

This document is an English translation of quarterly financial results report released on October 29, 2021 and written initially in Japanese.  
The Japanese original should be considered as the primary version.



October 29, 2021

## Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2022 <under IFRSs>

Company name: **Itochu Enex Co., Ltd.**  
 Listing: Tokyo Stock Exchange, 1st Section  
 Stock code: 8133  
 URL: <https://www.itcenex.com/english/>  
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Scheduled date to file quarterly securities report: November 12, 2021

Scheduled date to commence dividend payments: December 6, 2021

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, 2022 (from April 1, 2021 to September 30, 2021)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		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, 2021	398,130	24.6	9,139	(10.1)	9,822	(6.2)	6,882	(5.5)	5,527	(11.3)	6,698	(11.3)
September 30, 2020	319,536	(27.2)	10,163	6.7	10,472	8.2	7,283	12.6	6,234	20.2	7,547	20.0

	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, 2021	48.96	—
September 30, 2020	55.22	—

(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, 2021	391,169	164,265	138,390	35.4
March 31, 2021	408,327	161,399	136,233	33.4

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, 2021	—	22.00	—	28.00	50.00
Fiscal year ending	—	23.00			
March 31, 2022					
Fiscal year ending			—	23.00	46.00
March 31, 2022					
(Forecast)					

Note: Revisions to the forecasts of cash dividends most recently announced: None  
Breakdown of year-end dividend for the fiscal year ended March 31, 2021: Ordinary dividend of ¥22.00, and anniversary commemorative dividend of ¥6.00

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2022  
(from April 1, 2021 to March 31, 2022)

(Percentages indicate year-on-year changes.)

	Revenue		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, 2022	800,000	8.2	20,500	6.0	21,200	5.8	12,500	2.7	110.74

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, 2021	116,881,106 shares
As of March 31, 2021	116,881,106 shares

b. Number of treasury stock at end of period

As of September 30, 2021	4,000,599 shares
As of March 31, 2021	4,000,323 shares

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

For the six months ended September 30, 2021	112,880,640 shares
For the six months ended September 30, 2020	112,880,657 shares

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

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

(Caution regarding forward-looking statements and others)

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.

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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 first six months ended September 30, 2021 (April 1, 2021 to September 30, 2021), the Japanese economy continued to face a situation of stagnation in economic activities, as in the first six months of the previous fiscal year, due to a decline in consumer spending caused by voluntary stay-at-home directives due to the spread of the novel coronavirus disease (COVID-19) and requests by local authorities to refrain from business activities. There has been little movement towards recovery of economic activity, and the future outlook remains extremely uncertain due to factors such as another increase in the number of people infected with COVID-19.

In response, the Group has established the “emergency headquarters for tackling the coronavirus pandemic,” headed by the President, to carry out appropriate company-wide management by deciding on and executing company-wide policies and necessary measures, and by continuously collecting and spreading information internally and externally. In addition, with “employee safety” and “infection prevention” as the Company’s top priorities, we are working to reduce the risk of infection through telecommuting, working at staggered hours and thorough disinfection of business sites, as well as to increase operational efficiency by improving the communication network environment necessary for the execution of business.

In terms of business, we are promoting our business in accordance with our two-year medium-term business plan “SHIFT! 2022” which was newly formulated in April 2021.

### Overview of medium-term business plan

1. Name of the plan: SHIFT! 2022



2. Period: Two years (FY2021 to FY2022)

3. Basic policy: *Bases, Environment and Energy, and Human Resources*

#### *Bases*

- Further enhancement of domestic sale network and customer base
- Active promotion of B-to-C business utilizing digital transformation
- Strengthening of overseas business development with a focus on Asia

#### *Environment and Energy*

- Forays into untapped areas with environmental products, electricity and various other forms of energy
- Further expansion of the electric power business from generation to selling, especially with renewable energy
- Enhancing environmental technical capabilities and expand offerings of low-carbon and decarbonized products

#### *Human Resources*

- Cultivating multi-talented human resources who will flourish in Japan and overseas
- Promoting diversity and fostering a diverse range of values

4. Quantitative plan (FY2021):

Target Consolidated Results for FY2021

(1) Net profit attributable to Itochu Enex's shareholders: ¥12.5 billion

(2) ROE: 9.0% or more

Management indicators

(1) Substantive operating cash flows\*1: ¥30.0 billion or more each fiscal period

(2) Consolidated dividend payout ratio: 40% or more

(3) New investment (cumulative total over two fiscal years): ¥60.0 billion

(\*1) Substantive operating cash flows excludes working capital, etc. from cash flows from operating activities.

The operating results for the six months ended September 30, 2021 are as follows.

	(Millions of yen)		
	Six months ended September 30, 2020	Six months ended September 30, 2021	Change
Revenue	319,536	398,130	78,594
Profit from operating activities	10,163	9,139	(1,024)
Net profit attributable to Itochu Enex's shareholders	6,234	5,527	(707)

Revenue was ¥398,130 million (up 24.6% year on year). This was mainly due to an increase in selling prices of domestic petroleum products resulting from higher crude oil prices.

Profit from operating activities was ¥9,139 million (down 10.1% year on year). Net profit attributable to Itochu Enex's shareholders was ¥5,527 million (down 11.3% year on year). This was mainly due to the fact that the impact of the COVID-19 has been reduced compared to the same period of the previous year and sales volume is on a recovery track, while there was a reaction to the temporary revenue from operations that captured crude oil price fluctuations in the same period of the previous year.

2) Results of operations by segment

Results of operations by segment are as follows.

**Home-Life Division**

	(Millions of yen)		
	Six months ended September 30, 2020	Six months ended September 30, 2021	Change
Revenue	30,210	34,686	4,476
Profit from operating activities	39	386	347
Net profit attributable to Itochu Enex's shareholders	15	556	541

In LP gas business of the Home-Life Division during the six months ended September 30, 2021, the number of customers under direct LP gas supply contracts increased by approximately 1,000 from the end of the previous fiscal year to approximately 553,000 as a result of activities to acquire new customers and sales rights in the LP gas business. Although demand for commercial and industrial use, which was affected by COVID-19 in the previous fiscal year, is on a recovery trend, overall LP gas sales volume remained at the same level year on year due to a decrease in wholesale and automotive gas sales.

Regarding sales of electricity for households, the division promoted the expansion of the customer base by focusing mainly on selling LP gas as a set. As a result, the number of supply contracts was a total of approximately 114,000 (an increase of approximately 5,000 from the end of the previous fiscal year).

In the industrial gas sales business, although sales volume of nitrogen gas decreased year on year due to a rebound from the special demand in the first six months of the previous fiscal year, sales volume of other gas types increased year on year due to a recovery in the utilization rates of the customer plants to which we are supplying other industrial gas.

As a result of these activities, the operating results for the six months ended September 30, 2021 are as follows.

Revenue was ¥34,686 million (up 14.8% year on year). This was mainly due to an increase in selling prices resulting from higher LP gas import prices.

Profit from operating activities was ¥386 million (up 889.7% year on year). Net profit attributable to Itochu Enex's shareholders was ¥556 million (net profit attributable to Itochu Enex's shareholders for the same period of the previous fiscal year was ¥15 million). This was mainly due to a recovery in industrial gas-related and overseas businesses in line with the resumption of economic activity and the impact of inventory valuation factors associated with higher LP gas import prices.

## Car-Life Division

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021	Change
Revenue	183,465	236,236	52,771
Profit from operating activities	3,377	3,143	(234)
Net profit attributable to Itochu Enex's shareholders	1,904	1,566	(338)

Looking at the Car-Life Division during the six months ended September 30, 2021, in the Car-Life Stations (CS)\*<sup>2</sup> business, the number of the CS was 1,672, a decrease of 15 from the end of the previous fiscal year. Sales volumes of petroleum products were slightly higher year on year, as sales volume of gasoline and diesel fuel picked up slightly, in line with the resumption of economic activities, compared to the same period of the previous year, which saw a significant decline, despite the impact of the spread of COVID-19 and poor weather conditions in the summer.

In the automotive business, our car dealer business subsidiary OSAKA CAR LIFE GROUP CO., LTD. achieved an increase in sales volume year on year due to the recovery of sales of new models and other vehicles, despite the impact of the spread of COVID-19.

As a result of these activities, the operating results for the six months ended September 30, 2021 are as follows.

Revenue was ¥236,236 million (up 28.8% year on year). This was mainly due to an increase in sales prices of domestic petroleum products linked to crude oil prices and an increase in sales volume.

Profit from operating activities was ¥3,143 million (down 6.9% year on year). Net profit attributable to Itochu Enex's shareholders was ¥1,566 million (down 17.8% year on year). This was mainly due to a contraction in retail margins in the CS business, while there was a recovery in the automobile dealer business.

(\*2) Car-Life Stations: Car-Life Stations are service stations offering multiple services provided by the Company.

## Industrial Business Division

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021	Change
Revenue	68,500	90,378	21,878
Profit from operating activities	2,800	2,158	(642)
Net profit attributable to Itochu Enex's shareholders	2,268	1,505	(763)

Looking at the Industrial Business Division, during the six months ended September 30, 2021, the asphalt sales business conducted its sales activities with an awareness of profitability, despite a decrease in sales volume. In the marine fuel sales business, although sales volume for domestic vessels increased year on year as a result of expanding supply for new routes from existing customers, sales volume for ocean-going vessels decreased, resulting in a year-on-year decline in volume. In the corporate fleet fuel card business, sales volume increased year on year as a result of continuous efforts to acquire new customers. In the AdBlue<sup>®\*3</sup> sales business, which is being pursued as a business to reduce environmental impact, we have established a new AdBlue<sup>®</sup> manufacturing plant in Saitama Prefecture and have started shipments, and are building a system to expand sales by improving the supply system to meet increasing demand. As for the GTL fuel<sup>\*4</sup> sales business, sales volume has been increasing steadily, as the supply area has been expanded and the product has been adopted at construction sites in Japan.

As a result of these activities, the operating results for the six months ended September 30, 2021 are as follows.

Revenue was ¥90,378 million (up 31.9% year on year). This was mainly due to the increase in unit sales prices of industrial petroleum products resulting from higher crude oil prices.

Profit from operating activities was ¥2,158 million (down 22.9% year on year). Net profit attributable to Itochu Enex's shareholders was ¥1,505 million (down 33.6% year on year). This is mainly due to the fact that, while the asphalt business increased its profit, it was largely affected by the reaction to the temporary revenue from operations capturing crude oil price fluctuations in the first six months of the previous fiscal year.

(\*3) AdBlue<sup>®</sup> is a world-standard High-Grade Aqueous Urea used in the decomposition and detoxification of diesel exhaust. (AdBlue<sup>®</sup> is a registered trademark of Verband der Automobilindustrie e.V.(VDA).)

(\*4) Abbreviation for gas to liquids, a clean diesel replacement fuel made from natural gas with low environmental impact.

## Power & Utility Division

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021	Change
Revenue	37,361	36,830	(531)
Profit from operating activities	3,424	3,101	(323)
Net profit attributable to Itochu Enex's shareholders	1,763	1,738	(25)

In the electric power business of the Power & Utility Division, during the six months ended September 30, 2021, high-voltage power sales volumes<sup>\*5</sup> increased year on year due to landing a large-scale project. Low-voltage sales volume increased year on year due to an increase in the number of contracts, particularly for households, and retail electricity sales volumes increased year on year overall.

In the heat supply business<sup>\*6</sup>, demand for heat decreased year on year due to the significantly lower average temperature this summer compared to the previous year.



As a result of these activities, the operating results for the six months ended September 30, 2021 are as follows.

Revenue was ¥36,830 million (down 1.4% year on year). This was mainly due to the impact of accounting treatment associated with the change in contract type with Kyushu Electric Power in the electric power business.

Profit from operating activities was ¥3,101 million (down 9.4% year on year). This was mainly due to a decrease in heat demand this summer and lower capacity utilization due to periodic inspections at power plants. Net profit attributable to Itochu Enex's shareholders was ¥1,738 million (down 1.4% year on year). This was mainly due to a decrease in profit from operating activities, despite an increase in income from equity-method affiliates and other factors.

(\*5) Electricity sales volume includes brokerage volume for both high voltage and low voltage.

(\*6) Heat supply business: The heat supply business supplies cold and hot water for air conditioning to multiple office buildings and other buildings from a heat source plant using pipes.

## (2) Explanation of Financial Position

### Assets, liabilities and equity

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021	Change
Total assets	408,327	391,169	(17,158)
Total liabilities	246,928	226,904	(20,024)
Total equity	161,399	164,265	2,866

Total assets amounted to ¥391,169 million as of September 30, 2021, a decrease of ¥17,158 million from March 31, 2021. This was mainly due to a decrease in trade receivables of ¥11,569 million resulting from a decrease in sales volume due to seasonal items. Total liabilities amounted to ¥226,904 million, a decrease of ¥20,024 million from March 31, 2021. This was mainly due to a decrease in trade payables of ¥11,158 million resulting from a decrease in purchase volume due to seasonal items. Total equity totaled ¥164,265 million, an increase of ¥2,866 million from March 31, 2021, due to factors including an increase of ¥5,527 million from net profit attributable to Itochu Enex's shareholders and a decrease of ¥3,810 million by payment of cash dividends.

### Cash flows

While taking COVID-19 into consideration, the Group will use the cash flow generated from its core businesses to expand peripheral businesses, develop new business areas, and aggressively promote investment in environment-related businesses.

With respect to financing capacity for the time being, we have sufficiently secured account overdraft facilities and commercial paper issuance facilities, in addition to maintaining ample cash and cash equivalents. Moreover, we are essentially free of debt amid a situation where we have maintained healthy levels of debt thus far, which is currently reflected by our net debt-equity ratio (net DER) of negative 0.17 times.

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021	Change
Cash flows from operating activities	22,104	18,113	(3,991)
Cash flows from investing activities	5,850	(2,641)	(8,491)
[Free cash flows]	[27,954]	[15,472]	[(12,482)]
Cash flows from financing activities	(10,368)	(9,506)	862
Net increase (decrease) in cash and cash equivalents	17,585	5,966	(11,619)
Effect of exchange rate changes on cash and cash equivalents	(20)	(4)	16
Cash and cash equivalents at the end of the period	36,809	40,803	3,994

Cash and cash equivalents (net cash) totaled ¥40,803 million as of September 30, 2021, up ¥5,962 million from March 31, 2021.

### Cash flows from operating activities

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021	Change
Cash flows from operating activities	22,104	18,113	(3,991)
Changes in working capital and others	5,084	(136)	(5,220)
Real operating cash flow	17,020	18,249	1,229

Operating activities provided net cash of ¥18,113 million. Major items included profit before tax of ¥9,822 million, depreciation and amortization of ¥10,102 million, and income taxes paid of ¥4,363 million. Net cash provided decreased by ¥3,991 million year on year due to an increase or a decrease in receivables and payables caused by rising oil prices and other factors. Moreover, real operating cash flow increased ¥1,229 million year on year.

### Cash flows from investing activities

The Group has always made investments with an awareness of capital efficiency based on our investment strategy.

In the two years of the “SHIFT! 2022” medium-term business plan, we plan to invest a total of ¥60.0 billion, ¥30.0 billion to maintain and strengthen the important revenue base that generates cash, and ¥30.0 billion to invest in growth, such as renewable energy, environment-friendly business, and overseas business.

Investing activities used net cash of ¥2,641 million. The main factors were as follows: cash used included the purchase of property, plant and equipment and investment property of ¥5,114 million, purchase of intangible assets of ¥1,009 million, while cash was provided by proceeds from sales and redemption of investments of ¥1,649 million, proceeds from sales of subsidiaries of ¥825 million, proceeds from sales of property, plant and equipment and investment property of ¥456 million, and other of ¥743 million. Net cash used increased ¥8,491 million year on year.

### Cash flows from financing activities

The Group aims to streamline Group-wide financing activities to enhance our corporate value. Enhancing Group-wide financial management through the introduction of our Group Financial System\* resulted in ¥9,506 million in funds used for financing activities. This was mainly due to repayments of lease liabilities of ¥5,591 million, dividends paid to Itochu Enex’s shareholders of ¥3,164 million, and dividends paid to non-controlling interests of ¥646 million. Net cash used decreased ¥862 million year on year.

\*The Group Financial System streamlines fund management and procurement costs by sharing funds within the Group.

## 2. Condensed Quarterly Consolidated Financial Statements and Significant Notes Thereo

### (1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	34,841	40,803
Trade receivables	99,764	88,195
Other current financial assets	17,900	14,235
Inventories	25,495	25,357
Income taxes receivable	3,055	636
Trade advances paid	100	146
Other current assets	2,710	1,758
Total current assets	183,865	171,130
Non-current assets		
Investments accounted for by the equity method	29,437	28,751
Other investments	4,246	4,035
Non-current financial assets other than investments	10,330	9,676
Property, plant and equipment	136,291	133,551
Investment property	12,797	12,826
Goodwill	521	521
Intangible assets	19,688	19,671
Deferred tax assets	9,728	9,045
Other non-current assets	1,424	1,963
Total non-current assets	224,462	220,039
Total assets	408,327	391,169

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Short-term bonds and borrowings	3,041	13,173
Trade payables	102,768	91,610
Lease liabilities	10,285	9,776
Other current financial liabilities	5,614	4,979
Income taxes payable	3,874	2,596
Advances from customers	11,006	9,956
Other current liabilities	14,353	10,244
Total current liabilities	150,941	142,334
<b>Non-current liabilities</b>		
Non-current bonds and borrowings	14,418	4,241
Lease liabilities	50,499	48,411
Other non-current financial liabilities	14,425	14,465
Non-current liabilities for employee benefits	9,925	10,763
Deferred tax liabilities	1,001	1,128
Provisions	5,465	5,302
Other non-current liabilities	254	260
Total non-current liabilities	95,987	84,570
Total liabilities	246,928	226,904
<b>Equity</b>		
Common stock	19,878	19,878
Capital surplus	18,974	18,951
Retained earnings	99,829	102,231
Other components of equity	(576)	(799)
Treasury stock	(1,871)	(1,871)
Total shareholders' equity	136,233	138,390
Non-controlling interests	25,165	25,875
Total equity	161,399	164,265
<b>Total liabilities and equity</b>	<b>408,327</b>	<b>391,169</b>

**(2) Condensed Quarterly Consolidated Statement of Comprehensive Income**

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Revenue	319,536	398,130
Cost of sales	(277,415)	(356,470)
Gross profit	42,121	41,660
Other income and expense		
Selling, general and administrative expenses	(31,947)	(32,842)
Loss from tangible assets, intangible assets and goodwill	(83)	(99)
Other – net	72	420
Total other income and expense	(31,958)	(32,521)
Profit from operating activities	10,163	9,139
Financial income and costs		
Interest income	25	16
Dividends received	465	86
Interest expense	(549)	(465)
Other financial income and costs – net	(76)	(3)
Total financial income and costs	(135)	(366)
Share of profit of investments accounted for by the equity method	444	1,049
Profit before tax	10,472	9,822
Income tax expense	(3,189)	(2,940)
Net profit	7,283	6,882
Net profit attributable to:		
Net profit attributable to Itochu Enex's shareholders	6,234	5,527
Net profit attributable to non-controlling interests	1,049	1,355
Total	7,283	6,882

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Other comprehensive income, net of tax effect		
Items that will not be reclassified to profit or loss		
FVTOCI financial assets	155	45
Other comprehensive income of investments accounted for by the equity method	11	38
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	(3)	(2)
Cash flow hedges	22	13
Other comprehensive income of investments accounted for by the equity method	79	(278)
Total other comprehensive income, net of tax effect	264	(184)
Comprehensive income	7,547	6,698
Comprehensive income attributable to:		
Comprehensive income attributable to Itochu Enex's shareholders	6,498	5,343
Comprehensive income attributable to non-controlling interests	1,049	1,355
Total	7,547	6,698

(Yen)

Earnings per share attributable to Itochu Enex's shareholders		
Basic	55.22	48.96
Diluted	-	-

### (3) Condensed Quarterly Consolidated Statement of Changes in Equity

Six months ended September 30, 2020

(Millions of yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance at April 1, 2020	19,878	18,934	92,761	(1,370)	(1,870)	128,333	23,551	151,884
Net profit			6,234			6,234	1,049	7,283
Other comprehensive income				264		264	0	264
Comprehensive income			6,234	264		6,498	1,049	7,547
Transactions with owners								
Cash dividends			(2,599)			(2,599)	(675)	(3,274)
Changes due to additional acquisitions and sales of interests in subsidiaries						–	50	50
Purchase and disposal of treasury stock					(0)	(0)		(0)
Share-based payments		(1)			1	–		–
Balance at September 30, 2020	19,878	18,933	96,397	(1,105)	(1,870)	132,232	23,975	156,207

Six months ended September 30, 2021

(Millions of yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance at April 1, 2021	19,878	18,974	99,829	(576)	(1,871)	136,233	25,165	161,399
Net profit			5,527			5,527	1,355	6,882
Other comprehensive income				(184)		(184)	(0)	(184)
Comprehensive income			5,527	(184)		5,343	1,355	6,698
Transactions with owners								
Cash dividends			(3,164)			(3,164)	(646)	(3,810)
Changes due to additional acquisitions and sales of interests in subsidiaries		(23)				(23)		(23)
Transfer from other components of equity to retained earnings			39	(39)		–		–
Purchase and disposal of treasury stock					(0)	(0)		(0)
Balance at September 30, 2021	19,878	18,951	102,231	(799)	(1,871)	138,390	25,875	164,265



**(4) Condensed Quarterly Consolidated Statement of Cash Flows**

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before tax	10,472	9,822
Depreciation and amortization	10,084	10,102
Loss from tangible assets, intangible assets and goodwill	83	99
Financial income and costs	135	366
Share of profit of investments accounted for by the equity method	(444)	(1,049)
Decrease in trade receivables	16,485	11,615
Decrease (increase) in inventories	(1,032)	120
Decrease in trade payables	(10,953)	(10,987)
Other – net	584	(884)
Dividends received	1,599	656
Interest received	24	16
Interest expense	(532)	(455)
Income taxes paid	(4,499)	(4,363)
Income taxes refund	98	3,055
Net cash flows provided by operating activities	22,104	18,113
Cash flows from investing activities		
Purchase of investments (including investments accounted for by the equity method)	(170)	(266)
Proceeds from sales and redemption of investments (including investments accounted for by the equity method)	299	1,649
Proceeds from acquisition of subsidiaries	11	–
Proceeds from sales of subsidiaries, net of cash acquired	–	825
Payment for loans receivable	(462)	(255)
Collection of loans receivable	511	313
Payments for purchase of property, plant and equipment and investment property	(5,440)	(5,114)
Proceeds from sales of property, plant and equipment and investment property	478	456
Purchase of intangible assets	(670)	(1,009)
Proceeds from sales of intangible assets	197	17
Decrease in deposits paid – net	11,021	–
Other – net	75	743
Net cash flows provided by (used in) investing activities	5,850	(2,641)

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from financing activities		
Proceeds from bonds and borrowings	10,000	50
Repayments of bonds and borrowings	(13,908)	(517)
Repayments of lease liabilities	(5,768)	(5,591)
Net increase in short-term borrowings	2,532	362
Capital contribution from non-controlling interests	50	–
Cash dividends paid to Itochu Enex's shareholders	(2,599)	(3,164)
Cash dividends paid to non-controlling interests	(675)	(646)
Purchase of treasury stock	(0)	(0)
Net cash flows used in financing activities	(10,368)	(9,506)
Net increase in cash and cash equivalents	17,585	5,966
Cash and cash equivalents at the beginning of the period	19,243	34,841
Effect of exchange rate changes on cash and cash equivalents	(20)	(4)
Cash and cash equivalents at the end of the period	36,809	40,803

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

No items to report.

## (6) Segment Information

Six months ended September 30, 2020

(Millions of yen)

	Reportable segment				Total	Adjustment	Consolidated
	Home-Life Division	Car-Life Division	Industrial Business Division	Power & Utility Division			
Revenue							
Revenue from external customers	30,210	183,465	68,500	37,361	319,536	–	319,536
Intersegment revenue	2	2,275	2,604	1,925	6,806	(6,806)	–
Total revenue	30,212	185,740	71,104	39,286	326,342	(6,806)	319,536
Gross profit	9,161	22,290	4,794	5,876	42,121	–	42,121
Profit from operating activities	39	3,377	2,800	3,424	9,640	523	10,163
Profit before tax	244	3,161	3,258	3,362	10,025	447	10,472
Net profit attributable to Itochu Enex's shareholders	15	1,904	2,268	1,763	5,950	284	6,234
Other items							
Total assets	61,487	143,278	45,456	93,540	343,761	32,943	376,704

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

The adjustment of ¥284 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥32,943 million to total assets represents corporate assets not allocated to reportable segments.

## Six months ended September 30, 2021

(Millions of yen)

	Reportable segment				Total	Adjustment	Consolidated
	Home-Life Division	Car-Life Division	Industrial Business Division	Power & Utility Division			
<b>Revenue</b>							
Revenue from external customers	34,686	236,236	90,378	36,830	398,130	–	398,130
Intersegment revenue	33	3,107	2,538	1,644	7,322	(7,322)	–
Total revenue	34,719	239,343	92,916	38,474	405,452	(7,322)	398,130
Gross profit	9,610	22,067	4,563	5,420	41,660	–	41,660
Profit from operating activities	386	3,143	2,158	3,101	8,788	351	9,139
Profit before tax	1,059	2,994	2,175	3,321	9,549	273	9,822
Net profit attributable to Itochu Enex's shareholders	556	1,566	1,505	1,738	5,365	162	5,527
<b>Other items</b>							
Total assets	67,103	144,448	57,221	84,778	353,550	37,619	391,169

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

The adjustment of ¥162 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥37,619 million to total assets represents corporate assets not allocated to reportable segments.

## As of March 31, 2021

(Millions of yen)

	Reportable segment				Total	Adjustment	Consolidated
	Home-Life Division	Car-Life Division	Industrial Business Division	Power & Utility Division			
Total assets	72,235	150,123	56,288	94,979	373,625	34,702	408,327

(Note) The adjustment of ¥34,702 million to total assets represents corporate assets not allocated to reportable segments.

Change in reportable segments

In conjunction with the absorption-type merger of ENEXAUTO CO., LTD., which was a subsidiary of the Company, by ENEX LIFE SERVICE Co., Ltd., a subsidiary of the Company in the fourth quarter of the previous fiscal year, the Group reviewed the management classification and changed the method to include the business of ENEXAUTO CO., LTD., which was previously included in the Car-Life Division, in the Power & Utility Division.

Due to the change in segments, segment information for the first six months of the previous fiscal year has been adjusted based on the classification of reportable segments after the change.