

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



Consolidated Financial Results for the Third Quarter of Fiscal Year 2022 [IFRS]

February 10, 2023

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: February 13, 2023
 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 Third Quarter of FY2022 (From April 1, 2022 to December 31, 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	%
3Q of FY2022	11,335,131	48.5	249,762	(52.9)	232,838	(54.8)	96,045	(71.1)	179,034	(58.8)
3Q of FY2021	7,631,320	42.2	530,139	296.2	515,221	342.3	331,826	395.2	434,725	738.8

	Basic profit per share	Diluted profit per share
	Yen	Yen
3Q of FY2022	30.87	30.80
3Q of FY2021	103.34	103.09

(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	%
3Q of FY2022	10,687,050	3,224,979	2,807,884	26.3
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	–	11.00	–		
FY2022 (Forecast)				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 represent changes from 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	14,700,000	34.6	320,000	(59.3)	290,000	(62.4)	140,000	(73.9)	46.44

Note: Revision to the most recent consolidated earnings forecast: Yes

Regarding the revision to the forecast of consolidated results, please refer to “Notification of Revision to the Forecast of Consolidated Results for the Fiscal Year 2022” announced today.

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 December 31, 2022.

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

Operating profit excluding inventory valuation factors:

Forecast for FY2022: 220,000 million yen (percentage change from the previous fiscal year: (47.1)%)

(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)

Third Quarter of FY2022 ended December 31, 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

Third Quarter of FY2022 ended December 31, 2022:	215,702,775 shares
FY2021 ended March 31, 2022:	19,086,925 shares
 - (iii) Average number of shares issued during the period

Third Quarter of FY2022 ended December 31, 2022:	3,110,986,134 shares
Third Quarter of FY2021 ended December 31, 2021:	3,211,060,610 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 same 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 same 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)	3Q of FY2022 (As of December 31, 2022)
ASSETS		
Current assets		
Cash and cash equivalents	547,272	443,708
Trade and other receivables	1,499,758	1,819,328
Inventories	1,994,830	2,427,941
Other financial assets	121,193	170,456
Other current assets	145,533	464,801
Total current assets	4,308,586	5,326,234
Non-current assets		
Property, plant and equipment	3,543,053	3,692,675
Goodwill	251,175	259,068
Intangible assets	518,995	525,319
Investments accounted for using the equity method	497,571	447,278
Other financial assets	470,550	372,687
Other non-current assets	19,114	26,816
Deferred tax assets	39,175	36,973
Total non-current assets	5,339,633	5,360,816
TOTAL ASSETS	9,648,219	10,687,050

(Millions of yen)

	FY2021 (As of March 31, 2022)	3Q of FY2022 (As of December 31, 2022)
LIABILITIES		
Current liabilities		
Trade and other payables	1,789,756	2,039,537
Bonds and borrowings	858,829	1,635,164
Income taxes payable	36,351	68,535
Lease liabilities	69,275	78,199
Other financial liabilities	91,888	29,696
Provisions	28,067	12,776
Other current liabilities	408,842	361,577
Total current liabilities	3,283,008	4,225,484
Non-current liabilities		
Bonds and borrowings	1,876,629	1,977,178
Liabilities for retirement benefits	220,188	227,588
Lease liabilities	413,276	421,442
Other financial liabilities	42,462	37,027
Provisions	125,923	142,857
Other non-current liabilities	55,887	55,336
Deferred tax liabilities	396,767	375,159
Total non-current liabilities	3,131,132	3,236,587
Total liabilities	6,414,140	7,462,071
EQUITY		
Common stock	100,000	100,000
Capital surplus	1,049,093	1,034,503
Retained earnings	1,517,733	1,566,163
Treasury stock	(8,557)	(108,228)
Other components of equity	202,528	215,446
Total equity attributable to owners of the parent	2,860,797	2,807,884
Non-controlling interests	373,282	417,095
Total equity	3,234,079	3,224,979
TOTAL LIABILITIES AND EQUITY	9,648,219	10,687,050

**(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)

	3Q of FY2021 (From April 1, 2021 to December 31, 2021)	3Q of FY2022 (From April 1, 2022 to December 31, 2022)
Revenue	7,631,320	11,335,131
Cost of sales	6,536,851	10,441,206
Gross profit	1,094,469	893,925
Selling, general and administrative expenses	622,840	703,696
Share of profit of investments accounted for using the equity method	62,840	57,174
Other operating income	38,360	60,523
Other operating expenses	42,690	58,164
Operating profit	530,139	249,762
Finance income	6,507	12,956
Finance costs	21,425	29,880
Profit before tax	515,221	232,838
Income tax expense	144,360	89,246
Profit	370,861	143,592
Profit attributable to:		
Owners of the parent	331,826	96,045
Non-controlling interests	39,035	47,547
Profit	370,861	143,592
		(Yen)
Basic profit per share	103.34	30.87
Diluted profit per share	103.09	30.80

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

(Millions of yen)

	3Q of FY2021 (From April 1, 2021 to December 31, 2021)	3Q of FY2022 (From April 1, 2022 to December 31, 2022)
Profit	370,861	143,592
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)	16,600	(40,969)
Remeasurement gains (losses) on defined benefit plans	9,164	(7,046)
Shares of other comprehensive income of investments accounted for using the equity method	9	1,349
Total	25,773	(46,666)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	16,376	56,263
Changes in fair value of cash flow hedges	15,731	9,211
Shares of other comprehensive income of investments accounted for using the equity method	5,984	16,634
Total	38,091	82,108
Other comprehensive income, net of tax	63,864	35,442
Total comprehensive income	434,725	179,034
Comprehensive income attributable to:		
Owners of the parent	383,841	124,942
Non-controlling interests	50,884	54,092
Total comprehensive income	434,725	179,034

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

Third Quarter of FY2021 (April 1, 2021 – December 31, 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	–	–	331,826	–	–	–
Other comprehensive income	–	–	–	–	15,334	7,248
Total comprehensive income	–	–	331,826	–	15,334	7,248
Purchase of treasury stock	–	–	–	(46)	–	–
Disposal of treasury stock	–	(285)	–	286	–	–
Cash dividends	–	–	(70,733)	–	–	–
Share-based payment transactions	–	331	–	–	–	–
Equity transactions with non-controlling interests, etc.	–	(13,228)	–	–	3,400	–
Transfer from other components of equity to retained earnings	–	–	10,137	–	(849)	–
Transfer from other components of equity to non-financial assets	–	–	–	–	–	(10,746)
Other	–	470	–	–	–	–
Total transactions with owners	–	(12,712)	(60,596)	240	2,551	(10,746)
Balance as of December 31, 2021	100,000	1,053,747	1,313,646	(8,553)	111,069	(10,349)

	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	–	–	–	331,826	39,035	370,861
Other comprehensive income	20,145	9,288	52,015	52,015	11,849	63,864
Total comprehensive income	20,145	9,288	52,015	383,841	50,884	434,725
Purchase of treasury stock	–	–	–	(46)	–	(46)
Disposal of treasury stock	–	–	–	1	–	1
Cash dividends	–	–	–	(70,733)	(21,140)	(91,873)
Share-based payment transactions	–	–	–	331	–	331
Equity transactions with non-controlling interests, etc.	–	–	3,400	(9,828)	(122,820)	(132,648)
Transfer from other components of equity to retained earnings	–	(9,288)	(10,137)	–	–	–
Transfer from other components of equity to non-financial assets	–	–	(10,746)	(10,746)	(8,436)	(19,182)
Other	–	–	–	470	1,956	2,426
Total transactions with owners	–	(9,288)	(17,483)	(90,551)	(150,440)	(240,991)
Balance as of December 31, 2021	58,838	–	159,558	2,618,398	327,904	2,946,302

Third Quarter of FY2022 (April 1, 2022 – December 31, 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	–	–	96,045	–	–	–
Other comprehensive income (loss)	–	–	–	–	(36,982)	11,431
Total comprehensive income (loss)	–	–	96,045	–	(36,982)	11,431
Purchase of treasury stock	–	–	–	(100,045)	–	–
Disposal of treasury stock	–	(374)	–	374	–	–
Cash dividends	–	–	(69,159)	–	–	–
Share-based payment transactions	–	269	–	–	–	–
Equity transactions with non-controlling interests, etc.	–	(15,507)	–	–	(9,791)	–
Transfer from other components of equity to retained earnings	–	–	21,544	–	(28,672)	–
Transfer from other components of equity to non-financial assets	–	–	–	–	–	15,356
Changes due to business combination	–	–	–	–	–	–
Other	–	1,022	–	–	–	–
Total transactions with owners	–	(14,590)	(47,615)	(99,671)	(38,463)	15,356
Balance as of December 31, 2022	100,000	1,034,503	1,566,163	(108,228)	67,215	4,805

	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	–	–	–	96,045	47,547	143,592
Other comprehensive income (loss)	61,576	(7,128)	28,897	28,897	6,545	35,442
Total comprehensive income (loss)	61,576	(7,128)	28,897	124,942	54,092	179,034
Purchase of treasury stock	–	–	–	(100,045)	–	(100,045)
Disposal of treasury stock	–	–	–	0	–	0
Cash dividends	–	–	–	(69,159)	(11,071)	(80,230)
Share-based payment transactions	–	–	–	269	–	269
Equity transactions with non-controlling interests, etc.	–	–	(9,791)	(25,298)	(8,705)	(34,003)
Transfer from other components of equity to retained earnings	–	7,128	(21,544)	–	–	–
Transfer from other components of equity to non-financial assets	–	–	15,356	15,356	8,355	23,711
Changes due to business combination	–	–	–	–	3,392	3,392
Other	–	–	–	1,022	(2,250)	(1,228)
Total transactions with owners	–	7,128	(15,979)	(177,855)	(10,279)	(188,134)
Balance as of December 31, 2022	143,426	–	215,446	2,807,884	417,095	3,224,979

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

(Notes on the Assumption of a Going Concern)

None

(Segment Information)

I. Third Quarter of FY2021 (April 1, 2021 – December 31, 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 4)	Recorded amount on consolidated financial statements
Revenue							
Revenue from external customers (Note 1)	6,165,841	161,282	982,354	7,309,477	321,843	–	7,631,320
Inter-segment revenue or transfers (Note 2)	3,051	72	1,157	4,280	29,390	(33,670)	–
Total	6,168,892	161,354	983,511	7,313,757	351,233	(33,670)	7,631,320
Segment profit (loss) (Note 3)	300,738	71,575	122,724	495,037	32,050	3,052	530,139
Finance income							6,507
Finance costs							21,425
Profit before tax							515,221

- (Notes)
1. Revenue from external customers includes income generated from contracts with customers as well as income generated from other sources.
 2. Inter-reporting segment revenue or transfers are based on actual market prices.
 3. Segment profit (loss) is stated as operating profit in the summary of the quarterly consolidated statements of profit or loss.
 4. The segment profit (loss) adjustment of 3,052 million yen includes the net amount of 2,173 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the “Other” category.

II. Third Quarter of FY2022 (April 1, 2022 – December 31, 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 4)	Recorded amount on consolidated financial statements
Revenue							
Revenue from external customers (Note 1)	9,617,511	155,565	1,215,006	10,988,082	347,049	–	11,335,131
Inter-segment revenue or transfers (Note 2)	3,567	205	1,270	5,042	31,017	(36,059)	–
Total	9,621,078	155,770	1,216,276	10,993,124	378,066	(36,059)	11,335,131
Segment profit (loss) (Note 3)	2,103	95,596	116,874	214,573	34,116	1,073	249,762
Finance income							12,956
Finance costs							29,880
Profit before tax							232,838

- (Notes)
1. Revenue from external customers includes income generated from contracts with customers as well as income generated from other sources.
 2. Inter-reporting segment revenue or transfers are based on actual market prices.
 3. Segment profit (loss) is stated as operating profit in the summary of the quarterly consolidated statements of profit or loss.
 4. The segment profit (loss) adjustment of 1,073 million yen includes the net amount of 4,635 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the “Other” category.