This document is an English translation of quarterly financial results report released on January 29, 2015 and written initially in Japanese.
The Japanese original should be considered as the primary version.

January 29, 2015

Consolidated Financial Results for the First Nine Months of the Fiscal Year Ending March 31, 2015 <under IFRSs>

Company name: **Itochu Enex Co., Ltd.**
Listing: Tokyo Stock Exchange, 1st Section
Stock code: 8133
URL: http://www.itcenex.com/english/
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Scheduled date to file quarterly securities report: February 12, 2015
Scheduled date to commence dividend payments: –
Preparation of supplementary results briefing material on quarterly financial results: None
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 nine months of the fiscal year ending March 31, 2015 (from April 1, 2014 to December 31, 2014)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Total trading transactions		Operating profit		Profit before tax		Profit		Profit attributable to owners of the parent		Total comprehensive income	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2014	1,064,849	(2.2)	9,638	16.5	8,795	(12.2)	5,342	(8.1)	4,664	(8.7)	5,607	(13.0)
December 31, 2013	1,088,687	–	8,270	–	10,012	–	5,810	–	5,110	–	6,447	–

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2014	41.28	–
December 31, 2013	45.23	–

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

"Operating profit" represents "Profit from operating activities" in the condensed quarterly consolidated statement of comprehensive income.

"Basic earnings per share" are calculated based on "Profit attributable to owners of the parent."

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
December 31, 2014	365,920	111,905	96,474	26.4
March 31, 2014	321,032	103,563	94,144	29.3

2. Cash dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2014	–	8.00	–	12.00	20.00
Fiscal year ending March 31, 2015	–	11.00	–		
Fiscal year ending March 31, 2015 (Forecast)				11.00	22.00

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

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

(Percentages indicate year-on-year changes.)

	Total trading transactions		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2015	1,600,000	6.2	13,800	16.2	13,800	(0.3)	7,600	6.7	67.26

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: Yes
b. Changes in accounting policies other than the above: None
c. Changes in accounting estimates: None

For details, please refer to “2. Matters Regarding Summary Information (Notes), (2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Prior Period Financial Statements” on page 6 of the attached materials.

(3) Number of issued shares (common stock)

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

As of December 31, 2014	116,881,106 shares
As of March 31, 2014	116,881,106 shares

b. Number of treasury stock at end of period

As of December 31, 2014	3,890,816 shares
As of March 31, 2014	3,890,015 shares

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

For the nine months ended December 31, 2014	112,990,718 shares
For the nine months ended December 31, 2013	112,992,054 shares

* Indication regarding execution of quarterly review procedures

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

* Proper use of earnings forecasts, and other special notes

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

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

Contents of Attached Materials

1. Qualitative Information Regarding Results for the First Nine Months

(1) Explanation of Operating Results

1) Results of operations

During the nine months ended December 31, 2014, the Japanese economy has been on a moderate recovery trend thanks to improvement of employment and income underpinned by the effects of the government economic policies and ongoing monetary easing by the Bank of Japan. Meanwhile, future economic prospects are still murky due to such things as the prolonged pullback in demand in the wake of the surge ahead of the consumption tax hike in April 2014, as seen in personal consumption.

In the petroleum products distribution industry, the price of crude oil, which had hovered at a high level, began falling in July, and in November OPEC (Organization of the Petroleum Exporting Countries) announced that it would postpone a reduction in production, and the price declined sharply after that.

The sales volume of gasoline decreased significantly from the corresponding period a year earlier for the first and second quarters of the fiscal year due to consumer reluctance to purchase because of the consumption tax increase and the impact of unseasonable weather that continued during the summer holiday season; however, for the third quarter of the fiscal year, sales volume is on a recovering trend due to the impact of falling crude oil prices.

With regard to the power market, spot prices were trending steadily due to the continued shutdown of nuclear power plant operations. From August, however, demand for electricity declined affected by the unseasonable weather and temperatures, and due also to the impact of falling raw materials costs, and the like, the spot average price was below that of the corresponding period a year earlier.

In this operating environment, the Itochu Enex Group has formulated its Fiscal 2014 Group Business Plan, “Moving 2014,” and pushed ahead with the following six priority measures:

< 1 > Transform the petroleum and gas business model

< 2 > Create new businesses to obtain new revenue sources

< 3 > Further expand existing businesses through M&As

< 4 > Develop business base and network for power and utility business

< 5 > Develop and cultivate overseas business

< 6 > Upgrade “Enex DNA”

As a part of its efforts in promoting these measures, in May, the Company made Osaka Car Life Group Co., Ltd., which has subsidiaries including Nissan Osaka Sales Co., Ltd., into a subsidiary. By so doing the Company made a full-scale entry into the new car sales business and is pursuing synergies with existing automobile-related businesses.

Furthermore, in September, the Company concluded a basic agreement to form a joint venture for power retailing with Oji Green Resources Co., Ltd., a subsidiary of Oji Holdings Corporation. In addition, the Company executed a study memorandum toward an alliance in the electric power business with Hokkaido Gas Co., Ltd., together with the Oji Group in October. The three companies will move forward joint study of an alliance relating to the electric power business. Looking ahead to the full liberalization of the electricity retail market in 2016, through facilitation of the internal system, and also through alliances with companies that have strengths in individual fields, the Company will aim to be a first-rank Japanese PPS (Power Producer and Supplier) and will contribute to electricity supply in Japan.

As a result of the above activities, during the nine months ended December 31, 2014, revenue increased 3.1% year on year to ¥725,237 million, due to a growth in revenue as a result of the new consolidation of Osaka Car Life Group Co., Ltd., etc. Through the contribution of the new consolidation to profits, gross profit increased 18.4% year on year to ¥61,243 million, while profit before tax decreased 12.2% year on year to ¥8,795 million, despite an increase in gross profit, due to an increase in expenses resulting from the new consolidation, and also due to the absence of profit from sales of investments in subsidiaries and associates recorded in the corresponding period a year earlier, and other factors. Profit attributable to owners of the parent decreased 8.7% year on year to ¥4,664 million, owing to the decrease in profit before tax.

2) Results of operations by segment

Home-Life Division

In the Home-Life Division, while the sales volume of LP gas was maintained at the same level as in the corresponding period a year earlier, in the aspect of profit and loss, although a certain level of profits were ensured through the gas rate adjustment system, profits decreased year on year due to compression of profit margins because of a relatively expensive inventory held at the beginning of the fiscal year, and other reasons.

As for appliance sales, although the total number of unit sales was less than in the corresponding period a year earlier, thanks to the impact of the “Smart Life” campaign, which was carried out until December, the number of unit sales of warm water terminals such as “Ecojozu,” high efficiency water heaters, floor heaters and bath room dryers, etc. increased year on year.

In addition, with receiving supply from the sole selling agent ITOCHU Corporation, the Company started sales of “ENE-POWABO S,” a residential lithium-ion electricity storage system in December under an exclusive distribution agreement. Through the sales of this product, we will propose “comfortable,” “affluent” and “secure” new lifestyles with ENE-POWABO S.

Moreover, we integrated the LP gas container and high pressure gas container pressure testing businesses, which used to be conducted by three Group companies in the Kanto area, into a single company, aiming at management efficiency improvements and service improvements, and are striving to make this into a new profit model.

As a result of these activities, revenue was ¥77,942 million (down 4.9% year on year), gross profit was ¥17,644 million (down 6.7% year on year), and profit before tax was ¥782 million (down 71.5% year on year).

Car-Life Division

In the Car-Life Division, despite the impact of the price of petroleum products that was hovering at high levels and the reluctance of consumers to purchase because of the consumption tax hike continuing from the beginning of the fiscal year, following the moderation in the price of petroleum products due to the sudden decline of crude oil prices, sales volume is on a recovering trend. In the aspect of profit and loss, meanwhile, profit was above the corresponding period a year earlier owing to the recovery in the distribution margin and the contribution of Osaka Car Life Group Co., Ltd., which became a subsidiary in May.

In the retail strategy, we strive to improve profitability of Car-Life Stations*[1] by sharing successful examples and providing Stations with individual support meeting their needs through "ENEX ACT Program*[2]," which has been developed for the purpose of strengthening competitiveness of the Car-Life Stations of the Company.

In the automobile-related business, we are moving forward on creating synergies making use of the functions of Osaka Car Life Group Co., Ltd., and our Car-Life Stations business and Group network.

The number of Car-Life Stations of the Itochu Enex Group as of December 31, 2014 was 2,064; a net decrease of 54 stations from the end of the previous fiscal year. During the nine months ended December 31, 2014, against the backdrop of the trend of decrease in the number of nationwide gas stations, we lost 96 stations through disaffiliation of unprofitable and decrepit stations, etc. while adding 42 newly affiliated stations.

As a result of these activities, revenue was ¥460,548 million (up 10.3% year on year), gross profit was ¥33,046 million (up 43.4% year on year), and profit before tax was ¥2,382 million (up 34.4% year on year).

*1 Car-Life Stations: Car-Life Stations are service stations providing multiple services provided by Itochu Enex.

*2 ENEX ACT Program: Under this program, we work closely with Car-Life Station operators to raise their competitiveness by analyzing their station operations and competitive climate, conducting group training, and engaging in other activities.

Power & Utility Division

In the Power & Utility Division, with the continued suspension of nuclear power plant operations, demand for electricity and heat ended up undershooting the projection, due to heightened consciousness of energy conservation.

In the electricity and steam supply business[*3], regarding the power generation area centering on JEN Holdings Co., Ltd., although energy production volume from renewable energy, including the wind power generation facilities that newly started operations (Tainai City, Niigata), was steady, due to the impact of the implementation of regular inspections of thermal power plants and the like, overall electricity production was below the corresponding period a year earlier.

In addition, regarding the electricity sales area centering on the Company, through increasing contracts in the areas controlled by the respective power companies in Tohoku, Chubu and Kyushu, where we started business in this fiscal year, and strengthening sales activities in the Tokyo, Kansai and Chugoku areas, the amount of electricity sold retail expanded, while the total amount of electricity sold, including wholesale, decreased from the corresponding period a year earlier.

Meanwhile, profits grew year on year thanks to expansion of retail business in the electricity and steam supply business.

In the heat supply business[*4], demand for indoor heating in and after December was trending favorably, however, due to the huge impact of the decrease in indoor cooling demand due to unseasonable weather in the summer, the amount of heat sold was less than that in the corresponding period a year earlier. Meanwhile, profits grew year on year due mainly to raw materials cost reductions.

In the LNG sales business, the sales volume increased year on year with an increased sales to new customers who began transacting in the previous fiscal year as well as an increased demand from existing customers.

As a result of these activities, revenue was ¥25,433 million (up 4.0% year on year), gross profit was ¥4,810 million (up 5.4% year on year), and profit before tax was ¥3,022 million (down 30.1% year on year) due partly to the absence of profit from sales of investments in subsidiaries and associates recorded in the corresponding period a year earlier.

*3 Electricity and steam supply business: Electricity and steam supply business supplies electricity and steam generated at time of power generation.

*4 Heat supply business: 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.

Energy Trade Division

In the Energy Trade Division, accompanying the trend of fuel conversion and energy conservation, the structural decrease of demand for petroleum products in Japan continued, and also due to the impact of the sudden drop in retail prices resulting from the drastic decline in the price of crude oil, the Division continued to face a difficult environment.

In this operating environment, in the Energy Trade Division, we are promoting development and enhancement of the distribution functions in the sales of industrial fuels and materials, which are the mainstay items of this Division. In the asphalt sales business, we have established one of the leading distribution networks in Japan centering on 11 asphalt terminals nationwide and three company-owned vessels to carry asphalt, and in the AdBlue sales business, in response to the increasing popularization of urea SCR vehicles[*5], we have established 19 AdBlue supply bases nationwide and a delivery network. In addition, for marine fuel sales for domestic operations, we have deployed nine dedicated fuel supply ships nationwide, and for the petroleum products, we have developed a system capable of swiftly responding to the daily-changing distribution environment by deploying oil storage depots and company-owned vessels for domestic operation.

We will continue working for further optimization and greater sophistication of our distribution functions by grasping the diversifying customer needs and market environment changes in Japan and abroad.

As a result of these activities, revenue was ¥161,222 million (down 10.1% year on year), gross profit was ¥5,650 million (up 9.3% year on year), and profit before tax was ¥1,798 million (up 160.4% year on year).

*5 Urea SCR vehicle: Urea SCR vehicle purifies NOx using urea solution (AdBlue) and Selective Catalytic Reduction to reduce NOx in exhaust gas from diesel engines.

(2) Explanation of Financial Position

Assets, liabilities and equity

Total assets amounted to ¥365,920 million at December 31, 2014, an increase of ¥44,888 million from March 31, 2014. Total liabilities amounted to ¥254,015 million, an increase of ¥36,546 million from March 31, 2014. The increases in total assets and total liabilities are mainly due to increases resulting from the new consolidation of Osaka Car Life Group Co., Ltd. and others. Total equity amounted to ¥111,905 million, an increase of ¥8,342 million from March 31, 2014. This is primarily due to an increase in non-controlling interests, and an increase in retained earnings resulting from an increase in quarterly income attributable to the owners of the parent company, in line with the new consolidation of Osaka Car Life Group Co., Ltd. and other companies.

Cash flows

Cash and cash equivalents (net cash) totaled ¥22,244 million at December 31, 2014, an increase of ¥7,993 million from March 31, 2014.

Cash flows from operating activities

Operating activities earned net cash of ¥19,461 million. This was derived mainly from factors including profit before tax of ¥8,795 million, depreciation and amortization of ¥7,885 million, and a ¥9,308 million decrease in funds required for trading, offsetting income taxes paid of ¥6,335 million.

Cash flows from investing activities

Investing activities used net cash of ¥11,752 million. The main items were expenditures including payments for purchase of property, plant and equipment and investment property of ¥8,940 million and payments for the acquisition of Osaka Car Life Group Co., Ltd. of ¥2,202 million.

Cash flows from financing activities

Financing activities earned net cash of ¥161 million. The main items were proceeds from a net increase in bonds, borrowings, etc. of ¥2,975 million and an expenditure of ¥2,599 million for dividends paid.

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

Although operating performance could be affected by various factors, including crude oil prices, market conditions, changes in the weather, and the Japanese government's energy policy, we have not revised our full-year consolidated earnings forecasts announced on April 30, 2014.

2. Matters Regarding Summary Information (Notes)

(1) Changes in Significant Subsidiaries During the Period

No items to report.

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

The Itochu Enex Group has applied the following Standards and Interpretations from the first quarter ended June 30, 2014 in accordance with the respective transitional measures.

Standard	Name of standard	Description of issuance and amendments
IAS 32	Financial Instruments: Presentation	Clarification of requirements for presentation of offsetting financial assets and financial liabilities
IFRIC 21	Levies	Accounting treatment for liabilities associated with levies

As a result of the application of the IFRIC Interpretation 21 “Levies” as per the above, in the consolidated statement of financial position as of March 31, 2014, deferred tax assets increased by ¥308 million, other current financial liabilities increased by ¥865 million, retained earnings decreased by ¥507 million, and non-controlling interests decreased by ¥50 million.

In addition, in the condensed quarterly consolidated statement of financial position as of December 31, 2014, other current assets decreased by ¥179 million, deferred tax assets increased by ¥64 million, retained earnings decreased by ¥112 million, and non-controlling interests decreased by ¥3 million.

In the condensed quarterly consolidated statement of comprehensive income for the nine months ended December 31, 2013 and for the nine months ended December 31, 2014, cost of sales decreased by ¥207 million and ¥234 million, respectively, and selling, general and administrative expense decreased by ¥454 million and ¥452 million, respectively.

No other significant impact on the Itochu Enex Group exists from the application of the Standards and Interpretations.

3. Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2014	As of December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents	14,251	22,244
Trade receivables	140,289	130,948
Other current financial assets	11,213	17,837
Inventories	18,655	24,054
Trade advances paid	2,108	2,098
Other current assets	1,677	2,167
Total current assets	188,193	199,348
Non-current assets		
Investments accounted for by the equity method	5,927	6,790
Other investments	7,349	8,657
Non-current financial assets other than investments	10,598	9,968
Property, plant and equipment	66,988	87,984
Investment property	14,236	14,888
Goodwill	229	229
Intangible assets	10,280	23,183
Deferred tax assets	15,470	13,182
Other non-current assets	1,762	1,691
Total non-current assets	132,839	166,572
Total assets	321,032	365,920

(Millions of yen)

	As of March 31, 2014	As of December 31, 2014
LIABILITIES AND EQUITY		
Current liabilities		
Short-term bonds and borrowings	11,499	27,504
Trade payables	125,655	129,918
Other current financial liabilities	5,891	15,770
Income taxes payable	4,021	824
Advances from customers	5,648	7,011
Other current liabilities	6,487	8,456
Total current liabilities	159,201	189,483
Non-current liabilities		
Non-current bonds and borrowings	27,099	24,367
Other non-current financial liabilities	17,660	22,688
Non-current liabilities for employee benefits	7,042	10,015
Deferred tax liabilities	2,409	2,046
Provisions	3,372	4,825
Other non-current liabilities	686	591
Total non-current liabilities	58,268	64,532
Total liabilities	217,469	254,015
Equity		
Common stock	19,878	19,878
Capital surplus	18,737	18,737
Retained earnings	59,377	61,445
Other components of equity	(2,098)	(1,835)
Treasury stock	(1,750)	(1,751)
Total equity attributable to owners of the parent	94,144	96,474
Non-controlling interests	9,419	15,431
Total equity	103,563	111,905
Total liabilities and equity	321,032	365,920

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Revenue	703,435	725,237
Cost of sales	(651,689)	(663,994)
Gross profit	51,746	61,243
Other expense		
Selling, general and administrative expense	(42,146)	(51,268)
Loss from tangible assets, intangible assets and goodwill	(776)	(595)
Other – net	(554)	258
Total other expense	(43,476)	(51,605)
Profit from operating activities	8,270	9,638
Financial income and costs		
Interest income	14	40
Dividends received	240	233
Interest expense	(525)	(628)
Other financial income and costs – net	(1)	9
Total financial income and costs	(272)	(346)
Share of profit (loss) of investments accounted for by the equity method	117	(490)
Profit from sales of investments in subsidiaries and associates	1,897	(7)
Profit before tax	10,012	8,795
Income tax expense	(4,202)	(3,453)
Profit	5,810	5,342
Profit attributable to owners of the parent	5,110	4,664
Profit attributable to non-controlling interests	700	678

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Other comprehensive income (net of tax effect)		
Items that will not be reclassified to profit or loss		
FVTOCI financial assets	679	502
Other comprehensive income in associates accounted for by the equity method	1	0
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	22	27
Cash flow hedges	(95)	(394)
Other comprehensive income in associates accounted for by the equity method	30	130
Total other comprehensive income (net of tax effect)	637	265
Comprehensive income	6,447	5,607
Comprehensive income attributable to owners of the parent	5,747	4,929
Comprehensive income attributable to non-controlling interests	700	678

(Yen)

Earnings per share (attributable to owners of the parent)		
Basic	45.23	41.28
Diluted	–	–

(Millions of yen)

Total trading transactions	1,088,687	1,064,849

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

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Equity		
Common stock		
Balance at the beginning of the period	19,878	19,878
Balance at the end of the period	19,878	19,878
Capital surplus		
Balance at the beginning the period	18,737	18,737
Balance at the end of the period	18,737	18,737
Retained earnings		
Balance at the beginning of the period	53,575	59,377
Profit attributable to owners of the parent	5,110	4,664
Transfer from other components of equity	81	2
Dividends paid to owners of the parent	(1,808)	(2,599)
Balance at the end of the period	56,958	61,445
Other components of equity		
Balance at the beginning of the period	(1,527)	(2,098)
Other comprehensive income attributable to owners of the parent	637	265
Transfer to retained earnings	(81)	(2)
Balance at the end of the period	(971)	(1,835)
Treasury stock		
Balance at the beginning of the period	(1,750)	(1,750)
Purchase and disposal of treasury stock	(0)	(1)
Balance at the end of the period	(1,750)	(1,751)
Total equity attributable to owners of the parent	92,852	96,474
Non-controlling interests		
Balance at the beginning of the period	8,175	9,419
Profit attributable to non-controlling interests	700	678
Other comprehensive income attributable to non-controlling interests	0	(0)
Dividends paid to non-controlling interests	(175)	(215)
Changes due to additional acquisitions and sales of interests in subsidiaries	506	5,550
Balance at the end of the period	9,206	15,431
Total equity	102,058	111,905

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Cash flows from operating activities		
Profit before tax	10,012	8,795
Depreciation and amortization	7,701	7,885
Loss from tangible assets, intangible assets and goodwill	776	595
Financial income and costs	272	346
Share of loss (profit) of investments accounted for by the equity method	(117)	490
Loss (profit) from sales of investments in subsidiaries and associates	(1,897)	7
Decrease (increase) in trade receivables	(10,758)	10,852
Decrease (increase) in inventories	(7,599)	4,391
Increase (decrease) in trade payables	19,314	(5,935)
Other – net	(1,227)	(1,615)
Interest and dividends received	406	493
Interest expense	(392)	(508)
Income taxes paid	(5,724)	(6,335)
Net cash flows provided by operating activities	10,767	19,461
Cash flows from investing activities		
Purchase of investments accounted for by the equity method	(0)	(1,400)
Proceeds from sales of investments accounted for by the equity method	2,397	2
Purchase of investments	(812)	(313)
Proceeds from sales of investments	1,619	932
Acquisition of subsidiaries, net of cash acquired	(1,426)	(2,202)
Payment for loans receivable	(1,719)	(2,384)
Collection of loans receivable	1,067	2,611
Payments for purchase of property, plant and equipment and investment property	(12,766)	(8,940)
Proceeds from sales of property, plant and equipment and investment property	938	664
Purchase of intangible assets	(1,038)	(1,492)
Proceeds from sales of intangible assets	71	82
Other – net	–	688
Net cash flows used in investing activities	(11,669)	(11,752)
Cash flows from financing activities		
Proceeds from bonds and borrowings	900	2,580
Repayments of bonds and borrowings	(7,182)	(3,184)
Net increase in short-term borrowings	3,799	3,579
Dividends paid to owners of the parent	(1,808)	(2,599)
Dividends paid to non-controlling interests	(175)	(215)
Other – net	(1)	0
Net cash flows provided by (used in) financing activities	(4,467)	161
Net increase (decrease) in cash and cash equivalents	(5,369)	7,870
Cash and cash equivalents at the beginning the period	18,062	14,251
Effect of exchange rate changes on cash and cash equivalents	87	123
Cash and cash equivalents at the end of the period	12,780	22,244

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

For the nine months ended December 31, 2014

No items to report.

(6) Segment Information

For the nine months ended December 31, 2013

(Millions of yen)

	Reportable segment					Other	Total	Adjustment	Consolidated
	Home-Life	Car-Life	Power & Utility	Energy Trade	Total				
Revenue									
Revenue from external customers	81,995	417,579	24,444	179,364	703,382	53	703,435	–	703,435
Intersegment revenue	500	8,601	–	471	9,572	236	9,808	(9,808)	–
Total revenue	82,495	426,180	24,444	179,835	712,954	289	713,243	(9,808)	703,435
Gross profit	18,916	23,041	4,562	5,171	51,690	56	51,746	–	51,746
Segment profit	2,738	1,772	4,327	690	9,527	20	9,547	465	10,012
Other items									
Segment assets	63,537	107,368	45,032	108,022	323,959	740	324,699	14,640	339,339
Total trading transactions	85,176	448,017	26,770	528,221	1,088,184	503	1,088,687	–	1,088,687

(Note) Intersegment transactions have been conducted at ordinary transaction prices.

Segment profit was adjusted based on profit before tax in the condensed quarterly consolidated statement of comprehensive income.

The adjustment of ¥465 million to segment profit represents corporate profit (loss) not allocated to reportable segments.

"Total trading transactions" is an item voluntarily disclosed by the Company and represents the amount of net sales in accordance with Japanese accounting practices.

For the nine months ended December 31, 2014

(Millions of yen)

	Reportable segment								
	Home-Life	Car-Life	Power & Utility	Energy Trade	Total	Other	Total	Adjustment	Consolidated
Revenue									
Revenue from external customers	77,942	460,548	25,433	161,222	725,145	92	725,237	–	725,237
Intersegment revenue	533	1,122	–	561	2,216	176	2,392	(2,392)	–
Total revenue	78,475	461,670	25,433	161,783	727,361	268	727,629	(2,392)	725,237
Gross profit	17,644	33,046	4,810	5,650	61,150	93	61,243	–	61,243
Segment profit (loss)	782	2,382	3,022	1,798	7,984	9	7,993	802	8,795
Other items									
Segment assets	61,341	146,983	51,395	87,927	347,646	147	347,793	18,127	365,920
Total trading transactions	81,355	489,745	28,374	465,242	1,064,716	133	1,064,849	–	1,064,849

(Note) Intersegment transactions have been conducted at ordinary transaction prices.

Segment profit was adjusted based on profit before tax in the condensed quarterly consolidated statement of comprehensive income.

The adjustment of ¥802 million to segment profit represents corporate profit (loss) not allocated to reportable segments.

"Total trading transactions" is an item voluntarily disclosed by the Company and represents the amount of net sales in accordance with Japanese accounting practices.

As of the end of the previous fiscal year (March 31, 2014)

(Millions of yen)

	Reportable segment								
	Home-Life	Car-Life	Power & Utility	Energy Trade	Total	Other	Total	Adjustment	Consolidated

Segment assets	64,293	99,405	44,759	93,256	301,713	694	302,407	18,625	321,032

Change in reportable segments

During the first quarter ended June 30, 2014, the Company has changed the name of “Total Home-Life Division” to “Home-Life Division.” Segment information during the nine months ended December 31, 2013 and as of the end of the previous fiscal year (March 31, 2014) has been represented by the name after the change.

(7) Business Combinations

For the nine months ended December 31, 2014

The material business combination during the nine months ended December 31, 2014 was as follows:

Acquisition of shares of Osaka Car Life Group Co., Ltd.

Following a resolution at a Board of Directors' meeting held on April 17, 2014 to acquire 200 issued shares (51.95% of the total number of issued shares) of Osaka Car Life Group Co., Ltd. ("OCG"), which owns subsidiaries including Nissan Osaka Sales Co., Ltd., thereby making it into a subsidiary, the Company concluded a share transfer agreement with NMC 2007 Investment Limited Partnership as of the same date and acquired the shares for ¥6,000 million on May 27, 2014. The aim of this acquisition of shares is for the Company's Car-Life Division to extend its reach beyond sales of fuel among others and the operation of Car-Life Stations by making a full-scale entry into the automobile-related business. In this way, the move will contribute to the division's aims of "strengthening the Car-Life value chain" and "increasing added value across the entire value chain." Organically combining the business assets of OCG and the Company will further enhance the existing business base of the Company, which primarily includes fuel sales. Moreover, the Company will also pursue synergies to propose new value for customers' motoring lifestyles.

(1) The fair values of consideration paid, assets acquired and liabilities assumed, and non-controlling interests as of the acquisition date are shown below:

(Millions of yen)

Item	Amount
Fair value of consideration paid (Notes 1 and 2)	6,000
Fair value of non-controlling interests	5,549
Total	11,549
Fair values of assets acquired and liabilities assumed	
Current assets	17,173
Non-current assets	30,530
Current liabilities	(24,512)
Non-current liabilities	(11,642)
Net assets	11,549

(Notes) 1. The consideration paid was settled in cash.
2. There is no contingent consideration.

The fair values of assets acquired and liabilities assumed and non-controlling interests were determined comprehensively taking into account the financial and assets conditions reviewed through due diligence by a third party, assessment of corporate value by a financial advisor and other factors.

Acquisition-related costs of ¥97 million for this business combination were recorded in selling, general and administrative expense.

(Note) As of December 31, 2014, with regard to the amount of assets accepted and liabilities assumed as of the date of the business combination, etc., since the contents of recognizable assets and liabilities as of business combination date are under close examination, tentative accounting has been performed.

(2) Fair value of acquired receivables

The total amount and fair value of trade receivables were ¥2,823 million. There are no impaired trade receivables and the contractual amount is expected to be fully collected.

(3) Performance from the acquisition date

Operating results of Osaka Car Life Group Co., Ltd. and its subsidiaries from the acquisition date, which are included in the condensed quarterly consolidated statement of comprehensive income for the nine months ended December 31, 2014, are shown below:

(Millions of yen)

Item	Osaka Car Life Group Co., Ltd. and its subsidiaries
Revenue	54,431
Profit for the period	241
Profit for the period attributable to owners of the parent	125

(4) Pro forma information

Pro forma information (unaudited information) in the case of assuming that the business combination of Osaka Car Life Group Co., Ltd. and its subsidiaries had been carried out on April 1, 2014, the beginning of the current fiscal year, is omitted, because the approximate amount of this impact is insignificant.