

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



Consolidated Financial Results for the Fiscal Year 2021 [IFRS]

May 13, 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
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 Scheduled date of ordinary general meeting of shareholders: June 28, 2022
 Scheduled date of filing of Securities Report: June 28, 2022
 Scheduled date of commencement of dividend payments: June 29, 2022
 Supplemental materials for the financial results: Yes
 Financial results presentation: Yes (for institutional investors and analysts)

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

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

(1) Operating Results

(Percentage figures represent changes from the previous fiscal year.)

	Revenue		Operating profit		Profit before tax		Profit for the year attributable to owners of the parent		Total comprehensive income for the year	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2021	10,921,759	42.6	785,905	209.2	771,789	234.3	537,117	371.2	677,727	316.5
FY2020	7,658,011	(23.5)	254,175	—	230,891	—	113,998	—	162,708	—

	Basic profit per share	Diluted profit per share	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets	Operating profit ratio to revenue
	Yen	Yen	%	%	%
FY2021	167.27	166.87	20.7	8.7	7.2
FY2020	35.48	35.42	4.9	2.9	3.3

(Reference) Equity in earnings of affiliates: FY2021: 86,811 million yen; FY2020: 59,387 million yen

(2) Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Equity ratio attributable to owners of the parent	Equity attributable to owners of the parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
FY2021	9,648,219	3,234,079	2,860,797	29.7	890.88
FY2020	8,058,818	2,752,568	2,325,108	28.9	724.18

(3) Cash Flows

	Net cash flows from operating activities	Net cash flows from investing activities	Net cash flows from financing activities	Cash and cash equivalents at the end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2021	209,509	(349,925)	226,046	523,988
FY2020	679,094	(306,791)	(355,081)	412,300

2. Dividends

	Annual cash dividends per share					Total dividend amount	Dividend payout ratio (Consolidated)	Dividend ratio of equity attributable to owners of the parent (Consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-End	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2020	–	11.00	–	11.00	22.00	70,906	62.0	3.1
FY2021	–	11.00	–	11.00	22.00	70,906	13.2	2.7
FY2022 (Forecast)	–	11.00	–	11.00	22.00		41.6	

Note: Average number of shares issued during the period that forms the basis for the calculation of dividend payout ratio (consolidated) for FY2022 (forecast) specified above is calculated with the number of issued shares (excluding treasury stock) as of March 31, 2022.

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 for the year 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)	52.94

Note: 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 March 31, 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: Japan Renewable Energy Corporation
Excluded: JX Nippon Exploration and Production (U.K.) Limited
- (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)
FY2021 ended March 31, 2022: 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
FY2021 ended March 31, 2022: 19,086,925 shares
FY2020 ended March 31, 2021: 19,626,899 shares
 - (iii) Average number of shares issued during the period
FY2021 ended March 31, 2022: 3,211,095,652 shares
FY2020 ended March 31, 2021: 3,213,274,772 shares
- This report is not subject to audit 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.

Consolidated Financial Statements and Major Explanatory Notes Thereto

(1) Consolidated Statements of Financial Position

(Millions of yen)

	FY2020 (As of March 31, 2021)	FY2021 (As of March 31, 2022)
ASSETS		
Current assets		
Cash and cash equivalents	417,724	547,272
Trade and other receivables	1,129,421	1,499,758
Inventories	1,295,576	1,994,830
Other financial assets	50,530	121,193
Other current assets	141,626	145,533
Sub total	3,034,877	4,308,586
Assets held for sale	4,727	–
Total current assets	3,039,604	4,308,586
Non-current assets		
Property, plant and equipment	3,551,070	3,543,053
Goodwill	181,507	251,175
Intangible assets	342,391	518,995
Investments accounted for using the equity method	445,304	497,571
Other financial assets	386,295	470,550
Other non-current assets	10,080	19,114
Deferred tax assets	102,567	39,175
Total non-current assets	5,019,214	5,339,633
TOTAL ASSETS	8,058,818	9,648,219

(Millions of yen)

	FY2020 (As of March 31, 2021)	FY2021 (As of March 31, 2022)
LIABILITIES		
Current liabilities		
Trade and other payables	1,583,199	1,789,756
Bonds and borrowings	616,567	858,829
Income taxes payable	26,186	36,351
Other financial liabilities	28,808	91,888
Lease liabilities	71,756	69,275
Provisions	18,693	28,067
Other current liabilities	329,697	408,842
Total current liabilities	2,674,906	3,283,008
Non-current liabilities		
Bonds and borrowings	1,420,333	1,876,629
Liabilities for retirement benefits	242,269	220,188
Other financial liabilities	34,120	42,462
Lease liabilities	428,666	413,276
Provisions	175,634	125,923
Other non-current liabilities	53,272	55,887
Deferred tax liabilities	277,050	396,767
Total non-current liabilities	2,631,344	3,131,132
Total liabilities	5,306,250	6,414,140
EQUITY		
Common stock	100,000	100,000
Capital surplus	1,066,459	1,049,093
Retained earnings	1,042,416	1,517,733
Treasury stock	(8,793)	(8,557)
Other components of equity	125,026	202,528
Total equity attributable to owners of the parent	2,325,108	2,860,797
Non-controlling interests	427,460	373,282
Total equity	2,752,568	3,234,079
TOTAL LIABILITIES AND EQUITY	8,058,818	9,648,219

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

(Millions of yen)

	FY2020 (From April 1, 2020 to March 31, 2021)	FY2021 (From April 1, 2021 to March 31, 2022)
Revenue	7,658,011	10,921,759
Cost of sales	6,574,261	9,339,403
Gross profit	1,083,750	1,582,356
Selling, general and administrative expenses	802,776	871,558
Share of profit of investments accounted for using the equity method	59,387	86,811
Other operating income	122,443	116,107
Other operating expenses	208,629	127,811
Operating profit	254,175	785,905
Finance income	6,433	14,669
Finance costs	29,717	28,785
Profit before tax	230,891	771,789
Income tax expense	117,959	192,737
Profit for the year	112,932	579,052
Profit for the year attributable to:		
Owners of the parent	113,998	537,117
Non-controlling interests	(1,066)	41,935
Profit for the year	112,932	579,052
		(Yen)
Basic profit per share	35.48	167.27
Diluted profit per share	35.42	166.87

(Consolidated Statements of Comprehensive Income or Loss)

(Millions of yen)

	FY2020 (From April 1, 2020 to March 31, 2021)	FY2021 (From April 1, 2021 to March 31, 2022)
Profit for the year	112,932	579,052
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	19,651	49,472
Remeasurement gains on defined benefit plans	16,593	7,014
Shares of other comprehensive income of investments accounted for using the equity method	679	127
Total	36,923	56,613
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	2,530	35,681
Changes in fair value of cash flow hedges	9,199	(10,737)
Shares of other comprehensive income of investments accounted for using the equity method	1,124	17,118
Total	12,853	42,062
Other comprehensive income, net of tax	49,776	98,675
Total comprehensive income for the year	162,708	677,727
Comprehensive income for the year attributable to:		
Owners of the parent	149,991	622,348
Non-controlling interests	12,717	55,379
Total comprehensive income for the year	162,708	677,727

(3) Consolidated Statements of Changes in Equity

(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 for the year	-	-	113,998	-	-	-
Other comprehensive income	-	-	-	-	16,968	2,492
Total comprehensive income for the year	-	-	113,998	-	16,968	2,492
Purchase of treasury stock	-	-	-	(3,053)	-	-
Disposal of treasury stock	-	(263)	-	263	-	-
Cash dividends	-	-	(70,800)	-	-	-
Share-based payment transactions	-	436	-	-	-	-
Equity transactions with non-controlling interests, etc.	-	(69,451)	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	16,432	-	87	-
Transfer from other components of equity to non-financial assets, etc.	-	-	-	-	-	(6,549)
Other	-	(3,147)	-	-	-	-
Total transactions with owners	-	(72,425)	(54,368)	(2,790)	87	(6,549)
Balance as of March 31, 2021	100,000	1,066,459	1,042,416	(8,793)	93,184	(6,851)
Profit for the year	-	-	537,117	-	-	-
Other comprehensive income (loss)	-	-	-	-	47,951	(12,935)
Total comprehensive income (loss) for the year	-	-	537,117	-	47,951	(12,935)
Purchase of treasury stock	-	-	-	(50)	-	-
Disposal of treasury stock	-	(285)	-	286	-	-
Cash dividends	-	-	(70,733)	-	-	-
Share-based payment transactions	-	443	-	-	-	-
Equity transactions with non-controlling interests, etc.	-	(13,228)	-	-	3,400	-
Transfer from other components of equity to retained earnings	-	-	8,933	-	(1,875)	-
Transfer from other components of equity to non-financial assets, etc.	-	-	-	-	-	(2,196)
Changes due to business combination	-	-	-	-	-	-
Other	-	(4,296)	-	-	-	-
Total transactions with owners	-	(17,366)	(61,800)	236	1,525	(2,196)
Balance as of March 31, 2022	100,000	1,049,093	1,517,733	(8,557)	142,660	(21,982)

(Millions of yen)

	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 (loss) for the year	—	—	—	113,998	(1,066)	112,932
Other comprehensive income	15	16,518	35,993	35,993	13,783	49,776
Total comprehensive income for the year	15	16,518	35,993	149,991	12,717	162,708
Purchase of treasury stock	—	—	—	(3,053)	—	(3,053)
Disposal of treasury stock	—	—	—	0	—	0
Cash dividends	—	—	—	(70,800)	(14,618)	(85,418)
Share-based payment transactions	—	—	—	436	—	436
Equity transactions with non-controlling interests, etc.	16,634	—	16,634	(52,817)	36,658	(16,159)
Transfer from other components of equity to retained earnings	—	(16,518)	(16,431)	—	—	—
Transfer from other components of equity to non-financial assets, etc.	—	—	(6,549)	(6,549)	(6,330)	(12,879)
Other	—	—	—	(3,147)	2,171	(976)
Total transactions with owners	16,634	(16,518)	(6,346)	(135,929)	17,881	(118,048)
Balance as of March 31, 2021	38,693	—	125,026	2,325,108	427,460	2,752,568
Profit for the year	—	—	—	537,117	41,935	579,052
Other comprehensive income	43,157	7,058	85,231	85,231	13,444	98,675
Total comprehensive income for the year	43,157	7,058	85,231	622,348	55,379	677,727
Purchase of treasury stock	—	—	—	(50)	—	(50)
Disposal of treasury stock	—	—	—	1	—	1
Cash dividends	—	—	—	(70,733)	(21,671)	(92,404)
Share-based payment transactions	—	—	—	443	—	443
Equity transactions with non-controlling interests, etc.	—	—	3,400	(9,828)	(122,752)	(132,580)
Transfer from other components of equity to retained earnings	—	(7,058)	(8,933)	—	—	—
Transfer from other components of equity to non-financial assets, etc.	—	—	(2,196)	(2,196)	(4,914)	(7,110)
Changes due to business combination	—	—	—	—	37,971	37,971
Other	—	—	—	(4,296)	1,809	(2,487)
Total transactions with owners	—	(7,058)	(7,729)	(86,659)	(109,557)	(196,216)
Balance as of March 31, 2022	81,850	—	202,528	2,860,797	373,282	3,234,079

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2020 (From April 1, 2020 to March 31, 2021)	FY2021 (From April 1, 2021 to March 31, 2022)
Cash flows from operating activities:		
Profit before tax	230,891	771,789
Depreciation, depletion and amortization	326,899	331,982
Impairment loss	160,038	47,030
Gains from extinguishment of debt	(63,530)	–
Increase (decrease) in liabilities for retirement benefits	(13,626)	(15,590)
Increase (decrease) in provisions	8,913	1,543
Interest income and dividends income	(10,754)	(17,727)
Interest expenses	25,425	24,801
Share of loss (profit) of investments accounted for using the equity method	(59,387)	(86,811)
Loss (gain) on sale of fixed assets	(4,739)	(53,008)
(Increase) decrease in trade and other receivables	(107,198)	(377,283)
(Increase) decrease in inventories	(113,673)	(691,470)
Increase (decrease) in trade and other payables	206,279	182,526
Interest received	4,830	1,878
Dividends received	42,998	71,068
Interest paid	(28,826)	(20,440)
Income taxes paid	(25,192)	(110,638)
Other	99,746	149,859
Net cash flows from (used in) operating activities	679,094	209,509
Cash flows from investing activities:		
Purchase of investment securities	(37,555)	(31,877)
Proceeds from the sale of investment securities	7,205	18,930
Purchases of oil and gas assets	(30,597)	(23,870)
Purchase of property, plant and equipment (excluding oil and gas assets)	(237,249)	(230,797)
Proceeds from sales of property, plant and equipment (excluding oil and gas assets)	10,598	61,703
Purchase of intangible assets	(21,803)	(24,717)
Decrease (increase) in short-term loans to associates and others, net	(1,863)	(62,781)
Loans to associates and others (long-term loans)	(4,057)	(3,137)
Repayments of loans by associates and others (long-term loans)	23,296	5,806
Payment for acquisition of subsidiaries resulting in change in scope of consolidation	–	(157,631)
Proceeds from sale of subsidiaries resulting in change in scope of consolidation	2,800	131,663
Other	(17,566)	(33,217)
Net cash flows from (used in) investing activities	(306,791)	(349,925)

(Millions of yen)

	FY2020 (From April 1, 2020 to March 31, 2021)	FY2021 (From April 1, 2021 to March 31, 2022)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings, net	93,706	(60,212)
Increase (decrease) in commercial paper, net	(280,000)	348,000
Proceeds from long-term borrowings	230,825	247,260
Repayment of long-term borrowings	(220,725)	(272,548)
Proceeds from issuance of bonds	36,540	301,080
Repayments of lease liabilities	(77,176)	(79,788)
Redemption of bonds	(36,720)	(31,113)
Purchase of treasury stock	(3,026)	(11)
Capital contribution from non-controlling interests	41	39,000
Cash dividends paid	(70,800)	(70,733)
Dividends to non-controlling interests	(14,150)	(21,321)
Payment for acquisition of subsidiaries resulting in no change in scope of consolidation	(13,700)	(170,845)
Other	104	(2,723)
Net cash flows from (used in) financing activities	(355,081)	226,046
Net increase in cash and cash equivalents	17,222	85,630
Cash and cash equivalents at beginning of the year	393,302	412,300
Net foreign exchange differences of cash and cash equivalents	1,776	26,058
Cash and cash equivalents at end of the year	412,300	523,988

(5) Explanatory Notes to the Consolidated Financial Statements

(Notes on the Assumption of a Going Concern)

None

(Segment Information)

1. Outline of the Reporting Segments

The ENEOS Group's business segments consist of those constituent units of the ENEOS Group for which separate financial information is available that are subject to periodic review for the board of directors (the chief operating decision maker) to determine the distribution of management resources and to evaluate business performance. The ENEOS Group treats "Energy," "Oil and Natural Gas Exploration and Production ("E&P")," and "Metals" as business segments and reporting segments.

The business activities not included in the reporting segments are collectively contained in the "Other" category. The details of the main products and services or business activities of each reporting segment and the "Other" category are as follows:

Energy	Petroleum refining & marketing, basic chemical products, electricity, lubricants, high-performance materials, gas, hydrogen, and renewable energy
Oil and Natural Gas E&P	Oil and natural gas exploration, development, and production
Metals	Copper foils, precision rolled products, precision-fabricated products, thin-film materials, development and exploration of non-ferrous metal resources, non-ferrous metal products (e.g. copper, precious metals, tantalum, and niobium), non-ferrous metal recycling and industrial waste treatment, titanium, and electric wires
Other	Asphalt paving, civil engineering work, construction work, land transportation, real estate leasing business, and affairs common to ENEOS Group companies, including fund procurement.

2. Information on Revenue, Profit or Loss, Assets, Liabilities, and Other Items from Each Reporting Segment
FY2020 (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Total reporting segments	Other	Adjustments (Note 5)	Recorded amount on consolidated financial statements
Revenue							
Revenue from external customers	5,994,677	112,380	1,089,664	7,196,721	461,290	—	7,658,011
Inter-segment revenue or transfers (Note 2)	3,777	—	2,425	6,202	42,924	(49,126)	—
Total	5,998,454	112,380	1,092,089	7,202,923	504,214	(49,126)	7,658,011
Segment profit (loss) (Note 3)	121,130	2,840	78,103	202,073	49,130	2,972	254,175
Finance income							6,433
Finance costs							29,717
Profit (loss) before tax							230,891

Segment assets	5,399,421	1,035,003	1,452,211	7,886,635	2,788,788	(2,616,605)	8,058,818
Segment liabilities	3,520,206	550,485	915,570	4,986,261	2,290,189	(1,970,200)	5,306,250
Other items:							
Depreciation, depletion and amortization	210,667	42,540	55,565	308,772	13,474	4,653	326,899
Share of profit (loss) of investments accounted for using the equity method	2,968	9,681	44,451	57,100	2,287	—	59,387
Capital expenditures on property, plant and equipment, and intangible assets (Note 4)	226,817	32,176	58,803	317,796	23,896	183	341,875

- (Notes)
1. The accounting policy for the reporting segments is the same as the accounting policy for preparing the consolidated financial statements.
 2. Inter-reporting segment revenue or transfers are based on actual market prices.
 3. Segment profit (loss) is stated as operating profit (loss) in the consolidated statements of profit or loss.
 4. Capital expenditure includes acquisition of the right-of-use assets.
 5. The adjustments include the following:
 - (1) The segment profit (loss) adjustment of 2,972 million yen includes the net amount of 3,528 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the "Other" category.
 - (2) The loss of 2,616,605 million yen in the segment assets adjustment is due primarily to eliminating intersegment receivables by offsetting.
 - (3) The loss of 1,970,200 million yen in the segment liabilities adjustment is due primarily to eliminating intersegment liabilities by offsetting.

FY2021 (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Energy	Oil and Natural Gas E&P	Metals	Total reporting segments	Other	Adjustments (Note 5)	Recorded amount on consolidated financial statements
Revenue							
Revenue from external customers	8,930,602	242,959	1,290,573	10,464,134	457,625	–	10,921,759
Inter-segment revenue or transfers (Note 2)	4,369	142	2,405	6,916	40,814	(47,730)	–
Total	8,934,971	243,101	1,292,978	10,471,050	498,439	(47,730)	10,921,759
Segment profit (loss) (Note 3)	477,451	97,011	158,219	732,681	49,392	3,832	785,905
Finance income							14,669
Finance costs							28,785
Profit (loss) before tax							771,789

Segment assets	6,584,238	955,202	1,657,085	9,196,525	3,258,872	(2,807,178)	9,648,219
Segment liabilities	4,349,570	365,992	1,058,833	5,774,395	2,863,574	(2,223,829)	6,414,140
Other items:							
Depreciation, depletion and amortization	216,071	41,203	56,160	313,434	13,659	4,889	331,982
Share of profit (loss) of investments accounted for using the equity method	19,573	6,306	57,682	83,561	3,250	–	86,811
Capital expenditures on property, plant and equipment, and intangible assets (Note 4)	211,120	28,380	66,508	306,008	15,016	5,277	326,301

- (Notes)
1. The accounting policy for the reporting segments is the same as the accounting policy for preparing the consolidated financial statements.
 2. Inter-reporting segment revenue or transfers are based on actual market prices.
 3. Segment profit (loss) is stated as operating profit (loss) in the consolidated statements of profit or loss.
 4. Capital expenditure includes acquisition of the right-of-use assets.
 5. The adjustments include the following:
 - (1) The segment profit (loss) adjustment of 3,832 million yen includes the net amount of 2,954 million yen, which is the income and expenses of the entire Company not allocated to the reporting segments or the “Other” category.
 - (2) The loss of 2,807,178 million yen in the segment assets adjustment is due primarily to eliminating intersegment receivables by offsetting.
 - (3) The loss of 2,223,829 million yen in the segment liabilities adjustment is due primarily to eliminating intersegment liabilities by offsetting.

(Per Share Information)

	FY2020 (From April 1, 2020 to March 31, 2021)	FY2021 (From April 1, 2021 to March 31, 2022)
Profit for the year attributable to owners of the parent (millions of yen)	113,998	537,117
Average number of shares of common stock during the fiscal year (thousand shares)	3,213,275	3,211,096
Increase due to share-based payments (thousand shares)	5,608	7,678
Average number of diluted shares of common stock during the fiscal year (thousand shares)	3,218,883	3,218,774
Basic profit per share (yen)	35.48	167.27
Diluted profit per share (yen)	35.42	166.87

(Note) The Company shares held by the Board Incentive Plan Trust are recognized as treasury stock, and thus the pertinent number of shares is excluded from the average number of shares of common stock during the fiscal year in calculating basic profit per share.

(Important Subsequent Events)

1. Acquisition of Elastomers Business

On May 11, 2021, ENEOS Corporation (“ENEOS”), a subsidiary of the Energy Segment, reached an agreement with JSR Corporation (“JSR”) to acquire JSR’s elastomers business, including the manufacture and sale of synthetic rubber, and on April 1, 2022, ENEOS completed the acquisition of all shares of ENEOS Materials Corporation, a newly established company that took over this business and the shares of subsidiaries and affiliates related to this business.

In its 2040 Long-Term Vision, the ENEOS Group has positioned the high-performance materials business as a growth business that will develop and strengthen its technological capabilities, and by acquiring technologies in new core areas of the materials business, ENEOS will provide high-performance materials that support various industries, including the mobility industry. In the future, ENEOS Materials Corporation aims to be a global leading company in the materials field, playing a central role in our materials business, which includes monomers and polymers, with the elastomers business as a pillar.

(Acquisition consideration)

The consideration for the acquisition has not been finalized at this time, as the financial position of JSR and its subsidiaries and affiliates in the elastomers business as of March 31, 2022, is still under examination.

(Identifiable assets acquired and liabilities assumed)

The fair value of the assets acquired and liabilities assumed are currently under calculation.

2. Transfer of shares held by the Company in connection with the privatization of NIPPO Corporation

On September 7, 2021, the Company agreed to take NIPPO private jointly with GK Nogizaka Holdings and Aether Holdings GK (both together referred to as “GSSPC”), all of whose shares are indirectly held by The Goldman Sachs Group, Inc., by acquiring all shares of NIPPO Corporation (“NIPPO”), which is part of the Group’s other businesses.

As part of this series of transactions, NIPPO resolved at its extraordinary general meeting of shareholders held on February 25, 2022, to reverse the 16,972,584 shares of common stock into one share, with an effective date of March 31, 2022. As a result, NIPPO’s common stock will be delisted as of March 29, as it meets the delisting criteria, and as of the effective date, the shareholders with voting rights will be the Company and Roadmap Holdings KK, a subsidiary of the Company in which the Company and GSSPC have invested (“Roadmap”).

In order to make NIPPO’s shareholders the only shareholders of Roadmap, NIPPO resolved to acquire its treasury shares at an extraordinary general meeting of shareholders held on April 27, 2022 (written resolution pursuant to Article 319, Paragraph 1 of the Companies Act), and in response to this resolution, the Company transferred all of its shares held in NIPPO on May 10, 2022. As a result, Roadmap now owns 100% of NIPPO’s voting rights.

This transaction and the squeeze-out transaction due to the reverse stock split of NIPPO (*), which is proceeding simultaneously, will have no impact on the consolidated statements of profit or loss, however, since this is an equity transaction that results in a change in ownership interest in a subsidiary without a change in the scope of consolidation, capital surplus is expected to decrease by approximately 13.0 billion yen and noncontrolling interest by approximately 11 billion yen in the consolidated statement of changes in equity for the fiscal year ending March 31, 2023.

As a result of this transaction, financial assets measured at fair value through other comprehensive income are also expected to decrease by approximately 10 billion yen. This decrease represents the reallocation of the cumulative amount of financial assets measured at fair value through other comprehensive income (loss) of the NIPPO Group between the equity attributable to owners of the parent and non-controlling interests through equity.

(*) NIPPO has taken steps to deliver cash to shareholders who held NIPPO's common stock corresponding to fractions of less than one share.