



Security Code Tokyo 5020

August 9, 2024

ENEOS Holdings, Inc.

# FY2024 1Q Financial Results

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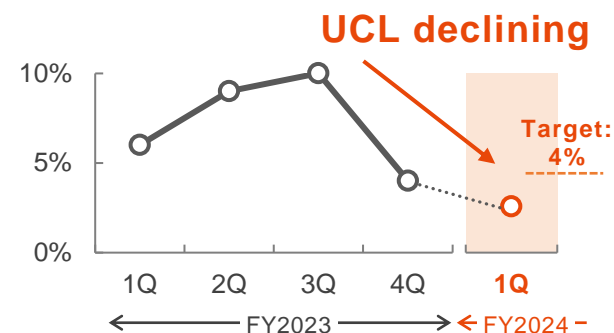
# Highlights of Financial Results for FY2024 1Q

<b>FY2024 1Q Actual</b>	<b>Operating Income</b> (excl. inventory valuation)	FY2023 1Q <hr/> ¥124.9 bn	▶	FY2024 1Q <hr style="border: 1px solid #f47920;"/> <b>¥113.1 bn</b>	}	Changes	}	FY2024 Forecast (Announced in May)
	<b>Net Income</b> Attributable to owners of the parent (excl. inventory valuation)	¥67.4 bn	▶	<b>¥55.2 bn</b>		- ¥11.8 bn		- ¥12.2 bn

## ■ Operating Income (excl. inventory valuation)

- ✓ Operating income remained almost the same, excluding the reversal of one-time factor associated with the sale of Caserones in Metals segment in FY2023.
- ✓ Reduced refinery trouble by accelerating inspection with additional maintenance cost and strengthening operational management of non-regular work.

UCL (Unplanned Capacity Loss)



FY2024  
 Full-year  
 Forecast

## ■ Unchanged from the announcement in May

- ✓ 1Q results are generally in line with the full-year plan

## Progress of Balance Sheet Management

**While reviewing owned assets and businesses based on asset efficiency, optimizing balance sheet by pursuing optimal capital structure and reduction of capital costs**

## Initiatives for asset efficiency improvement

Ongoing since FY2022 or earlier

◆ **Separation of non-core businesses and sale of strategic shareholdings**

FY2023

### ◆ Metals segment

- Sale of 51% of shares of the operating company of Caserones Copper Mine
- Sale of 20% of shares of PAN PACIFIC COPPER CO., LTD.
- Sale of 3.27% of shares of Los Pelambres Copper Mine

◆ **Petroleum Products segment: Sale of closed sites of Yokohama Plant and Osaka Gas Terminal**

◆ **Other (NIPPO): Sale of lease properties**

FY2024

### ◆ Metals segment

• **Additional sale of 19% of shares of the operating company of Caserones Copper Mine**

- Our ownership reduced from 49% to 30%.
- Integrating management resources within Semiconductor Materials segment, where increased demand is expected.

### ◆ Petroleum Products segment

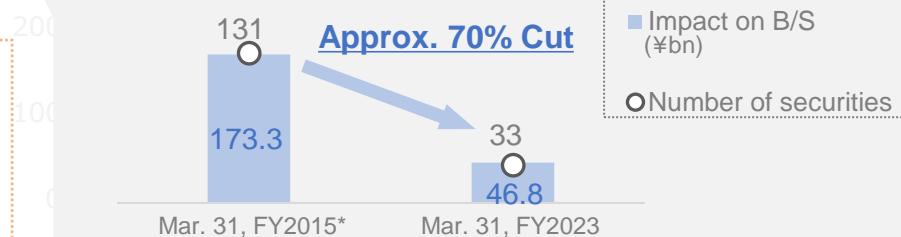
• **Partial sale of marine logistics business**

- In response to issues such as higher investment cost due to surge in vessel price and enhanced environment restrictions, we determined the transfer to the best owner.

### ◆ Separation of non-core businesses

Withdrawal from coal business, sale of UK E&P business, sales of low-efficient assets, etc.

### ◆ Strategic shareholdings trend



\* Total of former JX Holdings, Inc. and TonenGeneral Sekiyu

## Initiatives for debt-equity management

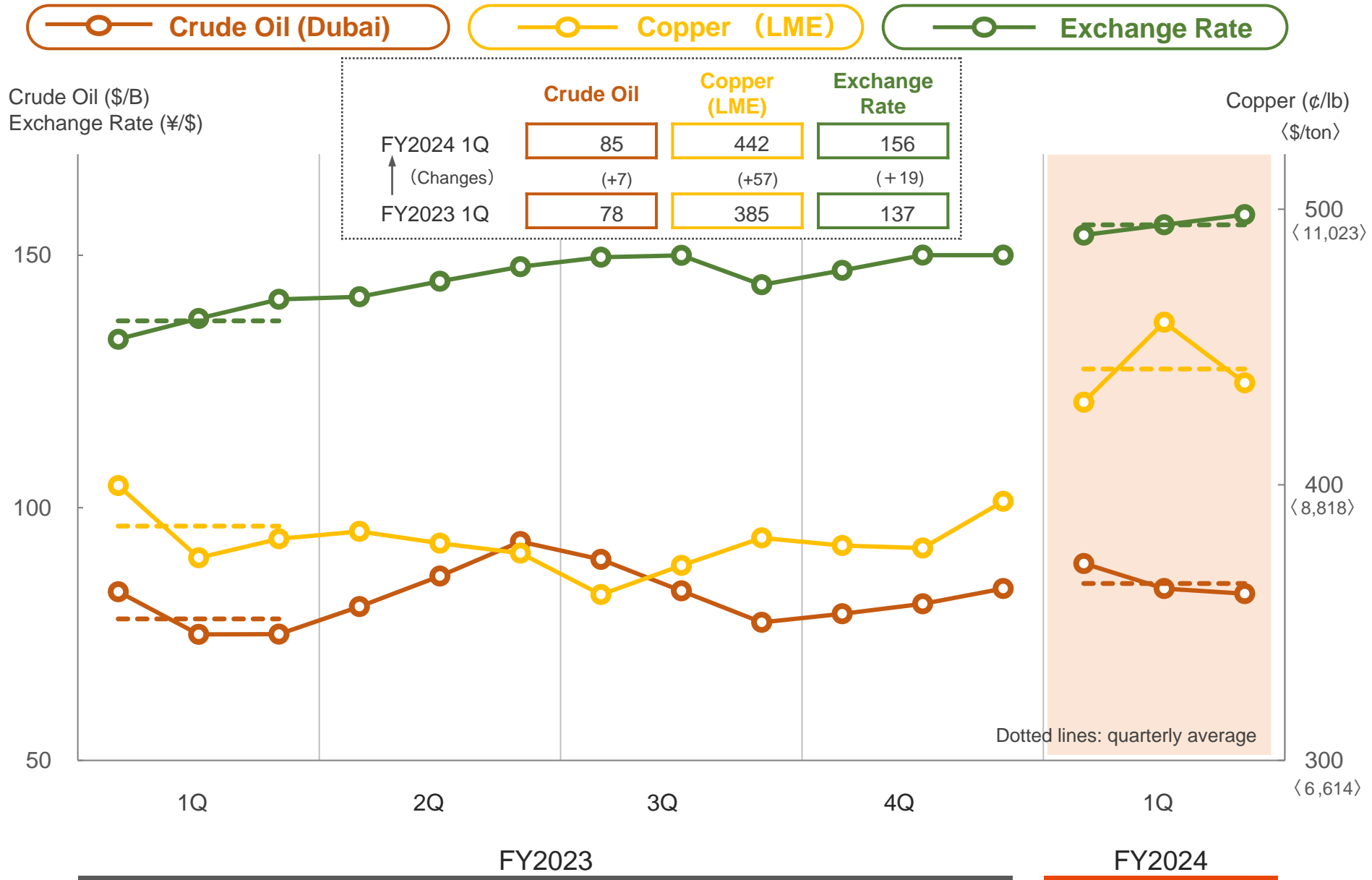
FY2023

- ¥100.0 bn in additional issuance of hybrid bonds (cumulative total is ¥400.0 bn)
- ¥60.0 bn in fundraising through transition-linked bonds (cumulative total of sustainable finance is ¥260.0 bn)

FY2023~2024

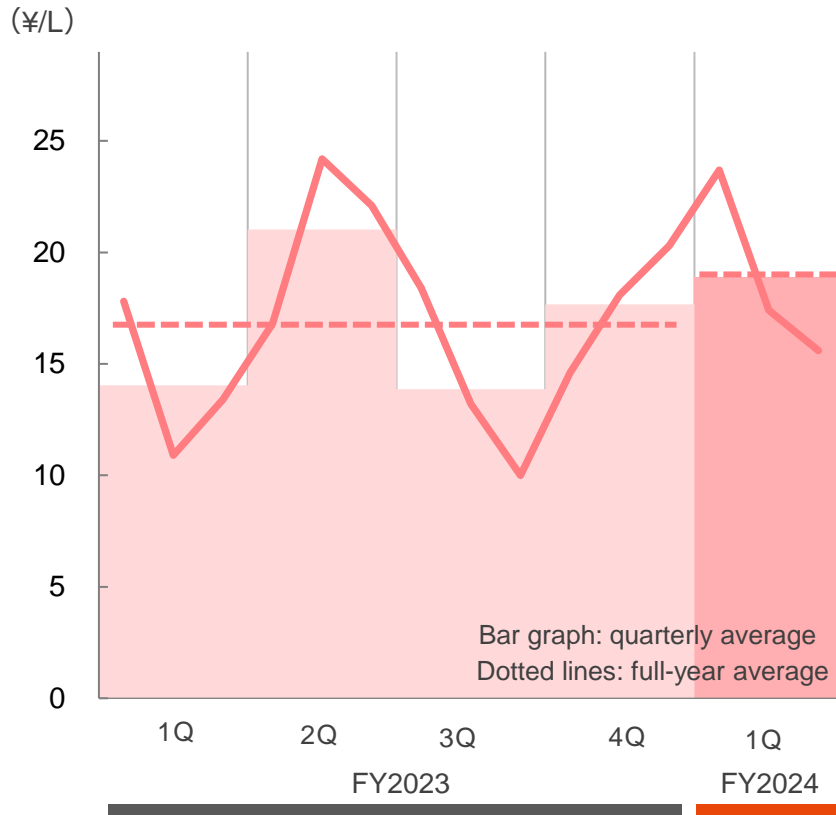
- In terms of asset efficiency and maximization of mid/long-term corporate value, we determined a **cumulative total share buyback of ¥250.0 bn** in FY2023 and FY2024 (1Q: ¥49.0 bn).

# Business Environment

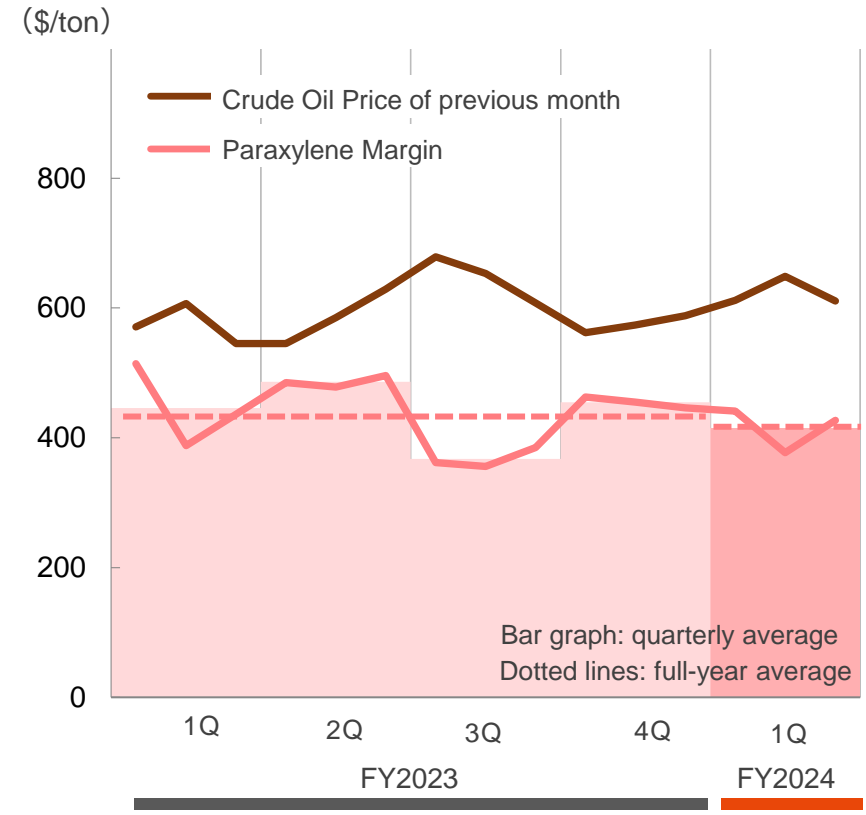




## Petroleum Products Margin Index<sup>2</sup>



## Paraxylene Margin Index<sup>3</sup>



<sup>1</sup> Petroleum products: gasoline, kerosene, diesel fuel and fuel oil A













<sup>2</sup> Calculated using the following formula as a reference for domestic market conditions  
Spot Price – All Japan Crude CIF (including petroleum tax and interest)

<sup>3</sup> Calculated using the following formula as a reference for Asian market conditions  
ACP (Asian Contract Price) – Crude Oil Price of previous month  
If ACP is undecided, average spot market price is used.

Note: The indexes above are different from our margins (Our selling price – Our cost)

# Financial Results for FY2024 1Q

(April 1, 2024 – June 30, 2024)

		FY2023 1Q Actual	FY2024 1Q Actual	Changes	
	Crude Oil (Dubai) (\$/B)	78	85	+7	+9%
	Copper (LME) (¢/lb)	385	442	+57	+15%
	Exchange rate (¥/\$)	137	156	+19	+14%
<hr/>					
	Net Sales (¥bn)	3,218.3	3,166.3	-52.0	-2%
	Operating Income (¥bn)	94.0	150.8	+56.8	+60%
	Inventory Valuation (¥bn)	-30.9	37.7	+68.6	—
	Finance Income (¥bn)	-6.1	-4.6	+1.5	—
	Income before tax (¥bn)	87.9	146.2	+58.3	+66%
	Profit attributable to owners of the parent (¥bn)	45.8	81.6	+35.8	+78%
<hr/>					
	Profit excl. inventory valuation				
	Operating Income (¥bn)	124.9	113.1	-11.8	-9%
	Profit attributable to owners of the parent (¥bn)	67.4	55.2	-12.2	-18%

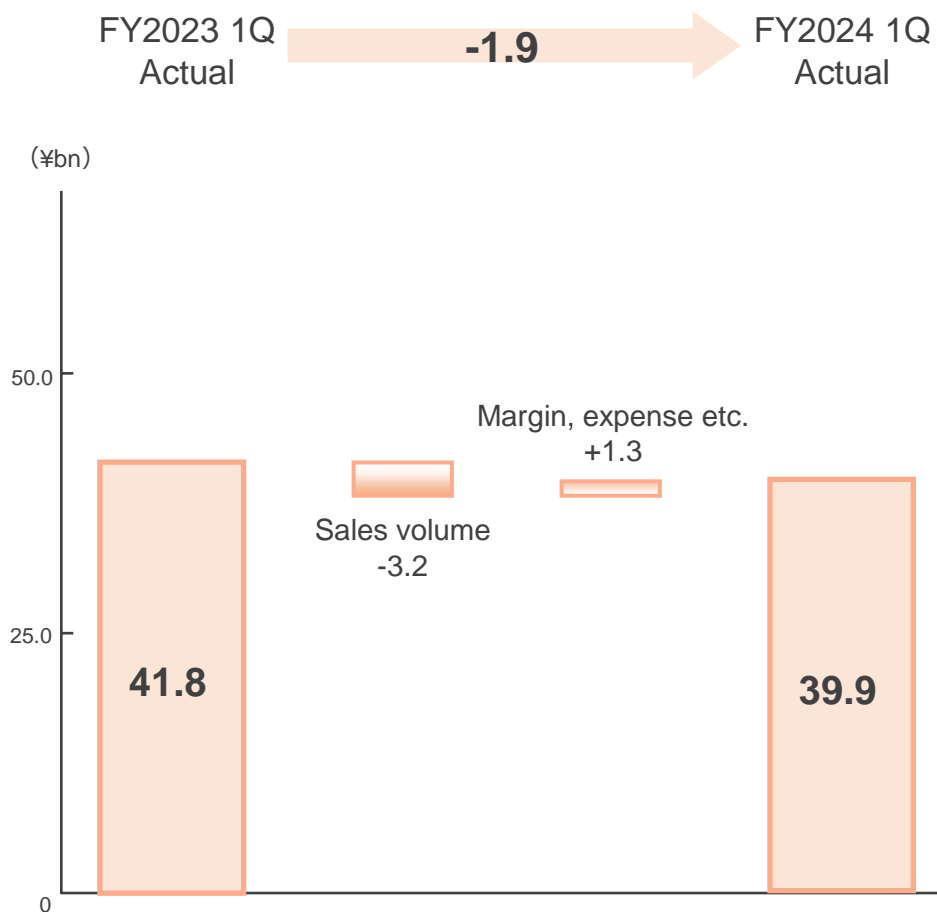
# Operating Income by Segment

		FY2023 1Q Actual	→	FY2024 1Q Actual	Changes	
(¥bn)						
Total Operating Income excl. inventory valuation		124.9		113.1	-11.8	-9%
Segments	Petroleum Products	10.9		77.6	+66.7	+612%
	Inventory valuation	-30.9		37.7	+68.6	-
	excl. inventory valuation	41.8		39.9	-1.9	-5%
	High Performance Materials	2.6		6.6	+4.0	+154%
	Electricity	4.5		9.3	+4.8	+107%
	Renewable Energy	1.2		0.7	-0.5	-42%
	Oil & Natural Gas E&P	25.9		22.8	-3.1	-12%
	Metals	40.1		24.9	-15.2	-38%
	Semiconductor Materials	4.6		8.0	+3.4	+74%
	ICT Materials	2.6		5.0	+2.4	+92%
	Metals & Recycling	33.9		16.4	-17.5	-52%
Non-allocated corporate expenses and other	-1.0		-4.5	-3.5	-	
Other	8.8		8.9	+0.1	+1%	

Note: FY2023 1Q results in the former Energy segment are restructured based on new segmentation with the business separations in Apr. 2024.

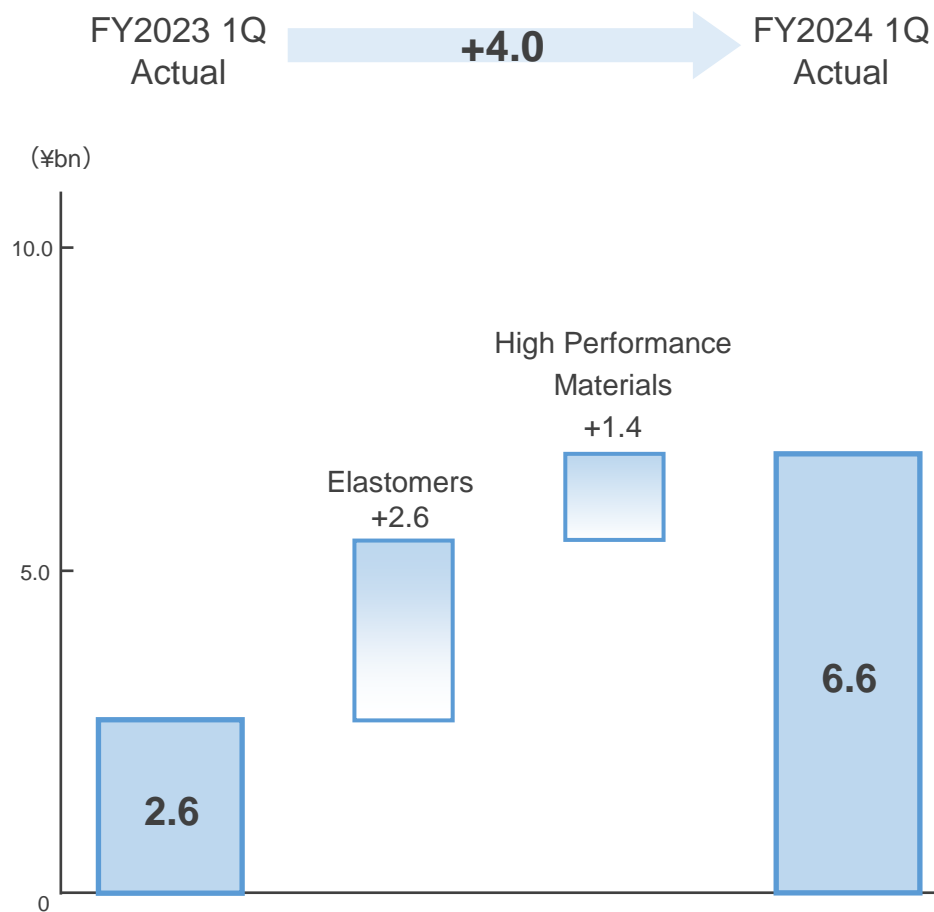
## Petroleum Products Operating Income excl. inventory valuation

Despite improvement in actual margins of petroleum products, profits remained at the same level compared to FY2023 1Q as export volume declined due to large-scale refinery turnarounds, fuel costs deteriorated with the increase in crude oil prices, etc.



## High Performance Materials Operating Income 12

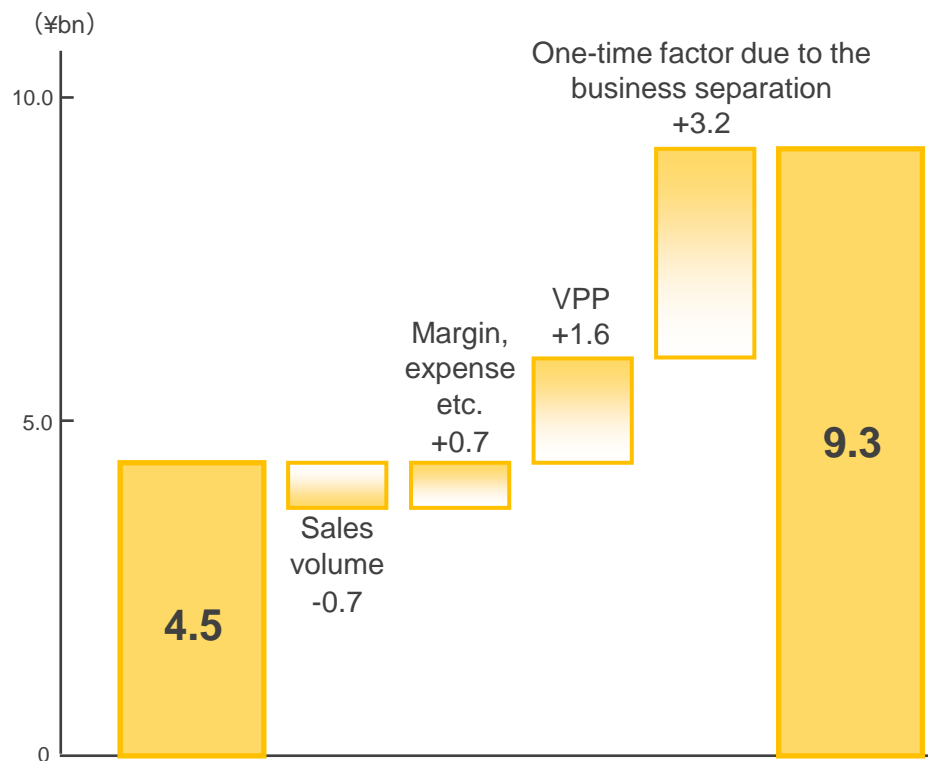
Profits improved in Elastomers business with increase in sales volume, surge in butadiene price and yen depreciation which led to improvements in margins, along with profit gain in High Performance Materials business as supply chain inventory has been reorganized.



# Electricity Operating Income

While sales volume decreased, sales margin improved. Gained profits as we entered the supply-demand balancing market in the VPP business, and there was a one-time factor due to the business separation.

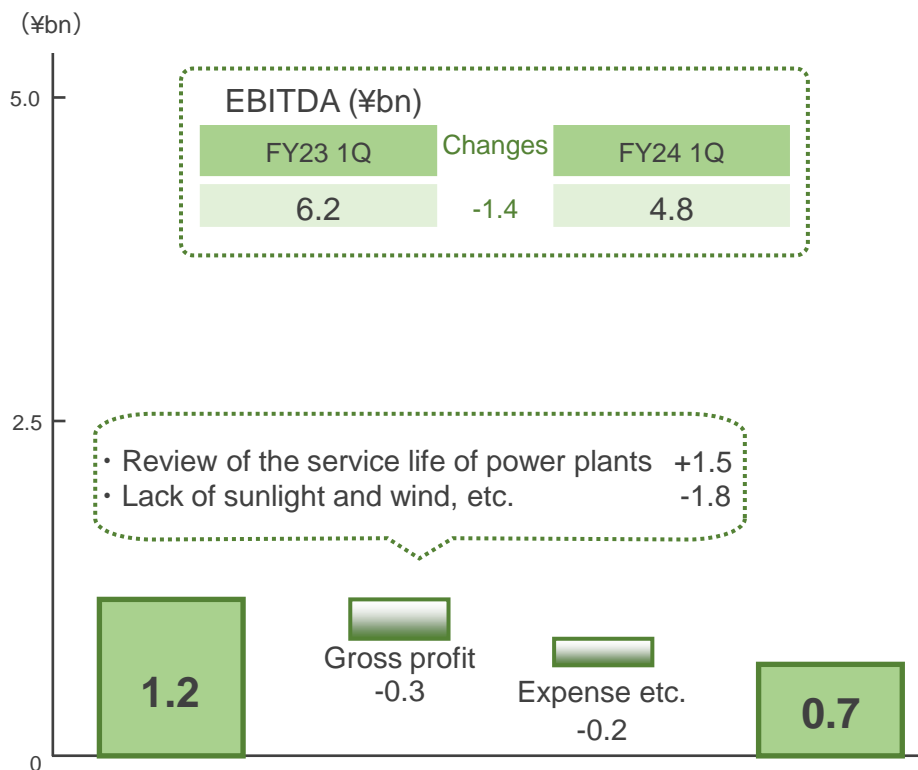
FY2023 1Q Actual **+4.8** → FY2024 1Q Actual



# Renewable Energy Operating Income

While there was a positive impact of review of the service life of power plants, profits decreased due to lack of sunlight and wind, plant troubles, etc.

FY2023 1Q Actual **-0.5** → FY2024 1Q Actual

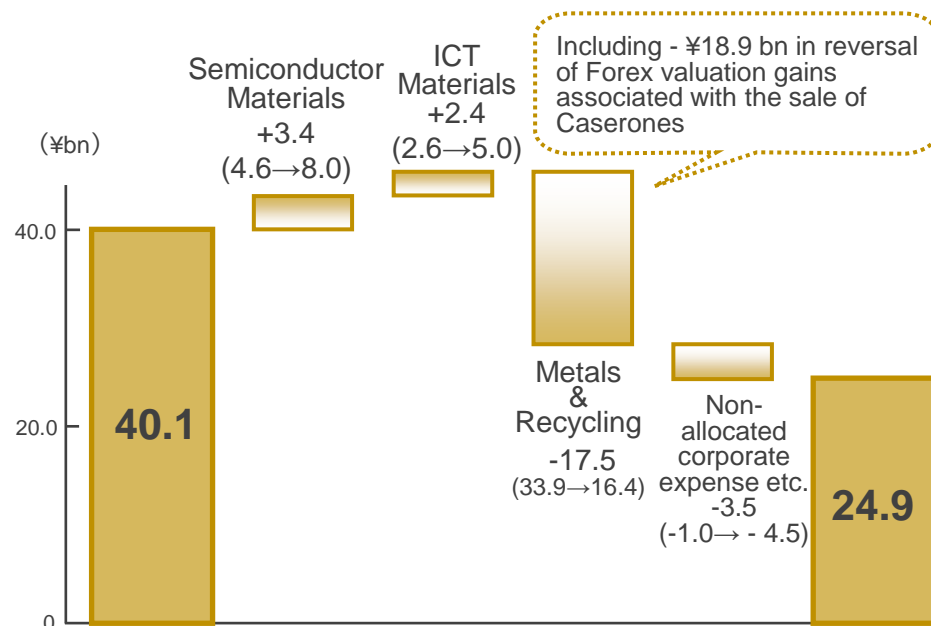
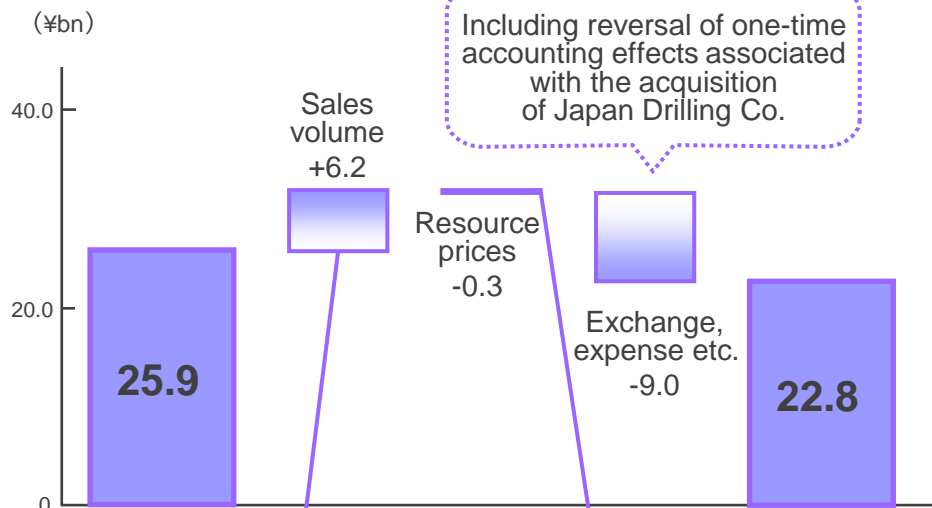


While sales volume increased with the startup of an expanded natural gas field project, profits decreased due to reversal of one-time accounting effects associated with the acquisition of Japan Drilling Co. in FY2023, along with additional expense.

While sales volume increased in Semiconductor Materials and ICT Materials business and there were positive impacts of yen depreciation and increase in copper price, profits decreased mainly due to reversal of one-time factor in FY2023.

FY2023 1Q Actual ➔ **-3.1** ➔ FY2024 1Q Actual

FY2023 1Q Actual ➔ **-15.2** ➔ FY2024 1Q Actual



Sales Volume (1,000BD)

	FY23 1Q	FY24 1Q
Total	82	89
Oil	25	23
Gas	57	66

Crude Oil Price (\$/B)

	FY23 1Q	FY24 1Q
Brent (CY)	78 (82)	85 (82)
Dubai	78	85

## Consolidated Balance Sheets

As of Mar. 31, 2024

As of June. 30, 2024

(¥bn)

Total: 10,136.5

Total: 10,194.6

As of Mar. 31, 2024	As of June. 30, 2024
820.0	707.0
Cash and cash equivalents	
Interest-bearing debt	Interest-bearing debt
2,820.0	2,849.1
Other debt	Other debt
3,612.7	3,545.3
476.6	486.5
Total equity attributable to owners of the parent	Total equity attributable to owners of the parent
3,227.2	3,313.7
Other assets	Other assets
9,316.5	9,487.6
	Net interest-bearing debt 2,142.1
	Non-controlling interests

As of Mar. 31, 2024

As of June 30, 2024

Equity ratio attributable to owners of the parent	31.8%	32.5%
Net D/E ratio (After adjusting for hybrid bonds)	0.46	0.49

## Consolidated Cash Flows

FY2024 1Q

(¥bn)	Excl. IFRS 16 leases	Financial accounting basis
Operating income (Excl. inventory valuation)	113.1	113.1
Depreciation and amortization	67.9	88.8
Other (working capital and tax payment, etc.) <sup>1</sup>	-138.2	-138.2
Cash flows from operating activities	42.8	63.7
Capital investment	-72.5	-72.5
Asset sales and other	-33.5	-33.5
Cash flows from investing activities	-106.0	-106.0
Free cash flows	-63.2	-42.3
Dividends and other <sup>2</sup>	-98.8	-119.7
Net cash flows	-162.0	-162.0

1: Negative impact caused by inventory pileup for winter, rising indexes, corporate tax payment, etc.

2: Including - ¥49.0bn in acquisition of treasury shares



# Reference

		FY2023		FY2024	
		1Q	Full-year	1Q	Full-year
		Actual	Actual	Actual	Forecast Announced in May
All segments	Exchange rate (¥ / \$)	137	145	156	145
Petroleum Products	Crude oil (Dubai) (\$ / B)	78	82	85	80
	Sales volume of Petroleum Products <sup>1</sup> (10,000 KL)	1,040	4,529	1,007	4,496
High Performance Materials	Elastomers sales volume index <sup>2</sup> (%)	102	101	106	106
Electricity	Japan Electric Power Exchange (yen / kWh)	8.6	10.7	10.0	-
Oil & Natural Gas E&P	Sales volume (crude oil equivalent) (1,000 B / day)	82	88	89	96
	Crude oil (Brent) (\$ / B)	78	82	85	81
Metals	Copper (LME) (¢ / lb)	385	379	442	380
	Precision rolled products sales (1,000 tons / month)	2.2	2.3	2.7	2.8

1: Petroleum products: gasoline, kerosene, diesel fuel and fuel oil A

2: Index calculated relative to the sales volume in FY2022, which is set as the base year (100%).

\*Unchanged from May announcement

### ■ Impact of index change on operating income in FY2024 (from Apr. 2024)

Index	Changes	Segment	Impact	(¥bn)
Crude Oil (Dubai)	+ 5\$/B	Petroleum Products	(-)	4.0
		Oil and Natural Gas E&P	(+)	8.0
		Subtotal	(+)	4.0
		Inventory Valuation	(+)	47.0
		<b>Total</b>	<b>(+)</b>	<b>51.0</b>
Copper (LME)	+10¢/lb	Metals	(+)	2.0
		<b>Total</b>	<b>(+)</b>	<b>2.0</b>
Exchange Rate	5¥/\$ Yen depreciation	Petroleum Products	(+)	4.0
		High Performance Materials	(+)	0.5
		Oil and Natural Gas E&P	(+)	4.0
		Metals	(+)	3.0
		Subtotal	(+)	11.5
		Inventory Valuation	(+)	25.0
<b>Total</b>	<b>(+)</b>	<b>36.5</b>		

This notice contains certain forward-looking statements, however, actual results may differ materially from those reflected in any forward-looking statement, due to various factors, including but not limited to, the following:

- (1) macroeconomic conditions and changes in the competitive environment in the energy, resources and materials industries;
- (2) changes in laws and regulations; and
- (3) risks related to litigation and other legal proceedings.