

Consolidated Financial Summary for the Fiscal Year Ended March 31, 2019

SINANEN HOLDINGS CO., LTD.

June 4, 2019

Securities code: 8132 URL: <http://www.sinanengroup.co.jp/> Shares listed: Tokyo Stock Exchange
 Representative: Tadashi Sakimura, President and CEO
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 Scheduled date of Ordinary General Meeting of Shareholders: June 27, 2019
 Scheduled date of start of dividend payment: June 28, 2019
 Scheduled date of filing of securities report: June 27, 2019

Consolidated Financial Highlights

(As of and for the fiscal years ended March 31, 2018 and 2019)

1. Consolidated Performance

Fiscal years ended March 31	2018	2019	2019/2018	2019
	(Millions of yen)		(Percentage change)	(Thousands of U.S. dollars)
(1) Consolidated financial results:				
Net sales	¥244,370	¥244,567	0.1%	\$2,203,306
Operating profit	3,348	1,670	-50.1%	15,045
Ordinary profit	3,948	2,158	-45.3%	19,441
Profit attributable to owners of parent	2,867	1,588	-44.6%	14,306
Profit per share (yen)	231.13	146.00		
Profit per share (diluted) (yen)	—	—		
Return on equity (ROE)	5.9%	3.4%		
Return on assets (ROA)	4.0%	2.3%		
Operating profit to net sales	1.4%	0.7%		
(Note) Comprehensive income				
Fiscal year ended March 31, 2019:	¥996 million (-65.4%)			
Fiscal year ended March 31, 2018:	¥2,882 million (-10.6%)			
(Reference) Equity in (earnings) losses of affiliates				
Fiscal year ended March 31, 2019:	¥0 million	Fiscal year ended March 31, 2018:	¥0 million	

As of	Mar. 31, 2018	Mar. 31, 2019	Mar. 31, 2019
	(Millions of yen)		(Thousands of U.S. dollars)
(2) Consolidated financial condition:			
Total assets	¥93,188	¥ 91,112	\$820,829
Net assets	46,863	47,388	426,919
Equity ratio	50.3%	51.6%	
Net assets per share (yen)	¥4,307.24	¥4,323.50	
(Reference) Shareholders' equity			
As of March 31, 2019:	¥47,025 million	As of March 31, 2018:	¥46,850 million

Fiscal years ended March 31	2018	2019	2019
	(Millions of yen)		(Thousands of U.S. dollars)
(3) Consolidated cash flows:			
Cash flow from operating activities	¥5,433	¥5,214	\$46,973
Cash flow from investing activities	(1,282)	(1,302)	(11,730)
Cash flow from financing activities	(15,227)	(2,256)	(20,324)
Cash and cash equivalents at end of year	¥7,217	¥8,768	\$78,991

2. Dividends

	Dividends per Share					Total Dividends (Millions of yen)	Payout Ratio (Consolidated) (%)	Dividend on Net Assets Ratio (Consolidated) (%)
	1Q end	2Q end	3Q end	Year end	Total			
	(Yen)							
2018	—	—	—	¥75.00	¥75.00	¥815	32.4%	1.8%
2019	—	—	—	75.00	75.00	815	51.4%	1.7%
2020 (Forecast)	—	—	—	¥75.00	¥75.00		37.1%	

3. Consolidated Results Forecast for Fiscal Year Ending March 31, 2020

	2020	2020
	Full year	Full year
	(Millions of yen)	(Thousands of U.S. dollars)
Net sales	¥245,000	\$2,207,207
Operating profit	2,600	23,423
Ordinary profit	2,900	26,126
Profit attributable to owners of parent	2,200	19,820
Profit per share (yen)	¥202.27	

Notes:

- U.S. dollar amounts are translated from Japanese yen, for readers' convenience only, at the exchange rate of 111 yen per U.S. dollar, the approximate exchange rate of TTM of MUFG Bank Ltd., on March 29, 2019.
- Return on equity (ROE) = Profit attributable to owners of parent / Average shareholders' equity
- Return on assets (ROA) = Ordinary profit / Average total assets

4. Other

- Changes in significant subsidiaries during the period (Changes in specified subsidiaries resulting in change in scope of consolidation): None
- Changes in accounting policies and accounting estimates and retrospective restatement
 - Changes in accounting policies resulting from revision of accounting standards, etc.: No
 - Changes in accounting policies other than (i): No
 - Change in accounting estimates: No
 - Retrospective restatements: No
- Number of shares issued (common stock)
 - Number of shares issued (including treasury shares)

As of March 31, 2019	13,046,591 shares
As of March 31, 2018	13,046,591 shares
 - Number of shares of treasury shares

As of March 31, 2019	2,169,941 shares
As of March 31, 2018	2,169,519 shares
 - Average number of shares

Fiscal year ended March 31, 2019	10,876,877 shares
Fiscal year ended March 31, 2018	12,405,225 shares

Non-consolidated Financial Highlights

(As of and for the fiscal years ended March 31, 2018 and 2019)

Non-consolidated Performance

Fiscal years ended March 31	2018	2019	2019 / 2018	2019
	<i>(Millions of yen)</i>		<i>(Percentage change)</i>	<i>(Thousands of U.S. dollars)</i>
(1) Non-consolidated financial results:				
Net sales and operating revenue	¥2,725	¥2,757	1.2%	\$24,838
Operating profit	383	604	57.7%	5,441
Ordinary profit	1,108	985	-11.1%	8,874
Profit	1,267	728	-42.5%	6,559
Profit per share (<i>yen</i>)	102.20	66.96		
Profit per share (diluted) (<i>yen</i>)	—	—		

As of	Mar. 31, 2018	Mar. 31, 2019	Mar. 31, 2019
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
(2) Non-consolidated financial condition:			
Total assets	¥31,949	¥32,479	\$292,604
Net assets	22,356	21,938	197,640
Equity ratio	69.7%	67.5%	
Net assets per share (<i>yen</i>)	¥2,055.38	¥2,017.00	

(Reference) Shareholders' equity

As of March 31, 2019: ¥21,938 million As of March 31, 2018: ¥22,356 million

Note: U.S. dollar amounts are translated from Japanese yen, for readers' convenience only, at the exchange rate of 111 yen per U.S. dollar, the approximate exchange rate of TTM of MUFG Bank Ltd., on March 29, 2019.

* The auditing procedure by certified public accountants or audit firms does not apply to these Financial Results

* Explanations about the appropriate use of the consolidated results forecast and other noteworthy points:

The earnings forecasts contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

Consolidated Balance Sheets

(As of March 31, 2018 and 2019)

	2018	2019	2019
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Assets			
Current assets			
Cash and deposits	¥7,548	¥9,073	\$81,739
Notes and accounts receivable-trade	25,245	25,180	226,847
Merchandise and finished goods	7,478	6,206	55,910
Work in process	1,988	1,081	9,739
Raw materials and supplies	45	34	306
Other	3,702	4,430	39,910
Allowance for doubtful accounts	(48)	(708)	(6,378)
Total current assets	45,959	45,300	408,108
Non-current assets			
Property, plant and equipment			
Buildings and structures	17,890	18,309	164,946
Accumulated depreciation	(10,006)	(10,087)	(90,874)
Buildings and structures, net	7,883	8,221	74,063
Machinery, equipment and vehicles	16,447	16,296	146,811
Accumulated depreciation	(9,198)	(9,674)	(87,153)
Machinery, equipment and vehicles, net	7,249	6,621	59,649
Land	11,394	10,488	94,486
Leased assets	3,270	2,944	26,523
Accumulated depreciation	(811)	(702)	(6,324)
Leased assets, net	2,458	2,241	20,189
Construction in progress	556	233	2,099
Other	1,519	1,802	16,234
Accumulated depreciation	(920)	(974)	(8,775)
Other, net	598	828	7,459
Total property, plant and equipment	30,141	28,635	257,973
Intangible assets			
Goodwill	3,807	3,797	34,207
Other	1,354	1,297	11,685
Total intangible assets	5,161	5,095	45,901
Investments and other assets			
Investment securities	7,872	7,676	69,153
Long-term loans receivable	70	223	2,009
Long-term prepaid expenses	1,531	1,477	13,306
Deferred tax assets	517	593	5,342
Other	2,294	2,232	20,108
Allowance for doubtful accounts	(361)	(122)	(1,099)
Total investments and other assets	11,925	12,081	108,838
Total non-current assets	47,229	45,812	412,721
Total assets	¥93,188	¥91,112	\$820,829

	2018	2019	2019
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Liabilities			
Current liabilities			
Notes and accounts payable-trade	¥20,740	¥20,866	\$187,982
Short-term loans payable	5,782	4,879	43,955
Accounts payable-other	2,072	2,588	23,315
Lease obligations	355	303	2,730
Income taxes payable	1,141	919	8,279
Accrued consumption taxes	441	352	3,171
Provision for bonuses	1,378	803	7,234
Provision for contingent loss	53	—	
Other	3,133	2,513	22,640
Total current liabilities	35,097	33,228	299,351
Non-current liabilities			
Long-term loans payable	4,876	4,461	40,189
Lease obligations	2,083	1,873	16,874
Deferred tax liabilities	1,234	1,187	10,694
Provision for directors' retirement benefits	18	21	189
Net defined benefit liability	471	461	4,153
Long-term guarantee deposited	1,301	1,163	10,477
Asset retirement obligations	435	513	4,622
Other	805	813	7,324
Total non-current liabilities	11,227	10,495	94,550
Total liabilities	46,324	43,724	393,910
Net assets			
Shareholders' equity			
Capital stock	15,630	15,630	140,811
Capital surplus	7,717	7,714	69,495
Retained earnings	27,243	28,015	252,387
Treasury shares	(5,631)	(5,632)	(50,739)
Total shareholders' equity	44,959	45,727	411,955
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	2,010	1,597	14,387
Deferred gains or losses on hedges	2	(35)	(315)
Foreign currency translation adjustment	(127)	(263)	(2,369)
Remeasurements of defined benefit plans	4	0	0
Total accumulated other comprehensive income	1,890	1,297	11,685
Non-controlling interests	13	363	3,270
Total net assets	46,863	47,388	426,919
Total liabilities and net assets	¥93,188	¥91,112	\$820,829

**Consolidated Statements of Income and
Consolidated Statements of Comprehensive Income**
(For the fiscal years ended March 31, 2018 and 2019)

	2018	2019	2019
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Net sales	¥244,370	¥244,567	\$2,203,306
Cost of sales	212,772	214,396	1,931,495
Gross profit	31,598	30,171	271,811
Selling, general and administrative expenses	28,249	28,500	256,757
Operating profit	3,348	1,670	15,045
Non-operating income			
Interest income	79	54	486
Dividend income	173	129	1,162
Commission fee	45	48	432
Diesel oil delivery tax subsidies	80	70	631
Insurance return	69	231	2,081
Gain on transfer of rights	138	—	—
Other	429	281	2,532
Total non-operating income	1,017	815	7,342
Non-operating expenses			
Interest expenses	125	117	1,054
Derivative losses	105	52	468
Foreign exchange losses	52	—	—
Settlement package	—	66	595
Other	134	91	820
Total non-operating expenses	417	327	2,946
Ordinary profit	3,948	2,158	19,441
Extraordinary income			
Gain on sales of non-current assets	12	1,049	9,450
Gain on sales of investment securities	1,246	18	162
Insurance income	—	176	1,586
Gain on step acquisitions	—	38	342
Gain on sales of goods	—	255	2,297
Other	16	—	—
Total extraordinary income	1,274	1,539	13,865
Extraordinary losses			
Loss on sales of non-current assets	41	7	63
Loss on retirement of non-current assets	128	209	1,883
Impairment loss	99	162	1,459
Loss on valuation of investment securities	1	—	—
Loss on compensation for damage	93	88	793
Provision for contingent loss	53	—	—
Other	45	23	207
Total extraordinary losses	¥461	¥491	\$4,423

	2018	2019	2019
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Profit before income taxes	¥4,762	¥3,206	\$28,883
Income taxes-current	1,461	1,557	14,027
Income taxes-deferred	431	60	541
Total income taxes	1,893	1,618	14,577
Profit	2,868	1,587	14,297
(Profit attributable to)			
Profit attributable to owners of parent	2,867	1,588	14,306
Profit attributable to non-controlling interests	1	(0)	(0)
Other comprehensive income			
Valuation difference on available-for-sale securities	41	(412)	(3,712)
Deferred gains or losses on hedges	14	(38)	(342)
Foreign currency translation adjustment	(38)	(135)	(1,216)
Share of other comprehensive income of entities accounted for using equity method	(3)	(4)	(36)
Total other comprehensive income	14	(591)	(5,324)
Comprehensive income	2,882	996	8,973
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of parent	2,881	995	8,964
Comprehensive income attributable to non-controlling interests	¥1	¥1	\$9

Consolidated Statement of Changes in Equity

(For the fiscal year ended March 31, 2018)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	15,630	11,537	27,315	(5,687)	48,795
Changes of items during the period					
Dividends of surplus			(1,298)		(1,298)
Profit attributable to owners of parent			2,867		2,867
Retirement of treasury shares		(3,820)	(1,641)	5,461	—
Purchase of treasury shares				(5,405)	(5,405)
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(3,820)	(72)	55	(3,836)
Balance at end of current period	15,630	7,717	27,243	(5,631)	44,959

(Millions of yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,968	(10)	(88)	7	1,876	13	50,685
Changes of items during the period							
Dividends of surplus							(1,298)
Profit attributable to owners of parent							2,867
Retirement of treasury shares							—
Purchase of treasury shares							(5,405)
Net changes of items other than shareholders' equity	41	13	(38)	(2)	14	0	14
Total changes of items during the period	41	13	(38)	(2)	14	0	(3,822)
Balance at end of current period	2,010	2	(127)	4	1,890	13	46,863

Consolidated Statement of Changes in Equity

(For the fiscal year ended March 31, 2019)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	15,630	7,717	27,243	(5,631)	44,959
Changes of items during the period					
Dividends of surplus			(815)		(815)
Profit attributable to owners of parent			1,588		1,588
Disposal of treasury shares		(0)		0	0
Purchase of treasury shares				(1)	(1)
Change in ownership interest of parent due to transactions with non-controlling interests		(3)			(3)
Transfer among capital surplus and retained earnings		0	(0)		—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(3)	772	(1)	768
Balance at end of current period	15,630	7,714	28,015	(5,632)	45,727

(Millions of yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	2,010	2	(127)	4	1,890	13	46,863
Changes of items during the period							
Dividends of surplus							(815)
Profit attributable to owners of parent							1,588
Disposal of treasury shares							0
Purchase of treasury shares							(1)
Change in ownership interest of parent due to transactions with non-controlling interests							(3)
Transfer among capital surplus and retained earnings							—
Net changes of items other than shareholders' equity	(412)	(38)	(136)	(4)	(592)	349	(243)
Total changes of items during the period	(412)	(38)	(136)	(4)	(592)	349	524
Balance at end of current period	1,597	(35)	(263)	0	1,297	363	47,388

Consolidated Statement of Changes in Equity

(For the fiscal year ended March 31, 2019)

(Thousands of U.S. dollars)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	140,811	69,523	245,432	(50,730)	405,036
Changes of items during the period					
Dividends of surplus			(7,342)		(7,342)
Profit attributable to owners of parent			14,306		14,306
Disposal of treasury shares		0		0	0
Purchase of treasury shares				(9)	(9)
Change in ownership interest of parent due to transactions with non-controlling interests		(27)			(27)
Transfer among capital surplus and retained earnings		0	0		—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(27)	6,955	(9)	6,919
Balance at end of current period	140,811	69,495	252,387	(50,739)	411,955

(Thousands of U.S. dollars)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	18,108	18	(1,144)	36	17,027	117	422,189
Changes of items during the period							
Dividends of surplus							(7,342)
Profit attributable to owners of parent							14,306
Disposal of treasury shares							0
Purchase of treasury shares							(9)
Change in ownership interest of parent due to transactions with non-controlling interests							(27)
Transfer among capital surplus and retained earnings							—
Net changes of items other than shareholders' equity	(3,712)	(342)	(1,225)	(36)	(5,333)	3,144	(2,189)
Total changes of items during the period	(3,712)	(342)	(1,225)	(36)	(5,333)	3,144	4,721
Balance at end of current period	14,387	(315)	(2,369)	0	11,685	3,270	426,919

Consolidated Statement of Cash Flows

(For the fiscal years ended March 31, 2018 and 2019)

	2018	2019	2019
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Cash flows from operating activities			
Profit before income taxes	¥4,762	¥3,206	\$28,883
Depreciation	2,855	3,019	27,198
Amortization of goodwill	538	579	5,216
Increase (decrease) in allowance for doubtful accounts	(96)	668	6,018
Increase (decrease) in net defined benefit liability	16	(10)	(90)
Increase (decrease) in other provision	296	(625)	(5,631)
Foreign exchange losses (gains)	12	0	0
Interest and dividend income	(253)	(184)	(1,658)
Interest expenses	125	117	1,054
Share of (profit) loss of entities accounted for using equity method	(0)	(0)	0
Loss (gain) on sales of investment securities	(1,245)	(18)	(162)
Loss (gain) on valuation of investment securities	1	—	—
Loss on retirement of non-current assets	128	209	1,883
Loss (gain) on sales of non-current assets	28	(1,041)	(9,378)
Decrease (increase) in notes and accounts receivable-trade	492	84	757
Decrease (increase) in inventories	1,343	2,202	19,838
Increase (decrease) in notes and accounts payable-trade	153	114	1,027
Increase (decrease) in guarantee deposits received	(84)	(122)	(1,099)
Decrease (increase) in long-term prepaid expenses	(756)	(493)	(4,441)
Increase (decrease) in advances received	(3,193)	(311)	(2,802)
Other, net	(509)	(556)	(5,009)
Subtotal	4,614	6,838	61,604
Interest and dividend income received	193	237	2,135
Interest expenses paid	(125)	(117)	(1,054)
Income taxes (paid) refund	751	(1,743)	(15,703)
Net cash provided by (used in) operating activities	5,433	5,214	46,973
Cash flows from investing activities			
Proceeds from withdrawal of time deposits	177	118	1,063
Payments into time deposits	(112)	(89)	(802)
Payments into deposits as collateral	(0)	(0)	0
Proceeds from sales and redemption of investment securities	1,732	141	1,270
Purchase of investment securities	(303)	(416)	(3,748)
Proceeds from sales of non-current assets	378	2,533	22,820
Purchase of non-current assets	(1,771)	(2,881)	(25,955)
Decrease (increase) in short-term loans receivable	—	(34)	(306)
Collection of long-term loans receivable	117	36	324
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	58	523
Purchase of shares and investments in capital of subsidiaries resulting in change in scope of consolidation	(1,300)	(376)	(3,387)
Payments of long-term loans receivable	—	(165)	(1,486)
Other, net	(200)	(228)	(2,054)
Net cash provided by (used in) investing activities	(¥1,282)	(¥1,302)	(\$11,730)

	2018	2019	2019
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Cash flows from financing activities			
Net increase (decrease) in short-term loans payable	(¥6,870)	(¥672)	(\$6,054)
Proceeds from long-term loans payable	394	36	324
Repayments of long-term loans payable	(1,746)	(746)	(6,721)
Proceeds from sales of treasury shares	—	0	0
Purchase of treasury shares	(5,405)	(1)	(9)
Cash dividends paid	(1,300)	(814)	(7,333)
Dividends paid to non-controlling interests	(0)	(1)	(9)
Proceeds from share issuance to non-controlling shareholders	—	244	2,198
Other, net	(299)	(302)	(2,721)
Net cash provided by (used in) financing activities	(15,227)	(2,256)	(20,324)
Effect of exchange rate change on cash and cash equivalents	(46)	(104)	(937)
Net increase (decrease) in cash and cash equivalents	(11,123)	1,550	13,964
Cash and cash equivalents at beginning of period	18,340	7,217	65,018
Cash and cash equivalents at end of period	¥7,217	¥8,768	\$78,991

Segment Information

(As of and for the fiscal years ended March 31, 2018 and 2019)

Segment Information

For the fiscal year ended March 31, 2019

1. Overview of reporting segments

The reporting segments of the Company are constituent units of the Company for which separate financial information can be obtained, and the Board of Directors examines such information on a regular basis to determine the allocation of management resources and evaluate business performance.

Each operating company of the Sinanen Group formulates a comprehensive strategy for the products and services it handles to develop its respective business activities under a holding company structure.

Accordingly, the Company is comprised of segments by product and service based on operating companies. The Company's reporting segments are Energy Wholesale, Retail and Related Business (B to C Business), Energy Solution Business (B to B Business) and Non-energy and Global Business.

The Energy Wholesale, Retail and Surrounding Business (B to C Business) is engaged in the sales of various fuels such as liquefied petroleum gas for households and retailers, surrounding businesses related to household energy such as renovation services and sales of gas appliances, sales of electric power and the supply of city gas to households and the preservation and distribution of liquefied petroleum gas.

The Energy Solution Business (B to B Business) is engaged in the sales of various fuels such as petroleum products for large-scale customers, the management of gas stations, the development of electric power and the sales of electric power to corporate customers, the sales of solar power generation systems and its surrounding services, the energy saving solution business and the housing equipment business.

The Non-energy and Global Business is engaged in the antimicrobial business, the environment/ recycling business, the import and sales of bicycles and other products, the computer systems services business, the building maintenance and management business and the biomass business.

In compliance with the management policy, effective from the current fiscal year, GusSystem Co., Ltd.'s business, which was comprised in Energy Wholesale, Retail and Surrounding Businesses (B to C Businesses) is reclassified and presented as Non-energy and Global Business segment. Also, the revised segmentation method is retroactively applied to the previous fiscal year.

2. Methods of calculating net sales, income or loss, assets, and other items by reporting segment

Methods of accounting treatment for reported business segments are generally the same as those for statements in "Basis of Presenting the Consolidated Financial Statements" (available in Japanese only).

Income or loss of reporting segments is a figure based on operating profit. Intersegment net sales and transfer amount is based on market prices.

Net Sales, Income/Loss, Assets and Other Information
As of and for the fiscal year ended March 31, 2018

	Reporting Segment			Total	Adjustments Note 1 Note 2	Consolidated Total Note 3
	Energy Wholesale, Retail and Surrounding Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy and Global Business			
<i>(Millions of yen)</i>						
Net sales						
Net sales to external customers	¥82,255	¥148,687	¥13,240	¥244,183	¥187	¥244,370
Intersegment net sales or transfer amount	277	17,684	330	18,293	(18,293)	—
Total	82,533	166,372	13,571	262,476	(18,106)	244,370
Segment income	1,941	175	149	2,266	1,082	3,348
Segment assets	35,626	36,131	15,092	86,850	6,337	93,188
Others:						
Depreciation	1,248	586	470	2,304	550	2,855
Amortization of goodwill	161	161	216	538	—	538
Investment in entities accounted for using equity method	—	—	69	69	—	69
Increase in property, plant and equipment and intangible assets	¥1,587	¥354	¥830	¥2,773	¥219	¥2,992

Notes:

- Adjustments of net sales to external customers of ¥187 million are rental income of real estate property managed by the Company.
- Adjustments are as follows:
 - Adjustment of segment income, ¥1,082 million, includes the amount stated in Note 1, intersegment transaction elimination of ¥3,178 million and corporate expenses not allocated to each reporting segment of -¥2,283 million.
 - Adjustment of segment assets, ¥6,337 million, includes intersegment transaction elimination of -¥24,886 million and corporate assets not allocated to each reporting segment of ¥31,223 million.
 - Adjustment of depreciation, ¥550 million, is corporate expenses not allocated to each reporting segment.
 - Adjustment of increase in property, plant and equipment and intangible assets, ¥219 million, is corporate assets not allocated to each reporting segment.
- Segment income is adjusted with operating profit in the Consolidated Statement of Income and the Consolidated Statement of Comprehensive Income.

As of and for the fiscal year ended March 31, 2019

	Reporting Segment			Total	Adjustments Note 1 Note 2	Consolidated Total Note 3
	Energy Wholesale, Retail and Surrounding Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy and Global Business			
<i>(Millions of yen)</i>						
Net sales						
Net sales to external customers	¥77,679	¥152,662	¥14,032	¥244,374	¥193	¥244,567
Intersegment net sales or transfer amount	258	15,508	365	16,131	(16,131)	—
Total	77,937	168,170	14,398	260,506	(15,938)	244,567
Segment income (loss)	308	313	(184)	437	1,233	1,670
Segment assets	35,176	36,440	13,206	84,824	6,288	91,112
Others:						
Depreciation	1,483	606	569	2,659	360	3,019
Amortization of goodwill	178	168	232	579	—	579
Investment in entities accounted for using equity method	—	—	65	65	—	65
Increase in property, plant and equipment and intangible assets	¥1,560	¥483	¥1,283	¥3,327	¥326	¥3,654

Notes:

- Adjustments of net sales to external customers of ¥193 million are rental income of real estate property managed by the Company.
- Adjustments are as follows:
 - Adjustment of segment income (loss), ¥1,233 million, includes the amount stated in Note 1, intersegment transaction elimination of ¥3,139 million and corporate expenses not allocated to each reporting segment of -¥2,099 million.
 - Adjustment of segment assets, ¥6,288 million, includes intersegment transaction elimination of -¥25,488 million and corporate assets not allocated to each reporting segment of ¥31,776 million.
 - Adjustment of depreciation, ¥360 million, is corporate expenses not allocated to each reporting segment.
 - Adjustment of increase in property, plant and equipment and intangible assets, ¥326 million, is corporate assets not allocated to each reporting segment.
- Segment income is adjusted with operating profit in the Consolidated Statement of Income and the Consolidated Statement of Comprehensive Income.