Feb 7, 2017
Consolidated Financial Results for the Third Quarter of Fiscal Year 2016 (From April 1, 2016 to December 31, 2016) [Japan GAAP]

Company Name: Idemitsu Kosan Co., Ltd. (URL http://www.idemitsu.com)

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Scheduled date of filing of quarterly securities report: February 14, 2017
Scheduled date of commencement of dividend payments: -
Supplementary materials for the quarterly financial results: Yes
Quarterly financial results presentation: Yes (for institutional investors and analysts)
(Figures less than $¥ 1$ million are rounded off)

1. Consolidated Financial Results for the Third Quarter of FY2016 (From April 1, 2016 to December 31, 2016)
(1) Consolidated operating results
(Percentage figures represent changes from the corresponding previous period)

|  | Net sales |  | Operating income |  | Ordinary income |  | Net income <br> attributable to owners <br> of the parent |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | ¥million | \% | ¥million | \% | ¥million | \% | ¥million | \% |
| 3Q FY2016 | 2,260,854 | (19.2) | 83,679 | - | 84,557 | - | 60,613 | - |
| 3Q FY2015 | 2,796,834 | (21.8) | $(18,175)$ | - | $(20,826)$ | - | $(26,982)$ | - |

Notes: Comprehensive income 3Q FY2016 $¥ 21,442$ million - \% 3Q FY2015 $¥(63,832)$ million - $\%$

|  | Net income per share | Diluted net income <br> per share |
| ---: | ---: | ---: |
|  | $¥$ |  |
| 3Q FY2016 | 378.94 | $\neq$ |
| 3Q FY2015 | $(168.69)$ | - |

(2) Consolidated financial position

|  | Total assets | Net assets | Equity ratio |
| :---: | :---: | :---: | ---: |
|  | $¥ m i l l i o n$ | $\not ¥ m i l l i o n$ | $\%$ |
| 3Q FY2016 | $2,623,896$ | 548,558 | 19.6 |
| FY2015 | $2,402,118$ | 537,660 | 20.8 |

Reference: Total equity 3Q FY $2016 ¥ 515,428$ million $\quad$ FY $2015 ¥ 500,642$ million
2. Dividends

|  | Cash dividends per share |  |  |  |  |  |
| :---: | ---: | ---: | ---: | ---: | ---: | :---: |
|  | As of Jun.30 | As of Sep.30 | As of Dec.31 | As of Mar.31 | Total |  |
|  | $¥$ | $¥$ | $¥$ | $¥$ |  |  |
| FY2015 | - | 25.00 | - | 25.00 | 50.00 |  |
| FY2016 | - | 25.00 | - |  |  |  |
| FY2016 |  |  |  | 25.00 | 50.00 |  |
| (Forecasts) |  |  |  |  |  |  |

Notes: Revisions of the forecasts of cash dividends since the latest announcement: None
3. Forecasts of Consolidated Financial Results for FY2016 (From April 1, 2016 to March 31, 2017)
(Percentage figures represent changes from the corresponding previous periods)

|  | Net sales |  | Operating income |  | Ordinary income |  | Net income attributable to owners of the parent |  | Net income per share |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| FY2016 | $\begin{array}{r} ¥ \text { ¥million } \\ 3,260,000 \end{array}$ | $\begin{array}{r} \% \\ (8.7) \end{array}$ | $\begin{gathered} \hline ¥ \text { million } \\ 113,000 \end{gathered}$ | \% | $\begin{gathered} \hline ¥ \text { million } \\ 112,000 \end{gathered}$ | \% | $\begin{array}{r} \hline ¥ \text { million } \\ 70,000 \end{array}$ | \% | $\begin{array}{r} ¥ \\ 437.63 \end{array}$ |

Notes: Revisions of the forecasts of consolidated financial results since the latest announcement: None

## * Notes

(1) Changes of number of material consolidated subsidiaries during the nine months ended December 31, 2016: None
(2) Application of the accounting method peculiar to the preparation of the quarterly financial statements: Yes
(3) Changes in accounting policies, accounting estimates and restatement
a) Changes in accounting policies arising from revision of accounting standards: None
b) Changes arising from other factors: None
c) Changes in accounting estimates: None
d) Restatement: None
(4) Number of shares issued (common stock)
a) Number of shares issued (including treasury stock)

As of December 31, 2016: 160,000,000 As of March 31, 2016: 160,000,000
b) Number of shares of treasury stock As of December 31, 2016: 47,096 As of March 31, 2016: 46,956
c) Weighted average number of shares outstanding during the period

Nine months ended December 31, 2016: 159,953,026
Nine months ended December 31, 2015: 159,953,192
*1 This document is out of the scope of the quarterly review procedures under the Financial Instruments and Exchange Act. The quarterly review procedures for the financial statements under this Act have been completed as of the date of disclosure of this document.
*2 The financial forecasts above are based on information available and assumptions as of the date of publication of this document. Actual operating results may differ from the forecasts due to various factors. Additionally, for the assumptions used for the forecasts of the above, please refer to page 4.

## Contents of the Attachment

1. Qualitative Information on the Consolidated Operating Results for the Third Quarter of FY2016 ..... 2
(1) Explanation of Operating Results ..... 2
(2) Explanation of Financial Position ..... 4
(3) Explanation of Forecasts of Consolidated Financial Results for FY 2016 ..... 4
2. Summary Information ..... 5
(1) Changes in the Material Subsidiaries ..... 5
(2) Application of the Accounting Method Peculiar to the Preparation of the Quarterly Financial Statements ..... 5
(3) Changes of Accounting Policies, Changes in Accounting Estimates and Restatement ..... 5
(4) Additional Information ..... 5
3. Consolidated Financial Statements for the Third Quarter of FY2016 ..... 7
(1) Consolidated Quarterly Balance Sheets ..... 7
(2) Consolidated Quarterly Statements of Income and Comprehensive Income ..... 9
1) Consolidated Quarterly Statements of Income ..... 9
2) Consolidated Quarterly Statements of Comprehensive Income ..... 10
(3) Notes to the Consolidated Financial Statements ..... 11
3) Notes on the Assumption of a Going Concern ..... 11
4) Notes on Significant Changes in Shareholders' Equity ..... 11
5) Consolidated Segment Information ..... 11

## 1. Qualitative Information on the Consolidated Operating Results for the Third Quarter of FY 2016

(1) Explanation of Operating Results

Domestic demand for petroleum products during the nine months ended December 31, 2016 increased compared with the same period of fiscal 2015 for middle distillate, mainly kerosene, due to cold weather nationwide beginning in November, while demand fell slightly over the same period for gasoline.

Amid a mixture of expectations of decreased production by OPEC and a feeling of oversupply, Dubai crude oil prices rose to more than $\$ 50 / \mathrm{bbl}$ in December, as a result of factors such as production adjustments by OPEC in late September as well as an agreement on reduced production by non-OPEC oil-producing states. However, the average crude oil price for the nine months ended December 31, 2016 decreased by $\$ 5.7 / \mathrm{bbl}$ from the same period last year to $\$ 44.9 / \mathrm{bbl}$.

Demand for petrochemical products during the nine months ended December 31, 2016 was consistent with the same period of fiscal 2015. The price for naphtha, a petrochemical raw material, was $\$ 415 /$ ton, a decline of $\$ 105 /$ ton from the same period last year.

While the yen rose against the dollar on international currency markets as a result of factors such as the impact of Britain's decision in June, through a referendum, to withdraw from the European Union, it later began to fall due to developments such as expectations of expansionary economic policy following Donald Trump's victory in the United States presidential election. The average value of the yen against the dollar for the nine months ended December 31, 2016 increased by $¥ 15.1$ to the dollar, to $\$ 1=¥ 107.6$.
(Crude oil price, naphtha price and exchange rate)

|  | Nine months ended <br> December 31, 2015 | Nine months ended <br> December 31, 2016 | Change |  |
| :--- | ---: | ---: | ---: | ---: |
| Dubai Crude Oil (\$/bbl) | 50.6 | 44.9 | $(5.7)$ | $(11.3) \%$ |
| Naphtha (\$/ton) | 520 | 415 | $(105)$ | $(20.2) \%$ |
| Exchange Rate (¥/\$) | 122.7 | 107.6 | $(15.1)$ | $(12.3) \%$ |

The Idemitsu Group's net sales for the nine months ended December 31, 2016 were $¥ 2,260.9$ billion, down $19.2 \%$ from the same period last year, mainly due to decreased prices for crude oil and the effects of the high value of the yen on international currency markets.

Operating income for the nine months ended December 31, 2016 was $¥ 83.7$ billion (up $¥ 101.9$ billion from the same period last year), due mainly to gains on inventory valuation, which had resulted in considerable losses in the same period last year, improved petroleum product margins, and increased earnings in Resource Businesses. Net non-operating income was up $¥ 3.5$ billion from the same period last year to $¥ 0.9$ billion, due to factors such as increased dividends received and decreased losses on foreign exchange. As a result, ordinary income was $¥ 84.6$ billion, an improvement of $¥ 105.4$ billion from the same period last year.

Net extraordinary loss improved by $¥ 18.0$ billion compared with the same period of the preceding year to $¥ 1.1$ billion, due to factors including decreased impairment loss. As a
result, net income attributable to owners of the parent was $¥ 60.6$ billion, an improvement of $¥ 87.6$ billion from the same period last year.

The performance of each business segment for the nine months ended December 31, 2016 is as follows:

As to quarterly reporting periods, domestic subsidiaries use December 31 as their balance sheet date whereas overseas subsidiaries use September 30 as their balance sheet date, except for certain subsidiaries. As such, the following performance of the business segments includes the operating results of overseas subsidiaries for the nine months ended September 30, 2016, and those of domestic subsidiaries for the nine months ended December 31, 2016.

## [Petroleum products segment]

Net sales of the petroleum products segment for the nine months ended December 31, 2016 were $¥ 1,729.1$ billion, down $20.7 \%$ from the same period last year, due mainly to declines in crude oil prices and the effects of the high yen.

Operating income was $¥ 50.2$ billion (up $¥ 96.6$ billion from the same period last year), due mainly to gains on inventory valuation, which had resulted in considerable losses in the same period last year, and improved petroleum product margins.
[Petrochemical products segment]
Net sales of the petrochemical products segment for the nine months ended December 31, 2016 were $¥ 320.4$ billion, down $19.8 \%$ from the same period last year, due largely to declines in naphtha prices on a customs clearance basis.

Operating income was $¥ 27.0$ billion, down $10.0 \%$ from the same period last year, as the negative impacts of factors such as the high yen outweighed the positive impacts of factors such as increased product margins on products such as styrene monomers.

## [Resources segment]

(Oil exploration and production business)
Net sales of the oil exploration and production business for the nine months ended December 31, 2016 were $¥ 52.2$ billion, down $8.8 \%$ from the same period last year, due in part to a decline in crude oil prices that outweighed increased sales volume. Operating income was $¥ 3.1$ billion, an increase of $¥ 6.0$ billion from the same period last year, despite a drop in crude oil prices, as a result of increased sales volume and weaker currencies of commodity countries.
(Coal business and others)
Net sales of the coal business and others for the nine months ended December 31, 2016 were $¥ 112.3$ billion, up $4.3 \%$ from the same period last year, mainly due to an increase in sales volume and the exchange-rate effects of weaker currencies of commodity countries, despite lower coal prices. Operating income was $¥ 2.4$ billion, an increase of $¥ 3.4$ billion from the same period last year, due mainly to the weaker currencies of commodity countries and cost reductions, which outweighed declines in coal sales prices.

As a result, total net sales of the resources segment were $¥ 164.5$ billion, down $0.3 \%$ from the corresponding period of the previous year, and operating income was $¥ 5.5$ billion, an increase of $¥ 9.4$ billion from the corresponding period of last year.
[Other segments]
Net sales of the other segments for the nine months ended December 31, 2016 were $¥ 46.8$ billion, down $7.2 \%$ from the same period last year, and operating income was $¥ 3.4$ billion, down $30.3 \%$ compared with the corresponding period of fiscal 2015.
(2) Explanation of Financial Position

Total assets as of December 31, 2016 increased by $¥ 221.8$ billion from the end of fiscal 2015 to $¥ 2,623.9$ billion, mainly due to increases in notes and accounts receivables-trade and inventories and an increase in investment securities resulting from the acquisition of shares in Showa Shell Sekiyu K.K. Total liabilities as of December 31, 2016 increased by $¥ 210.9$ billion from the end of fiscal 2015 to $¥ 2,075.3$ billion, mainly due to an increase in interest-bearing debt, amounting to $¥ 1,063.4$ billion.

Total net assets as of December 31, 2016 increased by $¥ 10.9$ billion from the end of fiscal 2015 to $¥ 548.6$ billion, mainly due to the recording of net income attributable to owners of the parent despite a decrease in foreign currency translation adjustments resulting from the rising yen. The equity ratio was $19.6 \%$, down 1.2 percentage points from the end of fiscal 2015.
(3) Explanation of Forecasts of Consolidated Financial Results for FY2016

The Company has not revised the forecasts of the consolidated financial results for the year ending March 31, 2017 released on May 10, 2016.

## 2. Summary Information

(1) Changes in the Material Subsidiaries

None
(2) Application of the Accounting Method Peculiar to the Preparation of the Quarterly Financial Statements

Income taxes are calculated by multiplying the income before income taxes for the nine months ended December 31, 2016 by the estimated effective tax rate that is reasonably estimated for income before income taxes for the fiscal year that includes the current quarter.
However, if the calculation using the relevant estimated effective tax rate leads to significantly irrational results, income taxes are calculated by multiplying the quarterly income before income taxes by the effective statutory tax rate, after adjusting important differences that do not constitute temporary differences.
(3) Changes of Accounting Policies, Changes in Accounting Estimates and Restatement

None
(4) Additional Information
(Agreement to Purchase Showa Shell Sekiyu K.K.Share and Discussions toward Business Integration)
In its meeting held on July 30, 2015, the Company's board of directors approved a resolution to purchase Showa Shell Sekiyu K.K. ("Showa Shell") shares with $33.3 \%$ voting rights from subsidiary companies of Royal Dutch Shell plc, and a share purchase agreement was entered into by between the Company and such subsidiary companies on the same day. In addition, in its meeting held on December 19, 2016, the Company's board of directors approved a resolution to conclude an agreement on amendment of the above share purchase agreement, and on the same day this agreement on amendment was concluded with the subsidiary companies of Royal Dutch Shell plc and the acquisition of Showa Shell shares with $31.3 \%$ voting rights was completed.

Discussions toward business integration of the Company and Showa Shell were undertaken based on a Memorandum of Understanding for the Business Integration of Idemitsu Kosan Co., Ltd. and Showa Shell Sekiyu K.K (MoU). concluded November 12, 2015. Companies will continue discussions toward business integration respecting the spirits of the MoU , with the goal of creating an industry-leading player with an unparalleled competitive position.
(a) Names of sellers

The Shell Petroleum Company Limited
The Anglo-Saxon Petroleum Company Limited
(b) Overview of Showa Shell
i. Company name: Showa Shell Sekiyu K.K.
ii. Main business: oil business and energy solutions business
iii. Scale:

Capital: $¥ 34,197$ million
Consolidated sales: $¥ 2,177,625$ million (fiscal year ended December 31, 2015)
(c) Schedule for share transfer

The acquisition of the shares was completed on December 19, 2016.
(d) Number of shares to be purchased, purchase price, and shareholding after the purchase

|  | Before the Amendment | After the Amendment |
| :--- | :--- | :--- |
| Number of Shares <br> to be purchased | $125,261,200$ | $117,761,200$ |
| Purchase price | JPY 169,103 million <br> (JPY 1,350 per Share) | JPY 158,978 million <br> (JPY 1,350 per Share) |
| Ownership \% after the <br> purchase | $33.3 \%$ of the voting rights | $31.3 \%$ of the voting rights |

(e) Method of funding share purchase

The funds were raised through a bridge loan. The Company plans to refinance part of the funds used to acquire the shares of Showa Shell stock through a syndicated loan with special provisions on subordination.
(Application of Implementation Guidance on Recoverability of Deferred Tax Assets)
The Company adopted revised Guidance No. 26 (revised on March 28, 2016) "Implementation Guidance on Recoverability of Deferred Tax Assets" from the first quarter of FY2016.

## 3. Consolidated Financial Statements for the Third Quarter of FY2016

(1) Consolidated Quarterly Balance Sheets
(Unit: ¥Million)

| (Unit: ¥Million) |  |  |
| :---: | :---: | :---: |
|  | FY 2015 <br> (As of March 31, 2016) | 3rd Quarter of FY2016 <br> (As of December 31, 2016) |
| Assets |  |  |
| Current assets: |  |  |
| Cash and deposits | 121,120 | 117,812 |
| Notes and accounts receivable, trade | 259,817 | 333,360 |
| Inventories | 362,746 | 403,243 |
| Other | 117,306 | 123,451 |
| Less: Allowance for doubtful accounts | $(2,330)$ | $(2,590)$ |
| Total current assets | 858,661 | 975,278 |
| Fixed assets: |  |  |
| Property, plant and equipment: |  |  |
| Machinery and equipment, net | 235,916 | 197,295 |
| Land | 586,690 | 584,915 |
| Other, net | 243,976 | 232,684 |
| Total property, plant and equipment | 1,066,583 | 1,014,895 |
| Intangible fixed assets | 23,566 | 22,154 |
| Investments and other assets: |  |  |
| Investment securities | 255,021 | 404,479 |
| Oil field premium assets | 23,188 | 24,242 |
| Other | 175,566 | 183,307 |
| Less: Allowance for doubtful accounts | (468) | (459) |
| Total investments and other assets | 453,308 | 611,568 |
| Total fixed assets | 1,543,457 | 1,648,617 |
| Total assets | 2,402,118 | 2,623,896 |
| Liabilities |  |  |
| Current liabilities: |  |  |
| Notes and accounts payable, trade | 291,676 | 350,279 |
| Short-term loans payable | 293,947 | 391,064 |
| Commercial paper | - | 85,000 |
| Current portion of bonds payable | - | 10,000 |
| Accounts payable, other | 255,994 | 267,709 |
| Income taxes payable | 3,856 | 19,606 |
| Provision for bonuses | 6,157 | 2,766 |
| Other | 85,539 | 83,412 |
| Total current liabilities | 937,171 | 1,209,839 |
| Non-current liabilities: |  |  |
| Bonds payable | 65,000 | 55,000 |
| Long-term loans payable | 550,639 | 522,326 |
| Liability for employees' retirement benefits | 21,351 | 19,693 |
| Reserve for repair work | 28,440 | 32,525 |
| Asset retirement obligations | 79,843 | 67,483 |
| Oil field premium liabilities | 29,042 | 30,847 |
| Other | 152,969 | 137,621 |
| Total non-current liabilities | 927,286 | 865,498 |
| Total liabilities | 1,864,457 | 2,075,337 |


| Net assets |  |  |
| :---: | :---: | :---: |
| Shareholders' equity: |  |  |
| Common stock | 108,606 | 108,606 |
| Capital surplus | 71,131 | 71,131 |
| Retained earnings | 168,990 | 222,222 |
| Treasury stock | (130) | (131) |
| Total shareholders' equity | 348,597 | 401,829 |
| Accumulated other comprehensive income: |  |  |
| Unrealized gains (losses) on available-for-sale securities | 4,527 | 8,091 |
| Deferred gains (losses) on hedging activities, net | $(12,854)$ | $(11,195)$ |
| Surplus from land revaluation | 154,263 | 153,646 |
| Foreign currency translation adjustments | 10,764 | $(33,332)$ |
| Defined retirement benefit plans | $(4,656)$ | $(3,610)$ |
| Total accumulated other comprehensive income | 152,045 | 113,599 |
| Noncontrolling interests | 37,018 | 33,129 |
| Total net assets | 537,660 | 548,558 |
| Total liabilities and net assets | 2,402,118 | 2,623,896 |

(2) Consolidated Quarterly Statements of Income and Comprehensive Income

1) Consolidated Quarterly Statements of Income
(Unit: ¥Million)

|  | 3rd Quarter of FY2015 (From April 1, 2015 to December 31, 2015) | 3rd Quarter of FY2016 (From April 1, 2016 to December 31, 2016) |
| :---: | :---: | :---: |
| Net sales | 2,796,834 | 2,260,854 |
| Cost of sales | 2,609,112 | 1,974,312 |
| Gross profit | 187,722 | 286,541 |
| Selling, general and administrative expenses | 205,897 | 202,862 |
| Operating income (loss) | $(18,175)$ | 83,679 |
| Non-operating income: |  |  |
| Interest income | 847 | 1,814 |
| Dividend income | 2,017 | 4,339 |
| Equity in earnings of nonconsolidated subsidiaries and affiliates, net | 8,241 | 3,753 |
| Other | 1,470 | 1,643 |
| Total non-operating income | 12,576 | 11,550 |
| Non-operating expenses: |  |  |
| Interest expense | 8,079 | 6,756 |
| Loss on foreign exchange, net | 5,419 | 577 |
| Other | 1,728 | 3,337 |
| Total non-operating expenses | 15,227 | 10,672 |
| Ordinary income (loss) | $(20,826)$ | 84,557 |
| Extraordinary income: |  |  |
| Gain on sales of fixed assets | 4,904 | 1,416 |
| Gain on sales of investment securities | 39 | 635 |
| Gain on sale of affiliate stock | 3,628 | 39 |
| Gain on transfer of business | 474 | - |
| Other | 26 | 2 |
| Total extraordinary income | 9,072 | 2,094 |
| Extraordinary loss: |  |  |
| Impairment loss on fixed assets | 24,988 | 425 |
| Loss on sales of fixed assets | 92 | 98 |
| Loss on disposals of fixed assets | 1,624 | 2,269 |
| Other | 1,502 | 398 |
| Total extraordinary loss | 28,208 | 3,192 |
| Income (loss) before income taxes | $(39,961)$ | 83,459 |
| Income taxes | $(13,496)$ | 21,166 |
| Net income (loss) | $(26,464)$ | 62,293 |
| Net income attributable to noncontrolling interests | 518 | 1,680 |
| Net income (loss) attributable to owners of the parent | $(26,982)$ | 60,613 |

2) Consolidated Quarterly Statements of Comprehensive Income

|  | 3rd Quarter of FY2015 (From April 1, 2015 to December 30, 2015) | 3rd Quarter of FY2016 (From April 1, 2016 to December 31, 2016) |
| :---: | :---: | :---: |
| Net income (loss) | $(26,464)$ | 62,293 |
| Other comprehensive income: |  |  |
| Unrealized gains (losses) on available-forsale securities | (25) | 3,378 |
| Deferred gains (losses) on hedging activities, net | $(5,010)$ | 1,164 |
| Surplus from land revaluation | 229 | - |
| Foreign currency translation adjustments | $(30,877)$ | $(30,036)$ |
| Defined retirement benefit plans | 94 | 1,041 |
| Share of other comprehensive income in equity method affiliates | $(1,778)$ | $(16,398)$ |
| Total other comprehensive income | $(37,367)$ | $(40,851)$ |
| Comprehensive income | $(63,832)$ | 21,442 |
| Comprehensive income attributable to: |  |  |
| Owners of the parent | $(59,158)$ | 22,784 |
| Noncontrolling interests | $(4,673)$ | $(1,342)$ |

(3) Notes to the Consolidated Financial Statements

1) Notes on the Assumption of a Going Concern

None
2) Notes on Significant Changes in Shareholders' Equity

None

## 3) Consolidated Segment Information

Third Quarter of FY2015 (From April 1, 2015 to December 31, 2015)
(a) Net sales and income or loss by reportable segment

|  |  |  |  |  |  |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |

Notes:

1. The segment "Others" refers to the total of other business segments that are not included in the reportable segments, including engineering businesses, insurance businesses, electronic materials businesses, agricultural biotechnology businesses and renewable energy businesses.
2. The amount of reconciliation for the operating income (loss) mainly represents research and development costs, which do not belong to reportable segments.
3. The operating income (loss) of the reportable segments was reconciled to the amount of operating loss in the consolidated quarterly statement of income.
(b) Impairment loss on fixed assets and goodwill by reportable segment
(Significant impairment loss on fixed assets)
The Company recorded an impairment loss of $¥ 24,268$ million on certain of oil field assets belonging to the resources business.

Third Quarter of FY2016 (From April 1, 2016 to December 31, 2016)
(a) Net sales and income or loss by reportable segment

|  | Reportable segment |  |  |  | Others | Total | Reconciliation | Consolidated |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Petroleum products | Petrochemical products | Resources | Total |  |  |  |  |
| Net sales: |  |  |  |  |  |  |  |  |
| Net sales to outside customers <br> Inter-segment | $\begin{array}{r} 1,729,121 \\ 6,488 \end{array}$ | $\begin{array}{r} 320,438 \\ 2,678 \end{array}$ | 164,533 0 | $\begin{array}{r} 2,214,093 \\ 9,167 \end{array}$ | $46,761$ <br> 2,701 | $\begin{array}{r} 2,260,854 \\ 11,869 \end{array}$ | $(11,869)$ | 2,260,854 |
| Total | 1,735,610 | 323,116 | 164,534 | 2,223,260 | 49,462 | 2,272,723 | $(11,869)$ | 2,260,854 |
| Operating income | 50,163 | 26,989 | 5,476 | 82,629 | 3,396 | 86,026 | $(2,347)$ | 83,679 |

Notes:

1. The segment "Others" refers to the total of other business segments that are not included in the reportable segments, including engineering businesses, insurance businesses, electronic materials businesses, agricultural biotechnology businesses and renewable energy businesses.
2. The amount of reconciliation for the operating income mainly represents research and development costs, which do not belong to reportable segments.
3. The operating income of the reportable segments was reconciled to the amount of operating income in the consolidated quarterly statement of income.
(b) Impairment loss on fixed assets and goodwill by reportable segment

There was no significant item during the period.

