



May 13, 2025

Consolidated Financial Results [Japan GAAP]

for the Fiscal Year Ended March 31, 2025

Company Name: **Idemitsu Kosan Co.,Ltd.** (URL <https://www.idemitsu.com/en/index.html>)

Company Code: 5019, Shares listed on: Tokyo Stock Exchange

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Scheduled date of ordinary general meeting of shareholders: June 25, 2025

Scheduled date of commencement of dividend payments: June 4, 2025

Scheduled date of filing of Securities Report: June 19, 2025

Supplemental materials for the financial results: Yes

Financial results presentation: Yes (for institutional investors and analysts)

(Figures less than ¥1 million are rounded off)

1. Consolidated Financial Results for the fiscal year ended March 31, 2025

(1) Consolidated operating results

(Percentages represent changes from prior year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	¥million	%	¥million	%	¥million	%	¥million	%
For the fiscal year ended March 31, 2025	9,190,225	5.4	162,185	(53.2)	214,764	(44.3)	104,055	(54.5)
ended March 31, 2024	8,719,201	(7.8)	346,316	22.6	385,246	19.8	228,518	(9.9)

Notes: Comprehensive income March 31, 2025: ¥108,319 million (61.5)% March 31, 2024: ¥281,544 million 3.4%

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	¥	¥	%	%	%
For the fiscal year ended March 31, 2025	77.83	—	5.9	4.4	1.8
ended March 31, 2024	161.32	—	13.4	7.8	4.0

Reference: Equity in earnings (losses) of nonconsolidated subsidiaries and affiliates

March 31, 2025: ¥22,604 million March 31, 2024: ¥16,720 million

Note: The Company conducted a 1:5 stock split on its common shares with the effective date of January 1, 2024. Net income per share above is calculated under the assumption that the stock split had been implemented at the beginning of the fiscal year ended March 31, 2024.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	¥million	¥million	%	¥
March 31, 2025	4,775,586	1,737,699	36.0	1,404.80
March 31, 2024	5,012,295	1,812,531	35.9	1,305.18

Reference: Total equity as of March 31, 2025: ¥1,720,368 million March 31, 2024: ¥1,799,895 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	¥million	¥million	¥million	¥million
For the fiscal year ended March 31, 2025	476,742	(118,514)	(343,450)	164,251
ended March 31, 2024	377,391	(65,805)	(280,506)	136,900

2. Dividends

	Cash dividends per share					Total dividend amount	Payout ratio (Consolidated)	Dividends on equity ratio (Consolidated)
	As of Jun.30	As of Sep.30	As of Dec.31	As of Mar.31	Total			
For the fiscal year ended March 31, 2024	¥ —	¥ 80.00	¥ —	¥ 16.00	¥ —	¥million 44,728	% 19.8	% 2.7
ended March 31, 2025	—	18.00	—	18.00	36.00	46,122	46.3	2.6
ending March 31, 2026 (Forecast)	—	18.00	—	18.00	36.00		88.2	

Note: The Company conducted a 1:5 stock split on its common shares with the effective date of January 1, 2024. As such, the stock split is reflected in the calculation of the dividend as of March 31, 2024. Also, the total cash dividends per share for the fiscal year ended March 31, 2024 is not indicated. Excluding the impact from the stock split, the cash dividend per share as of March 31, 2024 would be 80 yen and the total cash dividends per share for the fiscal year ended March 31, 2024 would be 160 yen.

3. Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2026

(Percentages represent changes from prior year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	¥million	%	¥million	%	¥million	%	¥million	%	¥
Fiscal year ending March 31, 2026	7,900,000	(14.0)	37,000	(77.2)	56,000	(73.9)	50,000	(51.9)	40.83

* Notes

(1) Changes of material consolidated subsidiaries during the fiscal year: **None**

(2) 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**

(3) Number of shares issued (common stock)

a) Number of shares issued (including treasury stock)

As of March 31, 2025: 1,358,078,690 As of March 31, 2024: 1,392,642,290

b) Number of shares of treasury stock

As of March 31, 2025: 133,441,710 As of March 31, 2024: 13,602,310

c) Weighted average number of shares outstanding during the period

For the fiscal year ended March 31, 2025: 1,336,912,916

For the fiscal year ended March 31, 2024: 1,416,552,009

Note: The Company conducted a 1:5 stock split on its common shares with the effective date of January 1, 2024. The number of shares issued, the number of shares of treasury stock and the weighted average number of shares outstanding during the period above are calculated under the assumption that the stock split had been implemented at the beginning of the fiscal year ended March 31, 2024.

(Reference)

1. Nonconsolidated Financial Results for the fiscal year ended March 31, 2025

(1) Nonconsolidated operating results

(Percentages represent changes from prior year)

	Net sales		Operating income		Ordinary income		Net income	
	¥million	%	¥million	%	¥million	%	¥million	%
For the fiscal year ended March 31, 2025	6,580,518	(1.0)	32,465	(80.3)	93,612	(54.8)	28,975	(74.2)
ended March 31, 2024	6,645,093	(5.7)	164,776	213.5	206,957	172.9	112,107	126.5

	Net income per share	Diluted net income per share
	¥	¥
For the fiscal year ended March 31, 2025	21.67	—
ended March 31, 2024	79.14	—

Note: The Company conducted a 1:5 stock split on its common shares with the effective date of January 1, 2024. Net income per share above is calculated under the assumption that the stock split had been implemented at the beginning of the fiscal year ended March 31, 2024.

(2) Nonconsolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	¥million	¥million	%	¥
March 31, 2025	3,788,358	981,426	25.9	801.40
March 31, 2024	3,945,013	1,176,899	29.8	853.42

Reference: Total equity as of March 31, 2025: ¥981,426 million March 31, 2024: ¥1,176,899 million

(Reason of variance in nonconsolidated financial results compared to the results in the previous fiscal year)

The Idemitsu Group runs its business with Idemitsu Kosan Co.,Ltd. as its main business. Therefore, the reason of variance in its nonconsolidated financial results to the results in the previous fiscal year is almost identical to the reason of variance in the consolidated financial results. Therefore please refer to page 2 "1. Overview of Operating Results and Others (1) Overview of Operating Results" of the Appendix.

* This report is out of the scope of audit performed by certificated public accountants or audit firms.

* The financial forecasts in this document are based on information currently available and certain assumptions deemed reasonable. Actual operating results may differ from these forecasts due to various factors. Additionally, for the assumptions used for the forecasts of the financial results, please refer to page 5 "Forecasts of consolidated financial results for the fiscal year ending March 31, 2026" of the Appendix.

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[Appendix]

1. Overview of Operating Results and Others

(1) Overview of Operating Results

1) General economic conditions and environment surrounding the Idemitsu Group

During the current fiscal year, the Japanese economy was on a moderate recovery trend, supported by improvements in employment and income conditions. On the other hand, the situation remains unstable due to the prolonged impact of geopolitical risks, such as Russia's invasion of Ukraine and the escalation of tensions in the Middle East, as well as the policy direction of the new U.S. administration.

Domestic sales of petroleum products decreased from the previous year in gasoline and other primary fuels as the recovery from the post-2020 COVID19 pandemic demand decline slowed. Jet fuel sales decreased year on year due to a decrease in bids for government projects, despite continued recovery in demand for the fuel.

Crude oil prices rose temporarily due to heightened geopolitical risks such as Russia's invasion of Ukraine and tensions between Israel and the Gaza Strip, but declined throughout the year amid concerns over the economic slowdown due to weak U.S. and Chinese economic indicators. As a result, the average Dubai crude oil prices decreased by \$3.8/bbl from the same period last year to \$78.5/bbl.

As for the dollar-to-yen exchange rate, the yen depreciated against the U.S. dollar against the backdrop of the difference in monetary policies between Japan and the U.S., reaching a level close to ¥160/\$ in July. However, since August, the exchange rate has fluctuated up and down against the backdrop of the U.S.-Japan interest rate differential. Consequently, the average rate decreased by ¥8.0/\$ year on year to ¥152.6/\$.

2) Operating results

The Idemitsu Group's net sales for fiscal 2024 were ¥9,190.2 billion, up 5.4% year on year, mainly due to factors including yen depreciation.

Cost of sales was ¥8,500.8 billion, up 8.0% year on year. Selling, general, and administrative expenses totaled ¥527.2 billion, up 5.3% year on year.

Operating income was ¥162.2 billion, down 53.2% year on year due to factors such as the inventory impact of the decline in crude oil prices in the petroleum segment, a decline in production volume and market conditions in the basic chemicals segment, and a decline in the coal market in the resources segment.

Non-operating income was ¥52.6 billion, up 35.1% year on year, mainly due to an increase in equity in earnings of nonconsolidated subsidiaries and affiliates. Consequently, ordinary income was ¥214.8 billion, down 44.3% year on year.

Net extraordinary loss was ¥56.4 billion, an increase of ¥2.1 billion year on year, mainly owing to impairment losses of fixed assets.

Income tax expenses, which consist of income taxes-current and income taxes-deferred, amounted to ¥56.3 billion, down 43.6% year on year. Consequently, net loss attributable

to noncontrolling interests was ¥2.0 billion, up 22.0% year on year.

As a result, net income attributable to owners of the parent was ¥104.1 billion, down 54.5% year on year.

Net sales by segment

(Unit: ¥Billion)

Segment	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change (Decrease)	
			Amount	%
Petroleum	7,080.8	7,696.4	+615.6	+8.7 %
Basic chemicals	601.6	587.2	(14.4)	(2.4) %
Functional materials	515.4	503.4	(12.0)	(2.3) %
Power and renewable energy	141.5	127.6	(13.9)	(9.9) %
Resources	370.5	265.2	(105.2)	(28.4) %
Others	9.5	10.5	+0.9	+9.9 %
Total	8,719.2	9,190.2	+471.0	+5.4 %

Segment income (loss) by segment

(Unit: ¥Billion)

Segment	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change (Decrease)	
			Amount	%
Petroleum	219.7	122.1	(97.5)	(44.4) %
<i>: excluding effect of inventory valuation</i>	<i>167.2</i>	<i>152.0</i>	<i>(15.2)</i>	<i>(9.1) %</i>
Basic chemicals	22.0	(8.0)	(30.0)	—
Functional materials	27.6	28.2	+0.7	+2.4 %
Power and renewable energy	(7.6)	(12.3)	(4.7)	—
Resources	116.9	77.4	(39.6)	(33.9) %
Others	0.5	1.2	+0.6	+122.0 %
Reconciliation	(16.1)	(23.8)	(7.7)	—
Total	363.0	184.8	(178.2)	(49.1) %
<i>: excluding effect of inventory valuation</i>	<i>310.6</i>	<i>214.7</i>	<i>(95.9)</i>	<i>(30.9) %</i>

Note: Segment income (loss) is the total of operating income (loss) and equity in earnings (losses) of nonconsolidated subsidiaries and affiliates.

[Petroleum segment]

Net sales in the petroleum segment were ¥7,696.4 billion, up 8.7% year on year, mainly due to the depreciation of the yen, despite a decline in crude oil prices. Segment income was ¥122.1 billion, down 44.4% year on year, mainly due to a decrease in export profits associated with a deterioration in overseas margins, despite steady domestic product margins.

[Basic chemicals segment]

Net sales in the basic chemicals segment were ¥587.2 billion, down 2.4% year on year, and segment loss was ¥8.0 billion, a decrease of ¥30.0 billion year on year, mainly due to the deterioration of product market conditions and a decrease in sales volume associated with periodical repairs and manufacturing equipment problems.

[Functional materials segment]

Net sales in the functional materials segment were ¥503.4 billion, down 2.3% year on year, and segment income was ¥28.2 billion, up 2.4% year on year, mainly due to the improved sales portfolio of the lubricants business despite a decrease in production volume associated with periodic repairs of functional chemical manufacturing facilities.

[Power and renewable energy segment]

Net sales in the power and renewable energy segment were ¥127.6 billion, down 9.9% year on year, with segment loss of ¥12.3 billion, a decrease of ¥4.7 billion year on year, mainly due to increased procurement costs associated with problems and increased costs of biomass materials.

[Resources segment]

(Oil/natural gas exploration and production and geothermal energy business)

Net sales in the oil/natural gas exploration and production and geothermal energy business were ¥40.4 billion, up 5.4% year on year, with segment income of ¥18.7 billion, down 2.3% year on year, mainly due to a decrease in crude oil prices despite the depreciation of the yen.

(Coal business and others)

Net sales in the coal business and others were ¥224.8 billion, down 32.3% year on year, and segment income was ¥58.7 billion, down 40.0% year on year, mainly due to price factors associated with a decline in the coal market.

As a result of the above, total net sales of the resources segment were ¥265.2 billion, down 28.4% year on year, and segment income was ¥77.4 billion, down 33.9% year on year.

(Other segments)

Net sales in other segment were ¥10.5 billion, up 9.9% year on year, and segment income was ¥1.2 billion, up 122.0% year on year.

- 3) Forecasts of consolidated financial results for the fiscal year ending March 31, 2026
Regarding the forecasts of consolidated financial results for the fiscal year ending March 31, 2026, the Company expects net sales of ¥7,900.0 billion, down 14.0% year on year, operating income of ¥37.0 billion, down 77.2% year on year, ordinary income of ¥56.0 billion, down 73.9% year on year, and net income attributable to owners of the parent of ¥50.0 billion, down 51.9% year on year, mainly due to time lag and inventory effects associated with the decline in crude oil prices, and the decline in coal prices.

The above forecasts of consolidated financial results for the fiscal year ending March 31, 2026, are based on the assumptions below:

Dubai Crude Oil Price: US\$65/bbl

Foreign Exchange Rate: ¥145/US\$

Forecasts for the fiscal year ending March 31, 2026 and financial results for the fiscal year ended March 31, 2025

(Unit: ¥Billion)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
Fiscal year ending March 31, 2026	7,900.0	37.0	56.0	50.0
Fiscal year ended March 31, 2025	9,190.2	162.2	214.8	104.1
Change (Decrease)	(14.0) %	(77.2) %	(73.9) %	(51.9) %

The above forecasts for the fiscal year ending March 31, 2026 are based on information available as of the date of publication of this document. The actual operating results may differ from the forecasts due to various factors in the future.

(2) Overview of Financial Position

1) Analysis of financial position

Summarized Consolidated Balance Sheets

(Unit: ¥Billion)

	As of March 31, 2024	As of March 31, 2025	Change
Current assets	2,916.8	2,649.9	(267.0)
Fixed assets	2,095.5	2,125.7	+30.3
Total assets	5,012.3	4,775.6	(236.7)
Current liabilities	2,192.5	2,097.4	(95.1)
Long-term liabilities	1,007.3	940.5	(66.8)
Total liabilities	3,199.8	3,037.9	(161.9)
Total net assets	1,812.5	1,737.7	(74.8)
Total liabilities and net assets	5,012.3	4,775.6	(236.7)

a) Total assets

Total assets decreased by ¥236.7 billion from the end of the previous fiscal year to ¥4,775.6 billion, mainly due to a decrease in inventories resulting from the decline in crude oil prices and other factors, and a decrease in notes and accounts receivable, trade due to the impact of holidays at the end of the period.

b) Total liabilities

Total liabilities as of March 31, 2025, were ¥3,037.9 billion, a decrease of ¥161.9 billion from the end of the fiscal year, mainly due to a decrease in interest-bearing debt, and a decrease in accounts payable, other due to the impact of holidays at the end of the previous fiscal year.

c) Total net assets

Total net assets as of March 31, 2025, were ¥1,737.7 billion, a decrease of ¥74.8 billion from the end of the previous fiscal year, mainly due to the treasury stock acquisition and dividend payments, despite an increase due to the recording of net income attributable to owners of the parent.

As a result, the equity ratio improved from 35.9% at the end of the previous fiscal year to 36.0%, up 0.1 points. The Net D/E ratio as of March 31, 2025, was 0.6 (end of the previous fiscal year: 0.7).

2) Analysis of cash flows

Summarized Consolidated Statements of Cash Flows

	(Unit: ¥Billion)	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities	377.4	476.7
Cash flows from investing activities	(65.8)	(118.5)
Cash flows from financing activities	(280.5)	(343.5)
Effect of exchange rate change on cash and cash equivalents	2.7	1.8
Net increase (decrease) in cash and cash equivalents	33.8	16.6
Cash and cash equivalents at the beginning of period	103.1	136.9
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	0.2
Increase (decrease) in cash and cash equivalents resulting from change of fiscal year-end of subsidiaries	—	10.6
Cash and cash equivalents at the end of period	136.9	164.3

Cash and cash equivalents as of March 31, 2025, were ¥164.3 billion, an increase of ¥27.4 billion compared with the end of the preceding fiscal year.

Major factors for this decrease are as follows:

a) Cash flows from operating activities

Net cash provided by operating activities amounted to ¥476.7 billion, as factors increasing funds, such as income before taxes and depreciation and amortization, and a decrease in working capital, exceeded factors decreasing funds, such as a decrease in accounts payable, other.

b) Cash flows from investing activities

Net cash used in investing activities amounted to ¥118.5 billion, mainly due to the acquisition of tangible fixed assets through investments for the maintenance and replacement of refinery facilities.

c) Cash flows from financing activities

Net cash used in financing activities amounted to ¥343.5 billion, mainly due to the repayment of interest-bearing debt, treasury stock acquisition, and dividend payments.

(3) Basic Policy on Distribution of Profits/Dividends for the fiscal year ended March 31, 2025 and the fiscal year ended March 31, 2026

With respect to the year-end dividends for fiscal 2024, the Company has determined to pay a dividend of ¥18 per share. The annual dividend is expected to be ¥36 per share. Based on the recognition that returning profits to shareholders is an important management issue, the Company has decided to pay a minimum dividend of ¥36 per share, an increase of ¥4 in accordance with the policy announced in the (Change of Disclosure Matters)

Announcement on the Revision of the Shareholder Returns Policy in the Medium-term Management Plan (Fiscal Years 2023-2025) released on November 12, 2024, and through flexible treasury stock acquisitions that take into consideration stock price levels, the Company will achieve a total return ratio of 50% or more of the net income for the period excluding inventory effects for the three-year period from the fiscal year ended March 31, 2024 to the fiscal year ended March 31, 2026.

2. Principal Policy for Selecting Financial Reporting Framework

The Idemitsu Group applies generally accepted accounting principles in Japan. We do not yet plan to elect to adopt International Financial Reporting Standards (“IFRS”). In response to potentially possible adoption of IFRS in the future, we have been tailoring group accounting policies.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Unit: ¥Million)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets:		
Cash and deposits	139,325	165,762
Notes and accounts receivable, trade	919,011	817,349
Inventories	1,377,865	1,266,953
Accounts receivable, other	308,130	298,776
Other	179,105	104,644
Less: Allowance for doubtful accounts	(6,595)	(3,628)
Total current assets	2,916,843	2,649,858
Fixed assets:		
Property, plant and equipment:		
Buildings and structures, net	239,549	237,092
Machinery, equipment and vehicles, net	260,317	258,139
Land	751,345	736,655
Construction in progress	23,150	55,220
Other, net	88,217	86,916
Total property, plant and equipment	1,362,581	1,374,024
Intangible fixed assets:		
Goodwill	131,228	124,348
Other	140,798	130,231
Total intangible fixed assets	272,027	254,580
Investments and other assets:		
Investment securities	266,315	305,764
Long-term loans receivable	43,524	56,490
Assets for employees' retirement benefits	61,904	75,182
Deferred tax assets	14,410	15,946
Other	109,923	97,869
Less: Allowance for doubtful accounts	(35,234)	(54,130)
Total investments and other assets	460,844	497,122
Total fixed assets	2,095,452	2,125,727
Total assets	5,012,295	4,775,586

(Unit: ¥Million)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities:		
Notes and accounts payable, trade	793,760	824,413
Short-term loans payable	443,415	479,642
Commercial paper	225,971	166,853
Current portion of bonds payable	10,000	30,000
Accounts payable, other	479,783	426,313
Income taxes payable	56,942	9,793
Provision for bonuses	16,677	16,706
Other	165,948	143,684
Total current liabilities	2,192,498	2,097,407
Long-term liabilities:		
Bonds payable	140,000	110,000
Long-term loans payable	479,056	409,879
Deferred tax liabilities	39,412	53,175
Deferred tax liability related to land revaluation	84,840	92,878
Liability for employees' retirement benefits	51,793	49,064
Reserve for repair work	81,997	91,117
Provision for losses related to contracts	—	10,106
Asset retirement obligations	26,815	40,013
Other	103,348	84,242
Total long-term liabilities	1,007,265	940,478
Total liabilities	3,199,763	3,037,886
Net assets		
Shareholders' equity:		
Common stock	168,351	168,351
Capital surplus	390,341	354,693
Retained earnings	1,037,716	1,111,225
Treasury stock	(11,006)	(139,690)
Total shareholders' equity	1,585,403	1,494,580
Accumulated other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	5,918	4,184
Deferred gains (losses) on hedging activities, net	(4,255)	(1,014)
Surplus from land revaluation	155,282	137,848
Foreign currency translation adjustments	31,652	51,873
Defined retirement benefit plans	25,895	32,896
Total accumulated other comprehensive income	214,492	225,788
Noncontrolling interests	12,636	17,330
Total net assets	1,812,531	1,737,699
Total liabilities and net assets	5,012,295	4,775,586

(2) Consolidated Statements of Income and Comprehensive Income

1) Consolidated Statements of Income

(Unit: ¥Million)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	8,719,201	9,190,225
Cost of sales	7,872,080	8,500,812
Gross profit	847,121	689,412
Selling, general and administrative expenses	500,804	527,226
Operating income	346,316	162,185
Non-operating income:		
Interest income	16,032	17,085
Equity in earnings of nonconsolidated subsidiaries and affiliates, net	16,720	22,604
Dividend income	4,233	4,922
Gain on foreign exchange, net	17,019	20,120
Subsidy income	2,156	2,075
Other	7,359	5,938
Total non-operating income	63,522	72,747
Non-operating expenses:		
Interest expense	20,253	16,731
Other	4,338	3,436
Total non-operating expenses	24,592	20,167
Ordinary income	385,246	214,764
Extraordinary income:		
Gain on sales of fixed assets	7,655	7,664
Gain on sales of investment securities	3,746	70
Gain on reversal of loss on valuation of shares of subsidiaries and affiliates	—	3,239
Other	4,023	2,119
Total extraordinary income	15,424	13,094
Extraordinary loss:		
Impairment loss on fixed assets	10,619	27,219
Loss on sales of fixed assets	514	3,464
Loss on disposals of fixed assets	6,842	10,292
Loss on valuation of shares of subsidiaries and affiliates	3,285	804
Loss on transfer of business	4,818	—
Provision of allowance for doubtful accounts	41,095	12,870
Provision for losses related to contracts	—	10,328
Other	6,741	4,516
Total extraordinary loss	73,916	69,498
Income before income taxes	326,754	158,361
Income taxes-current	102,420	51,234
Income taxes-deferred	(2,509)	5,114
Total income taxes	99,911	56,349
Net income	226,843	102,011
Net loss attributable to noncontrolling interests	(1,675)	(2,043)
Net income attributable to owners of the parent	228,518	104,055

2) Consolidated Statements of Comprehensive Income

(Unit: ¥Million)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net income	226,843	102,011
Other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	2,282	(2,055)
Deferred gains (losses) on hedging activities, net	38	1,996
Surplus from land revaluation	940	(10,915)
Foreign currency translation adjustments	34,109	7,008
Defined retirement benefit plans	13,229	6,977
Share of other comprehensive income in equity method subsidiaries and affiliates	4,101	3,295
Total other comprehensive income	54,701	6,307
Comprehensive income	281,544	108,319
Comprehensive income attributable to:		
Owners of the parent	282,899	110,281
Noncontrolling interests	(1,354)	(1,962)

(3) Consolidated Statements of Changes in Net Assets
For the fiscal year ended March 31, 2024

(Unit: ¥Million)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	168,351	451,642	848,910	(14,788)	1,454,116
Changes of items during the period:					
Dividends from surplus			(40,218)		(40,218)
Net income attributable to owners of the parent			228,518		228,518
Change in scope of consolidation			207		207
Acquisitions of treasury stock				(57,360)	(57,360)
Disposals of treasury stock		0		113	113
Cancellation of treasury shares		(61,028)		61,028	—
Change in ownership interest of parent due to transactions with non-controlling interests		(272)			(272)
Adjustment due to sales and revaluation of land			299		299
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(61,300)	188,805	3,781	131,286
Balance at the end of current period	168,351	390,341	1,037,716	(11,006)	1,585,403

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedging activities, net	Surplus from land revaluation	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	3,918	(6,431)	154,641	(4,571)	12,853	160,410	14,781	1,629,308
Changes of items during the period:								
Dividends from surplus								(40,218)
Net income attributable to owners of the parent								228,518
Change in scope of consolidation								207
Acquisitions of treasury stock								(57,360)
Disposals of treasury stock								113
Cancellation of treasury shares								—
Change in ownership interest of parent due to transactions with non-controlling interests								(272)
Adjustment due to sales and revaluation of land			(299)			(299)		—
Net changes of items other than shareholders' equity	1,999	2,176	940	36,223	13,041	54,381	(2,145)	52,236
Total changes of items during the period	1,999	2,176	640	36,223	13,041	54,082	(2,145)	183,223
Balance at the end of current period	5,918	(4,255)	155,282	31,652	25,895	214,492	12,636	1,812,531

For the fiscal year ended March 31, 2025

(Unit: ¥Million)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	168,351	390,341	1,037,716	(11,006)	1,585,403
Changes of items during the period:					
Dividends from surplus			(46,140)		(46,140)
Net income attributable to owners of the parent			104,055		104,055
Change of fiscal term of consolidated subsidiaries			13,159		13,159
Change in scope of consolidation			(4,084)		(4,084)
Acquisitions of treasury stock				(165,320)	(165,320)
Disposals of treasury stock		0		136	136
Cancellation of treasury shares		(36,499)		36,499	—
Change in ownership interest of parent due to transactions with non-controlling interests		851			851
Adjustment due to sales and revaluation of land			6,519		6,519
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(35,648)	73,509	(128,683)	(90,822)
Balance at the end of current period	168,351	354,693	1,111,225	(139,690)	1,494,580

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedging activities, net	Surplus from land revaluation	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	5,918	(4,255)	155,282	31,652	25,895	214,492	12,636	1,812,531
Changes of items during the period:								
Dividends from surplus								(46,140)
Net income attributable to owners of the parent								104,055
Change of fiscal term of consolidated subsidiaries								13,159
Change in scope of consolidation								(4,084)
Acquisitions of treasury stock								(165,320)
Disposals of treasury stock								136
Cancellation of treasury shares								—
Change in ownership interest of parent due to transactions with non-controlling interests								851
Adjustment due to sales and revaluation of land			(6,519)			(6,519)		—
Net changes of items other than shareholders' equity	(1,734)	3,240	(10,915)	20,221	7,001	17,814	4,694	22,509
Total changes of items during the period	(1,734)	3,240	(17,434)	20,221	7,001	11,295	4,694	(74,832)
Balance at the end of current period	4,184	(1,014)	137,848	51,873	32,896	225,788	17,330	1,737,699

(4) Consolidated Statements of Cash Flows

(Unit: ¥Million)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities:		
Income before income taxes	326,754	158,361
Depreciation and amortization	99,158	95,659
Impairment loss on fixed assets	10,619	27,219
Loss on transfer of business	4,818	—
Amortization of goodwill	9,403	9,415
Increase (decrease) in liability for employees' retirement benefits	(27,089)	(16,249)
Increase (decrease) in reserve for repair work	(3,601)	9,119
Increase (decrease) in allowance for doubtful accounts	38,278	15,229
Increase (decrease) in provision for losses related to contracts	—	10,328
Interest and dividend income	(20,266)	(22,007)
Interest expense	20,253	16,731
Equity in (earnings) losses of nonconsolidated subsidiaries and affiliates, net	(16,720)	(22,604)
Loss (gain) on sales of fixed assets, net	(7,140)	(4,200)
Loss (gain) on sale of investment securities	(3,724)	(70)
Loss on valuation of shares of subsidiaries and affiliates	3,285	804
Gain on reversal of loss on valuation of shares of subsidiaries and affiliates	—	(3,239)
(Increase) decrease in notes and accounts receivable, trade	(60,385)	148,469
(Increase) decrease in inventories	(58,978)	134,470
(Increase) decrease in accounts receivable, other	20,229	14,234
Increase (decrease) in notes and accounts payable, trade	80,246	(21,581)
Increase (decrease) in accounts payable, other	100,409	(71,868)
Other, net	(29,100)	81,054
Subtotal	486,448	559,275
Interest and dividends received	26,634	29,150
Interest paid	(20,356)	(17,489)
Income taxes paid	(115,334)	(94,193)
Net cash provided by (used in) operating activities	377,391	476,742
Cash flows from investing activities:		
Purchases of tangible fixed assets	(70,861)	(86,552)
Proceeds from sales of tangible fixed assets	13,856	27,148
Purchases of intangible fixed assets	(6,255)	(8,670)
Acquisitions of investment securities	(15,575)	(29,657)
Proceeds from sales of investment securities	8,079	214
Proceeds from transfer of business	33,192	—
Disbursements for long-term loans	(19,446)	(19,463)
Proceeds from collection of long-term loans receivable	1,942	7,316
(Increase) decrease in short-term loans receivable, net	(5,613)	9,378
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(13,603)
Other, net	(5,124)	(4,623)
Net cash provided by (used in) investing activities	(65,805)	(118,514)

(Unit: ¥Million)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities:		
Increase (decrease) in short-term loans payable, net	(24,056)	11,200
Increase (decrease) in commercial paper, net	(76,011)	(59,118)
Proceeds from long-term loans payable	48,279	21,470
Repayments of long-term loans payable	(124,293)	(93,671)
Redemption of bonds	—	(10,000)
Purchases of treasury stock	(57,360)	(165,320)
Proceeds from disposals of treasury stock	113	136
Cash dividends paid	(40,218)	(46,140)
Proceeds from share issuance to non-controlling shareholders	—	7,108
Cash dividends paid to noncontrolling interests	(268)	(895)
Other, net	(6,690)	(8,220)
Net cash provided by (used in) financing activities	(280,506)	(343,450)
Effect of exchange rate change on cash and cash equivalents	2,740	1,841
Net increase (decrease) in cash and cash equivalents	33,820	16,619
Cash and cash equivalents at the beginning of period	103,079	136,900
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	152
Increase (decrease) in cash and cash equivalents resulting from change of fiscal year-end of subsidiaries	—	10,579
Cash and cash equivalents at the end of period	136,900	164,251

(5) Notes on the Consolidated Financial Statements

1) Notes on the Assumption of a Going Concern

None

2) Notes on Changes in Scope of Consolidation or Scope of Application of the Equity Method (Changes in Fiscal Year-end of Consolidated Subsidiaries)

Previously, the financial statements of consolidated subsidiaries with a closing date of December 31 were used as of that date, while necessary adjustments for consolidation have been made for significant transactions that occurred between that date and the consolidated closing date. However, in order to ensure more appropriate disclosure of consolidated financial statements, beginning with the current fiscal year, the Company changed its method of consolidation on the financial statements for some consolidated subsidiaries (28 companies including IDEMITSU INTERNATIONAL (ASIA) PTE. LTD.) by changing their closing date to March 31 or by making provisional settlement of accounts as of March 31.

The consolidated subsidiaries' income or loss for the period from January 1, 2024 to March 31, 2024 has been adjusted as an increase in retained earnings of ¥13,159 million. Furthermore, the foreign currency translation adjustment of 12,537 million that occurred during the same period has been adjusted in the accumulated other comprehensive income and noncontrolling interests.

3) Notes on the Consolidated Segment Information

Segment Information

1. Description of reportable segments

The Company's business segments cover the Group's business units for which separate financial information is available on the business units for the whole Group and for which the Company's Board of Directors carries out a periodic review in order to determine the allocation of management resources and to evaluate their operating performance.

Taking into consideration the nature of the products and the business standing within the Group, the Company aggregates these business segments into the following five reportable segments. In addition, other business segments are summarized under Others.

Major businesses in each segment are shown in the following table.

Reportable segment	Major businesses
Petroleum	Production, sales, import/export, trading, etc. of refined petroleum products
Basic chemicals	Production, sales, etc. of olefin/aroma products
Functional materials	Lubricants, performance chemicals, electronic materials, Functional paving material business, agricultural biotechnology products business, etc.
Power and renewable energy	Power generation (thermal power, solar power, wind power, etc.), sales of electricity and solar business, etc.
Resources	Exploration, development, production and sales of crude oil, natural gas and other energy resources such as coals

2. Methods of measurement for the amounts of sales, income, assets and other items for each reportable segment

The accounting method used for reported business segments complies with accounting policy that has been adopted in preparing the consolidated financial statements. The Company accounts for inter-segment sales and transfers as if the sales and transfers were made to third parties.

3. Information about sales, income, assets and other items by reportable segment

For the fiscal year ended March 31, 2024

(Unit: ¥Million)

	Reportable segment						Others (*1)	Total	Reconciliation (*2, 3, 5, 6, 7)	Consolidated (*4)
	Petroleum	Basic chemicals	Functional materials	Power and renewable energy	Resources	Total				
Net sales:										
Net sales to outside customers	7,080,754	601,574	515,377	141,521	370,458	8,709,686	9,514	8,719,201	—	8,719,201
Inter-segment	30,463	40,631	24,832	5,280	8	101,215	7,475	108,691	(108,691)	—
Total	7,111,217	642,205	540,210	146,801	370,467	8,810,902	16,990	8,827,892	(108,691)	8,719,201
Operating income	209,742	26,071	27,224	(7,861)	106,707	361,884	519	362,404	(16,087)	346,316
Equity in earnings (losses) of nonconsolidated subsidiaries and affiliates	9,910	(4,028)	349	253	10,241	16,726	—	16,726	(5)	16,720
Segment income	219,652	22,043	27,574	(7,608)	116,949	378,610	519	379,130	(16,093)	363,036
Segment assets	3,423,890	384,214	362,006	237,012	301,990	4,709,115	31,504	4,740,619	271,676	5,012,295
Other items:										
Depreciation and amortization	58,664	6,743	8,961	6,426	8,445	89,241	192	89,434	9,723	99,158
Amortization of goodwill	7,255	5	—	2,142	—	9,403	—	9,403	—	9,403
Impairment loss on fixed assets	8,606	92	778	137	—	9,615	—	9,615	1,004	10,619
Investment in equity method nonconsolidated subsidiaries and affiliates	87,405	36,154	7,766	14,611	51,248	197,186	—	197,186	(946)	196,240
Unamortized balance of goodwill	99,043	47	—	32,137	—	131,228	—	131,228	—	131,228
Increase of property, plant, equipment and intangible fixed assets	27,718	11,620	13,068	3,257	5,664	61,330	152	61,483	6,654	68,137

Notes:

1. The segment “Others” refers to the total of other business segments that are not included in the reportable segments, including insurance businesses and intra-group service 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 amount of reconciliation for equity in earnings (losses) of nonconsolidated subsidiaries and affiliates and that for investment in equity method nonconsolidated subsidiaries and affiliates mainly represents those related to equity method nonconsolidated subsidiaries and affiliates, which do not belong to reportable segments.
4. The segment income of the reportable segments is reconciled to the total of operating income and equity in earnings (losses) of nonconsolidated subsidiaries and affiliates in the consolidated statement of income.
5. The amount of reconciliation for the segment assets represents elimination among the reportable segments and the amount of Company assets that are not allocated to reportable segments.
6. The amounts of reconciliation for “Depreciation and amortization” and “Increase of property, plant, equipment and intangible fixed assets” mainly represent depreciation and increases in fixed assets for research and development that do not belong to the reportable segments.
7. The amount of reconciliation for “Impairment loss on fixed assets” represents the impairment loss related to Company assets that are not allocated to reportable segments.

For the fiscal year ended March 31, 2025

(Unit: ¥Million)

	Reportable segment						Others (*1)	Total	Reconciliation (*2, 3, 5, 6)	Consolidated (*4)
	Petroleum	Basic chemicals	Functional materials	Power and renewable energy	Resources	Total				
Net sales:										
Net sales to outside customers	7,696,391	587,195	503,366	127,573	265,246	9,179,772	10,452	9,190,225	—	9,190,225
Inter-segment	23,568	47,805	27,003	3,841	1	102,220	7,911	110,132	(110,132)	—
Total	7,719,959	635,000	530,369	131,415	265,248	9,281,993	18,364	9,300,357	(110,132)	9,190,225
Operating income	108,368	(9,993)	27,950	(11,336)	68,393	183,381	1,153	184,535	(22,349)	162,185
Equity in earnings (losses) of nonconsolidated subsidiaries and affiliates	13,747	2,008	284	(936)	8,961	24,065	—	24,065	(1,460)	22,604
Segment income	122,115	(7,984)	28,234	(12,273)	77,355	207,447	1,153	208,600	(23,810)	184,790
Segment assets	3,184,944	342,125	391,695	237,814	287,556	4,444,136	18,825	4,462,962	312,623	4,775,586
Other items:										
Depreciation and amortization	52,380	7,215	10,048	6,279	9,797	85,720	227	85,948	9,711	95,659
Amortization of goodwill	7,266	5	—	2,142	—	9,415	—	9,415	—	9,415
Impairment loss on fixed assets	5,143	1,278	9,421	11,375	—	27,219	—	27,219	—	27,219
Investment in equity method nonconsolidated subsidiaries and affiliates	100,819	38,561	7,925	14,742	60,468	222,517	—	222,517	20,311	242,829
Unamortized balance of goodwill	91,750	40	2,562	29,995	—	124,348	—	124,348	—	124,348
Increase of property, plant, equipment and intangible fixed assets	41,574	10,747	10,149	13,476	13,473	89,422	302	89,724	21,638	111,362

Notes:

1. The segment “Others” refers to the total of other business segments that are not included in the reportable segments, including insurance businesses and intra-group service 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 amount of reconciliation for equity in earnings (losses) of nonconsolidated subsidiaries and affiliates and that for investment in equity method nonconsolidated subsidiaries and affiliates mainly represents those related to equity method nonconsolidated subsidiaries and affiliates, which do not belong to reportable segments.
4. The segment income of the reportable segments is reconciled to the total of operating income and equity in earnings (losses) of nonconsolidated subsidiaries and affiliates in the consolidated statement of income.
5. The amount of reconciliation for the segment assets represents elimination among the reportable segments and the amount of Company assets that are not allocated to reportable segments.
6. The amounts of reconciliation for “Depreciation and amortization” and “Increase of property, plant, equipment and intangible fixed assets” mainly represent depreciation and increases in fixed assets for research and development that do not belong to the reportable segments.

Related Information

For the fiscal year ended March 31, 2024

(a) Information for each product and service

Since “Segment Information” includes similar information, descriptions have been omitted.

(b) Geographic segment information

(1) Sales

(Unit: ¥Million)				
Japan	Asia and Oceania	North America	Other regions	Total
6,332,749	1,453,185	826,638	106,628	8,719,201

(Notes)

1. Areas are segmented based on their geographical proximity.
2. The principal areas included in each region are as follows:
Asia and Oceania : Singapore, Australia, China, South Korea, etc.
North America : USA and Canada
Other regions : Germany, etc.

(2) Property, plant and equipment

(Unit: ¥Million)			
Japan	Asia and Oceania	Other regions	Total
1,158,448	107,851	96,280	1,362,581

(Notes)

1. Areas are segmented based on their geographical proximity.
2. The principal areas included in each region are as follows:
Asia and Oceania : Australia, China, Indonesia, Malaysia, etc.
Others : USA, etc.

(3) Principal customer information

Of the net sales to outside customers, no customer accounted for 10% or more of net sales in the consolidated statements of income. As such, descriptions have been omitted.

For the fiscal year ended March 31, 2025

(a) Information for each product and service

Since “Segment Information” includes similar information, descriptions have been omitted.

(b) Geographic segment information

(1) Sales

(Unit: ¥Million)				
Japan	Asia and Oceania	North America	Other regions	Total
6,552,146	1,704,383	842,172	91,522	9,190,225

(Notes)

1. Areas are segmented based on their geographical proximity.

2. The principal areas included in each region are as follows:

Asia and Oceania : Singapore, Australia, China, Hong Kong, South Korea, etc.

North America : USA and Canada

Other regions : Germany, etc.

(2) Property, plant and equipment

(Unit: ¥Million)				
Japan	Asia and Oceania	North America	Other regions	Total
1,149,364	105,396	119,108	154	1,374,024

(Notes)

1. Areas are segmented based on their geographical proximity.

2. The principal areas included in each region are as follows:

Asia and Oceania : Australia, China, Indonesia, Malaysia, etc.

North America : USA

Others : Germany, etc.

(3) Principal customer information

Of the net sales to outside customers, no customer accounted for 10% or more of net sales in the consolidated statements of income. As such, descriptions have been omitted.

Information Regarding Impairment Loss on Fixed Assets by Reportable Segment

For the fiscal year ended March 31, 2024

The Company recorded an impairment loss of ¥8,606 million in the petroleum segment due to the shutdown of the refining function and other reasons.

For the fiscal year ended March 31, 2025

The Company recorded an impairment losses of ¥5,143 million on domestic plant piping facilities in the petroleum segment, ¥1,278 million on overseas plant facilities in the basic chemicals segment, ¥9,421 million on overseas lubricants plant facilities and functional chemicals facilities in the functional materials segment, and ¥11,375 million on biomass-related facilities in the power and renewable energy segment.

Information Regarding Amortization and Unamortized Balances of Goodwill by Reportable Segment

For the fiscal year ended March 31, 2024

Since “Segment Information” includes similar information, descriptions have been omitted.

For the fiscal year ended March 31, 2025

Since “Segment Information” includes similar information, descriptions have been omitted.

Information Regarding Negative Goodwill Gain by Reportable Segment

For the fiscal year ended March 31, 2024

No negative goodwill was recognized during the periods.

For the fiscal year ended March 31, 2025

No negative goodwill was recognized during the periods.

4) Per Share Information

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	¥1,305.18	¥1,404.80
Net income per share	¥161.32	¥77.83

- (*) 1. Diluted net income per share for the fiscal year is not calculated because dilutive shares do not exist.
2. The Company conducted a 1:5 stock split on its common shares with the effective date of January 1, 2024. Net net income per share above are calculated under the assumption that the stock split had been implemented at the beginning of the fiscal year ended March 31, 2024.
3. In calculating net assets per share, the shares held by The Master Trust Bank of Japan, Ltd. as the trust property for the Company's stock compensation plan (3,124 thousand treasury shares for the current fiscal year and 3,330 thousand treasury shares for the preceding fiscal year) are included in the number of treasury stock that is to be deducted from the number of the Company's issued shares at the end of the respective fiscal years. Also, in calculating net income per share, the shares held by The Master Trust Bank of Japan, Ltd. as the trust property for the Company's stock compensation plan (3,124 thousand treasury shares for the current fiscal year and 3,330 thousand treasury shares for the preceding fiscal year) are included in the number of treasury stock that is to be deducted from the average number of the Company's issued shares during the respective fiscal years.
4. The basis for calculating net income per share is as follows:

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net income attributable to owners of the parent (¥million)	228,518	104,055
Amount not attributable to common stock (¥million)	—	—
Net income attributable to common stock (¥million)	228,518	104,055
Weighted-average common shares outstanding during the period (thousands of shares)	1,416,552	1,336,912