Presentation on Results for the 2nd Quarter FY2026

November 11, 2026

Idemitsu Kosan Co.,Ltd.

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20th Anniversary of Listing

- On October 24, 2026, Idemitsu marked the 20th anniversary of its listing
- While upholding the "people-centered management" principle established since our founding, we steadily implement our medium-term management plan even in an uncertain business environment, enhancing corporate value while also contributing to the resolution of social challenges

Oct 24, 2006
Listed on the TSE

*** Listing ceremony bell rung by then-President Tembo**



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Highlights

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Response to the Middle East Situation

- Despite continued uncertainty surrounding the Middle East, we are ensuring stable domestic supply while pursuing earnings growth by capturing changes in the external environment.

	As of August 2026	As of November 2026 *(Current)*
Raw material procurement	**Prospects for alternative procurement established**	**Continued alternative procurement regardless of developments in the Middle East** *(Procurement from outside the Strait of Hormuz)*
Production	**Operations at the prior-year level**	**Continued operations above the prior-year level**
Sales	**Prioritized domestic supply** **Limited exports** **Passed through additional costs required for stable supply**	**Continued stable domestic supply** **Resumed exports from 2Q** **Impact on earnings in the domestic petroleum business was neutral due to price pass-through** *(excl. time-lag impact)*

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Results for FY2026 2Q and Full-Year Forecast

Results for FY2026 2Q
(excl. inventory impact) (¥ billion)

Income before tax excluding financial expenses	Income attributable to owners of the parent
198.2	**143.6**
YoY +73.2	**YoY +41.9**

Key Points of 2Q Results

Growth in overseas businesses and positive time-lag impact in petroleum drove the increase in earnings

- Strong overseas performance in trading, lubricants and resources
- Income before tax excl. financial expenses increased ¥73.2 billion YoY *(including +¥87.8 billion from positive time-lag impact in petroleum)*

Full-Year Forecast Revised Upward
(excl. inventory impact) (¥ billion)

Income before tax excluding financial expenses	Income attributable to owners of the parent
240.0	**165.0**
Upward revision +100.0	**Upward revision +75.0**

*compared to forecast announced on May 12

Key Points of the Upward Revision

Higher crude oil price assumptions reduce negative time-lag impacts, while earnings growth is expected, mainly in overseas businesses

- Revised the full-year forecast **upward**
  by ¥100.0 billion for income before tax excl. financial expenses, and
  by ¥75.0 billion for income attributable to owners of the parent

- Raised the crude oil price assumption *(FY26 4Q US$65/bbl → US$85/bbl)*
  → Negative time-lag impact is expected to narrow

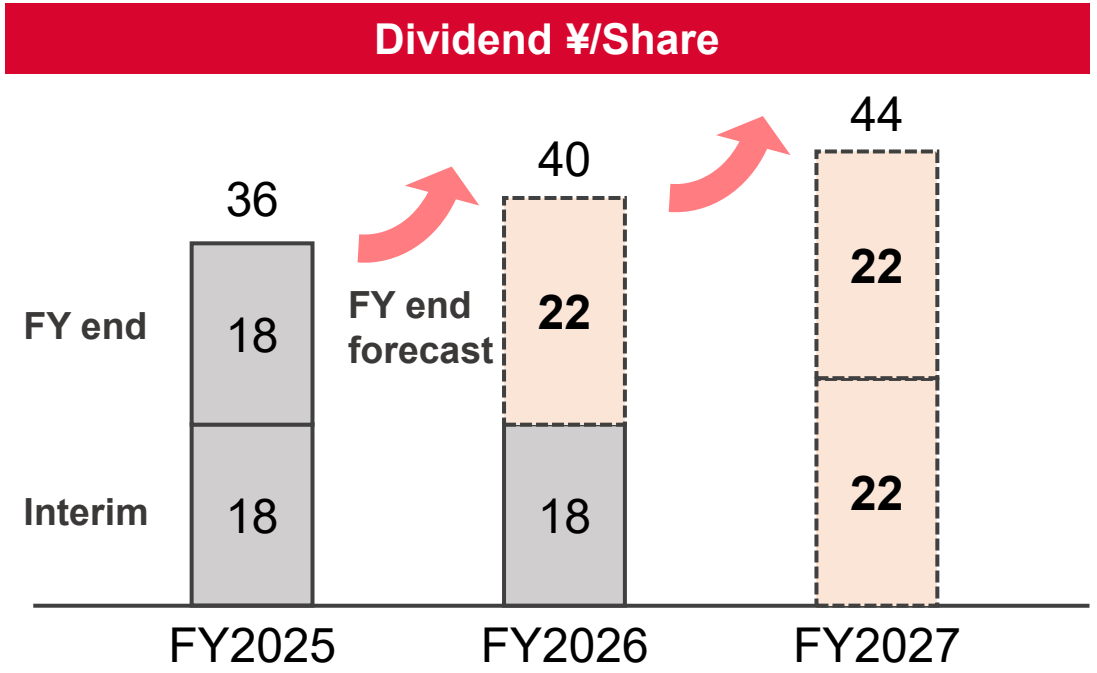
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Shareholder Return Policy

- **Plan to return 50% or more of FY2026 net income excl. inventory impact, in line with the return policy**

Dividends: **Year-end dividend forecast of ¥22/share (¥4 increase).**
Progressive dividends with an annual floor of ¥44/share from FY2027 onward

Share buyback*: Amount and timing to be determined from 3Q onward
*¥25.0 billion buyback announced in May is scheduled to commence on November 12



- FY2026: Increase the year-end dividend to ¥22/share
- FY2027 onward: Progressive dividends with a floor of ¥22/share for both interim and year-end dividends

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Progress in the Medium-term Management Plan

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Business Strategy Policy

- Achieve sustainable growth through the three themes (GRIT, GROWTH, and CNX) and contribute to the resolution of social challenges

Social challenges

Ensuring energy security

Pursuing an optimal balance of S+3E*1

Balancing the low-carbon / decarbonization of energy and economic development (GX)

Rising demand for energy and materials in overseas growth markets, and increasingly complex supply chains

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Diversifying energy and materials needs driven by electrification / ICT

Business strategy for enhancing corporate value

GRIT*2
Exploiting existing businesses

By persistently strengthening the foundation of our existing businesses, we will work to maintain a stable supply of energy and materials while maximizing earnings and improving capital efficiency

GROWTH
Creating growth businesses

To achieve sustainable growth, we will leverage our strengths and create new businesses in growing markets, including electrification / ICT and overseas

CNX*3
Staging up low-carbon / decarbonization businesses

To achieve CN and contribute to mid- to long-term energy security, we will address economic and technological challenges and commercialize low-carbon / decarbonization solutions

Petroleum	Basic chemicals	Functional materials	Power / renewable energy	Resources

*1 Japan's basic energy policy principle, which aims to achieve energy security, economic efficiency, and environmental sustainability, while ensuring safety as an absolute prerequisite
*2 The power of perseverance garnered through Guts, Resilience, Initiative, and Tenacity
*3 Carbon Neutral Transformation

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GRIT: Exploiting Existing Businesses

- Persistently strengthen the value chain of existing businesses to achieve both “stable supply” and “high capital efficiency”



Supply stabilization / efficiency improvements

- Ensure stable supply through broadening energy sources [Petroleum]
- Reduce costs through AI-based vessel scheduling and leveled deliveries [Petroleum] [Basic Chemicals]
- Ensure stable supply by maintaining refining capacity [Petroleum]
- Ensure safe and stable operations at refineries and complexes [Petroleum] [Basic Chemicals]
- Maintain stable operations at oil and gas fields and mines, and improve production efficiency [Resources]
- Stabilize logistics by securing transport personnel, vessels, and vehicles [Common]

Sales expansion

- Maintain dealers and SS networks [Petroleum]
- Optimize pricing in line with market conditions [Petroleum]
- Sales of lubricants for industrial and internal combustion engines [Functional materials]
- Comprehensive energy sales through each business’s customer base [Petroleum] [Power / renewable energy] [Resources]

Business integration / reorganization

- Create integration synergies with Fuji Oil (reduce common costs, optimize procurement and sales) [Petroleum]
- Optimize production capacity by consolidating ethylene units [Basic Chemicals]
- Strengthen Prime Polymer’s competitiveness through integration of the polyolefin business [Basic Chemicals]
- Create integration synergies between SDS Biotech and AGRO KANESHO (strengthen sales capabilities in Japan and overseas) [Functional materials]

Structural reforms for underperforming businesses

- Improve profitability and capital efficiency, and make withdrawal decisions [Petroleum] [Basic Chemicals] [Power / renewable energy]

Profit before tax (FY2030)

+¥70 bn

+¥40 bn

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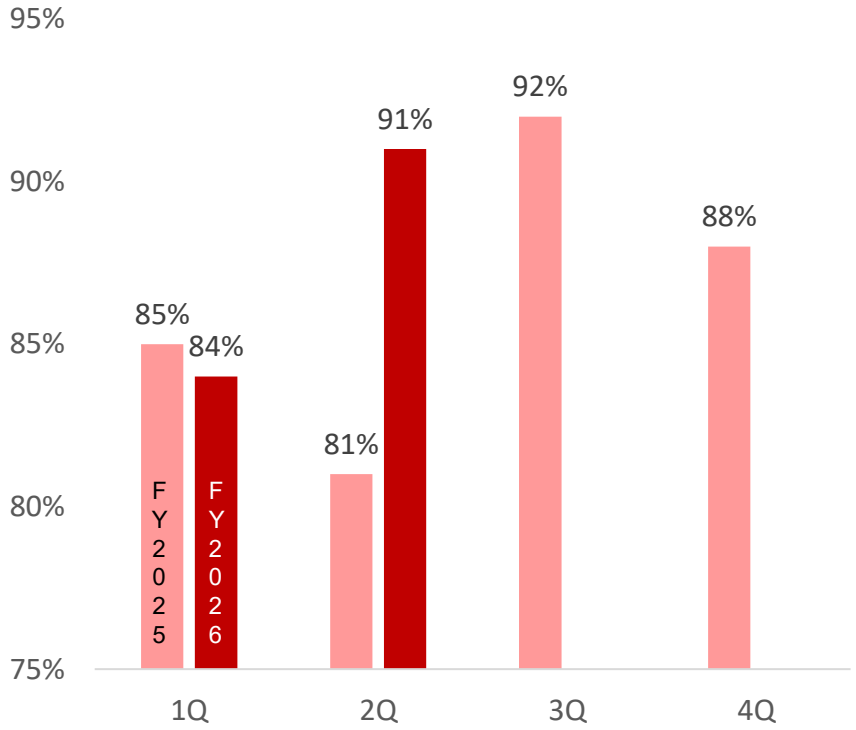
Progress on efforts to ensure Safe and Stable Operations at Refineries, Complexes, and Refining Companies 1/2

- Aim to stably achieve utilization rates* of 90% or higher through measures that accelerate and advance existing initiatives

Utilization Rates (BSD Basis)

(6 Refineries and Complexes, including Fuji Oil)

- Procurement of crude oil from outside the Middle East progressing smoothly
- Utilization rate remained at 91% in FY2026 2Q despite some troubles



*: Utilization rates excluding scheduled turnarounds (BSD basis)

Accelerated and Advanced Measures for Safe, Stable Operations

- The project to improve utilization rates is progressing as planned
- Overview of measures shown on next slide

Ongoing initiatives

Safety management	Operations management	Facility management
Strengthen on-site implementation of process safety management	Enhance / advance human capital development by strengthening education and training	Improve reliability by reviewing damage factors and critical facilities

By FY2030

Target **90% or higher**

Acceleration and advancement measures

Promote the use of digital technology	Advance / improve efficiency of operations through in-house developed maintenance work support system and AI agents
Investments to improve utilization rates	Invest to prevent troubles and minimize opportunity losses in the event of an outage, and strengthen partnerships with partner companies to ensure reliable maintenance execution
Strengthen on-site capabilities	Establish staffing structures to enhance risk awareness and expand development opportunities, and create an environment that promotes skills transfer
Vertical / horizontal collaboration between the Head office and on-site	Drive the rollout of best practices on-site through the Head office team

FY2023–2025

3-year average utilization rates* **86%**

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Progress on efforts to ensure Safe and Stable Operations at Refineries, Complexes, and Refining Companies 2/2

Background of Issues

Previous Safe, stable operations through experienced employees' high on-site skills, while strengthening facility and operation management systems

Changes Declining labor force, more severe weather disasters, aging facilities, and other changes.
At the Company, generational change and new businesses are reducing experienced on-site staff

Approach to Reducing Troubles

Facilities less prone to troubles → Prevent troubles → Detect signs of troubles → Respond appropriately when troubles occur → + Minimize impact of troubles

Current Issues

- Equipment and operation management depends on individuals
- Lower awareness due to fewer experienced employees
- Reduced responsiveness due to fewer experienced employees
- Limited equipment redundancy turns troubles into lost opportunities

Acceleration / advancement measures

Visualize on-site capabilities (quality and quantity) and advance management



Strengthen on-site capabilities

Standardize and advance equipment and operation management
- Build a system to shorten renewal cycles
- Advance performance management

Strengthen on-site capabilities by developing younger personnel, etc.
- Simulation-based operation training drawing on veterans' expertise
- Assign dedicated veteran instructors, etc.



Promote digital technology

Support and visualize "implementation of measures" through DX/AI



Vertical & horizontal HQ–site collaboration

Project structure with a dedicated team monitoring the "implementation" and "effectiveness" of measures through PDCA/OODA[1)]



Capex to raise uptime

Capital investment to reduce opportunity losses from troubles

Ongoing initiatives

- Equipment response based on case analysis
- Review damage factors / Review critical facilities
- Deepen HR development through stronger training
  - Utilize training plants and operation simulators, etc.
- Strengthen on-site implementation of process safety management

1.OODA: A four-step framework (Observe, Orient, Decide, Act). Unlike PDCA, it emphasizes rapid decisions and flexible action in response to changing circumstances rather than advance planning.

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(Reference)
Examples of Strengthening On-site Capabilities in Operation Management

■ **Background:** Fewer skilled on-site staff, reduced awareness and responsiveness, and uneven understanding of operations

Man
Organization & training

Media
Operation & monitoring

Machine
Equipment inspection

Management
Control

Visualizing On-site Skills (Quality/Quantity)

Image

Shift teams (crews)

Board / Field		Unit A	B	C	D	E	F
Shutdown/ start-up	Expert	■	■	□	■	□	□
	Basic	■	■	□	■	■	■
Routine ops	Expert	■	■	■	■	□	■
	Basic	■	■	■	■	■	■



■ Met □ Gap

Skill levels (illustrative)
Basic: Has unit knowledge/skills; operates per procedures
Expert: Judges situations and responds flexibly

✓ **Define skills/proficiency for safe, stable operations**
✓ **Set section/team targets and visualize current gaps**

Select and implement measures to close gaps

Improving quality	• Simulation training based on veterans' expertise • Dedicated veteran instructors
Improving quantity	• Optimizing staffing levels

Simulation Training Based on Veterans' Expertise

	Preparation	Simulation training	Operation
Jr.	Pre-study procedures	Trainee-centered Q&A; trainees reason out answers • Understand purpose, impacts and risks of operations	Based on simulations, operate using own judgment
Veteran	Know-how built into tools		



✓ **Stronger on-site thinking, risk awareness and response**
✓ **Manuals enhanced and made easier for users to apply**

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Progress in other GROWTH and CNX 1/2

Progress in Solid Electrolytes

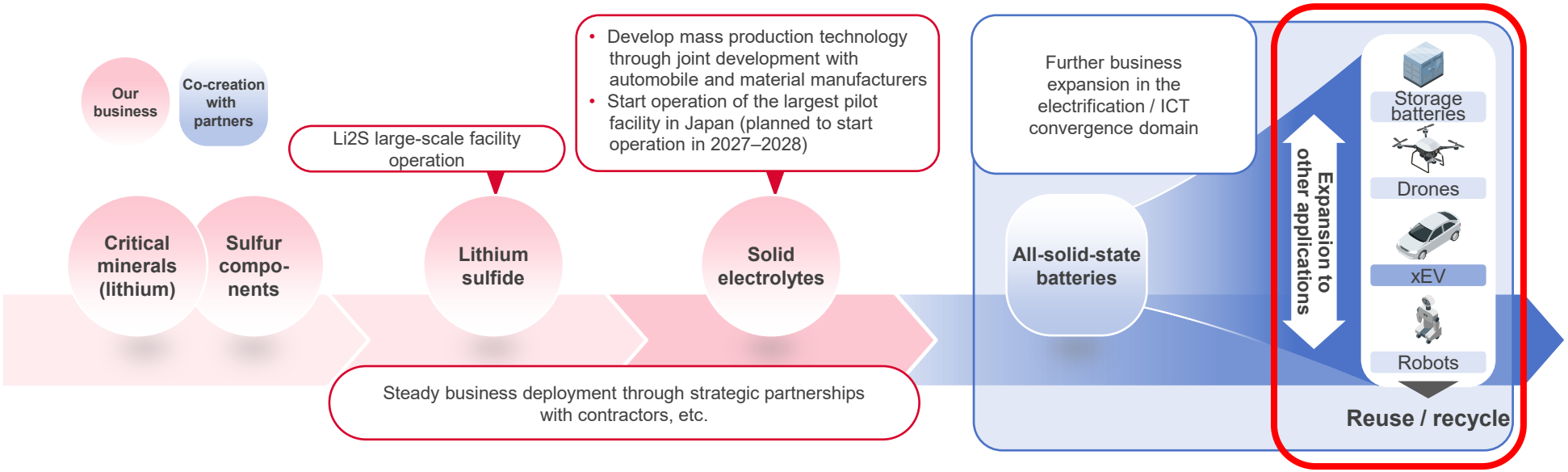
- Construction of the production facility for lithium sulfide (an intermediate raw material) and the large-scale pilot facility for solid electrolytes is progressing smoothly
- Both facilities are in the latter half of construction, with completion scheduled for June 2027 and within 2027, respectively

Automotive

- Developing toward practical application of all-solid-state batteries in 2027–2028

Non-Automotive

- Initiatives in non-automotive areas such as drones and humanoids are also under consideration



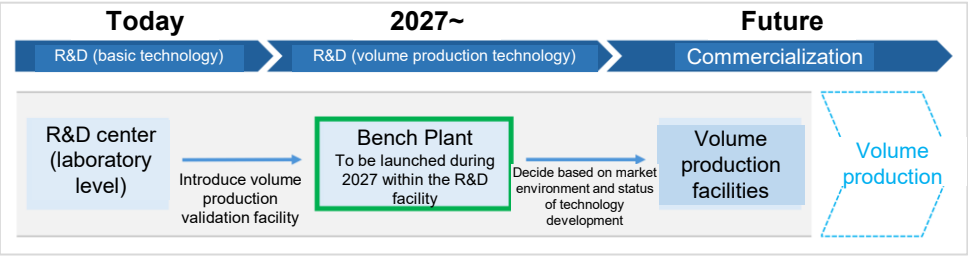
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Progress in other GROWTH and CNX 2/2

■ Established the U.S. lab for space-grade CIGS solar cells, strengthening collaboration with the U.S. market to accelerate commercialization

• Opened a development laboratory at OASIS, an industry collaboration and innovation facility operated by the University of California, Santa Barbara (UCSB)

Rapidly apply market needs from satellite manufacturers and others to prototyping and evaluation, feeding into product and mass-production technology development in Japan for early commercialization



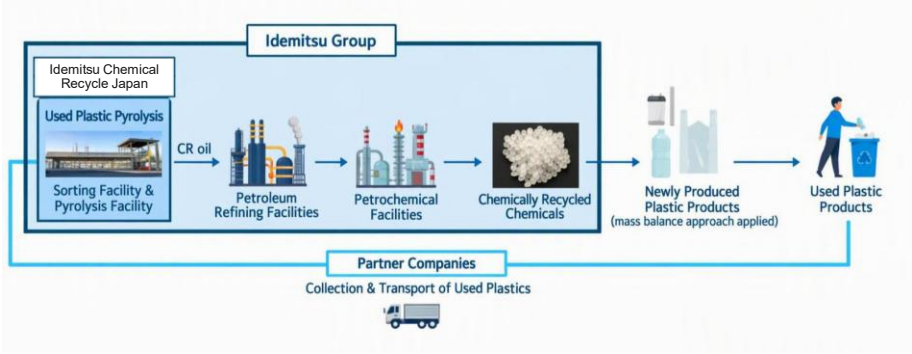
*: CIGS: A compound semiconductor named after the initials of Cu (copper), In (indium), Ga (gallium), and Se (selenium)

Disclosure document available at:
https://www.idemitsu.com/jp/news/2026/260908_en.pdf

■ Established Integrated Production within the Idemitsu Group from Oil Derived from Used Plastics through Naphtha

• Chemical recycling oil (CR oil)* from used plastics, produced by subsidiary Idemitsu Chemical Recycle Japan Co.,Ltd. (ICRJ) at Ichihara Plant, was refined into naphtha at our Chiba Complex

Built an in-Group supply chain from used-plastic procurement to pyrolysis, refining and naphtha production



*: chemical recycling oil, Light crude-equivalent oil produced through the pyrolysis of used plastics.

Disclosure document, Japanese only available at:
https://www.idemitsu.com/jp/news/2026/260928.pdf

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Progress in Underperforming Businesses 1/2

Status of Nghi Son Refinery (NSRP*), Vietnam

- In 2Q FY2026, high utilization continued by securing crude oil mainly from outside the Strait of Hormuz in coordination with Japanese and Vietnamese authorities and sponsors; backed by strong overseas product markets and a positive time lag, **a net profit was recorded.** **A net profit is also expected for the full year**
- The sponsors agreed on measures to reduce the interest burden by converting subordinated loans to simple interest. Expected to apply from FY2026
- With repayment of senior loan principal by NSRP expected, equity-method investment income of approx. ¥17.0 billion is expected in FY2026 (gain on reversal of provisions)

*: Nghi Son Refinery and Petrochemical LLC



Nghi Son Refinery

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Progress in Underperforming Businesses 2/2

Basic Chemicals Business

- Reached an agreement to consolidate the Chiba district ethylene plant into Mitsui Chemicals, Inc. in July 2027
- Reached an agreement to integrate the polyolefin business of Prime Polymer Co., Ltd. *(a joint venture between Idemitsu and Mitsui Chemicals, Inc.)* with Sumitomo Chemical Co., Ltd.'s domestic PP business and LLDPE* business
  Absorption-type company split transferring the target businesses to Prime Polymer is expected to be completed by April 2027

*: Linear Low-Density Polyethylene

Power and Renewable Energy Business

- Restructuring the North American power business

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Results for the 2nd Quarter FY2026

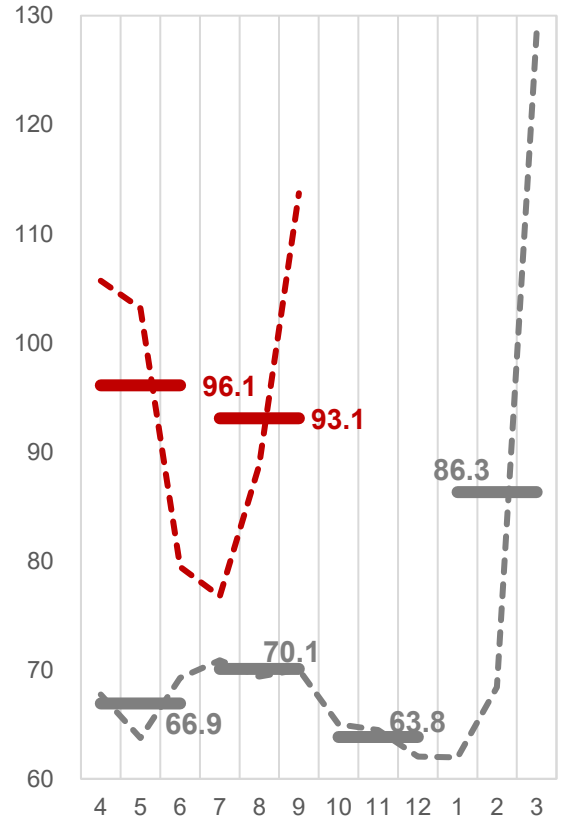
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Market Conditions

FY2026
FY2025

Dubai Crude Oil Price

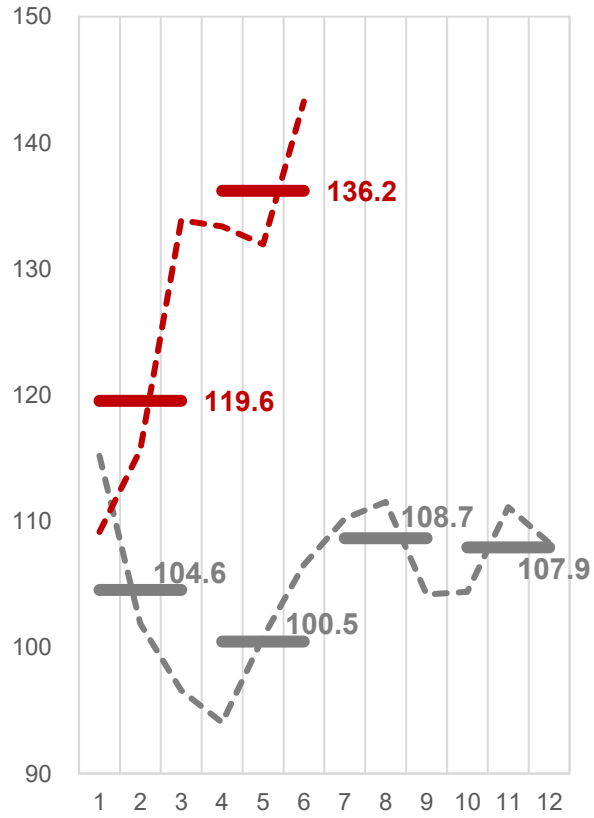
[USD/bbl]



FY2025 average：71.8 USD/bbl
FY2026 the latest forecast：91.8 USD/bbl

Australian Coal Spot Price

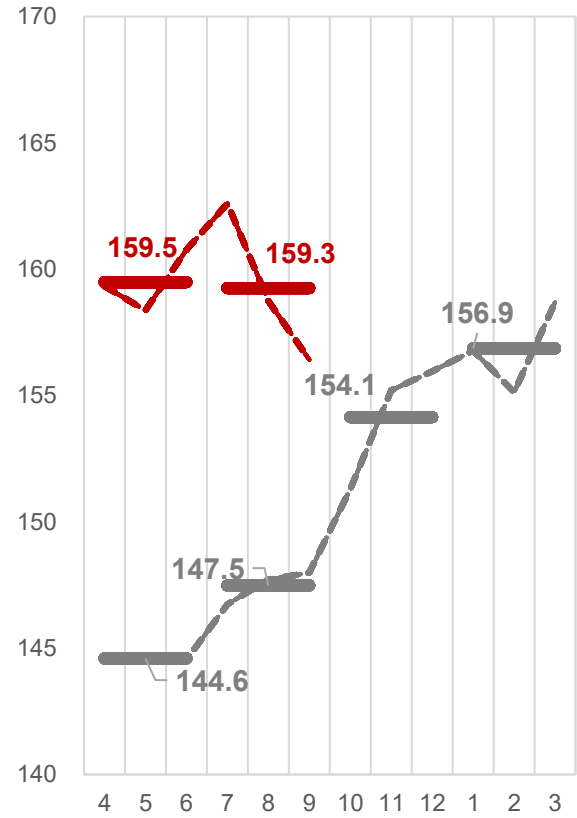
[USD/ton]



FY2025 average：105.4 USD/ton
FY2026 the latest forecast ：131.9 USD/ton

Exchange Rate (USD)

[JPY/USD]



FY2025 average：150.8 JPY/USD
FY2026 the latest forecast ：157.2 JPY/USD

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Overview

Crude Oil/Coal/Exchange Rate

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

	FY2025 2Q	FY2026 2Q	Change	
Crude Oil (Dubai)	68.4	94.6	+26.2	+38.3%
Australian Coal Spot Price*	102.5	127.9	+25.4	+24.7%
Exchange Rate (TTM)	146.0	159.4	+13.3	+9.1%

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

Consolidated Financial Highlights

[¥ billions]

	FY2025 2Q	FY2026 2Q	Change	
Revenue	3,785.4	5,055.9	+1270.5	+33.6%
Operating Income	57.2	425.7	+368.5	+644.6%
Inventory impact	*(57.7)*	*261.1*	*+318.7*	*–*
Income before tax excluding financial expenses*	**67.3**	**459.3**	**+392.0**	**+582.2%**
Excluding inventory impact	***125.0***	***198.2***	***+73.2***	***+58.6%***
Income before tax	73.6	449.9	+376.2	+510.9%
Income attributable to owners of the parent	**61.7**	**322.4**	**+260.7**	**+422.5%**
Excluding inventory impact	***101.7***	***143.6***	***+41.9***	***+41.2%***

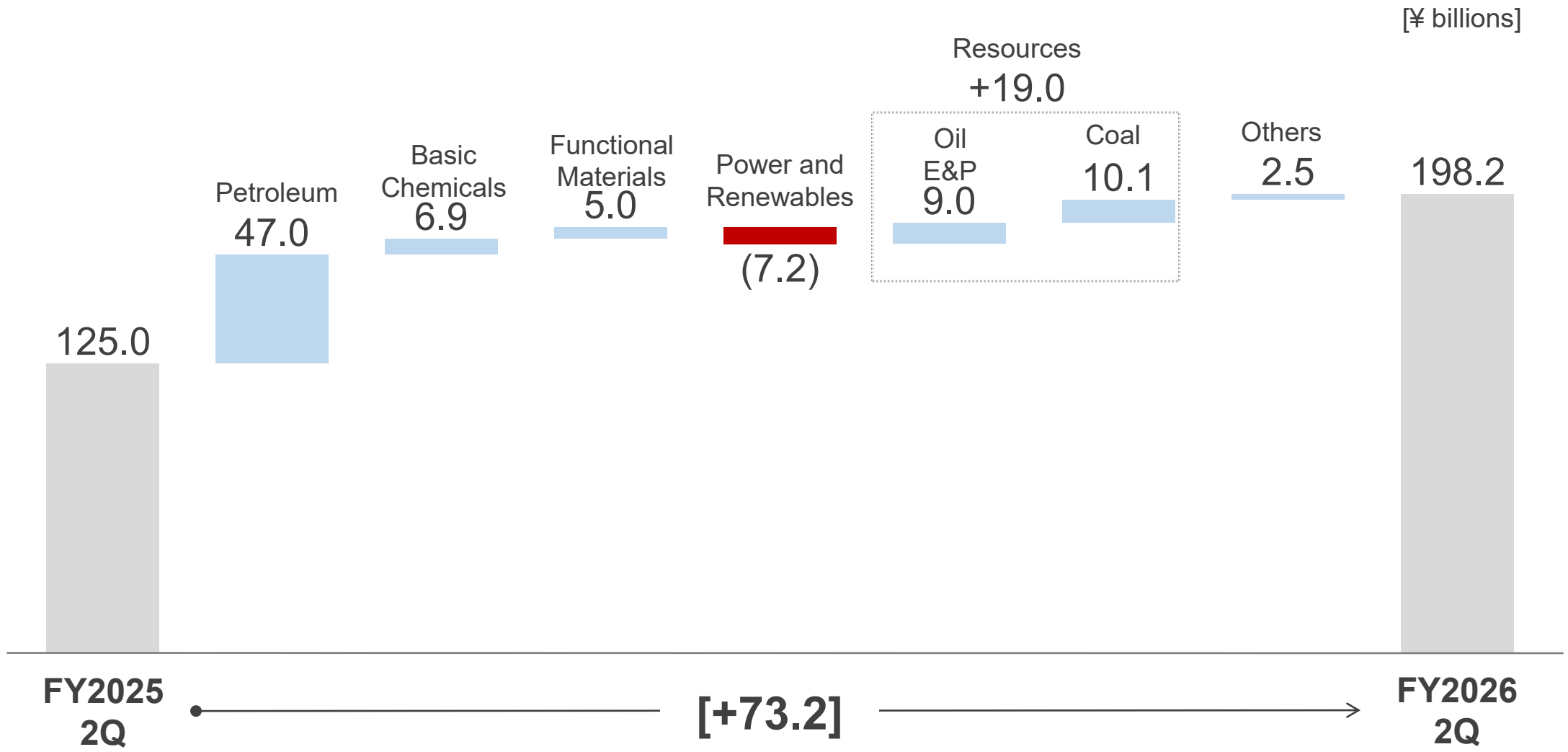
*Income before tax excluding financial expenses: Income before financing and income tax- Interest income- Foreign exchange gains and losses on investments

*Gross average method of inventory valuation
*Inventory impact represents the impact of inventory valuation and the reduction in book value of inventory assets

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Segment Information

- Income before tax excluding financial expenses *(excl. inventory impact, YoY)*



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Segment Information

■ Factors Affecting Income before tax excluding financial expenses *(excl. inventory impact, YoY)*

[¥ billions]

	FY2025 2Q	FY2026 2Q	Change	Factors (excl. inventory impact)
Petroleum	83.4	130.3	+47.0	+ : Time-lag +87.8 [previous year (14.0)→this year +73.8], Trading +36.6, Product exports/imports *(Incl. Overseas Price-Linked Domestic Sales)* +28.0 () : Higher fuel loss costs (35.1), Domestic margin *(Incl. sales time-lag)* (29.5), Others (40.8) [Incl. (30.2) timing differences within FY2026]
Basic Chemicals	(5.5)	1.3	+6.9	+ : Improved aromatics market +8.3 () : Olefins/aromatics volume and others (1.4)
Functional Materials	30.2	35.3	+5.0	+ : Lubricants *(Higher overseas earnings)* Performance Chemicals *(Inventory impact and pricing optimization)*
Power and Renewable Energy	3.7	(3.6)	(7.2)	() : Shutdown maintenance of Toa Oil and power plant outage
Resources*	19.6	38.6	+19.0	
Oil Exploration and Production	*10.3*	*19.2*	*+9.0*	+ : Increased condensate volumes in Vietnam and higher prices
Coal	*9.3*	*19.3*	*+10.1*	+ : Price +11.5, Volume +3.7 () : Exchange rate (3.2), Costs etc.(1.9)
Others/Reconciliation	(6.3)	(3.8)	+2.5	
Total	125.0	198.2	+73.2	

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

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Balance Sheet

[¥ billions]

	3/31/2026	9/30/2026	Change		3/31/2026	9/30/2026	Change
Cash and Deposits	381.8	303.6	(78.3)	Total Current Liabilities	2,685.7	3,401.1	+715.4
Receivables, Inventory,etc.	2,729.7	3,708.3	+978.6	Total Non-current Liabilities	1,094.0	1,095.7	+1.7
Total Current Assets	3,111.5	4,011.9	+900.4	Total Liabilities	3,779.7	4,496.8	+717.2
Property, plant and equipment	1,480.0	1,477.8	(2.3)	Equity attributable to owners of the parent	1,462.6	1,722.4	+259.8
Other Non-current Assets	677.7	761.6	+83.9	Non-controlling Interests	27.0	32.1	+5.1
Total Non-current Assets	2,157.7	2,239.4	+81.6	Total Equity	1,489.6	1,754.4	+264.9
Total Assets	5,269.2	6,251.3	+982.1	Total Liabilities and Equity	5,269.2	6,251.3	+982.1

Net D/E ratio	1.03	1.21	+0.18
Net Interest-bearing debt	1,505.6	2,086.8	+581.2
Equity ratio	27.8%	27.6%	(0.2%)

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Cash Flows

[¥ billions]

Cash Flows from Operating Activities	**(339.4)**
Operating Income	425.7
Depreciation and Amortization	111.7
Change in Working Capital	(646.3)
Other	(230.4)
Cash Flows from Investing Activities	**(121.0)**
Purchase of PP&E and Intangibles	(169.4)
Other	48.4
Cash Flows from Financing Activities	**397.1**
Change in Borrowings	467.0
Dividends Paid and Share Buybacks	(51.7)
Other	(18.1)
FX Effect on Cash and Cash Equivalents	(14.9)
Net Change in Cash and Cash Equivalents	(78.3)
Cash and Cash Equivalents at End of Period	**303.6**

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Forecasts for FY2026

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Forecasts for FY2026

Crude Oil/Coal/Exchange Rate

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

	May 12 Forecast	Revised Forecast	Change		November Onward
Crude Oil (Dubai)	81.3	91.8	+10.6	+12.9%	85.0
Australian Coal Spot Price*	126.1	131.9	+5.8	+4.6%	136.0
Exchange Rate (TTM)	151.3	157.2	+5.9	+3.9%	155.0

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

Consolidated Financial Highlights

[¥ billions]

	May 12 Forecast	Revised Forecast	Change	
Income before tax excluding financial expenses*	**120.0**	**425.0**	**+305.0**	**+254.2%**
Excluding inventory impact	***140.0***	***240.0***	***+100.0***	***+71.4%***
Income attributable to owners of the parent	**75.0**	**295.0**	**+220.0**	**+293.3%**
Excluding inventory impact	***90.0***	***165.0***	***+75.0***	***+83.3%***

*Income before tax excluding financial expenses: Income before financing and income tax- Interest income- Foreign exchange gains and losses on investments

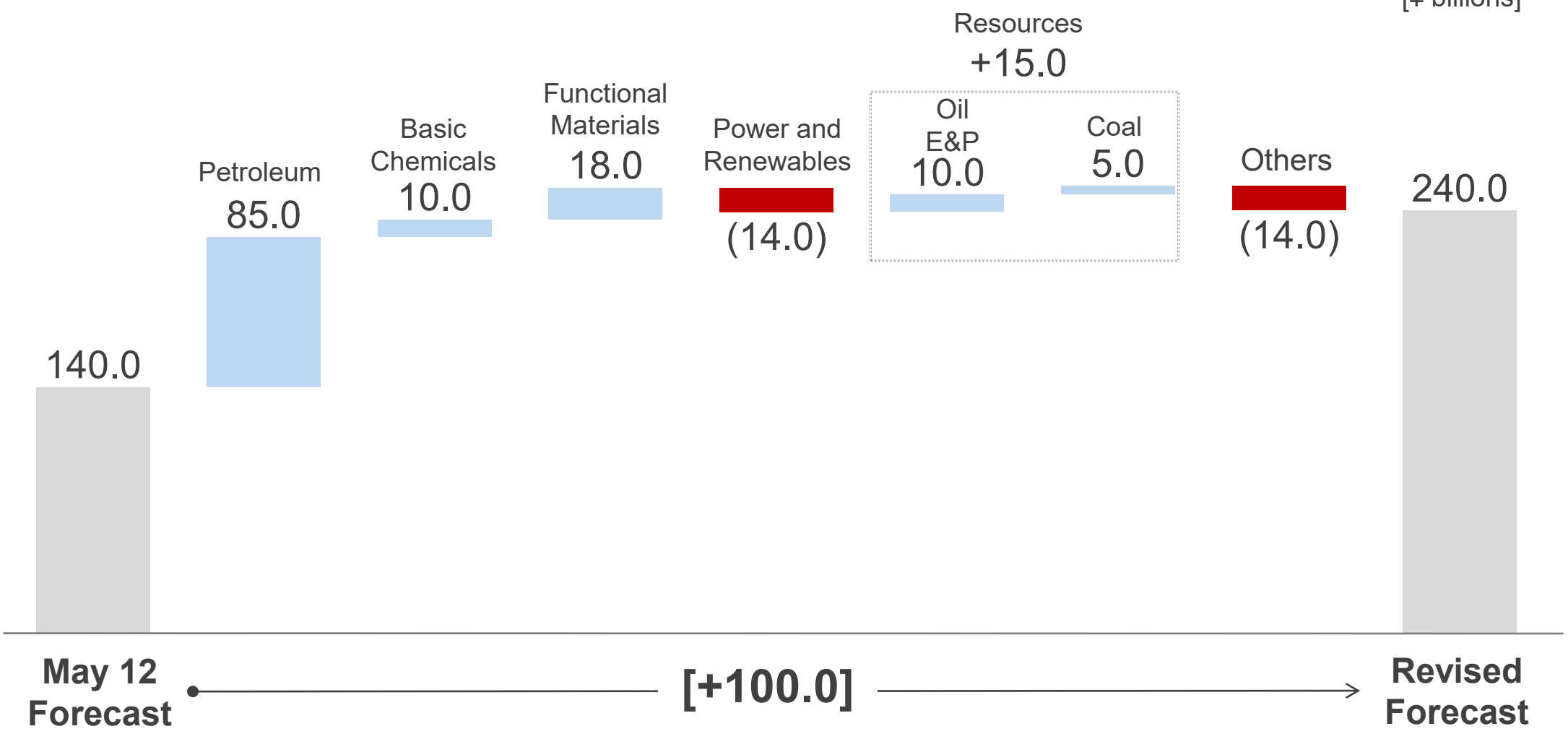
*Gross average method of inventory valuation
*Inventory impact represents the impact of inventory valuation and the reduction in book value of inventory assets

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Segment Information

- Income before tax excluding financial expenses *(excl. inventory impact, compared to forecast announced in May)*

[¥ billions]



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Segment Information

■ Factors Affecting Income before tax excluding financial expenses *(excl. inventory impact)*

[¥ billions]

	May 12 Forecast	Revised Forecast	Change	Factors (excl. inventory impact)
Petroleum	105.0	190.0	+85.0	+ : Time-lag +69.0, Product exports/imports +37.0, Trading +30.0, NSRP*1 +17.0 () : Higher fuel loss costs, etc. (60.0), Domestic margin *(Incl. sales time-lag)* (8.0)
Basic Chemicals	(30.0)	(20.0)	+10.0	+ : Improved aromatics market, Time-lag
Functional Materials	32.0	50.0	+18.0	+ : Performance Chemicals *(Pricing optimization)* Lubricants *(Higher overseas earnings)*
Power and Renewable Energy	4.0	(10.0)	(14.0)	() : Shutdown maintenance of Toa Oil and power plant outage
Resources*2	45.0	60.0	+15.0	
Oil Exploration and Production	*16.0*	*26.0*	*+10.0*	+ : Increased condensate volumes in Vietnam and higher prices
Coal	*29.0*	*34.0*	*+5.0*	+ : Higher coal market prices
Others/Reconciliation	(16.0)	(40.0)	(14.0)	() : One-time costs related to business restructuring
Total	140.0	240.0	+100.0	

*1 Nghi Son Refinery and Petrochemical LLC
*2 Fiscal year for IIN in Oil E&P and IA in Coal included in the Resources Segment end in Dec.

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Sensitivity

- Major Items Affecting Income before Tax by Changes in Assumptions
- Impact of the fluctuation is **+¥29.0 billions excl. inventory impact** and **+¥121.0 billions incl. inventory impact** in the situation of rising Crude oil price by +10$/bbl and changing exchange rate by +5¥/$
  (The opposite movement would have an equal negative impact)

[¥ billions]

	Assumption Items	Assumption	Range of fluctuation	Segment	Income before tax impact (¥ billions)
Excluding inventory impact	Crude Oil Price (Time-lag)	4Q:85$/bbl	+10$/bbl	Petroleum	+34.0
	Crude Oil Price (excl. Time-lag)	2H:85$/bbl	+10$/bbl		(10.0)
	Exchange rate (Time-lag)	4Q:155¥/$	+5¥/$		+8.0
	Exchange rate (excl. Time-lag)	2H:155¥/$	+5¥/$		(3.0)
					+29.0
Inventory impact	Crude Oil Price	4Q:85$/bbl	+10$/bbl	Petroleum	+74.0
	Exchange rate	4Q:155¥/$	+5¥/$		+18.0
					+92.0
Total					+121.0

*Time-lag and inventory impact are affected by assumption in 4Q, therefore the impact is fluctuation of assumption in 4Q
* In the petroleum segment, only performance impacts on products made in domestic refineries are shown. In addition to the above, income will also be affected by sales of overseas affiliates

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Investment Status

- FY2026 investment expenditure forecast is ¥265.0 billion (unchanged from May 12 forecast)
- Approx. ¥150.0 billion spent as of 2Q

[¥ billions]

	May 12 Forecast	Current Forecast	Change
GRIT	127.0	127.0	±0.0
GROWTH / CNX	123.0	123.0	±0.0
Business Platform	15.0	15.0	±0.0
Total	**265.0**	**265.0**	±0.0

*Amounts are on a cash expenditure basis

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Reference

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Progress on efforts to ensure Safe and Stable Operations at Refineries, Complexes, and Refining Companies

2030 Vision

Facility Improvements
Well-managed facilities that are less prone to troubles

People & Work Style Reform
Staffing slack & on-site capabilities
Zero serious operation-caused troubles

Evolving Digital & AI Use
Enhance execution and monitoring of measures with on-site data and AI

~FY2030
Utilization rates target excl. SDM
90%～

Now

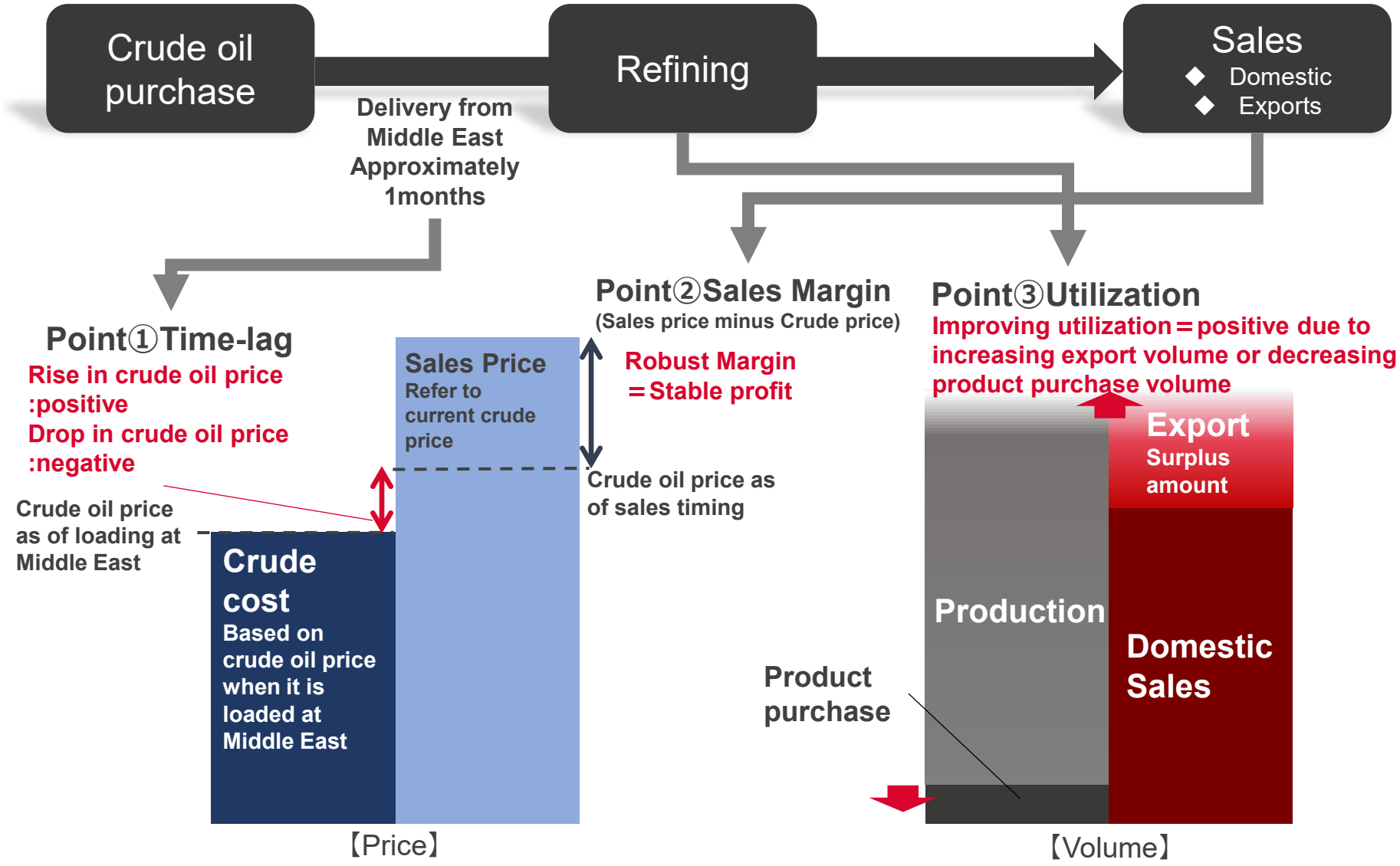
Environmental changes (declining workforce, climate change, geopolitical risks, etc.)

	FY2025 initiatives	FY2026	FY2027	FY2028	FY2029	FY2030
Strengthening on-site capabilities	Identify issues and develop concrete measures	Introduce company-wide measures				
		Model site trial	Full rollout at model sites and expansion to other sites			
Investments to improve utilization rates		Draft and select capital investment projects	Execute investments in line with scheduled maintenance (SDM)			
Promote the use of digital technology	(Initial issue review)	Define measure	Develop & introduce pilot measures	Phased development and implementation		
Vertical / horizontal collaboration between Head office and on-site	Launch of the “Utilization Improvement Project”	Design monitoring to see measures through	Monitor completion of measures and PDCA/OODA			

Build a resilient manufacturing system adaptable to environmental changes

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Points of Petroleum Segments

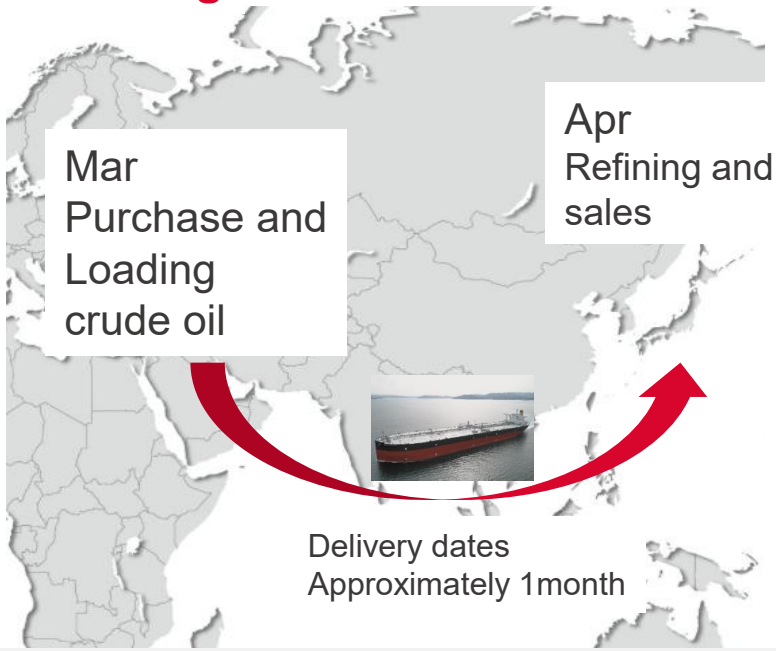


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Structure of Time-lag and Inventory Impact

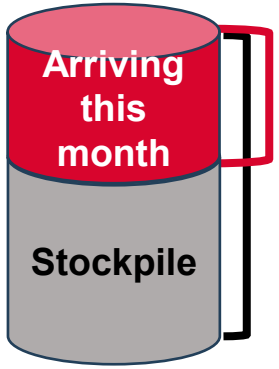
Example) Impact in Apr

Time-lag



Costs：based on crude oil price in Mar
Sales Price：refer to crude oil price in Apr
➡Crude oil price variance between Apr and Mar is time-lag
Rise in crude oil price：**positive impact**
Drop in crude oil price：**negative impact**

Inventory impact



Cost excluding inventory
(*close to actual payment*)

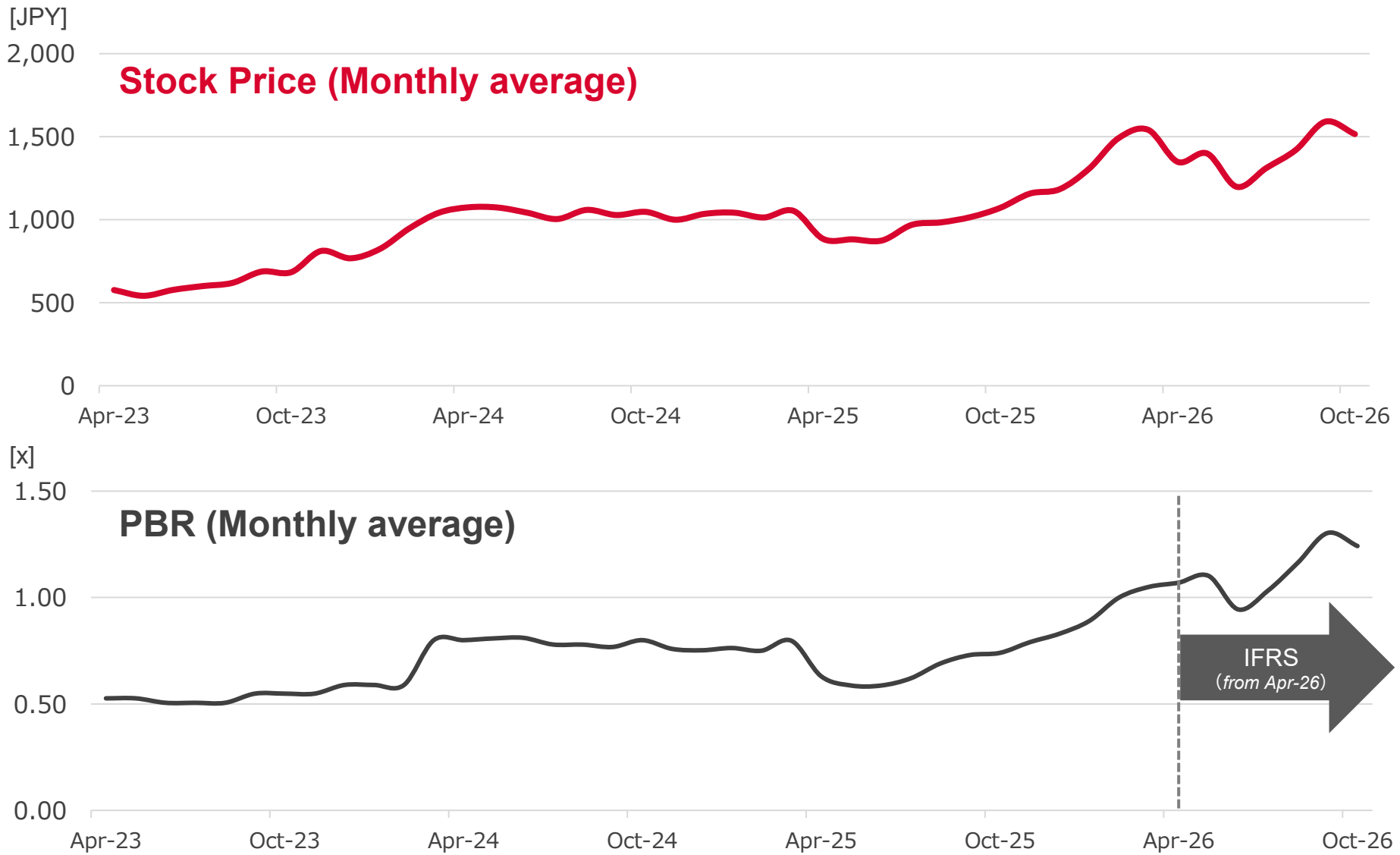
Cost including inventory
(*cost in financial statement*)

70 day's crude oil stockpiling requirement

Cost excluding inventory：crude arriving in Apr
Cost including inventory：crude including stockpile before Mar
➡Variance between cost excluding inventory and cost including inventory is inventory impact
Rise in crude oil price：**positive inventory impact**
Drop in crude oil price：**negative inventory impact**

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Stock Price/PBR Trends (Since April 2023)



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Supplementary Financial Data

Revenue by Segment

[¥ billions]

	FY2025 2Q	FY2026 2Q	Change	
Petroleum	3,133.6	4,214.4	+1,080.7	+34.5%
Basic Chemicals	235.1	330.6	+95.5	+40.6%
Functional Materials	255.8	312.2	+56.3	+22.0%
Power and Renewable Energy	54.3	47.8	(6.6)	(12.1%)
Resources*	96.9	144.2	+47.3	+48.8%
Oil Exploration and Production	*19.8*	*28.4*	*+8.6*	*+43.3%*
Coal	*77.1*	*115.8*	*+38.7*	*+50.2%*
Others/Reconciliation	9.6	6.9	(2.7)	(28.4%)
Total	3,785.4	5,055.9	+1,270.6	+33.6%

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

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Sales Volume 1/2

Petroleum

[thousand KL,%]

	FY2025 2Q	FY2026 2Q	Change	
Gasoline	6,240	5,905	(335)	(5.4%)
Naphtha	438	403	(34)	(7.9%)
Jet Fuel	1,217	1,283	+66	+5.4%
Kerosene	666	747	+81	+12.2%
Diesel Oil	4,838	4,838	+1	+0.0%
Heavy Fuel Oil A	1,253	1,268	+15	+1.2%
Heavy Fuel Oil C	797	769	(28)	(3.5%)
Total Domestic Sales Volume	**15,448**	**15,213**	**(235)**	**(1.5%)**
Exported Volume	2,737	3,528	+791	+28.9%
Total Sales Volume	**18,185**	**18,741**	**+556**	**+3.1%**

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

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Sales Volume 2/2

Basic Chemicals

[kt,%]

	FY2025 2Q	FY2026 2Q	Change	
Basic Chemicals	1,477	1,468	(10)	(0.7%)

Functional Materials

[thousand KL,kt,%]

	FY2025 2Q	FY2026 2Q	Change	
Lubricants	531	535	+4	+0.8%
Performance Chemicals	207	191	(16)	(7.8%)

*Lubricants include overseas licensee sales

Power/Renewable Energy

[Mkwh,%]

	FY2025 2Q	FY2026 2Q	Change	
Retail Power Sales	925	933	+8	+0.9%

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Production Volume

Resources (Oil E&P)

[KBOED,%]

	FY2025 2Q	FY2026 2Q	Change	
Vietnam	13.5	14.6	+1.1	+7.9%
Norway	11.0	13.2	+2.2	+20.1%
Total('000BOED)	24.5	27.8	+3.3	+13.4%
Total('000BOE)	4,462	5,057	+595	+13.3%

*Based on interests held by our E&P subsidiaries, on an equity-share basis

*Jan–Jun volume for Norway; Apr–Sep volume for Vietnam

Resources (Coal)

[kt,%]

	FY2025 2Q	FY2026 2Q	Change	
Coal	2,634	3,265	+631	+24.0%

*Based on our Group's interests (80% until Aug FY2025; 90% from Sep FY2025)
*Jan–Jun volume, as the fiscal year ends in Dec.

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Sales Volume Forecasts 1/2

■ Petroleum

[thousand KL,%]

	May 12 Forecast	Revised Forecast	Change	
Gasoline	11,690	11,610	(80)	(0.7%)
Naphtha	1,170	1,380	+210	+17.9%
Jet Fuel	2,490	2,500	+10	+0.4%
Kerosene	3,370	3,470	+100	+3.0%
Diesel Oil	9,670	9,770	+100	+1.0%
Heavy Fuel Oil A	2,890	2,930	+40	+1.4%
Heavy Fuel Oil C	1,650	1,660	+10	+0.6%
Total Domestic Sales Volume	**32,930**	**33,320**	**+390**	**+1.2%**
Exported Volume	–	9,110	–	–
Total Sales Volume	**–**	**42,420**	**–**	**–**

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Sales Volume Forecasts 2/2

Basic Chemicals

[kt,%]

	May 12 Forecast	Revised Forecast	Change	
Basic Chemicals	3,530	3,180	(350)	(9.9%)

Functional Materials

[thousand KL,kt,%]

	May 12 Forecast	Revised Forecast	Change	
Lubricants	1,090	1,080	(10)	(0.9%)
Performance Chemicals	420	410	(10)	(2.3%)

*Lubricants include overseas licensee sales

Power/Renewable Energy

[Mkwh,%]

	May 12 Forecast	Revised Forecast	Change	
Retail Power Sales	1,890	1,900	+10	+0.5%

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Production Volume Forecasts

Resources (Oil E&P)

[KBOED,%]

	May 12 Forecast	Revised Forecast	Change	
Vietnam	12.1	12.6	+0.5	+4.1%
Norway	12.5	12.8	+0.3	+2.4%
Total('000BOED)	24.6	25.4	+0.8	+3.3%
Total('000BOE)	8,980	9,290	+310	+3.5%

*Based on interests held by our E&P subsidiaries, on an equity-share basis

*Jan–Dec volume for Norway; Apr–Mar volume for Vietnam

Resources (Coal)

[kt,%]

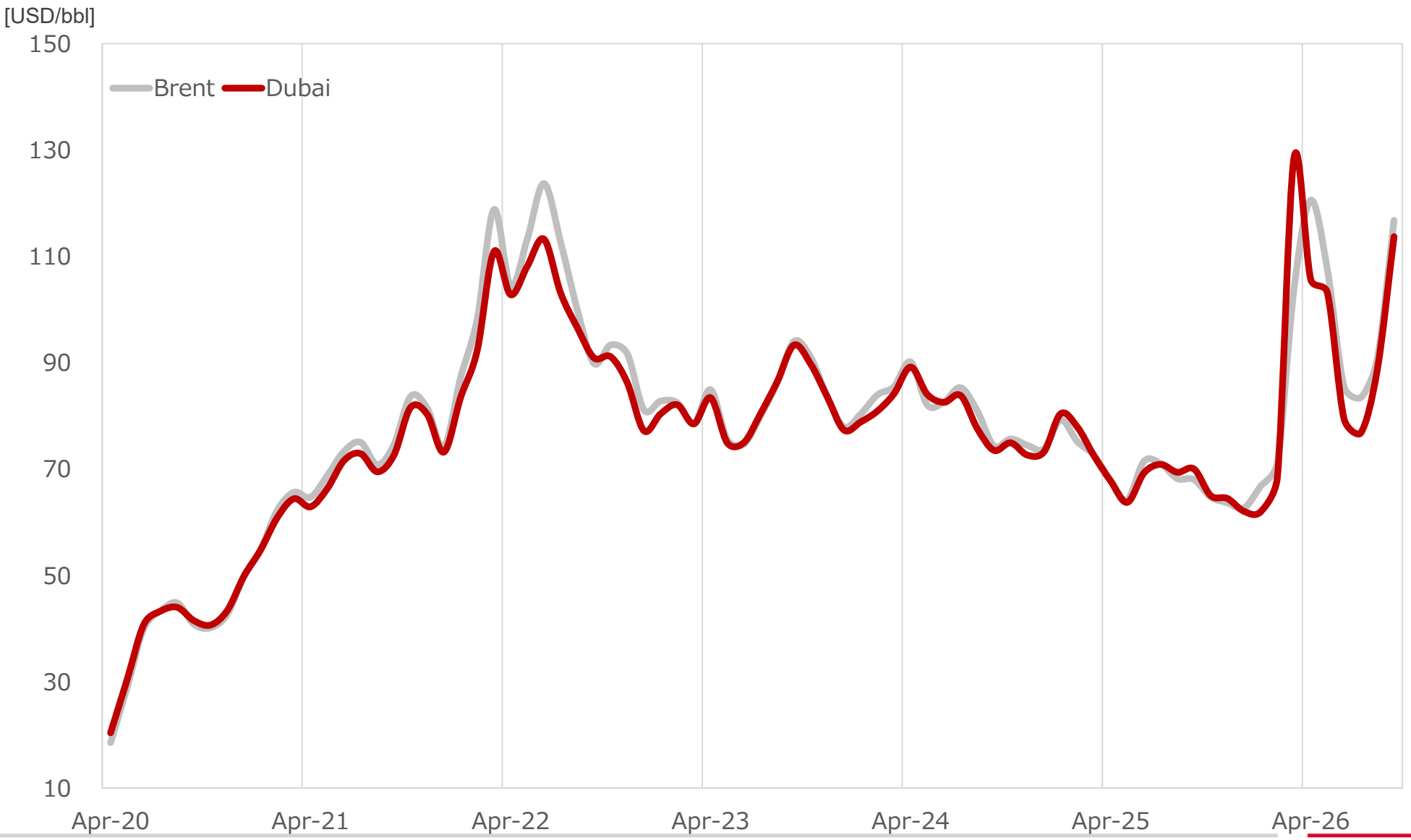
	May 12 Forecast	Revised Forecast	Change	
Coal	6,300	6,300	±0	±0.0%

*Based on our Group's interests (90% from Sep FY2025)

*Jan–Dec volume, as the fiscal year ends in Dec.

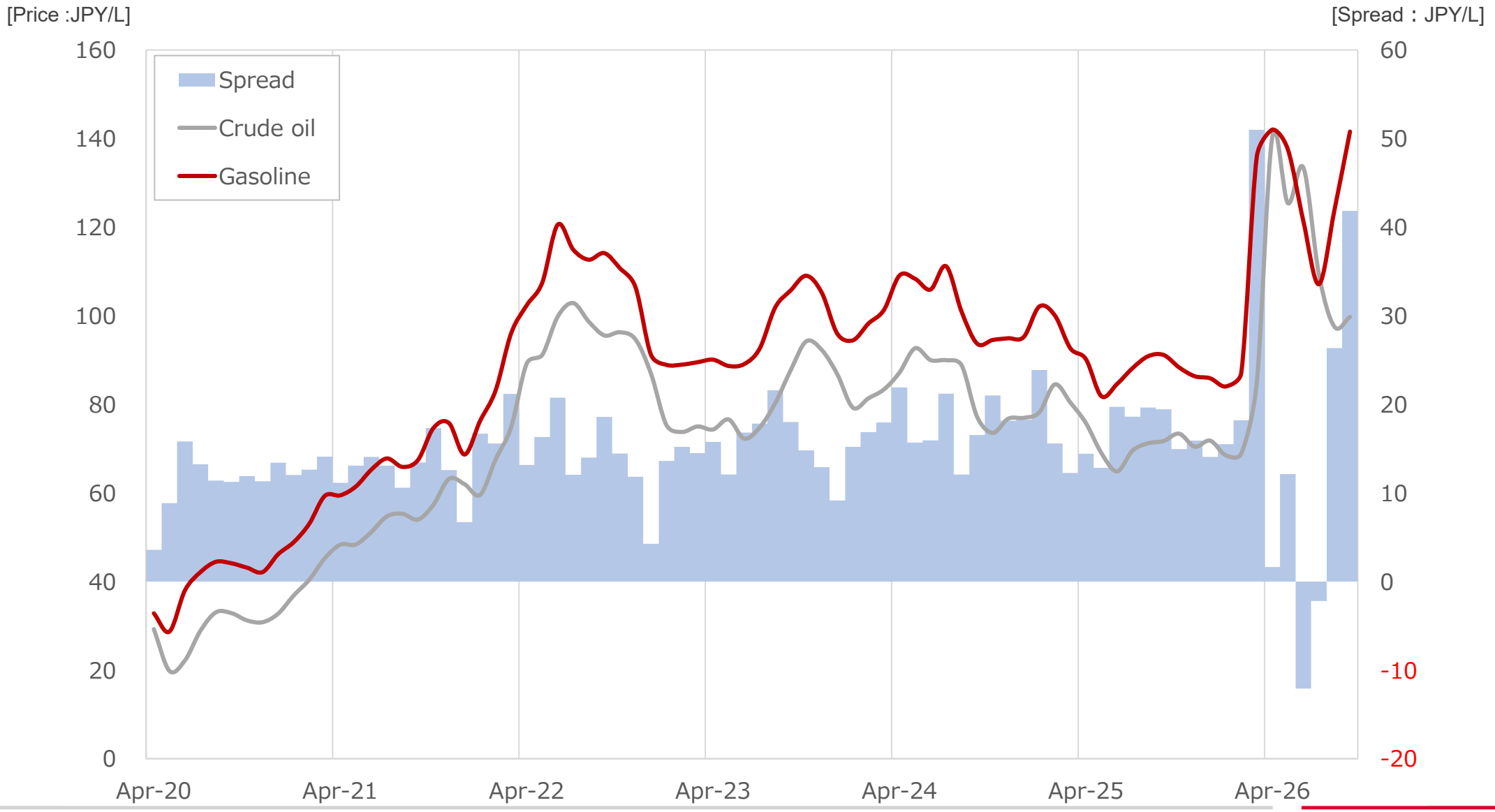
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Crude Oil Prices



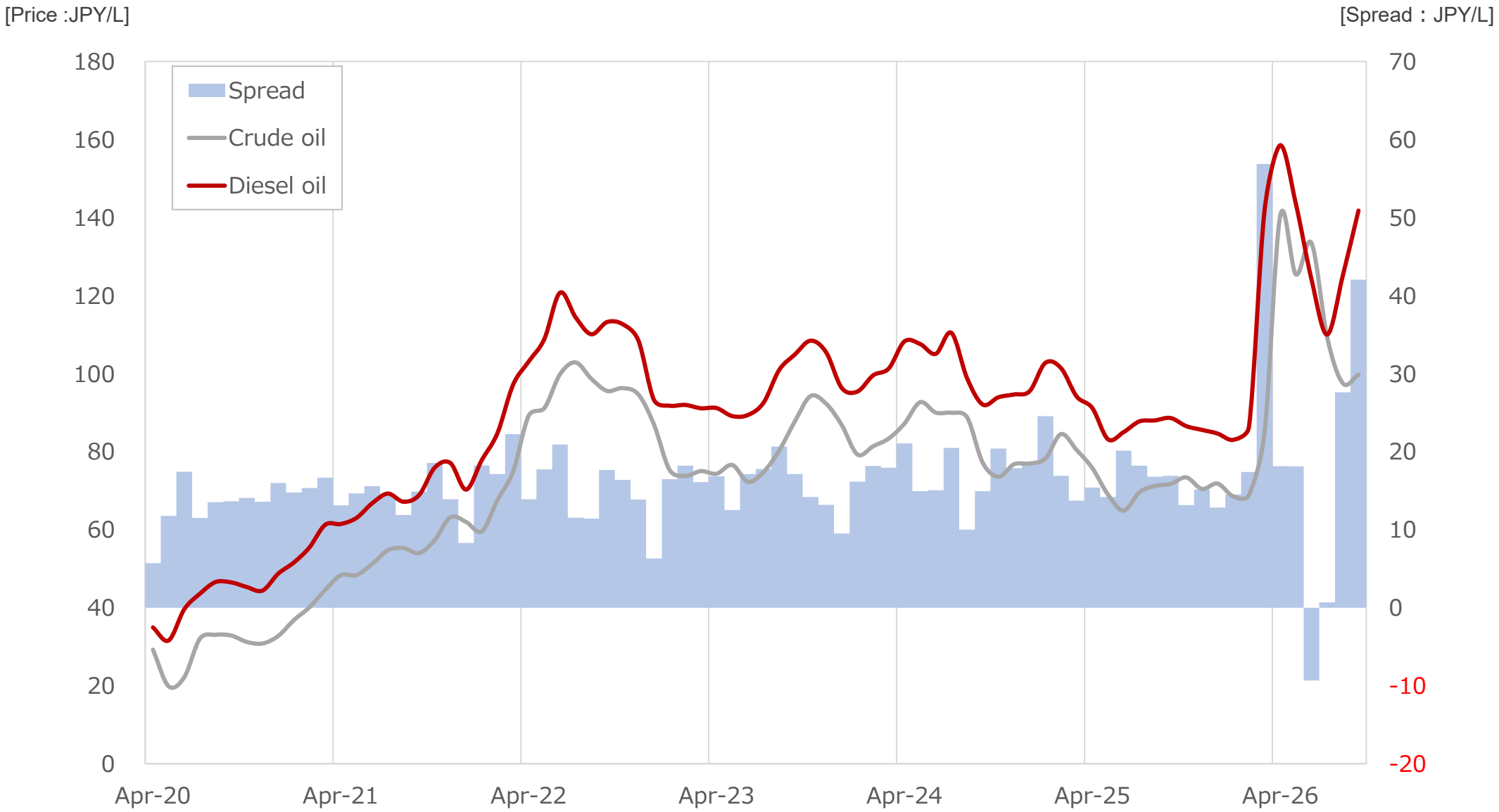
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Gasoline-Crude Oil *(Domestic Spot Price and Spread)*



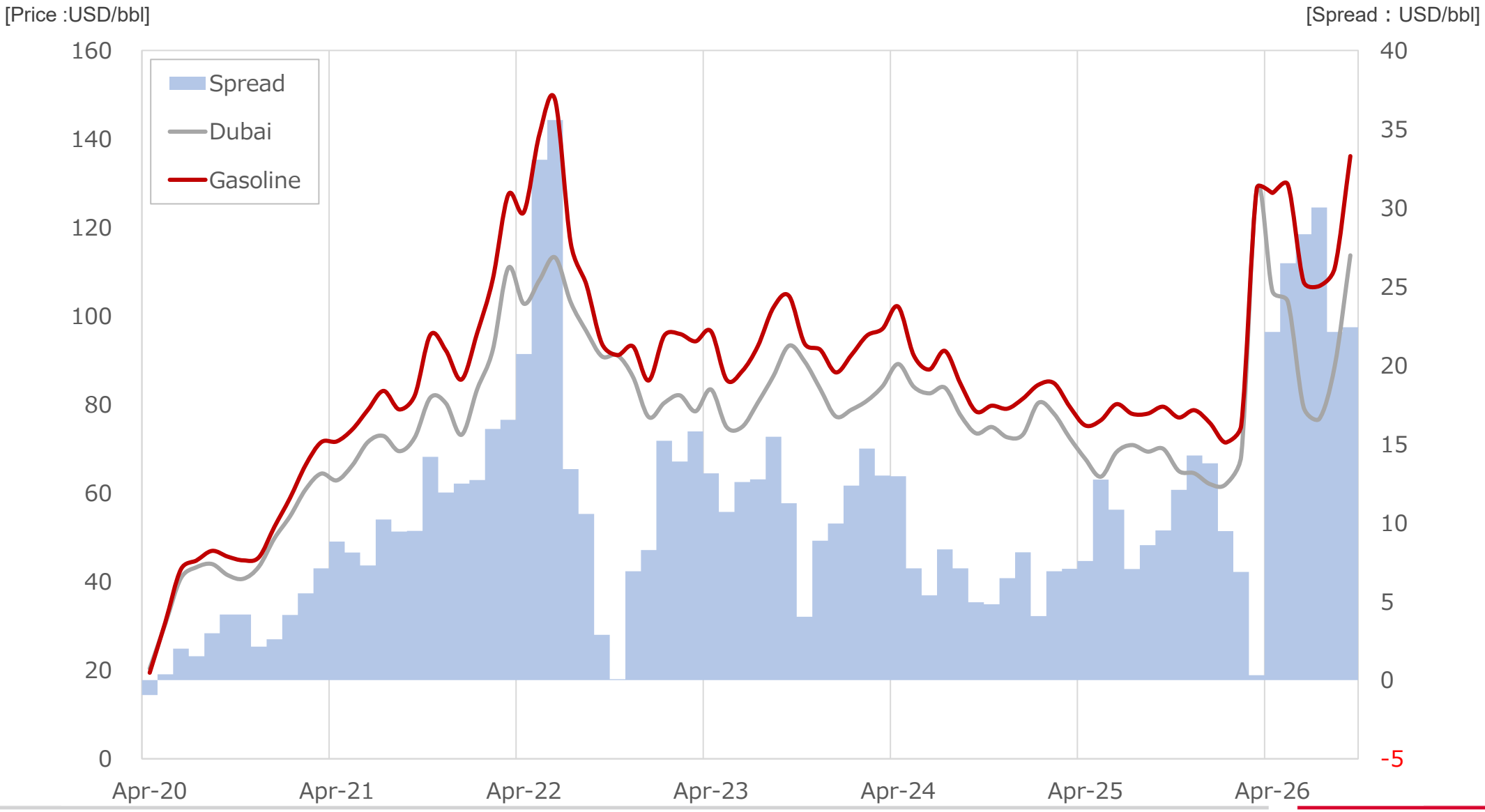
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Diesel-Crude Oil *(Domestic Spot Price and Spread)*



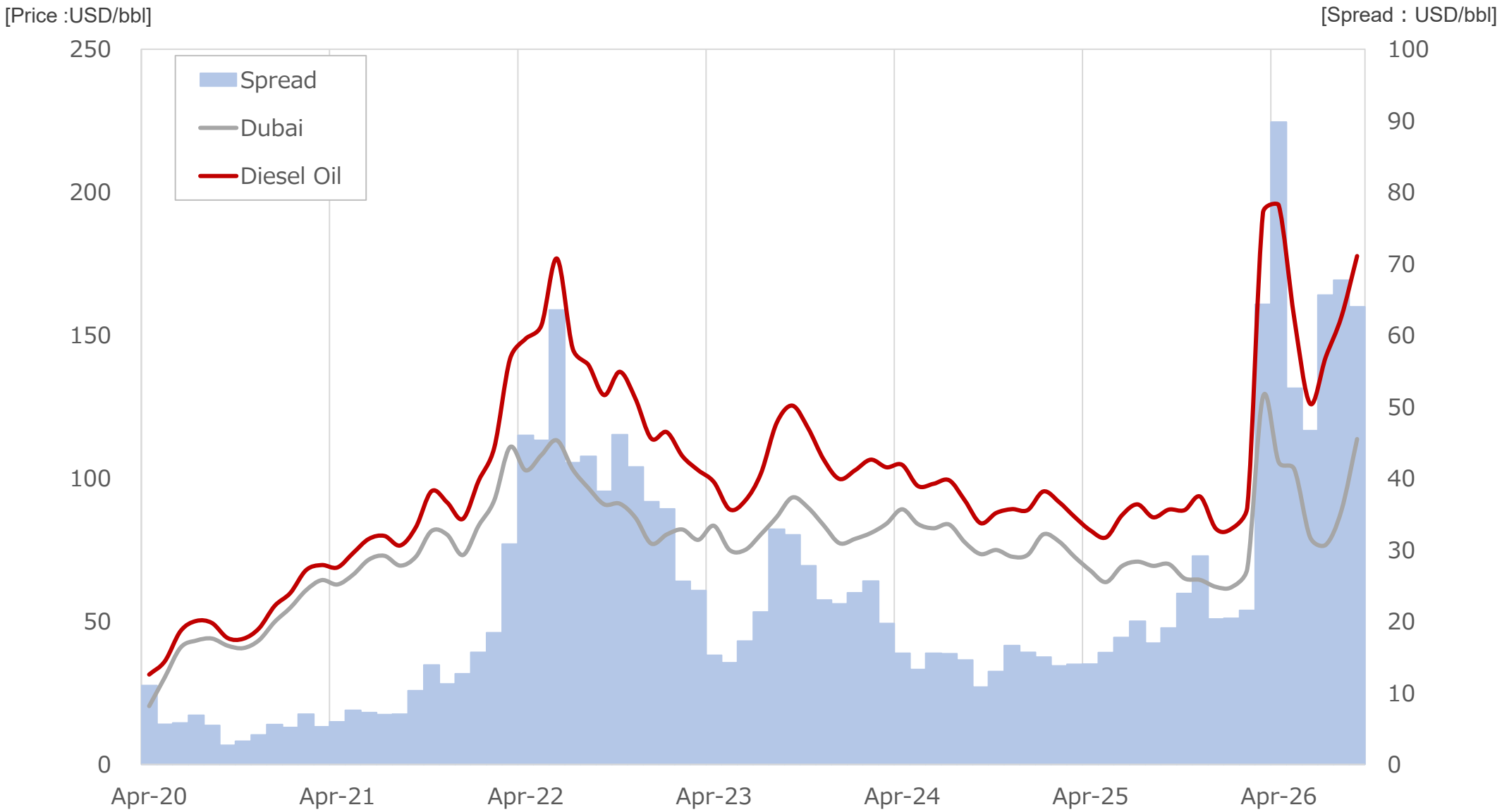
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Gasoline-Crude Oil *(Singapore Spot Price and Spread)*



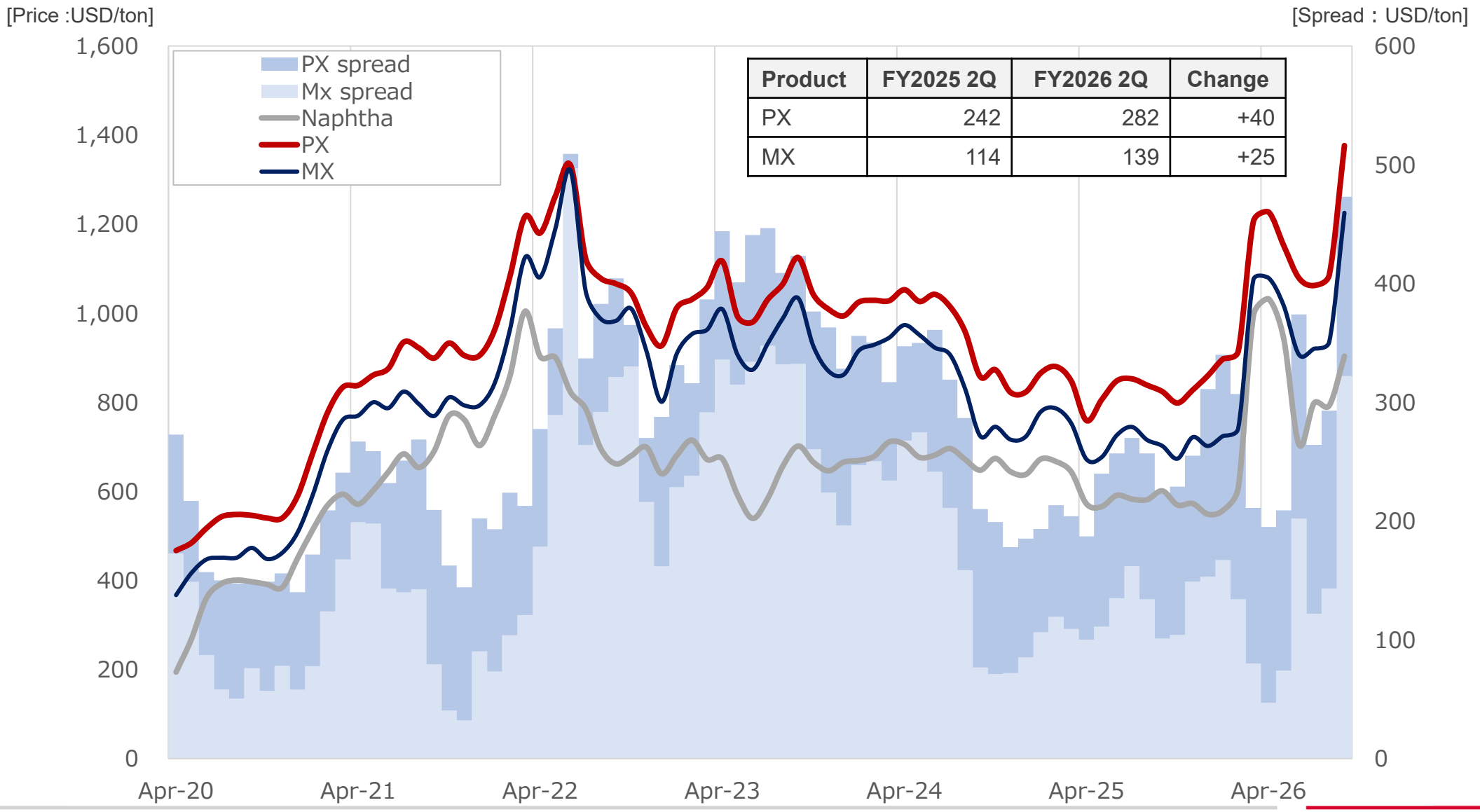
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Diesel-Crude Oil *(Singapore Spot Price and Spread)*



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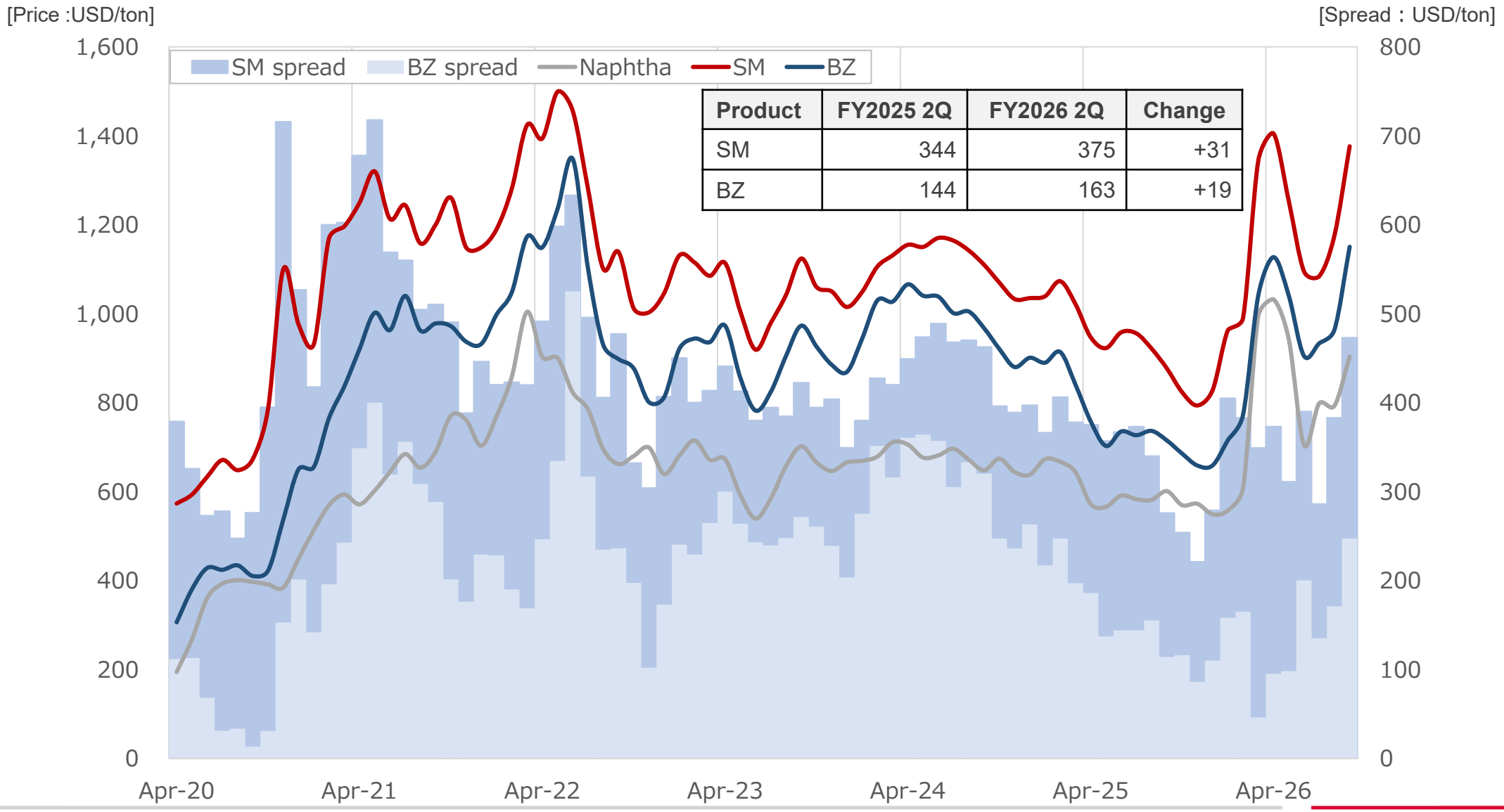
Para-Xylene, Mixed Xylene-Naphtha *(Price and Spread)*



Product	FY2025 2Q	FY2026 2Q	Change
PX	242	282	+40
MX	114	139	+25

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Styrene Monomer, Benzene-Naphtha *(Price and Spread)*



Product	FY2025 2Q	FY2026 2Q	Change
SM	344	375	+31
BZ	144	163	+19

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Operational Data

Refinery Utilization Rates（QoQ）

	FY2025 1Q	FY2025 2Q	FY2025 3Q	FY2025 4Q	FY2026 1Q	FY2026 2Q
BCD*1	71%	71%	82%	87%	72%	81%
BSD*1	85%	81%	92%	88%	84%	91%

*1 BCD : incl. regular maintenances, BSD : excl. regular maintenances

Number of Service Stations

FY2022	FY2023	FY2024	FY2025	FY2026 2Q
6,136	5,986	5,918	5,835	5,735

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Overview of the Company

FY2025, actual or as of Sep 2026

Petroleum Segment

- Refining Capacity **931 KBD** *1)
- Domestic petroleum sales volume **33 million KL/year** *2)
- Number of service stations **5,735**

Basic Chemicals Segment

(Production Capacity *1)

- Ethylene **1 mil tons/year**
- Para-Xylene **0.84 mil tons/year**
- Styrene monomers **0.79 mil tons/year**

Power and Renewable Energy Segment

- Power generation capacity **1.91GW**
  - Renewable energy **0.92GW**

Functional Materials Segment

(Lubricants, Performance Chemicals, Electronic Materials, Agri life, Lithium Solid Electrolytes)

- Lubricants (sales volume):**1.1 mil KL/year**
- Engineering plastics(sales volume):**200,000 tons/year**
- OLED materials(production capacity): **26 tons/year**

Resources Segment

- Crude oil production **25,000 BD**
- Coal production **5.66 mil tons/year**

*1 excluding Nghi Son's capacity, including Fuji Oil's capacity

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

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Petroleum Segment

[KB/D]

Operating Company	Refinery	Refining Capacity	RH	FCC	RFCC	FLG	EUREKA	Equity Ratio
Idemitsu Kosan	**Japan**							
	Hokkaido	140	42		33			
	Chiba	200	40		45			
	Aichi	163	60		50			
Showa Yokkaichi Sekiyu	Yokkaichi	225	48		61			75.0%
Toa Oil	Keihin	60		42		27		100.0%
Fuji Oil	Sodegaura	143		42			33	92.5%
	Domestic Total	**931**	**190**	**84**	**189**	**27**	**33**	
Nghi Son Refinery and Petrochemical LLC	**Overseas**							
	Nghi Son *1 (*Thanh Hoa, Vietnam*)	200	105		80			35.1%
	Overseas Total	**200**	**105**		**80**			

*1：Capacity before equity ratio reflection

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Basic Chemicals Segment

[mil tons/year]

Operating Company	Plant	Major Chemical Production Capacity			Equity Ratio
		Olefins	Aromatics		
		Ethylene	Para-Xylene	Styrene Monomer	
Idemitsu Kosan	**Japan** Chiba	0.374	0.265	0.210	
	Aichi		0.357		
	Tokuyama	0.623	0.214	0.340	
	Total	**0.997**	**0.836**	**0.550**	
Idemitsu Petrochemicals Malaysia Sdn. Bhd.	**Overseas** Pasir Gudang (*Johor, Malaysia*)			0.240	100.0%
Nghi Son Refinery and Petrochemical LLC	Nghi Son (*Thanh Hoa, Vietnam*)		0.700		35.1%
	Total		**0.700**	**0.240**	

*1 Capacity before equity ratio reflection

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Functional Materials Segment 1/2

Lubricants

■ Product categories
- Automotive lubricants (engine oil, etc.)
- Grease
- Industrial lubricants (hydraulic actuation oil, cutting oil, etc.)

■ Global business with a focus on automotive lubricants
- #8 global share
- Over 50% overseas sales

■ R&D centers
- Japan and overseas (US, China, etc.)

【Global lubricant network】



- Manufacturing/sales/R&D network in 28 countries
- Strengthening existing facilities and developing new facilities

Performance Chemicals

■ Product categories
- Engineering plastics, adhesives materials, solvents and functional materials

■ Major products, applications, features
- Engineering plastics

(Product) PC/Polycarbonates
(Applications) smartphones, lenses, automotive lights, etc.
(Features) highest impact resistance among plastics

(Product) SPS/ Syndiotactic Polystyrene resin
(Applications) automotive electronic parts, kitchen appliances, etc.
(Features) lightweight and offers excellent heat resistance, electrical properties,chemical resistance, and hydrolysis resistance



Daytime Running Lamp (DRL)



Automotive parts

- Adhesive materials

(Product) Hydrogenated petroleum resin
(Applications) Tackifier for hot-melt adhesives



Disposable diapers and other hygiene products

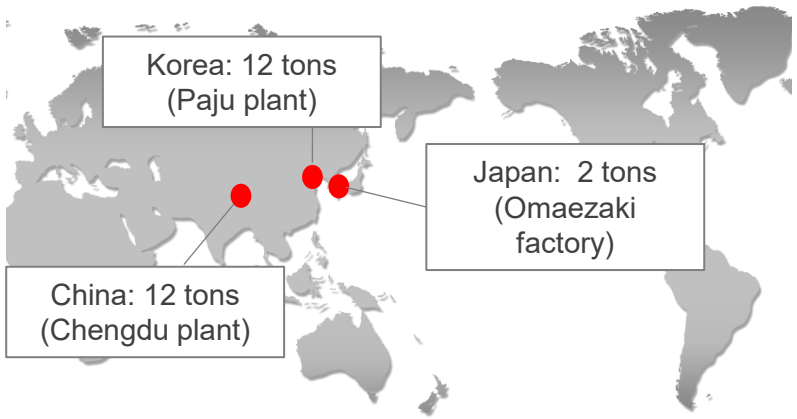
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Functional Materials Segment 2/2

Electronic Materials

■ Product categories
- OLED materials
- Display semiconductor materials etc.

■ OLED manufacturing/customer support



- Establishing factories and customer support centers in Asia and reinforcing relationships with display manufacturers, etc. to further expand the OLED materials business in Asia

- Aiming to develop and commercialize oxidative semiconductor materials which are expected to conserve energy and enhance image quality of display products

Agri Life

■ Product categories
- Chemical pesticides (Daconil 1000*1, etc.)
- Plant-derived pesticides
- Functional Feeds (RUMINUP*2, etc.)



Daconil 1000



RUMINUP M

*1 Protective disinfectants less affecting organism that has the stable effect toward various crops and damage owing to disease

*2 An animal husbandry material containing cashew nut shell liquid that has the effect of reducing methane gas in cattle burps

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Power /Renewable Energy Segment

Category	Power Plant	Operating Company	Equity Ratio (%)	Power generation capacity* (10,000 KW)
Solar	34 domestic locations	Idemitsu, other	—	19.1
Biomass	Keihin Biomass Power Plant (Kanagawa)	Keihin Biomass Power	100	4.9
	Tosa Power Plant (Kochi)	Tosa Green Power	50	0.3
	Fukui Green Power Ono Power Plant (Fukui)	Fukui Green Power	10	0.1
	Tokuyama Biomass Power Plant (Yamaguchi)	Idemitsu	—	5.0
Wind	Rokkasho Futamata Wind Farm (Aomori)	Futamata Wind Development	40	2.0
Geothermal	Takigami Binary Power Plant (Oita)*	Idemitsu Oita Geothermal	100	0.5
Renewable (Japan)				31.9
Thermal	Ohgishima Power Station (Kanagawa)	Ohgishima Power	25	30.5
	Mizue Thermal Power Plant (Kanagawa)	Toa Oil	100	27.7
	Aichi Refinery No.3 Power Plant (Aichi)	Idemitsu	—	25.2
Domestic				**115.3**
Solar	Overseas (North America, Vietnam, etc.)	–	—	59.8
Thermal	Overseas	–	—	16.3
Overseas				**76.1**
Total				**191.4**

*Reflects Idemitsu's stake

◆Owning 917 thousand KW(Japan:319, Overseas:598) of renewable energy generation capacity

◆Operating businesses such as wholesale and retail sales for high and low pressure, based on the company's own generation

【Solar】

◆Terminated panel production in June 2022

◆Shifting to a system integrator which engages in solar power generator design, construction, maintenance and recycling

*Idemitsu has been supplying the steam for power generation to the Takigami Power Station of Kyushu Electric Power Co., Inc. since start of operation

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Resources Segment (Gas and Oil E&P)

Business Overview

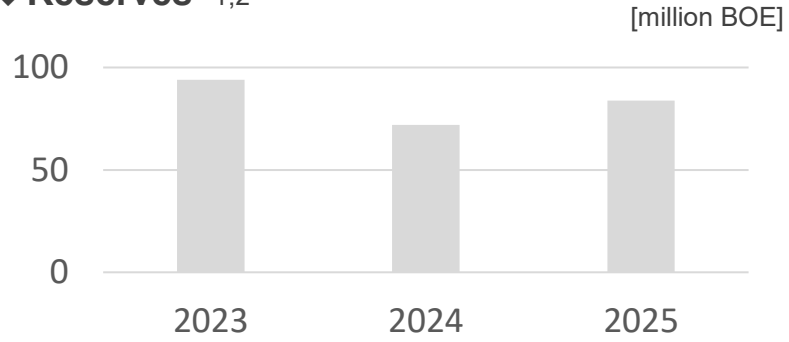
- Producing and selling crude oil/gas in Vietnam and Norway
- Exploration and development of gas in Vietnam and other parts of Southeast Asia to shift to production of natural gas, which will become an important energy source in a decarbonizing society

◆Rights owned in oil/gas fields and sales destinations

	Name of field	Rights Owner	Destination
Vietnam	Sao Vang and Dai Nguyet gas field	Idemitsu Gas Production (Vietnam) Co.,Ltd. *43.08% owned	Asia
Norway	Snorre	INPEX Idemitsu Norge AS	Europe
	Tordis/Vigdis		
	Fram		
	H-Nord		
	Byrding		
	Vega		
	Duva		
	Hod/Valhall		

Production Oil/Gas Reserves

◆Reserves *1,2



*1 Total reserves in Norwegian oil fields and Vietnamese gas fields
*2 Reserves reflect Idemitsu's rights and ownership ratios

◆ **Reserve Estimation Standards**
・Idemitsu's reserves estimation is conducted based on PRMS (Petroleum Resources Management System) standards
・PRMS standards were established jointly by the Society of Petroleum Engineers (SPE), the World Petroleum Congress (WPC), the American Association of Petroleum Geologists (AAPG), and the Society of Petroleum Evaluation Engineers (SPEE) and is recognized as an international standard
・Reserves defined by PRMS standards are categorized into 1) proved, 2) probable, and 3) possible reserves. Idemitsu's reserves estimate is calculated as the total of proved and probable reserves (1+2)

◆ **Proved Reserves**
・The definition of proved reserves is recognized as the most conservative among definitions used widely in the petroleum/gas industry
・Proved reserves are those quantities of petroleum/gas which, by analysis of geological and engineering data, can be estimated with reasonable certainty to be commercially recoverable under current economic conditions and operating methods
・When probabilistic methods are used, there should be at least a 90% probability of recovery that the quantities actually recovered will equal or exceed proved reserves

◆ **Probable Reserves**
・Probable reserves are those unproved reserves which analysis of geological and engineering data suggests are more likely than not to be recoverable
・When probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated proved plus probable reserves

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Resources Segment (Coal)

Business Overview

■ [Business Strategy]

- Stable supply and profit maximization by leveraging the highly competitive Boggabri Mine
- Engage in low-carbon solution businesses such as Idemitsu Green Energy Pellets
- Leverage management resources built up over years of experience in Australia to transition to new businesses such as critical minerals, renewable energy, hydrogen/ammonia, etc.

■ Mining Operations

- Owning an Australian coal mine (Boggabri Mine) and has established a whole supply chain from production to sales, providing a stable supply of high-quality coal mainly to Japan



[Overview of Boggabri Mine]
Location: New South Wales
Coal quality: thermal coal (70%),
raw coal (SS/PCI) (30%)
Port for shipments: Newcastle Harbor
(about 360 km by train)

*Mining operations at Muswellbrook Mine were terminated in Mar 2023 and Ensham Mine has been sold

Business Structure Reforms

■ Idemitsu Green Energy Pellets (black pellets)

- CO_2 emissions can be reduced by replacing coal with black pellets in fuel used at coal-fired power stations
- Succeeded in a mixed combustion to replace 20-30% of coal fuel with black pellets
- Commenced operation of a commercial plant that produces 120,000 tons/year in Vietnam in FY2025, aiming to reach 3,000,000 tons/year by 2030





■ New businesses in Australia

- Critical minerals: Invested in Vecco, which engages in vanadium operations in Australia
- Renewable energy: Commercialization verification of pumped storage hydroelectric power generation at the post-mining Muswellbrook coal mine site

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Any information about forecasts for the Company's operating results, management strategy and management policy contained in this documents other than historical facts is prepared, according to judgments made by the top management of the Company based on information available as of the publication of the document.

Actual business environments contain potential risk factors and uncertainties including economic situations, crude oil prices, trends in petroleum products, market conditions, currency exchange rates and interest rates.

Consequently, actual operating results of the Company may substantially differ from forecasts due to changes in the important factors mentioned above.

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