



## Consolidated Financial Results for the Second Quarter of Fiscal Year 2020 [IFRS]

November 11, 2020

Company name: ENEOS Holdings, Inc. Stock Exchange Listings: Tokyo and Nagoya  
 Code number: 5020 URL: <https://www.hd.eneos.co.jp/>  
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 Scheduled date of filing of Quarterly Securities Report: November 13, 2020  
 Scheduled date of commencement of dividend payments: December 4, 2020  
 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 Second Quarter of FY2020 (From April 1, 2020 to September 30, 2020)

(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	%
2Q of FY2020	3,362,321	(33.6)	88,904	(32.1)	77,113	(34.6)	36,433	(48.7)	32,737	(1.7)
2Q of FY2019	5,063,069	(6.8)	130,865	(70.3)	117,878	(72.2)	71,038	(75.1)	33,296	(90.2)

	Basic profit per share	Diluted profit per share
	Yen	Yen
2Q of FY2020	11.33	11.32
2Q of FY2019	21.68	21.67

### (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	%
2Q of FY2020	7,763,726	2,675,375	2,278,547	29.3
FY2019	8,011,292	2,707,908	2,311,046	28.8

### 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
FY2019	-	11.00	-	11.00	22.00
FY2020	-	11.00	-	-	-
FY2020 (Forecast)	-	-	-	11.00	22.00

Note: Revision to the most recent dividend forecast: No

### 3. Forecasts of Consolidated Results for Fiscal Year 2020 (From April 1, 2020 to March 31, 2021)

(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	%	
FY2020	7,500,000	(25.1)	200,000	-	175,000	-	90,000	-	Yen 28.03

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

Regarding the revisions to the forecasts of consolidated results, please refer to “Notification of Revisions to the Forecasts of Consolidated Results for the Fiscal Year 2020” 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 September 30, 2020.

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

Operating profit excluding inventory valuation factors:

Forecasts for FY2020: 190,000 million yen (percentage change from the previous fiscal year: 96.5%)

(Reference) Actual results for FY2019: 96,700 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)  
Second Quarter of FY2020 ended September 30, 2020: 3,230,282,649 shares  
FY2019 ended March 31, 2020: 3,230,282,649 shares
  - (ii) Number of shares of treasury stock at the end of the period  
Second Quarter of FY2020 ended September 30, 2020: 19,582,407 shares  
FY2019 ended March 31, 2020: 12,819,877 shares
  - (iii) Average number of shares issued during the period  
Second Quarter of FY2020 ended September 30, 2020: 3,215,873,029 shares  
Second Quarter of FY2019 ended September 30, 2019: 3,277,287,951 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)

	FY2019 (As of March 31, 2020)	2Q of FY2020 (As of September 30, 2020)
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	398,573	379,516
Trade and other receivables	1,020,570	864,861
Inventories	1,181,688	1,240,844
Other financial assets	61,963	39,487
Other current assets	183,673	160,375
Sub total	2,846,467	2,685,083
Assets held for sale	32,094	35,274
Total current assets	2,878,561	2,720,357
Non-current assets		
Property, plant and equipment	3,724,861	3,615,626
Goodwill	185,730	185,612
Intangible assets	345,371	340,663
Investments accounted for using the equity method	407,207	416,214
Other financial assets	343,342	344,793
Other non-current assets	8,802	9,467
Deferred tax assets	117,418	130,994
Total non-current assets	5,132,731	5,043,369
<b>TOTAL ASSETS</b>	<b>8,011,292</b>	<b>7,763,726</b>

(Millions of yen)

	FY2019 (As of March 31, 2020)	2Q of FY2020 (As of September 30, 2020)
<b>LIABILITIES</b>		
Current liabilities		
Trade and other payables	1,343,909	1,252,084
Bonds and borrowings	914,781	774,705
Income taxes payable	18,275	28,923
Lease liabilities	70,595	71,144
Other financial liabilities	30,647	21,705
Provisions	13,174	20,550
Other current liabilities	320,446	310,773
Sub total	2,711,827	2,479,884
Liabilities directly related to assets held for sale	5,748	8,374
Total current liabilities	2,717,575	2,488,258
Non-current liabilities		
Bonds and borrowings	1,386,065	1,422,554
Liabilities for retirement benefits	272,124	262,875
Lease liabilities	445,244	431,762
Other financial liabilities	32,075	31,631
Provisions	165,994	161,815
Other non-current liabilities	51,873	55,064
Deferred tax liabilities	232,434	234,392
Total non-current liabilities	2,585,809	2,600,093
Total liabilities	5,303,384	5,088,351
<b>EQUITY</b>		
Common stock	100,000	100,000
Capital surplus	1,138,884	1,124,534
Retained earnings	982,786	990,244
Treasury stock	(6,003)	(8,775)
Other components of equity	95,379	72,544
Total equity attributable to owners of the parent	2,311,046	2,278,547
Non-controlling interests	396,862	396,828
Total equity	2,707,908	2,675,375
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>8,011,292</b>	<b>7,763,726</b>

**(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)

	2Q of FY2019 (From April 1, 2019 to September 30, 2019)	2Q of FY2020 (From April 1, 2020 to September 30, 2020)
Revenue	5,063,069	3,362,321
Cost of sales	4,578,724	2,894,073
Gross profit	484,345	468,248
Selling, general and administrative expenses	399,555	379,759
Share of profit of investments accounted for using the equity method	25,834	24,293
Other operating income	39,741	22,174
Other operating expenses	19,500	46,052
Operating profit	130,865	88,904
Finance income	4,747	2,665
Finance costs	17,734	14,456
Profit before tax	117,878	77,113
Income tax expense	35,151	25,874
Profit	82,727	51,239
Profit attributable to:		
Owners of the parent	71,038	36,433
Non-controlling interests	11,689	14,806
Profit	82,727	51,239
		(Yen)
Basic profit per share	21.68	11.33
Diluted profit per share	21.67	11.32

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

(Millions of yen)

	2Q of FY2019 (From April 1, 2019 to September 30, 2019)	2Q of FY2020 (From April 1, 2020 to September 30, 2020)
Profit	82,727	51,239
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)	(15,526)	4,077
Remeasurement gains on defined benefit plans	4,418	5,823
Shares of other comprehensive income (loss) of investments accounted for using the equity method	(262)	41
Total	(11,370)	9,941
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(25,389)	(17,388)
Changes in fair value of cash flow hedges	(2,858)	(3,318)
Shares of other comprehensive income (loss) of investments accounted for using the equity method	(9,814)	(7,737)
Total	(38,061)	(28,443)
Other comprehensive income (loss), net of tax	(49,431)	(18,502)
Total comprehensive income	33,296	32,737
Comprehensive income attributable to:		
Owners of the parent	26,081	19,599
Non-controlling interests	7,215	13,138
Total comprehensive income	33,296	32,737

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

Second Quarter of FY2019 (April 1, 2019 – September 30, 2019)

(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, 2019	100,000	1,222,193	1,272,960	(29,698)	111,486	(8,877)
Cumulative effect of Changes in accounting policies	-	-	(2,072)	-	-	-
Restated balance	100,000	1,222,193	1,270,888	(29,698)	111,486	(8,877)
Profit	-	-	71,038	-	-	-
Other comprehensive income (loss)	-	-	-	-	(15,803)	(2,219)
Total comprehensive income (loss)	-	-	71,038	-	(15,803)	(2,219)
Purchase of treasury stock	-	-	-	(53,970)	-	-
Disposal of treasury stock	-	0	-	0	-	-
Cancellation of treasury stock	-	(28,634)	-	28,634	-	-
Cash dividends	-	-	(36,660)	-	-	-
Share-based payment transactions	-	67	-	105	-	-
Equity transactions with non-controlling interests, etc.	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	3,541	-	738	-
Transfer from other components of equity to non-financial assets	-	-	-	-	-	(390)
Other	-	(316)	-	(244)	-	-
Total transactions with owners	-	(28,883)	(33,119)	(25,475)	738	(390)
Balance as of September 30, 2019	100,000	1,193,310	1,308,807	(55,173)	96,421	(11,486)

	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, 2019	49,776	-	152,385	2,717,840	401,976	3,119,816
Cumulative effect of Changes in accounting policies	-	-	-	(2,072)	(867)	(2,939)
Restated balance	49,776	-	152,385	2,715,768	401,109	3,116,877
Profit	-	-	-	71,038	11,689	82,727
Other comprehensive income (loss)	(31,214)	4,279	(44,957)	(44,957)	(4,474)	(49,431)
Total comprehensive income (loss)	(31,214)	4,279	(44,957)	26,081	7,215	33,296
Purchase of treasury stock	-	-	-	(53,970)	-	(53,970)
Disposal of treasury stock	-	-	-	0	-	0
Cancellation of treasury stock	-	-	-	-	-	-
Cash dividends	-	-	-	(36,660)	(15,806)	(52,466)
Share-based payment transactions	-	-	-	172	-	172
Equity transactions with non-controlling interests, etc.	-	-	-	-	(638)	(638)
Transfer from other components of equity to retained earnings	-	(4,279)	(3,541)	-	-	-
Transfer from other components of equity to non-financial assets	-	-	(390)	(390)	(10)	(400)
Other	-	-	-	(560)	754	194
Total transactions with owners	-	(4,279)	(3,931)	(91,408)	(15,700)	(107,108)
Balance as of September 30, 2019	18,562	-	103,497	2,650,441	392,624	3,043,065



Second Quarter of FY2020 (April 1, 2020 – September 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	-	-	36,433	-	-	-
Other comprehensive income (loss)	-	-	-	-	2,797	(3,428)
Total comprehensive income (loss)	-	-	36,433	-	2,797	(3,428)
Purchase of treasury stock	-	-	-	(3,035)	-	-
Disposal of treasury stock	-	(263)	-	263	-	-
Cash dividends	-	-	(35,437)	-	-	-
Share-based payment transactions	-	195	-	-	-	-
Equity transactions with non-controlling interests, etc.	-	(13,668)	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	6,462	-	(371)	-
Transfer from other components of equity to non-financial assets	-	-	-	-	-	461
Other	-	(614)	-	-	-	-
Total transactions with owners	-	(14,350)	(28,975)	(2,772)	(371)	461
Balance as of September 30, 2020	100,000	1,124,534	990,244	(8,775)	78,555	(5,761)

	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	-	-	-	36,433	14,806	51,239
Other comprehensive income (loss)	(22,294)	6,091	(16,834)	(16,834)	(1,668)	(18,502)
Total comprehensive income (loss)	(22,294)	6,091	(16,834)	19,599	13,138	32,737
Purchase of treasury stock	-	-	-	(3,035)	-	(3,035)
Disposal of treasury stock	-	-	-	-	-	-
Cash dividends	-	-	-	(35,437)	(11,823)	(47,260)
Share-based payment transactions	-	-	-	195	-	195
Equity transactions with non-controlling interests, etc.	-	-	-	(13,668)	(2,290)	(15,958)
Transfer from other components of equity to retained earnings	-	(6,091)	(6,462)	-	-	-
Transfer from other components of equity to non-financial assets	-	-	461	461	771	1,232
Other	-	-	-	(614)	170	(444)
Total transactions with owners	-	(6,091)	(6,001)	(52,098)	(13,172)	(65,270)
Balance as of September 30, 2020	(250)	-	72,544	2,278,547	396,828	2,675,375

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

(Notes on the Assumption of a Going Concern)

None

(Segment Information)

##### I. Second Quarter of FY2019 (April 1, 2019 – September 30, 2019)

##### 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	4,277,916	59,085	498,153	4,835,154	227,915	-	5,063,069
Inter-segment revenue or transfers (Note 1)	2,507	-	927	3,434	23,151	(26,585)	-
Total	4,280,423	59,085	499,080	4,838,588	251,066	(26,585)	5,063,069
Segment profit (loss) (Note 2)	49,175	24,826	35,225	109,226	16,934	4,705	130,865
Finance income							4,747
Finance costs							17,734
Profit before tax							117,878

- (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 4,705 million yen includes the net amount of 3,618 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the “Other” category.

##### II. Second Quarter of FY2020 (April 1, 2020 – September 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	2,606,047	47,168	494,023	3,147,238	215,083	-	3,362,321
Inter-segment revenue or transfers (Note 1)	1,831	-	954	2,785	20,247	(23,032)	-
Total	2,607,878	47,168	494,977	3,150,023	235,330	(23,032)	3,362,321
Segment profit (loss) (Note 2)	20,088	1,543	36,940	58,571	26,626	3,707	88,904
Finance income							2,665
Finance costs							14,456
Profit before tax							77,113

- (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 3,707 million yen includes the net amount of 4,657 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the “Other” category.