

This document is an English translation of quarterly financial results report released on October 31, 2022 and written initially in Japanese.
The Japanese original should be considered as the primary version.



October 31, 2022

Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2023 <under IFRSs>

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 Listing: Tokyo Stock Exchange
 Stock code: 8133
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Scheduled date to file quarterly securities report: November 8, 2022

Scheduled date to commence dividend payments: December 6, 2022

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, 2023 (from April 1, 2022 to September 30, 2022)

(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, 2022	499,522	25.5	10,830	18.5	11,771	19.8	8,139	18.3	6,939	25.5	8,830	31.8
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)

	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, 2022	61.47	-
September 30, 2021	48.96	-

(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, 2022	430,638	175,560	149,119	34.6
March 31, 2022	447,017	171,198	144,297	32.3

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, 2022	–	23.00	–	25.00	48.00
Fiscal year ending	–	24.00			
March 31, 2023					
Fiscal year ending			–	24.00	48.00
March 31, 2023 (Forecast)					

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

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023
(from April 1, 2022 to March 31, 2023)

(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	1,000,000	6.8	19,400	(7.3)	20,800	(6.5)	13,000	(1.5)	115.17
March 31, 2023									

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, 2022	116,881,106 shares
As of March 31, 2022	116,881,106 shares

b. Number of treasury stock at end of period

As of September 30, 2022	3,985,387 shares
As of March 31, 2022	4,000,969 shares

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

For the six months ended September 30, 2022	112,884,531 shares
For the six months ended September 30, 2021	112,880,640 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 six months ended September 30, 2022, the outlook for the Japanese economy continued to be extremely uncertain, with geopolitical risks such as the situation in Ukraine leading to soaring resource prices, which, together with the impact of factors including a weaker yen, led to soaring domestic prices of petroleum products, electric power and other energy. The impact of the COVID-19 pandemic also persisted in parts.

Under these conditions, at the Itochu Enex Group, we are promoting our business in accordance with our two-year medium-term business plan “SHIFT! 2022,” below, which was 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 (FY2022):

Target Consolidated Results for FY2022

(1) Net profit attributable to Itochu Enex's shareholders: ¥13.0 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, 2022 are as follows.

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022	Change
Revenue	398,130	499,522	101,392
Profit from operating activities	9,139	10,830	1,691
Net profit attributable to Itochu Enex's shareholders	5,527	6,939	1,412

Revenue was ¥499,522 million (up 25.5% 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 ¥10,830 million (up 18.5% year on year). Net profit attributable to Itochu Enex's shareholders was ¥6,939 million (up 25.5% year on year). This was mainly due to the Industrial Business Division and Car-Life Division driving revenue, despite the fact that the Power & Utility Division struggled due to surging resource prices. The Industrial Business Division was robust, including marine fuel sales, environmental businesses, the corporate fleet fuel card business, and other businesses such as asphalt sales, and the Car-Life Division also had a strong performance in the Car-Life Stations (CS)^(*2) retail business.

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

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, 2021	Six months ended September 30, 2022	Change
Revenue	34,686	39,900	5,214
Profit from operating activities	386	493	107
Net profit attributable to Itochu Enex's shareholders	556	779	223

LP gas business: The number of customers under direct LP gas supply contracts increased by approximately 7,000 from the end of the previous fiscal year to approximately 563,000 as a result of activities to acquire new customers and sales rights in the LP gas business. Although demand for commercial use and automotive gas, which was affected by COVID-19, is on a recovery trend, overall LP gas sales volume decreased slightly year on year due to a decrease in demand for households, which had seen demand from staying at home, associated with the relaxation of restrictions on movement.

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 119,000 (an increase of approximately 1,000 from the end of the previous fiscal year).

Industrial gas sales business: Sales volumes increased year on year as a result of factors including a rebound in demand from restaurants after a slump in the previous year associated with shortened operating hours due to COVID-19, a recovery in the utilization rates of the customer plants to which we are supplying, and an increase in new customers.

The operating results for the six months ended September 30, 2022 are as follows.

Revenue was ¥39,900 million (up 15.0% year on year). This was mainly due to an increase in selling prices associated with higher LP gas prices.

Profit from operating activities was ¥493 million (up 27.7% year on year). Net profit attributable to Itochu Enex's shareholders was ¥779 million (up 40.1% year on year). This was mainly due to the acquisition of new customers, the impact of inventory, and contribution from affiliates accounted for using equity method.

Car-Life Division

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022	Change
Revenue	245,757	268,150	22,393
Profit from operating activities	3,179	4,381	1,202
Net profit attributable to Itochu Enex's shareholders	1,571	2,358	787

Car-Life Stations (CS) business: The number of CS was 1,630, six less than that at the end of the previous fiscal year. Sales volumes of petroleum products remained at the same level year on year, with a gradual amelioration in the impact of COVID-19.

Automotive business: Our car dealer business subsidiary OSAKA CAR LIFE GROUP CO., LTD. experienced a decrease in sales volume year on year due to a decrease in production volume because of semi-conductor shortages, despite favorable orders of new models.

The operating results for the six months ended September 30, 2022 are as follows.

Revenue was ¥268,150 million (up 9.1% year on year). This was mainly due to an increase in selling prices of domestic petroleum products linked to higher crude oil prices.

Profit from operating activities was ¥4,381 million (up 37.8% year on year). Net profit attributable to Itochu Enex's shareholders was ¥2,358 million (up 50.1% year on year). This was mainly due to a strong performance in the CS retail business and the contribution of an increase in the earnings ratio per vehicle in the car dealer business.

Industrial Business Division

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022	Change
Revenue	80,857	136,944	56,087
Profit from operating activities	2,122	4,770	2,648
Net profit attributable to Itochu Enex's shareholders	1,500	3,267	1,767

Marine fuel sales business: Sales volumes increased year on year due to steady sales of fuel oil for ocean-going vessels.

Corporate fleet fuel card business: Sales volumes increased year on year due to progress in new customer development.

Other: The revenue base expanded due to the choice of appropriate sales prices based on the demand environment for each type of product, the adjustment of procurement and inventory management operations, and the expansion of business with existing customers in each business.

The operating results for the six months ended September 30, 2022 are as follows.

Revenue was ¥136,944 million (up 69.4% year on year). This was mainly due to the increase in unit sales prices of various petroleum products resulting from higher crude oil prices, as well as an increase in sales volumes.

Profit from operating activities was ¥4,770 million (up 124.8% year on year). Net profit attributable to Itochu Enex's shareholders was ¥3,267 million (up 117.8% year on year). This was mainly due to robust sales in the marine fuel sales business, environmental businesses, the corporate fleet fuel card business, and other businesses such as asphalt sales, as well as operations appropriately responding to the market environment.

Power & Utility Division

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022	Change
Revenue	36,830	54,528	17,698
Profit from operating activities	3,101	807	(2,294)
Net profit attributable to Itochu Enex's shareholders	1,738	323	(1,415)

Electricity power retail business: The low-voltage sales volume^(*3) increased year on year due to the acquisition of new contracts for both households and corporate sales. However, the high-voltage sales volume declined due to a focus on profitability management. As a result, total sales volume decreased year on year.

Heat supply business^(*4): Heat sales volume increased year on year due to an increase in air conditioning use in conjunction with higher average temperatures year on year.

The operating results for the six months ended September 30, 2022 are as follows.

Revenue was ¥54,528 million (up 48.1% year on year). This was mainly due to an increase in selling prices in response to a rapid rise in wholesale electricity market prices.

Profit from operating activities was ¥807 million (down 74.0% year on year). Net profit attributable to Itochu Enex's shareholders was ¥323 million (down 81.4% year on year). This was mainly due to a contraction of electricity retail margins caused by higher procurement prices resulting from surging resource prices.

(*3) Sales volume of electricity power retail business includes brokerage volume for both high voltage and low voltage.

(*4) 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, 2022	As of September 30, 2022	Change
Total assets	447,017	430,638	(16,379)
Total liabilities	275,819	255,078	(20,741)
Total equity	171,198	175,560	4,362

Total assets amounted to ¥430,638 million as of September 30, 2022, a decrease of ¥16,379 million from March 31, 2022. This was mainly due to a decrease in trade receivables of ¥14,134 million resulting from a decrease in sales volume due to seasonal items. Total liabilities amounted to ¥255,078 million, a decrease of ¥20,741 million from March 31, 2022. This was mainly due to a decrease in trade payables of ¥13,366 million resulting from a decrease in purchase volume due to seasonal items, as well as a decrease in short-term bonds and borrowings of ¥3,241 million. Total equity totaled ¥175,560 million, an increase of ¥4,362 million from March 31, 2022, due to factors including an increase of ¥6,939 million from net profit attributable to Itochu Enex's shareholders and a decrease of ¥4,485 million by payment of cash dividends.

Cash flows

The Group will expand peripheral businesses, develop new business areas, and aggressively promote investment in environment-related businesses, using the cash flow gained from its core 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 have maintained healthy levels of debt thus far, which is currently reflected by our net debt-equity ratio (net DER) of negative 0.01 times.

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022	Change
Cash flows from operating activities	18,113	11,852	(6,261)
Cash flows from investing activities	(2,641)	(5,507)	(2,866)
[Free cash flows]	[15,472]	[6,345]	[(9,127)]
Cash flows from financing activities	(9,506)	(14,813)	(5,307)
Net increase (decrease) in cash and cash equivalents	5,966	(8,468)	(14,434)
Effect of exchange rate changes on cash and cash equivalents	(4)	35	39
Cash and cash equivalents at the end of the period	40,803	29,712	(11,091)

Cash and cash equivalents (net cash) totaled ¥29,712 million as of September 30, 2022, down ¥8,433 million from March 31, 2022.

Cash flows from operating activities

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022	Change
Cash flows from operating activities	18,113	11,852	(6,261)
Changes in working capital and others	(136)	(7,046)	(6,910)
Substantive operating cash flow ^(*5)	18,249	18,898	649

(*5) Cash flows from operating activities minus working capital and others (decrease (increase) in trade receivables, decrease (increase) in inventories, increase (decrease) in trade payables, other – net).

Operating activities provided net cash of ¥11,852 million. Major items included profit before tax of ¥11,771 million, depreciation and amortization of ¥11,160 million, payments associated with changes in working capital and others of ¥7,046 million, and income taxes paid of ¥3,569 million. Cash flows from operating activities decreased by ¥6,261 million year on year. However, substantive operating cash flow increased ¥649 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 ¥5,507 million. Major items included payments for purchase of property, plant and equipment and investment property of ¥6,407 million. Cash flows from investing activities decreased by ¥2,866 million year on year.

Cash flows from financing activities

The Group aims to streamline Group-wide financing activities to enhance our corporate value, and is strengthening financial management through the Group Financial System^(*6). Financial activities used net cash of ¥14,813 million. This was mainly due to repayments of bonds and borrowings of ¥14,936 million, repayments of lease liabilities of ¥5,778 million, proceeds from short-term borrowings of ¥10,336 million, and cash dividends paid to Itochu Enex’s shareholders of ¥2,825 million. Cash flows from financing activities decreased by ¥5,307 million year on year.

(*6) 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, 2022	As of September 30, 2022
ASSETS		
Current assets		
Cash and cash equivalents	38,145	29,712
Trade receivables	118,911	104,777
Other current financial assets	14,957	16,439
Inventories	22,161	27,628
Income taxes receivable	118	148
Trade advances paid	150	321
Other current assets	2,704	2,934
Total current assets	197,146	181,959
Non-current assets		
Investments accounted for by the equity method	28,042	30,689
Other investments	3,396	3,273
Non-current financial assets other than investments	13,883	10,882
Property, plant and equipment	160,492	160,483
Investment property	12,979	12,670
Goodwill	521	521
Intangible assets	19,232	19,212
Deferred tax assets	8,412	8,003
Other non-current assets	2,914	2,946
Total non-current assets	249,871	248,679
Total assets	447,017	430,638

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
LIABILITIES AND EQUITY		
Current liabilities		
Short-term bonds and borrowings	23,091	19,850
Trade payables	120,227	106,861
Lease liabilities	9,468	9,918
Other current financial liabilities	7,527	4,043
Income taxes payable	3,054	2,821
Advances from customers	10,780	11,834
Other current liabilities	11,190	10,074
Total current liabilities	185,337	165,401
Non-current liabilities		
Non-current bonds and borrowings	9,838	8,945
Lease liabilities	48,160	48,018
Other non-current financial liabilities	14,691	14,859
Non-current liabilities for employee benefits	10,480	10,593
Deferred tax liabilities	1,038	1,009
Provisions	6,006	6,014
Other non-current liabilities	269	239
Total non-current liabilities	90,482	89,677
Total liabilities	275,819	255,078
Equity		
Common stock	19,878	19,878
Capital surplus	18,990	18,989
Retained earnings	107,617	111,736
Other components of equity	(315)	370
Treasury stock	(1,871)	(1,854)
Total shareholders' equity	144,297	149,119
Non-controlling interests	26,901	26,441
Total equity	171,198	175,560
Total liabilities and equity	447,017	430,638

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Revenue	398,130	499,522
Cost of sales	(356,470)	(455,538)
Gross profit	41,660	43,984
Other income and expense		
Selling, general and administrative expenses	(32,842)	(33,312)
Loss from tangible assets, intangible assets and goodwill	(99)	(145)
Other – net	420	303
Total other income and expense	(32,521)	(33,154)
Profit from operating activities	9,139	10,830
Financial income and costs		
Interest income	16	17
Dividends received	86	49
Interest expense	(465)	(409)
Other financial income and costs – net	(3)	15
Total financial income and costs	(366)	(328)
Share of profit of investments accounted for by the equity method	1,049	1,269
Profit before tax	9,822	11,771
Income tax expense	(2,940)	(3,632)
Net profit	6,882	8,139
Net profit attributable to:		
Net profit attributable to Itochu Enex's shareholders	5,527	6,939
Net profit attributable to non-controlling interests	1,355	1,200
Total	6,882	8,139

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Other comprehensive income, net of tax effect		
Items that will not be reclassified to profit or loss		
FVTOCI financial assets	45	(17)
Other comprehensive income of investments accounted for by the equity method	38	(42)
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	(2)	28
Cash flow hedges	13	–
Other comprehensive income of investments accounted for by the equity method	(278)	722
Total other comprehensive income, net of tax effect	(184)	691
Comprehensive income	6,698	8,830
Comprehensive income attributable to:		
Comprehensive income attributable to Itochu Enex's shareholders	5,343	7,630
Comprehensive income attributable to non-controlling interests	1,355	1,200
Total	6,698	8,830

(Yen)

Earnings per share attributable to Itochu Enex's shareholders		
Basic	48.96	61.47
Diluted	–	–

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

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

Six months ended
September 30, 2022

(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, 2022	19,878	18,990	107,617	(315)	(1,871)	144,297	26,901	171,198
Net profit			6,939			6,939	1,200	8,139
Other comprehensive income				691		691	0	691
Comprehensive income			6,939	691		7,630	1,200	8,830
Transactions with owners								
Cash dividends			(2,825)			(2,825)	(1,660)	(4,485)
Transfer from other components of equity to retained earnings			6	(6)		—		—
Purchase and disposal of treasury stock					(0)	(0)		(0)
Share-based payments		(1)			17	16		16
Balance at September 30, 2022	19,878	18,989	111,736	370	(1,854)	149,119	26,441	175,560

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from operating activities		
Profit before tax	9,822	11,771
Depreciation and amortization	10,102	11,160
Loss from tangible assets, intangible assets and goodwill	99	145
Financial income and costs	366	328
Share of profit of investments accounted for by the equity method	(1,049)	(1,269)
Decrease in trade receivables	11,615	14,134
Decrease (increase) in inventories	120	(5,467)
Decrease in trade payables	(10,987)	(13,366)
Other – net	(884)	(2,347)
Dividends received	656	644
Interest received	16	17
Interest expense	(455)	(447)
Income taxes paid	(4,363)	(3,569)
Income taxes refund	3,055	118
Net cash flows provided by operating activities	18,113	11,852
Cash flows from investing activities		
Purchase of investments (including investments accounted for by the equity method)	(266)	(1,394)
Proceeds from sales and redemption of investments (including investments accounted for by the equity method)	1,649	441
Proceeds from sales of subsidiaries, net of cash acquired	825	–
Payment for loans receivable	(255)	(430)
Collection of loans receivable	313	406
Payments for purchase of property, plant and equipment and investment property	(5,114)	(6,407)
Proceeds from sales of property, plant and equipment and investment property	456	104
Purchase of intangible assets	(1,009)	(930)
Proceeds from sales of intangible assets	17	2
Other – net	743	2,701
Net cash flows used in investing activities	(2,641)	(5,507)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from financing activities		
Proceeds from bonds and borrowings	50	50
Repayments of bonds and borrowings	(517)	(14,936)
Repayments of lease liabilities	(5,591)	(5,778)
Net increase in short-term borrowings	362	10,336
Cash dividends paid to Itochu Enex's shareholders	(3,164)	(2,825)
Cash dividends paid to non-controlling interests	(646)	(1,660)
Purchase of treasury stock	(0)	(0)
Net cash flows used in financing activities	(9,506)	(14,813)
Net increase (decrease) in cash and cash equivalents	5,966	(8,468)
Cash and cash equivalents at the beginning of the period	34,841	38,145
Effect of exchange rate changes on cash and cash equivalents	(4)	35
Cash and cash equivalents at the end of the period	40,803	29,712

(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, 2021

(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	34,686	245,757	80,857	36,830	398,130	–	398,130
Intersegment revenue	33	3,065	3,835	1,644	8,577	(8,577)	–
Total revenue	34,719	248,822	84,692	38,474	406,707	(8,577)	398,130
Gross profit	9,610	22,556	4,074	5,420	41,660	–	41,660
Profit from operating activities	386	3,179	2,122	3,101	8,788	351	9,139
Profit before tax	1,059	3,011	2,158	3,321	9,549	273	9,822
Net profit attributable to Itochu Enex's shareholders	556	1,571	1,500	1,738	5,365	162	5,527
Other items							
Total assets	67,103	150,873	50,796	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.

Six months ended September 30, 2022

(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	39,900	268,150	136,944	54,528	499,522	–	499,522
Intersegment revenue	39	3,840	5,700	1,390	10,969	(10,969)	–
Total revenue	39,939	271,990	142,644	55,918	510,491	(10,969)	499,522
Gross profit	9,474	23,818	7,207	3,485	43,984	–	43,984
Profit from operating activities	493	4,381	4,770	807	10,451	379	10,830
Profit before tax	1,331	4,253	4,714	1,110	11,408	363	11,771
Net profit attributable to Itochu Enex's shareholders	779	2,358	3,267	323	6,727	212	6,939
Other items							
Total assets	71,111	154,587	62,934	118,329	406,961	23,677	430,638

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

The adjustment of ¥212 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥23,677 million to total assets represents corporate assets not allocated to reportable segments.

As of March 31, 2022

(Millions of yen)

	Reportable segment				Total	Adjustment	Consolidated
	Home-Life Division	Car-Life Division	Industrial Business Division	Power & Utility Division			
Total assets	77,719	158,145	62,239	117,272	415,375	31,642	447,017

(Note) The adjustment of ¥31,642 million to total assets represents corporate assets not allocated to reportable segments.

Change in reportable segments

In conjunction with the absorption-type merger of KOKURA ENTERPRISE ENERGY CO., LTD. and ENEX PETROLEUM SALES NISHI-NIHON CO., LTD., which were subsidiaries of the Company, by ENEX FLEET CO., LTD., also a subsidiary of the Company in the first quarter of the current fiscal year, the Group reviewed the management classification and changed the method to include the business of KOKURA ENTERPRISE ENERGY CO., LTD., which was previously included in the Industrial Business Division, in the Car-Life Division.

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