May 7, 2015

Consolidated Financial Results for the Fiscal Year 2014
(From April 1, 2014 to March 31, 2015) [Japan GAAP]

Company Name: **Idemitsu Kosan Co., Ltd.** (URL http://www.idemitsu.com)
Company Code: 5019, Shares listed on: Tokyo Stock Exchange
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Scheduled date of ordinary general meeting of shareholders: June 25, 2015
Scheduled date of commencement of dividend payments: June 4, 2015
Scheduled date of filing of Securities Report: June 25, 2015
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 FY2014 (From April 1, 2014 to March 31, 2015)

(1) Consolidated operating results (Percentages represent changes from prior year)

	Net sales		Operating income		Ordinary income		Net income	
	¥million	%	¥million	%	¥million	%	¥million	%
FY2014	4,629,732	(8.0)	(104,798)	—	(107,618)	—	(137,958)	—
FY2013	5,034,995	15.1	78,197	(29.4)	81,921	(24.9)	36,294	(27.7)

Notes: Comprehensive income FY2014 ¥ (102,865) million —% FY2013 ¥ 69,453 million (18.3) %

	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
	¥	¥	%	%	%
FY2014	(862.50)	—	(21.4)	(3.8)	(2.3)
FY2013	226.90	226.89	5.4	2.9	1.6

Reference: Equity in earnings of nonconsolidated subsidiaries and affiliates FY2014 ¥ 1,771 million
FY2013 ¥ 6,820 million

(*) The Company conducted a 1:4 stock split on its common shares with the effective date of January 1, 2014. Net income per share and diluted net income per share are calculated under the assumption that the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥million	¥million	%	¥
FY2014	2,731,001	630,384	21.5	3,671.39
FY2013	2,995,063	743,786	23.5	4,391.46

Reference: Total equity FY2014 ¥ 587,249 million FY2013 ¥ 702,428 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
FY2014	172,904	(131,146)	(98,253)	111,195
FY2013	50,087	(179,811)	161,143	159,991

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			
	¥	¥	¥	¥	¥	¥million	%	%
FY2013	—	100.00	—	25.00	—	7,997	22.0	1.2
FY2014	—	25.00	—	25.00	50.00	7,997	—	1.2
FY2015 (Forecast)	—	25.00	—	25.00	50.00		14.3	

(*) The Company conducted a 1:4 stock split on its common shares with the effective date of January 1, 2014. Cash dividends per share as of September 30, 2013 are based on the actual dividends per share as declared by the Company's board of directors.

3. Forecasts of Consolidated Financial Results for FY2015 (From April 1, 2015 to March 31, 2016)

(percentage figures represent changes from the corresponding previous periods)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	¥million	%	¥million	%	¥million	%	¥million	%	¥
First half of FY2015	2,080,000	(13.9)	24,000	(44.9)	21,000	(54.0)	18,000	(4.2)	112.53
FY2015	4,350,000	(6.0)	92,000	—	89,000	—	56,000	—	350.10

* Notes

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

(2) Changes in accounting policies and accounting estimates, or restatement
- a) Changes in accounting policies arising from revision of accounting standards: **Yes**
- 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, 2015: 160,000,000　As of March 31, 2014: 160,000,000
- b) Number of shares of treasury stock
  As of March 31, 2015: 46,776　As of March 31, 2014: 46,696
- c) Weighted average number of shares outstanding during the period
  FY2014: 159,953,247　FY2013: 159,957,153

The Company conducted a 1:4 stock split on its common shares with the effective date of January 1, 2014. The above information is calculated under the assumption that the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

(Reference)

1. Nonconsolidated Financial Results for FY2014 (From April 1, 2014 to March 31, 2015)

(1) Nonconsolidated operating results (Percentages represent changes from prior year)

	Net sales		Operating income		Ordinary income		Net income	
	¥million	%	¥million	%	¥million	%	¥million	%
FY2014	3,748,358	(10.8)	(138,034)	—	(133,021)	—	(159,996)	—
FY2013	4,200,335	11.9	33,607	(55.0)	44,402	(41.0)	27,465	(41.0)

	Net income per share	Diluted net income per share
	¥	¥
FY2014	(1,000.27)	—
FY2013	171.70	—

(*) The Company conducted a 1:4 stock split on its common shares with the effective date of January 1, 2014. Net income per share is calculated under the assumption that the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

(2) Nonconsolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥million	¥million	%	¥
FY2014	2,093,776	382,053	18.2	2,388.53
FY2013	2,408,351	537,678	22.3	3,361.47

Reference: Total equity FY2014 ¥ 382,053 million FY2013 ¥ 537,678 million

* This document is out of the scope of audit procedures under the Financial Instruments and Exchange Act. The audit procedures for the financial statements under this Act have not been completed as of the date of disclosure of this document.
* 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 8.

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[Appendix]

1. Analyses of Operating Results and Financial Position

(1) Analysis of operating results

1) General economic conditions and environment surrounding the Idemitsu Group

The Japanese economy during the fiscal year ended March 31, 2015 experienced a moderate recovery trend with a steady trend of improvement in employment and income, along with the rise of stock prices and the continuation of the weakening Japanese yen, assisted largely by the monetary easing policy of the Bank of Japan.

The domestic overall demand for petroleum products during the fiscal year 2014 decreased compared with the preceding fiscal year. While the demand for diesel oil was consistent with the previous fiscal year due to firm demand from the transportation sector, the demand for gasoline and kerosene decreased due to temporarily decreased purchases after the consumption tax hike in April, more wet weather conditions in the summer, and the warmer temperatures in 2015. In addition, the demand for fuel oils for power generation decreased compared with the preceding fiscal year due to the effects of savings on electricity consumption.

Dubai crude oil prices temporarily climbed to a level exceeding $110/bbl toward the middle of June due partly to intensified geopolitical risks. However, the prices subsequently turned downward due to a combination of expectations for softer demand owing to the worsening economic outlook for China and European countries, and the increased concerns about oversupply caused partly by the expanding US shale oil production. Following the OPEC decision in late November 2014 not to cut production, the pace of the decline accelerated and the prices plunged, and they had remained around $50/bbl after December. As a result, the average price of Dubai crude oil for fiscal 2014 was $83.5/bbl, representing a drop of $21.1/bbl compared with the preceding fiscal year.

Demand for petrochemical products during fiscal 2014 remained at a similar level to the previous fiscal year, and the environment surrounding exports from Japan improved due partly to the weakening of the Japanese yen. The price for naphtha, a petrochemical raw material, dropped to $817/ton, down $121/ton compared with the preceding fiscal year.

The average exchange rate of the Japanese yen to the US dollar for fiscal 2014 fell by ¥9.7/$ from the last fiscal year to ¥110.9/$ due to the further weakening yen mainly attributable to the continued monetary easing policy of the Bank of Japan and expectations for interest rate rises in the United States.

2) Operating results

Under these circumstances, the Idemitsu Group's net sales for fiscal 2014 were ¥4,629.7 billion, down 8.0% compared with the previous fiscal year, mainly due to drops in the import prices for crude oil.

Operating loss was ¥104.8 billion, representing a decline of ¥183.0 billion compared with the fiscal year ended March 31, 2014, mainly affected by substantial valuation losses on inventories associated with a plunge in crude oil prices, and the contracted margins of petrochemical products.

Net non-operating expense resulted in ¥2.8 billion, representing a decline of ¥6.5 billion from a profit of ¥3.7 billion last fiscal year, due mainly to decreased equity in earnings of nonconsolidated subsidiaries and affiliates. As a result, ordinary loss was ¥107.6 billion, a decline of ¥189.5 billion compared with the previous fiscal year.

Net extraordinary loss resulted in ¥69.5 billion, representing an increase in net loss of ¥68.6 billion compared with the previous fiscal year, due mainly to increased impairment loss in the resources business and a decrease in extraordinary income including the insurance proceeds that were recorded in the preceding fiscal year.

The net of income tax credit and minority interests was a credit of ¥39.1 billion, down ¥83.9 billion compared to the total of income taxes expense and minority interests during the fiscal year ended March 31, 2014.

As a result, net loss for fiscal 2014 was ¥138.0 billion, a decline of ¥174.3 billion compared with the preceding fiscal year.

3) Progress and results of business

The Idemitsu Group implemented measures and activities during fiscal 2014 in line with the Fourth Consolidated Medium-term Management Plan announced in March 2013. The progress and results of our business by segment are as follows:

(Unit: ¥Billion)

Segment	Net sales		Operating income (loss)	
	FY2014	Year-to-year change (decrease)	FY2014	Year-to-year change (decrease)
Petroleum products	3,693.9	(9.3) %	(111.6)	–
: excluding effects of inventory valuation	–	–	18.0	–
Petrochemical products	639.0	(5.4) %	(7.1)	–
: excluding effects of inventory valuation	–	–	(3.4)	–
Resources	241.1	2.4 %	13.1	(50.8) %
Others	55.8	12.0 %	3.3	33.4 %
Reconciliation	–	–	(2.4)	–
Total	4,629.7	(8.0) %	(104.8)	–
: excluding effects of inventory valuation	–	–	(28.5)	(19.4) %

Note:

Net sales and operating income of the coal sales business are included in the resources segment from the current fiscal year, which were previously included in the petroleum products segment. The year-to-year changes for the segment results are calculated by reflecting the current segmentation.

[Petroleum products segment]

In the petroleum products segment, the Company has set as its basic strategy the reinforcement of the competitiveness of the domestic supply and marketing systems and the expansion of business in overseas markets, and has taken the following actions:

(Fuel oil business)

In the supply of petroleum products, the Company had carried out crude oil processing based on the environment surrounding the demand and sales conditions, and has strived to promote a reduction in supply costs while securing a stable supply of products.

In response to the termination of the crude oil processing function at the Tokuyama Refinery in March 2014, the Company had established a stable supply system centering on the three refineries in Hokkaido, Chiba and Aichi, and the Tokuyama Complex. The Company also considers that it is appropriate to gradually reduce crude distillation unit capacity in light of a steadily decreasing trend of domestic demand, and it had decided to reduce the crude distillation unit capacity of the Chiba Refinery by 20,000 bbl/day, commencing from April 2015.

In order to strengthen its capability to respond to disasters and to reinforce its supply chain, the Company had established the “Central Delivery Control Center” as a unified control system on a nation-wide basis by moving order management bases that were previously deployed in Tokyo and Osaka to areas and facilities that are resilient to disasters.

In the marketing and sales of petroleum products, the Company reinforced the brand network through the opening of new service stations, and the remodeling and the revitalization of existing service stations. In order to strengthen the profitability of the group service stations through an increase in the number of visiting customers and effective sales promotion activities, the Company has commenced participation in the universal point card system “R-Point Card” operated by Rakuten, Inc.

As for business efforts in overseas markets, the Company further proceeded with the construction of the Nghi Son Refinery and Petrochemical Complex in Vietnam. In addition, the Company addressed the expansion of its business in Asia where demand is growing, by enhancing the organization of IDEMITSU INTERNATIONAL (ASIA) PTE. LTD., a subsidiary in Singapore.

(Lubricants business)

The total of sales volume in the domestic and overseas markets exceeded the previous fiscal year, assisted by the expansion of overseas sales mainly in China and the Company recorded the largest volume in its history whereas domestic sales decreased from the previous fiscal year due partly to decreased demand affected by the consumption tax increase.

In order to further promote the business globally, the Company opened its sixth sales base, the Beijing Sales Office in Beijing, the core of the automobile industry in China, following the Tianjin Main Office and Factory, Shanghai Branch Office, Guangzhou Branch Office, Changchun Sales Office, and Chongqing Sales Office.

As a result, net sales of the petroleum products segment for fiscal 2014 were ¥3,693.9 billion, down 9.3% against the previous fiscal year, due partly to decreases in the import prices for crude oil. Operating loss was ¥111.6 billion, down ¥128.5 billion, mainly due to the fact that increased margins in petroleum products were more than offset by such factors as substantial loss from inventory valuation. The effect of inventory valuation included in operating loss was a loss of ¥129.6 billion.

[Petrochemical products segment]

In the petrochemical products segment, the Company has set as its basic strategy the reinforcement of the competitiveness of the basic chemicals business through the restructuring of the supply system and enhancement of the profitability of the performance materials business, and has taken the following actions:

(Basic chemicals business)

The Company terminated the crude oil processing function at the Tokuyama Refinery, which was converted to the Tokuyama Complex. As the Company's main base of the petrochemical products business, it made efforts to streamline logistics through importation of larger-sized lots of naphtha by renovating the existing sea berth for Very Large Crude Oil Carriers (VLCC) to enable large naphtha tankers to dock, in order to ensure stable and competitive supply of olefin to the companies located in the Shunan Petrochemical Complex. The Company also strived to strengthen its function as a delivery base for chemicals by remodeling and converting existing crude oil tanks to chemical tanks for methanol.

(Performance materials business)

Regarding the engineering plastics business, the Company promoted the transfer of the production of its general purpose polycarbonate resin (Product name: TARFLON®) to the joint venture plant in Taiwan, aiming to enhance cost competitiveness. Regarding syndiotactic polystyrene resin (Product name: XAREC®), a material having excellent heat resistance, the Company has made efforts to expand sales in the areas including electrical components for vehicles and electrical cooking appliances.

In the adhesive materials business, the Company has made efforts to expand sales of functional soft polypropylene (Product name: L-MODU®) both in the domestic and overseas markets, which has a melting point that is significantly lower than existing crystalline polypropylene, mainly for the use as an adhesive for sanitary items and non-woven fabric polyesters.

As a result, net sales for the petrochemical products segment for fiscal 2014 were ¥639.0 billion, a decrease of 5.4% compared to the preceding fiscal year, due mainly to decreases in naphtha prices on a customs clearance basis. Operating loss was ¥7.1 billion, a decline of ¥43.6 billion from the previous fiscal year, affected largely by contracted margins of petrochemical products. The effect of inventory valuation was a loss of ¥3.7 billion.

[Resources segment]

In the resources segment, the Company has set as its basic strategy the expansion of production volume and securing reserves through exploration activities and the restructuring of the coal business, and has taken the following actions:

(Oil exploration and production business)

In the exploration and production of new oil fields, the Company commenced commercial production at the H Nord oil field in the Norwegian North Sea in September 2014 and at the Knarr oil field in March 2015.

With regard to exploration activities, the Company has discovered several accumulations of oil and gas in the Norwegian North Sea, Norwegian Barents Sea, and Vietnam and it secured a foundation for the future production volume. Going forward, the Company will conduct a detailed review and evaluation of these reserves. To secure strategic reserves for the long term, the Company has participated in licensing rounds implemented by the Norwegian government and acquired one license.

Regarding oil and gas fields currently in operation, the Company produced crude oil and natural gas of 29 thousand barrels of oil-equivalent per day in the Norwegian North Sea, the UK North Sea and Vietnam.

Net sales for the oil exploration and production business for fiscal 2014 increased by 4.5% from the preceding fiscal year to ¥102.0 billion, due mainly to increased production and sales in the Norwegian North Sea, and operating income was ¥13.4 billion, down 58.7% from the preceding fiscal year, due mainly to drops in the crude oil prices and increased exploration expenses.

(Coal business and others)

Regarding the coal business, the Company made efforts to enhance the competitiveness of its Australian mines amid the fall in coal prices. The total production volume was 11.27 million tons, up 0.7 million tons from the previous fiscal year, due mainly to increased production at the Boggabri Mine, the Company's core coal mine in Australia. Also, the Company has strived to improve productivity and implemented cost reduction measures in all the mines. Furthermore, the Company has promoted the restructuring of its coal business portfolio by selling part of its interest in the Boggabri Mine to one of the long-term stable domestic customers, and by obtaining 30% of the shares of a coal company that owns the Malinau Mine in Indonesia in order to enhance a competitive lineup for coal to meet the needs of customers.

As for the uranium business, the Company commenced the production of uranium concentrates at the Cigar Lake Mine and an outsourcing mill in Canada.

With regard to the geothermal energy business, the Company continued the smooth supply of steam for commercial power generation in the Takigami area in Oita prefecture and decided to introduce binary power generation. Furthermore, the Company implemented examinations of the underground structure in the Amemasudake district of Hokkaido and the Oyasu district of Akita prefecture where it has been carrying out examinations in an aim to develop the business. In addition, the Company has been conducting ground surface research in Fukushima prefecture.

Net sales for the coal and others for fiscal 2014 were consistent with the preceding fiscal year, amounting to ¥139.1 billion, up 1.0% from the preceding fiscal year assisted by increased sales volume of coal, which was partially offset by the fall in coal prices. Operating loss was ¥0.4 billion, improvement of ¥5.6 billion compared to the previous fiscal year assisted by cost reduction measures such as more streamlined mining methods and reduction of outsourcing expenses.

As a result, total net sales for the resources segment increased by 2.4% to ¥241.1 billion, and operating income decreased by 50.8% against the preceding fiscal year to ¥13.1

billion.

[Other segments]

As for the electronic materials business, the agricultural biotechnology business, the gas business, and the renewable energy business among other businesses, the Company has achieved the followings:

(Electronic materials business)

In the field of OLED materials, in order to accelerate commercialization of OLED displays, the Company has signed an agreement with LG Display Co., Ltd. for cooperation in the development of OLED technologies and licensing device-related patents.

The Company strived to actively address the growing demand for displays and expand sales and profits.

(Agricultural biotechnology business)

In the field of the feed additive business, the Company launched RUMINUP®-M, a feed mix suitable for large-scale ranches. It belongs to the RUMINUP® series, which facilitates health maintenance for cows and beef cattle and stable productivity.

To promote biological pesticides that have less potential for developing chemical resistance than chemical pesticides, the Company jointly developed with the consolidated subsidiary, SDS Biotech K.K., and introduced biological pesticide “Impression Clear” that has been improved in terms of reduced residual pesticides and enhanced water dissolution.

(Gas business)

Export of LPG had been commenced from the Ferndale terminal located in the State of Washington on the West Coast of the United States. The Ferndale terminal is owned by Petrogas Energy Corp., whose shares are held by AltaGas Idemitsu Joint Venture Limited Partnership (“AIJVLP”), which was jointly established with AltaGas Ltd., a Canadian corporation.

(Renewable energy business)

As projects to address the renewable energy utilizing idle land, the Company had constructed solar power generation facilities (mega solar power plants) with the output capacity of 1,320 KW in Iwaki city, Fukushima prefecture, following Moji ward, Kitakyushu city and Himeji city, Hyogo prefecture and the facilities had started operation.

In biomass power generation, the Company constructed the Tosa Power Plant of Tosa Green Power Co., Ltd. with the output capacity of 6,250 KW, whose shares are held by Tosa Electric Railway Co., Ltd., Kochi Prefecture Federation of Forest Owner’s Cooperative Associations and the Company. The Company has a 50% interest in Tosa Green Power Co., Ltd. and the power plant started operations in April 2015.

As a result, net sales for the other segments for fiscal 2014 increased by 12.0% to ¥55.8 billion, and operating income increased by 33.4% compared with the preceding fiscal year to ¥3.3 billion.

4) Forecasts of consolidated financial results for FY2015

The Company expects net sales for fiscal 2015 to be ¥4,350.0 billion, a decrease of 6.0% compared with FY2014, due mainly to decreased crude oil prices.

Operating income is expected to be ¥92.0 billion, an increase of ¥196.8 billion, due to an expected recovery of petroleum product margins and not factoring into the effect from inventory valuation, and ordinary income is expected to be ¥89.0 billion, an increase of ¥196.6 billion compared with FY2014. Net extraordinary income is expected to be ¥2.0 billion, an improvement of ¥71.5 billion compared with FY2014, due largely to a decrease in impairment loss. Net income attributable to the owners of the parent is expected to be ¥56.0 billion, an increase of ¥194.0 billion compared with the prior fiscal year.

The above forecasts for the fiscal year ending March 31, 2016 are based on the assumptions below:

Dubai Crude Oil Price: US$60 per bbl
Foreign Exchange Rate: ¥120 per US$

Forecasts for FY2015 and financial results for FY2014:

(Unit: ¥Billion)

	Net sales	Operating income (loss)	Ordinary income (loss)	Net income (loss) attributable to owners of the parent
FY2015	4,350.0	92.0	89.0	56.0
FY2014	4,629.7	(104.8)	(107.6)	(138.0)
Change (decrease)	(6.0) %	—	—	—

The above forecasts for FY2015 are based on information available as of the date of publication of this document. The actual results may differ from the forecasts due to various factors in the future.

(2) Analysis concerning financial position

1) Analysis of financial position

Total assets as of March 31, 2015 were ¥2,731.0 billion, a decrease of ¥264.1 billion compared with the end of the previous fiscal year, due partly to decreases in inventories and notes and accounts receivable-trade owing to the fall in crude oil prices.

Total liabilities as of March 31, 2015 were ¥2,100.6 billion, a decrease of ¥150.7 billion compared with the end of the previous fiscal year, which is attributable partly to a decrease in interest-bearing debt (¥1,006.2 billion) and a decrease in notes and accounts payable-trade due to the fall in crude oil prices.

Total net assets were ¥630.4 billion, a decrease of ¥113.4 billion compared with the end of the previous fiscal year, which is attributable to such factors as net loss of ¥138.0 billion recorded during FY2014 and increased foreign currency translation adjustments due to the further weakening of the Japanese yen.

As a result, the equity ratio as of March 31, 2015 was 21.5%, decreased from 23.5% at the end of the preceding fiscal year.

2) Analysis of cash flows

Cash and cash equivalents ("funds") as of March 31, 2015 were ¥111.2 billion, a decrease of ¥48.8 billion compared with the end of the preceding fiscal year. Major factors for this decrease are as follows:

Net cash provided by operating activities amounted to ¥172.9 billion. Although the Company recorded substantial amount of loss before income taxes and minority interests, most of the factors were non-cash expense items such as depreciation, the effect of inventory valuation due to a drop in crude oil prices and impairment loss, and a decrease in inventories also contributed to an increase in operating cash flows.

Net cash used in investing activities amounted to ¥131.1 billion, due mainly to investments in maintenance and rehabilitation of facilities at refineries, the oil exploration and production business, the coal business, and investments in affiliated companies.

Net cash used in financing activities amounted to ¥98.3 billion, attributable primarily to the fact that repayments of short-term borrowings exceeded funding from long-term borrowing and bond issuance.

The Idemitsu Group's trend of financial indexes is as follows:

	FY2010	FY2011	FY2012	FY2013	FY2014
Equity ratio (%)	20.4	21.9	24.0	23.5	21.5
Equity ratio on a market value basis (%)	15.5	12.3	11.9	11.3	12.3
Debt repayment years (year)	11.3	5.8	17.7	21.6	5.8
Interest coverage ratio (times)	5.3	11.2	3.9	4.5	17.2

Notes:

1. Calculation formulas for indexes:
   Equity ratio: (Total net assets - Minority interests)/Total assets
   Equity ratio on a market value basis: Total value of stock at market price/Total assets
   Debt repayment years: Interest-bearing debt/ Net cash provided by (used in) operating activities
   Interest coverage ratio (times): Net cash provided by (used in) operating activities /Interest paid
2. Each index was calculated based on consolidated financial information.
3. Total value of stock at market price was calculated using the number of shares outstanding after excluding the number of treasury stock.
4. "Net cash provided by (used in) operating activities" for the fiscal year is based on "Net cash provided by (used in) operating activities" described in the consolidated statements of cash flows. Interest-bearing debt is based on debt for which interest expenses are paid among debt recognized in the consolidated balance sheets including short-term loans payable, commercial paper, bonds payable, long-term loans payable and lease obligations. Interest expenses are based on "interest paid" in the consolidated statements of cash flows.

(3) Basic policy on distribution of profits /dividends for FY2014 and FY2015

The Company considers the return of profits to shareholders as one of the most important matters and intends to pay stable dividends to shareholders, taking into consideration the strategic investment to enhance existing businesses and to develop future business operations, the improvement of the corporate financial structure, and the business performance. With respect to the year-end dividends for fiscal 2014, the Company determined to pay a dividend of ¥25 per share. As a result, annual dividends for the fiscal year ended March 31, 2015 will be ¥50 per share.

For the fiscal year 2015, the Company plans to pay annual dividends of ¥50 per share.

The Company's Articles of Incorporation stipulate that the Company may, by a resolution of the board of directors, make a distribution out of the Company's surplus to shareholders pursuant to the provision of Article 459, Paragraph 1 of the Companies Act. The Company has been paying out dividends twice in each fiscal year as interim dividends and year-end dividends since the fiscal year ended March 2008.

(4) Business risk factors

Since there has been no material change in descriptions from those in the latest Securities Report (submitted on June 26, 2014), disclosure is omitted. The Securities Report can be accessed at the following URL.

(Idemitsu's website)
http://www.idemitsu.com/ir/library/annual.html

2. Description of Idemitsu Group

The principle businesses of the Company, its subsidiaries (92 companies) and its affiliates (44 companies) and their principal businesses are as follows:

Segment	Principal Businesses	Primary Subsidiaries and Affiliates
Petroleum Products	Import, refinery, transportation, storage and sales of crude oil and petroleum products	Idemitsu Kosan Co.,Ltd., Idemitsu Tanker Co.,Ltd., Hokkaido Joint Oil Stockpiling Co.,Ltd.
	Sales of petroleum products, accessories, etc.	Idemitsu Retail Marketing Co.,Ltd., S.I. Energy,Ltd., Idemitsu Supervising Co.,Ltd., Okinawa Idemitsu Co.,Ltd., Apolloretailing Co.,Ltd.
	Overseas sales and purchase of crude oil, and manufacture and sales of petroleum products	IDEMITSU INTERNATIONAL (ASIA) PTE. LTD., IDEMITSU APOLLO CORPORATION, Idemitsu Lubricants America Corporation, Freedom Energy Holdings Pty Ltd, Nghi Son Refinery and Petrochemical LLC, Idemitsu Lube (Singapore) Pte.Ltd., Idemitsu Lube (China) Co.,Ltd., PT.IDEMITSU LUBE TECHNO INDONESIA, PT.IDEMITSU LUBE INDONESIA, IDEMITSU LUBE (MALAYSIA) SDN.BHD., Shanghai Idemitsu Lube Trading Co., Ltd., Idemitsu Lube Asia Pacific Pte.Ltd., Apollo (Thailand) Co.,Ltd.
Petrochemical Products	Manufacture and sales of petrochemical products	Idemitsu Kosan Co.,Ltd., Idemitsu Unitech Co.,Ltd., Idemitsu Chemicals (Hong Kong) Co.,Ltd., Idemitsu SM (Malaysia) Sdn.Bhd., Petrochemicals (Malaysia) Sdn.Bhd., Prime Polymer Co.,Ltd., PS Japan Corporation, Formosa Idemitsu Petrochemical Corporation
Resources	Research, exploration, development and sales of oil resources, coal, uranium and geothermal resources	Idemitsu Kosan Co.,Ltd., Idemitsu Oil & Gas Co.,Ltd. (*), Idemitsu Snorre Oil Development Co.,Ltd., Idemitsu Petroleum Norge AS, Idemitsu Petroleum UK Ltd., IDEMITSU AUSTRALIA RESOURCES PTY LTD, Idemitsu Canada Resources Ltd., Idemitsu Oita Geothermal Co.,Ltd.
Others	Import, purchase and sales of gas	Idemitsu Canada Corporation, AltaGas Idemitsu Joint Venture Limited Partnership Astomos Energy Corporation
	Manufacture and sales of electronics materials, and licensing business	Idemitsu Kosan Co.,Ltd.
	Construction, insurance and credit service	Idemitsu Engineering Co.,Ltd., Idemitsu Insurance Service Co.,Ltd., Idemitsu Credit Co.,Ltd.
	Manufacture, import and sales of pesticides, etc.	SDS Biotech K.K.
	Renewable energy	Idemitsu Green Power Co., Ltd.

(*) Idemitsu Oil & Gas Co.,Ltd., was merged into Idemitsu Kosan Co., Ltd., effective on April 1, 2015.

The following is the illustration of the Idemitsu group:

Idemitsu Kosan Co., Ltd.

Petroleum Products

Transportation and Storage of Crude Oil and Petroleum Products
*1 Idemitsu Tanker Co.,Ltd.
*2 Hokkaido Joint Oil Stockpiling Co.,Ltd.

Sales of Petroleum Products, Accessories, etc.
*1 Idemitsu Retail Marketing Co.,Ltd.
*1 S.I. Energy,Ltd.
*1 Idemitsu Supervising Co.,Ltd.
*1 Okinawa Idemitsu Co.,Ltd.
*1 Apolloretailing Co.,Ltd.

Overseas Sales and Purchase of Crude Oil, and Manufacture and Sales of Petroleum Products
*1 IDEMITSU INTERNATIONAL (ASIA) PTE. LTD.
*1 IDEMITSU APOLLO CORPORATION
*1 Idemitsu Lubricants America Corporation
*1 Freedom Energy Holdings Pty Ltd
*2 Nghi Son Refinery and Petrochemical LLC
*1 Idemitsu Lube (Singapore) Pte.Ltd.
*1 Idemitsu Lube (China) Co.,Ltd.
*1 PT.IDEMITSU LUBE TECHNO INDONESIA
*1 PT.IDEMITSU LUBE INDONESIA
*1 IDEMITSU LUBE (MALAYSIA) SDN.BHD.,
*1 Shanghai Idemitsu Lube Trading Co., Ltd.,
*1 Idemitsu Lube Asia Pacific Pte.Ltd.,
*2 Apollo (Thailand) Co.,Ltd.

Petrochemical Products

Manufacture and Sales of Petrochemical Products
*1 Idemitsu Unitech Co.,Ltd.
*1 Idemitsu Chemicals (HongKong) Co.,Ltd.
*1 Idemitsu SM (Malaysia) Sdn.Bhd.
*1 Petrochemicals (Malaysia) Sdn.Bhd.
*2 Prime Polymer Co.,Ltd.
*2 PS Japan Corporation
*2 Formosa Idemitsu Petrochemical Corporation

Resources

Research, Exploration, Development and Sales of Oil Resources
*1 Idemitsu Oil & Gas Co.,Ltd.
*1 Idemitsu Snorre Oil Development Co.,Ltd.
*1 Idemitsu Petroleum Norge AS
*1 Idemitsu Petroleum UK Ltd.

Coal, Uranium and Geothermal Businesses
*1 IDEMITSU AUSTRALIA RESOURCES PTY LTD
*1 Idemitsu Canada Resources Ltd.
*1 Idemitsu Oita Geothermal Co.,Ltd.

Others

Other Businesses
*1 Idemitsu Canada Corporation
*2 AltaGas Idemitsu Joint Venture Limited Partnership
*2 Astomos Energy Corporation
*1 Idemitsu Engineering Co.,Ltd.
*1 Idemitsu Insurance Service Co.,Ltd.
*2 Idemitsu Credit Co.,Ltd.
*1 SDS Biotech K.K.
*1 Idemitsu Green Power Co., Ltd.

Notes:
*1 Consolidated subsidiaries
*2 Equity method affiliates

3. Management Policy

(1) Principles of management

Since its foundation, Idemitsu has practiced the concept of “respect for human beings” in the conduct of business, and the Company strives to realize this ideal and to be trusted and relied on widely by society.

Based on this management philosophy, the Company makes the following five commitments to each stakeholder in the Idemitsu Group’s management policies. The Idemitsu Group will continue to strive to be a corporation that all stakeholders can rely on, through further deepening and developing the management, focusing on humanity.

◆ **Creation and provision of new value to customers**
We provide products, technologies and services that give customers a strong feeling of assurance, greater vitality and absolute satisfaction, as we strive to create new value.

◆ **Contribution to society and the environment**
We make safety the cornerstone of business and strive to preserve and improve the natural environment. We also contribute to communities, culture and society.

◆ **Assured returns to shareholders**
We fulfill our corporate social responsibilities, strive for sound, sustainable growth, and endeavor to generate stable returns for shareholders.

◆ **Cooperation with partners**
We secure the confidence, greater vitality and absolute satisfaction of our customers through cooperation with service station staff and others involved in our businesses, and aim to share results and success.

◆ **Pursuit of employees’ growth and self-realization**
We create a work environment in which each employee can pursue his or her own growth and self-realization. We also make every effort to ensure that each employee is respected.

(2) Medium- and long-term management strategy

In March, 2013, the Idemitsu Group has released the “Fourth Consolidated Medium-term Management Plan” that covers the three-year period from FY2013 to FY2015.

Under the Fourth Consolidated Medium-term Management Plan, the Idemitsu Group will complete structural reforms of all business units as soon as possible, assuming the following business environments:

[Business environments]

- Decreasing domestic demand for fuel oils and overseas transfer of the manufacturing industry
- Faster economic growth and expansion of demand in emerging countries mainly in Asia
- Changes in the supply and demand structure for energy
  (Increasing demand for LNG power generation and renewable energy as alternatives to nuclear power, and the rise of unconventional energy resources)
- Expansion of new business opportunities (in the fields of environment and food) driven by the global increase in the population and economic growth in emerging countries

Under those business environments, in core businesses, the Idemitsu Group will reinforce competitiveness in the domestic market to achieve long-term stable profitability as well as expand overseas business in areas where a high rate of economic growth is expected, in particular, emerging countries.

In resources business, the Idemitsu Group will increase the production volume in oil and gas in oil exploration and production business and will establish robust profitability in coal business.

In functional materials business, the Idemitsu Group will further expand the sales of functional materials products to which our expertise is utilized in the overseas markets and will put each business on a growth track.

1) Management policy

The Idemitsu Group sets the management policy “to contribute to a society with harmony between the economy and the environment by effectively securing and using energy and by developing functional materials business on a global scale.”

Under this policy, the Company is committed to “Contributing to the domestic energy security and economic development of Asian countries” and “Contributing to the realization of a society in harmony with the environment based on proprietary technologies.”

2) Investment strategy

Total investment for the three years from FY2013 to FY2015 will be ¥464.0 billion, which was originally planned to be ¥450.0 billion but increased primarily due to the weakening of the Japanese yen. The Idemitsu Group will reinforce strategic investment for the reform of the business structure and approximately 80% of the investment will be allocated to investment overseas.

3) Promotion of rationalization and streamlining

Following the Third Consolidated Medium-term Management Plan, the Company will continue to promote rationalization and streamlining activities. In particular, the Company will focus on core business and promote the rationalization of marketing and distribution divisions, energy-saving activities at refineries and plants, cost reductions in resources divisions, streamlining activities for administrative divisions and indirect divisions, and aims to reduce costs by ¥20.0 billion in total under the Fourth Consolidated Medium-term Management Plan and ¥70.0 billion on a cumulative basis through the Third and Fourth Consolidated Medium-term Management Plans.

4) Management indicators targeted

The Company is committed to achieving the following management indicators in fiscal 2015, the final year of the Fourth Consolidated Medium-term Management Plan, by realizing the business strategy under the Medium-term Management Plan:

Operating income (*): ¥150.0 billion
Net income: ¥53.0 billion
Return on invested capital: 8.6%
Equity ratio: 24.8%
Net debt/equity ratio: 1.2

(*) Operating income includes equity in earnings of nonconsolidated subsidiaries and affiliates and dividend income.

However, it has become difficult to achieve targets in fiscal 2015 because of drastic changes in the business environment which include an increase in total investments due to the weakening of the Japanese yen, substantial loss from the effect of inventory valuation due to a significant drop in crude oil prices from the second half of fiscal 2014, and impairment loss.

Although severe operating environment such as low levels of resource prices are expected, the Company aims to achieve the management indicators as early as possible by securing product margins in the core businesses, expanding revenues in the functional materials businesses, and promoting careful screening of investments and cost reduction measures.

(3) Matters to be addressed by the Company

1) Environment recognition

In the domestic economy, there are some signs of a mild recovery and the US economy appears to be on a recovering trend, led by employment conditions. On the other hand, there are some aspects causing uncertainty, including the development of debt problems in Europe, the slowdown in China’s economic growth, and growth strategy adopted by the government of Japan.

Regarding the demand for energy, the continuous decline in demand for petroleum products is inevitable in Japan. However, expansion in the demand for energy is expected overseas, particularly in the Asian emerging countries.

2) Matters to be addressed

a) Core business (fuel oil, basic chemicals and renewable energy)

In the petroleum products business, the Company will strengthen efficient production and supply under a system consisting of the three refineries in Hokkaido, Chiba, and Aichi and the Tokuyama Complex and reinforce its domestic sales network. Furthermore, the Company intends to expand its business in Asian markets where the demand for petroleum products is expected to grow, through the construction of the Nghi Son Refinery in Vietnam and the fuel oil marketing based in Singapore.

In the basic chemicals business, the Company will make efforts to optimize the supply chain for the ethylene system including derivative products, and to expand the production of aromatic compounds by taking advantage of the benefits of the petrochemical complex processing of naphtha.

In the renewable energy business, the Company aims to expand its electricity power generation capacity, including geothermal binary power generation, biomass power generation, and mega solar power generation, as well as sales of green electric power and will promote the development of new projects for geothermal generation and study the commercialization of biofuels in Indochina.

b) Resources businesses (oil exploration and production, coal, uranium and gas)

In the oil exploration and production business, the Company will promote the expansion of reserves through exploration activities and maintain stable production.

In the coal business, the Company will promote further efficiency in production and cost reduction activities, and at the same time aims to transform the profit structure through means including an increase in the production and sales of high-grade coal by taking advantage of the strategic investment in the Boggabri Mine. The Company will also establish a wider range of customer services through the holding of Indonesian coal, for which exports to Asian countries have been increasing.

As for the uranium business, the Company aims to promote stable production at the Cigar Lake Mine in Canada and its sales.

In the gas business, the Company aims to contribute to Japan’s energy security including the diversification of supply sources, the securing of a stable supply, and achieving an economic advantage due to shorter transportation distances, and will promote a study on the expansion of export and sales to Asian countries of LNG and LPG from North America.

c) Functional materials business (lubricants, performance materials, electronic materials and agricultural biotechnology)

In the lubricants business, the Company will promote the development of environment-friendly products and functional materials products in response to technological innovation. The Company will also accelerate global deployment through the expansion of production bases in overseas countries.

In the performance materials business, the Company will concentrate its management resources on products in strategic fields including syndiotactic polystyrene resin (SPS resin) and adhesive materials, and develop them into core businesses.

In the electronic materials business, in response to expanding demand, the Company will expand its sales to valued customers through the Company's technologies for manufacturing high quality and inexpensive OLED materials and promote measures to put its business on a growth track.

In the agricultural biotechnology business, the Company will deploy businesses which cater to the demands that contribute to food safety and address the increasing demand for food through developing and producing in-house products, including biological pesticides, chemical pesticides, and the RUMINUP® series of products that provide feed mixes for cows. The Company will globally expand its agricultural biotechnology business including to emerging countries where demands are growing.

The information regarding future forecasts above 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.

In addition, details of the assumptions for the Fourth Consolidated Medium-term Management Plan (FY2013-FY2015) can be accessed at the following URL.

(Idemitsu's website)
http://www.idemitsu.com/ir/manage/message/plan/index.html

4. 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.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: ¥Million)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Assets		
Current assets:		
Cash and deposits	161,522	112,959
Notes and accounts receivable, trade	418,883	321,703
Inventories	717,368	513,801
Deferred tax assets	11,229	31,969
Other	115,239	106,381
Less: Allowance for doubtful accounts	(1,774)	(1,874)
Total current assets	1,422,469	1,084,940
Fixed assets:		
Property, plant and equipment:		
Buildings and structures, net	143,506	143,014
Machinery, equipment and vehicles, net	232,026	248,906
Land	591,503	589,485
Construction in progress	77,218	111,666
Other, net	43,356	42,670
Total property, plant and equipment	1,087,611	1,135,743
Intangible fixed assets:		
Goodwill	39,421	10,381
Other	14,905	14,832
Total fixed intangible assets	54,327	25,213
Investments and other assets:		
Investment securities	199,698	237,751
Investments in capital of affiliates	31,342	31,701
Long-term loans receivable	8,792	4,323
Assets for employees’ retirement benefits	143	267
Deferred tax assets	12,331	36,645
Oil field premium assets	97,477	80,190
Other	81,104	94,413
Less: Allowance for doubtful accounts	(237)	(191)
Total investments and other assets	430,654	485,102
Total fixed assets	1,572,593	1,646,060
Total assets	2,995,063	2,731,001

(Unit: ¥Million)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Liabilities		
Current liabilities:		
Notes and accounts payable, trade	438,594	366,559
Short-term loans payable	434,476	376,525
Commercial paper	59,995	26,997
Accounts payable, other	234,872	232,565
Income taxes payable	18,907	6,061
Deferred tax liabilities	7,944	262
Provision for bonuses	6,907	6,299
Other	100,340	112,346
Total current liabilities	1,302,039	1,127,619
Non-current liabilities:		
Bonds payable	45,000	65,000
Long-term loans payable	539,546	537,658
Deferred tax liabilities	38,350	32,563
Deferred tax liability related to land revaluation	103,027	92,508
Liability for employees' retirement benefits	13,071	15,642
Reserve for repair work	23,267	26,530
Asset retirement obligations	55,422	93,813
Oil field premium liabilities	100,804	83,098
Other	30,745	26,181
Total non-current liabilities	949,236	972,997
Total liabilities	2,251,276	2,100,616
Net assets		
Shareholders' equity:		
Common stock	108,606	108,606
Capital surplus	71,131	71,131
Retained earnings	359,934	212,119
Treasury stock	(130)	(130)
Total shareholders' equity	539,542	391,727
Accumulated other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	4,523	9,920
Deferred gains (losses) on hedging activities, net	(1,196)	(7,896)
Surplus from land revaluation	147,714	157,460
Foreign currency translation adjustments	12,016	34,795
Defined retirement benefit plans	(172)	1,243
Total accumulated other comprehensive income	162,886	195,522
Minority interests in consolidated subsidiaries	41,358	43,134
Total net assets	743,786	630,384
Total liabilities and net assets	2,995,063	2,731,001

(2) Consolidated Statements of Income and Comprehensive Income

1) Consolidated Statements of Income

(Unit: ¥Million)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net sales	5,034,995	4,629,732
Cost of sales	4,684,470	4,431,066
Gross profit	350,524	198,666
Selling, general and administrative expenses	272,326	303,464
Operating income (loss)	78,197	(104,798)
Non-operating income:		
Interest income	1,716	1,216
Dividend income	5,161	4,244
Subsidy income	7,626	5,330
Equity in earnings of nonconsolidated subsidiaries and affiliates, net	6,820	1,771
Other	3,564	4,402
Total non-operating income	24,888	16,965
Non-operating expenses:		
Interest expense	12,678	12,117
Loss on foreign exchange, net	5,029	3,950
Other	3,457	3,717
Total non-operating expenses	21,165	19,785
Ordinary income (loss)	81,921	(107,618)
Extraordinary income:		
Gain on sales of fixed assets	1,172	7,442
Gain on sales of investment securities	2,750	―
Insurance proceeds	20,539	―
Gain on transfer of business	117	1,003
Other	2,723	90
Total extraordinary income	27,303	8,535
Extraordinary loss:		
Impairment loss on fixed assets	19,056	70,511
Loss on sales of fixed assets	483	1,032
Loss on disposals of fixed assets	2,710	4,781
Loss on termination of feasibility study	4,215	―
Other	1,700	1,660
Total extraordinary loss	28,165	77,986
Income (loss) before income taxes and minority interests	81,058	(177,069)
Income taxes-current	34,067	14,718
Income taxes-deferred	4,393	(57,861)
Total income taxes	38,461	(43,143)
Net income (loss) before minority interests	42,597	(133,925)
Minority interests	6,302	4,033
Net income (loss)	36,294	(137,958)

2) Consolidated Statements of Comprehensive Income

(Unit: ¥Million)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net income (loss) before minority interests	42,597	(133,925)
Other comprehensive income:		
Unrealized gains (losses) on available-for-sale securities	391	4,855
Deferred gains (losses) on hedging activities, net	2,212	(5,808)
Foreign currency translation adjustments	20,322	11,876
Defined retirement benefit plans	―	1,392
Surplus from land revaluation	(458)	10,243
Share of other comprehensive income (loss) in equity method affiliates	4,387	8,499
Total other comprehensive income	26,855	31,059
Comprehensive income (loss)	69,453	(102,865)
Comprehensive income (loss) attributable to:		
Owners of the parent	59,728	(104,772)
Minority interests	9,725	1,906

(3) Consolidated Statements of Changes in Net Assets

FY2013 (From April 1, 2013 to March 31, 2014)

(Unit: ¥Million)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	108,606	71,131	331,529	(118)	511,148
Cumulative effects of changes in accounting policies			(1,240)		(1,240)
Restated balance	108,606	71,131	330,288	(118)	509,908
Changes of items during the period:					
Dividends from surplus			(7,997)		(7,997)
Net income			36,294		36,294
Change in scope of consolidation			(260)		(260)
Acquisitions of treasury stock				(11)	(11)
Disposals of treasury stock					－
Adjustment due to sales and revaluation of land			1,609		1,609
Net changes of items other than shareholders' equity					
Total changes of items during the period	－	－	29,645	(11)	29,634
Balance at the end of current period	108,606	71,131	359,934	(130)	539,542

	Accumulated other comprehensive income						Minority 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	3,818	(3,281)	149,782	(7,905)	－	142,413	34,386	687,948
Cumulative effects of changes in accounting policies								(1,240)
Restated balance	3,818	(3,281)	149,782	(7,905)	－	142,413	34,386	686,707
Changes of items during the period:								
Dividends from surplus								(7,997)
Net income								36,294
Change in scope of consolidation								(260)
Acquisitions of treasury stock								(11)
Disposals of treasury stock								－
Adjustment due to sales and revaluation of land			(1,609)			(1,609)		－
Net changes of items other than shareholders' equity	705	2,085	(458)	19,921	(172)	22,082	6,971	29,054
Total changes of items during the period	705	2,085	(2,068)	19,921	(172)	20,472	6,971	57,078
Balance at the end of current period	4,523	(1,196)	147,714	12,016	(172)	162,886	41,358	743,786

FY2014 (From April 1, 2014 to March 31, 2015)

(Unit: ¥Million)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	108,606	71,131	359,934	(130)	539,542
Cumulative effects of changes in accounting policies			(4,541)		(4,541)
Restated balance	108,606	71,131	355,393	(130)	535,000
Changes of items during the period:					
Dividends from surplus			(7,997)		(7,997)
Net loss			(137,958)		(137,958)
Change in scope of consolidation			2,185		2,185
Acquisitions of treasury stock				(0)	(0)
Disposals of treasury stock		(0)		0	0
Adjustment due to sales and revaluation of land			497		497
Net changes of items other than shareholders' equity					
Total changes of items during the period	–	(0)	(143,273)	(0)	(143,273)
Balance at the end of current period	108,606	71,131	212,119	(130)	391,727

	Accumulated other comprehensive income						Minority 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	4,523	(1,196)	147,714	12,016	(172)	162,886	41,358	743,786
Cumulative effects of changes in accounting policies							(8)	(4,549)
Restated balance	4,523	(1,196)	147,714	12,016	(172)	162,886	41,350	739,237
Changes of items during the period:								
Dividends from surplus								(7,997)
Net loss								(137,958)
Change in scope of consolidation								2,185
Acquisitions of treasury stock								(0)
Disposals of treasury stock								0
Adjustment due to sales and revaluation of land			(497)			(497)		–
Net changes of items other than shareholders' equity	5,396	(6,700)	10,243	22,779	1,415	33,134	1,784	34,918
Total changes of items during the period	5,396	(6,700)	9,745	22,779	1,415	32,636	1,784	(108,852)
Balance at the end of current period	9,920	(7,896)	157,460	34,795	1,243	195,522	43,134	630,384

(4) Consolidated Statements of Cash Flows

(Unit: ¥Million)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Cash flows from operating activities:		
Income (loss) before income taxes and minority interests	81,058	(177,069)
Depreciation and amortization	63,120	66,744
Impairment loss on fixed assets	19,056	70,511
Amortization of goodwill	3,313	3,405
Increase (decrease) in provision for retirement benefits	(15,998)	—
Increase (decrease) in liability for employees' retirement benefits	12,899	(4,051)
Increase (decrease) in reserve for repair work	2,257	3,263
Interest and dividend income	(6,878)	(5,461)
Interest expense	12,678	12,117
(Gain) loss on sales of fixed assets, net	(689)	(6,409)
Insurance proceeds	(20,539)	—
(Increase) decrease in notes and accounts receivable, trade	15,727	108,175
(Increase) decrease in inventories	(65,007)	209,752
Increase (decrease) in notes and accounts payable, trade	25,967	(84,283)
(Increase) decrease in accounts receivable, other	(1,989)	(749)
Increase (decrease) in accounts payable, other	(47,302)	(3,651)
Other, net	(4,804)	10,138
Subtotal	72,871	202,432
Interest and dividends received	10,196	8,835
Insurance proceeds	20,539	—
Interest paid	(11,049)	(10,068)
Income taxes paid	(42,470)	(28,295)
Net cash provided by (used in) operating activities	50,087	172,904
Cash flows from investing activities:		
Purchases of tangible fixed assets	(94,502)	(111,698)
Proceeds from sales of tangible fixed assets	5,140	16,975
Purchases of intangible fixed assets	(3,220)	(1,247)
Purchases of investment securities	(44,308)	(27,331)
Proceeds from sales and redemption of investment securities	4,065	6,198
(Increase) decrease in loans receivable, net	(3,064)	(560)
Payments for investments in capital of affiliates	(31,727)	(643)
Other, net	(12,193)	(12,837)
Net cash provided by (used in) investing activities	(179,811)	(131,146)

(Unit: ¥Million)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Cash flows from financing activities:		
Increase (decrease) in short-term loans payable, net	75,729	(118,539)
Increase (decrease) in commercial paper, net	29,997	(32,997)
Proceeds from long-term loans payable	158,401	163,151
Repayments of long-term loans payable	(117,854)	(121,898)
Proceeds from issuance of bonds	24,889	19,903
Purchases of treasury stock	(11)	(0)
Proceeds from sales of treasury stock	–	0
Cash dividends paid	(7,997)	(7,997)
Cash dividends paid to minority shareholders	(2,839)	(102)
Other, net	828	226
Net cash provided by (used in) financing activities	161,143	(98,253)
Effect of exchange rate change on cash and cash equivalents	10,922	3,216
Net increase (decrease) in cash and cash equivalents	42,341	(53,279)
Cash and cash equivalents at the beginning of period	116,446	159,991
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	1,203	4,483
Cash and cash equivalents at the end of period	159,991	111,195

(5) Events or Conditions that may cast Significant Doubt about the Company's Ability to Continue as a Going Concern: **None**

(6) Significant Matters Constituting the Basis for the Preparation of the Consolidated Financial Statements

Since there has been no material change in descriptions from those in the latest financial statements (submitted on June 26, 2014), disclosure is omitted.

(7) Changes in Accounting Policies

(Adoption of Accounting Standard for Retirement Benefits)

Effective April 1, 2014, the Company adopted certain provisions prescribed in paragraph 35 of Accounting Standard Board of Japan ("ASBJ") Statement No.26, "Accounting Standard for Retirement Benefits" and paragraph 67 of ASBJ Guidance No.25, "Guidance on Accounting Standard for Retirement Benefits." In accordance with those provisions, the Company changed the method of attributing expected benefit to periods from a straight line-basis to a benefit formula basis. In addition, the Company changed the determination of discount rates from using rates determined by reference to the average remaining service period of employees to using primarily multiple rates determined for each estimated payment periods of retirement benefit.

In accordance with a transitional provision prescribed in paragraph 37 of ASBJ Statement No. 26, the Company accounted for the effect from those changes as an adjustment of retained earnings as of April 1, 2014.

As a result, liability for employees' retirement benefits as of April 1, 2014 increased by ¥7,065 million and retained earnings as of April 1, 2014 decreased by ¥4,541 million. The effect of those changes on the results of operations was not material.

(8) Change in Presentation Methods: **None**

(9) Additional Information: **None**

(10) Notes to Consolidated Financial Statements
(Notes to Consolidated Balance Sheets)

(Unit: ¥Million)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
1. Assets pledged as collateral	343,535	344,419
2. Contingent liabilities:		
Guaranty liabilities and items of similar nature	8,501	10,413
Construction completion guarantee	—	83,828
3. Accumulated depreciation for property, plant and equipment	2,097,025	2,127,978

4. Revaluation of land

The Company revalued its land used for business activities in accordance with the "Law of Land Revaluation" (No. 34, March 31, 1998) and the "Law for Partial Revision of the Law of Land Revaluation" (No. 19, March 31, 2001)." The difference between the revaluated amount and the book value is stated as "Surplus from land revaluation" in net assets after deducting the related deferred tax liability.

(a) Method of revaluation

The Company's land was revaluated based on the land value determined for calculating property tax, the land value determined for calculating landholding tax and appraisal by certified real estate appraisers as stipulated in Articles 2-3, 2-4 and 2-5 of the "Enforcement Ordinance of the Law of Land Revaluation" (No.119, March 31, 1998), respectively.

(b) Date of revaluation: March 31, 2002

(c) Difference between the total fair value and the total carrying amount of revaluated land at fiscal year-ends

(Unit: ¥Million)

FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
(148,744)	(150,587)

(Notes to Consolidated Statements of Comprehensive Income)

Reclassification adjustments for components of other comprehensive income and income tax effect are as follows:

(Unit: ¥Million)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Unrealized gains (losses) on available-for-sale securities:		
Amount arising during the period	3,263	6,667
Reclassification adjustments to profit or loss	(2,750)	221
Amount before income tax effect	513	6,889
Income tax effect	(121)	(2,034)
Total	391	4,855
Deferred gains (losses) on hedging activities, net:		
Amount arising during the period	1,834	1,544
Reclassification adjustments to profit or loss	1,446	(8,588)
Amount before income tax effect	3,280	(7,044)
Income tax effect	(1,068)	1,236
Total	2,212	(5,808)
Surplus from land revaluation:		
Income tax effect	(458)	10,243
Foreign currency translation adjustments:		
Amount arising during the period	20,322	12,126
Reclassification adjustments to profit or loss	—	—
Amount before income tax effect	—	12,126
Income tax effect	—	(249)
Total	20,322	11,876
Defined retirement benefit plans:		
Amount arising during the period	—	1,831
Reclassification adjustments to profit or loss	—	78
Amount before income tax effect	—	1,910
Income tax effect	—	(517)
Total	—	1,392
Share of other comprehensive income (loss) in equity method affiliates:		
Amount arising during the period	4,493	8,756
Reclassification adjustments to profit or loss	(105)	(256)
Total	4,387	8,499
Total other comprehensive income	26,855	31,059

(Notes to Consolidated Statements of Changes in Net Assets)

FY2013 (From April 1, 2013 to March 31, 2014)

1. Issued shares

	Number of shares at the beginning of current period	Increase	Decrease	Number of shares at the end of current period
Common stock (*)	40,000,000	120,000,000	—	160,000,000

(*) The increase during the current period is due to a stock split.

2. Treasury stock

	Number of shares at the beginning of current period	Increase	Decrease	Number of shares at the end of current period
Common stock (*)	10,413	36,283	—	46,696

(*) The increase during the current period is due to a stock split (33,219 shares) and repurchase of less-than-one-unit shares (3,064 shares).

3. Dividends

(a) Dividends paid

Resolution	Class of shares	Total dividends paid (¥Million)	Dividends per share (¥)	Record date	Effective date
Board of directors' meeting on May 2, 2013	Common stock	3,998	100.00	March 31, 2013	June 6, 2013
Board of directors' meeting on November 5, 2013	Common stock	3,998	100.00	September 30, 2013	December 6, 2013

(b) Dividends of which record date is the current fiscal year and effective date is next fiscal year

Resolution	Class of shares	Total dividends paid (¥Million)	Source of dividends	Dividends per share (¥)	Record date	Effective date
Board of directors' meeting on May 2, 2014	Common stock	3,998	Retained earnings	25.00	March 31, 2014	June 5, 2014

(*) The Company conducted a 1:4 stock split on its common shares with the effective date of January 1, 2014. This stock split is reflected in the calculation of dividends per share.

FY2014 (From April 1, 2014 to March 31, 2015)

1. Issued shares

	Number of shares at the beginning of current period	Increase	Decrease	Number of shares at the end of current period
Common stock (*)	160,000,000	—	—	160,000,000

2. Treasury stock

	Number of shares at the beginning of current period	Increase	Decrease	Number of shares at the end of current period
Common stock (*)	46,696	140	60	46,776

(*) The increase during the current period is due to repurchase of less-than-one-unit shares. The decrease during the current period is due to resale of treasury stock to holders of less-than-one-unit shares.

3. Dividends

(a) Dividends paid

Resolution	Class of shares	Total dividends paid (¥Million)	Dividends per share (¥)	Record date	Effective date
Board of directors' meeting on May 2, 2014	Common stock	3,998	25.00	March 31, 2014	June 5, 2014
Board of directors' meeting on November 4, 2014	Common stock	3,998	25.00	September 30, 2014	December 5, 2014

(b) Dividends of which record date is the current fiscal year and effective date is next fiscal year

Resolution	Class of shares	Total dividends paid (¥Million)	Source of dividends	Dividends per share (¥)	Record date	Effective date
Board of directors' meeting on May 7, 2015	Common stock	3,998	Retained earnings	25.00	March 31, 2015	June 4, 2015

(Notes to Consolidated Statements of Cash Flows)

Reconciliation between "Cash and cash equivalents" in the consolidated statements of cash flows and captions on the consolidated balance sheets are as follows:

(Unit:¥Million)

	FY2013 (From April 1 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Cash and deposits	161,522	112,959
Time deposits with original maturities of longer than three months	(1,531)	(1,763)
Cash and cash equivalents	159,991	111,195

(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 in the Group, the Company adopts the three reportable segments of: Petroleum products, Petrochemical products and Resources. In addition, other business segments are summarized under Others.

The Petroleum products segment is engaged in the manufacturing and sales of fuel oils and lubricant oils. The Petrochemical products segment is involved in the manufacturing and sales of basic chemicals as raw materials for various petrochemical products, as well as solvents and various functional materials. The Resources segment carries out exploration, development, production and sales of energy resources, including crude oil and coal.

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

The accounting policies of each reportable segment are consistent to those disclosed in (6) "Significant Matters Constituting the Basis for the Preparation of 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

FY2013 (From April 1, 2013 to March 31, 2014)

(Unit: ¥Million)

	Reportable segments				Others (*1)	Total	Reconciliation (*2, 4, 5, 6)	Consolidated (*3)
	Petroleum products	Petro-chemical products	Resources	Total				
Net sales:								
Net sales to outside customers	4,074,661	675,138	235,393	4,985,192	49,802	5,034,995	―	5,034,995
Inter-segment	4,284	3,037	11	7,332	3,591	10,924	(10,924)	―
Total	4,078,945	678,175	235,404	4,992,525	53,394	5,045,919	(10,924)	5,034,995
Operating income	16,822	36,481	26,591	79,895	2,451	82,347	(4,149)	78,197
Segment assets	1,931,182	422,588	590,252	2,944,024	95,444	3,039,468	(44,404)	2,995,063
Other items:								
Depreciation and amortization	26,596	8,850	26,470	61,918	678	62,596	523	63,120
Amortization of goodwill	759	34	2,229	3,023	290	3,313	―	3,313
Equity in earnings (losses) of affiliates	624	318	(467)	475	6,296	6,772	47	6,820
Impairment loss on fixed assets	2,569	1,980	14,506	19,056	―	19,056	―	19,056
Investment in equity method affiliates	58,560	32,275	0	90,835	72,586	163,422	―	163,422
Unamortized balance of goodwill	8,550	320	28,380	37,250	2,170	39,421	―	39,421
Increase of property, plant, equipment and fixed intangible assets	34,566	5,572	59,693	99,832	6,777	106,610	861	107,472

Notes:

1. The segment "Others" refers to the total of other business segments that are not included in the reportable segments, including engineering businesses, insurance businesses, electronic materials businesses, agricultural biotechnology businesses and renewable energy businesses.
2. The amount of reconciliation for the operating income mainly represents research and development costs, which do not belong to reportable segments.
3. The operating income of the reportable segments is reconciled to the amount of operating income in the consolidated statements of income.
4. 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.
5. The amounts of reconciliation for "Depreciation and amortization" and "Increase of property, plant, equipment and fixed intangible assets" mainly represent depreciation and increases in fixed assets for research and development that do not belong to the reportable segments.
6. The amount of reconciliation for "Equity in earnings (losses) of affiliates" is due to elimination of inter-segment transactions.

FY2014 (From April 1, 2014 to March 31, 2015)

(Unit: ¥Million)

	Reportable segments				Others (*1)	Total	Reconciliation (*2, 4, 5, 6)	Consolidated (*3)
	Petroleum products	Petro-chemical products	Resources	Total				
Net sales:								
Net sales to outside customers	3,693,908	638,977	241,076	4,573,961	55,770	4,629,732	–	4,629,732
Inter-segment	11,852	5,950	7	17,810	5,023	22,833	(22,833)	–
Total	3,705,760	644,927	241,083	4,591,772	60,794	4,652,566	(22,833)	4,629,732
Operating income (loss)	(111,634)	(7,083)	13,072	(105,645)	3,270	(102,374)	(2,424)	(104,798)
Segment assets	1,729,765	389,819	590,100	2,709,685	98,070	2,807,756	(76,754)	2,731,001
Other items:								
Depreciation and amortization	27,494	8,650	29,038	65,184	935	66,119	624	66,744
Amortization of goodwill	717	34	2,364	3,116	289	3,405	–	3,405
Equity in earnings (losses) of affiliates	(503)	4,352	–	3,849	(2,147)	1,702	68	1,771
Impairment loss on fixed assets	2,553	2,198	65,758	70,511	–	70,511	–	70,511
Investment in equity method affiliates	87,105	37,077	4,420	128,602	69,948	198,550	–	198,550
Unamortized balance of goodwill	8,156	285	55	8,497	1,883	10,381	–	10,381
Increase of property, plant, equipment and fixed intangible assets	30,764	8,286	105,966	145,017	1,880	146,898	508	147,406

Notes:

1. The segment "Others" refers to the total of other business segments that are not included in the reportable segments, including engineering businesses, insurance businesses, electronic materials businesses, agricultural biotechnology businesses and renewable energy businesses.
2. The amount of reconciliation for the operating income (loss) mainly represents research and development costs, which do not belong to reportable segments.
3. The operating income (loss) of the reportable segments is reconciled to the amount of operating income in the consolidated statements of income.
4. 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
5. The amounts of reconciliation for "Depreciation and amortization" and "Increase of property, plant, equipment and fixed intangible assets" mainly represent depreciation and increases in fixed assets for research and development that do not belong to the reportable segments.
6. The amount of reconciliation for "Equity in earnings (losses) of affiliates" is due to elimination of inter-segment transactions.
7. The Idemitsu Group assessed that further enhancement of the coal business in the total value chain from the supply to sales and strengthening of the operational efficiency were required for the Group in response to changes in the environment surrounding the coal business, and consequently changed its business organization on July 1, 2014 in order to operate the coal mining business and coal sales business as a whole. As a result, the coal sales business is included in the resources segment from the year ended Mach 31, 2015, which was previously included in the petroleum products segment. In addition, segment information for the year ended March 31, 2014 reflects the current segmentation.

Related Information

FY2013 (From April 1, 2013 to March 31, 2014)

(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	Europe	Others	Total
4,098,397	519,306	295,159	115,752	6,379	5,034,995

(Notes)

1. Areas are segmented based on their geographical proximity.
2. The principal areas included in each region are as follows:

Asia and Oceania : China, Australia, South Korea, Singapore, etc.
North America : USA and Canada
Europe : UK, Norway, etc.
Others : South America, etc.

(2) Property, plant and equipment

(Unit: ¥Million)

Japan	Asia and Oceania	Europe	Others	Total
843,153	108,104	131,985	4,367	1,087,611

(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, Malaysia, South Korea, Indonesia, etc.
Europe : UK and Norway
Others : USA, Canada, etc.

(c) 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.

FY2014 (From April 1, 2014 to March 31, 2015)

(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	Europe	Others	Total
3,708,080	544,739	263,205	104,794	8,912	4,629,732

(Notes)

1. Areas are segmented based on their geographical proximity.
2. The principal areas included in each region are as follows:

Asia and Oceania : China, Australia, South Korea, Singapore, etc.
North America : USA and Canada
Europe : UK, Norway, etc.
Others : South America, etc.

(2) Property, plant and equipment

(Unit: ¥Million)

Japan	Asia and Oceania	Europe	Others	Total
837,085	130,090	163,450	5,117	1,135,743

(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, Malaysia, South Korea, Indonesia, etc.
Europe : UK and Norway
Others : USA, Canada, etc.

(c) 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

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

Information Regarding Amortization and Unamortized Balances of Goodwill by Reportable Segment

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

Information Regarding Negative Goodwill Gain by Reportable Segment

No negative goodwill was recognized during the periods.

(Other Notes to Consolidated Financial Statements)

Certain notes such as notes on lease transactions, income taxes, securities, derivatives, retirement benefits to employees and business combinations have been omitted since the Company believes that they are not as material as those disclosed in this release.

These notes will become available on EDINET on-line disclosure as the Company plans to file the Securities Report on June 25, 2015.

(Per Share Information)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net assets per share	¥4,391.46	¥3,671.39
Net income (loss) per share	¥226.90	¥(862.50)
Diluted net income per share	¥226.89	—

Note: The basis for calculating net income (loss) per share and diluted net income per share is as follows:

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net income (loss) per share:		
Net income (loss) (¥million)	36,294	(137,958)
Amount not attributable to common stock (¥million)	—	—
Net income (loss) attributable to common stock (¥million)	36,294	(137,958)
Weighted-average common shares outstanding during the period (thousands of shares)	159,957	159,953
Diluted net income per share:		
Effect of dilutive securities (¥million)	(2)	—
Dilution of subsidiaries stock (¥million)	(2)	—
Summary of information for potential dilutive securities not included in the basis for calculating diluted net income per share since there is no dilutive effect	—	—

(*)1. The Company conducted a 1:4 stock split on its common shares with the effective date of January 1, 2014. Net income (loss) per share and diluted net income per share are calculated under the assumption that the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

2. Diluted net income per share is not calculated for the fiscal year ended March 31, 2015 because of net loss for the fiscal year although dilutive shares exist.

(Significant Subsequent Events)

None

6. Nonconsolidated Financial Statements

(1) Nonconsolidated Balance Sheets

(Unit: ¥Million)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Assets		
Current assets:		
Cash and deposits	67,635	37,547
Notes receivable, trade	311	240
Accounts receivable, trade	354,901	249,188
Merchandise and finished goods	335,052	269,277
Raw material and supplies	326,289	180,949
Prepaid expenses	2,707	3,661
Short-term loans receivable	28,070	39,974
Deferred tax assets	7,818	28,921
Other	70,121	64,486
Less: Allowance for doubtful accounts	(1,703)	(1,805)
Total current assets	1,191,205	872,441
Fixed assets:		
Property, plant and equipment:		
Buildings, net	51,082	50,920
Structures, net	60,404	62,044
Oil tanks, net	23,452	24,815
Machinery and equipment, net	94,322	90,957
Vehicles, net	458	700
Tools, furniture and fixtures, net	6,642	6,328
Land	589,479	586,452
Construction in progress	5,892	3,102
Total property, plant and equipment	831,735	825,321
Intangible fixed assets:		
Leasehold rights	8,169	8,184
Software	1,852	2,027
Other	412	326
Total fixed intangible assets	10,433	10,539
Investments and other assets:		
Investment securities	39,875	41,532
Investment in subsidiaries and affiliates	293,113	278,476
Long-term loans receivable	12,137	9,336
Deferred tax assets	5,899	32,262
Other	24,159	24,042
Less: Allowance for doubtful accounts	(209)	(175)
Total investments and other assets	374,977	385,475
Total fixed assets	1,217,146	1,221,335
Total assets	2,408,351	2,093,776

(Unit: ¥Million)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Liabilities		
Current liabilities:		
Accounts payable, trade	390,974	309,291
Short-term loans payable	391,913	337,659
Commercial paper	59,995	26,997
Accounts payable, other	228,833	225,620
Accrued expenses	2,742	2,438
Advances received	24,217	26,355
Deposits received	36,724	51,565
Provision for bonuses	5,390	4,274
Other	5,196	22,196
Total current liabilities	1,145,987	1,006,397
Non-current liabilities:		
Bonds payable	45,000	65,000
Long-term loans payable	520,474	487,342
Deferred tax liability related to land revaluation	103,027	92,508
Provision for retirement benefits	10,219	15,008
Reserve for repair work	22,082	25,378
Other	23,880	20,087
Total non-current liabilities	724,684	705,325
Total liabilities	1,870,672	1,711,722
Net assets		
Shareholders' equity:		
Common stock	108,606	108,606
Capital surplus		
Legal capital surplus	57,245	57,245
Other capital surplus	10,354	10,354
Total capital surplus	67,599	67,599
Retained earnings		
Legal retained earnings	1,081	1,081
Other retained earnings		
Reserve for special depreciation	2,650	1,832
Reserve for overseas investment loss	627	596
Reserve for advanced depreciation of fixed assets	33,011	34,243
Retained earnings brought forward	178,460	5,849
Total retained earnings	215,832	43,602
Treasury stock	(130)	(130)
Total shareholders' equity	391,908	219,678
Valuation and translation adjustments:		
Unrealized gains (losses) on available-for-sale securities	3,680	8,556
Deferred gains (losses) on hedging activities, net	(5,624)	(3,641)
Surplus from land revaluation	147,714	157,460
Total valuation and translation adjustments	145,770	162,374
Total net assets	537,678	382,053
Total liabilities and net assets	2,408,351	2,093,776

2) Nonconsolidated Income Statements

(Unit: ¥Million)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net sales	4,200,335	3,748,358
Cost of sales	3,970,470	3,672,269
Gross profit	229,865	76,088
Selling, general and administrative expenses	196,257	214,123
Operating income (loss)	33,607	(138,034)
Non-operating income:		
Interest income	483	535
Dividend income	14,052	9,163
Gain on foreign exchange, net	358	174
Subsidy income	7,626	5,330
Other	2,687	3,740
Total non-operating income	25,208	18,946
Non-operating expenses:		
Interest expense	11,261	10,351
Other	3,152	3,581
Total non-operating expenses	14,414	13,932
Ordinary income (loss)	44,402	(133,021)
Extraordinary income:		
Gain on sales of fixed assets	770	547
Gain on sales of investment securities	2,750	—
Indemnification income	2,525	—
Gain on transfer of business	235	796
Other	—	27
Total extraordinary gain	6,281	1,371
Extraordinary loss:		
Loss on impairment of fixed assets	4,544	4,221
Loss on sales of fixed assets	337	929
Loss on disposals of fixed assets	2,667	4,668
Impairment loss on investments in subsidiaries and affiliate	873	66,391
Loss on termination of feasibility study	4,215	—
Other	223	642
Total extraordinary loss	12,862	76,853
Income (loss) before income taxes	37,821	(208,503)
Income taxes-current	6,466	33
Income taxes-deferred	3,890	(48,540)
Total income taxes	10,356	(48,507)
Net income (loss)	27,465	(159,996)

(3) Nonconsolidated Statements of Changes in Net Assets

FY2013 (From April 1, 2013 to March 31, 2014)

(Unit: ¥Million)

	Shareholders' equity									
		Capital surplus			Retained earnings					
						Other retained earnings				
	Common stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Reserve for special depreciation	Reserve for overseas investment loss	Reserve for advanced depreciation of fixed assets	Retained earnings brought forward	Total retained earnings
Balance at the beginning of current period	108,606	57,245	10,354	67,599	1,081	−	709	28,775	164,189	194,755
Cumulative effects of changes in accounting policies										−
Restated balance	108,606	57,245	10,354	67,599	1,081	−	709	28,775	164,189	194,755
Changes of items during the period										
Dividends from surplus									(7,997)	(7,997)
Net income									27,465	27,465
Acquisitions of treasury stock										
Disposals of treasury stock										
Provision of other retained earnings						2,650	2	7,182	(9,834)	−
Reversal of other retained earnings							(83)	(2,945)	3,029	−
Adjustment due to sales and revaluation of land									1,609	1,609
Net changes of items other than shareholders' equity										
Total changes of items during the period	−	−	−	−	−	2,650	(81)	4,236	14,271	21,076
Balance at the end of period	108,606	57,245	10,354	67,599	1,081	2,650	627	33,011	178,460	215,832

	Shareholders' equity		Valuation and translation adjustments				
	Treasury stock	Total shareholders' equity	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedging activities, net	Surplus from land revaluation	Total valuation and translation adjustments	Total net assets
Balance at the beginning of current period	(118)	370,843	3,291	(4,075)	149,782	148,998	519,841
Cumulative effects of changes in accounting policies		−					−
Restated balance	(118)	370,843	3,291	(4,075)	149,782	148,998	519,841
Changes of items during the period							
Dividends from surplus		(7,997)					(7,997)
Net income		27,465					27,465
Acquisitions of treasury stock	(11)	(11)					(11)
Disposals of treasury stock		−					−
Provision of other retained earnings		−					−
Reversal of other retained earnings		−					−
Adjustment due to sales and revaluation of land		1,609			(1,609)	(1,609)	−
Net changes of items other than shareholders' equity			389	(1,548)	(458)	(1,618)	(1,618)
Total changes of items during the period	(11)	21,065	389	(1,548)	(2,068)	(3,227)	17,837
Balance at the end of period	(130)	391,908	3,680	(5,624)	147,714	145,770	537,678

FY2014 (From April 1, 2014 to March 31, 2015)

(Unit: ¥Million)

	Shareholders' equity									
		Capital surplus			Retained earnings					
						Other retained earnings				
	Common stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Reserve for special depreciation	Reserve for overseas investment loss	Reserve for advanced depreciation of fixed assets	Retained earnings brought forward	Total retained earnings
Balance at the beginning of current period	108,606	57,245	10,354	67,599	1,081	2,650	627	33,011	178,460	215,832
Cumulative effects of changes in accounting policies									(4,732)	(4,732)
Restated balance	108,606	57,245	10,354	67,599	1,081	2,650	627	33,011	173,727	211,099
Changes of items during the period										
Dividends from surplus									(7,997)	(7,997)
Net loss									(159,996)	(159,996)
Acquisitions of treasury stock										
Disposals of treasury stock			(0)	(0)						
Provision of other retained earnings						86	28	4,864	(4,979)	–
Reversal of other retained earnings						(904)	(60)	(3,633)	4,597	–
Adjustment due to sales and revaluation of land									497	497
Net changes of items other than shareholders' equity										
Total changes of items during the period	–	–	(0)	(0)	–	(818)	(31)	1,231	(167,878)	(167,496)
Balance at the end of period	108,606	57,245	10,354	67,599	1,081	1,832	596	34,243	5,849	43,602

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedging activities, net	Surplus from land revaluation	Total valuation and translation adjustments	
Balance at the beginning of current period	(130)	391,908	3,680	(5,624)	147,714	145,770	537,678
Cumulative effects of changes in accounting policies		(4,732)					(4,732)
Restated balance	(130)	387,175	3,680	(5,624)	147,714	145,770	532,945
Changes of items during the period							
Dividends from surplus		(7,997)					(7,997)
Net loss		(159,996)					(159,996)
Acquisitions of treasury stock	(0)	(0)					(0)
Disposals of treasury stock	0	0					0
Provision of other retained earnings		–					–
Reversal of other retained earnings		–					–
Adjustment due to sales and revaluation of land		497			(497)	(497)	–
Net changes of items other than shareholders' equity			4,876	1,982	10,243	17,101	17,101
Total changes of items during the period	(0)	(167,496)	4,876	1,982	9,745	16,604	(150,892)
Balance at the end of period	(130)	219,678	8,556	(3,641)	157,460	162,374	382,053