



Corporate Profile

Company Name

ITOCHU ENEX CO.,LTD.

Established

January 28, 1961

Representative

Kenji Okada, Representative Director,
President and Chief Executive officer

Corporate Philosophy

The Best Partner for Life and Society
— with Energy, with the Car, with the Home —

Field of Business

Energy for all applications, whether as a key
component of social infrastructure or as a means
of enriching people's lives

Code of Conduct

Be Virtuous (reliability and sincerity, creativity and
ingenuity, transparency and integrity)

Website

<https://www.itcenex.com/english/>

Paid-in Capital

19,877.67 million yen

Head Office Address

2-10-1, Toranomon, Minato-ku,
Tokyo 105-8430, Japan

Number of Employees (as March 31, 2018)

656 (non-consolidated basis, including 205 at subsidiaries)
5,613 (consolidated basis)

Stock exchange listing

Tokyo (first section; stock name: ENEX)
securities code: 8133

Number of Shares Issued and Outstanding

(as of March 31, 2018)
116,881,106

Principal Shareholders (as of March 31, 2018)

ITOCHU Corporation 53.97%
Japan Trustee Services Bank, Ltd. (trust account) 3.99%
The Master Trust Bank of Japan, Ltd. (trust account) 3.69%
Enex Fund 2.68%
※ excluding treasury stock

Subsidiaries

53
(as of March 31, 2018)

Affiliates (equity method applied)

21
(as of March 31, 2018)

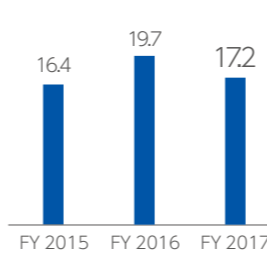
2018 Excellent Enterprise of Health and Productivity Management

We are promoting work style change program and have been certified
as an Excellent Enterprise of Health and
Productivity (large corporation category;
White 500) by the Ministry of Economy,
Trade and Industry and Nippon
Kenko Kaigi, 2 years in a row.

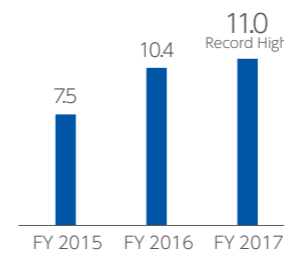


FY 2017 Business Results

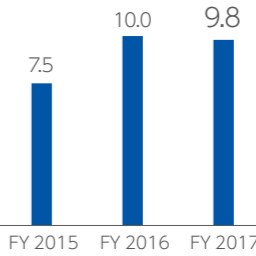
Profit from operating activities (billion)



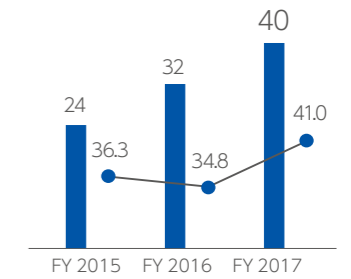
Net profit attributable to Itochu Enex's shareholders (billion)



ROE (%)



Annual dividends per share (yen) and a dividend payout ratio (%)



※ Our policy is to continue to pay stable dividends, and it aims for a dividend payout ratio (Consolidated) of 40% or more (from FY 2018)

Group medium-term business plan

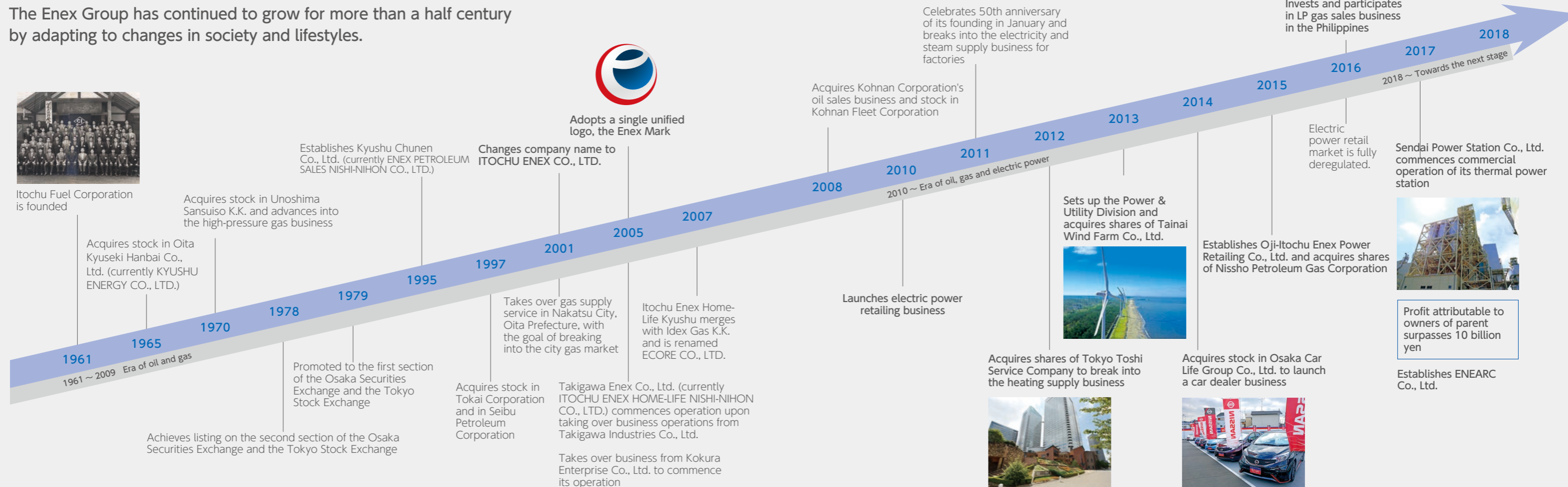
We are now moving forward to implement the new medium-term business plan established in April 2017: "Moving 2018 — Connecting to the future." We see the two-year period covered by this plan be a time of building the foundations for our future. We intend to harness the power of the entire Group to reform the revenue base and organizational base, linking these to steady progress on a growth track.

Plan name	Term	Quantitative plans (FY 2018 consolidated performance)			
Moving 2018 — Connecting to the future	2 years	Profit from operating activities	Net profit attributable to Itochu Enex's shareholders	ROE	Planned investment (2-year total)
	FY 2017 FY 2018	¥18.7 billion	¥11.3 billion	9.0% or higher	¥56.6 billion

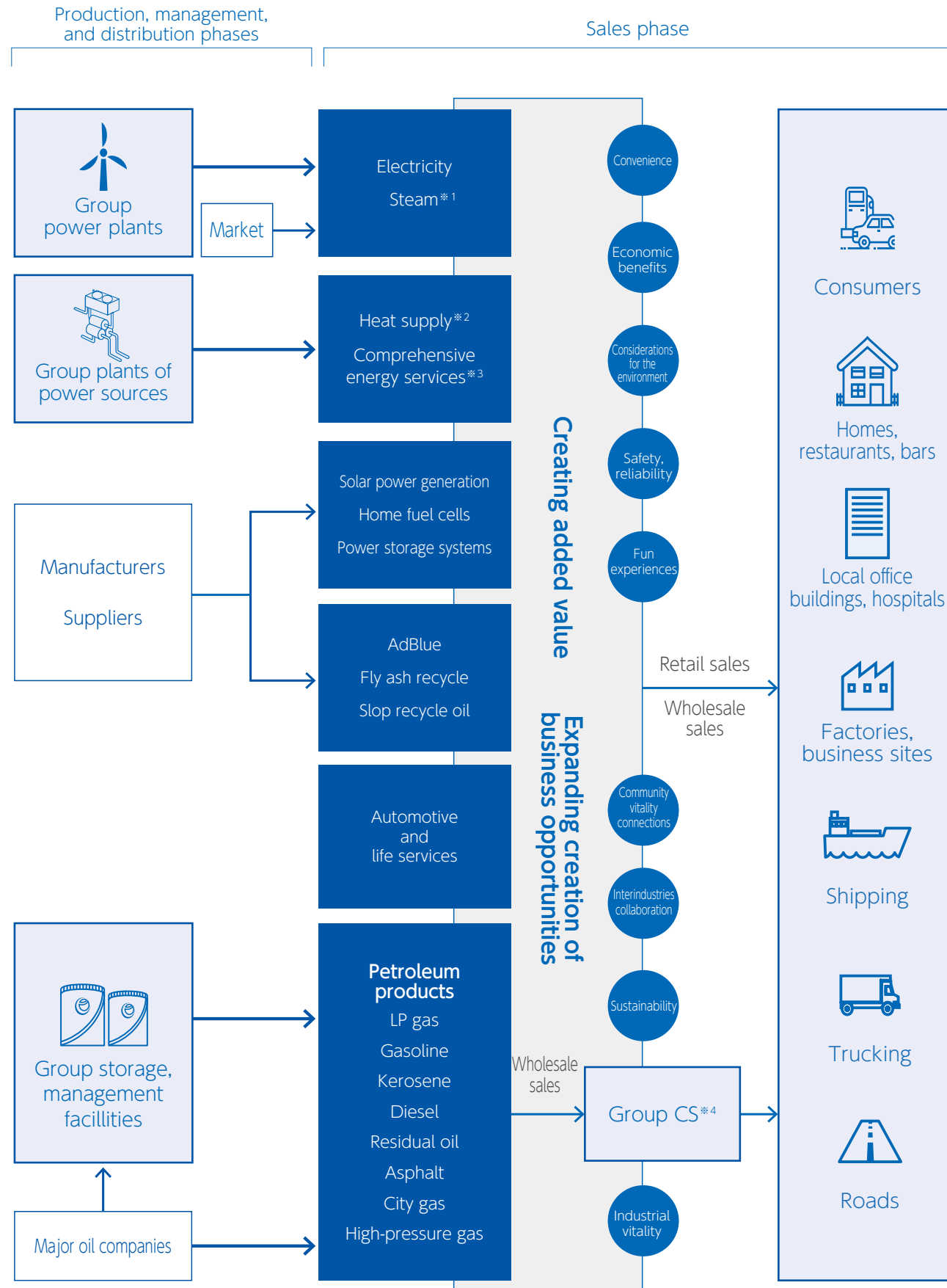
In the first year of the plan, we achieved the profit target set for the final fiscal year of the plan. And we have once again comprehensively reviewed the market environment and Itochu Enex's current status. As a result, we decided to upwardly revise the targets for the fiscal year.

※ The figures of the document are based on IFRS (International Financial Reporting Standards)

The Enex Group has continued to grow for more than a half century by adapting to changes in society and lifestyles.



The flow of business in the Itochu Enex Group



※ 1 The steam business supplies high-temperature steam generated from thermoelectric power plants to local factories and other facilities.
 ※ 2 The heat supply business supplies cold and hot water for air conditioning to multiple office buildings and other buildings from a heat source plant using pipes.
 ※ 3 Comprehensive energy services handle the comprehensive management of energy facilities, centered on heat, water, and power supply services.
 ※ 4 CS is an abbreviation for Car-Life Station and refers to service stations that deliver multiple services to meet drivers' needs.

Our Business (as of April 1, 2018)



Home-Life Division [Energy & Logistics Group]

Through delivering LP gas and various smart-energies, we propose "comfortable," "affluent" and "secure" lifestyles.

Business domains	Energy for home and business use Solutions for richer, more comfortable living
Main products and services	LP gas, home smart energy devices, city gas, electricity, industrial gas, solutions for comfortable living
Main customers	1.5 million households across Japan, corporate users, 2,700 distributors
Forms of business	Retail and wholesale sales
Overseas markets	Indonesia, philippines



Life & Industrial Energy Division [Energy & Logistics Group]

We will help build a better society with diverse forms of energy and services to benefit local people and industry.

Business domains	Contributing to life and energy in communities from petroleum products through the automotive, electric power, and industrial fields
Main products and services	Gasoline, kerosene, diesel oil, fuel oil, LP gas, electricity, automotive, car rental, living and automotive products and services, AdBlue, asphalt, marine fuel, trading in petroleum products, terminal, recycling of fly ash, recovery and sale of stop
Main customers	Approx. 1,800 Group CS outlets, 3,500 corporate business sites, domestic road companies, sea shippers, public agencies
Forms of business	Retail and wholesale sales
Overseas markets	Guam, Palau



Power & Utility Division [Power & Utility Group]

We operate electric power-related and heat supply businesses that deliver energy efficiency, comfort and economic benefits.

Business domains	From power generation and demand supply adjustments in pursuit of energy conservation, comfort, and economic benefits through sale of electricity and district heat supply
Main products and services	Electricity, steam,*1 heat supply,*2 comprehensive energy services*3
Main customers	Corporate users, power companies, office buildings and business complex
Forms of business	Vertically integrated model based on power generation, demand supply, and sales

Mobility Life Department



Business domains	Car dealing, next-generation biofuel, and creation of new services that link the environment, society and life
Main products and services	Automobiles of Nissan Osaka Sales Co., Ltd.
Joint Participation	Next-generation biodiesel producing business in the U.S.
Project	Euglena domestic bio jet fuel demonstration project

Home-Life Division

■ Gas Supply Business



We sell LP gas and town gas, energy sources widely used at home and businesses as fuel for cooking, water heating, and industrial applications, to customers nationwide.

- LP gas
- Town gas (Nakatsu, Oita)

■ Industrial Gas Business



ITOCHU INDUSTRIAL GAS CO., LTD., a Group company, sells industrial gas for industrial and medical use and provides gas container pressure resistance inspection service and materials for welding.

- Industrial gas (oxygen, nitrogen, argon, sterilization gas, etc.)
- Gas container pressure resistance inspection service
- Materials for welding

■ Gas for Automotive Use

We are expanding our network of automotive gas stations with the aim of promoting the widespread use of low-pollution LP gas vehicles.

■ Electricity Supply Service for Households

Power sales

We sell electricity under the brand name of e-koto denki! to customers (households and business establishments) nationwide through Group companies involved in sales of LP gas. We offer economical rate plans that give T-Points to customers who buy LP gas or electricity.

*A group of ENEARC Co., Ltd. in Kanto, Chubu, and Kansai use the Service name "ENEARC-denki".

*ECORE Co., Ltd. in Kyushu uses the service name "ECORE no e-denki".



■ Proposals for "Better" Home Energy Supply



We engage in a wide range of operations for households, including sales of equipment for a comfortable lifestyle and proposals of renovation.

- Equipment related to everyday life (burning appliances, kitchen equipment, air-conditioning equipment, and other household equipment)
- Smart energy equipment (photovoltaic power generation systems, ENE-FARM residential fuel cells) Environment
- Remodeling (kitchen, bathroom, etc.)
- ENE-POWABO L residential lithium-ion electricity storage system

Another action

Stimulating domestic demand through different initiatives

(Cooking classes, dietary education, fire education)



As a mission of a business that supplies fire in the kitchen, we have cooking classes to communicate the fun and importance of cooking and provide dietary education to teach Japanese food culture.

(e-koto Shop)



e-koto Shop facilities are strategically located in areas suitable for pursuing a customer-oriented approach to generating demand. e-koto Shop enables customers to experience the latest energy products, while providing them with suggestions on "smart lifestyle" solutions designed for comfort.

Life & Industrial Energy Division

■ Automobile Energy Sales Business



Automobile Energy Sales Business supplies energy to affiliated Car-Life Stations (CS) across Japan, improving the profitability of CSs and providing strong support for CS management through ENEX Act Programs.

- Gasoline, kerosene, diesel oil, fuel oil
- Automobile lubricants

Business Word CS

CS is an abbreviation for "Car-Life Station." It is a service station proposed by ITOCHU ENEX and provides multiple services.

■ Corporate Energy Sales Business



We sell industrial energy to corporate customers that sustain domestic industry and propose the best energy for saving energy and cutting costs by offering electricity supply.

- Gasoline, kerosene, diesel oil, fuel oil, LNG, electricity

■ Car-Life Support Business



We provide CSs nationwide with comprehensive merchandise, information, and expertise in sales and help them grow.

- Automobiles and automobile products, vehicle inspection, maintenance, and sheet metal repair work
- Merchandise related to the car washer
- Rent-a-car services

Remarkable Business

Carlif Stadium, Comprehensive Car-Related Services



Carlif Stadium is the unified brand for our car-related business and clarifies the value provided to customers. We give assistance for enjoyable, comfortable car life, providing services, including a rent a car service, the concept for which is "Going out with more fun."



■ AdBlue High-Grade Urea Solution Environment



As part of our activities to address environmental problems, we sell AdBlue, a high-grade urea solution that breaks down and detoxifies diesel vehicle exhaust, to customers nationwide.

Business Word AdBlue

AdBlue is a globally standard high-grade urea solution used in SCR systems, where AdBlue is sprayed into exhaust gas from diesel vehicles and breaks down NOx into harmless nitrogen and water using the reducing action of ammonia.

■ Credit Card Business

We offer a range of credit card options to meet the needs of our CS customers.

- (Consumer) Rakuten Point Card
- (Consumer) Car Enex Itsumo Card
- (Corporate) Partners Card
- (Corporate) Fueling Card

■ PCB Disposal Intermediary Business Environment

We help with the proper disposal of PCB (polychlorinated biphenyl) used mainly for transformers at electric power companies.

■ Sale of Anti-freezing Agents

We sell anti-freezing agents used for roads and the monorail when snow lies in winter and contribute to good traffic conditions throughout the year.

Global Business

Home-Life Division <Selling industrial gas in Indonesia>



PT. ITC ENEX INDONESIA (PT. ENEX) sells different types of industrial gas constantly to Japanese-affiliated companies in Karawang International Industrial City near Jakarta.

<Selling LP gas in the Philippines>
Creasia Energy Holdings, INC., which ITOCHU ENEX and ITOCHU Corporation

have jointly established, has started LP gas sales in the Philippines.

Life & Industrial Energy Division

U.S. Guam-Saipan Project

Itochu Petroleum Co., Pte. Ltd., a wholly owned subsidiary of ITOCHU Corporation, takes part in the business of IP&E Holdings, LLC. Some ITOCHU ENEX personnel are stationed at the company.

Palau Project

We have acquired a 25% stake in IP&E Palau, Inc. to step into the import, wholesale and direct sales business of petroleum products in the Pacific region with an aim to achieve stable performance. Along with an increase in annual tourists visiting Palau, this business is expected to achieve further growth.

Mobility Life Department

<Biodiesel plant in Nebraska, U.S.>



Since 2013, we have been participating in the next-generation biodiesel project run by Flint Hills Resources Renewable LLC. In fiscal 2018, we increased our stake in this business.

Mobility Life Department

■ Car Dealer Business



We engage in business that includes the sale of new and used cars, vehicle inspection, automotive bodywork, mechanical servicing and maintenance through Nissan Osaka Sales Co., Ltd., which has the top network throughout Osaka Prefecture and in the Hanshin district of Hyogo Prefecture.



The Top Network in the Area

Nissan Osaka Sales Co., Ltd. is one of the largest dealers affiliated with Nissan Motor in Japan. It is the only dealer affiliated with Nissan in Osaka Prefecture. Nissan Osaka Sales has 89 dealerships selling new cars, 19 dealerships selling used cars, 3 dealerships selling Renault cars, 3 vehicle inspection centers, and 3 bodywork shops.

■ Biofuel business



We are taking part in a plan to demonstrate Japan's first biojet fuel domestically produced from euglenas, implemented by a team of five companies and a local government, led by Euglena Co., Ltd. Apart from that, we participate in a next-generation biodiesel manufacturing project in the U.S.

(Photo: Press conference concerning bio jet fuel.)

■Sale of Asphalt



We take advantage of a nationwide sales network and original supply chain to supply asphalt, a key industrial material, to customers.

■Storage Tank Leasing



We have tanks to store petroleum products and chemical products in 2 locations in Japan and operate them efficiently to satisfy our customers' storage needs.

- Logistics, including oil storage facilities
- Leasing of chemical products storage facilities



Etajima terminal

■Sale of Marine Fuel



We sell marine fuel at major ports in Japan and overseas. We have strengthened our supply system using ships that we own and dedicated ships. Our volume of transactions for domestic vessels is the largest in Japan.

Marine fuel, marine lubricants

■Petroleum Product Trading



Itochu Enex, the domestic petroleum products trading arm of the Itochu Group, engages in the import, export and sale in Japan of petroleum products.

- Export and import of petroleum products, transactions to adjust domestic supply and demand

■Flyash Reuse Business Environment



We are considering collecting flyash from spent fuel at thermal power plants, processing it, and reusing it as a material for road construction.

■Slop and Sludge Collection and Sale Business Environment

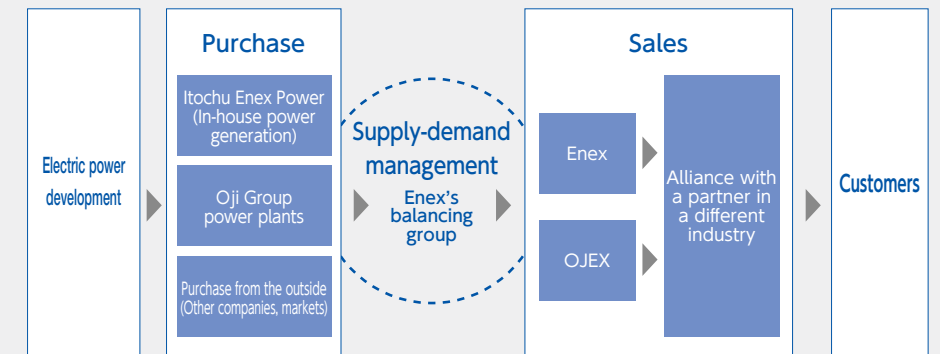


We collect slop (wastewater after washing marine fuel tanks) and sludge (unburnt marine fuel), which has been disposed of as industrial waste, and extract and reuse useful oil resources from them.

Power&Utility Division

Vertically integrated model for electric power businesses

We have built a business model that vertically integrates power generation, supply and demand, and sales. In this business model, we develop a power generation business that pursues both environmental and economic performance by combining our own diverse power sources with those of the Oji Group in a balanced manner. On the supply-demand and sales front, we make the most of the Group's expertise and sales network to reduce customers' electricity rates and ensure stable power supply.

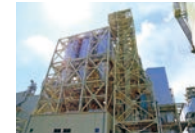


■Power Generation Business

ENEX Electric Power Co., LTD., an ITOCHU ENEX Group company, is working to strengthen the Group's initiatives in the power generation business, aiming for environmental sustainability as well as economic benefits. The operating companies of ENEX Electric Power Group have a well-balanced lineup of electric power facilities and are expanding electric generating capacity in accordance with growth in demand.



Hofu Energy Service Co., Ltd.



Sendai Power Station Co., Ltd.



JEN Tainai Wind Farm Co., Ltd.



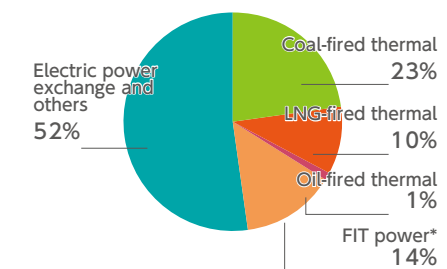
Joetsu Energy Service Co., Ltd.



A photovoltaic power plant

Effective use of energy from thermal power plants
Supplying high-temperature steam generated from power generation to local plants

The Company's power source portfolio



*FIT power: Electric power generated from renewable energy that is financially supported by feed-in tariff (FIT) surcharges paid by all electric power consumers under the FIT scheme

Electric Power Retail Business

The Company and Oji-Itochu Enex Power Retailing Co., Ltd., a Group company, sell electric power to companies in 8 areas nationwide. From FY2016, they are expanding alliances with the Home-Life Division and entities in different industries and selling electric power also to households.

OJEX: Oji-Itochu Enex Power Retailing Co., Ltd.
An electric power sales company that has been established jointly with Oji Green Resources Co., Ltd., a subsidiary of Oji Holdings Corporation

■Taking on the challenges of new business models

We're taking on the challenges of adopting financial solutions in the power and heat businesses, as well as the challenge of delivering new products, services, and added value based on customer needs from a retail perspective. In the heat supply business, we plan to expand our service area beyond the Kanto region.

Business based on a combination of automobiles and electric power Nissan Cars + Nissan Osaka e-Denki [Electricity Sales Business]

A new high value-added retail business that has been established in collaboration between two Enex Group companies, Nissan Osaka Sales Co., Ltd. and Enex Life Service Co., Ltd.

■Demand/supply management service

As the leader of a balancing group (BG) made up of multiple electric power retailers, by balancing demand and supply Groupwide, we oversee the distribution and delegation of responsibilities so that each member can concentrate on his or her own area of specialization while pursuing improved efficiency, economic benefits, risk reduction, and economies of scale.

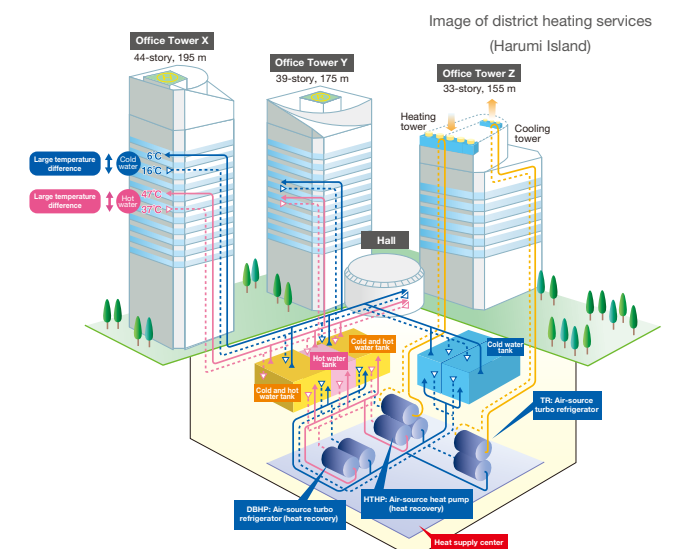
■Heat Supply-Related Business

Group member Tokyo Toshi Service Company's (TTS) heat supply business provides hot and cold water for heating and air conditioning to buildings in a certain area and proposes efficient energy use combined with urban development. TTS also provides low-CO₂, energy-saving thermal storage contract-based services for a low initial cost at the time of installation or renewal of building air conditioning or hot water supply systems.

- District heating services (18 districts in the Kanto area, including Harumi Island, Hakozaki, Makuhari Shintoshin High-tech Business, Shibaura 4-chome, Ginza 2-chome and 3-chome, Kyobashi 1-chome and 2-chome)

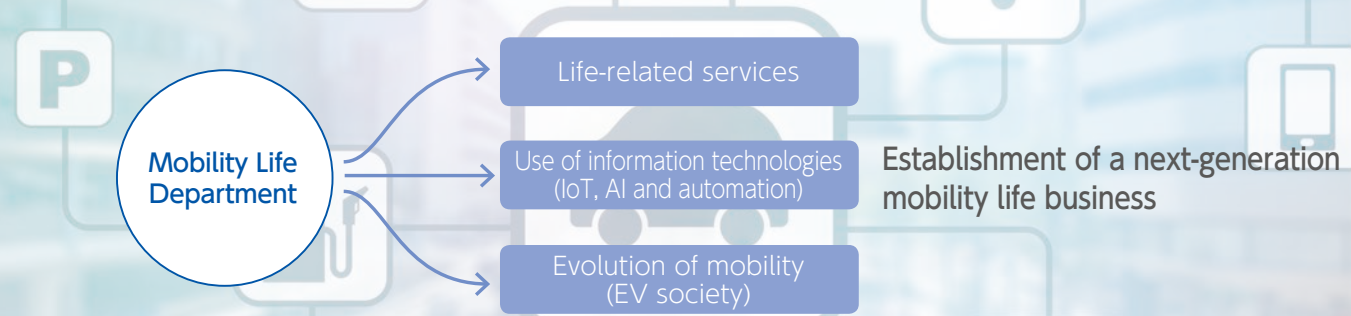
Supplying heat to GINZA SIX

Thermal energy for air conditioning from a plant of TTS contributes to the comfortable space of GINZA SIX (gross floor area: 147,900 m²), a large complex that has opened on the Chuo-dori street at Ginza 6-chome.



Future business vision

We aim to propose mobility and lifestyle-related services that help to construct an enhanced regional social infrastructure with the positive use of big data, Internet of Things (IoT), artificial intelligence (AI) and other cutting-edge technologies in collaboration with businesses in other sectors.



"PRESENT" of Itochu Enex Group in figures

■ Business Platform

■ Facility

■ Business Performance

18 districts

Heat supply districts in Kanto area (the largest figures of the business)

Ranked **8th** among **469 companies**
Newcomers ranking in terms of electric power sales volume (FY 2018)

-53%

The maximum energy saving in the Heat Supply-related Business

4,674 thousand MWh

Electric power sales volume of the Power & Utility Division. (FY 2017 wholesale sales and retail sales)

Approx. **3,500 facilities**

Facilities of corporate customers providing energy and materials

1,200 cylinders

Cylinders which J Cylinder Service Co.,Ltd. conducts pressure resistance inspections each day

177MW

Power generation capacity of our group

5 places 1,500 million cubic meters

Industrial gas filling stations and the capacity (per year)

38 stations

automotive gas stations that supply LP gas to LP gas vehicles (including buses and taxis)

Approx. **1,800 ccs**

CCs operating nationwide, including Car Enex Brand CCs (approx. 400)

20%

Domestic market share of asphalt sales

Approx. **2,100 ccs**

Establishments (for corporate customers) of the Japan Car wash Federation (Enex-auto)

Approx. **2,700 outlets**

LP gas outlets that we have nationwide

2 places 150,000t

Tank terminals owned our group and total stockpiles

25%

Our market share in the domestic AdBlue high-grade urea solution

20 plants

Sales plants of AdBlue high-grade urea solution

0.13 million cards

Effective Car Enex Itsumo Cards, fueling cards for individual customers

Approx. **400 ccs**

CCs of convenient Itsumo Rent-a-Car Service

117 dealerships

Car dealerships of Nissan Osaka Sales (the largest figures in the area)

3 ships

Ships to carry asphalt owned

12 places 43,800t

Hubs of asphalt sales and total stockpiles

1.5 million households

Households we supply LP gas and town gas

54,000 contracts

Contracts for e-koto denki, electric power for households and business establishments (FY 2017)

The Best partner for Life and Society

— with Energy, with the Car, with the Home —