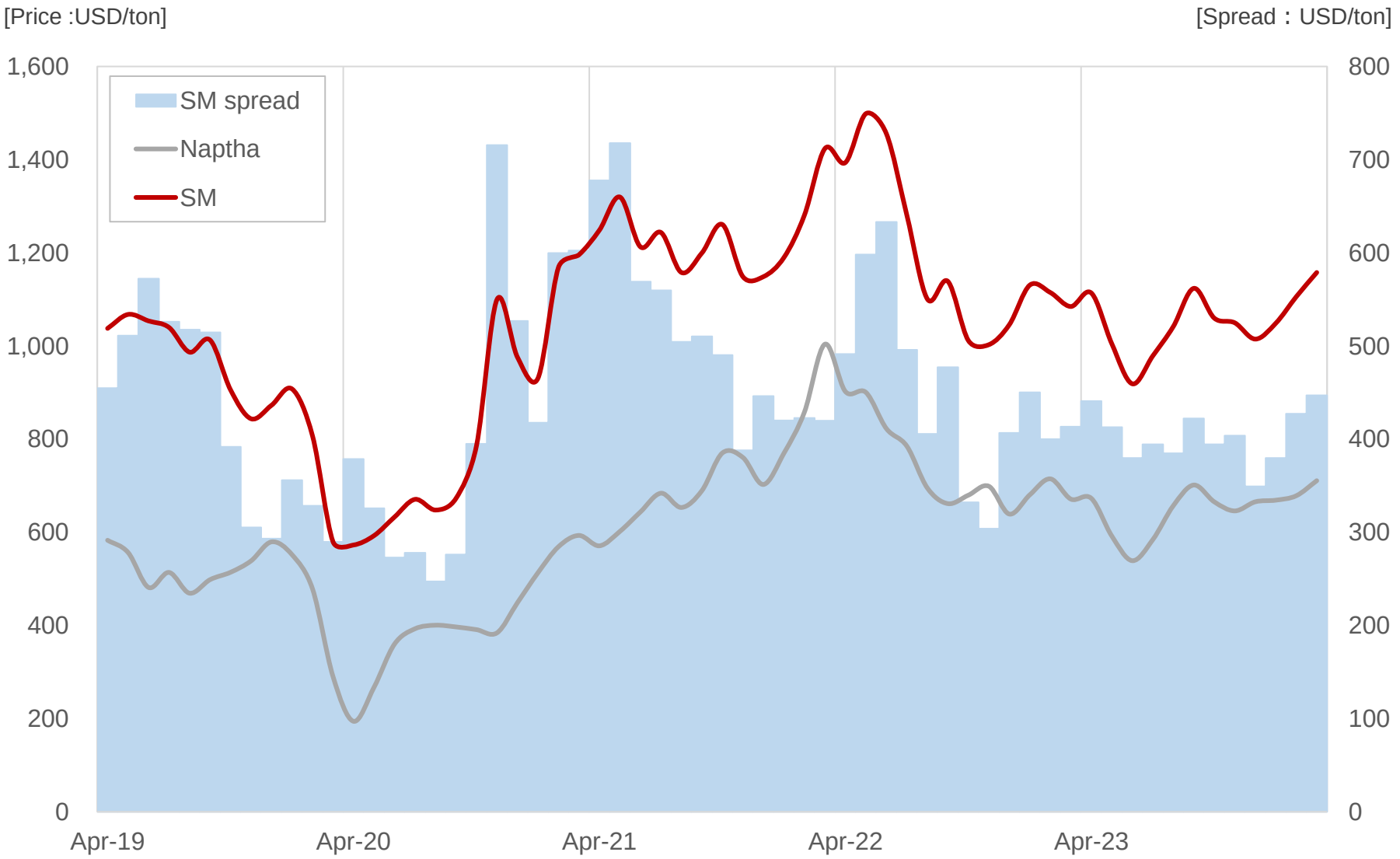
Styrene Monomer-Naphtha
(price and spread)



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Operational Data

Refineries Utilization

FY2019	FY2020	FY2021	FY2022	FY2023
87%	78%	77%	83%	78%

*on BCD basis(including regular maintenance)

Number of Service Stations

FY2019	FY2020	FY2021	FY2022	FY2023
6,384	6,311	6,216	6,136	5,986

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Overview of the Company

FY2023, actual or as of the end of March 2024

Petroleum Segment

- Refining Capacity **825 KBD** *1,2)
- Domestic fuel oil sales volume **34 million KL/year** *3)
- Number of service stations **6,000**

Basic Chemicals Segment

(Production Capacity*2))

- Ethylene **1 mil tons/year**
- Para-Xylene **0.84 mil tons/year**
- Mixed Xylene **0.69mil tons/year**
- Styrene monomers **0.79 mil tons/year**

Power and Renewable Energy Segment

- Power generation capacity **1.94GW**
  - Renewable energy **0.83GW**

Functional Materials Segment

(Lubricants, Performance Chemicals, Electronic Materials, Bitumen (High Performance Asphalt), Pesticides and Functional Feed, Lithium Solid Electrolytes)

- Lubricants (sales volume):**1.2 mil KL/year**
- Engineering plastics(sales volume):**150,000 tons/year**
- OLED materials(production capacity): **26 tons/year**

Resources Segment *4)

- Crude oil production **25,000 BD**
- Thermal coal production **5.7 mil tons/year**

*1 Capacity as of July 2024. Refining operation at Yamaguchi Refinery (120KBD) was terminated in March 2024.
968 KBD when adding the refining capacity of Fuji Oil, Co.,Ltd. with which a petroleum products trade agreement has been signed

*2 excluding Nghi Son's capacity

*3 Bond jet fuel and Bond heavy fuel oil C are included in the exports

*4 For resources segment, the numbers are based on forecasts for FY2024. Muswellbrook was ceased in FY22. Ensham was sold in FY23

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Petroleum Segment

[KB/D]

Operating Company	Refinery	Refining Capacity	RH	FCC	RFCC	FLG	Equity Ratio
	Japan						
Idemitsu Kosan	Hokkaido	150	42		33		
	Chiba	190	40		45		
	Aichi	160	60		50		
Showa Yokkaichi Sekiyu	Yokkaichi	255	45		61		75.0%
Toa Oil	Keihin	70		42		27	100.0%
		825	**187**	**42**	**189**	**27**	
	Overseas						
Nghi Son Refinery and Petrochemical LLC	Nghi Son *1,2 (Thanh Hoa, Vietnam)	200	105		80		35.1%
		200	**105**		**80**		

*1 Capacity before equity ratio reflection
*2 Refining operation at Yamaguchi Refinery (120KBD) was terminated in March 2024.
*3 Capacity as of July 2024.

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Basic Chemicals Segment

[mil tons/year]

Operating Company	Complex/Factory/Refinery	Production Capacity for core products				Equity Ratio
		Ethylene	Para-Xylene	Mixed Xylene	Styrene Monomer	
	Japan					
Idemitsu Kosan	Chiba	0.374	0.265		0.210	
	Aichi		0.357	0.170		
	Tokuyama	0.623	0.214		0.340	
Showa Yokkaichi Sekiyu	Yokkaichi			0.518		75.0%
	Total	**0.997**	**0.836**	**0.688**	**0.550**	
	Overseas					
Idemitsu SM (Malaysia) Sdn. Bhd.	Pasir Gudang (Johor, Malaysia)				0.240	70.0%
Nghi Son Refinery and Petrochemical LLC	Nghi Son (Thanh Hoa,Vietnam)		0.700			35.1%
	Total		**0.700**		**0.240**	

*1 Capacity before equity ratio reflection
*2 Refining operation at Yamaguchi Refinery (120KBD) was terminated in March 2024.
*3 Capacity as of July 2024.

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Functional Materials Segment (1/2)

Lubricants

◆Product categories
- Automotive lubricants (engine oil, etc.)
- Grease
- Industrial lubricants (hydraulic actuation oil, cutting oil, etc.)

◆Global business with a focus on automotive lubricants
- #8 global share
- Over 50% overseas sales

◆R&D centers
- Japan and overseas (US, China, etc.)

◆Global lubricant network



- Manufacturing/sales/R&D network in 28 countries
- Strengthening existing facilities and developing new facilities

Performance Chemicals

◆Product categories
- Engineering plastics, adhesives materials, derivative products, solvents and functional materials

◆Major products, applications, features
- Engineering plastics

(Product) PC/Polycarbonates
(Applications) smartphones, lenses, automotive lights, etc.
(Features) highest impact resistance among plastics

(Product) SPS/ Syndiotactic Polystyrene resin
(Applications) automotive electronic parts, kitchen appliances, etc.
(Features) lightweight and offers excellent heat resistance, electrical properties, chemical resistance, and hydrolysis resistance



Daytime Running Lamp (DRL)



Automotive parts

- Adhesive materials

(Product) Hydrogenated petroleum resin
(Applications) Tackifier for hot-melt adhesives



Disposable diapers and other hygiene products

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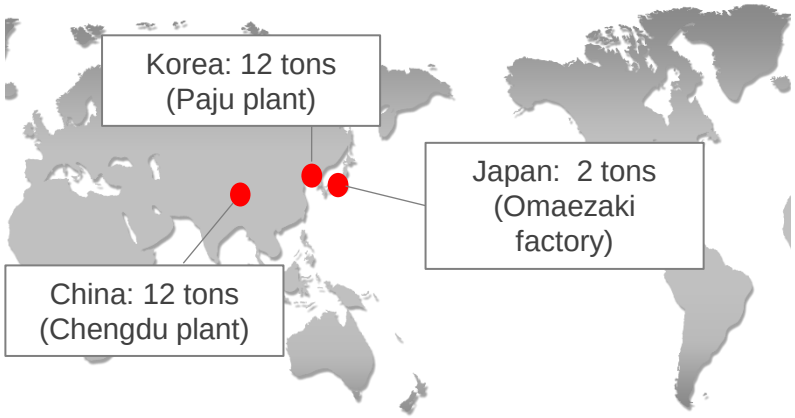
Functional Materials Segment (2/2)

Electronic Materials

◆Product categories
- Organic EL materials
- Display semiconductor materials etc.

◆OLED manufacturing/customer support



- Establishing factories and customer support centers in Asia and reinforcing relationships with display manufacturers, etc. to further expand the organic EL materials business in Asia

- Aiming to develop and commercialize oxidative semiconductor materials which are expected to conserve energy and enhance image quality of display products

Bitumen (High Performance Asphalt)

◆Asphalt manufacturer which aims to develop state-of-the-art technologies
- Recycling, longer life, carbon neutrality

◆Product categories
- Engineering/construction asphalt
- Industrial asphalt
- Value-added asphalt for roads



Maybright
(Value-added asphalt for roads)

Pesticides and Functional Feed

◆Product categories
- Chemical pesticides (Daconil 1000*1, etc.)
- Plant-derived pesticides
- Functional Feeds (RUMINUP*2, etc.)



Daconil 1000



RUMINUP® M

*1 Protective disinfectants less affecting organism that has the stable effect toward various crops and damage owing to disease

*2 An animal husbandry material containing cashew nut shell liquid that has the effect of reducing methane gas in cattle burps

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Power /Renewable Energy Segment

Power

Category	Power Plant	Operating Company	Stake Owned (%)	Power generation capacity* (10,000 KW)
Solar	34 domestic locations	Idemitsu, other	–	18.7
Biomass	Keihin Biomass Power Plant (Kanagawa)	Keihin Biomass Power	100	4.9
	Tosa Power Plant (Kochi)	Tosa Green Power	50	0.3
	Fukui Green Power (Fukui)	Fukui Green Power	10	0.1
	Tokuyama Biomass Power Plant (Yamaguchi)	Idemitsu	–	5.0
Wind	Rokkasho Village Village Wind Farm (Aomori)	Futamata Wind Development	40	2.0
Geothermal	Takigami Binary Power Plant (Oita)*	Idemitsu Oita Geothermal	100	0.5
Renewable (Japan)				31.5
Fire	Ohgishima Power Station (Kanagawa)	Ohgishima Power	25	30.5
	Mizue Thermal Power Plant (Kanagawa)	Toa Oil	100	27.6
	Aichi Refinery Power Plant (Aichi)	Idemitsu	–	25.0
Domestic				**114.9**
Solar	Overseas (North America, Vietnam, etc.)	–	–	52.1
Fire	Overseas	–	–	27.1
Overseas				**79.2**
Total				**194.1**

*Reflects Idemitsu's stake

- ◆Owning 836 thousand KW(Japan:315, Overseas:521) of renewable energy generation capacity
- ◆Operating businesses such as wholesale and retail sales for high and low pressure, based on the company's own generation

Solar

- ◆Terminated production in June 2022
- ◆Shifting to a system integrator which engages in solar power generator design, construction, maintenance and recycling

*Idemitsu has been supplying the steam for power generation to the Takigami Power Station of Kyushu Electric Power Co., Inc. since start of operation

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Resources Segment (Gas and Oil E&P)

Business Overview

1. Producing and selling crude oil/gas in Vietnam and Norway

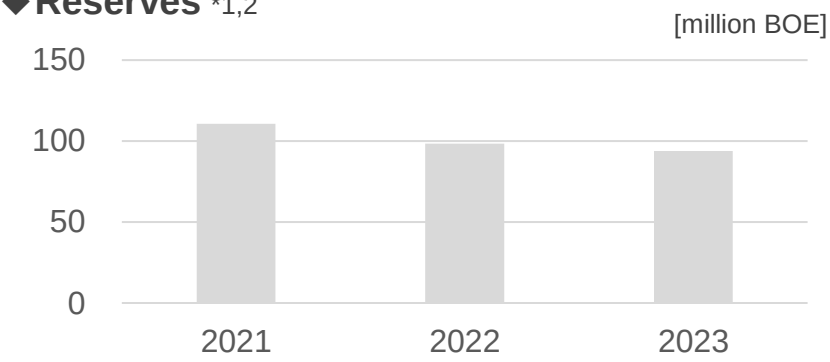
2. Exploration and development of gas in Vietnam and other parts of Southeast Asia to shift to production of natural gas, which will become an important energy source in a decarbonizing society

◆Rights owned in oil/gas fields and sales destinations

	Name of field	Rights Owner	Destination
Vietnam	Sao Vang and Dai Nguyet gas field	Idemitsu Gas Production (Vietnam) Co.,Ltd. *43.08% owned	Asia
Norway	Snorre	INPEX Idemitsu Norge AS	Europe
	Tordis/Vigdis		
	Fram		
	H-Nord		
	Byrding		
	Vega		
	Duva		

Production Oil/Gas Reserves

◆Reserves *1,2



*1 Total reserves in Norwegian oil fields and Vietnamese gas fields
*2 Reserves reflect Idemitsu's rights and ownership ratios

◆ **Reserve Estimation Standards**
・Idemitsu's reserves estimation is conducted based on PRMS (Petroleum Resources Management System) standards
・PRMS standards were established jointly by the Society of Petroleum Engineers (SPE), the World Petroleum Congress (WPC), the American Association of Petroleum Geologists (AAPG), and the Society of Petroleum Evaluation Engineers (SPEE) and is recognized as an international standard
・Reserves defined by PRMS standards are categorized into 1) proved, 2) probable, and 3) possible reserves. Idemitsu's reserves estimate is calculated as the total of proved and probable reserves (1+2)

◆ **Proved Reserves**
・The definition of proved reserves is recognized as the most conservative among definitions used widely in the petroleum/gas industry
・Proved reserves are those quantities of petroleum/gas which, by analysis of geological and engineering data, can be estimated with reasonable certainty to be commercially recoverable under current economic conditions and operating methods
・When probabilistic methods are used, there should be at least a 90% probability of recovery that the quantities actually recovered will equal or exceed proved reserves

◆ **Probable Reserves**
・Probable reserves are those unproved reserves which analysis of geological and engineering data suggests are more likely than not to be recoverable
・When probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated proved plus probable reserves

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Resource Segment (Coal)

Business Overview

[Business Strategy]
◆Stable supply and profit maximization by leveraging the highly competitive Boggabri Mine
◆Engage in low-carbon solution businesses such as Idemitsu Green Energy Pellets
◆Leverage management resources built up over years of experience in Australia to transition to new businesses such as rare metals, renewable energy, hydrogen/ammonia, etc.

1. Mining Operations
Owning an Australian coal mine (Boggabri Mine) and has established a whole supply chain from production to sales, providing a stable supply of high-quality coal mainly to Japan

[Overview of Boggabri Mine]
Location: New South Wales
Coal quality: thermal coal (80%),
raw coal (SS/PCI) (20%)
Port for shipments: Newcastle Harbor
(about 360 km by train)



*Mining operations at Muswellbrook Mine were terminated in 2022 and Ensham Mine was sold in 2023

Business Structure Reforms

◆Idemitsu Green Energy Pellets (black pellets)

・CO_2 emissions can be reduced by replacing coal with black pellets in fuel used at coal-fired power stations

・Succeeded in a mixed combustion to replace 20-30% of coal fuel with black pellets

・Planning to operate a commercial plant that produces 120,000 tons/year in Vietnam in FY24. Aiming to reach 3,000,000 tons/year by 2030





◆New businesses in Australia

・Rare metals: Invested in Vecco, which engages in vanadium operations in Australia
・Renewable energy: Commercialization verification of pumped storage hydroelectric power generation at the post-mining Muswellbrook coal mine site

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Precaution statement about forecasts

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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