

# Consolidated Financial Summary for the Fiscal Year Ended March 31, 2020

## SINANEN HOLDINGS CO., LTD.

May 29, 2020

Securities code: 8132 URL: <http://www.sinanengroup.co.jp/> Shares listed: Tokyo Stock Exchange  
 Representative: Masaki Yamazaki, President and CEO  
 Contact: Yutaka Hoshino, Finance and Accounting Manager Tel: +81-3-6478-7811  
 Scheduled date of Ordinary General Meeting of Shareholders: June 24, 2020  
 Scheduled date of start of dividend payment: June 25, 2020  
 Scheduled date of filing of securities report: June 24, 2020

### Consolidated Financial Highlights

(As of and for the fiscal years ended March 31, 2019 and 2020)

#### 1. Consolidated Performance

Fiscal years ended March 31	2019	2020	2020/2019	2020
	(Millions of yen)		(Percentage change)	(Thousands of U.S. dollars)
(1) Consolidated financial results:				
Net sales	¥244,567	¥237,036	-3.1%	\$2,174,642
Operating profit	1,771	2,454	38.5%	22,513
Ordinary profit	2,158	2,203	2.1%	20,211
Profit attributable to owners of parent	1,588	2,989	88.2%	27,422
Profit per share (yen)	146.00	274.84		
Profit per share (diluted) (yen)	—	—		
Return on equity (ROE)	3.4%	6.3%		
Return on assets (ROA)	2.3%	2.4%		
Operating profit to net sales	0.7%	1.0%		
(Note) Comprehensive income				
Fiscal year ended March 31, 2020:	¥1,936 million (94.4%)			
Fiscal year ended March 31, 2019:	¥996 million (-65.4%)			

(Reference) Equity in (earnings) losses of affiliates  
 Fiscal year ended March 31, 2020: ¥12 million Fiscal year ended March 31, 2019: ¥0 million

	As of	Mar. 31, 2019	Mar. 31, 2020	Mar. 31, 2020
		(Millions of yen)		(Thousands of U.S. dollars)
(2) Consolidated financial condition:				
Total assets		¥ 91,112	¥ 90,611	\$831,293
Net assets		47,388	48,821	447,899
Equity ratio		51.6%	53.1%	
Net assets per share (yen)		¥4,323.50	¥4,425.87	

(Reference) Shareholders' equity  
 As of March 31, 2020: ¥48,136 million As of March 31, 2019: ¥47,025 million

Fiscal years ended March 31	2019	2020	2020
	(Millions of yen)		(Thousands of U.S. dollars)
(3) Consolidated cash flows:			
Cash flow from operating activities	¥5,214	¥569	\$5,220
Cash flow from investing activities	(1,302)	(1,094)	(10,037)
Cash flow from financing activities	(2,256)	(778)	(7,138)
Cash and cash equivalents at end of year	¥8,768	¥7,385	\$67,752

## 2. Dividends

	Dividends per Share					Total Dividends	Payout Ratio (Consolidated)	Dividend on Net Assets Ratio (Consolidated)
	1Q end	2Q end	3Q end	Year end	Total			
	(Yen)					(Millions of yen)	(%)	(%)
2019	—	—	—	¥75.00	¥75.00	¥815	51.4%	1.7%
2020	—	—	—	75.00	75.00	815	27.3%	1.7%
2021 (Forecast)	—	—	—	¥75.00	¥75.00		54.4%	

## 3. Consolidated Results Forecast for Fiscal Year Ending March 31, 2021

	2021	2021
	Full year	Full year
	(Millions of yen)	(Thousands of U.S. dollars)
Net sales	¥226,000	\$2,073,394
Operating profit	2,200	20,183
Ordinary profit	1,800	16,513
Profit attributable to owners of parent	1,500	13,761
Profit per share (yen)	¥137.92	

\* The forecast does not reflect the effect of the COVID-19 crisis because it is difficult to reliably determine the impact at this time. The company plans to make an announcement when it becomes possible to revise the forecast.

Notes:

1. U.S. dollar amounts are translated from Japanese yen, for readers' convenience only, at the exchange rate of 109 yen per U.S. dollar, the approximate exchange rate of TTM of The MUFG Bank, Ltd., on March 31, 2020.
2. Return on equity (ROE) = Profit attributable to owners of parent / Average shareholders' equity
3. Return on assets (ROA) = Ordinary profit / Average total assets

## 4. Other

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

As of March 31, 2020	13,046,591 shares
As of March 31, 2019	13,046,591 shares
  - (ii) Number of shares of treasury shares
 

As of March 31, 2020	2,170,465 shares
As of March 31, 2019	2,169,941 shares
  - (iii) Average number of shares
 

Fiscal year ended March 31, 2020	10,876,414 shares
Fiscal year ended March 31, 2019	10,876,877 shares

## Non-consolidated Financial Highlights

(As of and for the fiscal years ended March 31, 2019 and 2020)

### Non-consolidated Performance

Fiscal years ended March 31	2019	2020	2020 / 2019	2020
	(Millions of yen)		(Percentage change)	(Thousands of U.S. dollars)
(1) Non-consolidated financial results:				
Net sales and operating revenue	¥2,757	¥2,796	1.4%	\$25,651
Operating profit	604	414	-31.4%	3,798
Ordinary profit	985	1,477	50.0%	13,550
Profit	728	2,209	203.3%	20,266
Profit per share (yen)	66.96	203.12		
Profit per share (diluted) (yen)	—	—		

As of	Mar. 31, 2019	Mar. 31, 2020	Mar. 31, 2020
	(Millions of yen)		(Thousands of U.S. dollars)
(2) Non-consolidated financial condition:			
Total assets	¥32,479	¥30,928	\$283,743
Net assets	21,938	22,336	204,917
Equity ratio	67.5%	72.2%	
Net assets per share (yen)	¥2,017.00	¥2,053.74	

(Reference) Shareholders' equity

As of March 31, 2020: ¥22,336 million      As of March 31, 2019: ¥21,938 million

Note: U.S. dollar amounts are translated from Japanese yen, for readers' convenience only, at the exchange rate of 109 yen per U.S. dollar, the approximate exchange rate of TTM of The MUFG Bank, Ltd., on March 31, 2020.

\* 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, 2019 and 2020)

	2019	2020	2020
	(Millions of yen)		(Thousands of U.S. dollars)
<b>Assets</b>			
Current assets			
Cash and deposits	¥9,073	¥7,771	\$71,293
Notes and accounts receivable - trade	25,180	23,999	220,174
Merchandise and finished goods	6,206	5,783	53,055
Work in process	1,081	3,404	31,229
Raw materials and supplies	34	62	568
Other	4,430	3,421	31,385
Allowance for doubtful accounts	(708)	(119)	(1,092)
Total current assets	45,300	44,323	406,633
Non-current assets			
Property, plant and equipment			
Buildings and structures	18,309	18,735	171,880
Accumulated depreciation	(10,087)	(10,273)	(94,248)
Buildings and structures, net	8,221	8,461	77,623
Machinery, equipment and vehicles	16,296	16,517	151,532
Accumulated depreciation	(9,674)	(10,350)	(94,955)
Machinery, equipment and vehicles, net	6,621	6,167	56,577
Land	10,488	11,329	103,935
Leased assets	2,944	2,987	27,403
Accumulated depreciation	(702)	(887)	(8,138)
Leased assets, net	2,241	2,100	19,266
Construction in progress	233	1,189	10,908
Other	1,802	2,190	20,091
Accumulated depreciation	(974)	(1,162)	(10,661)
Other, net	828	1,028	9,431
Total property, plant and equipment	28,635	30,277	277,770
Intangible assets			
Goodwill	3,797	4,012	36,807
Other	1,297	1,138	10,440
Total intangible assets	5,095	5,151	47,256
Investments and other assets			
Investment securities	7,676	6,217	57,036
Long-term loans receivable	223	258	2,366
Long-term prepaid expenses	1,477	1,366	12,532
Deferred tax assets	593	615	5,642
Other	2,232	3,836	35,192
Allowance for doubtful accounts	(122)	(1,436)	(13,175)
Total investments and other assets	12,081	10,858	99,614
Total non-current assets	45,812	46,287	424,651
Total assets	¥91,112	¥90,611	\$831,293

	2019	2020	2020
	(Millions of yen)		(Thousands of U.S. dollars)
<b>Liabilities</b>			
Current liabilities			
Notes and accounts payable-trade	¥20,866	¥17,492	\$160,477
Short-term borrowings	4,879	5,650	51,834
Accounts payable-other	2,588	1,789	16,412
Lease obligations	303	295	2,706
Income taxes payable	919	1,606	14,733
Accrued consumption taxes	352	486	4,458
Provision for bonuses	803	1,143	10,486
Other	2,513	2,969	27,238
Total current liabilities	33,228	31,434	288,385
Non-current liabilities			
Long-term borrowings	4,461	4,689	43,018
Lease obligations	1,873	1,710	15,688
Deferred tax liabilities	1,187	814	7,467
Provision for retirement benefits for directors (and other officers)	21	72	660
Retirement benefit liability	461	455	4,174
Long-term guarantee deposits	1,163	1,293	11,862
Asset retirement obligations	513	513	4,706
Other	813	804	7,376
Total non-current liabilities	10,495	10,354	94,990
Total liabilities	43,724	41,789	383,385
<b>Net assets</b>			
Shareholders' equity			
Share capital	15,630	15,630	143,394
Capital surplus	7,714	7,708	70,715
Retained earnings	28,015	30,188	276,954
Treasury shares	(5,632)	(5,633)	(51,679)
Total shareholders' equity	45,727	47,893	439,385
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	1,597	599	5,495
Deferred gains or losses on hedges	(35)	(24)	(221)
Foreign currency translation adjustment	(263)	(333)	(3,056)
Remeasurements of defined benefit plans	0	0	0
Total accumulated other comprehensive income	1,297	242	2,220
Non-controlling interests	363	685	6,284
Total net assets	47,388	48,821	447,899
Total liabilities and net assets	¥91,112	¥90,611	\$831,293

**Consolidated Statements of Income and  
Consolidated Statements of Comprehensive Income**  
(For the fiscal years ended March 31, 2019 and 2020)

	2019	2020	2020
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Net sales	¥244,567	¥237,036	\$2,174,642
Cost of sales	214,295	204,263	1,873,972
Gross profit	30,272	32,772	300,660
Selling, general and administrative expenses	28,500	30,318	278,146
Operating profit	1,771	2,454	22,513
Non-operating income			
Interest income	54	59	541
Dividend income	129	155	1,422
Commission income	18	24	220
Insurance return	231	152	1,394
Rental income	30	91	834
Other	250	234	2,146
Total non-operating income	715	718	6,587
Non-operating expenses			
Interest expenses	117	112	1,027
Derivative losses	52	79	724
Share of loss of entities accounted for using equity method	—	12	110
Settlement package	66	—	—
Provision of allowance for doubtful accounts	—	648	5,944
Other	91	116	1,064
Total non-operating expenses	327	968	8,880
Ordinary profit	2,158	2,203	20,211
Extraordinary income			
Gain on sales of non-current assets	1,049	378	3,467
Gain on sales of investment securities	18	1,729	15,862
Insurance claim income	176	—	—
Gain on step acquisitions	38	477	4,376
Gain on sales of goods	255	—	—
Gain on sale of businesses	—	450	4,128
Other	—	19	174
Total extraordinary income	1,539	3,055	28,027
Extraordinary losses			
Loss on sales of non-current assets	7	111	1,018
Loss on retirement of non-current assets	209	106	972
Impairment loss	162	28	256
Loss on compensation for damage	88	—	—
Other	23	24	220
Total extraordinary losses	¥491	¥271	\$2,486

	2019	2020	2020
	(Millions of yen)		(Thousands of U.S. dollars)
Profit before income taxes	¥3,206	¥4,987	\$45,752
Income taxes-current	1,557	2,030	18,623
Income taxes-deferred	60	(41)	(377)
Total income taxes	1,618	1,988	18,238
Profit	1,587	2,999	27,513
(Profit attributable to)			
Profit attributable to owners of parent	1,588	2,989	27,422
Profit attributable to non-controlling interests	(0)	9	82
Other comprehensive income			
Valuation difference on available-for-sale securities	(412)	(997)	(9,147)
Deferred gains or losses on hedges	(38)	11	100
Foreign currency translation adjustment	(135)	(76)	(698)
Share of other comprehensive income of entities accounted for using equity method	(4)	0	0
Total other comprehensive income	(591)	(1,062)	(9,744)
Comprehensive income	996	1,936	17,761
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of parent	995	1,933	17,733
Comprehensive income attributable to non-controlling interests	¥1	¥2	\$18



# Consolidated Statement of Changes in Equity

(For the fiscal year ended March 31, 2019)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,630	7,717	27,243	(5,631)	44,959
Changes during 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 in items other than shareholders' equity					
Total changes during period	—	(3)	772	(1)	768
Balance at end of 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 period	2,010	2	(127)	4	1,890	13	46,863
Changes during 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 in items other than shareholders' equity	(412)	(38)	(136)	(4)	(592)	349	(243)
Total changes during period	(412)	(38)	(136)	(4)	(592)	349	524
Balance at end of period	1,597	(35)	(263)	0	1,297	363	47,388



## Consolidated Statement of Changes in Equity

(For the fiscal year ended March 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,630	7,714	28,015	(5,632)	45,727
Changes during period					
Dividends of surplus			(815)		(815)
Profit attributable to owners of parent			2,989		2,989
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		(6)			(6)
Transfer among capital surplus and retained earnings		0	(0)		—
Net changes in items other than shareholders' equity					
Total changes during period	—	(6)	2,173	(1)	2,166
Balance at end of period	15,630	7,708	30,188	(5,633)	47,893

(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 period	1,597	(35)	(263)	0	1,297	363	47,388
Changes during period							
Dividends of surplus							(815)
Profit attributable to owners of parent							2,989
Disposal of treasury shares							0
Purchase of treasury shares							(1)
Change in ownership interest of parent due to transactions with non-controlling interests							(6)
Transfer among capital surplus and retained earnings							—
Net changes in items other than shareholders' equity	(997)	11	(69)	0	(1,055)	322	(733)
Total changes during period	(997)	11	(69)	0	(1,055)	322	1,433
Balance at end of period	599	(24)	(333)	0	242	685	48,821

## Consolidated Statement of Cash Flows

(For the fiscal years ended March 31, 2019 and 2020)

	2019	2020	2020
	(Millions of yen)		(Thousands of U.S. dollars)
<b>Cash flows from operating activities</b>			
Profit before income taxes	¥3,206	¥4,987	\$45,752
Depreciation	3,019	2,932	26,899
Amortization of goodwill	579	640	5,871
Increase (decrease) in allowance for doubtful accounts	668	722	6,623
Increase (decrease) in retirement benefit liability	(10)	(21)	(193)
Increase (decrease) in other provisions	(625)	313	2,871
Foreign exchange losses (gains)	0	33	302
Interest and dividend income	(184)	(214)	(1,964)
Interest expenses	117	112	1,027
Share of loss (profit) of entities accounted for using equity method	(0)	12	110
Loss (gain) on sales of investment securities	(18)	(1,724)	(15,817)
Loss (gain) on valuation of investment securities	—	9	82
Loss on retirement of non-current assets	209	106	972
Loss (gain) on sales of non-current assets	(1,041)	(267)	(2,450)
Loss (gain) on step acquisitions	(38)	(477)	(4,377)
Loss (gain) on sale of businesses	—	(450)	(4,129)
Decrease (increase) in trade receivables	84	1,383	12,688
Decrease (increase) in inventories	2,202	(1,792)	(16,441)
Increase (decrease) in trade payables	114	(3,462)	(31,762)
Increase (decrease) in guarantee deposits received	(122)	80	733
Decrease (increase) in long-term prepaid expenses	(493)	(240)	(2,202)
Increase (decrease) in advances received	(311)	44	403
Other	(517)	(739)	(6,780)
<b>Subtotal</b>	<b>6,838</b>	<b>1,989</b>	<b>18,247</b>
Interest and dividends received	237	212	1,944
Interest paid	(117)	(111)	(1,019)
Income taxes (paid) refund	(1,743)	(1,521)	(13,955)
<b>Net cash provided by (used in) operating activities</b>	<b>5,214</b>	<b>569</b>	<b>5,220</b>
<b>Cash flows from investing activities</b>			
Proceeds from withdrawal of time deposits	118	310	2,844
Payments into time deposits	(89)	(84)	(771)
Payments into deposits as collateral	(0)	—	—
Proceeds from sales and redemption of investment securities	141	2,420	22,201
Purchase of investment securities	(416)	(690)	(6,331)
Proceeds from sales of non-current assets	2,533	769	7,055
Purchase of non-current assets	(2,881)	(2,850)	(26,147)
Decrease (increase) in short-term loans receivable	(34)	27	247
Collection of long-term loans receivable	36	16	146
Proceeds from purchase of shares and investments in capital of subsidiaries resulting in change in scope of consolidation	58	—	—
Purchase of shares and investments in capital of subsidiaries resulting in change in scope of consolidation	(376)	(1,130)	(10,367)
Long-term loan advances	(165)	(57)	(523)
Proceeds from sale of businesses	—	450	4,128
Other	(228)	(276)	(2,533)
<b>Net cash provided by (used in) investing activities</b>	<b>(¥1,302)</b>	<b>(¥1,094)</b>	<b>(\$10,037)</b>

	2019	2020	2020
	(Millions of yen)		(Thousands of U.S. dollars)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(¥672)	¥740	\$6,788
Proceeds from long-term borrowings	36	150	1,376
Repayments of long-term borrowings	(746)	(659)	(6,046)
Proceeds from sales of treasury shares	0	0	0
Purchase of treasury shares	(1)	(1)	(10)
Dividends paid	(814)	(813)	(7,459)
Dividends paid to non-controlling interests	(1)	(2)	(19)
Proceeds from share issuance to non-controlling shareholders	244	111	1,018
Other	(302)	(303)	(2,780)
Net cash provided by (used in) financing activities	(2,256)	(778)	(7,138)
Effect of exchange rate change on cash and cash equivalents	(104)	(79)	(725)
Net increase (decrease) in cash and cash equivalents	1,550	(1,383)	(12,689)
Cash and cash equivalents at beginning of period	7,217	8,768	80,440
Cash and cash equivalents at end of period	¥8,768	¥7,385	\$67,752

## Segment Information

(As of and for the fiscal years ended March 31, 2019 and 2020)

### *Segment Information*

For the fiscal year ended March 31, 2020

#### 1. Overview of reporting segments

##### (1) Method used for determining 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 Surrounding 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, peripheral businesses related to households energy such as renovation services and sales of gas appliances, the supply of city gas, the security and distribution of liquefied petroleum gas, and the sale of electricity to households.

The Energy Solution Business (B to B Business) is engaged in sales of various fuels such as petroleum products for large-scale customers, the operation of gas stations, the development of electric power sources and sales of electric power to corporate customers, sales of solar power generation systems and its peripheral services, the energy solutions business, the housing equipment business, and the renewable energy business in Japan and other countries.

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

##### (2) Item concerning change in reporting segments

As stated in "Changes in accounting method for light oil delivery tax grant and the tax refund for light oil sales" the light oil delivery tax grant and the tax refund for light oil sales that were previously included in non-operating income are now included in the cost of sales.

This change increased the segment profit of the Energy Solution Business (B to B Business) by ¥100 million in the segment information for 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.

##### (Change in accounting method for light oil delivery tax grant and the tax refund for light oil sales)

In the Energy Solution Business (B to B Business), there are grants for light oil transaction taxes paid for businesses peripheral to light oil sales and there are tax refunds for light oil sales. In prior years, these grants and refunds were recognized when the notice of receipt of these payments was received. Beginning with the fiscal year that ended in March 2020, these grants and refunds are recognized when the corresponding light oil is sold.

This change was made as a result of the reexamination of the previous accounting method because of the increasing significance of these grants and refunds for light oil sales due to the plan to further increase the volume of sales in the light oil wholesale business in the fiscal year that ended in March 2020.

This change had only a negligible effect on segment income.

**Net Sales, Income/Loss, Assets and Other Information**  
*As of and for the fiscal year ended March 31, 2019*

	Reporting Segment				Adjustments Note 1 Note 2	Amounts on consolidated financial statements Note 3
	Energy Wholesale, Retail and Surrounding Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy and Global Business	Total		
(Millions of yen)						
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	414	(184)	537	1,233	1,771
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 (loss) 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, 2020*

	Reporting Segment				Adjustments Note 1 Note 2	Amounts on consolidated financial statements Note 3
	Energy Wholesale, Retail and Surrounding Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy and Global Business	Total		
(Millions of yen)						
Net sales						
Net sales to external customers	72,271	149,141	15,415	236,827	208	237,036
Intersegment net sales or transfer amount	203	13,804	376	14,383	(14,383)	—
Total	72,475	162,945	15,791	251,211	(14,175)	237,036
Segment income (loss)	766	819	(50)	1,535	918	2,454
Segment assets	33,754	34,536	14,326	82,617	7,993	90,611
Others:						
Depreciation	1,295	621	745	2,661	270	2,932
Amortization of goodwill	222	184	232	640	—	640
Investment in entities accounted for using equity method	—	—	12	12	—	12
Increase in property, plant and equipment and intangible assets	866	1,352	805	3,024	297	3,322

Notes:

- Adjustments of net sales to external customers of ¥208 million are rental income of real estate property managed by the Company.
- Adjustments are as follows:
  - Adjustment of segment income (loss), ¥918 million, includes the amount stated in Note 1, intersegment transaction elimination of ¥3,223 million and corporate expenses not allocated to each reporting segment of -¥2,513 million.
  - Adjustment of segment assets, ¥7,993 million, includes intersegment transaction elimination of -¥22,240 million and corporate assets not allocated to each reporting segment of ¥30,234 million.
  - Adjustment of depreciation, ¥270 million, is corporate expenses not allocated to each reporting segment.
  - Adjustment of increase in property, plant and equipment and intangible assets, ¥297 million, is corporate assets not allocated to each reporting segment.
- Segment income (loss) is adjusted with operating profit in the Consolidated Statement of Income and the Consolidated Statement of Comprehensive Income.