



August 8, 2025

# Consolidated Financial Results [Japan GAAP]

for the three months ended June 30, 2025

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

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

Name of Representative: Sakai Noriaki, Representative Director & Chief Executive Officer

Contact Person: Sasaki Shinko, General Manager, Investor Relations Office, Finance Department

Telephone: +81-3-3213-9307

Scheduled date of commencement of dividend payments: —

Supplementary 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 three months ended June 30, 2025

### (1) Consolidated operating results

(Percentage figures represent changes from the corresponding previous period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	¥million	%	¥million	%	¥million	%	¥million	%
For the three months ended June 30, 2025	1,843,035	(18.5)	(21,015)	—	(13,738)	—	5,243	(94.5)
June 30, 2024	2,260,289	24.3	122,511	173.0	136,828	136.9	95,022	109.3

Note: Comprehensive income June 30, 2025: (¥13,438 million) —% June 30, 2024: ¥126,156 million 133.9%

	Net income per share	Diluted net income per share
	¥	¥
For the three months ended June 30, 2025	4.28	—
June 30, 2024	69.24	—

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	¥million	¥million	%
As of June 30, 2025	4,387,260	1,702,621	38.3
March 31, 2025	4,775,586	1,737,699	36.0

Reference: Total equity as of June 30, 2025: ¥1,678,370 million March 31, 2025: ¥1,720,368 million

## 2. Dividends

	Cash dividends per share				
	As of Jun.30	As of Sep.30	As of Dec.31	As of Mar.31	Total
For the fiscal year ended March 31, 2025	¥ —	¥ 18.00	¥ —	¥ 18.00	¥ 36.00
ending March 31, 2026	—				
ending March 31, 2026 (Forecasts)		18.00	—	18.00	36.00

Note: Revisions of the forecasts of cash dividends since the latest announcement: None

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

(Percentage figures represent changes from the previous fiscal 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

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

#### \* Notes

(1) Changes of material consolidated subsidiaries during the three months ended June 30, 2025:

**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 June 30, 2025: 1,288,747,390 As of March 31, 2025: 1,358,078,690

b) Number of shares of treasury stock

As of June 30, 2025: 64,110,545 As of March 31, 2025: 133,441,710

c) Weighted average number of shares outstanding during the period

Three months ended June 30, 2025: 1,224,636,938

Three months ended June 30, 2024: 1,372,323,863

\*1 Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

\*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 3 “Explanation of Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2026” of the Appendix.

## **Contents of the Appendix**

<b>1. Overview of Operating Results and Others</b> .....	2
(1) Overview of Operating Results for the Three Months Ended June 30, 2025 .....	2
(2) Overview of Financial Position for the Three Months Ended June 30, 2025.....	3
(3) Explanation of Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2026.....	3
<b>2. Consolidated Financial Statements and Major Notes</b> .....	4
(1) Consolidated Balance Sheets.....	4
(2) Consolidated Statements of Income and Comprehensive Income .....	6
(3) Notes on the Consolidated Financial Statements.....	8
1) Method of Preparation of Consolidated Financial Statements .....	8
2) Notes on Changes in Scope of Consolidation or Scope of Application of the Equity Method.....	8
3) Notes on the Application of the Accounting Method Peculiar to the Preparation of the Consolidated Financial Statements .....	8
4) Notes on the Consolidated Segment Information .....	9
5) Notes on the Significant Changes in Shareholders' Equity.....	10
6) Notes on Going Concern Assumption .....	10
7) Notes on the Consolidated Statements of Cash Flow.....	11

## [Appendix]

### 1. Overview of Operating Results and Others

#### (1) Overview of Operating Results for the Three Months Ended June 30, 2025

The Idemitsu Group's net sales for the three months ended June 30, 2025 were ¥1,843.0 billion, down 18.5% year on year, with operating loss of ¥21.0 billion, a decrease of ¥143.5 billion year on year, ordinary loss of ¥13.7 billion, a decrease of ¥150.6 billion year on year, and net income attributable to owners of the parent of ¥ 5.2 billion, down 94.5% year on year.

The performance of our business by segment for the three months ended June 30, 2025 is as follows:

(Segment income (loss): Operating income (loss) + Equity in earnings of non-consolidated subsidiaries and affiliates)

##### [Petroleum segment]

Net sales in the petroleum segment were ¥1,518.8 billion, down 19.0% year on year, with segment loss of ¥29.8 billion, a decrease of ¥125.7 billion year on year, mainly due to effects of inventory valuation resulting from the decline in crude oil prices and negative impacts arising from time lags.

##### [Basic chemicals segment]

Net sales in the basic chemicals segment were ¥121.7 billion, down 23.6% year on year, and segment loss was ¥4.5 billion, a decrease of ¥12.0 billion year on year, mainly due to the deterioration of product market conditions.

##### [Functional materials segment]

Net sales in the functional materials segment were ¥124.2 billion, down 2.5% year on year, with segment income of ¥9.3 billion, up 19.1% year on year, mainly due to the impact of sales time lags in the lubricants business and the contribution of new consolidated subsidiaries in the agri life business, despite a deterioration in margins in the performance chemicals business due to equipment surplus in China.

##### [Power and renewable energy segment]

Net sales in the power and renewable energy segment were ¥23.7 billion, down 14.1% year on year, with segment loss of ¥0.4 billion, an increase of ¥2.6 billion year on year, mainly due to the resolution of problems that occurred last year and a decrease in depreciation associated with the impairment of biomass power generation equipment.

##### [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 ¥9.9 billion, down 22.8% year on year, with segment income of ¥4.5 billion, down 31.3% year on year, mainly due to a decrease in production volume and a decline in crude oil prices.

###### (Coal business and others)

Net sales in the coal business and others were ¥42.6 billion, down 25.0% year on year, with segment income of ¥7.4 billion, down 59.5% 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 ¥52.6 billion, down 24.5% year on year, and segment income was ¥11.9 billion, down 52.1% year on year.

[Other segments]

Net sales in the other segments were ¥2.1 billion, up 84.0% year on year, and segment income was ¥0.1 billion, an increase of ¥0.1 billion year on year.

(2) Overview of Financial Position for the Three Months Ended June 30, 2025

Regarding the financial position as of June 30, 2025, total assets decreased by ¥388.3 billion from the end of the previous fiscal year to ¥4,387.3 billion, mainly owing to decreases in notes and accounts receivables-trade and inventories. Total liabilities decreased by ¥353.2 billion from the end of the previous fiscal year to ¥2,684.6 billion, mainly due to a decrease in notes and accounts payable-trade. Total net assets decreased by ¥35.1 billion from the end of the previous fiscal year to ¥1,702.6 billion, mainly owing to the impact of foreign currency translation adjustments. As a result, the equity ratio improved from 36.0% at the end of the previous fiscal year to 38.3%, up 2.2 points. The Net D/E ratio as of June 30, 2025 was 0.7 (end of the previous fiscal year: 0.6).

(3) Explanation of Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2026

There is no change in the forecasts of the consolidated financial results for the Fiscal Year Ending March 2026 announced on May 13, 2025.

## 2. Consolidated Financial Statements and Major Notes

### (1) Consolidated Balance Sheets

(Unit: ¥Million)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets:		
Cash and deposits	165,762	126,201
Notes and accounts receivable, trade	817,349	598,874
Inventories	1,266,953	1,139,332
Accounts receivable, other	298,776	268,099
Other	104,644	110,791
Less: Allowance for doubtful accounts	(3,628)	(3,364)
Total current assets	2,649,858	2,239,936
Fixed assets:		
Property, plant and equipment:		
Machinery and equipment, net	258,139	250,714
Land	736,655	738,685
Other, net	379,229	393,523
Total property, plant and equipment	1,374,024	1,382,923
Intangible fixed assets:		
Goodwill	124,348	134,901
Other	130,231	127,861
Total intangible fixed assets	254,580	262,763
Investments and other assets:		
Investment securities	305,764	297,977
Other	245,488	256,061
Less: Allowance for doubtful accounts	(54,130)	(52,402)
Total investments and other assets	497,122	501,636
Total fixed assets	2,125,727	2,147,324
Total assets	4,775,586	4,387,260
<b>Liabilities</b>		
Current liabilities:		
Notes and accounts payable, trade	824,413	522,141
Short-term loans payable	479,642	514,467
Commercial paper	166,853	158,903
Current portion of bonds payable	30,000	30,000
Accounts payable, other	426,313	368,244
Income taxes payable	9,793	7,101
Provision for bonuses	16,706	7,302
Other	143,684	145,460
Total current liabilities	2,097,407	1,753,621
Long-term liabilities:		
Bonds payable	110,000	110,000
Long-term loans payable	409,879	407,273
Liability for employees' retirement benefits	49,064	49,715
Reserve for repair work	91,117	102,859
Provision for losses related to contracts	10,106	9,773
Asset retirement obligations	40,013	37,956
Other	230,297	213,439
Total long-term liabilities	940,478	931,017
Total liabilities	3,037,886	2,684,639

(Unit: ¥Million)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity:		
Common stock	168,351	168,351
Capital surplus	354,693	280,726
Retained earnings	1,111,225	1,097,675
Treasury stock	(139,690)	(66,475)
Total shareholders' equity	1,494,580	1,480,278
Accumulated other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	4,184	4,225
Deferred gains (losses) on hedging activities, net	(1,014)	(3,449)
Surplus from land revaluation	137,848	137,845
Foreign currency translation adjustments	51,873	27,374
Defined retirement benefit plans	32,896	32,098
Total accumulated other comprehensive income	225,788	198,092
Noncontrolling interests	17,330	24,250
Total net assets	1,737,699	1,702,621
Total liabilities and net assets	4,775,586	4,387,260

## (2) Consolidated Statements of Income and Comprehensive Income

## 1) Consolidated Statements of Income

(Unit: ¥Million)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	2,260,289	1,843,035
Cost of sales	2,014,760	1,738,431
Gross profit	245,529	104,603
Selling, general and administrative expenses	123,017	125,619
Operating Income (loss)	122,511	(21,015)
Non-operating income:		
Interest income	2,884	4,712
Dividend income	1,777	2,085
Equity in earnings of nonconsolidated subsidiaries and affiliates, net	7,629	4,345
Gain on foreign exchange, net	4,413	—
Other	2,457	2,361
Total non-operating income	19,162	13,505
Non-operating expenses:		
Interest expense	4,078	4,256
Loss on foreign exchange, net	—	570
Other	767	1,401
Total non-operating expenses	4,846	6,228
Ordinary Income (loss)	136,828	(13,738)
Extraordinary income:		
Gain on sales of fixed assets	605	1,994
Gain on sales of investment securities	18	1,353
Gain on step acquisition	—	6,985
Other	732	238
Total extraordinary income	1,356	10,573
Extraordinary losses:		
Impairment loss on fixed assets	487	125
Loss on sales of fixed assets	286	39
Loss on disposals of fixed assets	271	871
Loss on sales of investment securities	—	427
Other	923	42
Total extraordinary losses	1,969	1,507
Income (loss) before income taxes	136,215	(4,672)
Income taxes	41,572	(9,385)
Net income	94,642	4,712
Net loss attributable to noncontrolling interests	(379)	(531)
Net income attributable to owners of the parent	95,022	5,243



## 2) Consolidated Statements of Comprehensive Income

(Unit: ¥Million)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income	94,642	4,712
Other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	93	73
Deferred gains (losses) on hedging activities, net	(1,597)	(533)
Foreign currency translation adjustments	34,085	(15,806)
Defined retirement benefit plans	(1,172)	(805)
Share of other comprehensive income in equity method affiliates	104	(1,079)
Total other comprehensive income	31,513	(18,151)
Comprehensive income	126,156	(13,438)
Comprehensive income attributable to:		
Owners of the parent	126,370	(12,711)
Noncontrolling interests	(214)	(727)

### (3) Notes on the Consolidated Financial Statements

#### 1) Method of Preparation of Consolidated Financial Statements

Quarterly consolidated financial statements have been prepared in accordance with Article 4, Paragraph 1 of the Tokyo Stock Exchange Inc.'s Standards for the Preparation of Quarterly Financial Statements and generally accepted accounting principles for quarterly financial statements in Japan, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

#### 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 first quarter of the current fiscal year, the Company changed its method of consolidation on the financial statements for some consolidated subsidiaries (46 companies including Idemitsu Apollo Corporation) 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, 2025 to March 31, 2025 has been adjusted as an increase in retained earnings of ¥929 million.

#### 3) Notes on the Application of the Accounting Method Peculiar to the Preparation of the Financial Statements

##### (Calculation of income taxes)

Income taxes are calculated by multiplying the income before income taxes for the three months ended June 30, 2025, 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 three months ended June 30, 2025 income before income taxes by the effective statutory tax rate, after adjusting important differences that do not constitute temporary differences.

#### 4) Notes on the Consolidated Segment Information

For the three months ended June 30, 2024

##### a) Net sales and income or loss by reportable segment

(Unit: ¥Million)

	Reportable segment						Others	Total	Recon- ciliation	Consoli- dated
	Petroleum	Basic chemicals	Functional materials	Power and renewable energy	Resources	Total				
Net sales:										
customers	1,875,243	159,407	127,324	27,534	69,651	2,259,161	1,128	2,260,289	—	2,260,289
Intersegment	7,521	12,082	6,605	750	0	26,959	2,069	29,029	(29,029)	—
Total	1,882,765	171,489	133,930	28,284	69,651	2,286,121	3,197	2,289,319	(29,029)	2,260,289
Operating income (loss)	90,710	7,793	7,691	(2,660)	21,738	125,273	(22)	125,250	(2,738)	122,511
Equity in earnings (losses) of non- consolidated subsidiaries and affiliates, net	5,100	(308)	117	(327)	3,055	7,637	—	7,637	(7)	7,629
Segment income (loss)	95,811	7,485	7,808	(2,988)	24,794	132,911	(22)	132,888	(2,746)	130,141

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 amounts 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 represent those related to equity method nonconsolidated subsidiaries and affiliates, which do not belong to reportable segments.
4. The segment income (loss) of the reportable segments is reconciled to the total of operating income (loss) and equity in earnings (losses) of nonconsolidated subsidiaries and affiliates in the consolidated statement of income.

##### b) Impairment loss on fixed assets and goodwill by reportable segment

There is no significant item during the period.

For the three months ended June 30, 2025

a) Net sales and income or loss by reportable segment

(Unit: ¥Million)

	Reportable segment						Others	Total	Recon- ciliation	Consoli- dated
	Petroleum	Basic chemicals	Functional materials	Power and renewable energy	Resources	Total				
Net sales:										
customers	1,518,837	121,742	124,174	23,651	52,553	1,840,959	2,076	1,843,035	—	1,843,035
Intersegment	3,852	1,751	5,977	1,179	—	12,761	1,470	14,231	(14,231)	—
Total	1,522,689	123,493	130,152	24,831	52,553	1,853,720	3,546	1,837,267	(14,231)	1,843,035
Operating income (loss)	(31,806)	(5,719)	9,345	(704)	10,321	(18,562)	105	(18,457)	(2,558)	(21,015)
Equity in earnings (losses) of non- consolidated subsidiaries and affiliates, net	1,958	1,197	(48)	312	1,555	4,975	—	4,975	(630)	4,345
Segment income (loss)	(29,847)	(4,522)	9,297	(392)	11,877	(13,586)	105	(13,481)	(3,189)	(16,670)

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 amounts 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 represent those related to equity method nonconsolidated subsidiaries and affiliates, which do not belong to reportable segments.
4. The segment income (loss) of the reportable segments is reconciled to the total of operating income (loss) and equity in earnings (losses) of nonconsolidated subsidiaries and affiliates in the consolidated statement of income.

b) Impairment loss on fixed assets and goodwill by reportable segment

There is no significant item during the period.

5) Notes on the Significant Changes in Shareholders’ Equity

Based on the resolution of the Company’s Board of Directors meeting held on May 14, 2024, the Company completed the cancellation of 69,331 thousand shares of treasury stock on April 30, 2025. As a result, capital surplus and treasury stock decreased by ¥73,215 million each during the first quarter of the current consolidated fiscal year, bringing capital surplus to ¥280,726 million and treasury stock to ¥66,475 million at the end of the first quarter of the current fiscal year.

6) Notes on Going Concern Assumption

None

## 7) Notes on the Consolidated Statements of Cash Flow

The consolidated statements of cash flows are not prepared for the first quarter of the current fiscal year. The following shows depreciation and amortization (including amortization related to intangible fixed assets (excluding goodwill)) and amortization of goodwill for the first quarter of the current fiscal year.

	(Unit: ¥Million)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	23,620	22,829
Amortization of goodwill	2,355	2,321