

This document is an English translation of quarterly financial results report released on July 31, 2023 and written initially in Japanese.  
The Japanese original should be considered as the primary version.



July 31, 2023

## Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2024 <under IFRSs>

Company name: **Itochu Enex Co., Ltd.**  
 Listing: Tokyo Stock Exchange  
 Stock code: 8133  
 URL: <https://www.itcenex.com/english/>  
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Scheduled date to file quarterly securities report: August 9, 2023

Scheduled date to commence dividend payments: –

Preparation of supplementary results briefing material on quarterly financial results: Yes

Holding of quarterly financial results presentation meeting: None

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

### 1. Consolidated financial results for the first three months of the fiscal year ending March 31, 2024 (from April 1, 2023 to June 30, 2023)

#### (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	%
Three months ended												
June 30, 2023	214,743	(12.5)	9,246	62.3	8,519	24.4	5,730	15.6	5,139	15.7	6,224	15.7
June 30, 2022	245,353	18.5	5,696	31.7	6,849	45.9	4,956	49.9	4,442	66.6	5,381	81.1

	Basic earnings per share attributable to Itochu Enex's shareholders	Diluted earnings per share attributable to Itochu Enex's shareholders
Three months ended	Yen	Yen
June 30, 2023	45.54	–
June 30, 2022	39.35	–

(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	%
June 30, 2023	406,312	183,162	155,656	38.3
March 31, 2023	433,024	180,328	152,961	35.3

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, 2023	–	24.00	–	26.00	50.00
Fiscal year ending	–				
March 31, 2024					
Fiscal year ending		26.00	–	26.00	52.00
March 31, 2024 (Forecast)					

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

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2024  
(from April 1, 2023 to March 31, 2024)

(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, 2024	1,200,000	18.6	20,900	(2.2)	22,300	(3.2)	13,500	(2.4)	119.62

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

The Company's performance is evaluated on a fiscal year basis. Accordingly, consolidated earnings forecasts for the first six months of fiscal year are not prepared.

**\* 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 June 30, 2023	116,881,106 shares
As of March 31, 2023	116,881,106 shares

b. Number of treasury stock at end of period

As of June 30, 2023	4,025,977 shares
As of March 31, 2023	4,025,827 shares

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

For the three months ended June 30, 2023	112,855,202 shares
For the three months ended June 30, 2022	112,880,090 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 Three Months

## (1) Explanation of Operating Results

### 1) Results of operations

During the first three months ended June 30, 2023, the outlook for the Japanese economy such as geopolitical risks and the impact of foreign exchange rates still continued to be uncertain, although the impact of the COVID-19 pandemic has eased and the high domestic prices of petroleum products, electricity and other energy caused by elevated resource prices have begun to settle.

Under these conditions, at the Itochu Enx Group, we have newly formulated our medium-term business plan “ENEX2030” in April 2023.

### Overview of medium-term business plan

#### 1. Name of the plan:

# ENEX2030

To Create Driving Force Of Life

Striving for further growth and transformation through the provision  
of a range of energy and services for home life and industry

2. Period: Eight years (FY2023 to FY2030)

3. Overview of the Medium-Term Business Plan, ENEX2030:

#### 1) Desired direction

##### (i) Strengthening onsite capabilities

- Enhancing the customer base and improving earnings capabilities in existing business
- Improving Group communication, building comprehensive strength, strengthening on-site capabilities

##### (ii) Accelerating investment

- Accelerating investment by developing a framework for promoting investment
- Making new and strategic investment of ¥210.0 billion

#### 2) Management targets

(Financial Indicators)

(1) Net profit: ¥20.0 billion or more, (2) Substantive operating cash flows<sup>(\*)</sup>: ¥45.0 billion, (3) ROE: 9.0% or more, (4) New / strategic investments (8-year total): ¥210.0 billion

(Non-financial Indicators)

(1) GHG emissions: 50% reduction or more (comparison with FY2018, Scopes 1 and 2), (2) Ratio of female hires: 30% or above, (3) Percentage of female managers: 10%, (4) Ratio of childcare leave taken by male employees: 80% or more

4. Overview of the Medium-Term Business Plan, ENEX2030 '23-'24 (2023-2024)

1) Positioning: Developing a framework for achieving growth strategies by strengthening onsite capabilities and revenue base, in preparation for realization of the 2030 Vision

2) Main initiatives: (i) Bolstering onsite capabilities (ii) Developing a framework for making investment (iii) Strengthening organizations and human resources

### 3) Management targets

(Financial Indicators)

(1) Net profit (FY2023/FY2024): ¥13.5 billion, (2) Substantive operating cash flows: ¥35.0 billion each fiscal year, (3) ROE (FY2023/FY2024): 8~9%, (4) Total amount of investments: ¥60.0 billion (of which CAPEX, ¥1.6 billion)

(Shareholder returns)

Enex will pay progressive dividends with a strong emphasis on a consolidated dividend payout ratio of 40% or more.

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

Under the new medium-term business plan described above, we have promoted our business. The operating results for the three months ended June 30, 2023 are as follows.

	(Millions of yen)		
	Three months ended June 30, 2022	Three months ended June 30, 2023	Change
Revenue	245,353	214,743	(30,610)
Profit from operating activities	5,696	9,246	3,550
Net profit attributable to Itochu Enex's shareholders	4,442	5,139	697

Revenue was ¥214,743 million (down 12.5% year on year). This was mainly due to a decrease in selling prices resulting from lower crude oil and LP gas prices.

Profit from operating activities was ¥9,246 million (up 62.3% year on year). Net profit attributable to Itochu Enex's shareholders was ¥5,139 million (up 15.7% year on year). This was mainly due to solid performance of the car dealer business in the Car-Life Division and a one-time profit from the sale of a large-scale solar power plant (mega solar power plant) (¥5,019 million impact on profit from operating activities), despite the negative impact on profit margins from changes in unit inventory prices due to the decline in LP gas import prices in the Home-Life Division.

### 2) Results of operations by segment

Results of operations by segment are as follows.

#### Home-Life Division

	(Millions of yen)		
	Three months ended June 30, 2022	Three months ended June 30, 2023	Change
Revenue	19,607	15,703	(3,904)
Profit (loss) from operating activities	410	(35)	(445)
Net profit (loss) attributable to Itochu Enex's shareholders	931	(489)	(1,420)

LP gas business: The number of customers under direct LP gas supply contracts increased by approximately 2,000 from the end of the previous fiscal year to approximately 567,000 as a result of acquiring new customers and sales rights in the LP gas business. LP gas sales volume decreased slightly year on year due to the impact of higher average temperatures year on year.

The operating results for the three months ended June 30, 2023 are as follows.

Revenue was ¥15,703 million (down 19.9% year on year). This was mainly due to a widening price gap between the first quarter of the current fiscal year and the same period of the previous fiscal year, as selling prices linked to LP gas import prices trended downward in the first quarter of the current fiscal year, while they were on an upward trend in the same period of the previous fiscal year.

Loss from operating activities was ¥35 million (down 108.5% year on year). Loss attributable to Itochu Enex's shareholders was ¥489 million (down 152.5% year on year). This was mainly due to the impact on profit margins from changes in unit inventory prices resulting from the decline in LP gas import prices.

### Car-Life Division

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Change
Revenue	132,133	139,218	7,085
Profit from operating activities	1,773	2,056	283
Net profit attributable to Itochu Enex's shareholders	1,039	1,045	6

Car-Life Stations (CS)<sup>(\*2)</sup> business: The number of CS was 1,602, a decrease of eight compared with the end of the previous fiscal year. Sales volumes of petroleum products increased year on year as demand for petroleum products showed a recovery trend due to the easing of the impact of the COVID-19 pandemic.

Automotive business: Our car dealer business subsidiary OSAKA CAR LIFE GROUP CO., LTD. experienced a decrease in overall sales volume year on year due to a decrease in used car sales volume, despite strong new car sales volume.

The operating results for the three months ended June 30, 2023 are as follows.

Revenue was ¥139,218 million (up 5.4% year on year). This was mainly due to an increase in sales volumes of petroleum products.

Profit from operating activities was ¥2,056 million (up 16.0% year on year). Net profit attributable to Itochu Enex's shareholders was ¥1,045 million (up 0.6% year on year). This was mainly due to strong sales of new models in the car dealer business, which absorbed a narrowing of margins in the CS retail business.

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

### Industrial Business Division

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Change
Revenue	71,216	32,111	(39,105)
Profit from operating activities	2,023	965	(1,058)
Net profit attributable to Itochu Enex's shareholders	1,401	699	(702)

Marine fuel sales business: Sales volumes decreased year on year due to a partial reduction in transactions for ocean-going vessels.

Environmental businesses: Sales volumes of AdBlue<sup>®(\*3)</sup> increased year on year due to steady progress in developing sales channels.

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

The operating results for the three months ended June 30, 2023 are as follows.

Revenue was ¥32,111 million (down 54.9% year on year). This was mainly due to decreases in selling prices and sales volumes resulting from lower crude oil prices.

Profit from operating activities was ¥965 million (down 52.3% year on year). Net profit attributable to Itochu Enex's shareholders was ¥699 million (down 50.1% year on year). This was mainly due to the rebound of the marine fuel sales business and distribution terminal business, which were strong in the same period of the previous fiscal year, despite the strong performance of the industrial gas sales business.

(\*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).)

## Power & Utility Division

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Change
Revenue	22,397	27,711	5,314
Profit from operating activities	1,387	6,135	4,748
Net profit attributable to Itochu Enex's shareholders	1,022	3,853	2,831

Electricity power retail business: Although sales volume in low-voltage sales increased year on year due to the acquisition of new contracts, total sales volume decreased year on year<sup>(\*4)</sup> due to a focus on profitability management in high-voltage sales. The number of customers for electricity retail for the entire Group was 324,000 (down approximately 10,000 year on year).

Heat supply business<sup>(\*5)</sup>: Heat sales volume decreased slightly lower year on year due to a decrease in air conditioning use in conjunction with a more frugal mindset despite higher average temperatures year on year.

The operating results for the three months ended June 30, 2023 are as follows.

Revenue was ¥27,711 million (up 23.7% year on year). This was mainly due to an increase in selling prices in response to a rapid rise in resource prices.

Profit from operating activities was ¥6,135 million (up 342.3% year on year). Net profit attributable to Itochu Enex's shareholders was ¥3,853 million (up 277.0% year on year). This was mainly due to a one-time profit from the sale of a large-scale solar power plant (mega solar power plant) (¥5,019 million impact on profit from operating activities).

(\*4) Electricity sales volume includes brokerage volume for both high voltage and low voltage.

(\*5) 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, 2023	As of June 30, 2023	Change
Total assets	433,024	406,312	(26,712)
Total liabilities	252,696	223,150	(29,546)
Total equity	180,328	183,162	2,834

Total assets amounted to ¥406,312 million as of June 30, 2023, a decrease of ¥26,712 million from March 31, 2023. This was mainly due to a decrease in trade receivables of ¥23,394 million due to seasonal items. Total liabilities amounted to ¥223,150 million, a decrease of ¥29,546 million from March 31, 2023. This was mainly due to a decrease in trade payables of ¥17,759 million due to seasonal items, as well as a decrease in bonds and borrowings of ¥11,087 million. Total equity totaled ¥183,162 million, an increase of ¥2,834 million from March 31, 2023, due to factors including an increase of ¥5,139 million from net profit attributable to Itochu Enex's shareholders and a decrease of ¥3,390 million by payment of cash dividends.

### Cash flows

The Group maintained an operating structure capable of aggressively promoting investment to expand peripheral businesses and develop new business areas, using the cash flow generated 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 0.21 times.

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Change
Cash flows from operating activities	3,995	8,733	4,738
Cash flows from investing activities	(3,599)	13,323	16,922
[Free cash flows]	[396]	[22,056]	[21,660]
Cash flows from financing activities	3,345	(17,688)	(21,033)
Net increase (decrease) in cash and cash equivalents	3,741	4,368	627
Effect of exchange rate changes on cash and cash equivalents	40	56	16
Cash and cash equivalents at the end of the period	41,926	36,437	(5,489)

Cash and cash equivalents (net cash) totaled ¥36,437 million as of June 30, 2023, up ¥4,424 million from March 31, 2023.

### *Cash flows from operating activities*

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Change
Cash flows from operating activities	3,995	8,733	4,738
Changes in working capital and others	(4,713)	3,375	8,088
Substantive operating cash flow <sup>(*6)</sup>	8,708	5,358	(3,350)

(\*6) 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 ¥8,733 million. Major items included profit before tax of ¥8,519 million, depreciation and amortization of ¥5,233 million, loss from tangible assets, intangible assets and goodwill of ¥5,106 million, and income taxes paid of ¥4,863 million. Cash flows from operating activities increased by ¥4,738 million year on year. Moreover, real operating cash flow decreased ¥3,350 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.

Investing activities provided net cash of ¥13,323 million. This was mainly due to payments for purchase of property, plant and equipment and investment property of ¥2,350 million, proceeds from sales of property, plant and equipment and investment property, mainly a large-scale solar power plant (mega solar power plant) of ¥25,271 million, and payments resulting from an increase in deposits paid of ¥10,000 million. Cash flows from investing activities increased by ¥16,922 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<sup>(\*7)</sup>.

Financial activities used net cash of ¥17,688 million. This was mainly due to repayments of bonds and borrowings of ¥10,671 million, repayments of lease liabilities of ¥2,799 million, and cash dividends paid to Itochu Enex's shareholders of ¥2,938 million. Cash flows from financing activities decreased by ¥21,033 million year on year.

(\*7) 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, 2023	As of June 30, 2023
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	32,013	36,437
Trade receivables	115,920	92,526
Other current financial assets	14,251	25,131
Inventories	26,176	30,383
Income taxes receivable	100	868
Trade advances paid	907	175
Other current assets	1,774	1,987
Total current assets	191,141	187,507
Non-current assets		
Investments accounted for by the equity method	31,762	30,269
Other investments	3,442	3,635
Non-current financial assets other than investments	11,508	8,975
Property, plant and equipment	149,920	127,722
Investment property	12,732	13,160
Goodwill	521	521
Intangible assets	20,237	21,099
Deferred tax assets	9,354	11,964
Other non-current assets	2,407	1,460
Total non-current assets	241,883	218,805
Total assets	433,024	406,312

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Short-term bonds and borrowings	7,026	2,540
Trade payables	114,818	97,059
Lease liabilities	10,415	9,577
Other current financial liabilities	5,134	9,483
Income taxes payable	4,748	2,534
Advances from customers	11,031	11,649
Other current liabilities	12,951	12,805
Total current liabilities	166,123	145,647
<b>Non-current liabilities</b>		
Non-current bonds and borrowings	7,101	500
Lease liabilities	47,263	45,705
Other non-current financial liabilities	15,454	15,117
Non-current liabilities for employee benefits	10,344	10,391
Deferred tax liabilities	759	805
Provisions	5,515	4,844
Other non-current liabilities	137	141
Total non-current liabilities	86,573	77,503
Total liabilities	252,696	223,150
<b>Equity</b>		
Common stock	19,878	19,878
Capital surplus	19,014	19,014
Retained earnings	115,899	118,024
Other components of equity	66	636
Treasury stock	(1,896)	(1,896)
Total shareholders' equity	152,961	155,656
Non-controlling interests	27,367	27,506
Total equity	180,328	183,162
<b>Total liabilities and equity</b>	<b>433,024</b>	<b>406,312</b>

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

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Revenue	245,353	214,743
Cost of sales	(222,979)	(193,611)
Gross profit	22,374	21,132
Other income and expense		
Selling, general and administrative expenses	(16,710)	(17,146)
Loss from tangible assets, intangible assets and goodwill	(20)	5,106
Other – net	52	154
Total other income and expense	(16,678)	(11,886)
Profit from operating activities	5,696	9,246
Financial income and costs		
Interest income	7	18
Dividends received	25	75
Interest expense	(215)	(194)
Other financial income and costs – net	4	(361)
Total financial income and costs	(179)	(462)
Share of profit of investments accounted for by the equity method	1,332	(265)
Profit before tax	6,849	8,519
Income tax expense	(1,893)	(2,789)
Net profit	4,956	5,730
Net profit attributable to:		
Net profit attributable to Itochu Enex's shareholders	4,442	5,139
Net profit attributable to non-controlling interests	514	591
Total	4,956	5,730

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Other comprehensive income, net of tax effect		
Items that will not be reclassified to profit or loss		
FVTOCI financial assets	(24)	198
Other comprehensive income of investments accounted for by the equity method	(17)	90
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	20	20
Cash flow hedges	–	201
Other comprehensive income of investments accounted for by the equity method	446	(15)
Total other comprehensive income, net of tax effect	425	494
Comprehensive income	5,381	6,224
Comprehensive income attributable to:		
Comprehensive income attributable to Itochu Enex's shareholders	4,866	5,633
Comprehensive income attributable to non-controlling interests	515	591
Total	5,381	6,224

(Yen)

Earnings per share attributable to Itochu Enex's shareholders		
Basic	39.35	45.54
Diluted	–	–

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

Three months ended June 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			4,442			4,442	514	4,956
Other comprehensive income				424		424	0	425
Comprehensive income			4,442	424		4,866	515	5,381
Transactions with owners								
Cash dividends			(2,825)			(2,825)	(1,516)	(4,341)
Transfer from other components of equity to retained earnings			0	(0)		-		-
Purchase and disposal of treasury stock					(0)	(0)		(0)
Balance at June 30, 2022	<u>19,878</u>	<u>18,990</u>	<u>109,234</u>	<u>109</u>	<u>(1,871)</u>	<u>146,338</u>	<u>25,900</u>	<u>172,238</u>

Three months ended June 30, 2023

(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, 2023	19,878	19,014	115,899	66	(1,896)	152,961	27,367	180,328
Net profit			5,139			5,139	591	5,730
Other comprehensive income				494		494		494
Comprehensive income			5,139	494		5,633	591	6,224
Transactions with owners								
Cash dividends			(2,938)			(2,938)	(452)	(3,390)
Transfer from other components of equity to retained earnings			(76)	76		-		-
Purchase and disposal of treasury stock					(0)	(0)		(0)
Balance at June 30, 2023	<u>19,878</u>	<u>19,014</u>	<u>118,024</u>	<u>636</u>	<u>(1,896)</u>	<u>155,656</u>	<u>27,506</u>	<u>183,162</u>

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

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Cash flows from operating activities		
Profit before tax	6,849	8,519
Depreciation and amortization	5,570	5,233
Loss (gain) from tangible assets, intangible assets and goodwill	20	(5,106)
Financial income and costs	179	462
Share of loss (profit) of investments accounted for by the equity method	(1,332)	265
Decrease in trade receivables	16,359	23,417
Increase in inventories	(1,673)	(4,202)
Decrease in trade payables	(16,479)	(17,781)
Other – net	(2,920)	1,941
Dividends received	585	984
Interest received	7	17
Interest expense	(229)	(153)
Income taxes paid	(2,941)	(4,863)
Net cash flows provided by operating activities	3,995	8,733
Cash flows from investing activities		
Purchase of investments (including investments accounted for by the equity method)	(419)	(400)
Proceeds from sales and redemption of investments (including investments accounted for by the equity method)	28	25
Payment for loans receivable	(264)	(124)
Collection of loans receivable	240	49
Payments for purchase of property, plant and equipment and investment property	(3,636)	(2,350)
Proceeds from sales of property, plant and equipment and investment property	74	25,271
Purchase of intangible assets	(460)	(1,788)
Proceeds from sales of intangible assets	1	250
Increase in deposits paid – net	–	(10,000)
Other – net	837	2,390
Net cash flows provided by (used in) investing activities	(3,599)	13,323



(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Cash flows from financing activities		
Repayments of bonds and borrowings	(10,002)	(10,671)
Repayments of lease liabilities	(2,834)	(2,799)
Net increase (decrease) in short-term borrowings	20,522	(444)
Cash dividends paid to Itochu Enex's shareholders	(2,825)	(2,938)
Cash dividends paid to non-controlling interests	(1,516)	(452)
Purchase of treasury stock	(0)	(0)
Other – net	–	(384)
Net cash flows provided by (used in) financing activities	3,345	(17,688)
Net increase in cash and cash equivalents	3,741	4,368
Cash and cash equivalents at the beginning of the period	38,145	32,013
Effect of exchange rate changes on cash and cash equivalents	40	56
Cash and cash equivalents at the end of the period	41,926	36,437

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

No items to report.

## (6) Segment Information

Three months ended June 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	19,607	132,133	71,216	22,397	245,353	–	245,353
Intersegment revenue	19	2,326	2,518	380	5,243	(5,243)	–
Total revenue	19,626	134,459	73,734	22,777	250,596	(5,243)	245,353
Gross profit	4,465	11,351	3,728	2,830	22,374	–	22,374
Profit from operating activities	410	1,773	2,023	1,387	5,593	103	5,696
Profit before tax	1,329	1,718	2,024	1,693	6,764	85	6,849
Net profit attributable to Itochu Enex's shareholders	931	1,039	1,401	1,022	4,393	49	4,442
Other items							
Total assets	63,943	154,834	71,053	115,341	405,171	35,613	440,784

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

The adjustment of ¥49 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥35,613 million to total assets represents corporate assets not allocated to reportable segments.

Three months ended June 30, 2023

(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	15,703	139,218	32,111	27,711	214,743	–	214,743
Intersegment revenue	167	2,106	1,126	151	3,550	(3,550)	–
<b>Total revenue</b>	<b>15,870</b>	<b>141,324</b>	<b>33,237</b>	<b>27,862</b>	<b>218,293</b>	<b>(3,550)</b>	<b>214,743</b>
Gross profit	3,820	12,021	2,530	2,761	21,132	–	21,132
Profit (loss) from operating activities	(35)	2,056	965	6,135	9,121	125	9,246
Profit (loss) before tax	(490)	2,011	1,018	5,866	8,405	114	8,519
Net (loss) profit attributable to Itochu Enex's shareholders	(489)	1,045	699	3,853	5,108	31	5,139
<b>Other items</b>							
Total assets	61,856	164,905	56,134	90,348	373,243	33,069	406,312

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

The adjustment of ¥31 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥33,069 million to total assets represents corporate assets not allocated to reportable segments.

As of March 31, 2023

(Millions of yen)

	Reportable segment				Total	Adjustment	Consolidated
	Home-Life Division	Car-Life Division	Industrial Business Division	Power & Utility Division			
Total assets	69,824	163,242	57,633	114,113	404,812	28,212	433,024

(Note) The adjustment of ¥28,212 million to total assets represents corporate assets not allocated to reportable segments.

#### Change in reportable segments

The Company transferred management of ITOCHU INDUSTRIAL GAS Co., Ltd., which was a subsidiary of the Company, to the Industrial Business Division in the third quarter of the previous fiscal year. In conjunction with these changes, the Group changed the method to include the business of ITOCHU INDUSTRIAL GAS Co., Ltd., which was previously included in the Home-Life Division, in the Industrial Business Division.

Furthermore, in the first quarter of the current fiscal year, due to changes in commercial distribution and other factors, the Company reviewed the method of classifying its reportable segments and changed the classification of certain petroleum-related transactions that were included in the Industrial Business Division to the Car-Life Division and the classification of LNG-related transactions that were included in the Car-Life Division to the Industrial Business Division.

Due to the change in segments, segment information for the first three 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.