

This document contains a financial summary and financial statements translated from the original Japanese version, for convenience only.



Consolidated Financial Results for the First Quarter of Fiscal Year 2021 [IFRS]

August 13, 2021

Company name: ENEOS Holdings, Inc. Stock Exchange Listings: Tokyo and Nagoya
 Code number: 5020 URL: <https://www.hd.eneos.co.jp/>
 Representative: Ota Katsuyuki Representative Director, President
 Contact person: Inoue Ryo Group Manager, Investor Relations Group, Investor Relations Department
 Telephone: +81-3-6257-7075
 Scheduled date of filing of Quarterly Securities Report: August 13, 2021
 Scheduled date of commencement of dividend payments: -
 Supplemental materials for the quarterly financial results: Yes
 Quarterly financial results presentation: Yes (for institutional investors and analysts)

(Amounts of less than 1 million yen are rounded off.)

1. Consolidated Results for the First Quarter of FY2021 (From April 1, 2021 to June 30, 2021)

(1) Operating Results (Percentage figures represent changes from same period in the previous fiscal year.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1Q of FY2021	2,224,073	43.8	161,980	669.9	157,230	974.8	97,622	-	125,161	-
1Q of FY2020	1,546,194	(38.5)	21,038	(57.3)	14,629	(65.6)	(4,881)	-	(20,902)	-

	Basic profit per share	Diluted profit per share
	Yen	Yen
1Q of FY2021	30.41	30.33
1Q of FY2020	(1.52)	(1.52)

(2) Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Equity ratio attributable to owners of the parent
	Millions of yen	Millions of yen	Millions of yen	%
1Q of FY2021	8,340,909	2,833,711	2,399,631	28.8
FY2020	8,058,818	2,752,568	2,325,108	28.9

2. Dividends

	Annual cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-End	Total
	Yen	Yen	Yen	Yen	Yen
FY2020	-	11.00	-	11.00	22.00
FY2021	-				
FY2021 (Forecast)		11.00	-	11.00	22.00

Note: Revision to the most recent dividend forecast: No

3. Forecasts of Consolidated Results for Fiscal Year 2021 (From April 1, 2021 to March 31, 2022)

(Percentage figures are changes from the amount for the corresponding period in the previous fiscal year.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2021	9,500,000	24.1	260,000	2.3	240,000	3.9	140,000	22.8	43.60

Note: Revision to the most recent consolidated earnings forecast: No

The forecasts of consolidated results for the full fiscal year of 2021 remain unchanged from the previous forecasts announced on May 12, 2021.

Average number of shares issued during the period that forms the basis for the calculation of basic profit per share specified above is calculated with the number of issued shares (excluding treasury stock) as of June 30, 2021.

As for the forecasts of operating profit excluding inventory valuation factors*, please see the following.

Operating profit excluding inventory valuation factors:

Forecasts for FY2021: 230,000 million yen (percentage change from the previous fiscal year: 6.7%)
(Reference) Actual results for FY2020: 215,500 million yen

(*) The impact of inventory valuation on the cost of sales by using the weighted-average method and by writing down the book value.

Explanatory Notes

- (1) Changes in the number of material subsidiaries during the term under review: None
Note: This item indicates whether there were changes in specified subsidiaries involving a change in the scope of consolidation.
- (2) Changes in accounting policies and in accounting estimates
- (i) Changes in accounting policies required by the IFRS: None
 - (ii) Changes in accounting policies other than (i) above: None
 - (iii) Changes in accounting estimates: None
- (3) Number of shares issued (Common stock)
- (i) Number of issued shares at the end of the period (including treasury stock)

First Quarter of FY2021 ended June 30, 2021:	3,230,282,649 shares
FY2020 ended March 31, 2021:	3,230,282,649 shares
 - (ii) Number of shares of treasury stock at the end of the period

First Quarter of FY2021 ended June 30, 2021:	19,218,715 shares
FY2020 ended March 31, 2021:	19,626,899 shares
 - (iii) Average number of shares issued during the period

First Quarter of FY2021 ended June 30, 2021:	3,210,719,869 shares
First Quarter of FY2020 ended June 30, 2020:	3,217,482,341 shares
- This report is not subject to quarterly review procedures conducted by certified public accountants or an audit corporation.
 - Explanation regarding appropriate use of forward-looking statements on results, and other specific comments (Note on Statements Regarding Prospective Matters)
This material contains forward-looking statements; however, actual results may differ materially from those reflected in such forward-looking statements, due to various factors, including the following:
(1) changes in macroeconomic conditions and changes in the competitive environment in the energy, resources and materials industries; (2) the impact of COVID-19 on economic activity; (3) revisions to laws and strengthening of regulations; and (4) litigation and other similar risks.
 - Changes from the previous fiscal year (or corresponding period in the previous fiscal year) are not presented (“-”) if either or both of the fiscal year (or period) under review and the previous fiscal year (or corresponding period) are negative, or if the percentage change is 1,000% or greater.

Summary of Quarterly Consolidated Financial Statements and Major Explanatory Notes Thereto

(1) Summary of Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	FY2020 (As of March 31, 2021)	1Q of FY2021 (As of June 30, 2021)
ASSETS		
Current assets		
Cash and cash equivalents	417,724	427,251
Trade and other receivables	1,129,421	1,051,436
Inventories	1,295,576	1,579,015
Other financial assets	50,530	79,551
Other current assets	141,626	162,959
Sub total	3,034,877	3,300,212
Assets held for sale	4,727	5,057
Total current assets	3,039,604	3,305,269
Non-current assets		
Property, plant and equipment	3,551,070	3,541,412
Goodwill	181,507	181,634
Intangible assets	342,391	341,450
Investments accounted for using the equity method	445,304	459,737
Other financial assets	386,295	405,980
Other non-current assets	10,080	11,794
Deferred tax assets	102,567	93,633
Total non-current assets	5,019,214	5,035,640
TOTAL ASSETS	8,058,818	8,340,909

(Millions of yen)

	FY2020 (As of March 31, 2021)	1Q of FY2021 (As of June 30, 2021)
LIABILITIES		
Current liabilities		
Trade and other payables	1,583,199	1,452,510
Bonds and borrowings	616,567	669,692
Income taxes payable	26,186	40,563
Lease liabilities	71,756	65,661
Other financial liabilities	28,808	34,290
Provisions	18,693	14,176
Other current liabilities	329,697	340,901
Total current liabilities	2,674,906	2,617,793
Non-current liabilities		
Bonds and borrowings	1,420,333	1,691,994
Liabilities for retirement benefits	242,269	234,496
Lease liabilities	428,666	416,110
Other financial liabilities	34,120	37,709
Provisions	175,634	176,196
Other non-current liabilities	53,272	56,656
Deferred tax liabilities	277,050	276,244
Total non-current liabilities	2,631,344	2,889,405
Total liabilities	5,306,250	5,507,198
EQUITY		
Common stock	100,000	100,000
Capital surplus	1,066,459	1,066,387
Retained earnings	1,042,416	1,107,977
Treasury stock	(8,793)	(8,620)
Other components of equity	125,026	133,887
Total equity attributable to owners of the parent	2,325,108	2,399,631
Non-controlling interests	427,460	434,080
Total equity	2,752,568	2,833,711
TOTAL LIABILITIES AND EQUITY	8,058,818	8,340,909

**(2) Summary of Quarterly Consolidated Statements of Profit or Loss
and Summary of Quarterly Consolidated Statements of Comprehensive Income or Loss**
(Summary of Quarterly Consolidated Statements of Profit or Loss)

(Millions of yen)

	1Q of FY2020 (From April 1, 2020 to June 30, 2020)	1Q of FY2021 (From April 1, 2021 to June 30, 2021)
Revenue	1,546,194	2,224,073
Cost of sales	1,355,190	1,886,657
Gross profit	191,004	337,416
Selling, general and administrative expenses	186,882	199,233
Share of profit of investments accounted for using the equity method	13,836	19,325
Other operating income	12,291	15,248
Other operating expenses	9,211	10,776
Operating profit	21,038	161,980
Finance income	1,972	834
Finance costs	8,381	5,584
Profit before tax	14,629	157,230
Income tax expense	11,164	46,986
Profit	3,465	110,244
Profit (loss) attributable to:		
Owners of the parent	(4,881)	97,622
Non-controlling interests	8,346	12,622
Profit	3,465	110,244
		(Yen)
Basic profit (loss) per share	(1.52)	30.41
Diluted profit (loss) per share	(1.52)	30.33

(Summary of Quarterly Consolidated Statements of Comprehensive Income or Loss)

(Millions of yen)

	1Q of FY2020 (From April 1, 2020 to June 30, 2020)	1Q of FY2021 (From April 1, 2021 to June 30, 2021)
Profit	3,465	110,244
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Changes in fair value of financial assets measured at fair value through other comprehensive income (loss)	6,408	9,456
Remeasurement gains on defined benefit plans	3,939	3,393
Shares of other comprehensive income (loss) of investments accounted for using the equity method	58	(226)
Total	10,405	12,623
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(12,620)	3,852
Changes in fair value of cash flow hedges	(15,019)	(4,132)
Shares of other comprehensive income (loss) of investments accounted for using the equity method	(7,133)	2,574
Total	(34,772)	2,294
Other comprehensive income (loss), net of tax	(24,367)	14,917
Total comprehensive income (loss)	(20,902)	125,161
Comprehensive income (loss) attributable to:		
Owners of the parent	(26,446)	109,874
Non-controlling interests	5,544	15,287
Total comprehensive income	(20,902)	125,161

(3) Summary of Quarterly Consolidated Statements of Changes in Equity

First Quarter of FY2020 (April 1, 2020 – June 30, 2020)

	(Millions of Yen)					
	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Changes in fair value of financial assets measured at fair value through other comprehensive income (loss)	Changes in fair value of cash flow hedges
Balance as of April 1, 2020	100,000	1,138,884	982,786	(6,003)	76,129	(2,794)
Profit	-	-	(4,881)	-	-	-
Other comprehensive income (loss)	-	-	-	-	5,470	(13,857)
Total comprehensive income (loss)	-	-	(4,881)	-	5,470	(13,857)
Purchase of treasury stock	-	-	-	(9)	-	-
Disposal of treasury stock	-	0	-	83	-	-
Cash dividends	-	-	(35,437)	-	-	-
Share-based payment transactions	-	2	-	-	-	-
Equity transactions with non-controlling interests, etc.	-	(13,668)	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	4,322	-	(75)	-
Transfer from other components of equity to non-financial assets	-	-	-	-	-	882
Other	-	(583)	-	-	-	-
Total transactions with owners	-	(14,249)	(31,115)	74	(75)	882
Balance as of June 30, 2020	100,000	1,124,635	946,790	(5,929)	81,524	(15,769)

	Other components of equity			Total equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Remeasurement losses (gains) on defined benefit plans	Total			
Balance as of April 1, 2020	22,044	-	95,379	2,311,046	396,862	2,707,908
Profit	-	-	-	(4,881)	8,346	3,465
Other comprehensive income (loss)	(17,425)	4,247	(21,565)	(21,565)	(2,802)	(24,367)
Total comprehensive income (loss)	(17,425)	4,247	(21,565)	(26,446)	5,544	(20,902)
Purchase of treasury stock	-	-	-	(9)	-	(9)
Disposal of treasury stock	-	-	-	83	-	83
Cash dividends	-	-	-	(35,437)	(6,546)	(41,983)
Share-based payment transactions	-	-	-	2	-	2
Equity transactions with non-controlling interests, etc.	-	-	-	(13,668)	(2,252)	(15,920)
Transfer from other components of equity to retained earnings	-	(4,247)	(4,322)	-	-	-
Transfer from other components of equity to non-financial assets	-	-	882	882	987	1,869
Other	-	-	-	(583)	426	(157)
Total transactions with owners	-	(4,247)	(3,440)	(48,730)	(7,385)	(56,115)
Balance as of June 30, 2020	4,619	-	70,374	2,235,870	395,021	2,630,891

First Quarter of FY2021 (April 1, 2021 – June 30, 2021)

(Millions of Yen)

	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Changes in fair value of financial assets measured at fair value through other comprehensive income (loss)	Changes in fair value of cash flow hedges
Balance as of April 1, 2021	100,000	1,066,459	1,042,416	(8,793)	93,184	(6,851)
Profit	-	-	97,622	-	-	-
Other comprehensive income (loss)	-	-	-	-	8,561	(6,596)
Total comprehensive income (loss)	-	-	97,622	-	8,561	(6,596)
Purchase of treasury stock	-	-	-	(13)	-	-
Disposal of treasury stock	-	(186)	-	186	-	-
Cash dividends	-	-	(35,363)	-	-	-
Share-based payment transactions	-	50	-	-	-	-
Equity transactions with non-controlling interests, etc.	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	3,302	-	74	-
Transfer from other components of equity to non-financial assets	-	-	-	-	-	(89)
Other	-	64	-	-	-	-
Total transactions with owners	-	(72)	(32,061)	173	74	(89)
Balance as of June 30, 2021	100,000	1,066,387	1,107,977	(8,620)	101,819	(13,536)

	Other components of equity			Total equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Remeasurement losses (gains) on defined benefit plans	Total			
Balance as of April 1, 2021	38,693	-	125,026	2,325,108	427,460	2,752,568
Profit	-	-	-	97,622	12,622	110,244
Other comprehensive income (loss)	6,911	3,376	12,252	12,252	2,665	14,917
Total comprehensive income (loss)	6,911	3,376	12,252	109,874	15,287	125,161
Purchase of treasury stock	-	-	-	(13)	-	(13)
Disposal of treasury stock	-	-	-	0	-	0
Cash dividends	-	-	-	(35,363)	(9,712)	(45,075)
Share-based payment transactions	-	-	-	50	-	50
Equity transactions with non-controlling interests, etc.	-	-	-	-	(268)	(268)
Transfer from other components of equity to retained earnings	-	(3,376)	(3,302)	-	-	-
Transfer from other components of equity to non-financial assets	-	-	(89)	(89)	(899)	(988)
Other	-	-	-	64	2,212	2,276
Total transactions with owners	-	(3,376)	(3,391)	(35,351)	(8,667)	(44,018)
Balance as of June 30, 2021	45,604	-	133,887	2,399,631	434,080	2,833,711

(4) Explanatory Notes to the Summary of Quarterly Consolidated Financial Statements

(Notes on the Assumption of a Going Concern)

None

(Segment Information)

I. First Quarter of FY2020 (April 1, 2020 – June 30, 2020)

Information on Revenue, Profit or Loss and Other Items from Each Reporting Segment

(Millions of yen)

	Energy	Oil and natural gas E&P	Metals	Total reporting segments	Other	Adjustments (Note 3)	Recorded amount on consolidated financial statements
Revenue							
Revenue from external customers	1,194,897	22,678	221,384	1,438,959	107,235	-	1,546,194
Inter-segment revenue or transfers (Note 1)	893	-	320	1,213	10,344	(11,557)	-
Total	1,195,790	22,678	221,704	1,440,172	117,579	(11,557)	1,546,194
Segment profit (loss) (Note 2)	(18,433)	704	19,230	1,501	16,204	3,333	21,038
Finance income							1,972
Finance costs							8,381
Profit before tax							14,629

- (Notes)
1. Inter-reporting segment revenue or transfers are based on actual market prices.
 2. Segment profit (loss) is stated as operating profit in the summary of the quarterly consolidated statements of profit or loss.
 3. The segment profit (loss) adjustment of 3,333 million yen includes the net amount of 3,033 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the “Other” category.

II. First Quarter of FY2021 (April 1, 2021 – June 30, 2021)

Information on Revenue, Profit or Loss and Other Items from Each Reporting Segment

(Millions of yen)

	Energy	Oil and natural gas E&P	Metals	Total reporting segments	Other	Adjustments (Note 3)	Recorded amount on consolidated financial statements
Revenue							
Revenue from external customers	1,768,536	41,458	310,315	2,120,309	103,764	-	2,224,073
Inter-segment revenue or transfers (Note 1)	973	-	413	1,386	9,115	(10,501)	-
Total	1,769,509	41,458	310,728	2,121,695	112,879	(10,501)	2,224,073
Segment profit (loss) (Note 2)	94,952	15,265	40,803	151,020	9,850	1,110	161,980
Finance income							834
Finance costs							5,584
Profit before tax							157,230

- (Notes)
1. Inter-reporting segment revenue or transfers are based on actual market prices.
 2. Segment profit (loss) is stated as operating profit in the summary of the quarterly consolidated statements of profit or loss.
 3. The segment profit (loss) adjustment of 1,110 million yen includes the net amount of 980 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the “Other” category.