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Consolidated Financial Summary for the Fiscal Year Ended March 31, 2024

May 14, 2024

Company name: Sinanen Holdings Co., Ltd. Shares listed: Tokyo Stock Exchange
 Securities code: 8132 URL: <https://sinanengroup.co.jp/en/>
 Representative (Position) President and CEO (Name) Masaki Yamazaki
 Contact: (Position) General Manager of Finance and IR Department (Name) Kango Saito Tel +81-3-6478-7811
 Scheduled date of Ordinary General Meeting of Shareholders June 26, 2024
 Scheduled date of start of dividend payment June 27, 2024
 Scheduled date of filing of securities report June 26, 2024
 Preparation of supplementary materials : Yes
 Convening of a results meeting : Yes

(Note: Amounts are rounded down to nearest million yen.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(1) Consolidated operating results (Percentage figures represent year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
FY 2023	348,282	1.8	(711)	—	93	(92.4)	(1,039)	—
FY 2022	342,254	18.3	895	(63.9)	1,227	(62.5)	478	(80.8)

(Note) Comprehensive income FY 2023 500 million yen (-%) FY 2022 -44 million yen (-%)

	Profit per share	Diluted profit per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to sales
FY 2023	yen (95.53)	yen —	% (1.9)	% 0.1	% (0.2)
FY 2022	43.82	—	0.9	1.2	0.3

(Reference) Gains and losses on equity-method investments

FY 2023 — million yen FY 2022 -256 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
FY 2023	million yen 108,480	million yen 53,315	% 49.1	yen 4,900.02
FY 2022	101,350	53,631	52.9	4,902.63

(Reference) Shareholders' equity FY 2023 53,296 million yen FY 2022 53,616 million yen

(3) Status of consolidated cash flow

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
FY 2023	million yen (945)	million yen (1,667)	million yen 4,275	million yen 11,583
FY 2022	389	(698)	435	9,927

2. Dividends

	Dividend per share					Total dividend amount (total)	Dividend payout ratio (consolidated)	Net payout ratio (consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Total			
FY 2022	yen —	yen —	yen —	yen 75.00	yen 75.00	million yen 820	% 171.2	% 1.5
FY 2023	—	—	—	75.00	75.00	815	—	1.5
FY 2024 (forecast)	—	—	—	75.00	75.00		—	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)
(Percentage figures represent year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	340,000	(2.4)	2,800	—	3,100	—	1,800	—	165.39

* Notice:

(1) Changes in main subsidiaries during the period (Changes in specific subsidiaries accompanied by changes in the scope of consolidation): None

New: - company(ies) (Company name(s)) Excluded: - company(ies) (Company name(s))

(2) Changes in accounting policies, accounting estimates, and restatements

(a) Changes in accounting policies due to revision of accounting standards: None

(b) Changes in accounting policies other than those in (a): None

(c) Changes in accounting estimates: None

(d) Restatements: None

(3) Number of shares issued (common stock)

(a) Number of shares issued (including treasury shares)

FY 2023	13,046,591 shares	FY 2022	13,046,591 shares
FY 2023	2,169,811 shares	FY 2022	2,110,406 shares
FY 2023	10,883,614 shares	FY 2022	10,926,588 shares

(b) Number of treasury shares

(c) Average number of shares during the period

(Reference) Summary of non-consolidated financial results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(1) Non-consolidated operating results (Percentage figures represent year-on-year change)

	Net sales		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY 2023	2,906	1.3	(499)	—	1,274	162.9	1,028	(59.4)
FY 2022	2,869	(8.2)	(324)	—	484	(36.4)	2,535	144.5

	Profit per share	Diluted profit per share
	yen	yen
FY 2023	94.50	—
FY 2022	232.09	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
FY 2023	46,093	28,118	61.0	2,585.23
FY 2022	36,926	26,297	71.2	2,404.61

(Reference) Shareholders' equity FY 2023 28,118 million yen FY 2022 26,297 million yen

* Financial results summaries are not subject to audit by certified public accountant or auditing firm.

* Cautionary statement regarding business results forecasts and special notes

(Caution regarding forward-looking statements)

The financial forecasts and other forward-looking statements contained herein are based on currently available information and assumptions considered by the Company to be reasonable and do not represent a commitment from the Company that they will be achieved. Actual results may differ materially due to various factors. See "(4) Outlook" under "1. Overview of Operating Results" on page 6 of the attachment for the underlying assumptions of and precautions for using the forecasts.

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1. Overview of Operating Results

(1) Overview of operating results in this fiscal year

During the fiscal year under review, in the domestic energy industry, the price of crude oil and propane contract prices, which affect the purchase prices in our mainstay area of petroleum and LP gas, temporarily surged due to the extension of coordinated production cuts by major oil-producing countries. However, overall they remained low when compared to the previous fiscal year due to the slackening of supply and demand due to such factors as global warming and economic slowdown in China. Furthermore, in the electricity market, power supply and demand was stable and prices in the wholesale electricity market remained low overall when compared to the previous fiscal year due to falling fuel prices and decreased demand.

In the midst of this environment, the Group launched its 3rd Medium-Term Management Plan in the fiscal year under review toward the 100th anniversary of its founding in FY 2027. To achieve our vision of “Evolution into a comprehensive energy life creation group that contributes to achieving a decarbonized society,” we are accelerating shift to a stronger management foundation and advancing our growth strategy. In business development, we have improved profitability by “expanding earnings from existing businesses” and “creating new businesses that contribute to the realization of a decarbonized society”.

In the fiscal year under review, sales volume of petroleum products and electricity increased, resulting in net sales of 348,282 million yen (up 1.8% year on year).

In terms of profit and loss, the electricity business saw a deterioration of gross profit due to the fact we were forced to sell relative power sources procured in the previous fiscal year at a negative spread, which were affected by prices in the wholesale electricity market remaining low. As a result, operating loss was 711 million yen (compared to an operating profit of 895 million yen in the previous fiscal year). Meanwhile, the impact of recording 1,057 million yen in non-operating income, such as dividend income and insurance claim income, and other factors resulted in an ordinary profit of 93 million yen (down 92.4% year on year). Furthermore, the impact of recording extraordinary losses of 389 million yen, which includes loss on disaster because of solar power generation facilities and other equipment damaged by the 2024 Noto earthquake, resulted in a loss attributable to owners of parent of 1,039 million yen (profit attributable to owners of parent was 478 million yen in the previous fiscal year).

In addition, we reviewed the future implementation system for the electricity business to minimize loss risks. While promoting the transition to a market-linked plan for the B to B Business, in the B to C Business we have been participating in balancing groups with other companies (a system in which several electricity retailing companies form a single group and enter a single consignment supply agreement with general electric power distributors) and outsourcing power procurement and supply and demand management to optimize the balance between supply and demand.

Segment status is as follows.

[Retail/Wholesale Energy & Related Business (B to C Business)]

The sales volume was down as the mainstay area of LP gas and kerosene was impacted by average temperatures that were higher than usual, and as a result, sales decreased.

In terms of profit and loss, profits increased due to the contribution of price revisions implemented in the previous fiscal year in mainstay LP gas sales.

In addition, as a new initiative to expand the number of customers as indicated in the 3rd Medium-Term Management Plan, we began sales of Melife carbon neutral LP gas, which emits virtually zero CO₂ emissions.

As a result of the above, net sales for the fiscal year under review in the Retail/Wholesale Energy & Related Business (B to C Business) were 75,020 million yen (down 7.9% year on year) and operating profit was 827 million yen (up 448.0% year on year).

[Energy Solution Business (B to B Business)]

In terms of sales, we secured a sales volume higher than the previous fiscal year mainly for light oil and heavy oil in the mainstay petroleum business. Furthermore, sales increased in the electricity business due to such factors as the acquisition of new large customers for market-linked plans.

In terms of profits, the deterioration of gross profit in the electricity business as mentioned above had a significant impact on results, which resulted in a larger loss.

In addition, we are working on efforts to “shift our portfolio to comprehensive energy services including electricity and renewable energy,” as outlined in the 3rd Medium-Term Management Plan by such as starting to supply renewable energy through an off-site corporate PPA and the launch of trade in next-generation biodiesel fuel that contributes to reducing CO2 emissions.

As a result of the above, net sales for the fiscal year under review in the Energy Solution Business (B to B Business) were 252,544 million yen (up 4.7% year on year) and operating loss was 2,569 million yen (operating loss for the previous fiscal year was 346 million yen).

[Non-energy Business]

Overall for Non-energy Businesses, both sales and profits were up, mainly due to strong performance in the bicycle business.

The circumstances of each business are outlined below.

The bicycle business operator Sinanen Bike Co., Ltd. posted increases in both sales and profits thanks to the company strengthening its sales of private brand products and promoting developing new corporations, in addition to the contribution of price revisions implemented from the second half of the previous fiscal year.

Bicycle sharing business operator Sinanen Mobility Plus Co., Ltd. promoted development of bicycle sharing service DAICHARI locations and started field tests together with new municipalities such as Warabi City, Saitama Prefecture. As of March 31, 2024, the scale of the business has grown to more than 3,500 stations and more than 12,000 bicycles, resulting in increased sales. However, profit decreased due to the impact of factors such as the increased selling, general and administrative expenses associated with battery replacement. In addition, we have established a system to take charge of maintenance for other companies and are improving the overall operational quality of HELLO CYCLING.

Environmental and recycling business operator Sinanen Ecowork Co., Ltd. saw lower sales and profit due to an increase in variable expenses from such as transportation costs, in addition to a decrease in the volume of construction waste wood generated which was associated with sluggishness in new housing starts.

Antimicrobial business operator Sinanen Zeomic Co., Ltd. experienced lower demand overseas stemming from the stagnation of China’s economy, while sales in Japan have performed well, leading to an overall increase in both sales and profits. In addition, we are pursuing new initiatives, such as signing an exclusive distributorship agreement for a natural antimicrobial agent from Finland.

Systems business operator Minos Co., Ltd. posted profits at the same level as in the previous fiscal year due to steady demand for its flagship LP gas backbone operation system. In addition, new developments are underway as needed for the customer information system (Power CIS), including the establishment of a market-linked function that adjusts prices and services in response to market fluctuations.

The four group companies engaged in the building maintenance and management business was integrated as Sinanen Axia Co., Ltd. in October 2023 and made a fresh start as a comprehensive building maintenance company. During the fiscal year under review, although there was an increase in sales due to the expansion of its area of building maintenance operations for multi-family housing and strong performance in the facility operation business, including funeral halls and hospitals, profits decreased due to an increase in selling, general and administrative expenses associated with the integration. In addition, the company is preparing to open a new office in the Saitama area for further expansion of areas of operations as indicated in the 3rd Medium-Term Management Plan. Furthermore, we are seeing results from efforts towards “ensuring stable profits” by such as starting to manage large properties.

As a result of the above, net sales for the fiscal year under review in the Non-energy Business were 20,488 million yen (up 5.9% year on year) and operating profit was 894 million yen (up 4.5% year on year).

*CIS stands for Customer Information System. It is a system allowing centralized management of everything from customer information management to fee calculation and invoicing according to contract type.

(2) Overview of financial status for this fiscal year

(Assets)

Current assets as of the end of the fiscal year under review were 65,410 million yen, an increase of 6,649 million yen compared to the previous fiscal year. The increase was primarily due to an increase of 3,153 million yen in accounts receivable - trade (trade receivables).

Non-current assets as of the end of the fiscal year under review were 43,070 million yen, an increase of 480 million yen compared to the previous fiscal year. The primary reason for this was that although there was a decrease due to depreciation of non-current assets, an increase of investment securities occurred due to such factors as revaluation.

As a result, total assets were 108,480 million yen, up 7,130 million yen compared to the end of the previous fiscal year.

(Liabilities)

Current liabilities as of the end of the fiscal year under review were 46,723 million yen, an increase of 7,651 million yen compared to the end of the previous fiscal year. The increase was primarily due to an increase of 5,788 million yen in short-term borrowings.

Non-current liabilities as of the end of the fiscal year under review were 8,440 million yen, a decrease of 205 million yen compared to the end of the previous fiscal year. The primary reason for this decrease was that although there was an increase of 464 million yen in deferred tax liabilities, there was a decrease of 428 million yen in long-term borrowings.

(Net assets)

Net assets as of the end of the fiscal year under review were 53,315 million yen due to 1,039 million yen of loss attributable to owners of parent as well as a decrease of 820 million yen because of distribution of retained earnings, resulting in a drop of 315 million yen compared to the end of the previous fiscal year.

As a result of the above, the equity ratio decreased 3.8 percentage points compared to the end of the previous fiscal year to 49.1%.

(3) Overview of cash flows in this fiscal year

Cash and cash equivalents on a consolidated basis for the fiscal year under review were 11,583 million yen (up 16.7% year on year). Status of cash flows and their major reasons are as follows.

(Cash flows from operating activities)

During the fiscal year under review, capital used as a result of operating activities was 945 million yen (inflow of 389 million yen in the previous fiscal year). The main reason for this was 70 million yen in net loss before taxes, 2,875 million yen in depreciation expenses, a 3,421 million yen increase in trade receivables, a 1,575 million yen increase in notes and accounts payable, and 1,140 million yen in income taxes paid.

(Cash flows from investing activities)

During the fiscal year under review, capital used as a result of investing activities was 1,667 million yen (outflow of 698 million yen in the previous fiscal year). The main reasons for this were 1,307 million yen in proceeds from sale and redemption of investment securities as well as 2,433 million yen in expenditures for the purchase of non-current assets.

(Cash flows from financing activities)

During the fiscal year under review, capital gained as a result of financing activities was 4,275 million yen (inflow of 435 million yen in the previous fiscal year). The main reason for this was a 5,820 million yen increase in short-term borrowings, 445 million yen in repayments of long-term borrowings, and 819 million yen paid as dividends.

(Reference) Trends in cash flow-related indices

	FY 2020	FY 2021	FY 2022	FY 2023
Equity ratio (%)	52.9	51.2	52.9	49.1
Equity ratio (%) on market capitalization basis	34.2	34.3	34.6	49.3
Debt-to-cash flow ratio (years)	0.7	3.4	13.9	(11.4)
Interest coverage ratio (multiples)	65.4	12.3	4.6	(9.9)

Equity ratio: Shareholders' equity/total assets

Equity ratio (%) on market capitalization basis: Share market capitalization/total assets

Debt-to-cash flow ratio: Interest-bearing liabilities/operating cash flows

Interest coverage ratio: Operating cash flows/interest payments

- a. Indices are calculated based on financial figures on consolidated basis.
- b. Share market capitalization is calculated by multiplying closing share price at the end of fiscal year by the total number of issued shares at the end of the fiscal year (excluding treasury shares).
- c. Operating cash flow uses cash flow from operating activities on the consolidated cash flow statement. Interest payments use the amount of interest paid on the same statement. Interest-bearing liabilities are the total amount of loans, corporate bonds, and commercial papers booked on the consolidated balance sheet.

(4) Outlook

The environment surrounding the oil and gas businesses, which are the mainstay businesses of the Group, remains harsh as energy demand continues to decline in the face of a decreasing population in Japan, the spread of energy-saving equipment, and changes to lifestyles. Furthermore, in addition to heightened awareness of global decarbonization and SDGs, efforts to achieve carbon neutrality by 2050 are picking up steam in Japan. Demand will rise significantly for us to take responsible action as a comprehensive energy service group.

For the following fiscal year (FY 2024), which will be the 2nd year of the 3rd Medium-Term Management Plan that started from the fiscal year under review to respond to these changes in the business environment and trend of the times, we will continue to accelerate a shift to a stronger management foundation and implement growth strategies to achieve our “evolution into a comprehensive energy life creation group that contributes to achieving a decarbonized society”.

The full-year financial results forecasts for the next fiscal year are net sales of 340,000 million yen (down 2.4% year on year), operating profit of 2,800 million yen (operating loss of 711 million yen for the previous fiscal year), ordinary profit of 3,100 million yen (ordinary profit of 93 million yen for the previous fiscal year), and profit attributable to owners of parent of 1,800 million yen (net loss of 1,039 million yen for the previous fiscal year). In terms of profit, we expect significant profit increases overall due to improved profitability in the electricity business, which stagnated significantly in the fiscal year under review.

The business results forecast are calculated based on information currently available to us and assumptions considered by the Company to be reasonable. If a revision of the forecast becomes necessary due to developing circumstances and business progress, such information will be disclosed without delay.

(5) Basic policy regarding distribution of profits and dividend for this year and following year

The Company considers returning profit to shareholders the most important management policy. Our basic policy is to provide stable dividends with a consolidated payout ratio of 30% or more, and a minimum of 75 yen per share. We plan to allocate internal reserves to expanding our business domains and capital expenditures to strengthen our business foundation.

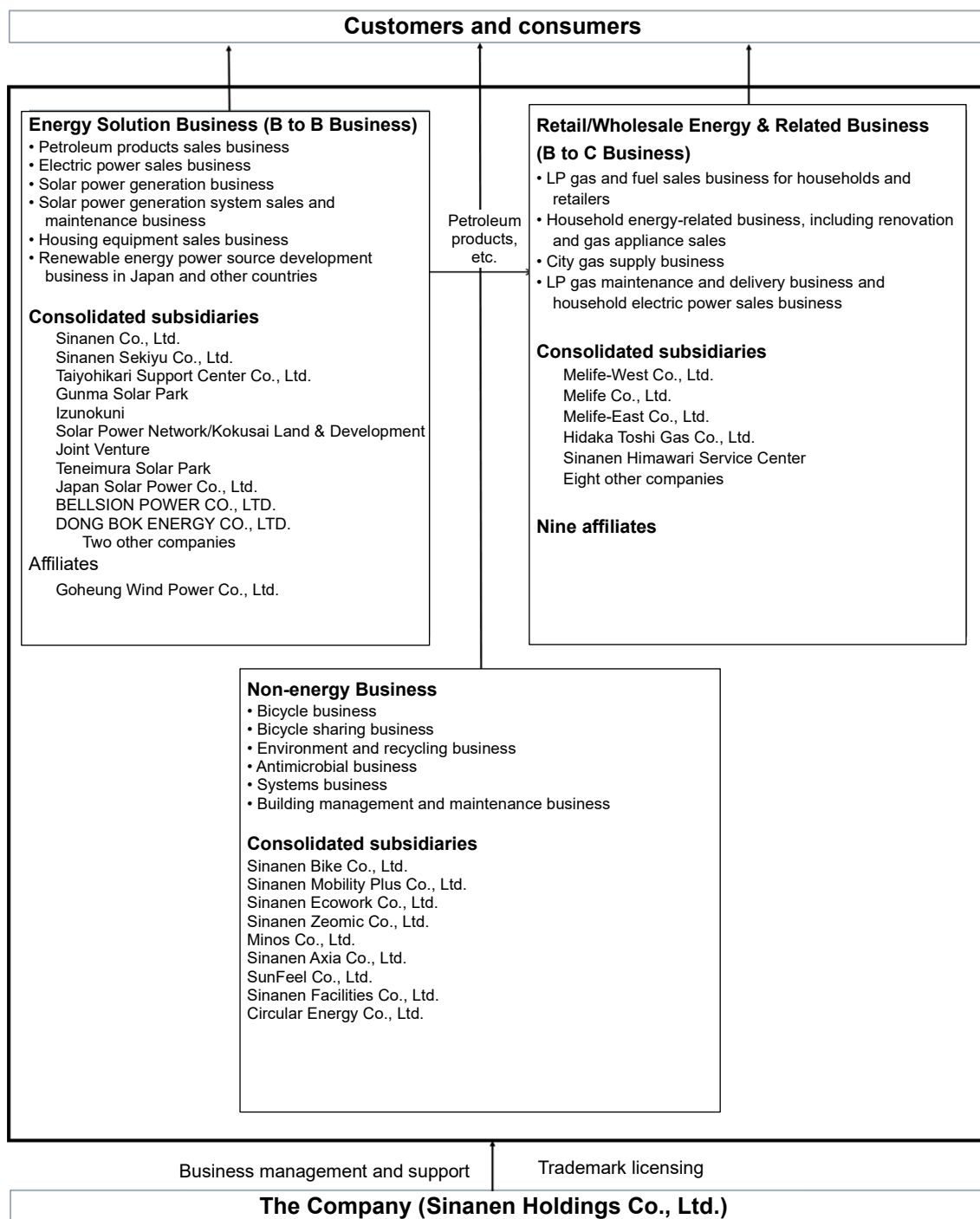
We plan to provide a dividend of 75 yen per share during the fiscal year under review. We plan to provide a dividend of 75 yen per share during the following fiscal year.

2. Corporate Group

The Sinanen corporate group is comprised of the Company, 34 consolidated subsidiaries, and 10 affiliates. Descriptions of the main businesses and their respective positioning are provided below.

<Business Diagram>

The arrows in the diagram represent the sale of products and the provision of services.



- (Notes) 1. Sinagy Revo Co., Ltd. merged with Sinanen Co., Ltd., so it has been removed from the scope of consolidation.
2. MIKAWA-SHINAGAWA-NENRYO Co., Ltd. merged with Melife-West Co., Ltd., so it has been removed from the scope of consolidation.
3. Takara Building Maintenance Co., Ltd. changed its name to Sinanen Axia Co., Ltd.
4. Indess Co., Ltd. and Gus System Co., Ltd. merged with Sinanen Axia Co., Ltd., so they have been removed from the scope of consolidation.

<Affiliates>

Name	Address	Share capital (Millions of yen)	Description of main business	Percentage of voting rights held	Description of relationship
(Consolidated subsidiaries)					
Melife-West Co., Ltd.	Nishi-ku, Osaka City	90	Retail/Wholesale Energy & Related Business (B to C Business)	100.0	A business management contract has been concluded with the Company. Interlocking officers: Yes Financial support: Yes
Melife Co., Ltd.	Minato-ku, Tokyo	300	Retail/Wholesale Energy & Related Business (B to C Business)	100.0	A business management contract has been concluded with the Company. Subleases part of the Company's leased building as its office. Interlocking officers: Yes
Melife-East Co., Ltd.	Aoba-ku, Sendai City	200	Retail/Wholesale Energy & Related Business (B to C Business)	100.0	A business management contract has been concluded with the Company. Interlocking officers: Yes Financial support: Yes
Hidaka Toshi Gas Co., Ltd.	Hidaka City, Saitama	80	Retail/Wholesale Energy & Related Business (B to C Business)	100.0	A business management contract has been concluded with the Company. Financial support: Yes
Sinanen Co., Ltd.	Minato-ku, Tokyo	100	Energy Solution Business (B to B Business)	100.0	A business management contract has been concluded with the Company. Subleases part of the Company's leased building as its office. Interlocking officers: Yes Financial support: Yes
Sinanen Bike Co., Ltd.	Minato-ku, Tokyo	100	Non-energy Business	100.0	Subleases part of the Company's leased building as its office. Financial support: Yes
Sinanen Ecowork Co., Ltd.	Minato-ku, Tokyo	30	Non-energy Business	100.0	A business management contract has been concluded with the Company. Subleases part of the Company's leased building as its office. Leases the Company's plants and equipment.
Sinanen Zeomic Co., Ltd.	Minato-ku, Nagoya City	50	Non-energy Business	100.0	A business management contract has been concluded with the Company. Leases the Company's plants and equipment. Interlocking officers: Yes
Minos Co., Ltd.	Minato-ku, Tokyo	95	Non-energy Business	100.0	A business management contract has been concluded with the Company. Provides a sales management system for LP gas and other products to the Group. Interlocking officers: Yes Financial support: Yes
Sinanen Axia Co., Ltd.	Shinjuku-ku, Tokyo	10	Non-energy Business	100.0	Interlocking officers: Yes
Sinanen Mobility Plus Co., Ltd.	Minato-ku, Tokyo	30	Non-energy Business	100.0	Subleases part of the Company's leased building as its office. Interlocking officers: Yes Financial support: Yes
23 other companies					
(Equity method affiliates) 1 company					
(Other affiliate)					
HIKARI TSUSHIN, INC.(Notes) 5, 6	Toshima-ku, Tokyo	54,259	Corporate services Individual services Commission sales	Held 35.33	-

(Notes) 1. Segment names are provided in the "Description of main business" section.

2. Melifé Co., Ltd. and Sinanen Co., Ltd. are categorized as specified subsidiaries.

3. Melifé Co., Ltd. net sales (excluding internal sales between consolidated companies) account for more than 10% of consolidated sales.

Principal profit and loss information (1) Net sales: 36,731 million yen

(2) Ordinary profit: 825 million yen

(3) Net profit: 451 million yen

(4) Net assets: 12,557 million yen

(5) Total assets: 19,435 million yen

4. Sinanen Co., Ltd. net sales (excluding internal sales between consolidated companies) account for more than 10% of consolidated sales.

Principal profit and loss information (1) Net sales: 269,950 million yen

(2) Ordinary profit (loss): -2,333 million yen

(3) Net loss: -2,454 million yen

(4) Net assets: 6,877 million yen

(5) Total assets: 39,912 million yen

5. We are filing a securities report.

6. HIKARI TSUSHIN, INC. does not hold any voting rights in the Company. However, because it is the parent company of UH Partners 2, Inc., UH Partners 3, Inc., HIKARI TSUSHIN, INC., System Integrating Laboratory Co., Ltd. and NOI Co., Ltd., which are joint holders, and it has substantial influence. As such, HIKARI TSUSHIN, INC. is considered an other affiliate.

3. Basic Approach to Selecting Accounting Standards

Considering the necessity of preparing consolidated financial statements based on international accounting standards and the burden of maintaining such a system, we prepare consolidated financial statements based on Japanese standards.

4. Consolidated Financial Statements and Main Notes

(1) Consolidated balance sheet

(Unit: Millions of yen)

	Previous fiscal year (March 31, 2023)	Current fiscal year (March 31, 2024)
Assets		
Current assets		
Cash and deposits	10,227	11,841
Notes receivable - trade	374	661
Accounts receivable - trade	36,055	39,208
Contract assets	21	2
Securities	–	200
Merchandise and finished goods	5,898	6,504
Work in process	2,114	1,325
Raw materials and supplies	50	39
Other	4,069	5,736
Allowance for doubtful accounts	(50)	(110)
Total current assets	58,760	65,410
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,716	17,071
Accumulated depreciation	(10,380)	(10,914)
Buildings and structures, net	6,335	6,156
Machinery, equipment and vehicles	18,043	18,435
Accumulated depreciation	(11,924)	(12,505)
Machinery, equipment and vehicles, net	6,118	5,930
Land	11,075	10,994
Leased assets	3,140	3,061
Accumulated depreciation	(1,461)	(1,402)
Leased assets, net	1,678	1,659
Construction in process	2,364	2,370
Other	2,325	2,548
Accumulated depreciation	(1,592)	(1,430)
Other, net	732	1,117
Total property, plant and equipment	28,306	28,228
Intangible assets		
Goodwill	1,732	1,446
Other	933	879
Total intangible assets	2,665	2,326
Investments and other assets		
Investment securities	7,399	8,815
Long-term loans receivable	42	38
Long-term prepaid expenses	1,425	1,594
Deferred tax assets	541	499
Other	3,742	3,052
Allowance for doubtful accounts	(1,534)	(1,485)
Total investments and other assets	11,616	12,515
Total non-current assets	42,589	43,070
Total assets	101,350	108,480

(Unit: Millions of yen)

	Previous fiscal year (March 31, 2023)	Current fiscal year (March 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	27,196	28,772
Short-term borrowings	2,949	8,738
Accounts payable - other	2,082	1,849
Lease liabilities	278	297
Income taxes payable	959	1,067
Accrued consumption taxes	394	304
Contract liabilities	1,127	1,081
Provision for bonuses	873	970
Other	3,208	3,642
Total current liabilities	39,071	46,723
Non-current liabilities		
Long-term borrowings	2,472	2,043
Lease liabilities	1,240	1,191
Deferred tax liabilities	1,745	2,209
Provision for retirement benefits for directors (and other officers)	19	13
Retirement benefit liability	555	571
Long-term guarantee deposits	1,405	1,320
Asset retirement obligations	619	560
Other	589	529
Total non-current liabilities	8,646	8,440
Total liabilities	47,718	55,164
Net assets		
Shareholders' equity		
Share capital	15,630	15,630
Capital surplus	7,753	7,756
Retained earnings	34,062	32,202
Treasury shares	(5,473)	(5,468)
Total shareholders' equity	51,973	50,120
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,489	3,049
Deferred gains or losses on hedges	49	61
Foreign currency translation adjustment	104	65
Total accumulated other comprehensive income	1,642	3,176
Non-controlling interests	15	19
Total net assets	53,631	53,315
Total liabilities and net assets	101,350	108,480

(2) Consolidated profit or loss and comprehensive income statement

(Unit: Millions of yen)

	Previous fiscal year (April 1, 2022 - March 31, 2023)	Current fiscal year (April 1, 2023 - March 31, 2024)
Net sales	342,254	348,282
Cost of sales	308,918	315,899
Gross profit	33,336	32,383
Selling, general and administrative expenses	32,440	33,095
Operating profit (loss)	895	(711)
Non-operating income		
Interest income	34	28
Dividend income	217	219
Foreign exchange gains	–	110
Insurance fee income	49	269
Recoveries of written off receivables	98	–
Other	369	430
Total non-operating income	768	1,057
Non-operating expenses		
Interest expenses	83	81
Derivative loss	45	–
Share of loss of entities accounted for using equity method	256	–
Provision of allowance for doubtful accounts	–	60
Other	50	110
Total non-operating expenses	436	252
Ordinary profit	1,227	93
Extraordinary income		
Gain on sales of non-current assets	2,356	18
Gain on sale of investment securities	968	207
Total extraordinary income	3,324	225
Extraordinary losses		
Loss on sale of non-current assets	1	3
Loss on retirement of non-current assets	98	54
Impairment losses	2,543	193
Loss on disaster	–	124
Other	119	13
Total extraordinary losses	2,762	389
Profit (loss) before taxes	1,789	(70)
Income taxes - current	1,447	1,139
Income taxes - deferred	598	(178)
Total income taxes	2,046	961
Profit (loss)	(256)	(1,032)
Profit (loss) attributable to		
Profit (loss) attributable to owners of parent	478	(1,039)
Profit (loss) attributable to non-controlling interests	(734)	6

(Unit: Millions of yen)

	Previous fiscal year (April 1, 2022 - March 31, 2023)	Current fiscal year (April 1, 2023 - March 31, 2024)
Other comprehensive income		
Valuation difference on available-for-sale securities	86	1,559
Deferred gains or losses on hedges	(39)	12
Foreign currency translation adjustment	143	(38)
Share of other comprehensive income of entities accounted for using equity method	20	–
Total other comprehensive income	211	1,533
Comprehensive income	(44)	500
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	636	493
Comprehensive income attributable to non-controlling interests	(680)	6

(3) Statement of changes in consolidated equity

Previous fiscal year (April 1, 2022 - March 31, 2023)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,630	7,726	34,401	(5,555)	52,201
Changes during period					
Dividends of surplus			(817)		(817)
Profit attributable to owners of parent			478		478
Disposal of treasury shares		27		84	111
Purchase of treasury shares				(1)	(1)
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes in items other than shareholders' equity					-
Total changes during period	-	27	(339)	82	(228)
Year-end balance	15,630	7,753	34,062	(5,473)	51,973

	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	Total accumulated other comprehensive income		
Balance at beginning of period	1,402	88	(5)	1,485	693	54,381
Changes during period						
Dividends of surplus						(817)
Profit attributable to owners of parent						478
Disposal of treasury shares						111
Purchase of treasury shares						(1)
Change in ownership interest of parent due to transactions with non-controlling interests						(0)
Net changes in items other than shareholders' equity	86	(39)	110	157	(678)	(520)
Total changes during period	86	(39)	110	157	(678)	(749)
Year-end balance	1,489	49	104	1,642	15	53,631

Current fiscal year (April 1, 2023 - March 31, 2024)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,630	7,753	34,062	(5,473)	51,973
Changes during period					
Dividends of surplus			(820)		(820)
Profit (loss) attributable to owners of parent			(1,039)		(1,039)
Disposal of treasury shares		3		6	10
Purchase of treasury shares				(2)	(2)
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes in items other than shareholders' equity					—
Total changes during period	—	2	(1,859)	4	(1,852)
Year-end balance	15,630	7,756	32,202	(5,468)	50,120

	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	Total accumulated other comprehensive income		
Balance at beginning of period	1,489	49	104	1,642	15	53,631
Changes during period						
Dividends of surplus						(820)
Profit (loss) attributable to owners of parent						(1,039)
Disposal of treasury shares						10
Purchase of treasury shares						(2)
Change in ownership interest of parent due to transactions with non-controlling interests						(0)
Net changes in items other than shareholders' equity	1,559	12	(38)	1,533	3	1,536
Total changes during period	1,559	12	(38)	1,533	3	(315)
Year-end balance	3,049	61	65	3,176	19	53,315

(4) Consolidated statement of cash flows

(Unit: Millions of yen)

	Previous fiscal year (April 1, 2022 - March 31, 2023)	Current fiscal year (April 1, 2023 - March 31, 2024)
Cash flows from operating activities		
Profit (loss) before taxes	1,789	(70)
Depreciation	2,714	2,875
Impairment losses	2,543	193
Amortization of goodwill	362	285
Increase (decrease) in allowance for doubtful accounts	(87)	5
Increase (decrease) in retirement benefit liability	47	16
Increase (decrease) in other provisions	(415)	91
Foreign exchange losses (gains)	168	(56)
Interest and dividend income	(252)	(247)
Interest expenses	83	81
Share of loss (profit) of entities accounted for using equity method	256	–
Loss (gain) on sale of investment securities	(968)	(199)
Loss on retirement of non-current assets	98	54
Loss (gain) on sale of non-current assets	(2,354)	(15)
Loss on disaster	–	124
Decrease (increase) in trade receivables	2,336	(3,421)
Decrease (increase) in inventories	957	193
Increase (decrease) in trade payables	(5,169)	1,575
Increase (decrease) in guarantee deposits received	298	(85)
Decrease (increase) in long-term prepaid expenses	(497)	(593)
Other	187	(779)
Subtotal	2,099	29
Interest and dividends received	251	261
Interest paid	(84)	(95)
Income taxes refund (paid)	(1,876)	(1,140)
Net cash provided by (used in) operating activities	389	(945)
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	38	42
Payments into time deposits	(2)	(1)
Proceeds from sale and redemption of investment securities	2,340	1,307
Purchase of investment securities	(1,302)	(514)
Proceeds from sale of non-current assets	2,436	121
Purchase of non-current assets	(4,096)	(2,433)
Proceeds from collection of long-term loans receivable	19	3
Investments in money held in trust	–	(1,000)
Proceeds from maturity of insurance funds	9	939
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(102)	–
Other	(38)	(133)
Net cash provided by (used in) investing activities	(698)	(1,667)

	(Unit: Millions of yen)	
	Previous fiscal year (April 1, 2022 - March 31, 2023)	Current fiscal year (April 1, 2023 - March 31, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,185	5,820
Repayments of long-term borrowings	(664)	(445)
Proceeds from sale of treasury shares	0	-
Purchase of treasury shares	(1)	(2)
Dividends paid	(818)	(819)
Dividends paid to non-controlling interests	(0)	-
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(0)	(3)
Other	(266)	(273)
Net cash provided by (used in) financing activities	435	4,275
Effect of exchange rate change on cash and cash equivalents	(147)	(6)
Net increase (decrease) in cash and cash equivalents	(20)	1,656
Cash and cash equivalents at beginning of period	9,948	9,927
Cash and cash equivalents at end of period	9,927	11,583

- (5) Notes related to consolidated financial statements
(Notes related to the assumptions of a going concern)
Not applicable.

(Changes in method of presentation)

(Consolidated profit or loss and comprehensive income statement)

“Insurance return” previously presented in the non-operating income category has had its item name changed to “Insurance claim income” from the fiscal year under review after revising the display items to more appropriately display the actual situation. To reflect this presentation method, 49 million yen presented in “Insurance return” has been changed to be presented as 49 million yen in “Insurance claim income” in the consolidated profit or loss and comprehensive income statement for the previous fiscal year.

(Relating to consolidated statement of cash flows)

The significance of “Proceeds from maturity of insurance funds”, which had been included in “Other” under “Cash flows from investing activities” in the previous fiscal year, has increased. As such, it is presented independently as of the fiscal year under review. Consolidated financial statements for the previous fiscal year have been restated in order to reflect this change in presentation.

As a result, the -28 million yen that had been presented in “Other” under “Cash flows from investing activities” in the consolidated statement of cash flows in the previous fiscal year has been restated as 9 million yen in “Proceeds from maturity of insurance funds” and -38 million yen in “Other”.

(Segment information)

[Segment information]

1. Overview of reporting segments

Method of determining reporting segments

The reporting segments of the Company are constituent units for which separate financial information is available and that are subject to periodic review by the Board of Directors to determine the allocation of management resources and assess their respective operating results.

The Group plans comprehensive strategies for the products and services of each operating company based on a holding company structure and engages in business activities accordingly.

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

The Retail/Wholesale Energy & Related Business (B to C Business) includes the LP gas and fuel sales business for households and retailers, the household energy-related business, including renovation and gas appliance sales, the city gas supply business, the LP gas maintenance and delivery business, and the household electric power sales business.

The Energy Solution Business (B to B Business) handles petroleum products sales business, electric power sales business, solar power generation business, solar power generation system sales and maintenance business, housing equipment sales business, and renewable energy power source development business in Japan and other countries.

The Non-energy Business includes the bicycle business, the bicycle sharing business, the environment and recycling business, the antimicrobial business, the system business, and the building management and maintenance business.

2. Method used for calculating net sales, profit, loss, assets, and other items for each reporting segment

Accounting treatment of the reported business segments is, for the most part, as set forth in “Notes - Significant accounting policies for preparation of consolidated financial statements.” Figures for reporting segment profit or loss are based on operating profit. Internal net sales and transfers between segments are based on market prices.

3. Net sales, profit, loss, assets, and other items in each reporting segment

Previous fiscal year (April 1, 2022 - March 31, 2023)

(Unit: Millions of yen)

	Reporting segment				Adjustment (Notes) 1 (Notes) 2	Total shown in consolidated financial statement (Notes) 3
	Retail/Wholesale Energy & Related Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy Business	Total		
Net sales						
Net sales to unaffiliated customers	81,419	241,251	19,354	342,026	228	342,254
Internal net sales and transfers between segments	434	15,898	555	16,888	(16,888)	–
Total	81,854	257,149	19,910	358,914	(16,660)	342,254
Segment profit (loss)	150	(346)	856	660	235	895
Segment assets	36,055	41,622	16,645	94,323	7,026	101,350
Other items						
Depreciation	1,167	685	660	2,512	202	2,714
Amortization of goodwill	98	25	238	362	–	362
Investment in equity method affiliates	–	0	–	0	–	0
Increase in property, plant and equipment and intangible assets	733	1,231	793	2,758	1,372	4,130

(Notes) 1. The adjusted amount of net sales to unaffiliated customers of 228 million yen is sales related to real estate lease revenue managed by the Company.

2. The adjusted amounts are as follows:

- (1) The adjusted amount of segment profit of 235 million yen includes 3,307 million yen in elimination of transactions between segments and -3,300 million yen in company-wide expenses not allocated to reporting segments in addition to 1 above.
- (2) The adjusted amount of segment assets of 7,026 million yen includes -29,220 million yen in elimination of transactions between segments and 36,247 million yen in company-wide assets not allocated to reporting segments.
- (3) The adjusted amount of depreciation of 202 million yen is the company-wide expense of 202 million yen not allocated to reporting segments.
- (4) The adjusted amount of the increase in property, plant and equipment and intangible assets of 1,372 million yen is company-wide assets amounting to 1,372 million yen not allocated to reporting segments.

3. Segment profit is reconciled to operating profit presented in the consolidated profit or loss and comprehensive income statement.

Current fiscal year (April 1, 2023 - March 31, 2024)

(Unit: Millions of yen)

	Reporting segment				Adjustment (Notes) 1 (Notes) 2	Total shown in consolidated financial statement (Notes) 3
	Retail/Wholesale Energy & Related Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy Business	Total		
Net sales						
Net sales to unaffiliated customers	75,020	252,544	20,488	348,053	229	348,282
Internal net sales and transfers between segments	116	18,542	508	19,167	(19,167)	–
Total	75,136	271,086	20,997	367,220	(18,938)	348,282
Segment profit (loss)	827	(2,569)	894	(847)	135	(711)
Segment assets	37,405	44,006	15,210	96,621	11,858	108,480
Other items						
Depreciation	1,316	756	579	2,651	223	2,875
Amortization of goodwill	96	12	176	285	–	285
Investment in equity method affiliates	–	0	–	0	–	0
Increase in property, plant and equipment and intangible assets	671	621	801	2,094	316	2,410

(Notes) 1. The adjusted amount of net sales to unaffiliated customers of 229 million yen is sales related to real estate lease revenue managed by the Company.

2. The adjusted amounts are as follows:

- (1) The adjusted amount of segment profit of 135 million yen includes 3,425 million yen in elimination of transactions between segments and -3,514 million yen in company-wide expenses not allocated to reporting segments in addition to 1 above.
 - (2) The adjusted amount of segment assets of 11,858 million yen includes -33,593 million yen in elimination of transactions between segments and 45,451 million yen in company-wide assets not allocated to reporting segments.
 - (3) The adjusted amount of depreciation of 223 million yen is the company-wide expense of 223 million yen not allocated to reporting segments.
 - (4) The adjusted amount of the increase in property, plant and equipment and intangible assets of 316 million yen is company-wide assets amounting to 316 million yen not allocated to reporting segments.
3. Segment profit is reconciled to operating loss presented in the consolidated profit or loss and comprehensive income statement.

[Related Information]

Previous fiscal year (April 1, 2022 - March 31, 2023)

1. Information for each product or service

(Unit: Millions of yen)

	Petroleum division	Gas division	Lifestyle-related division	Electric power division	Other	Total
Net sales to unaffiliated customers	182,242	67,911	10,979	59,976	21,145	342,254

2. Information for each region

(1) Net sales

Net sales to unaffiliated customers in Japan account for more than 90% of net sales in the consolidated profit or loss and comprehensive income statement, so this information has been omitted.

(2) Property, plant and equipment

The amount of property, plant and equipment owned in Japan accounts for more than 90% of property, plant and equipment on the consolidated balance sheet, so this information has been omitted.

3. Information for each major customer

Within net sales to unaffiliated customers, there are no customers that account for more than 10% of net sales in the consolidated profit or loss and comprehensive income statement, so this information has been omitted.

Current fiscal year (April 1, 2023 - March 31, 2024)

1. Information for each product or service

(Unit: Millions of yen)

	Petroleum division	Gas division	Lifestyle-related division	Electric power division	Other	Total
Net sales to unaffiliated customers	187,409	64,895	10,450	63,781	21,745	348,282

2. Information for each region

(1) Net sales

Net sales to unaffiliated customers in Japan account for more than 90% of net sales in the consolidated profit or loss and comprehensive income statement, so this information has been omitted.

(2) Property, plant and equipment

The amount of property, plant and equipment owned in Japan accounts for more than 90% of property, plant and equipment on the consolidated balance sheet, so this information has been omitted.

3. Information for each major customer

Within net sales to unaffiliated customers, there are no customers that account for more than 10% of net sales in the consolidated profit or loss and comprehensive income statement, so this information has been omitted.

[Information regarding impairment losses on non-current assets in each reporting segment]

Previous fiscal year (April 1, 2022 - March 31, 2023)

(Unit: Millions of yen)

	Retail/Wholesale Energy & Related Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy Business	Company- wide/Elimination	Total
Impairment losses	19	2,523	–	–	2,543

Current fiscal year (April 1, 2023 - March 31, 2024)

(Unit: Millions of yen)

	Retail/Wholesale Energy & Related Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy Business	Company- wide/Elimination	Total
Impairment losses	64	21	–	107	193

[Information regarding amortization and unamortized balance of goodwill in each reporting segment]

Previous fiscal year (April 1, 2022 - March 31, 2023)

(Unit: Millions of yen)

	Retail/Wholesale Energy & Related Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy Business	Company- wide/Elimination	Total
Amortization of goodwill for the year	98	25	238	–	362
Year-end balance	406	66	1,259	–	1,732

Current fiscal year (April 1, 2023 - March 31, 2024)

(Unit: Millions of yen)

	Retail/Wholesale Energy & Related Business (B to C Business)	Energy Solution Business (B to B Business)	Non-energy Business	Company- wide/Elimination	Total
Amortization of goodwill for the year	96	12	176	–	285
Year-end balance	310	53	1,082	–	1,446

[Information regarding gain on bargain purchase for each reporting segment]

Not applicable.

(Per share information)

Previous fiscal year (April 1, 2022 - March 31, 2023)		Current fiscal year (April 1, 2023 - March 31, 2024)	
Net assets per share	4,902.63 yen	Net assets per share	4,900.02 yen
Profit per share	43.82 yen	Loss per share	-95.53 yen

(Notes) 1. Diluted profit per share is not provided as there are no diluted shares.

2. The basis for calculating profit per share or loss per share is provided below.

	Previous fiscal year (April 1, 2022 - March 31, 2023)	Current fiscal year (April 1, 2023 - March 31, 2024)
Profit (loss) attributable to owners of parent (Millions of yen)	478	(1,039)
Amount not attributable to common shareholders (Millions of yen)	-	-
Profit (loss) attributable to common stock owners of parent (Millions of yen)	478	(1,039)
Average number of shares during period (Thousands of shares)	10,926	10,883

(Significant subsequent events)

Not applicable.