

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Under Japanese GAAP)



May 10, 2022

Company name: Fuji Oil Company, Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 5017  
 URL: <http://www.foc.co.jp/>  
 Representative: Shigeto Yamamoto, Representing Director, President  
 Inquiries: Ryuji Suzuki, General Manager, General Administration Department  
 Telephone: +81-3-5462-7803  
 Scheduled date of the annual general meeting of shareholders: June 28, 2022  
 Scheduled date to commence dividend payments: June 29, 2022  
 Scheduled date to file the securities report: June 28, 2022  
 Preparation of supplementary materials on financial results: Yes (Japanese only)  
 Holding of financial results briefing: Yes (for institutional investors and analysts; Japanese only)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

#### (1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2022	485,302	40.8	15,539	118.9	16,076	93.9	15,203	132.9
Fiscal year ended March 31, 2021	344,612	(25.5)	7,098	-	8,293	-	6,528	-

(Note) Total comprehensive income:  
 Fiscal year ended March 31, 2022: 17,123 million yen (148.4%)  
 Fiscal year ended March 31, 2021: 6,892 million yen (-%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating profit margin
	Yen -	Yen -	%	%	%
Fiscal year ended March 31, 2022	197.29	-	27.1	5.3	3.2
Fiscal year ended March 31, 2021	84.72	-	14.6	3.3	2.1

(Reference) Share of profit (loss) of entities accounted for using equity method:  
 Fiscal year ended March 31, 2022: 831 million yen  
 Fiscal year ended March 31, 2021: 2,777 million yen

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen -
As of March 31, 2022	352,842	64,539	18.2	835.28
As of March 31, 2021	253,007	48,188	19.0	623.28

(Reference) Equity: As of March 31, 2022: 64,369 million yen  
 As of March 31, 2021: 48,031 million yen

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2022	(31,999)	(12,546)	39,940	7,912
Fiscal year ended March 31, 2021	22,762	(4,056)	(16,712)	12,336

## 2. Cash dividends

	Annual dividends per share					Total dividends	Dividend payout ratio (consolidated)	Dividends on net assets (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen -	Yen -	Yen -	Yen -	Yen -	Millions of yen	%	%
Fiscal year ended March 31, 2021	-	0.00	-	10.00	10.00	772	11.8	1.7
Fiscal year ended March 31, 2022	-	0.00	-	10.00	10.00	772	5.1	1.4
Fiscal year ending March 31, 2023 (Forecast)	-	0.00	-	10.00	10.00		11.7	

## 3. Consolidated financial results forecast for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen -
Six months ending September 30, 2022	358,500	141.1	6,100	-	6,200	-	5,200	-	67.48
Full year	702,300	44.7	9,000	-	8,100	-	6,600	-	85.64

### \*Notes

(1) Changes in significant subsidiaries during the fiscal year ended March 31, 2022 (changes in specified subsidiaries resulting in changes in the scope of consolidation) : None

(2) Changes in accounting policies and accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes

(ii) Changes in accounting policies due to reasons other than (i) : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	78,183,677 shares	As of March 31, 2021	78,183,677 shares
----------------------	-------------------	----------------------	-------------------

(ii) Number of treasury shares at the end of the period

As of March 31, 2022	1,121,198 shares	As of March 31, 2021	1,121,198 shares
----------------------	------------------	----------------------	------------------

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2022	77,062,479 shares	Fiscal year ended March 31, 2021	77,062,479 shares
----------------------------------	-------------------	----------------------------------	-------------------

### (Reference) Overview of non-consolidated financial results

#### 1. Non-consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2022	476,215	41.5	15,151	128.7	14,775	186.4	13,529	229.2
Fiscal year ended March 31, 2021	336,460	(25.9)	6,623	-	5,159	-	4,110	-

	Basic earnings per share	Diluted earnings per share
	Yen -	Yen -
Fiscal year ended March 31, 2022	175.21	-
Fiscal year ended March 31, 2021	53.23	-

## (2) Non-consolidated financial position

(Percentages indicate year-on-year changes.)

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen -
As of March 31, 2022	332,842	43,884	13.2	568.33
As of March 31, 2021	236,274	31,571	13.4	408.86

(Reference) Equity:

As of March 31, 2022: 43,884 million yen

As of March 31, 2021: 31,571 million yen

\* Financial results reports are exempt from audits conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

The forward-looking statements such as financial results forecasts contained in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual financial results may differ significantly from the forecasts due to various factors. For the assumptions underlying the financial results forecasts and cautions concerning the use thereof, please refer to "Outlook for the Future" on page 5 of the attachment.

The Company will hold a financial results briefing for institutional investors and analysts. The financial results materials used in this briefing will be disclosed on TDnet on the same day and posted on our company website. In addition, a transcript of the financial results briefing and a summary of questions and answers will be disclosed on our company website within a few days after the financial results briefing.

○Table of Contents of Attachment

1. Overview of Operating Results, Etc. ....	22
(1) Overview of Operating Results for the Fiscal Year Ended March 31, 2022 .....	2
(2) Overview of Financial Position for the Fiscal Year Ended March 31, 2022 .....	4
(3) Overview of Cash Flows for the Fiscal Year Ended March 31, 2022 .....	4
(4) Outlook for the Future .....	5
(5) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Ended March 31, 2022 and the Fiscal Year Ending March 31, 2023 .....	5
2. Status of the Corporate Group .....	66
3. Basic Views Concerning the Selection of Accounting Standards .....	7
4. Consolidated Financial Statements and Significant Notes Thereto .....	8
(1) Consolidated Balance Sheet .....	8
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income .....	10
(3) Consolidated Statement of Changes in Equity .....	12
(4) Consolidated Statement of Cash Flows .....	14
(5) Notes to Consolidated Financial Statements .....	16
(Notes on Going Concern Assumption) .....	16
(Changes in Accounting Policies) .....	16
(Additional Information) .....	16
(Segment Information, Etc.) .....	16
(Per Share Information) .....	17
(Significant Subsequent Events) .....	18
5. Non-consolidated Financial Statements and Significant Notes Thereto .....	19
(1) Balance Sheet .....	19
(2) Statement of Income .....	21
(3) Statement of Changes in Equity .....	22

## 1. Overview of Operating Results, Etc.

### (1) Overview of Operating Results for the Fiscal Year Ended March 31, 2022

[Business environment surrounding the Group]

In the crude oil market, the Dubai crude started the period at the US\$61/bbl level and followed a rising trend backed by expectations for economic recoveries associated with progress in COVID-19 vaccination in the United States and Europe. Subsequently, it reached the US\$84/bbl level in late October against the backdrop of a major hurricane approaching oil production facilities along the U.S. Gulf Coast and tighter supply and demand caused by supply disruptions from some oil-producing countries. While in late November there was a phase of price adjustment due to a risk aversion move induced by the spread of a new COVID-19 variant, Omicron, the Dubai crude continued to rise further, underpinned by resilient economic recoveries especially in the U.S. and the underlying robust energy demand, as well as due to growing concerns from January onward over geopolitical risks caused by rising tensions in the Ukraine situation. The Russian invasion of Ukraine at the end of February and the following economic sanctions on Russia by Western countries raised concerns about the impact on the supply of Russian crude oil, and the Dubai crude temporarily rose to US\$127/bbl in March. As a result, it marked about US\$78/bbl on a yearly average basis, up US\$33/bbl over the previous period.

In the foreign exchange market, the yen started the period at the higher ¥110/US\$ level and continued to be appreciated, hitting the mid-¥107/ US\$ level temporarily due in part to the U.S. interest rate increase being put on hold. Then it got weakened, reaching the higher ¥111/US\$ level as the Federal Open Market Committee (FOMC) noted the possibility of an early interest rate increase. Entering November, the yen weakened to the mid-¥115/US\$ level against the backdrop of the FRB's decision to start scale-back in quantitative easing amid growing concerns about inflation in the U.S. In January, the ¥/US\$ rate kept fluctuating in a narrow range in the context of the rising tensions in Ukraine. Then in March, the Bank of Japan's stance to maintain its monetary easing policy, in contrast to the FRB's decision to raise interest rate, led to dollar buying and yen selling on the prospect of a widening interest rate differential between the U.S. and Japan, with the yen temporarily depreciating to the ¥125/US\$ level. As a result, the yen marked about ¥112/US\$ on a yearly average basis, a depreciation of about ¥6/US\$ over the previous period.

Looking at the domestic oil product market, demand for Gasoline was at 97.8% of the previous period's figure, reflecting an improvement in fuel efficiency and a decrease in the number of gasoline passenger cars owned, while a rebound from the previous period's decrease due to people's avoidance of going out acted as a positive factor. Demand for Jet Fuel was at 121.2% of the previous period's figure due to a recovery in demand for air transport of passengers and freight. Demand for Gas Oil was at 100.2% of the previous period's figure due to increases in freight transport. Kerosene was at 93.2% of the figure of the previous period, when there were high demands caused by strong cold waves. As a result, the total sales volume of the products was at 101.0% of the previous period's figure.

[Status of business of the Group]

Petroleum refining and sales business

The Company carried out a major periodical shut-down maintenance and repair (SDM), which is conducted once every four years, from May to July in 2021 at Sodegaura Refinery by shutting down all the production facilities. As a result, crude oil throughput was 6,259 thousand kL, down by 7.2% as compared to the previous period. The utilization rate of the crude distillation unit was 75.4% on average during the period. The crude distillation unit maintained safe and stable operation from the 3rd quarter onward, with an average utilization rate of 98.0% during the 3rd and 4th quarters.

Total sales volume of petroleum products including petrochemicals and others came to 6,466 thousand kL, down by 9.4% as compared to the previous period, due to lower production volumes as a result of a major SDM, despite a recovery in demand for petroleum products due to progress in COVID-19 vaccination and the associated recovery in economic activities.

Looking at sales by product, Gasoline, Jet Fuel, Kerosene, Gas Oil and Benzene/Xylene are down by 6.3%, 12.8%, 12.3%, 9.6%, and 14.6% year-on-year, respectively.

Activities of Group companies

PETRO PROGRESS PTE LTD, an important overseas operation base of the Company located in Singapore, has continued business operations such as purchase and sale of crude oil and petroleum products.

Japan Oil Engineering Company Ltd. (JOE) is working on the projects which will contribute to the development of a low carbon society, in addition to its core businesses of consulting and engineering for development and production of oil and gas. Among such projects are the environmental engineering and consulting services related to CO<sub>2</sub>-EOR (injection of CO<sub>2</sub> for enhanced oil recovery) and CCS (capture and storage of CO<sub>2</sub> from emissions to prevent it from entering the atmosphere) technologies, methane hydrate development, offshore wind and geothermal power generation.

[Overview of consolidated operating results]

Under these business circumstances, consolidated net sales resulted in 485.3 billion yen, up 140.6 billion yen over the previous period, as the selling prices of products increased along with a rise in crude oil prices, even though sales volume was decreased as compared to the previous period due mainly to a major periodic shut-down maintenance (SDM) at Sodegaura Refinery.

Looking at profit and loss for the period, operating profit was 15.5 billion yen, an increase of 8.4 billion yen over the previous period, due to such factors as i) positive effects of inventory valuation caused by a sharp increase in crude oil prices during the 4th quarter ( i.e., effects of inventory valuation calculated by using the average method and the influence of inventory write-downs based on decrease in profitability on cost of sales), which pushed down the cost of sales by 18.7 billion yen (in the previous period, positive effects of inventory valuation pushed down the cost of sales by 8.7 billion yen), and ii) better product margins accompanying a sharp rise in sales prices of petroleum products during the same quarter. Meanwhile, in relation to the government's measures taken for mitigating the impact of drastic changes in fuel oil prices caused by the surge in crude oil prices, government's subsidy of 0.7 billion yen was provided to the Company for a portion of the product sales volume in this period. This is a part of the profit corresponding to product margins and is recorded in non-operating income as subsidy income. The said subsidy, however, does not affect the consolidated financial results for the period. As for ordinary profit, it was 16.0 billion yen, an increase of 7.7 billion yen over the previous period.

Profit attributable to owners of parent for the period resulted in 15.2 billion yen, an increase of 8.6 billion yen over the previous period.

Operating loss and ordinary loss excluding effect of inventory valuation amounted to 3.2 billion yen (a deterioration of 1.6 billion yen over the previous period) and 2.7 billion yen (a deterioration of 2.2 billion yen over the previous period), respectively.

## (2) Overview of Financial Position for the Fiscal Year Ended March 31, 2022

### (Current assets)

At the end of the fiscal year under review, current assets totaled 225.0 billion yen, an increase of 91.5 billion yen compared with the end of the previous fiscal year. This was mainly due to a 49.5 billion yen increase in notes and accounts receivable-trade, and contract assets, a 37.2 billion yen increase in inventories, a 9.8 billion yen increase in accounts receivable-other, and a 3.7 billion yen decrease in cash and deposits.

### (Non-current assets)

At the end of the fiscal year under review, non-current assets were 127.8 billion yen, an increase of 8.3 billion yen compared with the end of the previous fiscal year. This was mainly due to a 6.5 billion yen increase in machinery, equipment and vehicles, a 2.5 billion yen increase in investment securities, and a 0.9 billion yen decrease in construction in progress.

### (Current liabilities)

At the end of the fiscal year under review, current liabilities totaled 247.2 billion yen, an increase of 89.9 billion yen compared with the end of the previous fiscal year. This was mainly due to a 45.1 billion yen increase in accounts payable-trade, a 37.9 billion yen increase in short-term loans payable, and an 11.6 billion yen increase in accounts payable-other.

### (Non-current liabilities)

At the end of the fiscal year under review, non-current liabilities totaled 41.1 billion yen, a decrease of 6.4 billion yen compared with the end of the previous fiscal year. This was mainly due to a 6.2 billion yen decrease in provision for repairs.

### (Net assets)

At the end of the fiscal year under review, net assets totaled 64.5 billion yen, an increase of 16.3 billion yen compared with the end of the previous fiscal year. This was mainly due to a 14.4 billion yen increase in retained earnings and a 2.2 billion yen increase in foreign currency translation adjustments.

## (3) Overview of Cash Flows for the Fiscal Year Ended March 31, 2022

Cash and cash equivalents at the end of the fiscal year under review totaled 7.9 billion yen, a decrease of 4.4 billion yen compared with the end of the previous fiscal year.

### (Cash flows from operating activities)

In the previous fiscal year, net cash provided by operating activities was 22.7 billion yen. This was because cash provided mainly by a decrease in trade receivables of 11.1 billion yen and an increase in trade payables of 8.2 billion yen exceeded cash used mainly in an increase in inventories of 12.3 billion yen.

Meanwhile, in the fiscal year under review, net cash used in operating activities was 31.9 billion yen. This was because cash used mainly in an increase in trade receivables of 49.5 billion yen and an increase in inventories of 37.2 billion yen exceeded cash provided mainly by an increase in trade payables of 45.1 billion yen.

### (Cash flows from investing activities)

In the previous fiscal year, net cash used in investing activities was 4.0 billion yen, mainly due to the purchase of property, plant and equipment for refinery facilities, etc. of 3.5 billion yen. These investments were financed by loans and own funds. Meanwhile, in the fiscal year under review, net cash used in investing activities was 12.5 billion yen, mainly due to the purchase of property, plant and equipment for refinery facilities, etc. of 12.6 billion yen. These investments were financed by loans and own funds.

### (Cash flows from financing activities)

In the previous fiscal year, net cash used in financing activities was 16.7 billion yen, mainly due to a net decrease of 6.6 billion yen in long-term loans payable and a net decrease of 9.7 billion yen in short-term loans payable.

Meanwhile, in the fiscal year under review, net cash provided by financing activities was 39.9 billion yen, mainly due to a net increase in short-term loans payable of 37.8 billion yen.

## (Reference) Trends in cash flow-related indicators

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022
Equity-to-asset ratio	23.9%	23.8%	16.8%	19.0%	18.2%
Equity-to-asset ratio at market value	11.1%	6.5%	5.9%	7.0%	5.8%
Ratio of cash flow to interest-bearing debt	17.1 years	-	25.8 years	4.9 years	-
Interest coverage ratio	3.1 times	-	1.9 times	16.5 times	-

Equity-to-asset ratio:  $\text{Equity} / \text{Total assets}$

Equity-to-asset ratio at market value:  $\text{Total market capitalization} / \text{Total assets}$

Ratio of cash flow to interest-bearing debt:  $\text{Interest-bearing debt} / \text{Cash flow}$

Interest coverage ratio:  $\text{Cash flow} / \text{Interest payments}$

Notes: 1. All figures are calculated on a consolidated basis.

2. Total market capitalization of shares is calculated based on the number of shares outstanding excluding treasury stock.

3. Cash flows from operating activities are applied.

4. Interest-bearing debt includes all interest-bearing liabilities recorded on the consolidated balance sheet.

#### (4) Outlook for the Future

This outlook assumes a crude oil price (Dubai crude oil) of US\$80/bbl and an exchange rate of ¥120/US\$.

In the fiscal year ending March 31, 2023, we expect sales to increase because sales will be possible under a production system with a high operating rate, unlike the fiscal year under review, when major periodic shut-down maintenance were conducted.

On the other hand, in terms of profit and loss, although the impact of major periodic shut-down maintenance will be eliminated, the cost-reduction effect of inventory impact (the impact of inventory valuation using the gross average method and write-down of book value on cost of sales) is expected to decrease from the current fiscal year when crude oil prices were on an upward trend.

As such, operating profit, ordinary profit, and profit attributable to owners of parent are all expected to decrease.

As a result, for the fiscal year ending March 31, 2023, we forecast consolidated net sales of 702.3 billion yen, operating profit of 9.0 billion yen, ordinary profit of 8.1 billion yen, and profit attributable to owners of parent of 6.6 billion yen. We are also expecting operating profit excluding the impact of inventory valuation of 6.0 billion yen and ordinary profit excluding the impact of inventory valuation of 5.1 billion yen.

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

#### (5) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Ended March 31, 2022 and the Fiscal Year Ending March 31, 2023

The Company considers the return of profits to shareholders to be one of its important management issues. It has set forth in its Group Management Policy to endeavor to continue stable payment of dividends, taking into account business performance, the cash balance and other factors while paying attention to enhancing internal reserves to support business expansion over the medium and long term.

The dividend forecast was not determined due to the ongoing uncertain business environment, including the impact of COVID-19, during the fiscal year under review. In the fiscal year under review, although the Company recorded a profit for the second consecutive fiscal year, it posted a loss in real terms after removing the impact of inventories. Also considering that the Company is in the process of improving its financial position among other factors, dividend for the fiscal year ended March 31, 2022 is 10 yen per share, which is the same as in the fiscal year ended March 31, 2021.

As for the dividend for the fiscal year ending March 31, 2023, the Company is planning to pay a dividend of 10 yen per share.



## 2. Status of the Corporate Group

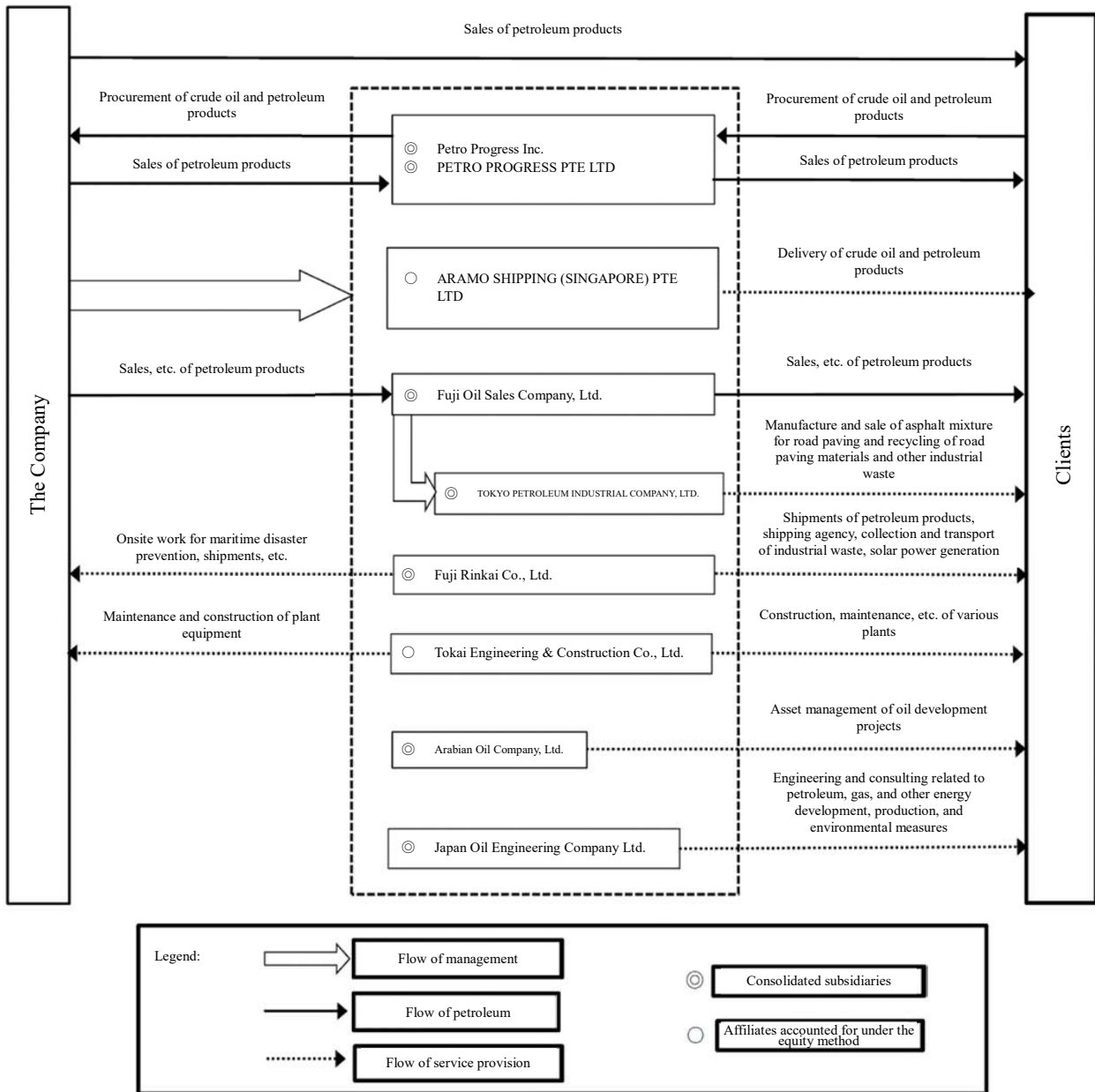
The Fuji Oil Group consists of the Company, seven consolidated subsidiaries, and two affiliates accounted for under the equity method. Its main business activities are the refining, storage, procurement, sales and purchase of petroleum, and delivery and shipment of crude oil and petroleum products.

The Group's business positions are as follows.

(As of March 31, 2022)

Company name	Contents of business
The Company	Petroleum refining, storage, procurement, sales, etc.
Petro Progress Inc. PETRO PROGRESS PTE LTD	Trading of crude oil and petroleum products
ARAMO SHIPPING (SINGAPORE) PTE LTD	Ownership and operation of crude oil and LPG carriers
Fuji Oil Sales Company, Ltd.	Sales, etc. of petroleum products
TOKYO PETROLEUM INDUSTRIAL COMPANY, LTD.	Manufacture and sale of asphalt mixture for road paving and recycling of road paving materials and other industrial waste
Fuji Rinkai Co., Ltd.	Maritime disaster prevention, shipments of crude oil and petroleum products, collection and transport of industrial waste, solar power generation
Tokai Engineering & Construction Co., Ltd.	Construction, maintenance, etc. of various plants
Arabian Oil Company, Ltd.	Asset management related of oil development projects
Japan Oil Engineering Company Ltd.	Engineering and consulting on petroleum, gas, and other energy development, production, and environmental measures

The relationship between the Fuji Oil Group companies and related parties is shown in the diagram below.



### 3. Basic Views Concerning the Selection of Accounting Standards

The Group's policy is to prepare consolidated financial statements in accordance with Japanese GAAP for the time being.

With regard to the application of IFRS, the Company will take appropriate measures in consideration of various domestic and international situations.

#### 4. Consolidated Financial Statements and Significant Notes Thereto

##### (1) Consolidated Balance Sheet

(Unit: Millions of yen)

	As of the end of the previous fiscal year (March 31, 2021)	As of the end of the fiscal year under review (March 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	15,143	11,388
Notes and accounts receivable-trade	29,199	78,707
Securities	200	100
Inventories	80,661	117,862
Accounts receivable-other	3,564	13,345
Other	4,736	3,567
<b>Total current assets</b>	<b>133,505</b>	<b>224,971</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,242	12,653
Storage tanks, net	3,085	2,974
Machinery, equipment and vehicles, net	27,891	34,409
Land	51,542	51,542
Construction in progress	2,875	1,956
Other, net	598	529
<b>Total property, plant and equipment</b>	<b>99,236</b>	<b>104,065</b>
Intangible assets		
Software	670	624
Other	134	134
<b>Total intangible assets</b>	<b>805</b>	<b>758</b>
Investments and other assets		
Investment securities	18,613	21,130
Long-term loans receivable	717	679
Net defined benefit asset	39	859
Other	500	785
Allowance for doubtful accounts	(409)	(408)
<b>Total investments and other assets</b>	<b>19,461</b>	<b>23,047</b>
<b>Total non-current assets</b>	<b>119,502</b>	<b>127,871</b>
<b>Total assets</b>	<b>253,007</b>	<b>352,842</b>

(Unit: Millions of yen)

	As of the end of the previous fiscal year (March 31, 2021)	As of the end of the fiscal year under review (March 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	21,982	67,145
Short-term loans payable	74,050	112,018
Current portion of long-term loans payable	10,046	14,133
Accounts payable-other	18,788	30,323
Excise taxes payable on gasoline and other fuels	17,674	16,370
Income taxes payable	1,600	944
Provision for bonuses	327	470
Other	12,815	5,778
Total current liabilities	157,285	247,184
Non-current liabilities		
Long-term loans payable	26,376	25,943
Deferred tax liabilities	9,038	8,760
Provision for special repairs	2,339	2,452
Provision for repairs	7,719	1,510
Net defined benefit liability	1,421	1,849
Provision for director's retirement benefits	18	20
Other	620	582
Total non-current liabilities	47,533	41,118
Total liabilities	204,819	288,302
Net assets		
Shareholders' equity		
Capital stock	24,467	24,467
Capital surplus	25,495	25,495
Retained earnings	1,543	15,977
Treasury stock	(1,431)	(1,431)
Total shareholders' equity	50,075	64,508
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	498	612
Deferred gains or losses on hedges	-	(591)
Revaluation reserve for land	1	1
Foreign currency translation adjustments	(3,194)	(950)
Remeasurements of defined benefit plans	651	789
Total accumulated other comprehensive income	(2,043)	(139)
Non-controlling interests	156	170
Total net assets	48,188	64,539
Total liabilities and net assets	253,007	352,842

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income  
Consolidated statement of income

(Unit: Millions of yen)

	Previous fiscal year (From April 1, 2020 to March 31, 2021)	Fiscal year under review (From April 1, 2021 to March 31, 2022)
Net sales	344,612	485,302
Cost of sales	333,157	465,185
Gross profit	11,454	20,117
Selling, general and administrative expenses	4,356	4,577
Operating profit	7,098	15,539
Non-operating income		
Interest income	46	21
Dividend income	94	284
Foreign exchange gains	27	652
Equity in earnings of affiliates	2,777	831
Subsidy income	-	711
Rent income from storage tanks	211	241
Other	279	261
Total non-operating income	3,436	3,006
Non-operating expenses		
Interest expenses	1,380	1,533
Rent expenses on storage tanks	211	265
Other	648	669
Total non-operating expenses	2,241	2,468
Ordinary profit	8,293	16,076
Extraordinary income		
Gain on sales of non-current assets	4	18
Gain on sale of investment securities	77	-
Insurance claim income	-	711
Other	3	10
Total extraordinary income	85	740
Extraordinary losses		
Loss on retirement of non-current assets	111	64
Impairment loss	125	0
Other	3	-
Total extraordinary losses	241	65
Profit before income taxes	8,137	16,751
Income taxes - current	1,519	1,569
Income taxes - deferred	75	(36)
Total income taxes	1,594	1,532
Profit	6,543	15,219
Profit attributable to non-controlling interests	14	15
Profit attributable to owners of parent	6,528	15,203

Consolidated statement of comprehensive income

(Unit: Millions of yen)

	Previous fiscal year (From April 1, 2020 to March 31, 2021)	Fiscal year under review (From April 1, 2021 to March 31, 2022)
Profit (loss)	6,543	15,219
Other comprehensive income		
Valuation difference on available-for-sale securities	489	114
Deferred gains or losses on hedges	-	(591)
Foreign currency translation adjustments	(218)	434
Remeasurements of defined benefit plans, net of tax	950	137
Share of other comprehensive income of entities accounted for using equity method	(872)	1,809
Total other comprehensive income	349	1,904
Total comprehensive income:	6,892	17,123
(Profit attributable to)		
Comprehensive income attributable to owners of parent	6,878	17,108
Comprehensive income attributable to non-controlling interests	14	15

(3) Consolidated Statement of Changes in Equity  
 Previous fiscal year (From April 1, 2020 to March 31, 2021)

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	24,467	30,396	(9,886)	(1,431)	43,546
Changes during period					
Dividends of surplus					
Profit attributable to owners of parent			6,528		6,528
Deficit disposition		(4,901)	4,901		
Net changes of items other than shareholders' equity					
Total changes during period	-	(4,901)	11,429	-	6,528
Balance at end of period	24,467	25,495	1,543	(1,431)	50,075

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	8	-	1	(2,103)	(299)	(2,393)	144	41,297
Changes during period								
Dividends of surplus								-
Profit attributable to owners of parent								6,528
Deficit disposition								-
Net changes of items other than shareholders' equity	489			(1,091)	950	349	12	362
Total changes during period	489	-	-	(1,091)	950	349	12	6,891
Balance at end of period	498	-	1	(3,194)	651	(2,043)	156	48,188

Fiscal year under review (From April 1, 2021 to March 31, 2022)

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	24,467	25,495	1,543	(1,431)	50,075
Changes during period					
Dividends of surplus			(770)		(770)
Profit attributable to owners of parent			15,203		15,203
Deficit disposition					
Net changes of items other than shareholders' equity					
Total changes during period	-	-	14,433	-	14,433
Balance at end of period	24,467	25,495	15,977	(1,431)	64,508

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	498	-	1	(3,194)	651	(2,043)	156	48,188
Changes during period								
Dividends of surplus								(770)
Profit attributable to owners of parent								15,203
Deficit disposition								-
Net changes of items other than shareholders' equity	114	(591)		2,244	137	1,904	13	1,918
Total changes during period	114	(591)	-	2,244	137	1,904	13	16,351
Balance at end of period	612	(591)	1	(950)	789	(139)	170	64,539



## (4) Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Previous fiscal year (From April 1, 2020 to March 31, 2021)	Fiscal year under review (From April 1, 2021 to March 31, 2022)
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	8,137	16,751
Depreciation and amortization	6,420	7,092
Increase (decrease) in provision for repairs	3,141	(6,209)
Increase (decrease) in retirement benefit liability	(51)	(254)
Increase (decrease) in provision for special repairs	(2)	113
Interest and dividend income	(140)	(306)
Interest expenses	1,380	1,533
Share of loss (profit) of entities accounted for using equity method	(2,777)	(831)
Insurance claim income	-	(711)
Decrease (increase) in trade receivables	11,102	(49,507)
Decrease (increase) in inventories	(12,315)	(37,201)
Increase (decrease) in trade payables	8,295	45,162
Increase (decrease) in excise taxes payable on gasoline and other fuels	(1,265)	(1,304)
Increase (decrease) in accrued consumption taxes	2,374	2,371
Other	(1,434)	(6,345)
<b>Subtotal</b>	<b>22,865</b>	<b>(29,646)</b>
Interest and dividends received	353	526
Interest paid	(1,367)	(1,500)
Proceeds from insurance income	-	711
Income taxes paid	(126)	(2,093)
Income taxes refund	1,036	3
<b>Net cash provided by (used in) operating activities</b>	<b>22,762</b>	<b>(31,999)</b>

(Unit: Millions of yen)

	Previous fiscal year (From April 1, 2020 to March 31, 2021)	Fiscal year under review (From April 1, 2021 to March 31, 2022)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(5,128)	(6,832)
Proceeds from withdrawal of time deposits	4,263	6,608
Purchase of investment securities	(1)	(1)
Proceeds from sale of investment securities	98	-
Purchase of property, plant and equipment	(3,548)	(12,615)
Proceeds from sale of property, plant and equipment	9	45
Proceeds from national subsidies received	318	395
Purchase of other intangible assets	(82)	(191)
Loan advances	-	(201)
Proceeds from collection of loans receivable	38	239
Other	(23)	5
Net cash provided by (used in) investing activities	(4,056)	(12,546)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(9,707)	37,820
Proceeds from long-term loans payable	2,800	14,000
Repayments of long-term loans payable	(9,463)	(10,346)
Dividends paid	-	(772)
Dividends paid to non-controlling interests	(1)	(1)
Other	(340)	(758)
Net cash provided by (used in) financing activities	(16,712)	39,940
Effect of exchange rate change on cash and cash equivalents	(131)	182
Net increase (decrease) in cash and cash equivalents	1,861	(4,423)
Cash and cash equivalents at beginning of period	10,474	12,336
Cash and cash equivalents at end of period	12,336	7,912

## (5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Changes in Accounting Policies)

(Application of Accounting Standard for Revenue Recognition, Etc.)

The Company applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020; hereinafter, the “Revenue Recognition Accounting Standard”), etc. from the beginning of the fiscal year ended March 31, 2022 and decided to recognize revenue in the amount expected to be received in exchange for goods and services at a point in time when control of the goods and services is transferred to the customer.

In accordance with the transitional treatment prescribed in the proviso to paragraph 84 of the Revenue Recognition Accounting Standard for the application of Accounting Standard for Revenue Recognition, etc., the cumulative effect of retrospective application of the new accounting policy prior to the beginning of the fiscal year ended March 31, 2022 was adjusted in retained earnings at the beginning of the said fiscal year, and thus the beginning balance of the fiscal year ended March 31, 2022 is accounted for under the new accounting policy. However, the Company has not retrospectively applied the new accounting policy to contracts for which almost all revenue amounts were recognized by adopting the method prescribed in paragraph 86 of the Revenue Recognition Accounting Standard in accordance with which the previous treatment that the Company had applied prior to the beginning of the fiscal year ended March 31, 2022 has been applied. In addition, the Company adopted the method prescribed in paragraph 86 and paragraph 86 (1) of the Revenue Recognition Accounting Standard to account for any contractual changes made prior to the beginning of the fiscal year ended March 31, 2022 under the terms and conditions reflecting all the contractual changes.

As a result, the impact of the change on the accounting treatment for the said fiscal year under review is immaterial.

(Application of Accounting Standard for Fair Value Measurement, Etc.)

The Company applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter, the “Fair Value Measurement Accounting Standard”), etc. from the beginning of the fiscal year ended March 31, 2022. In accordance with the transitional treatment prescribed in paragraph 19 of the Fair Value Measurement Accounting Standard and paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019), the Company decided to apply the new accounting policy prescribed in the Accounting Standard for Fair Value Measurement, Etc. prospectively.

The application of the accounting standard, etc. has no impact on the quarterly consolidated financial statements.

(Additional Information)

(Impact of worldwide spread of COVID-19)

Although the outlook for demand is uncertain due to the global COVID-19 pandemic, we believe that the impact on the future operation rates of machinery and equipment will be limited and that the impact on accounting estimates will be immaterial.

(Segment Information, Etc.)

### 1. Overview of Reportable Segments

Previous fiscal year (From April 1, 2020 to March 31, 2021)

Segment information is omitted as the consolidated Group has only one segment consisting of the petroleum refining and sales business.

Fiscal year under review (From April 1, 2021 to March 31, 2022)

Segment information is omitted as the consolidated Group has only one segment consisting of the petroleum refining and sales business.

### 2. Information Concerning Reportable Segments

Previous fiscal year (From April 1, 2020 to March 31, 2021)

#### 1 Information by product and service

Information is omitted since sales to external customers in a single product or service category account for over 90% of net sales in the consolidated statement of income.

## 2 Information by region

### (1) Net sales

Information is omitted since sales to external customers in Japan account for over 90% of net sales on the consolidated statement of income.

### (2) Property, plant and equipment

Information is omitted since the property, plant and equipment in Japan account for over 90% of property, plant and equipment on the consolidated balance sheet.

## 3 Information by major customer

(Unit: Millions of yen)

Name of customer	Net sales
Idemitsu Kosan Co., Ltd.	230,190
ENEOS Corporation	45,403

Note: Since the consolidated Group has only one segment, recording of the name of the relevant segment is omitted.

Fiscal year under review (From April 1, 2021 to March 31, 2022)

## 1 Information by product and service

Information is omitted since sales to external customers in a single product or service category exceed 90% of net sales in the consolidated statement of income.

## 2 Information by region

### (1) Net sales

Information is omitted since sales to external customers in Japan account for over 90% of net sales on the consolidated statement of income.

### (2) Property, plant and equipment

Information is omitted since the property, plant and equipment in Japan account for over 90% of property, plant and equipment on the consolidated balance sheet.

## 3 Information by major customer

(Unit: Millions of yen)

Name of customer	Net sales
Idemitsu Kosan Co., Ltd.	307,053
ENEOS Corporation	62,519

Note: Since the consolidated Group has only one segment, recording of the name of the relevant segment is omitted.

## (Per Share Information)

	Previous fiscal year (From April 1, 2020 to March 31, 2021)	Fiscal year under review (From April 1, 2021 to March 31, 2022)
Net assets per share	623.28 yen	835.28 yen
Basic earnings per share	84.72 yen	197.29 yen

Notes: 1 Diluted earnings per share is not stated because there are no dilutive shares.

2 The basis for calculating basic earnings per share or net loss per share is as follows.

Item	Previous fiscal year (From April 1, 2020 to March 31, 2021)	Fiscal year under review (From April 1, 2021 to March 31, 2022)
Basic earnings per share		
Profit attributable to owners of parent (million yen)	6,528	15,203
Amount not attributable to common shareholders (million yen)	-	-
Profit attributable to owners of parent of common stock (million yen)	6,528	15,203
Average number of shares of common stock outstanding during the period	77,062,479	77,062,479

(Significant Subsequent Events)

Not applicable.

5. Non-consolidated Financial Statements and Significant Notes Thereto  
(1) Balance Sheet

	(Unit: Millions of yen)	
	As of the end of the previous fiscal year (March 31, 2021)	As of the end of the fiscal year under review (March 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	7,814	4,298
Accounts receivable-trade	27,953	77,088
Merchandise and finished goods	29,128	34,212
Raw materials and supplies	51,519	83,618
Accounts receivable-other	3,655	13,405
Prepaid expenses	1,259	1,354
Short-term loans receivable	-	37
Other	3,458	2,137
<b>Total current assets</b>	<b>124,787</b>	<b>216,152</b>
Non-current assets		
Property, plant and equipment		
Buildings, net	4,478	4,223
Storage tanks, net	3,085	2,974
Structures, net	8,392	7,991
Machinery and equipment, net	27,402	33,864
Vehicles, net	1	0
Tools, furniture and fixtures, net	233	195
Land	50,709	50,709
Leased assets, net	111	118
Construction in progress	2,875	1,956
<b>Total property, plant and equipment</b>	<b>97,289</b>	<b>102,034</b>
Intangible assets		
Software	645	602
Other	7	7
<b>Total intangible assets</b>	<b>653</b>	<b>610</b>
Investments and other assets		
Investment securities	943	1,091
Shares of subsidiaries and associates	12,078	12,078
Long-term loans receivable	716	678
Other	215	604
Allowance for doubtful accounts	(409)	(408)
<b>Total investments and other assets</b>	<b>13,544</b>	<b>14,044</b>
<b>Total non-current assets</b>	<b>111,486</b>	<b>116,689</b>
<b>Total assets</b>	<b>236,274</b>	<b>332,842</b>

(Unit: Millions of yen)

	As of the end of the previous fiscal year (March 31, 2021)	As of the end of the fiscal year under review (March 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	21,087	66,227
Short-term loans payable	74,830	114,098
Current portion of long-term loans payable	10,046	14,133
Lease obligations	-	42
Accounts payable-other	19,228	30,809
Accrued expenses	141	173
Excise taxes payable on gasoline and other fuels	17,674	16,370
Income taxes payable	1,553	904
Deposits received	-	103
Provision for bonuses	327	329
Other	12,415	5,361
Total current liabilities	157,306	248,554
Non-current liabilities		
Long-term loans payable	26,376	25,943
Lease obligations	-	92
Deferred tax liabilities	8,697	8,396
Provision for special repairs	2,339	2,452
Provision for repairs	7,719	1,510
Provision for retirement benefits	1,741	1,599
Asset retirement obligations	103	103
Other	419	304
Total non-current liabilities	47,397	40,402
Total liabilities	204,703	288,957
Net assets		
Shareholders' equity		
Capital stock	24,467	24,467
Capital surplus		
Legal capital surplus	2,480	2,480
Total capital surplus	2,480	2,480
Retained earnings		
Legal retained earnings	-	77
Other retained earnings		
Retained earnings brought forward	4,110	16,790
Total retained earnings	4,110	16,867
Treasury stock	(1,797)	(1,797)
Total shareholders' equity	29,260	42,017
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	378	525
Deferred gains or losses on hedges	-	(591)
Revaluation reserve for land	1,932	1,932
Total valuation and translation adjustments	2,310	1,866
Total net assets	31,571	43,884
Total liabilities and net assets	236,274	332,842

## (2) Statement of Income

(Unit: Millions of yen)

	Previous fiscal year (From April 1, 2020 to March 31, 2021)	Fiscal year under review (From April 1, 2021 to March 31, 2022)
Net sales	336,460	476,215
Cost of sales	326,165	457,241
Gross profit	10,294	18,974
Selling, general and administrative expenses	3,671	3,822
Operating profit	6,623	15,151
Non-operating income		
Interest income	14	14
Dividend income	315	300
Foreign exchange gains	32	633
Subsidy income	-	711
Rent income from storage tanks	211	241
Other	204	149
Total non-operating income	778	2,050
Non-operating expenses		
Interest expenses	1,387	1,539
Rent expenses on storage tanks	211	265
Other	644	621
Total non-operating expenses	2,243	2,427
Ordinary profit	5,159	14,775
Extraordinary income		
Insurance claim income	-	711
Gain on receipt of donated shares of subsidiaries and associates	1,096	-
Gain on sales of non-current assets	-	10
Total extraordinary income	1,096	722
Extraordinary losses		
Impairment loss	125	-
Loss on retirement of non-current assets	109	53
Total extraordinary losses	235	53
Profit before income taxes	6,019	15,444
Income taxes - current	1,869	1,956
Income taxes - deferred	40	(41)
Total income taxes	1,909	1,915
Profit	4,110	13,529



### (3) Statement of Changes in Equity

Previous fiscal year (From April 1, 2020 to March 31, 2021)

(Unit: Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus		Retained earnings		
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
				Retained earnings brought forward		
Balance at beginning of period	24,467	7,381	7,381	-	(4,901)	(4,901)
Changes during period						
Dividends of surplus						
Provision of legal retained earnings for dividends of surplus						
Profit (loss)					4,110	4,110
Deficit disposition		(4,901)	(4,901)		4,901	4,901
Net changes of items other than shareholders' equity						
Total changes during period	-	(4,901)	(4,901)	-	9,011	9,011
Balance at end of period	24,467	2,480	2,480	-	4,110	4,110

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(1,797)	25,150	-	-	1,932	1,932	27,083
Changes during period							
Dividends of surplus							-
Provision of legal retained earnings for dividends of surplus							
Profit (loss)		4,110					4,110
Deficit disposition							-
Net changes of items other than shareholders' equity			378			378	378
Total changes during period	-	4,110	378		-	378	4,488
Balance at end of period	(1,797)	29,260	378	-	1,932	2,310	31,571

Fiscal year under review (From April 1, 2021 to March 31, 2022)

(Unit: Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus		Retained earnings		
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
				Retained earnings brought forward		
Balance at beginning of period	24,467	2,480	2,480	-	4,110	4,110
Changes during period						
Dividends of surplus		-	-		(772)	(772)
Provision of legal retained earnings for dividends of surplus				77	(77)	-
Profit (loss)					13,529	13,529
Deficit disposition						
Net changes of items other than shareholders' equity			-		-	-
Total changes during period	-	-	-	77	12,679	12,757
Balance at end of period	24,467	2,480	2,480	77	16,790	16,867

	Shareholders' equity			Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(1,797)	29,260	378	-	1,932	2,310	31,571
Changes during period							
Dividends of surplus		(772)					(772)
Provision of legal retained earnings for dividends of surplus		-					-
Profit (loss)		13,529					13,529
Deficit disposition							-
Net changes of items other than shareholders' equity		-	147	(591)		(443)	(443)
Total changes during period	-	12,757	147	(591)	-	(443)	12,313
Balance at end of period	(1,797)	42,017	525	(591)	1,932	1,866	43,884