

Presentation on Results for the 3rd Quarter FY2022

**February 14, 2023
Idemitsu Kosan Co.,Ltd.**

Table of Contents

- Highlights
- Results for the 3Q FY2022
- Forecasts for FY2022
- Reference
 - ✓ Progress in the mid-term management plan
 - ✓ Financial results
 - ✓ Volume
 - ✓ Crude/product price and operation
 - ✓ Business overview

■ Highlights

Results for the 3Q FY2022

■ Summary

- ✓ Operating + equity income (segment income) increased by ¥26.5 billion year-on-year, as improvements in the resources business resulting from soaring coal prices partially offset decreased margins on non-core products such as naphtha and increased fuel costs in the petroleum business
- ✓ Net income increased by ¥49.7 billion year-on-year due to extraordinary gains from asset sales, etc.

[¥ billions]

	FY2021 3Q	FY2022 3Q	Change
Operating Income + Equity Income	297.3	323.8	+26.5
<i>Inventory impact</i>	163.1	138.5	(24.6)
<i>Excluding inventory impact</i>	134.2	185.4	+51.2
Net Income Attributable to Owners of the Parent	199.9	249.6	+49.7
<i>Excluding inventory impact</i>	86.8	153.6	+66.8

FY2022 Forecasts and Shareholder Returns

■ Summary

- ✓ While trends in the business environment remain unclear amid concerns of an economic slowdown due to global inflation on the one hand and expectations of recovery in demand due to relaxation of the zero-COVID policy in China on the other, forecasts were revised to reflect the recent drop in crude oil prices, the correction of JPY depreciation, etc.

[¥ billions]

	11/8 Forecast	Revised Forecast	Change
Operating Income + Equity Income	450.0	280.0	(170.0)
<i>Inventory impact</i>	120.0	30.0	(90.0)
<i>Excluding inventory impact</i>	330.0	250.0	(80.0)
Net Income Attributable to Owners of the Parent	325.0	220.0	(105.0)
<i>Excluding inventory impact</i>	240.0	200.0	(40.0)

■ Shareholder Returns

- ✓ The acquisition of ¥60 billion treasury shares for 29 million shares (upper limit) will be executed from 2/15/2023 to 2/14/2024 pursuant to the shareholder returns policy set forth in the current medium-term plan. All treasury shares acquired will be cancelled
- ✓ The cumulative 3-year return ratio from FY 2020-22 based on the current forecasts is expected to exceed 50%, through FY dividends of ¥120/share (no revision to the dividend forecast) and the acquisition of ¥60 billion treasury shares

■ Results for the 3Q FY2022

Key Topics

■ Trends in Petroleum Demand

- ✓ Demand for core products and jet fuel both recovered due to easing of COVID-related activity restrictions
- ✓ Growth is expected to slow down in 4Q, as activity restrictions were also eased in 4Q of the previous fiscal year

	FY20	FY21	FY22 (1-3Q)	FY22 (forecast)
Core products	94.6%	98.6%	102.6%	102.0%
<i>Gasoline</i>	90.4%	99.6%	101.6%	101.4%
Jet fuel	54.2%	126.0%	136.9%	133.6%

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

■ Nghi Son Refinery in Vietnam

- ✓ Losses in Jan-Sep greatly improved compared to the same period last year due to the recovery in Singapore products margin
- ✓ Positive operating and cash-based income will be expected despite net losses due to the impact of negative time-lag, etc. in the full fiscal year
- ✓ Zero equity income because of gain on reversal of loss on valuation of long-term loans receivable recorded in the previous fiscal year

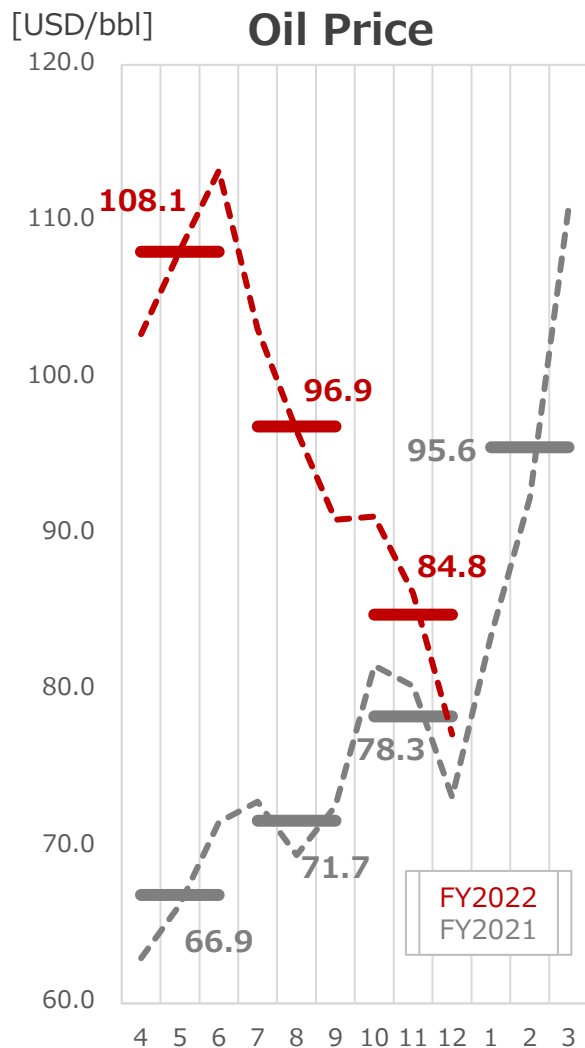
■ Issuance of “Idemitsu Integrated Report 2022”

- ✓ In addition to our group vision, initiatives towards continuous value creation, and business strategy, the report provides comprehensive financial/non-financial information including structural reforms, initiatives relating to personnel strategy, and GHG reduction targets

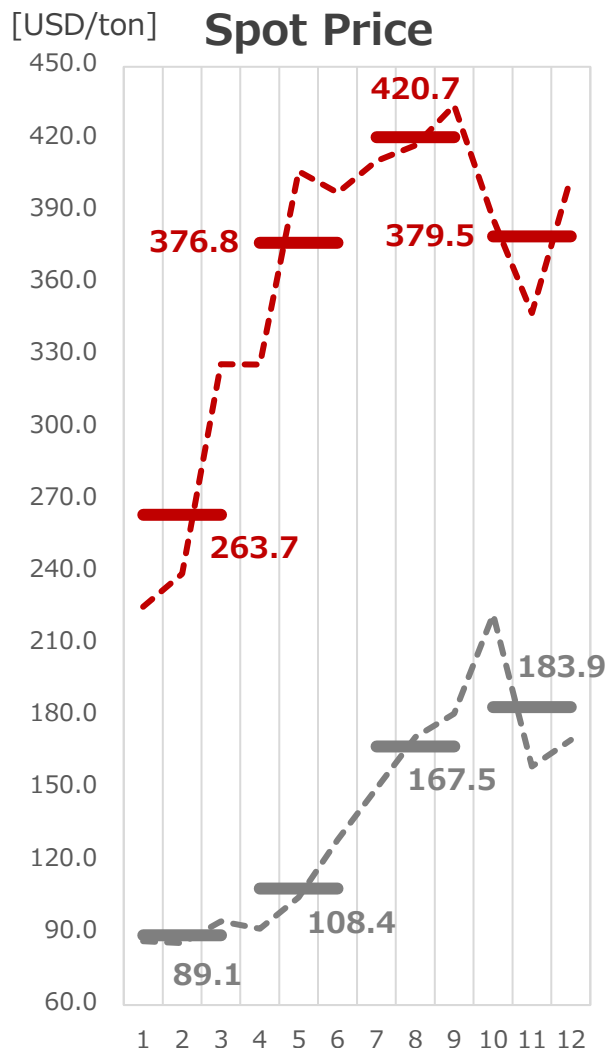
https://ssl4.eir-parts.net/doc/5019/ir_material_for_fiscal_ym4/129726/00.pdf (Japanese only as of today)

Operating Environment

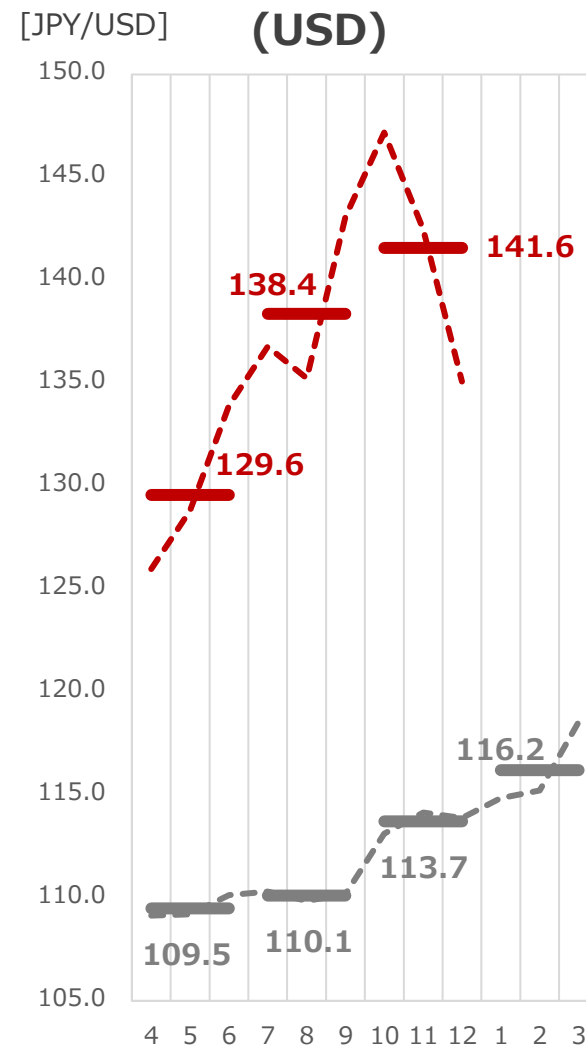
Dubai Crude



Australian Coal



Exchange Rate



Overview

■ Crude Oil/Coal/Exchange Rate

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

	FY2021 3Q	FY2022 3Q	Change	
Crude Oil (Dubai)	72.3	96.6	+24.3	+33.6%
Crude Oil (Brent)*	67.7	105.4	+37.6	+55.5%
Australian Coal Spot Price*	121.7	353.8	+232.1	+190.7%
Exchange Rate (TTM)	111.1	136.5	+25.4	+22.9%

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

■ Consolidated Income Statement(Summary)

[¥ billions]

	FY2021 3Q	FY2022 3Q	Change	
Net Sales	4,647.2	7,211.3	+2,564.1	+55.2%
Operating Income	279.0	298.9	+19.8	+7.1%
<i>Inventory impact</i>	<i>163.1</i>	<i>138.5</i>	<i>(24.6)</i>	<i>(15.1%)</i>
Equity Income	18.2	25.0	+6.7	+36.9%
Operating Income + Equity Income	297.3	323.8	+26.5	+8.9%
<i>Excluding inventory impact</i>	<i>134.2</i>	<i>185.4</i>	<i>+51.2</i>	<i>+38.1%</i>
Ordinary Income	303.0	336.8	+33.9	+11.2%
Extraordinary Income/Losses	(6.4)	16.8	+23.2	—
Net Income Attributable to Owners of the Parent	199.9	249.6	+49.7	+24.9%
<i>Excluding inventory impact</i>	<i>86.8</i>	<i>153.6</i>	<i>+66.8</i>	<i>+76.9%</i>

Segment Information

■ Operating + Equity Income

[¥ billions]

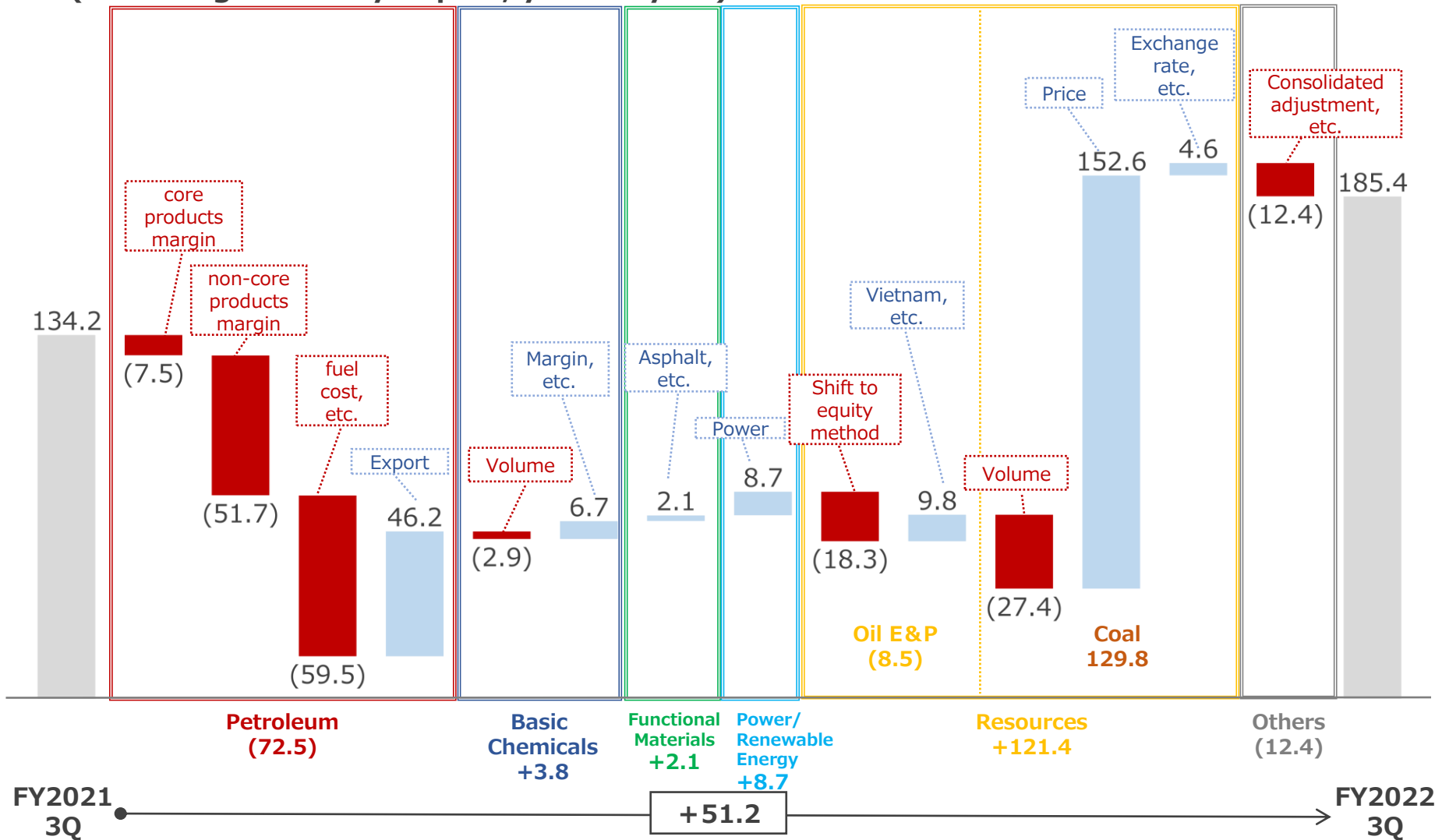
	FY2021 3Q	FY2022 3Q	Change	
Petroleum	236.8	139.7	(97.1)	(41.0%)
<i>Excluding inventory impact</i>	73.7	1.2	(72.5)	(98.4%)
Basic Chemicals	7.6	11.4	+3.8	+49.5%
Functional Materials	14.2	16.4	+2.1	+15.1%
Power and Renewable Energy	(7.6)	1.1	+8.7	—
Resources*	56.4	177.7	+121.4	+215.2%
<i>Oil Exploration and Production</i>	34.9	26.4	(8.5)	(24.2%)
<i>Coal</i>	21.5	151.3	+129.8	+603.6%
Others/Reconciliation	(10.2)	(22.5)	(12.4)	—
Total	297.3	323.8	+26.5	+8.9%
<i>Excluding inventory impact</i>	134.2	185.4	+51.2	+38.1%

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

Segment Information

Factors Affecting Operating + Equity Income (excluding inventory impact, year on year)

[¥ billions]



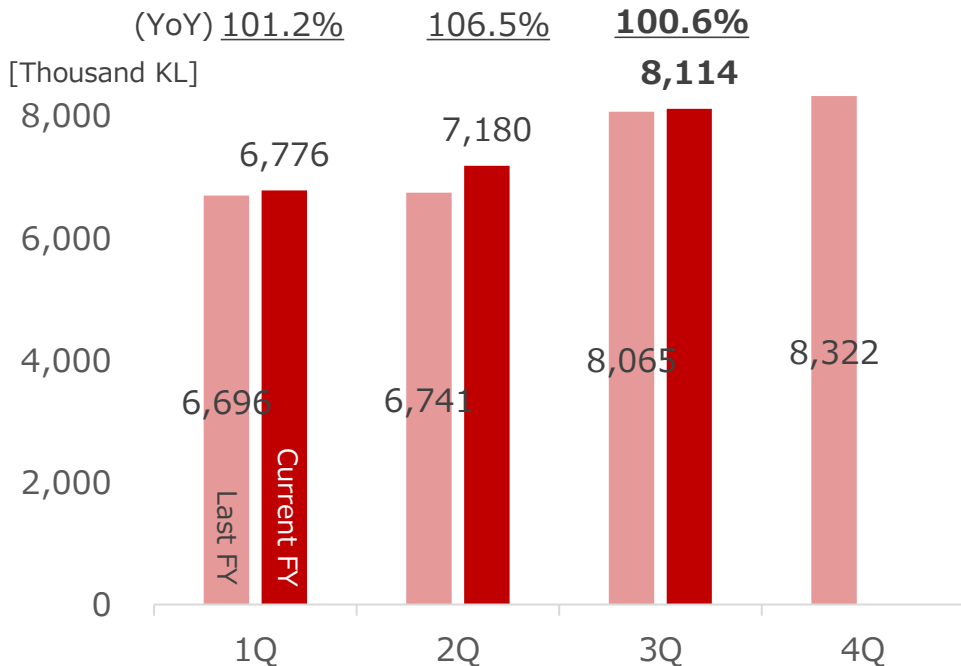
FY2021 3Q

FY2022 3Q

Segment Information

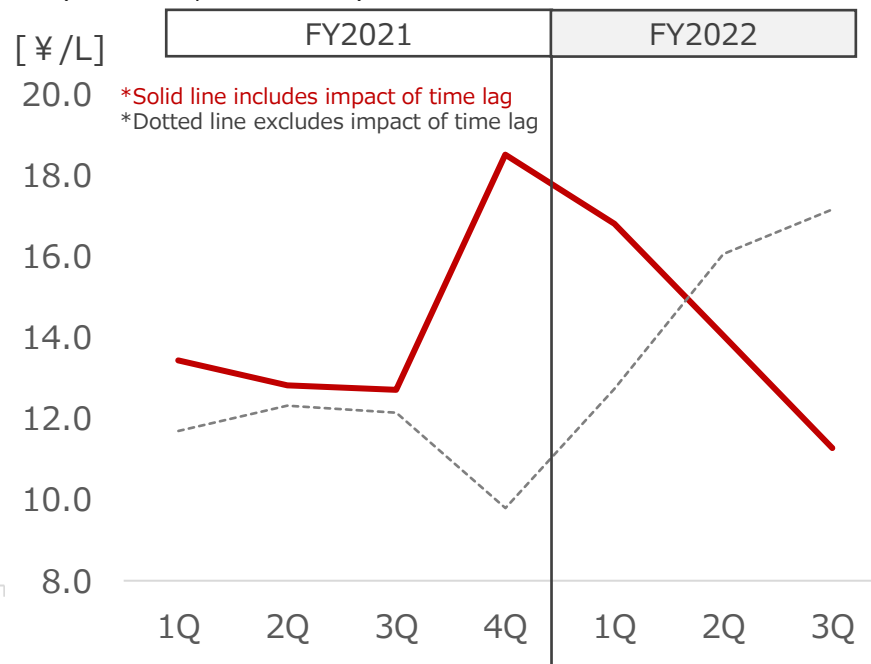
[Petroleum] YoY-¥72.5bn (FY21 3Q : ¥73.7bn ➔ FY22 3Q : ¥1.2bn)

[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)



- ✓ Sales volume for the core products increased year-on-year due to easing of activity restrictions under the COVID-19, etc.
- ✓ Increased fuel costs and decreased margins in non-core products squeezed the earnings
- ✓ Partially offset by the increased product margins in Singapore

Segment Information

[Basic Chemicals] YoY + ¥3.8bn (FY21 3Q : ¥7.6bn ➔ FY22 3Q : ¥11.4bn)

- ✓ PX/MX product margins improved due to tighter supply/demand balance
- ✓ Improved product margins were partially offset by reduced sales volumes and increased fuel costs

[USD/ton]

Product	FY2021 3Q		FY2022 3Q		Change	
	Price	Margin	Price	Margin	Price	Margin
PX	890	215	1,109	355	+218	+140
MX	779	103	1,038	284	+259	+180
SM	1,208	533	1,203	449	(5)	(83)

[Functional Materials] YoY + ¥2.1bn (FY21 3Q : ¥14.2bn ➔ FY22 3Q : ¥16.4bn)

- ✓ Asphalts: Price decline in fraction of heavy fuel contributed to margin improvement
- ✓ Lubricants: Decreased due to the negative time-lag arising from the increased crude oil prices for the 1st half of the fiscal year
- ✓ Functional chemicals: Decreased due to reduced margins for some products

[Power/Renewable Energy] YoY + ¥8.7bn (FY21 3Q : -¥7.6bn ➔ FY22 3Q : ¥1.1bn)

- ✓ Power business: Increased due to efforts focused on internal power supply and sales
- ✓ ES business: Improved by cost reduction through structural reforms despite decreased sales volume of solar panels

Segment Information

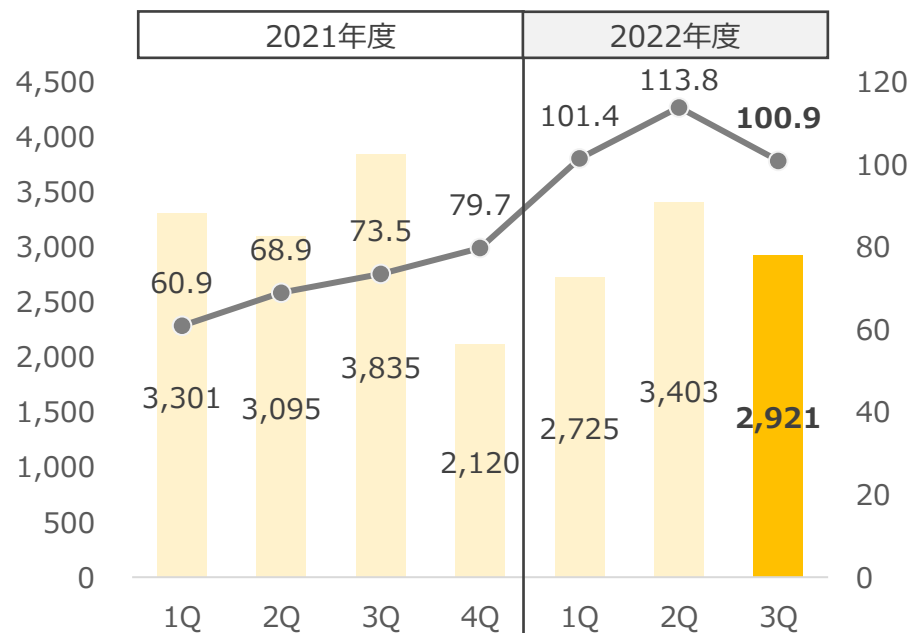
[Oil E&P] YoY -¥8.5 bn

(FY21 3Q : ¥34.9bn ➡ FY22 3Q : ¥26.4 bn)

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

[Thousand BOE]

[USD/bbl]



- ✓ Decreased due to Norwegian subsidiary becoming an equity-method affiliate
- ✓ Production volume increased in Vietnam

*Figures reflect share of rights owned in resource development affiliates

*IIN became an equity-method affiliate in FY2021 4Q

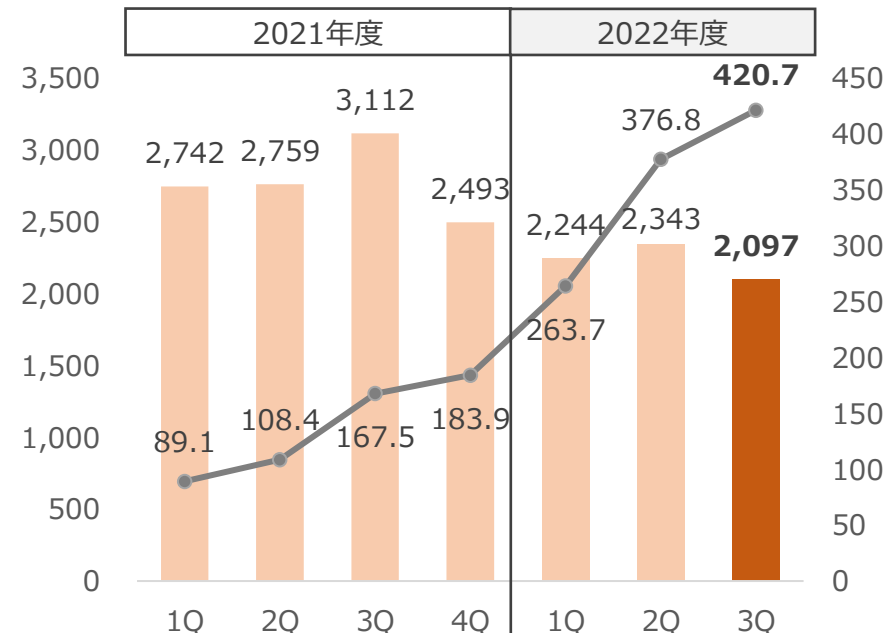
[Coal] YoY +¥129.8 bn

(FY21 3Q : ¥21.5bn ➡ FY22 3Q : ¥151.3 bn)

<Coal Production Volume and Australian Coal Spot Price Trends>

[Thousand tons]

[USD/ton]



- ✓ Increased due to soaring coal prices
- ✓ Production volume decreased due to poor weather and scale reduction of mines

*Shares of Malinau mines in Indonesia (Mitrabara) sold during FY2021

Balance Sheet

[¥ billions]

	3/31/2022	12/31/2022	Change		3/31/2022	12/31/2022	Change
Cash and Deposits	140.3	113.7	(26.6)	Total Current Liabilities	2,061.3	2,400.8	339.5
Receivables, Inventory, etc.	2,227.8	2,866.2	638.4	Total Fixed Liabilities	1,103.4	1,146.6	43.2
Total Current Assets	2,368.1	2,979.9	611.8	Total Liabilities	3,164.7	3,547.4	382.7
Tangible Fixed Assets	1,437.8	1,413.5	(24.4)	Shareholders' Equity and Other Comprehensive Income	1,412.1	1,643.7	231.6
Other Fixed Assets	795.3	813.9	18.6	Non-controlling Interests	24.4	16.2	(8.2)
Total Fixed Assets	2,233.1	2,227.3	(5.8)	Total Net Assets	1,436.5	1,659.9	223.3
Total Assets	4,601.2	5,207.2	606.0	Total Liabilities and Net Assets	4,601.2	5,207.2	606.0

Net D/E ratio	0.87	0.96	+0.09
Total Interest-bearing debt	1,364.9	1,690.1	+325.2
Equity ratio	30.7%	31.6%	+0.9%

■ Forecasts for FY2022

Forecasts for FY2022

■ Crude Oil/Coal/Exchange Rate

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

	11/8 Forecast	Revised Forecast	Change		Assumptions (from Jan.)
Crude Oil (Dubai)	96.2	92.4	(3.8)	(3.9%)	80.0
Crude Oil (Brent)*	102.4	101.2	(1.2)	(1.2%)	—
Australian Coal Spot Price *	347.8	360.2	+12.3	+3.6%	—
Exchange Rate (TTM)	139.5	134.9	(4.6)	(3.3%)	130.0

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

■ Consolidated Income Statement(Summary)

[¥ billions]

	11/8 Forecasts	Revised Forecasts	Change	
Net Sales	9,170.0	9,100.0	(70.0)	(0.8%)
Operating Income	425.0	255.0	(170.0)	(40.0%)
<i>Inventory impact</i>	<i>120.0</i>	<i>30.0</i>	<i>(90.0)</i>	<i>(75.0%)</i>
Equity Income	25.0	25.0	—	—
Operating Income + Equity Income	450.0	280.0	(170.0)	(37.8%)
<i>Excluding inventory impact</i>	<i>330.0</i>	<i>250.0</i>	<i>(80.0)</i>	<i>(24.2%)</i>
Ordinary Income	450.0	285.0	(165.0)	(36.7%)
Extraordinary Income/Losses	1.0	27.0	+26.0	—
Net Income Attributable to Owners of the Parent	325.0	220.0	(105.0)	(32.3%)
<i>Excluding inventory impact</i>	<i>240.0</i>	<i>200.0</i>	<i>(40.0)</i>	<i>(16.7%)</i>

Segment Information

■ Operating + Equity Income

[¥ billions]

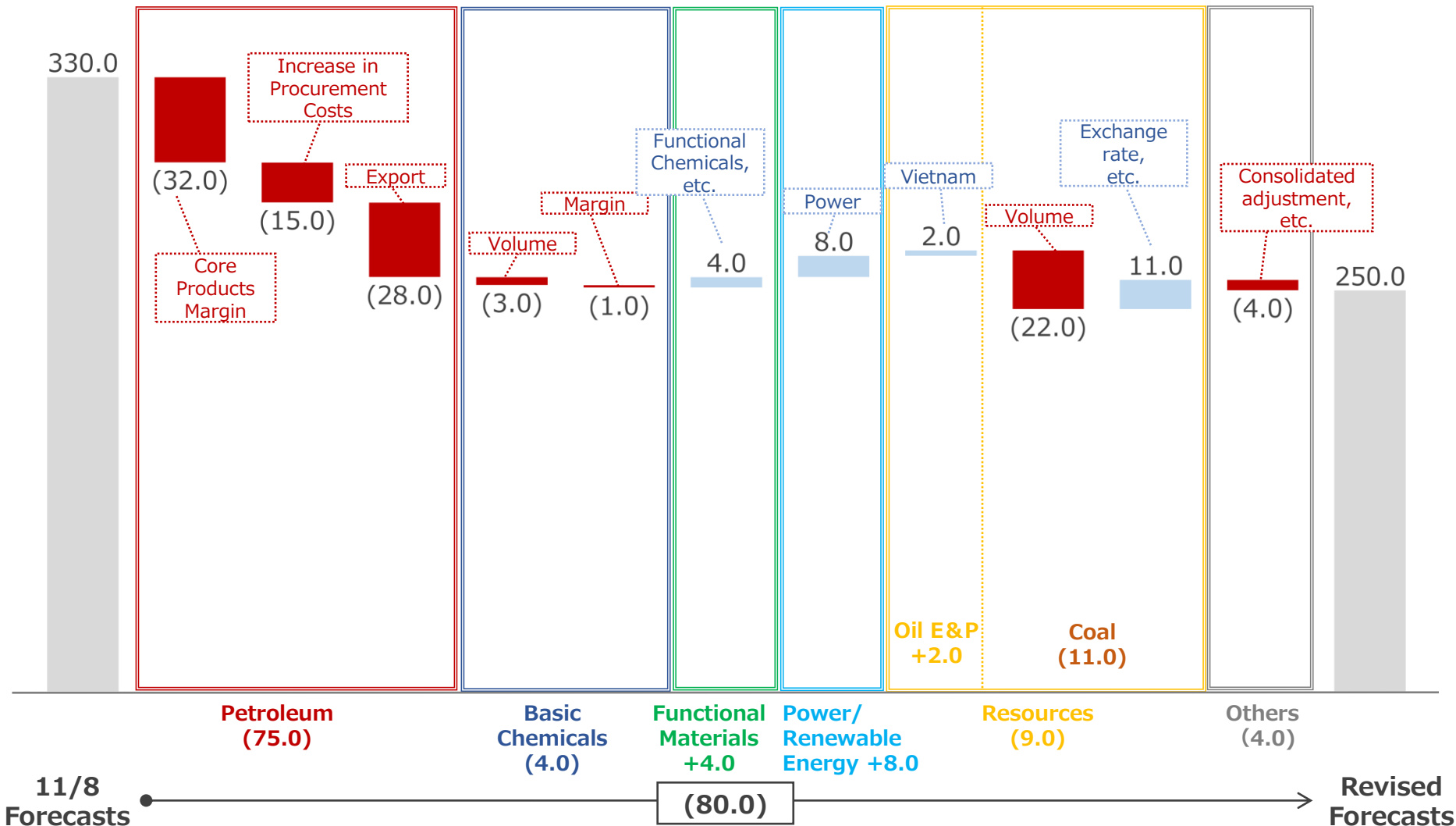
	11/8 Forecasts	Revised Forecasts	Change	
Petroleum	205.0	40.0	(165.0)	(80.5%)
<i>Excluding inventory impact</i>	<i>85.0</i>	<i>10.0</i>	<i>(75.0)</i>	<i>(88.2%)</i>
Basic Chemicals	18.0	14.0	(4.0)	(22.2%)
Functional Materials	17.0	21.0	+4.0	+23.5%
Power and Renewable Energy	(9.0)	(1.0)	+8.0	—
Resources*	239.0	230.0	(9.0)	(3.8%)
<i>Oil Exploration and Production</i>	<i>29.0</i>	<i>31.0</i>	<i>+2.0</i>	<i>+6.9%</i>
<i>Coal</i>	<i>210.0</i>	<i>199.0</i>	<i>(11.0)</i>	<i>(5.2%)</i>
Others/Reconciliation	(20.0)	(24.0)	(4.0)	—
Total	450.0	280.0	(170.0)	(37.8%)
<i>Excluding inventory impact</i>	<i>330.0</i>	<i>250.0</i>	<i>(80.0)</i>	<i>(24.2%)</i>

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

Segment Information

Factors Affecting Operating + Equity Income (excluding inventory impact, Compared to the 11/8 forecasts)

[¥ billions]



Segment Information

[Petroleum] -¥75.0bn (11/8 forecast: ¥85.0bn ➔ ¥10.0bn)

- ✓ Decreased due to negative time-lag arising from crude oil price decline
- ✓ Export volume decreased partly due to decreased export margin for gasoline
- ✓ Revised downward, also due to an increase in procurement as well as import costs (including impact from some troubles in refineries)

[Basic Chemicals] -¥4.0bn (11/8 forecast: ¥18.0bn ➔ ¥14.0bn)

- ✓ Revised downward to reflect reduced sales volume resulting from a decrease in demands for automotive/home appliances due to the 3Q China lockdown and a decrease in SM product margins

[USD/ton]

製品	11/8 Forecasts		Revised Forecasts		Change	
	Price	Margin	Price	Margin	Price	Margin
PX	1,110	330	1,070	330	(40)	±0
MX	1,040	260	1,000	260	(40)	±0
SM	1,240	460	1,160	420	(80)	(40)

[Functional Materials] +¥4.0 bn (11/8 forecast: ¥17.0bn ➔ ¥21.0bn)

- ✓ Decrease in lubricants due to reduced sales volume
- ✓ However, overall profits increased due to lower costs in functional chemicals as well as price improvements

Segment Information

[Power/Renewable Energy] +¥8.0bn (11/8 forecast: -¥9.0bn ➡ -¥1.0bn)

- ✓ Power business: Revised upward due to progress in efforts focused on internal power supply/sales
- ✓ ES business: No change in forecasts

[Oil E&P] +¥2.0bn (11/8 forecast: ¥29.0bn ➡ ¥31.0bn)

- ✓ Revised upward to reflect production volume improvements in Vietnam

[Coal] -¥11.0bn (11/8 forecast: ¥210.0bn ➡ ¥199.0bn)

- ✓ Revised downward, with improved foreign exchange conditions due to AUD depreciation despite production reduction due to heavy rain

■ Reference Materials

Topics Affecting Progress on the Medium-term Plan (1/3)

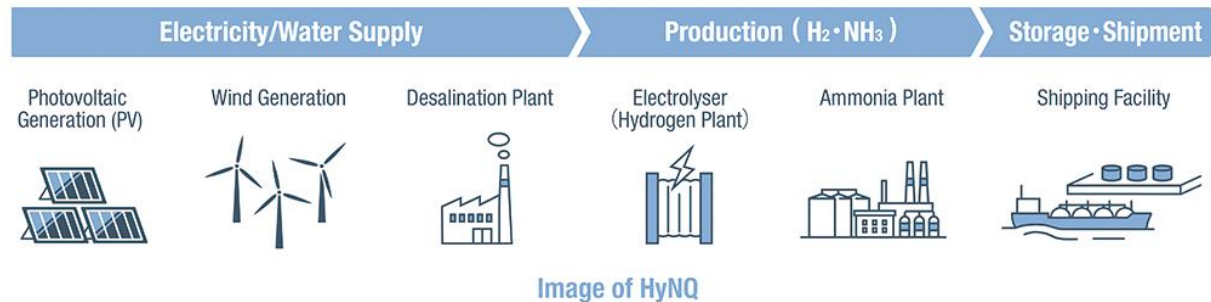
Progress on the Medium-term Plan

■ Commenced study for the production and export of green ammonia at Abbot Point Port, Australia (Resources/initiatives towards carbon neutrality)

- ✓ Aimed at manufacturing (500,000 tons/year), storing, and exporting green ammonia in the Abbot Point Port area; evaluating feasibility of commercialization

(Link to our disclosure document)

<https://www.idemitsu.com/en/news/2022/221130.html>



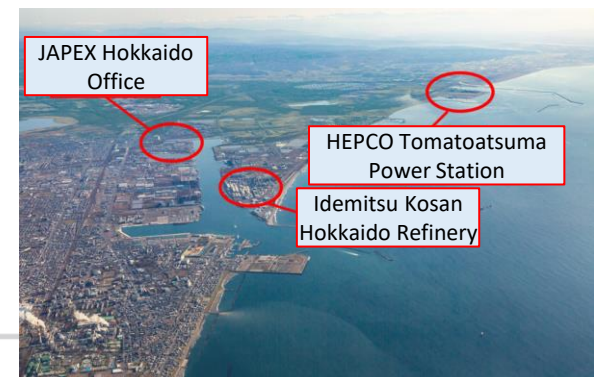
■ Idemitsu, HEPCO, and JAPEX started a joint study for CCUS implementation in the Tomakomai area of Hokkaido (Petroleum/initiatives towards carbon neutrality)

- ✓ Launched a joint study in the Tomakomai area aimed at achieving CCUS (Carbon dioxide Capture, Utilization, and Storage) by leveraging the 3 business hubs and the strengths of each player

(Link to our disclosure document, Japanese only)

<https://www.idemitsu.com/jp/news/2022/230126.html>

[3 business hubs in Tomakomai]



- **Idemitsu and Toray creating Japan's first biomass ABS resin supply chain** (Basic chemicals/initiatives towards carbon neutrality)
 - ✓ Aiming to use Idemitsu's styrene monomer derived from biomass naphtha to manufacture bioplastic acrylonitrile butadiene styrene (biomass ABS resin) at Toray
 - ✓ Manufacturing planned to begin in October 2023

(Link to our disclosure document)

<https://www.idemitsu.com/en/news/2022/230202.html>

- **Completed construction of biomass power generator (power output: 50,000 kW) at the Tokuyama Complex** (Power and renewable energy/renewable energy development)
 - ✓ Launched as a part of the CNX Center concept aimed at carbon neutrality
 - ✓ Operations began from January 2023

(Link to our disclosure document, Japanese only)

<https://www.idemitsu.com/jp/news/2022/221213.html>



■ Transfer of interest in Ensham Coal Mine, Australia (Resources/structural reforms, enhancing capital efficiency)

- ✓ Sold Ensham Coal Mine as a part of structural reforms in the coal business, gains and losses from which will be recorded in FY2023
- ✓ Signed an agreement to sell all rights (85%) to Sungela Pty Ltd.

[Policy on coal business going forward]

- ✓ The coal business will focus on leveraging the highly competitive Boggabri Coal Mine to continue to provide stable coal supply and to maximize earnings
- ✓ Also planning to make maximum use of management resources developed over many years in Australia to promote diversification into areas such as renewable energy, rare metals, hydrogen, and ammonia, where future demand is expected to grow

(Link to our disclosure document) <https://www.idemitsu.com/en/news/2022/230203.html>

■ Restructuring of functional chemicals (Functional materials/structural reforms)

- ✓ Integration of I-MARV™ production sites
 - ☞ A colorless and transparent hydrogenated hydrocarbon/petroleum resin originally developed by Idemitsu used as a raw material for tackifiers of hot-melt adhesives and resin modifiers of polyolefins. Discontinued production at the Tokuyama Complex (in Japan) and centralized production in Taiwan

(Link to our disclosure document)

https://www.idemitsu.com/en/news/2022/221221_2.html

- ✓ Withdrawal from the L-MODU™ business
 - ☞ L-MODU is a polypropylene resin with lower stereoregularity developed using the metallocene catalyst technology unique to Idemitsu, and is used as a raw material for hot-melt adhesives, nonwoven fabrics, films, etc. In light of the business environment, the manufacturing equipment at Chiba Complex of Idemitsu will be discontinued by December 2023

(Link to our disclosure document)

https://www.idemitsu.com/en/news/2022/221221_1.html

Financial Results

■ Net Sales by segment

[¥ billions]

	FY2021 3Q	FY2022 3Q	Change	
Petroleum	3,604.8	5,668.5	+2,063.7	+57.3%
Basic Chemicals	396.3	514.0	+117.7	+29.7%
Functional Materials	302.7	381.2	+78.5	+25.9%
Power and Renewable Energy	92.4	148.0	+55.7	+60.3%
Resources*	246.8	495.5	+248.7	+100.8%
<i>Oil Exploration and Production</i>	<i>70.7</i>	<i>33.9</i>	<i>(36.8)</i>	<i>(52.1%)</i>
<i>Coal</i>	<i>176.1</i>	<i>461.6</i>	<i>+285.5</i>	<i>+162.1%</i>
Others/Reconciliation	4.3	4.1	(0.2)	(5.7%)
Total	4,647.2	7,211.3	+2,564.1	+55.2%

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

Financial Results

■ Quarterly segment income (cumulative, exc. inventory impact)

[¥ billions]

	FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Petroleum	29.6	45.1	73.7	136.5	57.4	61.1	1.2
Equity income	6.0	8.6	12.4	9.2	7.0	12.4	12.8
Basic Chemicals	6.7	10.9	7.6	8.2	8.1	14.2	11.4
Equity income	0.1	0.7	0.8	1.2	(0.1)	(0.1)	0.5
Functional Materials	4.3	10.2	14.2	17.1	3.3	8.6	16.4
Equity income	0.6	1.4	1.5	1.6	0.0	0.3	(0.3)
Power and Renewable Energy	(1.0)	(2.8)	(7.6)	(9.9)	(3.7)	(2.9)	1.1
Equity income	(0.0)	(0.1)	0.0	(1.7)	(0.4)	(0.7)	(0.4)
Resources							
-Oil Exploration and Production	12.4	17.3	34.9	38.7	6.5	17.1	26.4
Equity income	—	—	—	2.6	2.9	6.7	10.6
-Coal	0.6	4.2	21.5	42.3	25.1	83.0	151.3
Equity income	0.4	0.8	1.4	3.1	—	—	—
Others/Reconciliation	(2.3)	(3.6)	(10.2)	(16.6)	(11.9)	(14.9)	(22.5)
Equity income	1.2	1.3	2.1	(1.0)	1.1	1.7	1.7
Total	50.3	81.3	134.2	216.2	84.9	166.2	185.4
Equity income	8.3	12.7	18.2	15.0	10.5	20.3	25.0

* IIN became an equity method affiliated company from FY21 4Q

Financial Results

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

[¥ billions]

	FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Petroleum	29.6	15.4	28.6	62.8	57.4	3.7	(59.9)
Equity income	6.0	2.6	3.8	(3.2)	7.0	5.4	0.4
Basic Chemicals	6.7	4.2	(3.3)	0.5	8.1	6.1	(2.8)
Equity income	0.1	0.5	0.1	0.5	(0.1)	(0.0)	0.6
Functional Materials	4.3	5.9	4.1	2.9	3.3	5.3	7.8
Equity income	0.6	0.8	0.1	0.1	0.0	0.3	(0.6)
Power and Renewable Energy	(1.0)	(1.8)	(4.8)	(2.3)	(3.7)	0.8	4.0
Equity income	(0.0)	(0.0)	0.1	(1.7)	(0.4)	(0.3)	0.3
Resources							
-Oil Exploration and Production	12.4	5.0	17.6	3.8	6.5	10.5	9.3
Equity income	—	—	—	2.6	2.9	3.8	3.9
-Coal	0.6	3.6	17.3	20.8	25.1	57.8	68.4
Equity income	0.4	0.4	0.6	1.7	—	—	—
Others/Reconciliation	(2.3)	(1.3)	(6.6)	(6.4)	(11.9)	(3.0)	(7.7)
Equity income	1.2	0.1	0.9	(3.1)	1.1	0.6	0.1
Total	50.3	31.0	52.9	82.1	84.9	81.3	19.2
Equity income	8.3	4.4	5.6	(3.2)	10.5	9.8	4.7

* IIN became an equity method affiliated company from FY21 4Q

Sensitivity

■ Major items affecting performance by changes in assumptions (FY2022 4Q)

	Assumption Items	Revised assumption (from Jan.)	Range of fluctuation	Segment	Income impact (¥ billions)	Contents
Excluding inventory impact	Crude oil price	80.0\$/bbl	±10\$/bbl	Petroleum	±3.0	Refining fuel cost, time-lag
	Singapore product margin	—	±5\$/bbl		±8.0	Export (core products and jet)
	Exchange rate	130.0¥/\$	±5¥/\$		±3.0	Refining fuel cost, time-lag, export
Inventory impact	Crude oil price	80.0\$/bbl	±10\$/bbl	Petroleum	±15.0	
	Exchange rate	130.0¥/\$	±5¥/\$		±5.0	

Sales Volume

■ Petroleum

[thousand KL,%]

	FY 2021 3Q	FY 2022 3Q	Change	
Gasoline	9,743	9,902	+159	+1.6%
Naphtha	176	288	+113	+64.1%
Jet Fuel	1,279	1,751	+472	+36.9%
Kerosene	2,062	2,092	+29	+1.4%
Diesel Oil	7,482	7,788	+306	+4.1%
Heavy Fuel Oil A	2,216	2,288	+72	+3.3%
Heavy Fuel Oil C	1,741	1,988	+247	+14.2%
Total Domestic Sales Volume	24,699	26,098	+1,399	+5.7%
Exported Volume	4,218	5,812	+1,594	+37.8%
Total Sales Volume	28,916	31,910	+2,993	+10.4%

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

*Some errors appearing in the FY 2021 report data have been corrected

Sales Volume

■ Basic Chemicals

[kt,%]

	FY 2021 3Q	FY 2022 3Q	Change	
Basic Chemicals	2,735	2,548	(187)	(6.9%)

■ Functional Materials

[KKL,kt,%]

	FY 2021 3Q	FY 2022 3Q	Change	
Lubricants	880	871	(9)	(1.1%)
Performance Chemicals	565	494	(70)	(12.5%)

*Lubricants include sales overseas

■ Power/Renewable Energy

[Mkwh,%]

	FY 2021 3Q	FY 2022 3Q	Change	
Retail Power Sales	3,893	2,621	(1,272)	(32.7%)

Production Volume

■ Resources (Oil E&P)

[KBOED,%]

	FY 2021 3Q	FY 2022 3Q	Change	
Norway	25.8	15.3	(10.5)	(40.7%)
Vietnam	11.7	17.9	+6.2	+52.5%
Total('000BOED)	37.5	33.1	(4.3)	(11.5%)
Total('000BOE)	10,231	9,050	(1,182)	(11.5%)

*The numbers reflect our rights and ownership ratios based on our equity share

* IIN became an equity method affiliated company from FY21 4Q

*The number shows Jan-Sep volume as fiscal year for Oil E&P in the Resources Segment ends in Dec.

■ Resources (Coal)

[kt,%]

	FY 2021 3Q	FY 2022 3Q	Change	
Ensham	2,790	2,149	(641)	(23.0%)
Muswellbrook	776	972	+195	+25.1%
Boggabri	4,157	3,563	(594)	(14.3%)
Sub Total	7,724	6,684	(1,040)	(13.5%)
Malinau	889	—	(889)	—
Total Volume	8,613	6,684	(1,929)	(22.4%)

*The numbers reflect our rights and ownership ratios

*The number shows Jan-Sep volume as fiscal year for Coal in the Resources Segment ends in Dec.

Sales Volume(Forecasts)

■ Petroleum

[KKL,%]

	11/8 Forecast	Revised Forecast	Change	
Gasoline	12,960	12,890	(70)	(0.5%)
Naphtha	320	350	+30	+9.4%
Jet fuel	2,280	2,310	+30	+1.3%
Kerosene	3,900	3,890	(10)	(0.3%)
Diesel Oil	10,310	10,320	+10	+0.1%
Heavy Fuel Oil A	3,290	3,330	+40	+1.2%
Heavy Fuel Oil C	2,700	2,760	+60	+2.2%
Domestic fuel subtotal	35,760	35,850	+90	+0.3%
Fuel exports	9,600	8,250	(1,350)	(14.1%)
Total	45,360	44,100	(1,260)	(2.8%)

Sales Volume(Forecast)

■ Basic Chemicals

[kt,%]

	11/8 Forecast	Revised Forecast	Change	
Basic Chemicals	3,760	3,690	(70)	(1.9%)

■ Functional Materials

[KKL,kt,%]

	11/8 Forecast	Revised Forecast	Change	
Lubricants*	1,210	1,180	(30)	(2.5%)
Performance Chemicals	720	680	(40)	(5.6%)

*includes sales overseas

■ Power/Renewable Energy

[Mkwh,%]

	11/8 Forecast	Revised Forecast	Change	
Power retail sales	3,340	3,360	+ 20	+ 0.6%

Production Volume(Forecasts)

■ Resources (Oil E&P)

[KBOED,%]

	11/8 Forecast	Revised Forecast	Change	
Norway	14.8	14.9	+0.1	+0.9%
Vietnam	16.3	17.2	+1.0	+6.0%
Total('000BOED)	31.0	32.1	+1.1	+3.6%
Total('000BOE)	11,330	11,730	+400	+3.5%

*The numbers reflect our rights and ownership ratios based on our equity share

■ Resources (Coal)

[kt,%]

	11/8 Forecast	Revised Forecast	Change	
Ensham	2,910	2,850	(60)	(2.1%)
Muswellbrook	940	1,090	+150	+16.0%
Boggabri	5,320	4,520	(800)	(15.0%)
Total	9,170	8,460	(710)	(7.7%)

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

*The numbers reflect our rights and ownership ratios

Crude Oil Prices(Dubai and Brent)

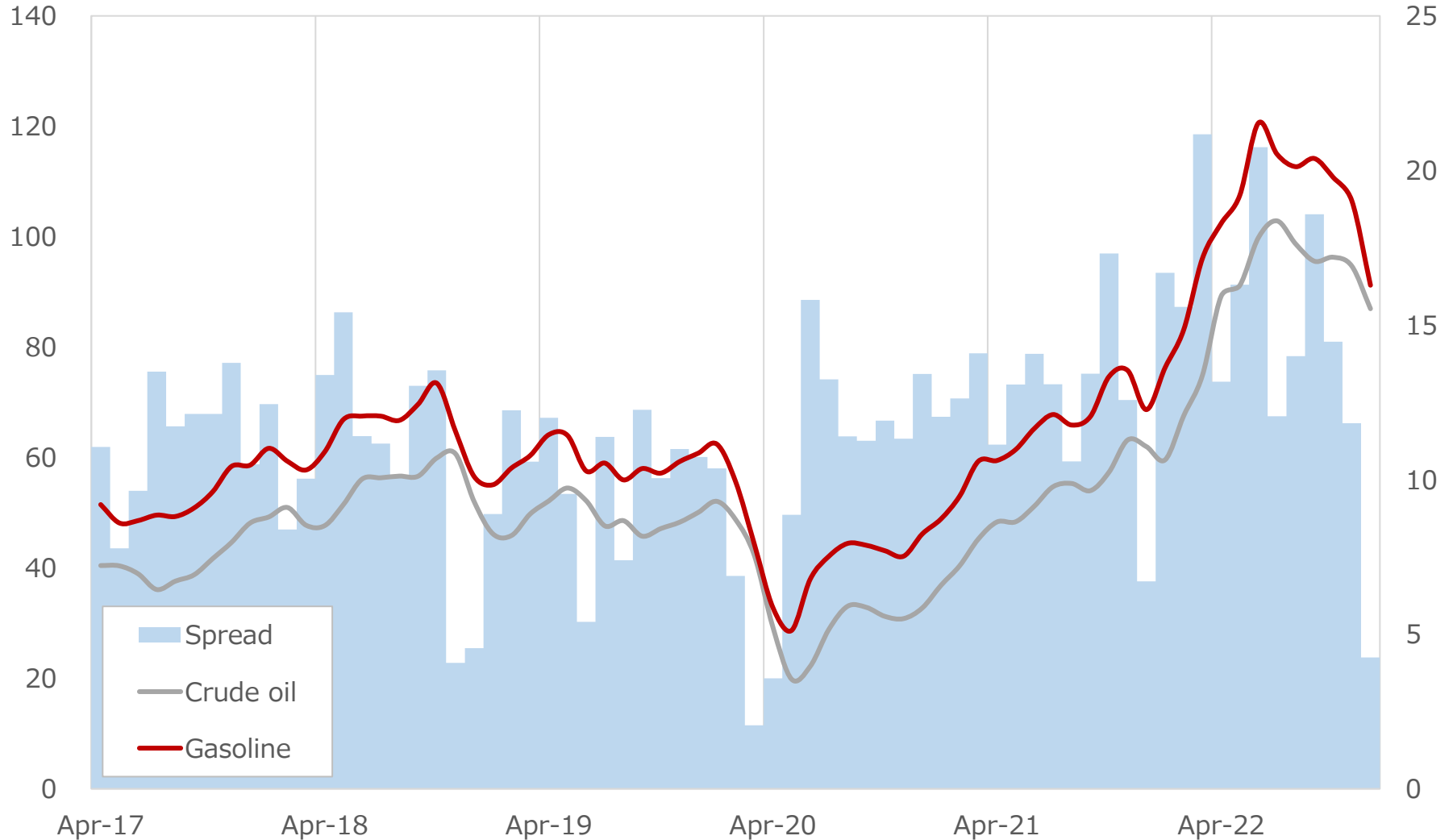
[USD/bbl]



Gasoline-Crude Oil (Domestic spot price and spread)

[Price : JPY/L]

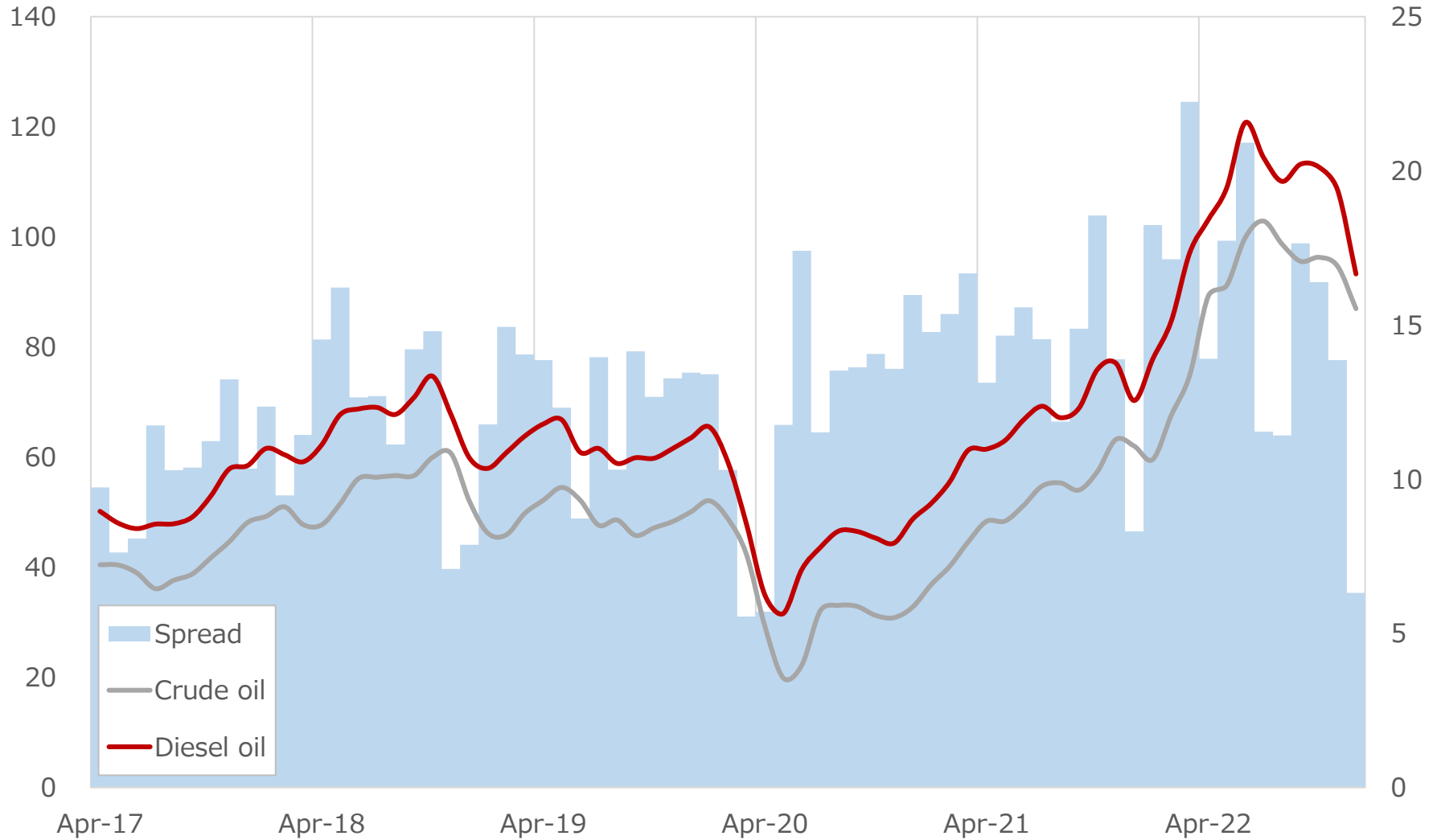
[Spread : JPY/L]



Diesel-Crude Oil (Domestic spot price and spread)

[Price : JPY/L]

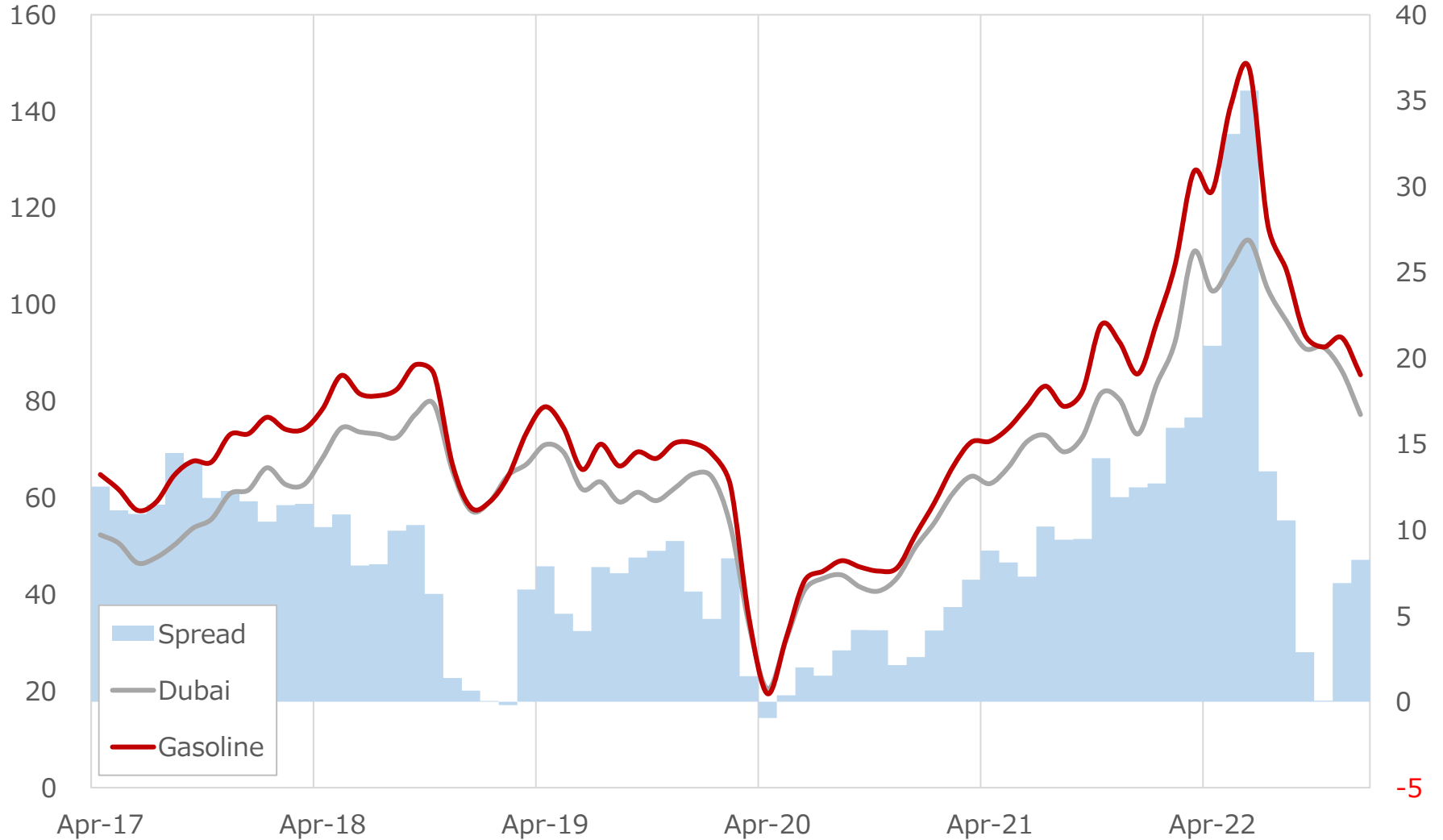
[Spread : JPY/L]



Gasoline-Crude Oil (Singapore spot price and spread)

[Price : USD/bbl]

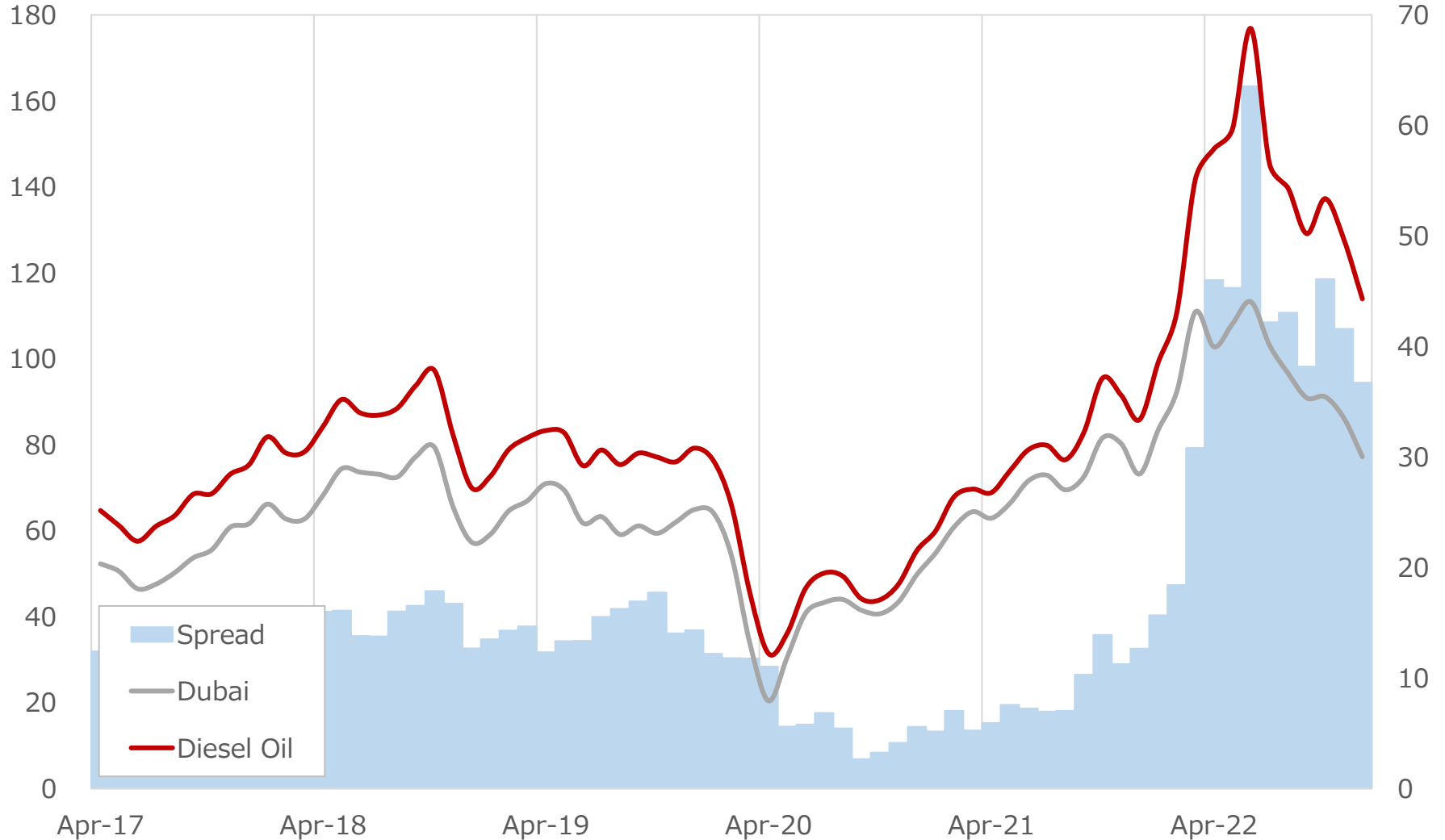
[Spread : USD/bbl]



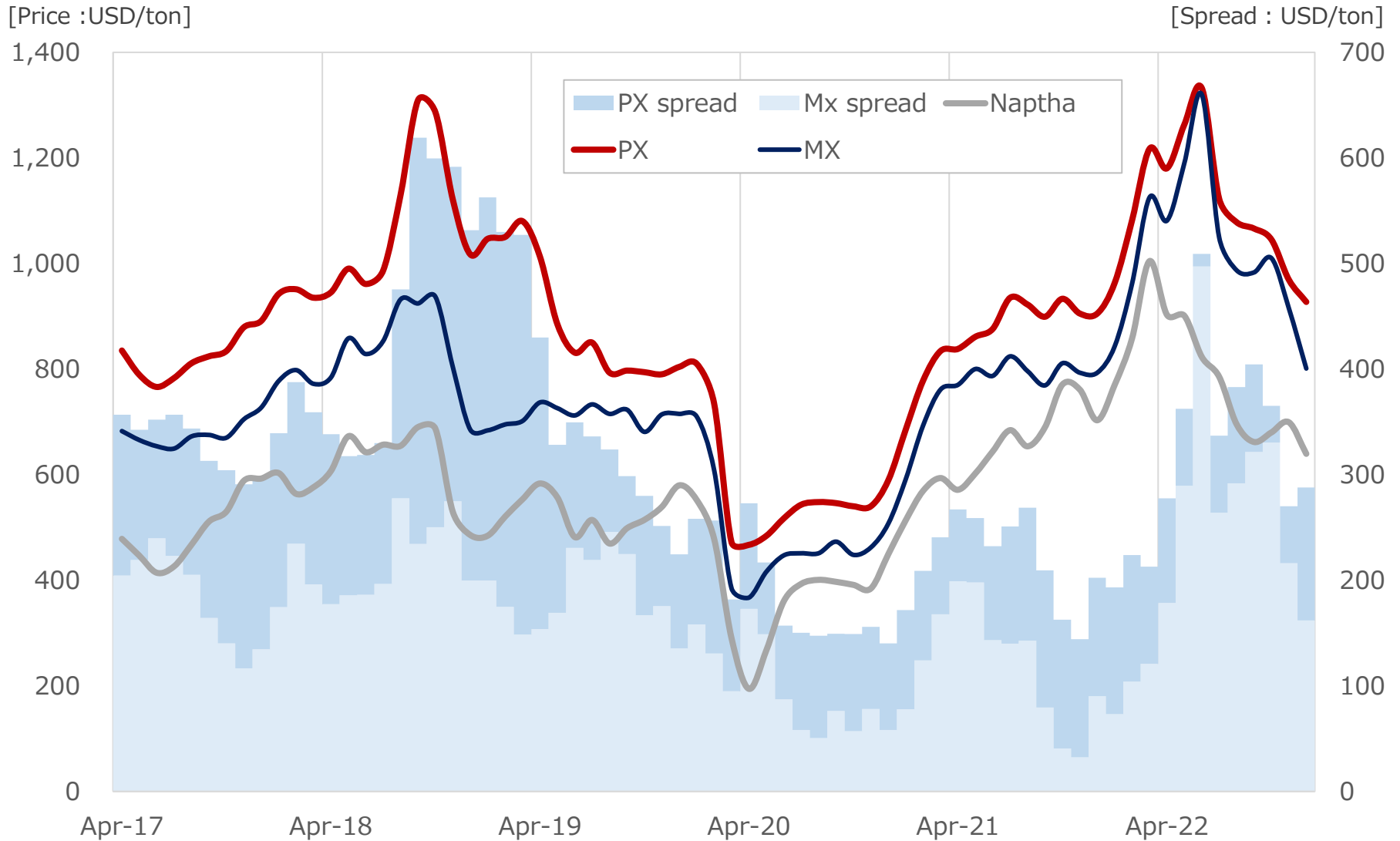
Diesel-Crude Oil (Singapore spot price and spread)

[Price : USD/bbl]

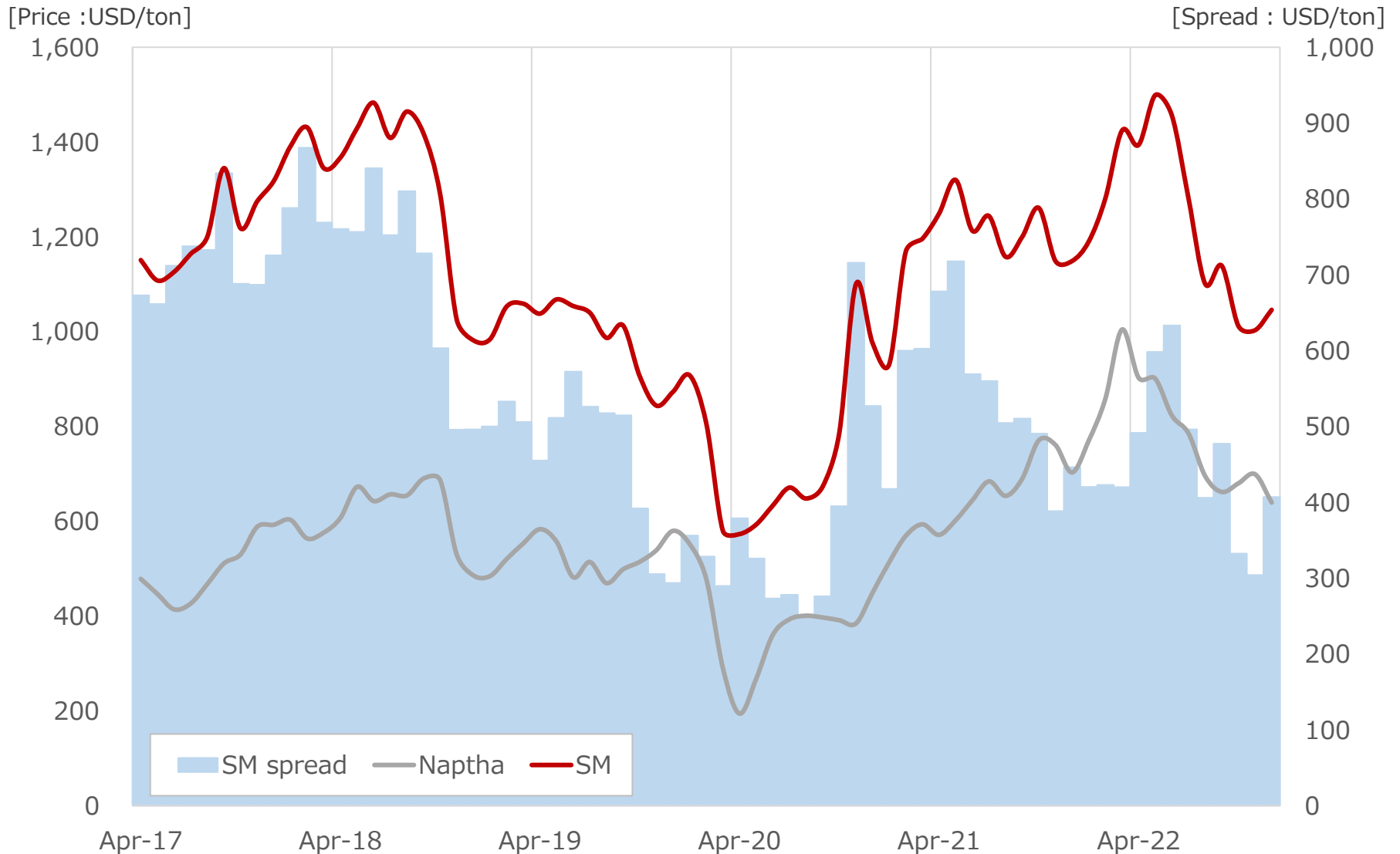
[Spread : USD/bbl]



Para-Xylene, Mixed Xylene-Naphtha (price and spread)



Styrene Monomer-Naphtha (price and spread)



Operational Data

■ Refineries Utilization

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 3Q
Idemitsu Kosan	88%	88%	87%	78%	77%	82%
Former Showa Shell	88%	93%				

*on BCD basis

■ Number of Service Stations

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 3Q
Idemitsu Kosan	3,545	3,501	3,446	3,426	3,382	3,367
Former Showa Shell	3,028	2,964	2,938	2,885	2,834	2,803
Total	6,573	6,465	6,384	6,311	6,216	6,170

Overview of the Company

as of the end of March, 2022

■ Petroleum Segment

- Refining Capacity **945 KBD** *1)
- Domestic fuel oil sales volume
34 million KL/year *2)
- Number of service stations **6,200**

■ Basic Chemicals Segment

(Production Capacity)

- Ethylene **1 mil tons/year**
- Para-Xylene **0.48 mil tons/year**
- Mixed Xylene **0.94mil tons/year**
- Styrene monomers **0.79 mil tons/year**

■ Power and Renewable Energy Segment

- Power generation capacity **1.8GW**
- Renewable energy **0.7GW**

■ Functional Materials Segment

(Lubricants, Performance chemicals, Electronic materials, Functional asphalt, Agri-bio, Lithium solid-state electrolytes)

- Lubricants (sales volume): **1.2 mil KL/year**
- Engineering plastics(sales volume): **150,000 tons/year**
- Adhesive materials(production capacity):
75,000 tons/year
- OLED materials(production capacity):
26 tons/year

■ Resources Segment *3)

- Crude oil production **29,000 BD**
- Thermal coal production **10 mil tons/year**

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

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

*3 Sold our right for Indonesian coal(1 mil tons/year). For resources segment, the numbers are based on forecasts for FY2022

Petroleum Segment

as of the end of March, 2022

[KB/D]

Operating Company	Refinery	Refining Capacity	RH	FCC	RFCC	FLG	Equity Ratio
Idemitsu Kosan	Japan 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	50.1%
Seibu Oil	Yamaguchi	120	52	30			38.0%
		945	239	72	189	27	
Nghì Son Refinery and Petrochemical LLC	Overseas Nghì Son *1,2 (Thanh Hoa, Vietnam)	200	105		80		35.1%
		200	105		80		

*1 Capacity before equity ratio reflection

*2 Refining capacity of 945,000 BD excludes that of Nghì Son Refinery.

Basic Chemicals Segment


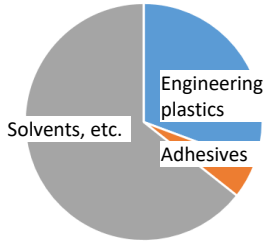
as of the end of March, 2022

[mil tons/year]

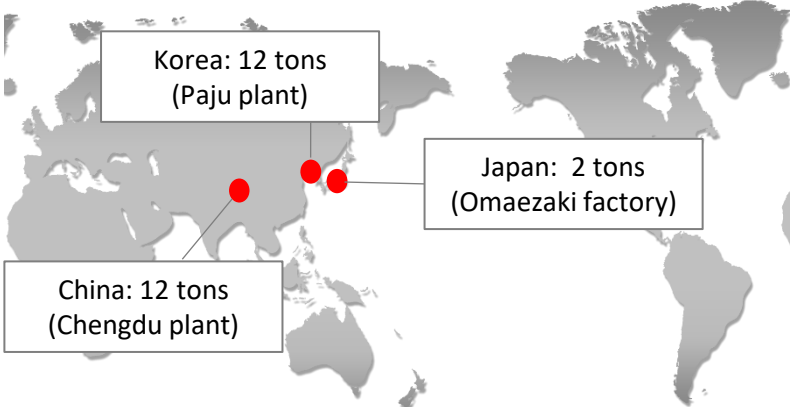



Operating Company	Complex/Factory/Refinery	Production Capacity for core products				Equity Ratio
		Ethylene	Para-Xylene	Mixed Xylene	Styrene Monomer	
Idemitsu Kosan	Japan Chiba	0.37	0.27		0.21	
	Aichi			0.17		
	Tokuyama	0.62	0.21		0.34	
Showa Yokkaichi Sekiyu	Yokkaichi			0.52		75.0%
Seibu Oil	Yamaguchi			0.25		38.0%
	Total	1.00	0.48	0.94	0.55	
Idemitsu SM (Malaysia) Sdn. Bhd.	Overseas Pasir Gudang (Johor, Malaysia)				0.24	70.0%
	Nghi Son Refinery and Petrochemical LLC		Nghi Son※1 (Thanh Hoa, Vietnam)	0.70		35.1%
	Total		0.70		0.24	

*1 Para-Xylene capacity of 0.48mil tons/year excludes that of Nghi Son Refinery.

Functional Materials Segment

Lubricants	Performance Chemicals
<ul style="list-style-type: none"> ◆ Product categories <ul style="list-style-type: none"> • Automotive lubricants (engine oil, etc.) • Grease • Industrial lubricants (hydraulic actuation oil, cutting oil, etc.) ◆ Global business with a focus on automotive lubricants <ul style="list-style-type: none"> • #8 global share • Over 50% overseas sales ◆ R&D centers <ul style="list-style-type: none"> • Japan and overseas (US, China, etc.) ◆ Global lubricant network <div style="text-align: center; margin: 10px 0;">  </div> <ul style="list-style-type: none"> • Manufacturing/sales/R&D network in 28 countries • Strengthening existing facilities and developing new facilities 	<ul style="list-style-type: none"> ◆ Product categories <ul style="list-style-type: none"> • Engineering plastics • Adhesives • Solvents, etc. <div style="text-align: right; margin: 10px 0;">  </div> <ul style="list-style-type: none"> ◆ Breakdown (major uses) <ul style="list-style-type: none"> • Engineering plastics Polycarbonates, SPS (automotives, information communication device) • Adhesives Hydrogenated petroleum resins (diapers and other hygiene products) • Solvents, etc. Solvents Isoparaffin, DIB, MEK α-olefin, bisphenol A (lubricants, surfactant agents) Electronic materials Special polycarbonate resins

Functional Materials Segment

Electronic Materials	High Performance Asphalt
<p>◆ Product categories</p> <ul style="list-style-type: none"> • Organic EL materials • Display semiconductor materials etc. <p>◆ OLED manufacturing/customer support</p>  <p>• 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</p> <p>• Aiming to develop and commercialize oxidative semiconductor materials which are expected to conserve energy and enhance image quality of display products</p>	<p>◆ Asphalt manufacturer which aims to develop state-of-the-art technologies</p> <ul style="list-style-type: none"> • Recycling, longer life, carbon neutrality <p>◆ Product categories</p> <ul style="list-style-type: none"> • Engineering/construction asphalt • Industrial asphalt • Value-added asphalt for roads  <p>Maybright (Added-value asphalt for roads)</p>
Agri-bio	
<p>◆ Product categories</p> <ul style="list-style-type: none"> • Fodder-related materials (Ruminap *1 etc.) • Microorganism control agent/land improvement materials • Environment/greenification materials • Agrichemicals (through SDS Biotech) <div style="display: flex; justify-content: space-around; align-items: center;"> <div data-bbox="1120 899 1284 1092" style="text-align: center;">  <p>RUMINUP® M</p> </div> <div data-bbox="1555 899 1709 1092" style="text-align: center;">  <p>Swirmite (Biological control agent)</p> </div> </div> <p>• Acquired 100% of SDS Biotech in August 2021 to further strengthen the agrichemical business</p>	

*1) Fodder including cashew nut shell liquid, which reduces methane gas contained in cow burp

Power /Renewable Energy Segment

Power

Category	Power Plant	Operating Company	Stake Owned (%)	Power generation capacity* (10,000 KW)
Solar	34 domestic locations	Idemitsu, other	—	18.1
Biomass	Keihin Biomass Power Plant (Kanagawa)	Keihin Biomass Power	100	4.9
	Tosa Power Plant (Kochi)	Tosa Green Power	50	0.3
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)				25.8
Fire	Ohgishima Power Station	Ohgishima Power	25	30.5
	Mizue Thermal Power Plant	Toa Oil	50.1	27.6
	Aichi Refinery Power Plant	Idemitsu	—	25.0
Domestic				108.9
Solar	Overseas (North America, Vietnam, etc.)		—	44.8
Fire	Overseas			27.1
Overseas				71.9
Total				180.8

*Reflects Idemitsu's stake, except that 100% of Mizue Thermal Power Plant's capacity is included.

- ◆Owning 706 thousand KL(Japan:258, Overseas:448) 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. For the portion of power beyond capacity, compensating from procurement thorough direct negotiation or JEPX market
- Solar** ◆Panel production was terminated in June 2022 with transition to a system integrator which engages in solar power generator design, construction, maintenance and recycling

Resources Segment (Oil E&P, Gas)

Business Overview

1. Producing crude oil/gas in Norwegian North Sea and selling them mainly in Europe

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

◆ Rights owned in oil/gas fields and sales destinations

as of the end of March, 2022

	Rights owned (%) ^{*1}	Destination
Norway		
Snorre	9.6	Europe
Tordis/Vigdis	9.6	
Statfjord/East	4.8	
Sygna	4.32	
Fram	15	
H-Nord	28.8	
Byrding	15	
Vega	3.3	
Knarr	25	
Duva	30	
Vietnam		
Sao Vang and Dai Nguyet gas field	43.08	Asia

^{*1} Companies in which Idemitsu owns rights

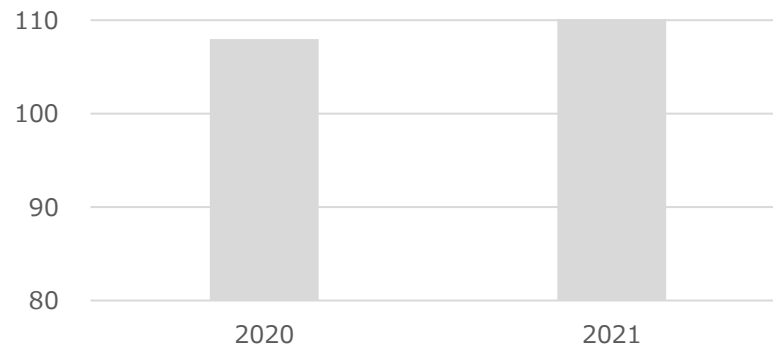
Norway: INPEX Idemitsu Norge AS (49.5% stake)

Vietnam: Idemitsu Gas Production (Vietnam) Co., Ltd. (100% stake)

Production Oil/Gas Reserves

◆ Reserves ^{*2,3}

[million BOE]



^{*2} Total reserves in Norwegian oil fields and Vietnamese gas fields

^{*3} Reserves reflect Idemitsu's rights and ownership ratios

◆ CCS^{*4} initiatives

Considering applying technologies developed to date to CCS, a promising method of reducing CO₂ emissions

^{*4} Carbon capture and storage: Technology which recover emitted CO₂ and isolates/stores it underground or undersea

Reserve Estimates

◆ 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

Resources Segment (Coal)

Business Overview	Low-carbon Solutions
<p>1. Owns Australian coal mines and has an integrated supply chain from production to sales to provide a stable supply of low-cost coal to Asia</p> <p>2. Provides high-efficiency combustion technology and other services through the only domestic research laboratory devoted to coal in the private sector</p> <p>3. Proactively pursuing reduction of CO₂ emissions through low-carbon solutions such as Idemitsu Green Energy Pellets</p> <p>◆ Overview of Australian Coal Mines</p>  <div data-bbox="531 782 948 975" style="border: 1px solid black; padding: 5px;"> <p>Ensham Coal Mine Location: Queensland Grade: Coal for export Harbor: Gladstone Harbour (~350 km by train)</p> </div> <div data-bbox="86 1075 513 1300" style="border: 1px solid black; padding: 5px;"> <p>Boggabri Coal Mine Location: New South Wales Grade: Process raw coal for export (SS/PCI), coal for export Harbor: Newcastle Harbour (~360 km by train)</p> </div> <div data-bbox="531 1075 948 1300" style="border: 1px solid black; padding: 5px;"> <p>Muswellbrook Coal Mine Location: New South Wales Grade: Coal for export Harbor: Newcastle Harbour (~30 km by truck → ~110 km by train)</p> </div>	<p>◆ Idemitsu Green Energy Pellets (black pellets)</p> <ul style="list-style-type: none"> • CO₂ emissions can be reduced by replacing fuel for coal-fired power generators with black pellets • Succeeded in mixed combustion tests which replace 20-30% of coal fuel with black pellets • Planning to commence operations of a commercial plant with annual production capacity of 120,000 tons in Vietnam in FY2022. Aiming to achieve an infrastructure to supply 2 million tons by 2030  

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.