

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 2022 [IFRS]

August 12, 2022

Company name: ENEOS Holdings, Inc. Stock Exchange Listings: Tokyo and Nagoya
 Code number: 5020 URL: <https://www.hd.eneos.co.jp/>
 Representative: Saito Takeshi Representative Director, President
 Contact person: Yokoyama Sho Group Manager, Investor Relations Group, Investor Relations Department
 Telephone: +81-3-6257-7075
 Scheduled date of filing of Quarterly Securities Report: August 12, 2022
 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 FY2022 (From April 1, 2022 to June 30, 2022)

(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 FY2022	3,555,106	59.8	325,349	100.9	331,970	111.1	221,355	126.7	309,330	147.1
1Q of FY2021	2,224,073	43.8	161,980	669.9	157,230	974.8	97,622	-	125,161	-

	Basic profit per share	Diluted profit per share
	Yen	Yen
1Q of FY2022	69.31	69.14
1Q of FY2021	30.41	30.33

(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 FY2022	10,750,386	3,448,066	3,057,600	28.4
FY2021	9,648,219	3,234,079	2,860,797	29.7

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
FY2021	-	11.00	-	11.00	22.00
FY2022	-	-	-	-	-
FY2022 (Forecast)	-	11.00	-	11.00	22.00

Note: Revision to the most recent dividend forecast: No

3. Forecasts of Consolidated Results for Fiscal Year 2022 (From April 1, 2022 to March 31, 2023)

(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
FY2022	12,800,000	17.2	340,000	(56.7)	310,000	(59.8)	170,000	(68.3)	53.87

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

The forecasts of consolidated results for the full fiscal year of 2022 remain unchanged from the previous forecasts announced on May 13, 2022.

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, 2022.

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

Operating profit excluding inventory valuation factors:

Forecasts for FY2022: 340,000 million yen (percentage change from the previous fiscal year: (18.2)%)
(Reference) Actual results for FY2021: 415,600 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: Yes
Note: This item indicates whether there were changes in specified subsidiaries involving a change in the scope of consolidation.
Newly included: BST ENEOS Elastomer Co., Ltd.
- (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 FY2022 ended June 30, 2022:	3,230,282,649 shares
FY2021 ended March 31, 2022:	3,230,282,649 shares
 - (ii) Number of shares of treasury stock at the end of the period

First Quarter of FY2022 ended June 30, 2022:	74,743,826 shares
FY2021 ended March 31, 2022:	19,086,925 shares
 - (iii) Average number of shares issued during the period

First Quarter of FY2022 ended June 30, 2022:	3,193,862,980 shares
First Quarter of FY2021 ended June 30, 2021:	3,210,719,869 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)

	FY2021 (As of March 31, 2022)	1Q of FY2022 (As of June 30, 2022)
ASSETS		
Current assets		
Cash and cash equivalents	547,272	567,458
Trade and other receivables	1,499,758	1,672,535
Inventories	1,994,830	2,522,149
Other financial assets	121,193	195,824
Other current assets	145,533	286,360
Sub total	4,308,586	5,244,326
Assets held for sale	–	97,099
Total current assets	4,308,586	5,341,425
Non-current assets		
Property, plant and equipment	3,543,053	3,670,388
Goodwill	251,175	252,503
Intangible assets	518,995	520,917
Investments accounted for using the equity method	497,571	422,004
Other financial assets	470,550	478,942
Other non-current assets	19,114	24,734
Deferred tax assets	39,175	39,473
Total non-current assets	5,339,633	5,408,961
TOTAL ASSETS	9,648,219	10,750,386

(Millions of yen)

	FY2021 (As of March 31, 2022)	1Q of FY2022 (As of June 30, 2022)
LIABILITIES		
Current liabilities		
Trade and other payables	1,789,756	2,099,710
Bonds and borrowings	858,829	1,126,439
Income taxes payable	36,351	100,755
Lease liabilities	69,275	70,420
Other financial liabilities	91,888	109,228
Provisions	28,067	25,130
Other current liabilities	408,842	361,711
Total current liabilities	3,283,008	3,893,393
Non-current liabilities		
Bonds and borrowings	1,876,629	2,095,691
Liabilities for retirement benefits	220,188	226,432
Lease liabilities	413,276	436,215
Other financial liabilities	42,462	41,418
Provisions	125,923	136,816
Other non-current liabilities	55,887	55,019
Deferred tax liabilities	396,767	417,336
Total non-current liabilities	3,131,132	3,408,927
Total liabilities	6,414,140	7,302,320
EQUITY		
Common stock	100,000	100,000
Capital surplus	1,049,093	1,032,142
Retained earnings	1,517,733	1,701,288
Treasury stock	(8,557)	(37,920)
Other components of equity	202,528	262,090
Total equity attributable to owners of the parent	2,860,797	3,057,600
Non-controlling interests	373,282	390,466
Total equity	3,234,079	3,448,066
TOTAL LIABILITIES AND EQUITY	9,648,219	10,750,386

**(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 FY2021 (From April 1, 2021 to June 30, 2021)	1Q of FY2022 (From April 1, 2022 to June 30, 2022)
Revenue	2,224,073	3,555,106
Cost of sales	1,886,657	3,033,738
Gross profit	337,416	521,368
Selling, general and administrative expenses	199,233	237,479
Share of profit of investments accounted for using the equity method	19,325	33,428
Other operating income	15,248	30,097
Other operating expenses	10,776	22,065
Operating profit	161,980	325,349
Finance income	834	17,778
Finance costs	5,584	11,157
Profit before tax	157,230	331,970
Income tax expense	46,986	97,196
Profit	110,244	234,774
Profit attributable to:		
Owners of the parent	97,622	221,355
Non-controlling interests	12,622	13,419
Profit	110,244	234,774
	(Yen)	(Yen)
Basic profit per share	30.41	69.31
Diluted profit per share	30.33	69.14

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

(Millions of yen)

	1Q of FY2021 (From April 1, 2021 to June 30, 2021)	1Q of FY2022 (From April 1, 2022 to June 30, 2022)
Profit	110,244	234,774
Other comprehensive income, 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)	9,456	(1,490)
Remeasurement gains (losses) on defined benefit plans	3,393	(2,646)
Shares of other comprehensive income (loss) of investments accounted for using the equity method	(226)	1,282
Total	12,623	(2,854)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	3,852	56,992
Changes in fair value of cash flow hedges	(4,132)	1,331
Shares of other comprehensive income of investments accounted for using the equity method	2,574	19,087
Total	2,294	77,410
Other comprehensive income, net of tax	14,917	74,556
Total comprehensive income	125,161	309,330
Comprehensive income attributable to:		
Owners of the parent	109,874	280,910
Non-controlling interests	15,287	28,420
Total comprehensive income	125,161	309,330

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

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

First Quarter of FY2022 (April 1, 2022 – June 30, 2022)

(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, 2022	100,000	1,049,093	1,517,733	(8,557)	142,660	(21,982)
Profit	-	-	221,355	-	-	-
Other comprehensive income (loss)	-	-	-	-	161	887
Total comprehensive income (loss)	-	-	221,355	-	161	887
Purchase of treasury stock	-	-	-	(29,502)	-	-
Disposal of treasury stock	-	(139)	-	139	-	-
Cash dividends	-	-	(35,370)	-	-	-
Share-based payment transactions	-	50	-	-	-	-
Equity transactions with non-controlling interests, etc.	-	(17,043)	-	-	(9,791)	-
Transfer from other components of equity to retained earnings	-	-	(2,430)	-	(223)	-
Transfer from other components of equity to non-financial assets	-	-	-	-	-	7,368
Changes due to business combination	-	-	-	-	-	-
Other	-	181	-	-	-	-
Total transactions with owners	-	(16,951)	(37,800)	(29,363)	(10,014)	7,368
Balance as of June 30, 2022	100,000	1,032,142	1,701,288	(37,920)	132,807	(13,727)

	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, 2022	81,850	-	202,528	2,860,797	373,282	3,234,079
Profit	-	-	-	221,355	13,419	234,774
Other comprehensive income (loss)	61,160	(2,653)	59,555	59,555	15,001	74,556
Total comprehensive income (loss)	61,160	(2,653)	59,555	280,910	28,420	309,330
Purchase of treasury stock	-	-	-	(29,502)	-	(29,502)
Disposal of treasury stock	-	-	-	(0)	-	(0)
Cash dividends	-	-	-	(35,370)	(10,721)	(46,091)
Share-based payment transactions	-	-	-	50	-	50
Equity transactions with non-controlling interests, etc.	-	-	(9,791)	(26,834)	(6,549)	(33,383)
Transfer from other components of equity to retained earnings	-	2,653	2,430	-	-	-
Transfer from other components of equity to non-financial assets	-	-	7,368	7,368	3,897	11,265
Changes due to business combination	-	-	-	-	2,433	2,433
Other	-	-	-	181	(296)	(115)
Total transactions with owners	-	2,653	7	(84,107)	(11,236)	(95,343)
Balance as of June 30, 2022	143,010	-	262,090	3,057,600	390,466	3,448,066

(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 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.

II. First Quarter of FY2022 (April 1, 2022 – June 30, 2022)

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	2,989,490	48,616	410,001	3,448,107	106,999	-	3,555,106
Inter-segment revenue or transfers (Note 1)	1,038	38	269	1,345	9,827	(11,172)	-
Total	2,990,528	48,654	410,270	3,449,452	116,826	(11,172)	3,555,106
Segment profit (loss) (Note 2)	247,406	27,888	41,142	316,436	10,686	(1,773)	325,349
Finance income							17,778
Finance costs							11,157
Profit before tax							331,970

- (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 (1,773) million yen includes the net amount of 211 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the “Other” category.