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Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

(February 7, 2025)

Company name: Fuji Oil Company, Ltd.
Listing: Tokyo Stock Exchange
Securities code: 5017
URL: https://www.foc.co.jp/
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Scheduled date to commence dividend payments: -
Preparation of supplementary materials on financial results: Yes (Japanese only)
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the nine months ended December 31, 2024	639,399	19.3	(4,717)	-	(3,218)	-	(5,739)	-
For the nine months ended December 31, 2023	535,893	(21.2)	8,134	206.6	10,126	357.4	8,768	385.8

(Note) Total comprehensive income:
For the nine months ended December 31, 2024: (3,866) million yen [-%]
For the nine months ended December 31, 2023: 13,047 million yen [56.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the nine months ended December 31, 2024	(74.34)	-
For the nine months ended December 31, 2023	113.64	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
For the nine months ended December 31, 2024	387,413	81,365	20.9
As of March 31, 2024	389,960	86,350	22.1

(Reference) Equity: As of December 31, 2024: 81,153 million yen
As of March 31, 2024: 86,155 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
As of March 31, 2024	-	0.00	-	15.00	15.00
Fiscal year ending March 31, 2025	-	0.00	-		
Fiscal year ending March 31, 2025 (Forecast)				12.00	12.00

(Note) Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial results forecast for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	859,600	18.8	300	(98.1)	1,600	(91.5)	(700)	-	(9.07)

(Note) Revisions to the forecast of the financial results most recently announced: Yes

*Notes

(1) Significant changes in the scope of consolidation during the first nine months of the fiscal year under review : Yes
Newly included: - companies
Excluded: 1 company (TOKYO PETROLEUM INDUSTRIAL COMPANY, LTD.)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : None

(3) Changes in accounting policies and accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations : None
(ii) Changes in accounting policies due to reasons other than (i) : None
(iii) Changes in accounting estimates : None
(iv) Restatement : None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)	As of December 31, 2024	78,183,677 shares	As of March 31, 2024	78,183,677 shares
(ii) Number of treasury shares at the end of the period	As of December 31, 2024	943,342 shares	As of March 31, 2024	1,020,912 shares
(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	As of December 31, 2024	77,207,899 shares	As of December 31, 2023	77,162,767 shares

* Attached review conducted by certified public accountants or an audit corporation on quarterly consolidated financial statements: Yes (optional)

* Proper use of financial results forecast, and other special matters
The forward-looking statements, such as financial results forecasts contained in this document, are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual financial results may differ significantly from the forecasts due to various factors. For the assumptions underlying the financial results forecasts and cautions concerning the use thereof, please refer to “Explanation of Consolidated Financial Results Forecasts and Other Forward-Looking Statements” on page 3 of the attachment.

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1. Qualitative Information on Financial Results for the First Nine Months of the Current Fiscal Year

(1) Explanation of Operating Results

Dubai crude oil prices for the nine months of the current fiscal year started at the US$87/bbl level. Prices rose to the US$90/bbl level in early April due to the heightened tensions between Israel and Iran, but fell to the US$77/bbl level as a result of the consciousness about slack oil supply and demand following the limited minimal retaliatory attacks by both countries afterwards and the reporting that OPEC+ would scale back its production cuts. There was a phase in which crude oil was bought back due to the prospect of interest rate cuts in the U.S. and the deterioration of the situation in the Middle East. However, prices fell to the US$70/bbl level in early September in response to the news that Saudi Arabia was considering increasing production. In October, oil prices rose to the US$78/bbl level due to the emergence of conflict between Israel and Iran and strong concerns about the deterioration of the situation in the Middle East. However, oil prices remained sluggish as a result of growing expectations that crude oil demand would slow down due to concerns over the economic recession in China, closing at the US$75/bbl level. As a result, it marked approximately US$79/bbl on a period average basis.

On the other hand, in the foreign exchange market, the yen started the period at the lower ¥151/US$ range. As the yen continued to depreciate, backed by the interest rate differential between the U.S. and Japan, the dollar/yen rate rose to the upper ¥161/US$ range at the beginning of July. Thereafter, with a curtailed interest rate differential between the U.S. and Japan and the following reversal toward the yen's appreciation against the dollar, the dollar/yen rate dropped to the upper ¥142/US$ range in September. Since October, the yen depreciated against the dollar, and ended the period in the lower ¥157/US$ range, against the backdrop of solid economic data in the U.S., less expectations of an interest rate cut due to inflationary pressure, and the central banks in Japan and the U.S. showing cautious monetary policy against the backdrop of the uncertainty of the incoming Trump administration policies. As a result, it was in the upper ¥152/US$ range on a period average basis.

Under such business environment, the volume of crude oil processed at the Sodegaura Refinery increased by 0.805 million kiloliters year on year to 5.953 million kiloliters due to the elimination of the impact of the biennial minor periodic shutdown maintenance (SDM) executed between May and June of the previous fiscal year. The Company's sales volume of petroleum products, petrochemical products and others also increased by 0.862 million kiloliters to 6.255 million kiloliters.

Given such circumstances, the consolidated financial results for the first nine months ended December 31, 2024, were as follows:

Net sales were 639.3 billion yen, up 103.5 billion yen year on year, due in large part to an increase in sales volumes caused by the elimination of the impact of the minor periodic SDM. Looking at profit and loss for the period, the effect of inventory valuation (i.e., effect on cost of sales arising from inventory valuation using the gross average method and the lower of cost or market method) pushed up the cost of sales by 6.9 billion yen (in the same period of a year earlier, the positive effect of inventory valuation pushed down the cost of sales by 6.3 billion yen), reversing from the same period of a year earlier. As a result, operating loss of 4.7 billion yen was recorded, a decrease of 12.8 billion yen in profit year on year. Ordinary loss was 3.2 billion yen, a decrease of 13.3 billion yen in profit year on year, mainly due to the recording of 1.6 billion yen in share of profit of entities accounted for using the equity method, etc. Loss attributable to owners of parent was 5.7 billion yen, a decrease of 14.5 billion yen in profit year on year, mainly due to the recording of 1.1 billion yen in loss on sales of subsidiary's stock.

As for profit in real terms, excluding the effect of the inventory valuation, the Company saw operating profit of 2.2 billion yen (up 0.5 billion yen year on year) and ordinary profit of 3.7 billion yen (same level year on year).

(2) Explanation of Financial Position

(i) Status of assets, liabilities and net assets

(Current assets)

At the end of the first nine months of the fiscal year under review, current assets totaled 261.4 billion yen, a decrease of 0.1 billion yen compared with the end of the previous fiscal year. This was mainly due to a 10.6 billion yen decrease in inventory, a 14.5 billion yen increase in notes and accounts receivable - trade, and a 4.0 billion yen decrease in accounts receivable - other.

(Non-current assets)

At the end of the first nine months of the fiscal year under review, non-current assets totaled 125.9 billion yen, a decrease of 2.3 billion yen compared with the end of the previous fiscal year. This was mainly due to a 2.9 billion yen decrease in machinery, equipment and vehicles.

(Current liabilities)

At the end of the first nine months of the fiscal year under review, current liabilities totaled 267.1 billion yen, an increase of 3.8 billion yen compared with the end of the previous fiscal year. This was mainly due to a 15.8 billion yen decrease in accounts payable - trade, a 10.2 billion yen increase in short-term loans payable, and a 9.2 billion yen increase in excise taxes payable on gasoline and other fuels.

(Non-current liabilities)

At the end of the first nine months of the fiscal year under review, non-current liabilities totaled 38.9 billion yen, a decrease of 1.4 billion yen compared with the end of the previous fiscal year. This was mainly due to a 4.1 billion yen decrease in long-term loans payable and a 2.9 billion yen increase in provisions for repairs.

(Net assets)

At the end of the first nine months of the fiscal year under review, net assets totaled 81.3 billion yen, a decrease of 4.9 billion yen compared with the end of the previous fiscal year. This was mainly due to a 6.9 billion yen decrease in retained earnings, and a 1.9 billion yen increase in deferred gains or losses on hedges.

(3) Explanation of Consolidated Financial Results Forecasts and Other Forward-Looking Statements

Considering the trends in business performance since the previous forecasts (announced on November 8, 2024), the Company has revised its forecasts for the full fiscal year.

The revised forecasts are based on the assumption that, for the fourth quarter of the fiscal year, the Dubai crude oil price will be US$75/bbl (previous forecast: US$75/bbl) and that the exchange rate will be ¥150/US$ (previous forecast: ¥140/US$).

Net sales are expected to be 859.6 billion yen, up 36.8 billion yen from the previous forecast, mainly due to a likely increase in selling prices.

Looking at profit and loss for the period, the Company expects an operating profit of 0.3 billion yen (up 3.0 billion yen from the previous forecast), ordinary profit of 1.6 billion yen (up 3.9 billion yen from the previous forecast), and loss attributable to owners of parent of 0.7 billion yen (up 3.3 billion yen from the previous forecast). This is mainly due to the revised foreign exchange rate assumptions expected to reduce the increase in the cost of sales affected by inventory, and improved margins.
As for profit in real terms, excluding the effect of the inventory valuation, the Company expects operating profit of 3.4 billion yen (up 1.9 billion yen from the previous forecast) and ordinary profit of 4.7 billion yen (up 2.8 billion yen from the previous forecast).

The above forecasts are based on information available as of the date of publication of this document. Actual results may differ from the forecasts due to various factors.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of the end of the previous fiscal year (March 31, 2024)	As of the end of the first nine months of the fiscal year under review (December 31, 2024)
Assets		
Current assets		
Cash and deposits	13,801	13,517
Notes and accounts receivable - trade	84,380	98,917
Securities	500	200
Inventories	154,249	143,608
Accounts receivable - other	6,788	2,714
Other	1,969	2,535
Total current assets	261,690	261,493
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,560	11,258
Storage tanks, net	2,483	2,267
Machinery, equipment and vehicles, net	27,628	24,671
Land	51,314	50,673
Construction in progress	1,667	2,355
Other, net	579	643
Total property, plant and equipment	95,234	91,869
Intangible assets		
Software	665	604
Other	244	111
Total intangible assets	909	716
Investments and other assets		
Investment securities	30,459	31,735
Long-term loans receivable	641	641
Net defined benefit asset	955	923
Other	476	438
Allowance for doubtful accounts	(407)	(405)
Total investments and other assets	32,125	33,333
Total non-current assets	128,269	125,919
Total assets	389,960	387,413

(Millions of yen)

	As of the end of the previous fiscal year (March 31, 2024)	As of the end of the first nine months of the fiscal year under review (December 31, 2024)
Liabilities		
Current liabilities		
Accounts payable - trade	59,487	43,604
Short-term loans payable	132,303	142,577
Current portion of long-term loans payable	9,259	7,898
Accounts payable - other	24,827	30,157
Excise taxes payable on gasoline and other fuels	22,279	31,572
Income taxes payable	2,617	183
Provision for bonuses	355	153
Other	12,092	10,968
Total current liabilities	263,222	267,115
Non-current liabilities		
Long-term loans payable	19,813	15,684
Deferred tax liabilities	9,651	9,354
Provision for special repairs	2,874	2,930
Provision for repairs	5,797	8,733
Net defined benefit liability	1,615	1,599
Provision for directors' retirement benefits	26	17
Other	606	612
Total non-current liabilities	40,387	38,932
Total liabilities	303,609	306,047
Net assets		
Shareholders' equity		
Capital stock	24,467	24,467
Capital surplus	25,495	25,495
Retained earnings	33,398	26,422
Treasury stock	(1,271)	(1,146)
Total shareholders' equity	82,090	75,238
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,472	1,298
Deferred gains or losses on hedges	(2,633)	(686)
Revaluation reserve for land	1	1
Foreign currency translation adjustments	4,544	4,671
Remeasurements of defined benefit plans	680	629
Total accumulated other comprehensive income	4,064	5,914
Non-controlling interests	194	212
Total net assets	86,350	81,365
Total liabilities and net assets	389,960	387,413

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

Quarterly consolidated statement of income

First nine months of the fiscal year

(Millions of yen)

	First nine months of the previous fiscal year (From April 1, 2023 to December 31, 2023)	First nine months of the fiscal year under review (From April 1, 2024 to December 31, 2024)
Net sales	535,893	639,399
Cost of sales	524,257	640,164
Gross profit (loss)	11,635	(765)
Selling, general and administrative expenses	3,501	3,951
Operating profit (loss)	8,134	(4,717)
Non-operating income		
Interest income	161	203
Dividend income	93	101
Foreign exchange gains	1,452	1,428
Share of profit of entities accounted for using equity method	1,804	1,673
Rent income from storage tanks	155	149
Other	246	212
Total non-operating income	3,914	3,769
Non-operating expenses		
Interest expenses	1,261	1,603
Rent expenses on storage tanks	157	161
Other	503	505
Total non-operating expenses	1,922	2,271
Ordinary profit (loss)	10,126	(3,218)
Extraordinary income		
Gain on sales of non-current assets	9	5
Total extraordinary income	9	5
Extraordinary losses		
Loss on retirement of non-current assets	6	140
Loss on sales of non-current assets	-	94
Loss on sales of subsidiary’s stock	-	1,143
Repayment of the examination by the Regional Taxation Bureau	-	458
Loss on cancellation of leases	0	-
Total extraordinary losses	6	1,837
Profit (loss) before income taxes	10,129	(5,050)
Income taxes - current	1,207	54
Income taxes - deferred	136	611
Total income taxes	1,344	665
Profit (loss)	8,785	(5,716)
Profit attributable to non-controlling interests	16	23
Profit (loss) attributable to owners of parent	8,768	(5,739)

Quarterly consolidated statement of comprehensive income

First nine months of the fiscal year

(Millions of yen)

	First nine months of the previous fiscal year (From April 1, 2023 to December 31, 2023)	First nine months of the fiscal year under review (From April 1, 2024 to December 31, 2024)
Profit (loss)	8,785	(5,716)
Other comprehensive income		
Valuation difference on available-for-sale securities	252	(173)
Deferred gains or losses on hedges	306	1,946
Foreign currency translation adjustments	683	34
Remeasurements of defined benefit plans, net of tax	(53)	(50)
Share of other comprehensive income of entities accounted for using equity method	3,072	93
Total other comprehensive income	4,262	1,849
Comprehensive income	13,047	(3,866)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	13,030	(3,890)
Comprehensive income attributable to non-controlling interests	16	23

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Framework of Financial Reporting)

The quarterly consolidated financial statements are prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan.

(Notes on Going Concern Assumption)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Changes in Scope of Consolidation or Scope of Equity Method to Be Applied)

(Significant changes in the scope of consolidation)

In the first nine months of the fiscal year under review, the Company's consolidated subsidiaries, Fuji Oil Sales Company, Ltd. and Arabian Oil Company, Ltd., sold all of their respective shares in TOKYO PETROLEUM INDUSTRIAL COMPANY, LTD. on July 1, 2024. Accordingly, TOKYO PETROLEUM INDUSTRIAL COMPANY, LTD. is excluded from the scope of consolidation.

(Quarterly Consolidated Balance Sheet)

Contingent liability

Guarantees are provided for the following liabilities of employees and companies other than consolidated ones.

	As of the end of the previous fiscal year (March 31, 2024)	As of the end of the first nine months of the fiscal year under review (December 31, 2024)
Employees (owned house)		
Borrowings from financial institutions	2 million yen	2 million yen
JAPAN BIOFUELS SUPPLY LLP		
Overdraft agreement, deferment of import consumption tax, and guarantee of obligations related to letter of credit agreement	1,353 million yen	3,087 million yen

(Shareholders' Equity)

First nine months of the previous fiscal year (from April 1, 2023 to December 31, 2023)

1. Dividends paid

Resolution	Type of shares	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
Annual General Meeting of Shareholders on June 28, 2023	Common shares	773	10	(March 31, 2023)	(June 29, 2023)	Retained earnings

2. Dividends whose record date falls under the first nine months of the fiscal year under review and whose effective date is after the last day of the first nine months of the fiscal year under review

Not applicable.

First nine months of the fiscal year under review (from April 1, 2024 to December 31, 2024)

1. Dividends paid

Resolution	Type of shares	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
Annual General Meeting of Shareholders on June 26, 2024	Common shares	1,159	15	March 31, 2024	June 27, 2024	Retained earnings

2. Dividends whose record date falls under the first nine months of the fiscal year under review and whose effective date is after the last day of the first nine months of the fiscal year under review

Not applicable.

(Segment Information, etc.)

Segment information is omitted as the Group has only one segment consisting of the petroleum refining and sales business.

(Notes on Statement of Cash Flows)

Quarterly consolidated statements of cash flows for the first nine months of the fiscal year under review are not prepared. Depreciation and amortization (including amortization of intangible assets.) for the first nine months of the fiscal year are as follows:

	First nine months of the previous fiscal year (From April 1, 2023 to December 31, 2023)	First nine months of the fiscal year under review (From April 1, 2024 to December 31, 2024)
Depreciation and amortization	5,721 million yen	5,543 million yen

(Revenue Recognition)

Information that breaks down revenue generated from contracts with customers

First nine months of the previous fiscal year (from April 1, 2023 to December 31, 2023)

(Millions of yen)

	Petroleum products	Other	Total
Revenue generated from contracts with customers	522,312	3,554	525,866
Other revenue	10,027	-	10,027
Sales to external customers	532,339	3,554	535,893

(Note) "Revenue from contracts with customers" is mostly "Revenue from goods or services transferred to customers at one point in time" and others are insignificant. “Other revenue” is a subsidy received under the “Fuel Oil Price Mitigation Program,” a measure under the “Comprehensive Emergency Measures against Soaring Crude Oil and Other Prices,” implemented by the Japanese government during the COVID-19 pandemic.

First nine months of the fiscal year under review (from April 1, 2024 to December 31, 2024)

(Millions of yen)

	Petroleum products	Other	Total
Revenue generated from contracts with customers	622,663	2,136	624,799
Other revenue	14,599	-	14,599
Sales to external customers	637,262	2,136	639,399

(Note) "Revenue from contracts with customers" is mostly "Revenue from goods or services transferred to customers at one point in time" and others are insignificant. “Other revenue” is a subsidy received under the “Fuel Oil Price Mitigation Program,” a measure under the “Comprehensive Emergency Measures against Soaring Crude Oil and Other Prices,” implemented by the Japanese government during the COVID-19 pandemic.

(Per Share Information)

The amount of basic earnings per share or loss per share and the basis for calculation are as follows.

Item	First nine months of the previous fiscal year (From April 1, 2023 to December 31, 2023)	First nine months of the fiscal year under review (From April 1, 2024 to December 31, 2024)
Amount of basic earnings per share or loss per share (-)	113.64 yen	(74.34 yen)
(Basis for Calculation)		
Profit (loss) attributable to owners of parent (million yen)	8,768	(5,739)
Amount not attributable to common shareholders (million yen)	-	-
Profit (loss) attributable to owners of parent concerning common shares (million yen)	8,768	(5,739)
Average number of shares of common stock during the period (shares)	77,162,767	77,207,899

(Note) It is omitted due to no potential shares, as the amount of diluted basic earnings per share for the first nine months of the fiscal year under review means loss per share. The amount of diluted basic earnings per share for the first nine months of the fiscal year under review is omitted, as there is no potential shares.