

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



October 31, 2023

## Consolidated Financial Results for the First Six 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: November 13, 2023

Scheduled date to commence dividend payments: December 6, 2023

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

Holding of quarterly financial results presentation meeting: Yes (for institutional investors and analysts)

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

### 1. Consolidated financial results for the first six months of the fiscal year ending March 31, 2024 (from April 1, 2023 to September 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	%
Six months ended												
September 30, 2023	455,635	(8.8)	15,885	46.7	15,430	31.1	10,418	28.0	8,917	28.5	11,230	27.2
September 30, 2022	499,522	25.5	10,830	18.5	11,771	19.8	8,139	18.3	6,939	25.5	8,830	31.8

	Basic earnings per share attributable to Itochu Enex's shareholders	Diluted earnings per share attributable to Itochu Enex's shareholders
Six months ended	Yen	Yen
September 30, 2023	79.01	—
September 30, 2022	61.47	—

(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	%
September 30, 2023	426,551	187,839	159,783	37.5
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	–	26.00			
March 31, 2024					
Fiscal year ending			–	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

**\* 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 September 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 September 30, 2023	3,996,873 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 six months ended September 30, 2023	112,863,483 shares
For the six months ended September 30, 2022	112,884,531 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 Six Months

## (1) Explanation of Operating Results

### 1) Results of operations

During the six months ended September 30, 2023, the outlook for the Japanese economy such as the heightening of geopolitical risks and the impact of foreign exchange rates was expected to become even more uncertain going forward, although the high domestic prices of petroleum products, electricity and other energy 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, ¥16.0 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 six months ended September 30, 2023 are as follows.

(Millions of yen)			
	Six months ended September 30, 2022	Six months ended September 30, 2023	Change
Revenue	499,522	455,635	(43,887)
Profit from operating activities	10,830	15,885	5,055
Net profit attributable to Itochu Enex's shareholders	6,939	8,917	1,978

Revenue was ¥455,635 million (down 8.8% 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 ¥15,885 million (up 46.7% year on year). Net profit attributable to Itochu Enex's shareholders was ¥8,917 million (up 28.5% year on year). This was mainly due to contributions from the electricity power retail business and car dealer business as well as one-time profit from the sale of non-current assets due to asset turnover, despite the reactionary effect of the Industrial Business Division's strong performance in the same period of the previous fiscal year and the negative impact on profit margins from changes in unit inventory 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)			
	Six months ended September 30, 2022	Six months ended September 30, 2023	Change
Revenue	35,085	28,373	(6,712)
Profit (loss) from operating activities	242	(418)	(660)
Net profit (loss) attributable to Itochu Enex's shareholders	583	(653)	(1,236)

LP gas business: The number of customers under direct LP gas supply contracts increased by approximately 8,000 from the end of the previous fiscal year to approximately 573,000 as a result of

acquiring new customers and sales rights in the LP gas business. LP gas sales volume decreased year on year mainly due to the impact of higher average temperatures year on year.

The operating results for the six months ended September 30, 2023 are as follows.

Revenue was ¥28,373 million (down 19.1% year on year). This was mainly due to a decrease in selling prices caused by a drop in LP gas import prices year on year.

Loss from operating activities was ¥418 million (profit of ¥242 million for the same period of the previous fiscal year). Loss attributable to Itochu Enex's shareholders was ¥653 million (profit of ¥583 million for the same period of the previous fiscal year). This was mainly due to the negative 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)

	Six months ended September 30, 2022	Six months ended September 30, 2023	Change
Revenue	273,440	298,388	24,948
Profit from operating activities	4,391	7,013	2,622
Net profit attributable to Itochu Enex's shareholders	2,365	3,831	1,466

Car-Life Stations (CS)<sup>(\*2)</sup> business: The number of CS was 1,590, a decrease of 20 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 an increase in overall sales volume year on year due to strong new car sales volume resulting from a recovery of the semiconductor supply.

The operating results for the six months ended September 30, 2023 are as follows.

Revenue was ¥298,388 million (up 9.1% year on year). This was mainly due to an increase in sales volumes of petroleum products.

Profit from operating activities was ¥7,013 million (up 59.7% year on year). Net profit attributable to Itochu Enex's shareholders was ¥3,831 million (up 62.0% year on year). This was mainly due to strong sales of new models in the car dealer business as well as one-time profit from the sale of the CS site (¥1,534 million impact on profit from operating activities).

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

## Industrial Business Division

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023	Change
Revenue	136,469	67,583	(68,886)
Profit from operating activities	5,011	1,474	(3,537)
Net profit attributable to Itochu Enex's shareholders	3,456	1,072	(2,384)

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.

Asphalt sales business: Sales volumes increased year on year due mainly to the acquisition of new commercial rights.

The operating results for the six months ended September 30, 2023 are as follows.

Revenue was ¥67,583 million (down 50.5% 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 ¥1,474 million (down 70.6% year on year). Net profit attributable to Itochu Enex's shareholders was ¥1,072 million (down 69.0% year on year). This was mainly due to the rebound of the distribution terminal business and marine fuel sales 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)		
	Six months ended September 30, 2022	Six months ended September 30, 2023	Change
Revenue	54,528	61,291	6,763
Profit from operating activities	807	7,352	6,545
Net profit attributable to Itochu Enex's shareholders	323	4,435	4,112

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 321,000 (down approximately 13,000 year on year).

Heat supply business<sup>(\*5)</sup>: Heat sales volume increased year on year due to an increase in air conditioning use in conjunction with higher average temperatures year on year.

The operating results for the six months ended September 30, 2023 are as follows.

Revenue was ¥61,291 million (up 12.4% 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 ¥7,352 million (profit of ¥807 million for the same period of the previous fiscal year). Net profit attributable to Itochu Enex's shareholders was ¥4,435 million (profit of ¥323 million for the same period of the previous fiscal year). This was mainly due to a contribution from the electricity power retail business due to selling price revisions 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).

(\*4) Sales volume of electricity power retail business 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

	As of March 31, 2023	As of September 30, 2023	(Millions of yen) Change
Total assets	433,024	426,551	(6,473)
Total liabilities	252,696	238,712	(13,984)
Total equity	180,328	187,839	7,511

Total assets amounted to ¥426,551 million as of September 30, 2023, a decrease of ¥6,473 million from March 31, 2023. This was mainly due to a decrease in property, plant and equipment of ¥19,908 million due to the sale of non-current assets, a decrease in cash and cash equivalents of ¥8,222 million resulting from using the cash proceeds of sales to repay borrowings, etc., and deposits paid to the parent, and an increase in other current financial assets of ¥23,594 million. Total liabilities amounted to ¥238,712 million, a decrease of ¥13,984 million from March 31, 2023. This was mainly due to a decrease in bonds and borrowings of ¥11,373 million. Total equity totaled ¥187,839 million, an increase of ¥7,511 million from March 31, 2023, due to factors including an increase of ¥8,917 million from net profit attributable to Itochu Enex's shareholders and a decrease of ¥3,751 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 0.13 times.

	Six months ended September 30, 2022	Six months ended September 30, 2023	(Millions of yen) Change
Cash flows from operating activities	11,852	12,489	637
Cash flows from investing activities	(5,507)	461	5,968
[Free cash flows]	[6,345]	[12,950]	[6,605]
Cash flows from financing activities	(14,813)	(21,224)	(6,411)
Net decrease in cash and cash equivalents	(8,468)	(8,274)	194
Effect of exchange rate changes on cash and cash equivalents	35	52	17
Cash and cash equivalents at the end of the period	29,712	23,791	(5,921)

Cash and cash equivalents (net cash) totaled ¥23,791 million as of September 30, 2023, down ¥8,222 million from March 31, 2023.

### Cash flows from operating activities

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023	Change
Cash flows from operating activities	11,852	12,489	637
Changes in working capital and others	(7,046)	(144)	6,902
Substantive operating cash flow <sup>(*6)</sup>	18,898	12,633	(6,265)

(\*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 ¥12,489 million. Major items included profit before tax of ¥15,430 million, depreciation and amortization of ¥10,499 million, gain from tangible assets, intangible assets and goodwill of ¥6,516 million, and income taxes paid of ¥8,037 million. Cash flows from operating activities increased by ¥637 million year on year. Moreover, substantive operating cash flow decreased by ¥6,265 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 ¥461 million. This was mainly due to proceeds from sales of property, plant and equipment and investment property, mainly a large-scale solar power plant (mega solar power plant) of ¥26,872 million, payments resulting from an increase in deposits of excess funds paid to the parent of ¥20,000 million, and payments for purchase of property, plant and equipment and investment property of ¥5,286 million. Cash flows from investing activities increased by ¥5,968 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 ¥21,224 million. This was mainly due to repayments of bonds and borrowings of ¥11,220 million, repayments of lease liabilities of ¥5,661 million, and cash dividends paid to Itochu Enex's shareholders of ¥2,938 million. Cash flows from financing activities decreased by ¥6,411 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 September 30, 2023
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	32,013	23,791
Trade receivables	115,920	109,277
Other current financial assets	14,251	37,845
Inventories	26,176	30,367
Income taxes receivable	100	188
Trade advances paid	907	81
Other current assets	1,774	1,974
Total current assets	191,141	203,523
Non-current assets		
Investments accounted for by the equity method	31,762	32,221
Other investments	3,442	3,735
Non-current financial assets other than investments	11,508	8,456
Property, plant and equipment	149,920	130,012
Investment property	12,732	13,194
Goodwill	521	521
Intangible assets	20,237	21,371
Deferred tax assets	9,354	12,071
Other non-current assets	2,407	1,447
Total non-current assets	241,883	223,028
Total assets	433,024	426,551

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Short-term bonds and borrowings	7,026	1,754
Trade payables	114,818	115,195
Lease liabilities	10,415	9,313
Other current financial liabilities	5,134	5,296
Income taxes payable	4,748	4,710
Advances from customers	11,031	11,888
Other current liabilities	12,951	10,317
<b>Total current liabilities</b>	<b>166,123</b>	<b>158,473</b>
<b>Non-current liabilities</b>		
Non-current bonds and borrowings	7,101	1,000
Lease liabilities	47,263	47,926
Other non-current financial liabilities	15,454	15,083
Non-current liabilities for employee benefits	10,344	10,484
Deferred tax liabilities	759	815
Provisions	5,515	4,790
Other non-current liabilities	137	141
<b>Total non-current liabilities</b>	<b>86,573</b>	<b>80,239</b>
<b>Total liabilities</b>	<b>252,696</b>	<b>238,712</b>
<b>Equity</b>		
Common stock	19,878	19,878
Capital surplus	19,014	19,015
Retained earnings	115,899	121,810
Other components of equity	66	945
Treasury stock	(1,896)	(1,865)
<b>Total shareholders' equity</b>	<b>152,961</b>	<b>159,783</b>
Non-controlling interests	27,367	28,056
<b>Total equity</b>	<b>180,328</b>	<b>187,839</b>
<b>Total liabilities and equity</b>	<b>433,024</b>	<b>426,551</b>

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

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Revenue	499,522	455,635
Cost of sales	(455,538)	(412,697)
Gross profit	43,984	42,938
Other income and expense		
Selling, general and administrative expenses	(33,312)	(33,918)
Gain (loss) from tangible assets, intangible assets and goodwill	(145)	6,516
Other – net	303	349
Total other income and expense	(33,154)	(27,053)
Profit from operating activities	10,830	15,885
Financial income and costs		
Interest income	17	42
Dividends received	49	90
Interest expense	(409)	(364)
Other financial income and costs – net	15	(380)
Total financial income and costs	(328)	(612)
Share of profit of investments accounted for by the equity method	1,269	157
Profit before tax	11,771	15,430
Income tax expense	(3,632)	(5,012)
Net profit	8,139	10,418
Net profit attributable to:		
Net profit attributable to Itochu Enex's shareholders	6,939	8,917
Net profit attributable to non-controlling interests	1,200	1,501
Total	8,139	10,418

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Other comprehensive income, net of tax effect		
Items that will not be reclassified to profit or loss		
FVTOCI financial assets	(17)	369
Other comprehensive income (loss) of investments accounted for by the equity method	(42)	155
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	28	21
Cash flow hedges	–	200
Other comprehensive income of investments accounted for by the equity method	722	67
Total other comprehensive income, net of tax effect	691	812
Comprehensive income	8,830	11,230
Comprehensive income attributable to:		
Comprehensive income attributable to Itochu Enex's shareholders	7,630	9,728
Comprehensive income attributable to non-controlling interests	1,200	1,502
Total	8,830	11,230

(Yen)

Earnings per share attributable to Itochu Enex's shareholders		
Basic	61.47	79.01
Diluted	–	–

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

Six months ended September 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			6,939			6,939	1,200	8,139
Other comprehensive income				691		691	0	691
Comprehensive income			6,939	691		7,630	1,200	8,830
Transactions with owners								
Cash dividends			(2,825)			(2,825)	(1,660)	(4,485)
Transfer from other components of equity to retained earnings			6	(6)		-		-
Purchase and disposal of treasury stock					(0)	(0)		(0)
Share-based payments		(1)			17	16		16
Balance at September 30, 2022	19,878	18,989	111,736	370	(1,854)	149,119	26,441	175,560

Six months ended September 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			8,917			8,917	1,501	10,418
Other comprehensive income				811		811	1	812
Comprehensive income			8,917	811		9,728	1,502	11,230
Transactions with owners								
Cash dividends			(2,938)			(2,938)	(813)	(3,751)
Transfer from other components of equity to retained earnings			(68)	68		-		-
Purchase and disposal of treasury stock					(0)	(0)		(0)
Share-based payments		1			31	32		32
Balance at September 30, 2023	19,878	19,015	121,810	945	(1,865)	159,783	28,056	187,839

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

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before tax	11,771	15,430
Depreciation and amortization	11,160	10,499
Loss (gain) from tangible assets, intangible assets and goodwill	145	(6,516)
Financial income and costs	328	612
Share of profit of investments accounted for by the equity method	(1,269)	(157)
Decrease in trade receivables	14,134	6,664
Increase in inventories	(5,467)	(4,186)
Increase (decrease) in trade payables	(13,366)	354
Other – net	(2,347)	(2,976)
Dividends received	644	1,089
Interest received	17	42
Interest expense	(447)	(329)
Income taxes paid	(3,569)	(8,037)
Income taxes refund	118	–
Net cash flows provided by operating activities	11,852	12,489
Cash flows from investing activities		
Purchase of investments (including investments accounted for by the equity method)	(1,394)	(1,923)
Proceeds from sales and redemption of investments (including investments accounted for by the equity method)	441	631
Payment for loans receivable	(430)	(124)
Collection of loans receivable	406	98
Payments for purchase of property, plant and equipment and investment property	(6,407)	(5,286)
Proceeds from sales of property, plant and equipment and investment property	104	26,872
Purchase of intangible assets	(930)	(2,854)
Proceeds from sales of intangible assets	2	280
Increase in deposits paid – net	–	(20,000)
Other – net	2,701	2,767
Net cash flows provided by (used in) investing activities	(5,507)	461



(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from financing activities		
Proceeds from bonds and borrowings	50	500
Repayments of bonds and borrowings	(14,936)	(11,220)
Repayments of lease liabilities	(5,778)	(5,661)
Net increase (decrease) in short-term borrowings	10,336	(709)
Cash dividends paid to Itochu Enex's shareholders	(2,825)	(2,938)
Cash dividends paid to non-controlling interests	(1,660)	(813)
Purchase of treasury stock	(0)	(0)
Other – net	–	(383)
Net cash flows used in financing activities	(14,813)	(21,224)
Net decrease in cash and cash equivalents	(8,468)	(8,274)
Cash and cash equivalents at the beginning of the period	38,145	32,013
Effect of exchange rate changes on cash and cash equivalents	35	52
Cash and cash equivalents at the end of the period	29,712	23,791

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

No items to report.

## (6) Segment Information

Six months ended September 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	35,085	273,440	136,469	54,528	499,522	–	499,522
Intersegment revenue	157	3,840	4,908	1,390	10,295	(10,295)	–
Total revenue	35,242	277,280	141,377	55,918	509,817	(10,295)	499,522
Gross profit	8,306	23,820	8,373	3,485	43,984	–	43,984
Profit from operating activities	242	4,391	5,011	807	10,451	379	10,830
Profit before tax	1,046	4,263	4,989	1,110	11,408	363	11,771
Net profit attributable to Itochu Enex's shareholders	583	2,365	3,456	323	6,727	212	6,939
Other items							
Total assets	63,238	155,501	69,893	118,329	406,961	23,677	430,638

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

The adjustment of ¥212 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥23,677 million to total assets represents corporate assets not allocated to reportable segments.

## Six months ended September 30, 2023

(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	28,373	298,388	67,583	61,291	455,635	–	455,635
Intersegment revenue	278	3,469	2,347	208	6,302	(6,302)	–
Total revenue	28,651	301,857	69,930	61,499	461,937	(6,302)	455,635
Gross profit	7,260	25,517	4,726	5,435	42,938	–	42,938
Profit (loss) from operating activities	(418)	7,013	1,474	7,352	15,421	464	15,885
Profit (loss) before tax	(679)	6,916	1,556	7,206	14,999	431	15,430
Net (loss) profit attributable to Itochu Enex's shareholders	(653)	3,831	1,072	4,435	8,685	232	8,917
Other items							
Total assets	59,556	172,500	64,990	87,929	384,975	41,576	426,551

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

The adjustment of ¥232 million to net profit attributable to Itochu Enex's shareholders represents corporate profit (loss) not allocated to reportable segments.

The adjustment of ¥41,576 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 six 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.