

This document contains a financial summary and financial statements translated from the original Japanese version, for convenience only.



Consolidated Financial Results for the Fiscal Year 2019 [IFRS]

May 20, 2020

Company name: JXTG Holdings, Inc. Stock Exchange Listings: Tokyo and Nagoya
 Code number: 5020 URL: <https://www.hd.jxtg-group.co.jp/>
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 Scheduled date of ordinary general meeting of shareholders: June 25, 2020
 Scheduled date of filing of Securities Report: June 25, 2020
 Scheduled date of commencement of dividend payments: June 26, 2020
 Supplemental materials for the financial results: Yes
 Financial results presentation: Yes (for institutional investors and analysts)

(Amounts of less than 1 million yen are rounded off.)

1. Consolidated Results for Fiscal Year 2019 (From April 1, 2019 to March 31, 2020)

(1) Operating Results

(Percentage figures represent changes from the previous fiscal year.)

	Revenue		Operating profit		Profit before tax		Profit for the year attributable to owners of the parent		Total comprehensive income for the year	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2019	10,011,774	(10.0)	(113,061)	-	(135,764)	-	(187,946)	-	(261,686)	-
FY2018	11,129,630	8.0	537,083	10.2	508,617	8.8	322,319	(10.9)	332,295	(3.4)

	Basic profit per share	Diluted profit per share	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets	Operating profit ratio to revenue
	Yen	Yen	%	%	%
FY2019	(57.86)	(57.84)	(7.5)	(1.6)	(1.1)
FY2018	95.36	95.32	12.3	6.0	4.8

(Reference) Equity in earnings of affiliates: FY2019: 15,868 million yen; FY2018: 46,060 million yen

(2) Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Equity ratio attributable to owners of the parent	Equity attributable to owners of the parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
FY2019	8,011,292	2,707,908	2,311,046	28.8	718.28
FY2018	8,477,811	3,119,816	2,717,840	32.1	816.39

(3) Cash Flows

	Net cash flows from operating activities	Net cash flows from investing activities	Net cash flows from financing activities	Cash and cash equivalents at the end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2019	510,734	(371,346)	(119,808)	393,302
FY2018	344,184	(206,900)	(196,662)	378,945

2. Dividends

	Annual cash dividends per share					Total dividend amount	Dividend payout ratio (Consolidated)	Dividend ratio of equity attributable to owners of the parent (Consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-End	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2018	-	10.00	-	11.00	21.00	70,475	22.0	2.7
FY2019	-	11.00	-	11.00	22.00	70,922	-	2.9
FY2020 (Forecast)	-	11.00	-	11.00	22.00		177.0	

Note: Average number of shares issued during the period that forms the basis for the calculation of dividend payout ratio (consolidated) for FY2020 (forecast) specified above is calculated with the number of issued shares (excluding treasury stock) as of March 31, 2020.

3. Forecasts of Consolidated Results for Fiscal Year 2020 (From April 1, 2020 to March 31, 2021)

(Percentage figures are changes from the amount for the corresponding period in the previous fiscal year.)

	Revenue		Operating profit		Profit before tax		Profit for the year attributable to owners of the parent		Basic profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2020	7,340,000	(26.7)	110,000	-	85,000	-	40,000	-	12.43

Note: Average number of shares issued during the period that forms the basis for the calculation of basic profit per share specified above is calculated with the number of issued shares (excluding treasury stock) as of March 31, 2020.

As for the forecasts of operating profit excluding inventory valuation factors*, please see the following.

Operating profit excluding inventory valuation factors:

Forecasts for FY2020: 165,000million yen (percentage change from the previous fiscal year: 70.6%)

(Reference) Actual results for FY2019: 96,700million yen

(*) The impact of inventory valuation on the cost of sales by using the weighted-average method and by writing down the book value.

Explanatory Notes

(1) Changes in the number of material subsidiaries during the term under review: None

Note: This item indicates whether there were changes in specified subsidiaries involving a change in the scope of consolidation.

(2) Changes in accounting policies and in accounting estimates

(i) Changes in accounting policies required by the IFRS: Yes

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

Note: For details, please refer to “Consolidated Financial Statements and Major Explanatory Notes Thereto (5) Explanatory Notes to the Consolidated Financial Statements (Changes in Accounting Policies)” on page 9 of the Attached Material.

(3) Number of shares issued (Common stock)

(i) Number of issued shares at the end of the period (including treasury stock)

FY2019 ended March 31, 2020: 3,230,282,649 shares

FY2018 ended March 31, 2019: 3,385,993,649 shares

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

FY2019 ended March 31, 2020: 12,819,877 shares

FY2018 ended March 31, 2019: 56,898,910 shares

(iii) Average number of shares issued during the period

FY2019 ended March 31, 2020: 3,248,100,071 shares

FY2018 ended March 31, 2019: 3,380,083,243 shares

(Reference) Non-Consolidated Financial Results(Japanese GAAP)

Non-Consolidated Financial Results for Fiscal Year 2019 (From April 1, 2019 to March 31, 2020)

(1) Operating Results

(Percentage figures represent changes from the previous fiscal year.)

	Revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2019	87,563	(50.6)	76,130	(54.3)	80,399	(52.6)	54,755	(70.7)
FY2018	177,401	937.4	166,542	-	169,571	-	187,072	328.2

	Profit per share	Diluted profit per share
	Yen	Yen
FY2019	16.84	16.83
FY2018	55.29	55.27

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2019	3,989,250	1,752,898	43.9	544.12
FY2018	3,817,842	1,830,799	48.0	549.34

(Reference) Equity: FY2019: 1,752,898 million yen; FY2018: 1,830,799 million yen

- This report is not subject to audit procedures conducted by certified public accountants or an audit corporation.
- Explanation regarding appropriate use of forward-looking statements on results, and other specific comments (Note on Statements Regarding Prospective Matters)
This material contains forward-looking statements; however, actual results may differ materially from those reflected in such forward-looking statements, due to various factors, including the following:
(1) changes in macroeconomic conditions and changes in the competitive environment in the energy, resources and materials industries; (2) the spread of the novel coronavirus and the impact of the novel coronavirus on economic activity; (3) revisions to laws and strengthening of regulations; and (4) litigation and other similar risks.
- Changes from the previous fiscal year (or corresponding period in the previous fiscal year) are not presented (“-”) if either or both of the fiscal year (or period) under review and the previous fiscal year (or corresponding period) are negative, or if the percentage change is 1,000% or greater.

Consolidated Financial Statements and Major Explanatory Notes Thereto

(1) Consolidated Statements of Financial Position

(Millions of yen)

	FY2018 (As of March 31, 2019)	FY2019 (As of March 31, 2020)
ASSETS		
Current assets		
Cash and cash equivalents	385,434	398,573
Trade and other receivables	1,363,974	1,020,570
Inventories	1,590,207	1,181,688
Other financial assets	47,184	61,963
Other current assets	198,851	183,673
Sub total	3,585,650	2,846,467
Assets held for sale	1,737	32,094
Total current assets	3,587,387	2,878,561
Non-current assets		
Property, plant and equipment	3,381,642	3,724,861
Goodwill	196,482	185,730
Intangible assets	345,800	345,371
Investments accounted for using the equity method	403,241	407,207
Other financial assets	422,597	343,342
Other non-current assets	7,662	8,802
Deferred tax assets	133,000	117,418
Total non-current assets	4,890,424	5,132,731
TOTAL ASSETS	8,477,811	8,011,292

(Millions of yen)

	FY2018 (As of March 31, 2019)	FY2019 (As of March 31, 2020)
LIABILITIES		
Current liabilities		
Trade and other payables	1,852,441	1,343,909
Bonds and borrowings	644,288	914,781
Income taxes payable	28,016	18,275
Lease liabilities	-	70,595
Other financial liabilities	18,867	30,647
Provisions	40,413	13,174
Other current liabilities	348,301	320,446
Sub total	2,932,326	2,711,827
Liabilities directly related to assets held for sale	-	5,748
Total current liabilities	2,932,326	2,717,575
Non-current liabilities		
Bonds and borrowings	1,573,705	1,386,065
Liabilities for retirement benefits	274,206	272,124
Lease liabilities	-	445,244
Other financial liabilities	37,027	32,075
Provisions	152,269	165,994
Other non-current liabilities	105,518	51,873
Deferred tax liabilities	282,944	232,434
Total non-current liabilities	2,425,669	2,585,809
Total liabilities	5,357,995	5,303,384
EQUITY		
Common stock	100,000	100,000
Capital surplus	1,222,193	1,138,884
Retained earnings	1,272,960	982,786
Treasury stock	(29,698)	(6,003)
Other components of equity	152,385	95,379
Total equity attributable to owners of the parent	2,717,840	2,311,046
Non-controlling interests	401,976	396,862
Total equity	3,119,816	2,707,908
TOTAL LIABILITIES AND EQUITY	8,477,811	8,011,292

**(2) Consolidated Statements of Profit or Loss and
Consolidated Statements of Comprehensive Income or Loss**
(Consolidated Statements of Profit or Loss)

(Millions of yen)

	FY2018 (From April 1, 2018 to March 31, 2019)	FY2019 (From April 1, 2019 to March 31, 2020)
Revenue	11,129,630	10,011,774
Cost of sales	9,909,694	9,245,604
Gross profit	1,219,936	766,170
Selling, general and administrative expenses	816,260	829,323
Share of profit of investments accounted for using the equity method	46,060	15,868
Other operating income	193,512	76,970
Other operating expenses	106,165	142,746
Operating profit (loss)	537,083	(113,061)
Finance income	7,018	12,116
Finance costs	35,484	34,819
Profit (loss) before tax	508,617	(135,764)
Income tax expense	151,466	36,971
Profit (loss) for the year	357,151	(172,735)
Profit (loss) for the year attributable to:		
Owners of the parent	322,319	(187,946)
Non-controlling interests	34,832	15,211
Profit (loss) for the year	357,151	(172,735)
		(Yen)
Basic profit (loss) per share	95.36	(57.86)
Diluted profit (loss) per share	95.32	(57.84)

(Consolidated Statements of Comprehensive Income or Loss)

(Millions of yen)

	FY2018 (From April 1, 2018 to March 31, 2019)	FY2019 (From April 1, 2019 to March 31, 2020)
Profit (loss) for the year	357,151	(172,735)
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Changes in fair value of financial assets measured at fair value through other comprehensive income (loss)	(28,460)	(61,247)
Remeasurement (losses) gains on defined benefit plans	(1,636)	(2,995)
Shares of other comprehensive income (loss) of investments accounted for using the equity method	(687)	(1,186)
Total	(30,783)	(65,428)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	16,868	(23,165)
Changes in fair value of cash flow hedges	(6,801)	7,347
Shares of other comprehensive income (loss) of investments accounted for using the equity method	(4,140)	(7,705)
Total	5,927	(23,523)
Other comprehensive income (loss), net of tax	(24,856)	(88,951)
Total comprehensive income (loss) for the year	332,295	(261,686)
Comprehensive income (loss) for the year attributable to:		
Owners of the parent	297,090	(272,338)
Non-controlling interests	35,205	10,652
Total comprehensive income (loss) for the year	332,295	(261,686)

(3) Consolidated Statements of Changes in Equity

(Millions of yen)

	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Changes in fair value of financial assets measured at fair value through other comprehensive income (loss)	Changes in fair value of cash flow hedges
Balance as of April 1, 2018	100,000	1,250,667	1,017,402	(4,730)	143,296	(6,125)
Profit for the year	-	-	322,319	-	-	-
Other comprehensive income (loss)	-	-	-	-	(29,023)	(5,456)
Total comprehensive income (loss) for the year	-	-	322,319	-	(29,023)	(5,456)
Purchase of treasury stock	-	-	-	(55,001)	-	-
Disposal of treasury stock	-	0	-	0	-	-
Cancellation of treasury stock	-	(30,000)	-	30,000	-	-
Cash dividends	-	-	(67,988)	-	-	-
Share-based payment transactions	-	163	-	33	-	-
Equity transactions with non-controlling interests, etc.	-	188	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	1,227	-	(2,787)	-
Transfer from other components of equity to non-financial assets, etc.	-	-	-	-	-	2,704
Other	-	1,175	-	-	-	-
Total transactions with owners	-	(28,474)	(66,761)	(24,968)	(2,787)	2,704
Balance as of March 31, 2019	100,000	1,222,193	1,272,960	(29,698)	111,486	(8,877)
Cumulative effect of Changes in accounting policies	-	-	(2,072)	-	-	-
Restated balance	100,000	1,222,193	1,270,888	(29,698)	111,486	(8,877)
Profit (loss) for the year	-	-	(187,946)	-	-	-
Other comprehensive income (loss)	-	-	-	-	(60,542)	6,735
Total comprehensive income (loss) for the year	-	-	(187,946)	-	(60,542)	6,735
Purchase of treasury stock	-	-	-	(54,894)	-	-
Disposal of treasury stock	-	0	-	0	-	-
Cancellation of treasury stock	-	(78,728)	-	78,728	-	-
Cash dividends	-	-	(72,118)	-	-	-
Share-based payment transactions	-	283	-	105	-	-
Equity transactions with non-controlling interests, etc.	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	(28,038)	-	25,185	-
Transfer from other components of equity to non-financial assets, etc.	-	-	-	-	-	(652)
Other	-	(4,864)	-	(244)	-	-
Total transactions with owners	-	(83,309)	(100,156)	23,695	25,185	(652)
Balance as of March 31, 2020	100,000	1,138,884	982,786	(6,003)	76,129	(2,794)

(Millions of yen)

	Other components of equity			Total equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Remeasurement (losses) gains on defined benefit plans	Total			
Balance as of April 1, 2018	39,031	-	176,202	2,539,541	380,434	2,919,975
Profit for the year	-	-	-	322,319	34,832	357,151
Other comprehensive income (loss)	10,810	(1,560)	(25,229)	(25,229)	373	(24,856)
Total comprehensive income (loss) for the year	10,810	(1,560)	(25,229)	297,090	35,205	332,295
Purchase of treasury stock	-	-	-	(55,001)	-	(55,001)
Disposal of treasury stock	-	-	-	0	-	0
Cancellation of treasury stock	-	-	-	-	-	-
Cash dividends	-	-	-	(67,988)	(13,928)	(81,916)
Share-based payment transactions	-	-	-	196	-	196
Equity transactions with non-controlling interests, etc.	(65)	-	(65)	123	10,066	10,189
Transfer from other components of equity to retained earnings	-	1,560	(1,227)	-	-	-
Transfer from other components of equity to non-financial assets, etc.	-	-	2,704	2,704	844	3,548
Other	-	-	-	1,175	(10,645)	(9,470)
Total transactions with owners	(65)	1,560	1,412	(118,791)	(13,663)	(132,454)
Balance as of March 31, 2019	49,776	-	152,385	2,717,840	401,976	3,119,816
Cumulative effect of Changes in accounting policies	-	-	-	(2,072)	(867)	(2,939)
Restated balance	49,776	-	152,385	2,715,768	401,109	3,116,877
Profit (loss) for the year	-	-	-	(187,946)	15,211	(172,735)
Other comprehensive income (loss)	(27,732)	(2,853)	(84,392)	(84,392)	(4,559)	(88,951)
Total comprehensive income (loss) for the year	(27,732)	(2,853)	(84,392)	(272,338)	10,652	(261,686)
Purchase of treasury stock	-	-	-	(54,894)	-	(54,894)
Disposal of treasury stock	-	-	-	0	-	0
Cancellation of treasury stock	-	-	-	-	-	-
Cash dividends	-	-	-	(72,118)	(17,825)	(89,943)
Share-based payment transactions	-	-	-	388	-	388
Equity transactions with non-controlling interests, etc.	-	-	-	-	(694)	(694)
Transfer from other components of equity to retained earnings	-	2,853	28,038	-	-	-
Transfer from other components of equity to non-financial assets, etc.	-	-	(652)	(652)	(805)	(1,457)
Other	-	-	-	(5,108)	4,425	(683)
Total transactions with owners	-	2,853	27,386	(132,384)	(14,899)	(147,283)
Balance as of March 31, 2020	22,044	-	95,379	2,311,046	396,862	2,707,908

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2018 (From April 1, 2018 to March 31, 2019)	FY2019 (From April 1, 2019 to March 31, 2020)
Cash flows from operating activities:		
Profit (loss) before tax	508,617	(135,764)
Depreciation, depletion and amortization	248,308	326,549
Impairment loss	42,247	113,211
Increase (decrease) in liabilities for retirement benefits	(16,088)	(288)
Increase (decrease) in provisions	28,689	(17,093)
Interest income and dividends income	(27,588)	(27,998)
Interest expenses	32,865	32,821
Share of loss (profit) of investments accounted for using the equity method	(46,060)	(15,868)
Loss (gain) on sale of fixed assets	(48,128)	(9,034)
Loss (gain) on sale of investments in subsidiaries	(77,710)	-
(Increase) decrease in trade and other receivables	43,095	353,341
(Increase) decrease in inventories	(28,866)	401,493
Increase (decrease) in trade and other payables	(106,590)	(448,396)
Interest received	6,651	5,386
Dividends received	61,420	66,041
Interest paid	(31,068)	(31,730)
Income taxes paid	(179,803)	(45,135)
Other	(65,807)	(56,802)
Net cash flows from (used in) operating activities	344,184	510,734
Cash flows from investing activities:		
Purchase of investment securities	(8,155)	(39,105)
Proceeds from the sale of investment securities	17,080	5,770
Purchases of oil and gas assets	(68,790)	(56,624)
Purchase of property, plant and equipment (excluding oil and gas assets)	(194,229)	(230,999)
Proceeds from sales of property, plant and equipment (excluding oil and gas assets)	50,747	18,075
Purchase of intangible assets	(31,135)	(29,859)
Decrease (increase) in short-term loans to associates and others, net	12,153	(22,546)
Loans to associates and others (long-term loans)	(1,271)	(5,107)
Repayments of loans by associates and others (long-term loans)	6,508	9,415
Payment for acquisition of subsidiaries resulting in change in scope of consolidation	(46,485)	-
Proceeds from sale of subsidiaries resulting in change in scope of consolidation	85,196	-
Other	(28,519)	(20,366)
Net cash flows from (used in) investing activities	(206,900)	(371,346)

(Millions of yen)

	FY2018 (From April 1, 2018 to March 31, 2019)	FY2019 (From April 1, 2019 to March 31, 2020)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings, net	(67,250)	94,511
Increase (decrease) in commercial paper, net	186,000	138,000
Proceeds from long-term borrowings	101,838	61,813
Repayment of long-term borrowings	(215,868)	(179,409)
Proceeds from issuance of bonds	800	1,080
Redemption of bonds	(70,000)	(20,000)
Repayments of lease liabilities	-	(72,661)
Purchase of treasury stock	(54,981)	(54,869)
Capital contribution from non-controlling interests	11,949	2
Cash dividends paid	(67,988)	(72,118)
Dividends to non-controlling interests	(13,417)	(17,402)
Other	(7,745)	1,245
Net cash flows from (used in) financing activities	(196,662)	(119,808)
Net (decrease) increase in cash and cash equivalents	(59,378)	19,580
Cash and cash equivalents at beginning of the year	437,117	378,945
Net foreign exchange differences of cash and cash equivalents	1,206	(5,210)
Cash and cash equivalents included in assets held for sale	-	(13)
Cash and cash equivalents at end of the year	378,945	393,302

(5) Explanatory Notes to the Consolidated Financial Statements

(Notes on the Assumption of a Going Concern)

None

(Changes in Accounting Policies)

(Adoption of IFRS 16 “Leases”)

IFRS 16 “Leases” (as lessee)

The JXTG Group has adopted IFRS 16 “Leases” (issued in January 2016) (hereinafter, referred to as “IFRS 16”) from the first quarter of FY2019. In applying IFRS 16, the JXTG Group has adopted the transitional method in which the cumulative effect of initially applying this standard is recognized as an adjustment to the balance of retained earnings at the beginning of the first quarter of FY2019.

In transition to IFRS 16, the JXTG Group has elected to apply the practical expedient provided in paragraph C3 of IFRS 16 to grandfather the assessment of whether a contract contains a lease under IAS 17 “Leases” (hereinafter, referred to as “IAS 17”) and IFRIC 4 “Determining whether an Arrangement contains a Lease.”

For leases previously classified as operating leases under IAS 17, right-of-use assets and lease liabilities were recognized on the date of initial application of IFRS 16 except for short-term leases and leases of low-value assets.

Lease liabilities are initially recognized at the present value of the lease payments outstanding as of the commencement date of the lease by discounting them at the interest rate implicit in the lease. However, unless the interest rate implicit in the lease is practicably readily determinable, the JXTG Group uses its own incremental borrowing rates. The weighted average of such incremental borrowing rates applied to the lease liabilities recognized in the summary of quarterly consolidated statements of financial position as of April 1, 2019 is 1.3%.

Right-of-use assets are initially measured at the amount of the initial measurement of the lease liabilities plus any estimated costs incurred to fulfill restoration arising from the lease contract. Right-of-use assets are depreciated systematically over the lease term.

Lease payments are allocated to finance costs and the repayment portion of the outstanding lease liabilities in a way that the constant rate of interest is applied to the outstanding lease liability. Finance costs are presented separately from depreciation associated with the right-of-use assets in the summary of quarterly consolidated statements of profit or loss.

Lease payments for short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern of the lessee’s benefit.

For leases as lessee previously classified as finance leases under IAS 17, the right-of-use assets and lease liabilities at the date of initial application were recorded at the carrying amounts of the leased assets and the lease obligations at the date immediately before the date of initial application.

The following is the reconciliation of future minimum lease payments of non-cancellable operating leases disclosed under IAS 17 as of March 31, 2019 and lease liabilities recognized in the summary of quarterly consolidated statements of financial position as of the date of initial application.

	(Millions of yen)
	Amount
(a) Future minimum lease payments of non-cancellable operating leases as of March 31, 2019	189,910
Discounted present value of (a)	177,503
Finance lease obligations as of March 31, 2019	59,344
Effect of reassessment of lease term, etc.	237,314
Lease liabilities as of April 1, 2019	474,161

The following is the reconciliation of leased assets recognized in the consolidated statements of financial position as of March 31, 2019 and right-of-use assets recognized in the summary of quarterly consolidated statements of financial position as of the date of initial application.

	(Millions of yen)
	Amount
Leased assets included in property, plant and equipment as of March 31, 2019	44,606
Asset retirement obligations related to the above leased assets as of March 31, 2019	7,492
Right-of-use assets recognized in property, plant and equipment as of April 1, 2019	407,817
Right-of-use assets included in property, plant and equipment as of April 1, 2019	459,915

Due to the above application, retained earnings decreased 2,072 million yen at the date of initial application. The impact on the consolidated statements of profit or loss for FY2019 was immaterial.

(Segment Information)

1. Outline of the Reporting Segments

The JXTG Group's business segments consist of those constituent units of the JXTG Group for which separate financial information is available that are subject to periodic review for the board of directors (the chief operating decision maker) to determine the distribution of management resources and to evaluate business performance. The JXTG Group, which includes the Company, as its holding company, is composed of segments corresponding to each product and service based on three core operating companies. The JXTG Group treats "Energy," "Oil and Natural Gas Exploration and Production ("E&P")," and "Metals" as business segments and reporting segments. The business activities not included in the reporting segments are collectively contained in the "Other" category. The details of the main products and services or business activities of each reporting segment and the "Other" category are as follows:

Energy	Petroleum refining & marketing, lubricants, basic chemical products, specialty & performance chemical products, gas, coal, electricity, and new energy.
Oil and Natural Gas E&P	Oil and natural gas exploration, development, and production.
Metals	Non-ferrous metal resources development and mining, copper, gold, silver, sulfuric acid, copper foils, materials for rolling and processing, thin film materials, non-ferrous metal recycling and industrial waste treatment, transportation by ships of non-ferrous metal products, titanium, and electric wires.
Other	Asphalt paving, civil engineering work, construction work, land transportation, real estate leasing business, and affairs common to JXTG Group companies, including fund procurement.

2. Information on Revenue, Profit or Loss, Assets, Liabilities, and Other Items from Each Reporting Segment
FY2018 (From April 1, 2018 to March 31, 2019)

(Millions of yen)

	Energy	Oil and natural gas E&P	Metals	Total reporting segments	Other	Adjustments (Note 4)	Recorded amount on consolidated financial statements
Revenue							
Revenue from external customers	9,475,637	149,243	1,039,312	10,664,192	465,438	-	11,129,630
Inter-segment revenue or transfers (Note 2)	5,657	6	2,529	8,192	62,198	(70,390)	-
Total	9,481,294	149,249	1,041,841	10,672,384	527,636	(70,390)	11,129,630
Segment profit (loss) (Note 3)	375,395	37,829	68,246	481,470	42,446	13,167	537,083
Finance income							7,018
Finance costs							35,484
Profit (loss) before tax							508,617

Segment assets	5,707,236	1,005,817	1,445,007	8,158,060	2,607,390	(2,287,639)	8,477,811
Segment liabilities	3,645,635	601,882	897,109	5,144,626	2,145,084	(1,931,715)	5,357,995
Other items:							
Depreciation, depletion and amortization	162,368	27,357	48,353	238,078	8,889	1,341	248,308
Share of profit (loss) of investments accounted for using the equity method	14,934	(7,692)	38,277	45,519	541	-	46,060
Capital expenditures on property, plant and equipment, and intangible assets	200,241	69,782	54,986	325,009	14,038	(2,531)	336,516

- (Notes)
1. The accounting policy for the reporting segments is the same as the accounting policy for preparing the consolidated financial statements.
 2. Inter-reporting segment revenue or transfers are based on actual market prices.
 3. Segment profit (loss) is stated as operating profit (loss) in the consolidated statements of profit or loss.
 4. The adjustments include the following:
 - (1) The segment profit (loss) adjustment of 13,167 million yen includes the net amount of 11,210 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the "Other" category.
 - (2) The loss of 2,287,639 million yen in the segment assets adjustment is due primarily to eliminating intersegment receivables by offsetting.
 - (3) The loss of 1,931,715 million yen in the segment liabilities adjustment is due primarily to eliminating intersegment liabilities by offsetting.

FY2019 (From April 1, 2019 to March 31, 2020)

(Millions of yen)

	Energy	Oil and natural gas E&P	Metals	Total reporting segments	Other	Adjustments (Note 5)	Recorded amount on consolidated financial statements
Revenue							
Revenue from external customers	8,414,259	133,364	1,002,104	9,549,727	462,047	-	10,011,774
Inter-segment revenue or transfers (Note 2)	5,185	-	2,309	7,494	45,305	(52,799)	-
Total	8,419,444	133,364	1,004,413	9,557,221	507,352	(52,799)	10,011,774
Segment profit (loss) (Note 3)	(162,766)	(38,801)	44,631	(156,936)	41,076	2,799	(113,061)
Finance income							12,116
Finance costs							34,819
Profit (loss) before tax							(135,764)

Segment assets	5,229,113	1,064,439	1,380,055	7,673,607	2,752,049	(2,414,364)	8,011,292
Segment liabilities	3,438,274	547,907	837,306	4,823,487	2,289,574	(1,809,677)	5,303,384
Other items:							
Depreciation, depletion and amortization	205,726	42,381	60,838	308,945	13,028	4,576	326,549
Share of profit (loss) of investments accounted for using the equity method	(23,928)	4,911	31,455	12,438	3,430	-	15,868
Capital expenditures on property, plant and equipment, and intangible assets (Note 4)	249,053	86,931	73,898	409,882	18,028	(5,115)	422,795

- (Notes)
- The accounting policy for the reporting segments is the same as the accounting policy for preparing the consolidated financial statements.
 - Inter-reporting segment revenue or transfers are based on actual market prices.
 - Segment profit (loss) is stated as operating profit (loss) in the consolidated statements of profit or loss.
 - Capital expenditure includes acquisition of new leased assets.
 - The adjustments include the following:
 - The segment profit (loss) adjustment of 2,799 million yen includes the net amount of 4,277 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the "Other" category.
 - The loss of 2,414,364 million yen in the segment assets adjustment is due primarily to eliminating intersegment receivables by offsetting.
 - The loss of 1,809,677 million yen in the segment liabilities adjustment is due primarily to eliminating intersegment liabilities by offsetting.

(Per Share Information)

	FY2018 (From April 1, 2018 to March 31, 2019)	FY2019 (From April 1, 2019 to March 31, 2020)
Profit (loss) for the year attributable to owners of the parent (millions of yen)	322,319	(187,946)
Average number of shares of common stock during the fiscal year (thousand shares)	3,380,083	3,248,100
Increase due to share-based payments (thousand shares)	1,211	1,102
Average number of diluted shares of common stock during the fiscal year (thousand shares)	3,381,294	3,249,202
Basic profit (loss) per share (yen)	95.36	(57.86)
Diluted profit (loss) per share (yen)	95.32	(57.84)

- (Note) The Company shares held by the Board Incentive Plan Trust are recognized as treasury stock, and thus the pertinent number of shares is excluded from the average number of shares of common stock during the fiscal year in calculating basic profit (loss) per share.

(Important Subsequent Events)

None