



February 14, 2023

Press Release

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Announcement on Revisions to Consolidated Earnings Forecasts for the Fiscal Year Ending March 2023

Idemitsu Kosan Co., Ltd. (hereinafter, “Idemitsu”) hereby announces that it has revised its consolidated earnings forecasts for the fiscal year ending March 31, 2023 (April 1, 2022-March 31, 2023), previously announced on November 8, 2022, in light of recent operating performance and other factors, as follows:

1. Revisions to Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2023 (April 1, 2022-March 31, 2023)

	Net Sales (JPY millions)	Operating Income (JPY millions)	Ordinary Income (JPY millions)	Net Income Attributable to Owners of the Parent (JPY millions)	Net Income per Share (JPY)
Previous Forecasts (A)	9,170,000	425,000	450,000	325,000	1,093.13
Revised Forecasts (B)	9,100,000	255,000	285,000	220,000	739.92
Change (B – A)	(70,000)	(170,000)	(165,000)	(105,000)	
Change (%)	(0.8%)	(40.0%)	(36.7%)	(32.3%)	
(Reference) Previous FY Results (FY 3/2022)	6,686,761	434,453	459,275	279,498	940.15

Note1) The Company resolved to repurchase its own shares at the board of directors meeting held on February 14, 2023. The impact of repurchase of own shares is not taken into account in regards to “Net income per share” in the forecasts of consolidated financial results for FY2022. Please refer to the “Announcement Regarding Acquisition of Treasury Shares and Cancellation of Treasury Shares” announced today for details.

Note2) Forecast by segment is disclosed on presentation materials on Results for the 3rd Quarter FY2022.

2. Reasons for the Revisions in Earnings Forecasts

In line with the change of the crude oil price (Dubai crude) assumption to 80 dollars per barrel after January (90 dollars after October in the previous forecast) and the JPY’s exchange rate against the USD to 130 yen per dollar after January (145 yen after October in the previous forecast), we expect inventory valuation gains on crude oil and oil products (the impact of inventory valuation on the cost of sales) to be 30 billion yen, a decrease of 90 billion yen from the previous forecast, resulting in operating income of 255 billion yen, a decrease of 170 billion yen from the previous forecast. As a result, forecasted net income attributable to owners of the parent has been revised downward by 105 billion yen from the previous forecast, to 220 billion yen.

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