

This document is an English translation of quarterly financial results report released on October 31, 2016 and written initially in Japanese.
The Japanese original should be considered as the primary version.



October 31, 2016

Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2017 <under IFRSs>

Company name: **Itochu Enex Co., Ltd.**
 Listing: Tokyo Stock Exchange, 1st Section
 Stock code: 8133
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Scheduled date to file quarterly securities report: November 11, 2016
 Scheduled date to commence dividend payments: December 5, 2016
 Preparation of supplementary results briefing material on quarterly financial results: Yes
 Holding of quarterly financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded, unless otherwise noted)

1. Consolidated financial results for the first six months of the fiscal year ending March 31, 2017 (from April 1, 2016 to September 30, 2016)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Total trading transactions		Profit from operating activities		Profit before tax		Net profit		Net profit attributable to Itochu Enex's shareholders		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended												
September 30, 2016	466,313	(17.3)	7,755	5.0	7,242	10.2	4,682	20.4	3,707	15.5	4,200	13.5
September 30, 2015	564,118	(19.0)	7,384	23.6	6,570	15.0	3,888	13.5	3,209	14.3	3,699	1.4

	Basic earnings per share attributable to Itochu Enex's shareholders	Diluted earnings per share attributable to Itochu Enex's shareholders
Six months ended	Yen	Yen
September 30, 2016	32.81	—
September 30, 2015	28.40	—

Note: "Total trading transactions" are presented in accordance with the Japanese accounting practices and represent the total amounts of transactions that the Company and its subsidiaries conducted as a party in contracts and for which they acted as an agent.

(2) Consolidated financial position

	Total assets	Total equity	Total shareholders' equity	Ratio of shareholders' equity to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2016	310,658	119,661	102,395	33.0
March 31, 2016	304,053	117,162	100,526	33.1

2. Cash dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2016	–	12.00	–	12.00	24.00
Fiscal year ending	–	13.50			
March 31, 2017					
Fiscal year ending			–	13.50	27.00
March 31, 2017 (Forecast)					

Note: Revisions to the forecasts of cash dividends most recently announced: None

**3. Consolidated earnings forecasts for the fiscal year ending March 31, 2017
(from April 1, 2016 to March 31, 2017)**

(Percentages indicate year-on-year changes.)

	Total trading transactions		Profit from operating activities		Profit before tax		Net profit attributable to Itochu Enex's shareholders		Basic earnings per share attributable to Itochu Enex's shareholders
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2017	1,060,000	(1.1)	17,500	6.8	17,000	13.3	10,000	33.9	88.50

Note: Revisions to the consolidated earnings forecasts most recently announced: None

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

- a. Changes in accounting policies required by IFRSs: None
- b. Changes in accounting policies other than the above: None
- c. Changes in accounting estimates: None

(3) Number of issued shares (common stock)

a. Total number of issued shares at end of period (including treasury stock)

As of September 30, 2016	116,881,106 shares
As of March 31, 2016	116,881,106 shares

b. Number of treasury stock at end of period

As of September 30, 2016	3,892,147 shares
As of March 31, 2016	3,891,809 shares

c. Average number of outstanding shares during period (cumulative from the beginning of the fiscal year)

For the six months ended September 30, 2016	112,989,196 shares
For the six months ended September 30, 2015	112,989,742 shares

*** Indication regarding execution of quarterly review procedures**

This quarterly financial results report is out of the scope of the quarterly review procedures that are required by the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial results report, the quarterly review procedures for the condensed quarterly financial statements pursuant to the Financial Instruments and Exchange Act are in progress.

*** Proper use of earnings forecasts, and other special notes**

The forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may significantly differ from these forecasts due to various factors.

Please refer to “1. Qualitative Information Regarding Results for the First Six Months, (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements” on page 5 of the attached materials for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Qualitative Information Regarding Results for the First Six Months

(1) Explanation of Operating Results

1) Results of operations

During the six months ended September 30, 2016, the Japanese economy continued to recover at a moderate pace, supported by improvements in corporate earnings and the employment environment, etc. However, the outlook for the global economy remained uncertain due to factors such as slowing economies in China and other emerging countries and the UK's decision to leave the EU.

In the petroleum products distribution industry, the persistent decline in demand continues and the outlook for crude oil prices remains uncertain.

In the power market, the spot average price was below that of the corresponding period of a year earlier due to the falling costs of raw materials resulting from the decline in crude oil prices. However, trading volume in the market has been rising since the full liberalization of the electricity retail market in April 2016.

In this operating environment, the Itochu Enex Group announced its two-year medium-term business plan “Moving 2016 —Sowing seeds for tomorrow—” in April 2015, and has been advancing its business based on following three basic policies:

- <i> Improvement of profitability
- <ii> Sowing seeds for long-term growth strategy
- <iii> Reinforcement of organizational strength and fundamental strength

As part of these efforts, we reorganized the business divisions in April this year and launched a new organization structure of two business groups with four divisions, that is, the “Power & Gas Business Group” consisting of the Home-Life Division and the Power & Utility Division and the “Distribution & Energy Innovation Business Group” consisting of the Car-Life Division and the Energy Innovation Division (formerly Energy Trade Division). In light of the normalized decline in the demand for petroleum and the subsequent industrial reorganization, as well as a change in the management environment following the full liberalization of the electricity and gas retail market, the Company continues to promote unifying and expediting the establishment of strategies and the development of businesses by comprehensively consolidating the related businesses.

Furthermore, for the full liberalization of the electricity retail market, we named electricity supply services for households, which the Itochu Enex Group has been developing, “e-koto denki!” and implemented retail sales in April this year through group companies that sell LP gas, etc. The Itochu Enex group also started the wholesale of electricity and the provision of supply/demand adjustment services to businesses that are considering selling electricity to households. It aims to create a balancing group^{*1} and continues to expand its range of electricity retailing support services aimed at local governments and businesses from other sectors.

As a result of the above activities, revenue fell by 17.3% year on year to ¥309,516 million. Profit from operating activities was ¥7,755 million (up 5.0% year on year) and net profit attributable to Itochu Enex's shareholders was ¥3,707 million (up 15.5% year on year).

*1: In the balancing group, the representative of a group made up of multiple electricity retailing businesses adjusts the supply and demand within the entire group. This reduces the risk of being subject to in-balance penalty payments under the balancing system.

2) Results of operations by segment

<Power & Gas Business Group>

Home-Life Division

In the Home-Life Division, the sales volume of LP gas fell from that of the corresponding period of the previous fiscal year, mainly due to the rather higher average temperatures in Western Japan and

declining demand for automotive gas. Profit from operating activities declined from the corresponding period of the previous fiscal year due to weak sales of equipment and other products, but the loss narrowed due to factors such as an improvement in profitability at associates accounted for by the equity method.

In April 2016, ITOCHU ENEX HOME-LIFE KANTO CO., LTD. and ECORE Co., Ltd. began retail sales of electricity to households, and respective Group companies, ITOCHU ENEX HOME-LIFE HOKKAIDO CO., LTD., ITOCHU ENEX HOME-LIFE TOHOKU CO., LTD., ITOCHU ENEX HOME-LIFE CHUBU CO., LTD., ITOCHU ENEX HOME-LIFE KANSAI CO., LTD., and ITOCHU ENEX HOME-LIFE NISHI-NIHON CO., LTD., also started electricity retail sales from August 2016. We have been developing electricity supply services under the brand name “e-koto denki!”^{*2}

In overseas business, we took a stake in LP gas sales company Isla Petroleum & Gas Corporation through an investment in the Philippines in May 2016. We will dispatch personnel to the company with the aim of utilizing our expertise in Japan to expand sales of LP gas in the Philippines.

In addition, PT. ITC ENEX INDONESIA, a producer and seller of industrial gas established in Indonesia in October 2015, completed the construction of its head office building and filling station in the Karawang Industrial Estate in September 2016. The company will now strengthen its business base and work to expand sales of industrial gas, mainly targeting Japanese companies operating in Indonesia.

As a result of these activities, revenue was ¥34,847 million (down 17.1% year on year), profit from operating activities was ¥692 million (down 22.7% year on year), and net loss attributable to Itochu Enex’s shareholders was ¥58 million (compared with net profit attributable to Itochu Enex’s shareholders of ¥293 million in the corresponding period of the previous fiscal year).

*2: Only ECORE Co., Ltd. uses the name “ECORE no e-denki” for its electricity supply services.

Power & Utility Division

In the Power & Utility Division, electricity sales volume increased significantly from the corresponding period of the previous fiscal year in the electricity retailing field, which is centered on the Company and Oji-Itochu Enex power retailing Co., Ltd. This reflected growth in electricity demand from households following the full liberalization of the electricity retail market in April 2016 and efforts to promote sales of electricity to business users.

In the power generation field, power generated by renewable energy, mainly wind power, increased from the corresponding period of the previous fiscal year, but electricity sales volume declined due to the expiry of supply contracts with some customers of ENEX Electric Power Co., Ltd. As a result, sales volume declined from the corresponding period of the previous fiscal year.

Despite a decline in the sales volume in power generation business, profit increased from the corresponding period of the previous fiscal year due to factors such as an increase in the total amount of electricity sold.

In the heat supply business^{*3}, demand for heat increased year on year due to average temperatures in East Japan during the second quarter that were higher than those of the previous fiscal year. Although total trading transactions fell from the corresponding period of the previous fiscal year, profits in this business increased year on year due to a drop in the cost of raw materials related to declining fuel prices.

The Power & Utility Division is taking a number of steps to address rising competition from sector companies and from new companies moving into the sector following the full liberalization of the electricity retail market in April 2016. In existing areas of the market that have already been liberalized (high-voltage), the division is reinforcing sales in each area while taking into account regional characteristics, centered on areas where the Group owns power supplies. Also, with respect to electricity sales in areas liberalized in April 2016 (households and other areas), the Power & Utility Division will enhance cooperation with other divisions in the Company and secure external partners to continue expanding sales channels.

As a result of these activities, revenue was ¥28,556 million (up 38.0% year on year), profit from operating activities was ¥3,434 million (up 30.0% year on year), and net profit attributable to Itochu Enex’s shareholders was ¥1,693 million (up 25.8% year on year).

*3 Heat supply business: The heat supply business supplies cold and hot water (heat carrier) for air conditioning to multiple office buildings and other buildings from a heat source plant using pipes.

<Distribution & Energy Innovation Business Group>

Car-Life Division

In the Car-Life Division, sales volume declined from the corresponding period of the previous fiscal year, reflecting a continued drop in demand for fuel oil in the domestic market. Profit from operating activities, however, increased from the corresponding period of the previous fiscal year due to contribution of Nissan Osaka Sales Co., Ltd., and the like.

As part of our retail strategy, we pushed ahead with the introduction of our new POS system (E6POS) and used the Rakuten Super Points system to exchange customers with affiliated stores in other sectors. Also, in line with the shift to omnichannel e-commerce, we will actively increase the number of stores affiliated with Rakuten Shaken, a statutory vehicle inspection service offered by Rakuten, Inc., and implement joint campaigns to attract shaken (vehicle inspection) customers from e-commerce sites.

In addition, despite an impact on sales of mini-cars after the discovery of improper conduct by Mitsubishi Motors Corporation, Nissan Osaka Sales Co., Ltd. made a significant contribution to profit growth due to efforts to increase sales of other models, reductions in business costs and higher sales of the new Nissan Serena model.

Meanwhile, Enexauto Co., Ltd. steadily increased the number of stores affiliated with its car wash business portal website, Japan Car Wash Federation (for business users), reaching 2,118 affiliated stores at the end of September 2016, which supported wider use of Sensya Senka (for general users). Also, as part of efforts to increase contact with customers, we began offering communication service Dorachan (Driver Channel) via large monitors and tablet PCs in Car-Life Stations, aiming to set Car-Life Stations apart, using the functionality of Dorachan, from other stores in the market and create new customer value.

The number of Car-Life Stations^{*4} in the Itochu Enex Group as of September 30, 2016, was 1,937, marking a net decrease of 36 stations from the end of the previous fiscal year due to disaffiliation of unprofitable and decrepit stations.

As a result of these activities, revenue was ¥213,723 million (down 16.0% year on year), profit from operating activities was ¥1,538 million (up 7.3% year on year), and net profit attributable to Itochu Enex's shareholders was ¥638 million (up 13.7% year on year).

*4 Car-Life Stations: Car-Life Stations are service stations offering multiple services provided by the Company.

Energy Innovation Division

The Energy Innovation Division faces a structural decline in demand for domestic petroleum products caused by factors such as more efficient use of energy. Also, amid uncertainty about trends in the crude oil price, which is affecting the market for petroleum products, the division is working to expand business with existing customers and attract new customers as part of efforts to build a stable revenue base.

In this division, based on our policy of "expansion of business portfolios," we are "appropriately and effectively enhancing and managing assets" and "actively pushing ahead with new business commercialization projects." In sales of industrial fuels and materials, we proceed the reinforcement of logistics functions with Kokura Enterprise Logi Service Co., Ltd. that was established to expand sales to small volume users. Moreover, in the AdBlue sales business, we established our tenth partner plant in Japan to expand and reinforce our integrated sales systems covering all phases from production to distribution. We are also working to improve the profitability by providing comprehensive materials covering areas such as electricity sales to business users, in addition to each division's existing business. In addition, we are working steadily to commercialize new businesses that recycle waste oil discharged from ships and fly ash discharged from thermal power plants. We are also considering and starting the commercialization of biomass fuel supply business for domestic power plants.

Going forward, the division will develop proposals tailored to customer needs while responding

flexibly to changes in the external environment, aiming to conduct business development based on close cooperation with Group companies.

As a result of these activities, revenue was ¥32,390 million (down 43.2% year on year), profit from operating activities was ¥1,494 million (down 19.8% year on year), and net profit attributable to Itochu Enex's shareholders was ¥1,078 million (down 12.9% year on year).

(2) Explanation of Financial Position

Assets, liabilities and equity

Total assets amounted to ¥310,658 million as of September 30, 2016, an increase of ¥6,606 million from March 31, 2016, mainly reflected a rise in trade receivables. Total liabilities amounted to ¥190,997 million, an increase of ¥4,106 million from March 31, 2016, mainly due to an increase of borrowings. Total equity totaled ¥119,661 million, an increase of ¥2,499 million from March 31, 2016, mainly due to an increase of retained earnings.

Cash flows

Cash and cash equivalents (net cash) totaled ¥17,406 million as of September 30, 2016, down ¥3,418 million from March 31, 2016.

Cash flows from operating activities

Operating activities provided net cash of ¥3,708 million. Major items included proceeds from profit before tax of ¥7,242 million and expenses as funds required for trading of ¥6,390 million.

Cash flows from investing activities

Investing activities used net cash of ¥9,317 million. Major items included payments for deposit paid in subsidiaries and associates, which are affiliates including parent, subsidiaries and associates, of ¥6,000 million and payments for purchase of property, plant and equipment and investment property and other items of ¥4,194 million.

Cash flows from financing activities

Financing activities earned net cash of ¥2,261 million. Major items included proceeds from an increase in interest-bearing debt of ¥3,962 million and expenses as payment of cash dividends of ¥1,701 million.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements

Although operating performance could be affected by various factors, including crude oil prices, market conditions, changes in the weather, and the Japanese government's energy policy, we have not revised our full-year consolidated earnings forecasts announced on April 28, 2016.

2. Matters Regarding Summary Information (Notes)

(1) Changes in Significant Subsidiaries During the Period

No items to report.

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Prior Period Financial Statements

Accounting policies that Itochu Enex Group has applied in the condensed quarterly consolidated financial statements are the same policies that were applied in the consolidated financial statements for the previous fiscal year.

3. Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2016	As of September 30, 2016
ASSETS		
Current assets		
Cash and cash equivalents	20,824	17,406
Trade receivables	71,968	76,285
Other current financial assets	16,529	25,462
Inventories	25,160	23,801
Trade advances paid	1,781	1,312
Other current assets	1,603	1,556
Total current assets	137,865	145,822
Non-current assets		
Investments accounted for by the equity method	8,786	9,762
Other investments	8,029	7,315
Non-current financial assets other than investments	9,895	9,661
Property, plant and equipment	88,311	88,066
Investment property	13,262	12,847
Goodwill	588	588
Intangible assets	24,329	24,048
Deferred tax assets	11,622	11,316
Other non-current assets	1,366	1,233
Total non-current assets	166,188	164,836
Total assets	304,053	310,658

(Millions of yen)

	As of March 31, 2016	As of September 30, 2016
LIABILITIES AND EQUITY		
Current liabilities		
Short-term bonds and borrowings	5,299	9,349
Trade payables	80,745	80,722
Other current financial liabilities	5,229	5,951
Income taxes payable	3,351	2,445
Advances from customers	6,637	6,222
Other current liabilities	10,736	9,871
Total current liabilities	111,997	114,560
Non-current liabilities		
Non-current bonds and borrowings	32,366	32,865
Other non-current financial liabilities	24,384	25,151
Non-current liabilities for employee benefits	10,127	10,390
Deferred tax liabilities	2,103	2,092
Provisions	5,396	5,415
Other non-current liabilities	518	524
Total non-current liabilities	74,894	76,437
Total liabilities	186,891	190,997
Equity		
Common stock	19,878	19,878
Capital surplus	18,740	18,740
Retained earnings	66,024	68,152
Other components of equity	(2,364)	(2,623)
Treasury stock	(1,752)	(1,752)
Total shareholders' equity	100,526	102,395
Non-controlling interests	16,636	17,266
Total equity	117,162	119,661
Total liabilities and equity	304,053	310,658

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Revenue	374,235	309,516
Cost of sales	(331,241)	(265,774)
Gross profit	42,994	43,742
Other expense		
Selling, general and administrative expenses	(35,887)	(36,210)
Loss from tangible assets, intangible assets and goodwill	(124)	(354)
Other – net	401	577
Total other expense	(35,610)	(35,987)
Profit from operating activities	7,384	7,755
Financial income and costs		
Interest income	29	40
Dividends received	217	234
Interest expense	(466)	(481)
Other financial income and costs – net	(4)	0
Total financial income and costs	(224)	(207)
Share of loss of investments accounted for by the equity method	(590)	(306)
Profit before tax	6,570	7,242
Income tax expense	(2,682)	(2,560)
Net profit	3,888	4,682
Net profit attributable to Itochu Enex's shareholders	3,209	3,707
Net profit attributable to non-controlling interests	679	975

	(Millions of yen)	
	Six months ended September 30, 2015	Six months ended September 30, 2016
Other comprehensive income (net of tax effect)		
Items that will not be transferred to profit or loss		
FVTOCI financial assets	(99)	(185)
Other comprehensive income in associates accounted for by the equity method	(0)	23
Items that may be transferred to profit or loss		
Exchange differences on translating foreign operations	11	(107)
Cash flow hedges	183	(32)
Other comprehensive income in associates accounted for by the equity method	(284)	(181)
Total other comprehensive income (net of tax effect)	(189)	(482)
Comprehensive income	3,699	4,200
Comprehensive income attributable to Itochu Enex's shareholders	3,020	3,225
Comprehensive income attributable to non-controlling interests	679	975

	(Yen)	
Earnings per share attributable to Itochu Enex's shareholders		
Basic	28.40	32.81
Diluted	-	-

	(Millions of yen)	
Total trading transactions	564,118	466,313

(Note) Total trading transactions are presented in accordance with the Japanese accounting practices and represent the total amounts of transactions that the Company and its subsidiaries conducted as a party in contracts and for which they acted as an agent. This item is voluntarily disclosed by the Company for investors' convenience and is not required to be disclosed under International Financial Reporting Standards ("IFRSs").

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Millions of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Equity		
Common stock		
Balance at the beginning of the period	19,878	19,878
Balance at the end of the period	19,878	19,878
Capital surplus		
Balance at the beginning of the period	18,743	18,740
Acquisition of subsidiary shares from non-controlling interests	(3)	–
Balance at the end of the period	18,740	18,740
Retained earnings		
Balance at the beginning of the period	62,223	66,024
Net profit attributable to Itochu Enex's shareholders	3,209	3,707
Transfer from other components of equity	(88)	(223)
Cash dividends paid to Itochu Enex's shareholders	(1,243)	(1,356)
Balance at the end of the period	64,101	68,152
Other components of equity		
Balance at the beginning of the period	(1,661)	(2,364)
Other comprehensive income attributable to Itochu Enex's shareholders	(189)	(482)
Transfer to retained earnings	88	223
Balance at the end of the period	(1,762)	(2,623)
Treasury stock		
Balance at the beginning of the period	(1,751)	(1,752)
Purchase and disposal of treasury stock	(1)	(0)
Balance at the end of the period	(1,752)	(1,752)
Total shareholders' equity	99,205	102,395
Non-controlling interests		
Balance at the beginning of the period	15,515	16,636
Net profit attributable to non-controlling interests	679	975
Other comprehensive income attributable to non-controlling interests	(0)	(0)
Cash dividends paid to non-controlling interests	(110)	(345)
Balance at the end of the period	16,084	17,266
Total equity	115,289	119,661

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Cash flows from operating activities		
Profit before tax	6,570	7,242
Depreciation and amortization	6,101	5,393
Loss from tangible assets, intangible assets and goodwill	124	354
Financial income	224	207
Share of loss of investments accounted for by the equity method	590	306
Decrease (increase) in trade receivables	11,744	(7,706)
Decrease in inventories	3,228	1,359
Decrease in trade payables	(17,864)	(43)
Other – net	(2,942)	49
Interest and dividends received	374	431
Interest expense	(405)	(460)
Income taxes paid	(2,264)	(3,424)
Net cash flows provided by operating activities	5,480	3,708
Cash flows from investing activities		
Purchase of investments accounted for by the equity method	(4)	(1,342)
Proceeds from sales of investments accounted for by the equity method	12	–
Purchase of investments	(2,841)	(11)
Proceeds from sales of investments	51	1,310
Acquisition of subsidiaries, net of cash acquired	(1,090)	–
Payment for loans receivable	(124)	(271)
Collection of loans receivable	157	206
Payments for purchase of property, plant and equipment and investment property	(6,189)	(3,541)
Proceeds from sales of property, plant and equipment and investment property	707	675
Purchase of intangible assets	(338)	(653)
Proceeds from sales of intangible assets	2	–
Increase in deposits paid – net	–	(6,000)
Other – net	21	310
Net cash flows used in investing activities	(9,636)	(9,317)

(Millions of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Cash flows from financing activities		
Proceeds from bonds and borrowings	7,715	7,500
Repayments of bonds and borrowings	(7,148)	(1,991)
Net increase (decrease) in short-term borrowings	1,508	(1,547)
Cash dividends paid to Itochu Enex's shareholders	(1,243)	(1,356)
Cash dividends paid to non-controlling interests	(110)	(345)
Other – net	(1)	(0)
Net cash flows provided by financing activities	721	2,261
Net decrease in cash and cash equivalents	(3,435)	(3,348)
Cash and cash equivalents at the beginning the period	16,184	20,824
Effect of exchange rate changes on cash and cash equivalents	5	(70)
Cash and cash equivalents at the end of the period	12,754	17,406

(5) Notes on Uncertainties of Entity's Ability to Continue as Going Concern

No items to report.

(6) Segment Information

For the six months ended September 30, 2015

(Millions of yen)

	Reportable segment					Other	Total	Adjustment	Consolidated
	Home-Life	Power & Utility	Car-Life	Energy Innovation	Total				
Revenue									
Revenue from external customers	42,047	20,699	254,491	56,998	374,235	0	374,235	–	374,235
Intersegment revenue	136	157	2,098	399	2,790	–	2,790	(2,790)	–
Total revenue	42,183	20,856	256,589	57,397	377,025	0	377,025	(2,790)	374,235
Gross profit	11,951	4,049	22,769	4,225	42,994	0	42,994	–	42,994
Profit from operating activities	895	2,642	1,434	1,862	6,833	1	6,834	550	7,384
Profit before tax	337	2,596	1,198	1,863	5,994	1	5,995	575	6,570
Net profit (loss) attributable to Itochu Enex's shareholders	(293)	1,346	561	1,238	2,852	0	2,852	357	3,209
Other items									
Total assets	56,420	53,637	126,119	64,118	300,294	–	300,294	13,360	313,654
Total trading transactions	44,201	21,152	274,465	224,300	564,118	0	564,118	–	564,118

(Note) Intersegment transactions have been decided by reference to the market price.

The adjustment of ¥357 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥13,360 million to total assets represents corporate assets not allocated to reportable segments.

Total trading transactions are unaudited items voluntarily disclosed by the Company and represent the amount of sales in accordance with Japanese accounting practices.

For the six months ended September 30, 2016

(Millions of yen)

	Reportable segment					Other	Total	Adjustment	Consolidated
	Home-Life	Power & Utility	Car-Life	Energy Innovation	Total				
Revenue									
Revenue from external customers	34,847	28,556	213,723	32,390	309,516	–	309,516	–	309,516
Intersegment revenue	69	144	877	414	1,504	–	1,504	(1,504)	–
Total revenue	34,916	28,700	214,600	32,804	311,020	–	311,020	(1,504)	309,516
Gross profit	12,109	5,107	22,466	4,060	43,742	–	43,742	–	43,742
Profit from operating activities	692	3,434	1,538	1,494	7,158	–	7,158	597	7,755
Profit before tax	483	3,297	1,359	1,545	6,684	–	6,684	558	7,242
Net profit (loss) attributable to Itochu Enex's shareholders	(58)	1,693	638	1,078	3,351	–	3,351	356	3,707
Other items									
Total assets	56,609	63,684	115,289	52,134	287,716	–	287,716	22,942	310,658
Total trading transactions	37,137	29,873	232,810	166,493	466,313	–	466,313	–	466,313

(Note) Intersegment transactions have been decided by reference to the market price.

The adjustment of ¥356 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥22,942 million to total assets represents corporate assets not allocated to reportable segments.

Total trading transactions are unaudited items voluntarily disclosed by the Company and represent the amount of sales in accordance with Japanese accounting practices.

As of March 31, 2016

(Millions of yen)

	Reportable segment					Other	Total	Adjustment	Consolidated
	Home-Life	Power & Utility	Car-Life	Energy Innovation	Total				
Total assets	60,404	55,144	116,484	50,284	282,316	–	282,316	21,737	304,053

(Note) The adjustment of ¥21,737 million to total assets represents corporate assets not allocated to reportable segments.

Change in reportable segments

During the three months ended June 30, 2016, the Company has changed the name of “Home-Life Division” to “Home-Life Division,”* “Power & Utility Division” to “Power & Utility Division,”* “Car-Life Division” to “Car-Life Division,”* and “Energy Trade Division” to “Energy Innovation Division.”

Segment information during the six months ended September 31, 2015 and as of the end of the previous fiscal year (March 31, 2016) has been represented by the name after the change.

*Though the original Japanese has been changed, the English translation remains unchanged.