



Press Release



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Announcement on the Revisions of Earnings Forecasts for Fiscal Year 2015

Idemitsu Kosan Co.,Ltd. (hereinafter, “Idemitsu” or the “Company”) hereby announces that it has revised its earnings forecasts for the fiscal year ending March 31, 2016 previously announced on May 7, 2015, in light of recent operating trends, as follows:

1. Revisions of Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2016 (April 1, 2015-March 31, 2016)

(Units: ¥ million, ¥)

	Net Sales (¥ million)	Operating Income (¥ million)	Ordinary Income (¥ million)	Net income attributable to owners of the parent (¥ million)	Net Income per Share (¥)
Previous Forecast (A)	4,350,000	92,000	89,000	56,000	350.10
Revised Forecast (B)	4,090,000	40,000	39,000	28,000	175.05
Change (B-A)	(260,000)	(52,000)	(50,000)	(28,000)	
Change (%)	(6.0)	(56.5)	(56.2)	(50.0)	
(Reference) Financial Results for FY2014	4,629,732	(104,798)	(107,618)	(137,958)	(862.50)

2. Reasons for the Revision in Earnings Forecasts

The net sales forecast for the fiscal year ending March 31, 2016 was revised downward from the previous forecast due to a decrease in crude oil prices, among other factors.

Operating and ordinary income was revised downward from the previous forecast due to reduced product margins in the petroleum products segment and the impact of inventory valuation, among other factors. While no impact from inventory valuation was included in the previous forecast, the revised forecast includes losses of ¥43.0 billion at the operating income level resulting from inventory valuation.

As a result of the above, net income attributable to owners of the parent is expected to decrease relative to the previous forecast.

(Assumptions)

(Units: US\$/bbl., US\$/ton, ¥/US\$)

	Previous Forecast	Revised Forecast	Change
Crude Oil Price(Dubai)	60.0	52.8	(7.2)
Naphtha Price	524	495	(29)
Exchange Rate	120.0	121.4	+1.4

Note: The Company has revised its assumptions for the period from November 2015 onwards as follows:

Dubai Crude Oil Price \$50/bbl, Naphtha Price \$447/ton, and Exchange Rate ¥120/\$

3. Dividend Forecast

The Company's annual dividend forecast remains unchanged at ¥50 per share.

- * The above earnings forecasts are based on information available as of the announcement date of this document. Actual results may differ from the forecasted figures for various subsequent events.