

Annual Report

2003



Fiscal Year Ended March 31, 2003



ITOCHU ENEX CO., LTD.

In partnership with society for greater prosperity through energy for cars and homes

Profile

From Japan’s top company specializing in energy, to growth into a business group providing the products and services people use in their daily lives through a variety of different channels. At Itochu Enex, we have poured every effort into reforming our business, building it into a corporate structure that is compatible with the new shape of modern business. Through these changes, Itochu Enex now stands ready to achieve new growth as we enter the 21st century.

Industrial Materials — exploring the promise and challenges of energy in the coming generation; Car-Life — from fuel and inspection facilities to the buying and selling of previously owned vehicles, providing everything necessary for an enjoyable automobile lifestyle; and Home-Life — presenting customers with products and services useful in their daily lives. Driven by these three powerful operational spheres, we are aiming for sustainable growth and striving to develop into a business greater in scale than ever before.



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Forward-Looking Statements

Statements contained in this report regarding the Company’s business outlook or future performance do not constitute statements of historical fact. Such statements are based on current estimates and on forecasts regarding the fields in which the Company operates, as well as on the management’s beliefs and assumptions. As such estimates, forecasts, assumptions and so on are subject to a number of uncertainties and unknowable factors, actual results may differ substantially from those projected. Additionally, factors beyond the Company’s control and outside its ability to predict, including but not limited to general economic conditions, currency exchange rates and market fluctuations, could cause results to diverge materially from the Company’s projections. Readers are therefore cautioned not to place undue reliance on forward-looking statements.

We will pursue growth and profitability by stepping up our commitment to efficient management and the upgrading of functions.



Kiyomi Yamada,
Representative Director and President

■ Sales increased but profits decreased due to a shrinkage in profit margins

Fiscal 2002, the term ended March 31, 2003, and the first year since I was elected President, was a truly difficult year in terms of the business environment. In particular, concerns over the war in Iraq caused crude oil prices to continue rising sharply and affected our performance significantly. In the face of an economy stricken by prolonged deflation and ever-intensifying sales competition due to excessive building of self-service stations, profit margins declined significantly throughout the industry as we were not able to pass higher crude oil costs on to sales prices.

The LP gas sector also saw record high contract prices for propane gas, and it appears to be entering an era of intense competition between suppliers of major forms of energy, with players from various industries such as electric and gas utility companies and suppliers of new energy all competing.

Under these circumstances, the Itochu Enex Group strove to expand the sales of fuel oils and reduce costs, and in order to secure new sources of earnings we endeavored to develop new lines of business focusing on "Cars and Homes." Consequently, consolidated results showed a slight increase in sales, while profits declined significantly due to the lower margins and the poor performance of a consolidated subsidiary, Tokai.

■ Steps taken to realize more efficient management and upgrade the Company's functions

The biggest management themes for our Group are to further strengthen management efficiency and upgrade our corporate functions. We aim to achieve these ends by adding new lines of business to power future growth.

In the area of management efficiency, we initiated pension plan reform. Specifically, we dissolved the employees' pension fund and terminated the qualified retirement pension plan, in its place introducing a defined contribution pension in June 2003. This reform will enable us to save costs compared to fiscal 2002 by ¥1.5 billion in fiscal 2003 and ¥2.0 billion in fiscal 2004. Furthermore, to reduce assets we securitized our headquarters building and applied the proceeds to the

repayment of interest-bearing debt. We also sold our shareholdings in Tokyo Fine Glass, our consolidated subsidiary which manufactures quartz glass. This clearly exhibits our determination to promote selection and concentration in our Group business.

Secondly, the new lines of business, which will lead to the upgrading of functions, are steadily progressing. In Car-Life Business, the number of franchise stores for Car Life Holiday, which tied up with Holiday, the largest vehicle inspection and repair company, increased to 18 as of the end of March 2003. The number of JAC franchise stations, which buy and sell used cars, rose to 28, and the number of JAC bins service stations, which are used as footholds for obtaining used car trade information, rose to 180. In addition, as a new effort, we entered into the business of buying and selling used small trucks in May 2002.

In the Home-Life Business, which targets approximately 1.2 million households who are LP gas customers, we began handling new merchandise with the perspective of safety and customer peace of mind. The merchandise includes home security goods.

■ Expansion of energy business through stronger cost competitiveness and aggressive pursuit of new business lines

Looking into the future, as we face a major shake-up in our society and economy, the deflationary state of the economy is expected to continue for some time. No recovery in consumer spending can be anticipated, and we believe that consumer behavior is becoming more selective and diversified. In the energy industry, the gap between strong companies and weak companies is gradually becoming clearer, and it is possible that primary oil wholesalers, which are currently divided into four groups, face further consolidation. Development towards the elimination of structural over-capacity is beginning to accelerate.

In these circumstances, in fiscal 2003 we will focus on the expansion and strengthening of the energy business and dedicate all our resources to forming a wholesale/retail group that is more cost-competitive. In concrete terms, as a measure to improve efficiency further, we intend to promote organizational

consolidation, the reallocation of human resources, diversification of suppliers and more efficient distribution. We will also seek to reduce general administrative expenses, regarding nothing as sacrosanct. At the same time, we will seek to increase our market share. To achieve this, we will proceed with affiliating small to medium-sized service stations with our Group through mergers and acquisitions, as well as forming alliances with other companies in the industry. In the LP gas business, we will pursue business expansion by continuing to acquire retail sales rights.

Secondly, we will strengthen our profitability by aggressively pursuing new lines of business. We will position service stations as "Car-Life Stations," where all car-related needs are met, and together with our Home-Life Business, we will be upgrading our customer-oriented service functions (for more details, please see P. 7–8).

■ Supplying environmentally friendly energy

The Itochu Enex Group, as a member of the energy industry, regards the diligent addressing of environmental matters as a top-priority management issue. In October this year, more severe environmental protection regulations will come into effect in Tokyo and three adjacent prefectures. We have tied up with a Korean company and started selling diesel particulate filters (DPF) for diesel vehicles. Furthermore, in March this year we opened "Eco Station," which is directly owned by us, in Sayama City, Saitama Prefecture. It has an LP gas station and a compressed natural gas station side by side. Through this operation, we aim to accumulate sales know-how. In terms of our efforts with DME (dimethyl ether), which is drawing attention as a next-generation form of clean energy, we began combustion experiments at our subsidiary (Tohoku Tokai) in November 2002 and we are planning to introduce this new fuel to the domestic market starting in 2006.

At the same time, together with some of our affiliated companies, we have already obtained ISO 14001 certification, the international standard for environmental management systems. Seven more companies, including gas sales subsidiaries, are expected to obtain the certification during the first half of this fiscal year.



■ Further enhancing shareholder value

We make it a principal element of our management policy to maintain a stable dividend payout, because we attach a high value to our shareholders. For fiscal 2002, we will make dividend payments of ¥12 per share, the same level as the previous fiscal year. In order to bolster the sources of dividends, we decided to reduce the capital reserve and profit reserve by ¥12.5 billion and ¥1.7 billion, respectively. In addition, we purchased 2,133 thousand shares of our own stock (total purchase price: ¥1,131 million) from the end of last year's general shareholders meeting to the end of March this year, and we would like to continue such purchases in this fiscal year.

Recently, corporations' social responsibilities, including compliance, have become very important, and we strengthened our efforts in this area last year in line with this trend. We elected a Chief Compliance Officer (CCO) and placed under him a newly established CSR (Corporate Social Responsibility) Promotion Division, which reports directly to the president and manages all corporate social responsibilities such as corporate ethics, compliance, the environment and security.

As for investor relations activities, since fiscal 2001 we have been disclosing our results quarterly, and holding financial explanatory meetings twice a year as well as explanatory meetings for individual investors in four places nationwide. In fiscal 2003, we will be implementing these activities as well as beefing up investor relations tools such as websites, and will continue our efforts to provide timely and full disclosure of information.

Lastly, as for the forecast for fiscal 2003 consolidated performance, by expanding sales of fuel oil and LP gas, and by cutting costs thoroughly, we are planning sales of 584 billion yen (a 6.4% increase over the previous fiscal year) and net income of 3.5 billion yen (an increase of 185.2%).

We sincerely ask our shareholders and investors for their further understanding and support.

Kiyomi Yamada,
Representative Director and President
July 2003

Our Efforts in Environmental Preservation

DME is a LNG (liquid fuel) synthesized from natural gas which is drawing attention as a clean form of energy for the next generation because it does not emit SOx (sulfur oxide) when burned, and NOx (nitrogen oxide) emission is reduced significantly.

In an effort to commercialize DME, in November 2002 we began the first combustion experiments in Japan at the headquarters factory of our Group company Tohoku Tokai (Fukushima Prefecture). It is to be used in boilers of factories, where we will collect and analyze data in order to study the merits of DME relative to other fuels and estimate the cost of converting existing LP gas facilities to DME. We will disclose our findings after the end of the experiments.

The supplier of DME will be Japan DME, which was established by four companies, including Itochu Corporation. By the end of 2006, 1.7 million tons per year of DME is expected to be imported into Japan, and we plan to lead the sales activities as its sales company in Japan.

DME Combustion
Proof Experiment



DME Combustion Proof Experiments Started

Contribution to the preservation of the environment through energy

Itochu Enex Group is stepping up its efforts to help preserve the environment through dissemination of LP gas and natural gas, which meet emissions regulations, and the supply of clean new energy.

Opening of Eco Station in Sayama

In March 2003 we opened our first directly owned Eco Station, which has an LP gas station and a CNG (compressed natural gas) station next to each other. The station is located within an industrial park in Sayama City, Saitama Prefecture, and is an ideal supply location since there are many factories of large companies, distribution centers and shipping depots in the surrounding area.

The lot area of Eco Station is approximately 1,900 m². Main facilities consist of a 20-ton underground auto gas tank, compressors for CNG vehicles, gas storage equipment, dispensers and so on. The canopy height of 4.7 meters enables smooth entry and exit by large trucks and buses, and the facility is capable of quick injection of gas. We provide support activities for our customers such as assisting trucking companies in dealing with environmental protection regulations, etc., and high hopes are being placed on this Eco Station as part of an infrastructure to promote the dissemination and wider use of LP gas and CNG vehicles and the replacing of diesel trucks and buses.



Eco Station

Brief Summary of Operating Divisions



On-site business (In-house electric power)

Industrial Materials Business

Our Industrial Materials Business provides industrial energy in forms that satisfy users, including on-site business such as in-house electric power generation facilities. At the same time, we are making efforts to promote new energy that is friendly to the environment by conducting activities such as combustion experiments on DME, which is seen as a next-generation form of clean energy.

Car-Life Business

In order to support customers' enjoyable car life, the Car-Life Business will pursue a new business strategy involving the conduct of new businesses at existing service stations, such as used car purchase and sale, as well as vehicle inspection and repair. We thus aspire to transform gas stations to Car-Life stations in response to diversifying customer needs.



JAC franchise station



"Kurashi-no-Mori" center

Home-Life Business

To support a comfortable home life for customers, our Home-Life Business delivers to general households LP gas, which is a clean form of energy with a low environmental load. It also provides various daily life goods and services.

Overview of Operating Divisions

Industrial Materials Business

■ Profits significantly reduced due to narrower profit margins

Looking at sales of petroleum products, which comprise our core business, while demand for heavy oil soared due to the closure of nuclear power stations, and demand for kerosene was vigorous thanks to the earlier-than-usual arrival of a cold wave, it was difficult to pass the changes in crude oil prices on to the customer. This was because resistance to a price increase was strong among major users, reflecting weak business conditions. This led to a difficult business environment, forcing profit margins continuously downward.

As a result of this, sales increased marginally to ¥86.5 billion (an increase of 0.3% over the previous fiscal year), but the impact of the lower profit margin was significant and the result was disappointing, with operating income of ¥150 million, down 91.7% from the previous year.

In the area of new energy, we started the first combustion experiments in the industry for DME as an industrial fuel for corporations, and also aggressively pursued on-site business which proposes the introduction of in-house electric power generation facilities. We are thus steadily making efforts in the field of environmentally-friendly alternative energy as well as in energy diversification.

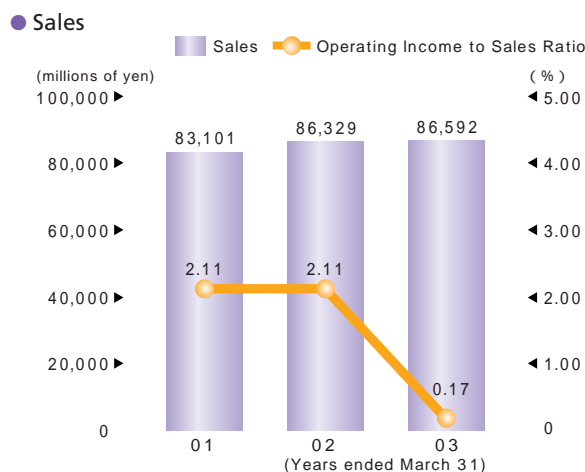
■ Stronger comprehensive energy supply system, including new forms of energy

In fiscal 2003, while there is no longer any serious concern about continued crude oil price hikes, thanks to the quick conclusion of the military action in Iraq, it is expected that the domestic market environment will remain difficult. In these circumstances, this division will strive to restructure its core business by employing all the Company's resources to expand sales of fuel oil to industrial users as well as endeavoring to win new customers through aggressive marketing.

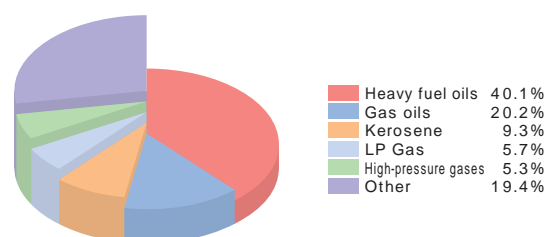
We will put particular emphasis on the recovery of profitability, carry out marketing that thoroughly focuses on profit, and do our utmost to pass crude oil

costs on to selling prices. In addition, we will bolster our marketing activities in order to understand user needs more precisely and swiftly, and promote "Total Energy Service Business," including retail sales of electric power. We will also engage in sales expansion of various industrial material products, including coal, cement and asphalt.

Amid tighter environmental regulations and increasing social requirements for the protection of environment, we set the development of DME, a low-emission fuel, as one of our most important themes. We will promote the use of this fuel among corporate customers on the basis of data from combustion experiments, and building a solid groundwork for its introduction to the market from 2006.



● Sales Composition



Car-Life Business

■ Achievement of sales volume exceeding industry average

In fiscal 2002, although we were not able to pass higher crude oil prices on to selling prices, and the profit margin of our oil products continued to shrink, we achieved a 3.6% increase in consolidated gasoline sales volume over the previous fiscal year. This represents an increase exceeding the industry average. The increase was made possible by strengthening the competitiveness of our service stations, promoting new lines of business to match the characteristics of each service station, and affiliating new service stations into our Group.

As of the end of the term under review, the number of affiliated service stations totaled 2,132. We added 111 service stations added through new affiliation and 100 service stations were removed from the affiliation list, mostly through the closure of unprofitable stations. The number of our private brand Chuboy service stations rose by 55 to 420.

In terms of new business, we carried out the development of business infrastructure to support our future growth: we established nationwide JAC franchise stations, which buy and sell used cars, and sales companies to accelerate expansion of franchise stores of Car-Life Holiday, a vehicle inspection and repair company. We also newly created inside our company a Car-Life Business section that supports the franchise headquarters.

As a result of the above, sales came to ¥361.2 billion for a 4.3% increase over the previous fiscal year, and operating income was ¥4.1 billion, down 28.8%.

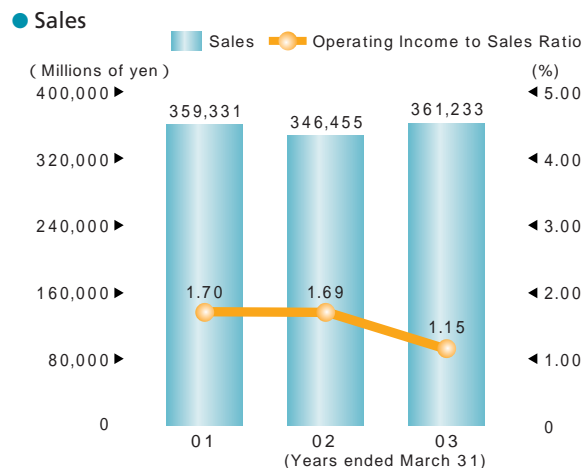
■ From gas stations to Car-Life stations

The new lines of business that this division is pushing for aim to increase market share and profitability in three ways: restructuring the retail support function for affiliated service stations, developing new sales channels for oil products, which are our core business, and supporting the affiliation of new service stations into our Group.

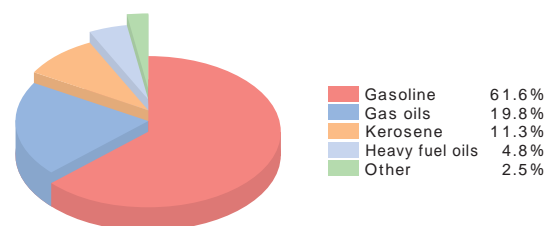
For this purpose, we came up with a clear vision to transform gas stations from those that only sell fuel oils into Car-Life stations that will contribute to customers' car life. We are about to establish a business model that will reliably produce profits by tying up with a leading company in the car-life related business.

From fiscal 2003, as a second step, we intend full-scale entry into the insurance business, the light plate metal business and the automotive parts and accessories business, in order to raise the profitability of our Car-Life business. We are seeking new tie-ups in order to further expand goods and services.

As a medium-term objective for our store network, we plan to increase JAC franchise stations to 100, Car-Life Holiday's vehicle inspection franchise stores to 180, and JAC bins stores to 480 by the end of fiscal 2005, and develop and strengthen them to make them new sources of earnings.



● Sales Composition



Home-Life Business

■ Expansion in sales of mainstay LP gas business

This division thoroughly beefed up its retail sales unit by such means as building stronger relationships with general households, implementing aggressive proposal-oriented marketing, and forming alliances with other companies in the industry. As a result, the consolidated sales volume of LP gas increased 3.4% over the previous fiscal year. In addition, amid rising LP gas import prices, we focused on passing on the cost increase to the customer, at the same time endeavoring to reduce distribution costs. As a result, profits also rose.

Thus, the LP gas business was sound over all, with sales at ¥101.1 billion, a 5.0% increase over the previous fiscal year. However, because of the poor performance of Tokai, a manufacturer of lighters, operating income was ¥2.3 billion, a 33.0% decline from the previous fiscal year.

For fiscal 2003, while significant growth in domestic demand for LP gas cannot be expected, we are planning to increase sales as well as profits by expanding sales volume and direct selling through acquisitions of retail sales rights.

Furthermore, we jointly embarked with Idemitsu Gas and Life on the development of a new LP gas system through the ASP method in order to reduce both costs and the burden of system maintenance. We are planning to implement testing from January 2004, and start full-fledged operation in April. Apart from this, in relation to environmental measures and new energy, we will be implementing dissemination and promotion of LP gas vehicles, expansion of Eco Stations, and experiments with 1-kilowatt fuel batteries for household use with the same specifications as LP gas. We will also be experimenting with gas engine cogeneration.

Tokai will review its production process, manufacture and sell lower-priced lighters in order to compete with lighters made in China, and strive to recover its market share to improve profitability.

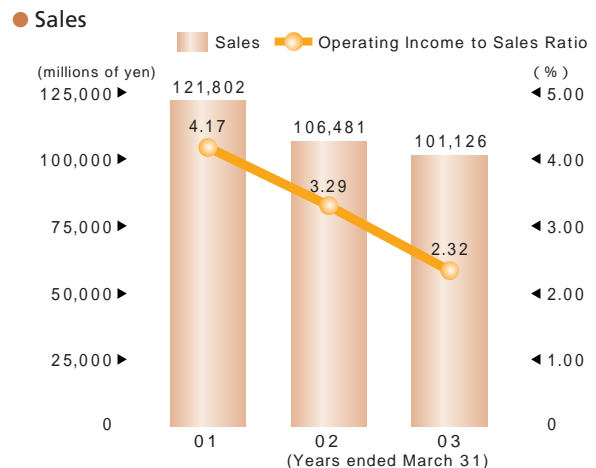
■ Full-fledged expansion of the “Kurashi-no-Mori” project

The “Kurashi-no-Mori” project, in which we aspire to build a new business model for the LP gas business, will not only be selling energy for household use but will also be providing goods and services to support a more comfortable consumer lifestyle. By taking advantage of ammunition such as our relationships with households, we

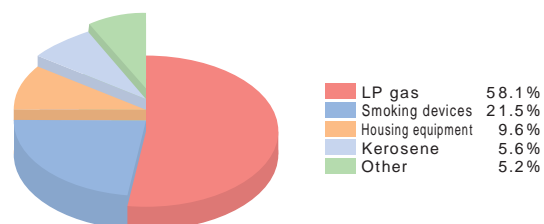
will be constantly pursuing the maximization of customer satisfaction.

Since April this year, we have been jointly implementing the “Gas is best!” campaign with Shinanen as part of the “Kurashi-no-Mori” project, and sales of highly functional stoves with a five-year warranty, the first in the industry, are going well and customers are experiencing the superior convenience and merits of gas.

At the same time, in our efforts to promote direct marketing, we have tied up with a major apparel maker. Based on the data of 170,000 customers, we conducted direct sales aimed at women in their twenties and thirties in major cities nationwide. In March this year we launched a membership system under the name fleurwoman. A website for members has been created and the number of members stands at 23,000 as of the end of June. Going forward, we are planning mail-order business (travel, wedding plans, etc.) and other new business for members and will be strengthening our marketing aimed at women who will become housewives in the future.



● Sales Composition



Corporate Directory

(as of June 26, 2003)

Company Name: Itochu Enex Co., Ltd.

Head Office Address: 24-12, Meguro 1-chome, Meguro-ku,
Tokyo 153-8655, Japan

Phone: +81-3-5436-8200
+81-3-5436-8206
(IR Team, Management Planning Department)

Home Page: <http://www.itcenex.com>

Established: January 28, 1961

Common Stock: ¥19,877 million

Number of Employees: 814 (as of March 31, 2003)

Business Line: Principally engaged in the sales of petrochemical products and LPG, and the purchase and sale of automobile goods and used cars, as well as the sale of a variety of housing-related and other kinds of equipment via catalogs and events

Branches and Offices:

Head Office:

24-12, Meguro 1-chome, Meguro-ku, Tokyo 153-8655, Japan

Branches:

Kyushu, Chu-shikoku, Kansai, Chubu, Higashinohon, Tohoku, Hokkaido

There are 23 operating offices under the control of the respective branches.

Itochu Enex Group

Consolidated subsidiaries: 41

Non-consolidated subsidiaries: 42

Equity-method affiliates: 20

Directors and Officers

Representative Director and President	Kiyomi Yamada
Representative Director and Senior Managing Directors	Shushi Sueyasu Tadashi Maeda Seiki Yamanishi
Managing Directors	Toshio Sato Kazumi Tanikoshi Mutsuo Sezaki
Directors	Akihisa Matsumoto Hiroshi Arai
Standing Corporate Auditors	Masayuki Teshima Fumio Sato
Corporate Auditors	Koji Takayanagi Shuichi Nanba
Executive Officers	Tokuji Shingae Isao Akizuki Toshitaka Ishii Masami Okada Yasuyuki Shimizu Keiichiro Sato Shuji Arimitsu Kaoru Kato Hideo Miki Akira Doi Hajime Mori Mamoru Kashiwaguchi Masamoto Uehara

Investors' Information

(as of March 31, 2003)

Total number of shares and shareholders

Number of shares authorized to be issued: 387,250 thousand

Number of shares issued and outstanding: 96,356 thousand ^(Note)

Number of shareholders: 8,523

Trading unit of shareholding: 100 shares

(Note) The total number of shares authorized to be issued and the number of shares issued and outstanding declined by 455 thousand from the previous year, due to the cancellation of common shares of treasury stock using additional paid-in capital.

Shareholder type

Other domestic companies	50.12%
Domestic financial institutions	27.17
Individuals, other	21.55
Foreign corporations	0.95
Domestic securities companies	0.21

Stock listing (Name: ENEX): Tokyo (1st Section)

Osaka (1st Section)

Principal shareholders

Principal shareholders	Number of shares	Voting rights
Itochu Corporation	18,667 thousand	20.46%
Itochu Energy Marketing Co., Ltd.	17,132	18.78
Jac Holdings Co., Ltd.	4,100	4.50
Trusty and Custody Services Ban, Ltd. ^(*)	4,016	4.40
UFJ Trust Bank Ltd. ^(*)	3,450	3.78
Enex Fund	3,319	3.64
The Master Trust Bank of Japan, Ltd.	2,765	3.03
Japan Trustee Services Bank, Ltd. ^(*)	2,432	2.67
Nippon Life Insurance Company	2,261	2.48
The Sumitomo Trust & Banking Co., Ltd. ^(*)	2,192	2.40

(Notes) *1. Shares held by the above banks include those related to fiduciary businesses as follows.

Trusty and Custody Services Bank, Ltd.	4,016 thousand
UFJ Trust Bank Ltd.	3,450 thousand
The Master Trust Bank of Japan, Ltd.	2,765 thousand
Japan Trustee Services Bank, Ltd.	2,432 thousand
The Sumitomo Trust & Banking Co., Ltd.	218 thousand

*2. In addition to the above, the Company holds 3,425 thousand ordinary shares in treasury.

Financial Section

Operating Results

Years ended March 31	1999	2000	2001	2002	2003
Net sales (millions of yen)	440,535	519,267	564,235	539,265	548,952
Cost of sales (millions of yen)	379,451	446,767	492,985	469,916	487,012
Gross profit (millions of yen)	61,083	72,499	71,249	69,348	61,939
Ratio of gross profit to net sales (%)	13.87	13.96	12.63	12.86	11.28
Operating income (millions of yen)	5,746	9,743	9,824	8,324	3,900
Ratio of operating income to net sales (%)	1.30	1.88	1.74	1.54	0.71
Ordinary income (millions of yen)	5,279	8,216	10,888	9,610	5,236
Ratio of income before income taxes and minority interests to net sales (%)	1.20	1.58	1.93	1.78	0.95
Net income (millions of yen)	1,868	3,435	6,573	5,083	1,227
Ratio of net income to net sales (%)	0.42	0.66	1.16	0.94	0.22

Financial Position

Total assets (millions of yen)	219,279	256,164	242,284	231,292	229,772
Current assets (millions of yen)	107,797	136,843	125,602	113,544	120,108
Property, plant and equipment (millions of yen)	111,482	119,321	116,681	117,748	109,663
Current liabilities (millions of yen)	91,878	122,909	102,332	89,189	94,405
Long-term liabilities (millions of yen)	51,630	47,738	46,191	50,308	46,606
Shareholders' equity (millions of yen)	75,448	79,912	87,345	84,784	82,117

Main Ratios

Current ratio (%)	117.33	111.34	122.74	127.31	127.23
Fixed assets ratio (%)	147.76	149.32	133.59	138.88	133.54
Shareholders' equity ratio (%)	34.41	31.20	36.05	36.66	35.74
Return on assets (ROA) (%)	2.43	3.46	4.37	4.06	2.27
Return on equity (ROE) (%)	2.45	4.42	7.86	5.91	1.47
Total assets turnover ratio (times)	2.03	2.18	2.26	2.28	2.38
Fixed assets turnover ratio (times)	3.99	4.50	4.78	4.60	4.83

Per Share Data

Net income (yen)	17.34	33.86	66.46	52.44	12.50
Shareholders' equity (yen)	731.76	800.59	891.95	888.63	887.25
Cash dividends (yen)	9.00	9.00	12.00	12.00	12.00

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Consolidated Balance Sheets

As of March 31, 2003 and 2002

Assets	Millions of yen		Millions of U.S. dollars
	2003	2002	2003
Current assets:			
Cash and deposits	¥ 32,634	¥ 34,210	\$ 271
Notes and accounts receivable — trade	69,561	63,339	578
Marketable securities.....	110	637	0
Inventories	9,453	10,243	78
Deferred tax assets.....	2,329	1,380	19
Other	6,358	4,060	52
Allowance for doubtful receivables.....	(340)	(327)	(2)
Total current assets.....	120,108	113,544	999
Non-current assets:			
Tangible fixed assets			
Buildings and structures.....	23,121	26,103	192
Machinery and equipment	9,507	10,219	79
Land	35,319	37,624	293
Construction in progress	497	179	4
Other	1,422	1,532	11
Total tangible fixed assets	69,868	75,659	581
Intangible assets			
Goodwill.....	2,346	2,406	19
Other	1,971	2,148	16
Total intangible assets	4,318	4,555	35
Investments and other assets			
Investment securities.....	17,472	17,237	145
Long-term loans.....	3,467	4,850	28
Deferred tax assets.....	2,749	2,313	22
Deferred tax assets on land revaluation.....	2,313	3,571	19
Other	11,163	11,416	92
Allowance for doubtful receivables.....	(1,689)	(1,855)	(14)
Total investments and other assets	35,477	37,533	295
Total non-current assets	109,663	117,748	912
Total	¥229,772	¥231,292	\$1,911

Liabilities and Shareholders' Equity	Millions of yen		Millions of U.S. dollars
	2003	2002	2003
Current liabilities:			
Notes and accounts payables — trade	¥ 49,654	¥ 42,613	\$ 413
Short-term borrowings.....	25,906	21,142	215
Commercial paper	3,000	7,000	25
Current portion of bonds payable	5,000	5,000	41
Income taxes payable	317	2,111	2
Deferred tax liabilities.....	79	7	0
Other current liabilities	10,448	11,314	86
Total current liabilities	94,405	89,189	785
Long-term liabilities:			
Bonds payable.....	10,000	10,000	83
Long-term debt.....	21,380	21,247	177
Deferred tax payables	331	366	2
Retirement benefits	4,268	6,970	35
Retirement benefits to directors and statutory auditors	407	499	3
Negative goodwill.....	5,168	5,916	43
Other long-term liabilities.....	5,050	5,306	42
Total long-term liabilities.....	46,606	50,308	387
	141,012	139,497	1,173
Minority interests	6,641	7,011	55
Shareholders' equity:			
Common stock	—	19,877	—
Appropriation for legal reserve of capital surplus	—	17,827	—
Unrealized loss on land revaluation	—	(4,912)	—
Retained earnings	—	52,388	—
Unrealized loss on available-for-sale securities	—	(137)	—
Foreign currency translation adjustments	—	536	—
Treasury stock, at cost	—	(796)	—
Total shareholders' equity	—	84,784	—
Common stock	19,877	—	165
Capital surplus.....	17,543	—	145
Retained earnings	50,452	—	419
Unrealized loss on land revaluation	(3,398)	—	(28)
Unrealized loss on available-for-sale securities	(243)	—	(2)
Foreign currency translation adjustments	(88)	—	0
Treasury stock, at cost	(2,025)	—	(16)
Total shareholders' equity	82,117	—	683
Total liabilities, minority interests, and shareholders' equity.....	¥229,772	¥231,292	\$1,911

Consolidated Statements of Income and Retained Earnings

Years ended March 31, 2003 and 2002

	Millions of yen		Millions of
	2003	2002	U.S. dollars
Net Sales	¥548,952	¥539,265	\$4,566
Cost of sales	487,012	469,916	4,051
Gross profit	61,939	69,348	515
Selling, general and administrative expenses	58,038	61,024	482
Operating income	3,900	8,324	32
Non-operating income:			
Interest income.....	552	576	4
Dividend income.....	70	86	0
Amortization of negative goodwill.....	748	661	6
Exchange gain.....	—	537	—
Gain on equity-method investments.....	194	—	1
Other non-operating income.....	1,074	1,115	8
Total.....	2,640	2,977	22
Non-operating expenses:			
Interest paid.....	699	614	5
Exchange loss.....	88	—	0
Interest on bonds.....	196	278	1
Loss on equity-method investments.....	—	372	—
Other non-operating expenses.....	320	425	2
Total.....	1,304	1,691	10
Ordinary income	5,236	9,610	43
Extraordinary profits:			
Gain on sale of fixed assets.....	948	651	7
Gain on sale of investment securities.....	46	413	0
Gain on reversal of allowance for doubtful receivables.....	16	292	0
Other extraordinary profits.....	60	87	0
Total extraordinary profits.....	1,071	1,445	8
Extraordinary losses:			
Loss on sale of fixed assets.....	737	638	6
Loss on sale of investment securities.....	—	3	—
Loss on valuation of investment securities.....	1,370	160	11
Loss on reorganizing operations.....	1,029	1,149	8
Provision for retirement benefits.....	924	924	7
Loss on valuation of golf club membership.....	24	38	0
Provision for doubtful receivables.....	214	109	1
Other extraordinary losses.....	341	207	2
Total.....	4,640	3,232	38
Income before income taxes and minority interests	1,667	7,824	13
Income taxes	477	3,687	4
Income tax adjustment	26	(1,408)	0
Minority interest-income	(64)	462	(0)
Net income	1,227	5,083	10
Balance of retained earnings at beginning of term.....	—	48,758	—
Reduction in retained earnings:			
Cash dividend.....	—	1,315	—
Bonuses to directors.....	—	114	—
Lump-sum amortization of pension obligations for overseas subsidiaries.....	—	23	—
Total.....	—	1,453	—
Balance of retained earnings at end of term.....	¥ —	¥ 52,388	\$ —

Consolidated Statements of Shareholders' Equity

Years ended March 31, 2003 and 2002

	Millions of yen		Millions of U.S. dollars
	2003	2002	2003
Capital surplus:			
Capital surplus at beginning of term	<u>¥17,827</u>	¥ —	<u>\$148</u>
Increase in capital surplus			
Gain on sale of shares in treasury	1	—	0
Reduction in capital surplus			
Cancellation of shares in treasury	<u>286</u>	—	<u>2</u>
Capital surplus at end of term	<u>17,543</u>	—	<u>145</u>
Retained earnings:			
Retained earnings at beginning of term	<u>52,388</u>	—	<u>435</u>
Increase in retained earnings			
Net income	<u>1,227</u>	—	<u>10</u>
Reduction in retained earnings			
Cash dividend	<u>1,137</u>	—	<u>9</u>
Director's bonuses	<u>119</u>	—	<u>1</u>
Reduction in unrealized loss on land revaluation	<u>1,605</u>	—	<u>13</u>
Lump-sum amortization of pension obligations for overseas subsidiaries	<u>301</u>	—	<u>2</u>
Total	<u>3,164</u>	—	<u>26</u>
Retained earnings at end of term	<u>¥50,452</u>	¥ —	<u>\$419</u>

Consolidated Statements of Cash Flows

Years ended March 31, 2003 and 2002

	Millions of yen		Millions of U.S. dollars
	2003	2002	2003
Operating activities:			
Income before income taxes and minority interests	¥ 1,667	¥ 7,824	\$ 13
Depreciation and amortization.....	6,124	6,428	50
Amortization of negative goodwill.....	(748)	(661)	(6)
Change in accrued retirement benefits	(3,302)	1,553	(27)
Change in allowance for doubtful receivables	109	(182)	0
Loss on devaluation of investment securities	1,370	160	11
Loss on disposal of tangible fixed assets	548	535	4
Foreign exchange loss (gain)	110	(267)	(0)
Loss (gain) on equity-method investment.....	(194)	372	(1)
Equity in losses of unconsolidated subsidiaries and associated companies.....	1,029	1,149	8
Other non-operating gain	(102)	—	0
Loss on valuation of golf club membership	24	38	0
Interest and dividends income.....	(623)	(663)	(5)
Interest expenses.....	895	893	7
Transfer to cash flows from investing activities	(852)	(1,148)	(7)
Transfer to cash flows from financing activities	(9)	40	(0)
Decrease (increase) in trade receivables	(6,880)	12,842	(57)
Decrease (increase) in inventories	168	638	1
(Decrease) increase in trade receivables	7,149	(8,198)	59
(Decrease) increase in other assets	(626)	292	(5)
Decrease in other liabilities.....	(1,035)	(355)	(8)
Bonuses to directors	(128)	(112)	(1)
Subtotal	4,692	21,179	39
Receipt of interest and dividends.....	810	816	6
Payment of interest	(911)	(1,061)	(7)
Payment of income taxes.....	(2,551)	(3,831)	(21)
Net cash provided by operating activities.....	2,040	17,103	17
Investing activities:			
Maturity of time deposits.....	—	3,132	—
Purchase of marketable securities	(164)	(377)	(1)
Proceeds from sales of marketable securities	175	332	1
Purchase of tangible fixed assets	(5,731)	(6,192)	(47)
Proceeds from sale of tangible fixed assets	6,067	3,089	50
Purchase of intangible assets.....	(1,109)	(1,790)	(9)
Proceeds from sale of intangible assets	102	111	0
Purchase of investment securities	(1,602)	(10,822)	(13)
Proceeds from sale of investment securities.....	286	1,866	2
Extension of long-term loans	(1,361)	(6,380)	(11)
Collection of long-term loans.....	1,048	7,725	8
Payment for reorganizing operations.....	(69)	(600)	(0)
Other	(250)	61	(2)
Net cash used in investing activities.....	(2,608)	(9,845)	(21)
Financing activities:			
Increase (decrease) in short-term borrowings, net	(3,919)	670	(32)
Increase in long-term debt	8,259	7,966	68
Repayment of long-term debt.....	(2,848)	(1,980)	(23)
Issuance of bonds.....	4,965	5,000	41
Repayment of bonds payable	(5,000)	(10,000)	(41)
Proceeds from sale of common stock.....	60	—	0
Purchase of common stock.....	(1,451)	(1,541)	(12)
Dividends payment.....	(1,130)	(1,310)	(9)
Dividends paid to minority interests.....	(92)	(156)	(0)
Net cash used in financing activities.....	(1,157)	(1,351)	(9)
Effect of exchange rate changes on cash and cash equivalents.....	(338)	812	(2)
Net increase (decrease) in cash and cash equivalents.....	(2,064)	6,718	(17)
Cash and cash equivalents at beginning of term.....	34,811	28,109	289
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries	(11)	(16)	(0)
Cash and cash equivalents, end of year.....	¥32,735	¥34,811	\$272

Management's Discussion and Analysis of Financial Position and Operating Results (on a consolidated basis)

(1) Operating Environment

The Japanese economy during the term under review — the fiscal year ended March 31, 2003 — showed no signs of recovery, with consumer spending staying weak and private sector capital investment remaining stagnant as a result of prolonged deflation and continued restructuring efforts by corporations. Looking overseas, uncertainties surrounding the world economy further increased as the war in Iraq and SARS (Severe Acute Respiratory Syndrome) negatively affected the end of the term under review.

Amid such conditions, the business environment for our industry is becoming increasingly difficult as excessive competition among companies has been intensifying year by year since the abolition of the Provisional Measures Law on the Importation of Specific Petroleum Refined Products, coupled with the deregulation of self-service stations. Although the war in Iraq ended quickly, fierce sales competition is further intensifying because the demand for oil products has declined due to the weak economy, and the number of self-service stations is increasing sharply.

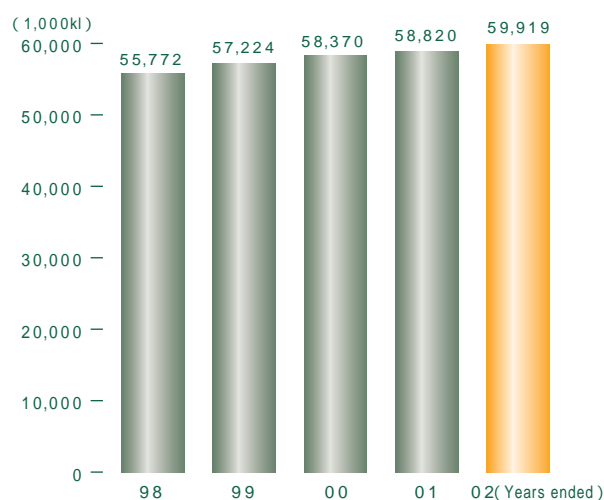
In the LP gas industry, a move towards business restructuring is beginning to take place in order to compete across the line between different forms of energy such as electric

power and gas. In addition, we are entering an era of intense competition between suppliers of major forms of energy, with companies from various industries entering into new energy businesses.

(2) Financial Policy

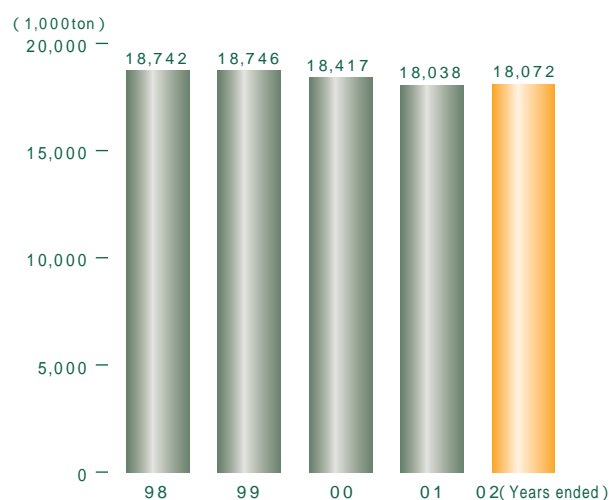
In order to deal with these business circumstances, we are pushing for the reduction of assets with low returns and the withdrawal from unprofitable businesses in order to enhance management efficiency. Following this policy, during the term under review, we sold our subsidiary, Tokyo Fine Glass, and securitized our headquarters building. We use ROA (Return on assets) as a management indicator to measure the rate of improvement in investment efficiency. It was 2.3% for the term under review, lower than the previous term, but total asset turnover, which measures the effect of asset reduction, was greater than the previous term. We will continue to strive to increase profits and asset efficiency by reviewing unprofitable operations and carrying out further consolidation among our Group companies.

Supply of gasoline



Source: Statistical Report on Resources and Energy by Ministry of Economy, Trade and Industry

Supply of LP gas



Source: Statistical Report on Resources and Energy by Ministry of Economy, Trade and Industry

(3) Liquidity and Sources of Funds

1) Financial Position

Consolidated total assets at the end of March 31, 2003 declined by ¥1.52 billion year-on-year to stand at ¥229.772 billion (US\$1,911 million). The decline of assets is primarily due to a decline in fixed assets. The decline in fixed assets, which was ¥8.085 billion, is explained in large part by a decline in tangible fixed assets attributable to the securitization of our headquarters building and a decline in long-term loans as a result of prepayments. The amount of decline in fixed assets was greater than ¥6.564 billion, the amount by which current assets increased due to a rise in trade receivables as a result of sales price hikes.

The securitization of our headquarters building was predicated on our financial policy of improving asset efficiency, and the proceeds — in the amount of approximately ¥5 billion — were applied to the repayment of interest-bearing debt. This had the effect of reducing our interest burden as well as taking the headquarters building and land off the balance sheet, and contributed to the reduction of total assets.

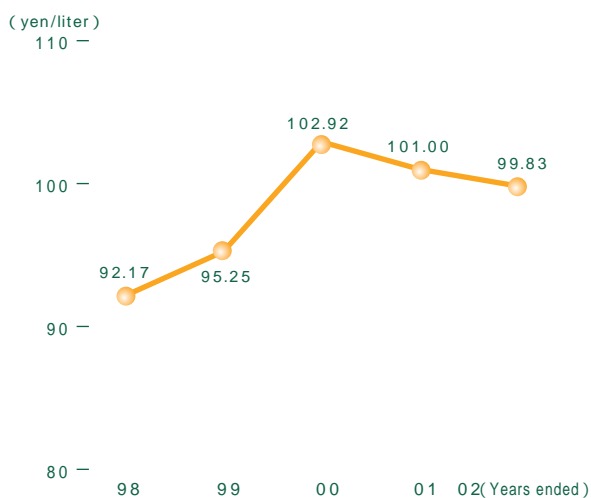
Current liabilities rose by ¥5.216 billion as notes payable and trade accounts payable increased due to increases in unit costs of purchases. However, the current ratio stood at

127.2%, almost the same level as the previous term's 127.3%, and the safety of assets continues to be secured.

Against this, long-term liabilities declined by ¥3.702 billion due to the reversal of the reserve for accrued employees' retirement benefits. This was done to contribute the funds for a one-time build-up of the reserve for past service liability in relation to the dissolution of the employees' pension fund. The qualified retirement pension plan was terminated together with the dissolution of the employees' pension fund. Investment yield for the pension fund had declined significantly due to ultra-low interest rates and weak stock prices in recent years. Deterioration of the financial conditions of the pension plan was negatively affecting the management of the Company. Consequently, we decided to implement pension plan reform and introduced a defined contribution pension in order to avoid interest rate risks. As a result of this, we can expect cost reductions against the term under review of ¥1.5 billion in the next term and approximately ¥2.0 billion thereafter.

Stockholders' equity decreased by ¥2.667 billion, ¥1.229 billion of which was due to the purchase of treasury stocks with the purpose of enhancing stockholders' value. Accordingly, the stockholders' equity ratio fell to 35.7% from the previous term's 36.7%. However, considering the effect

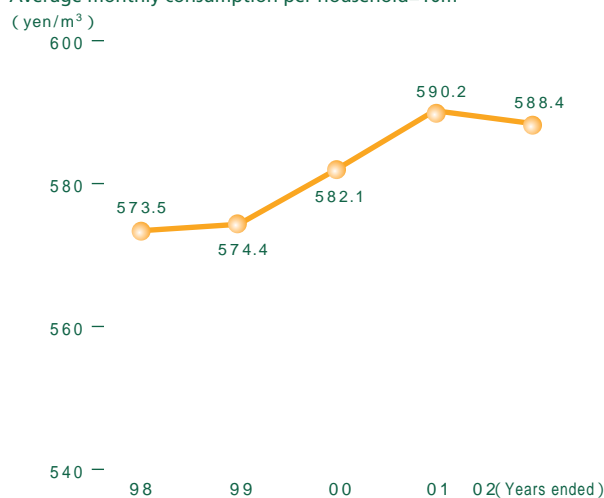
Retail price of gasoline



Source: The Oil Information Center

Retail price of LP gas

*Average monthly consumption per household=10m³



Source: The Oil Information Center

of purchasing treasury stocks, the decline was minimal and financial stability is being maintained. As for the fixed ratio, it is down to 133.5% from 138.9% in the previous term.

We make it our mission to improve ROA through enhancement of asset efficiency. Though ROA dropped 1.8 percentage points to 2.3% from the previous term because of the large profit decline, total asset turnover, which measures the total assets turnover, was 2.4 times, exceeding the 2.3 for the previous term.

2) Cash Flows

Cash and cash equivalents as of March 31, 2003 stood at ¥32,735 million (US\$272 million), lower than the level for the previous term by ¥2,075 million. The main factor in the decline was a large reduction in net cash inflows, which was mainly attributable to a decrease in cash flows from operating activities by ¥15,062 million to ¥2,040 million (US\$17 million).

The reasons for the decline in cash flows from operating activities are a substantial decline in income before income taxes by ¥6,157 million to ¥1,667 million (US\$13 million), and the reversal of the reserve for accrued retirement benefits in order to compensate for termination of operation of the employees' pension fund for the Government. For the previous term, provision was made for the reserve. Cash flows from investment activities rose thanks to a reduction in net cash outflows due to sale of property, plant and equipment including the headquarters building under a securitization scheme, and a reduction in purchases of investment securities. Cash flows from financing activities resulted in a net cash outflow of ¥1,157 million (US\$9 million), a small decline of ¥194 million, despite an increase in long-term debt, in order to enhance the stability of fund procurement.

Free cash flow, which is the sum of cash flows from operating activities and from investment activities, amounted to a negative free cash flow of ¥568 million (US\$4 million), compared with a free cash flow of ¥7,258 million for the previous term.

(4) Operating Results

1) Net Sales

Consolidated net sales FOR the term under review increased by 1.8% year-on-year to ¥548.952 billion (US\$4,566 million) due to increases in sales prices as a result of the war in Iraq pushing crude oil prices higher, and the rise in sales volumes of gasoline and kerosene.

By business segment, sales of the Industrial Materials Business stood at ¥86.592 billion, up from the previous term by ¥263 million (a 0.3% year-on-year increase) due to factors such as a loss of sales in relation to the disposal by sale of Tokyo Fine Glass in the latter half of the term. However, demand for heavy oil rose sharply, triggered by the shut-down of operations at nuclear power stations following accidents. Demand for kerosene was vigorous thanks to an early cold wave. As a result, total sales volume of fuel oils increased by 3.4% year-on-year.

Sales in the Car-Life Business stood at ¥361.233 billion, up 4.3% or ¥14.778 billion, from the previous term. The number of Chuboy service stations increased by 55 over the previous term. We promoted affiliation of new service stations to our Group and, as a result, the number of affiliated service stations rose to 2,132. Service at each service station was enhanced and measures to develop new lines of business to match the characteristics of each service station were implemented. All of these factors contributed to an increase in gasoline sales volume of 3.5% year-on-year and the total sales volume of fuel oil rose by 2.5%.

Sales of the Home-Life Business declined ¥5.355 billion from the previous term to ¥101.126 billion, down 5.0% year-on-year. The decline was caused by loss of sales of a food chain, half of whose sales were included in the previous term, and lower sales at Tokai. In the LP gas business, sales volume increased by 3.4% year-on-year as a result of stronger relationships with general households, implementation of aggressive proposal-oriented marketing, promotion of alliances with other companies in the industry and the beefing-up of retail operations.

2) Income

During the term under review, unit purchasing prices rose sharply as a result of crude oil price hikes and a record increase in the LP gas contract price. Consequently, the cost of sales ratio stood at 88.7%, a substantial 1.6-point increase from the previous term. In an attempt to absorb this cost increase, we as a group made a concerted effort to reduce SG&A expenses, and the SG&A ratio improved from 11.3% in the previous term to 10.6%. However, the increase in cost of sales was not fully absorbed and operating income declined by 53.1% year-on-year to ¥3.9 billion (US\$32 million). The ratio of operating income to net sales fell by 0.8 points from the previous term to 0.7%.

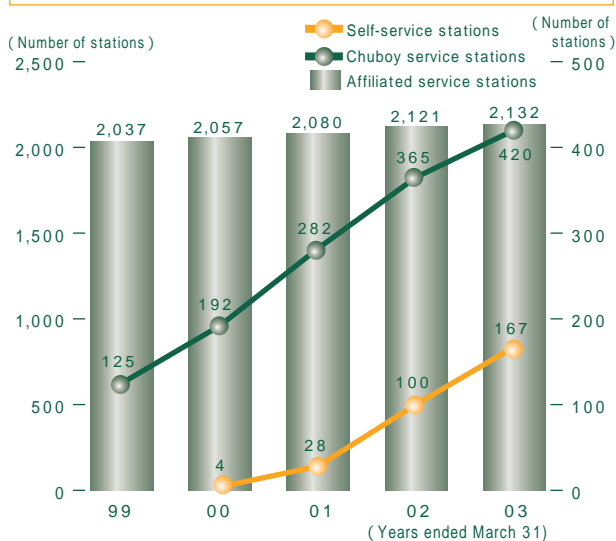
By business segment, operating income was ¥151 million (a 91.7% year-on-year decline) in the Industrial Materials Business, ¥4.172 billion (a 28.8% decline) in the Car-Life Business, and ¥2.350 billion (a 33.0% decline) in the Home-Life Business. All business segments thus saw a decline.

The ratio of operating income to net sales decreased from the previous term in all three segments, with the ratio standing at 0.2% in the Industrial Materials Business, 1.2% in the Car-Life Business, and 2.3% in the Home-Life Business. The Industrial Materials Business, in particular, suffered a large decline from 2.1% in the previous term. This was

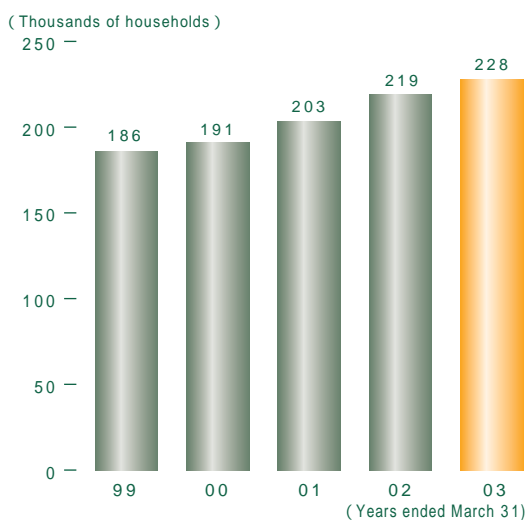
because resistance to price hikes by corporate users was strong, reflecting the weak economy in Japan, and we were not able to pass the increases in crude oil prices fully on to our sales prices. As a result, the ratio of operating income to net sales shrank sharply. In addition, the deterioration of profitability at Tokyo Fine Glass, which was our subsidiary, aggravated the situation. In the Car-Life Business as well, the primary reason for the decline in profit margin was our inability to pass the purchase costs on to the customer. In the Home-Life Business, while the LP gas business recorded satisfactory profits, a deterioration in profitability at Tokai caused a reduction in the ratio of operating income to net sales. Reflecting these factors, ordinary income stood at ¥5.236 billion (US\$43 million), a decline of 45.5% year-on-year. The ratio of ordinary income to net sales declined by 0.8 points from the previous term to 1.0%.

Net income for the term under review declined by a substantial 75.9% year-on-year to ¥1.227 billion (US\$10 million), and the net income margin fell 0.7 points from the previous term to 0.2%. This was due to a substantial deterioration in extraordinary gains/losses. While extraordinary gains recorded gains from sales of fixed assets in connection with the securitization of our headquarters building, extraordinary losses recorded losses on reorganizing operations in

Number of Service Station



Supply of LP gas to households



relation to the sale of Tokyo Fine Glass and losses on valuation of investment securities, reflecting the weak stock market. Net extraordinary gains/losses deteriorated by ¥1.782 billion from the previous term.

As a result of the above, net income per share for the term under review stood at ¥12.5, underperforming the previous term's ¥39.9. ROE (Return on equity) dropped 4.4 percentage points from the previous term, to 1.5%.

(5) Outlook for the Current Term

With regard to the Japanese economy in the current term, while there are signs of a moderate recovery in corporate earnings in some segments of the economy, we believe a significant improvement is unlikely and the uncertain situation will persist. We also believe that, despite the fact that our biggest concern, namely the problem in Iraq, was eliminated, the demand and supply situation in our industry domestically will continue to be very fragile in the same way it was during the term under review.

In the Industrial Materials Business, we will endeavor to expand sales and acquire new customers for fuel oil, and do our utmost to focus on profitability in our marketing activities. We will also be pursuing the "Total Energy Service Business," including retail sales of electricity as well as expansion of materials products for various industrial clients.

In the Car-Life Business, we will implement expansion of our business network, including Chuboy service stations, and upgrade functions by fostering new lines of business. While working to strengthen our competitiveness through the scrapping and building of sales stores, we are expanding used car dealer JAC franchise stations and JAC bins information agents and taking rapid steps to build a network of outlets in the Car-Life Holiday chain, a vehicle inspection and repair company.

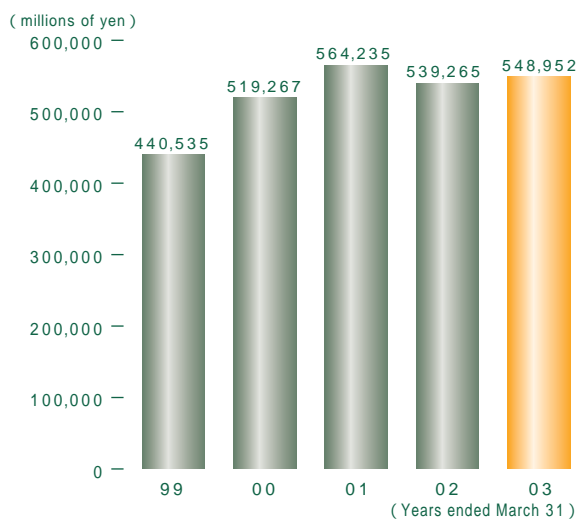
In the Home-Life Business, we will streamline the structures of our sales companies and expand their number in order to enhance our competitiveness so as to survive competition among various categories of energy supplier. In addition, we will be promoting the use of vehicles powered by LP gas, which is a model low-emission form of energy, and providing goods and services that meet customer needs through

the "Kurashi-no-Mori" project.

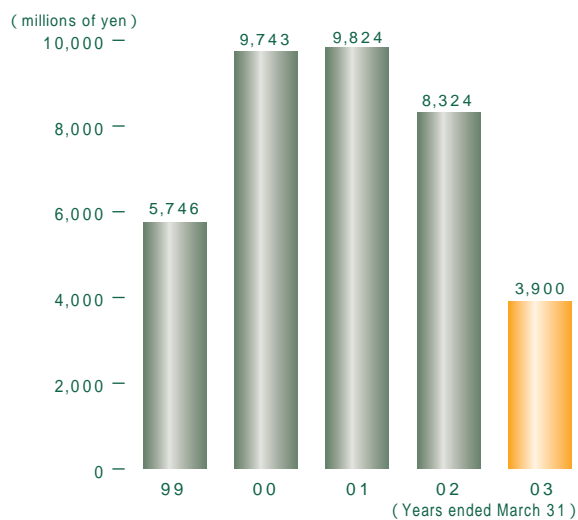
In light of the above, we project net sales of ¥584.0 billion, an increase of 6.4% from the previous term, ordinary income of ¥6.7 billion, an increase of 28.0%, and net income of ¥3.5 billion, up 185.2%, all on a consolidated basis.

Data Section

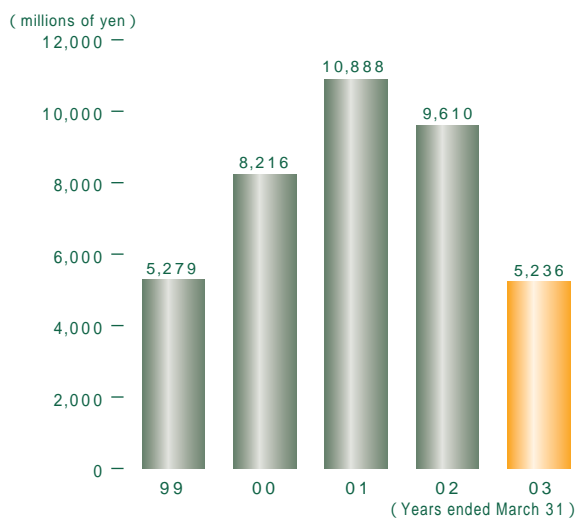
Net sales



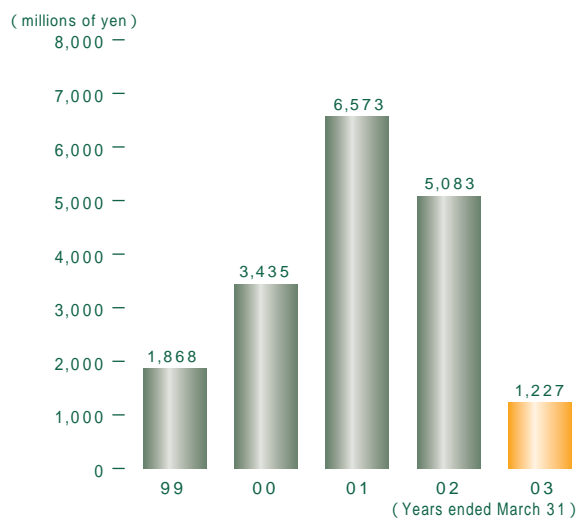
Operating income



Ordinary income



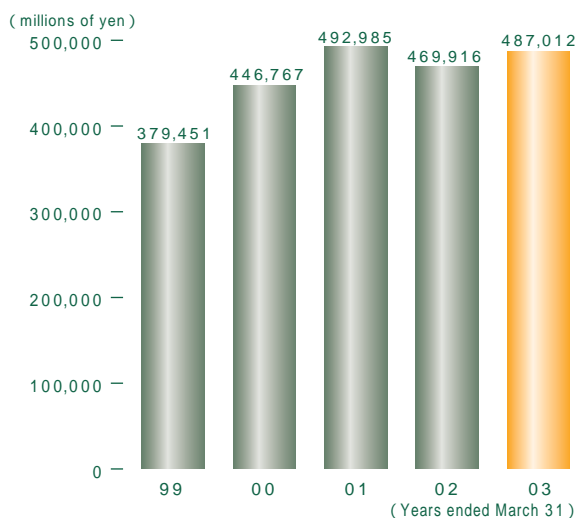
Net income



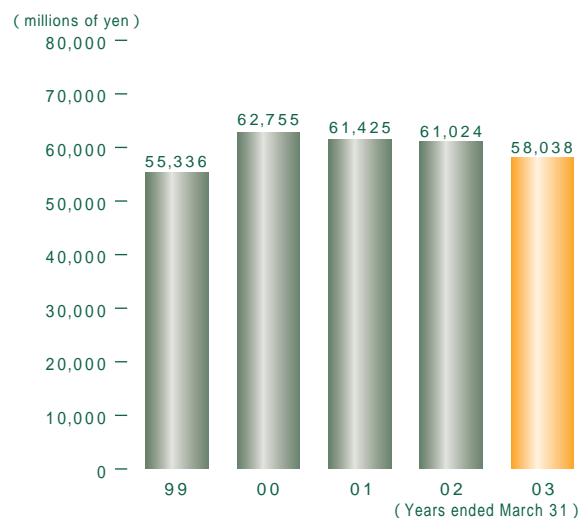
Years ended March 31	99	00	01	02	03
Net sales	440,535	519,267	564,235	539,265	548,952
Operating income	5,746	9,743	9,824	8,324	3,900
Ordinary income	5,279	8,216	10,888	9,610	5,236
Net income	1,868	3,435	6,573	5,083	1,227

(millions of yen)

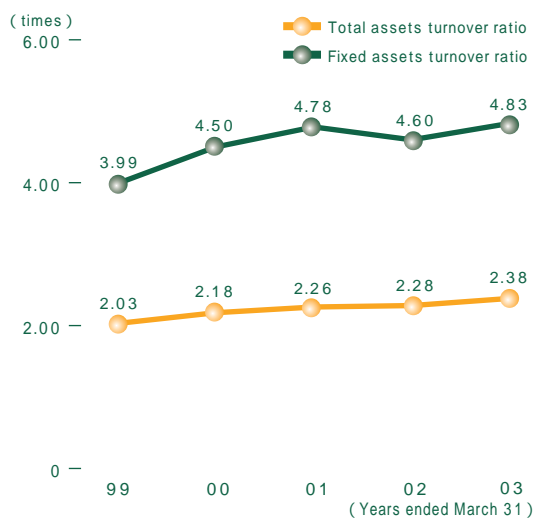
Cost of sales



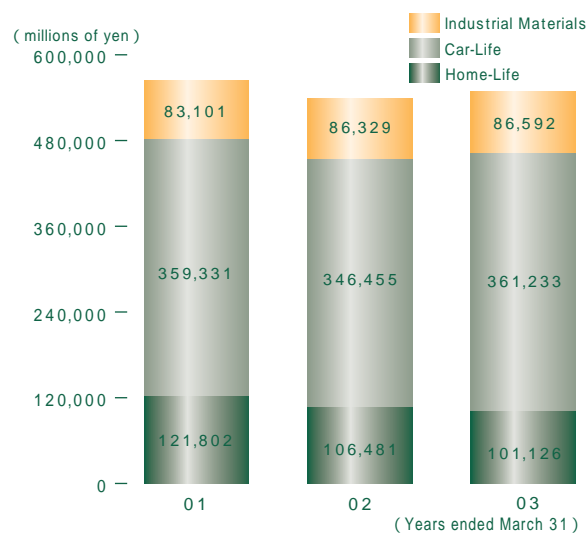
Selling, general and administrative expenses



Total assets turnover ratio / Fixed assets turnover ratio

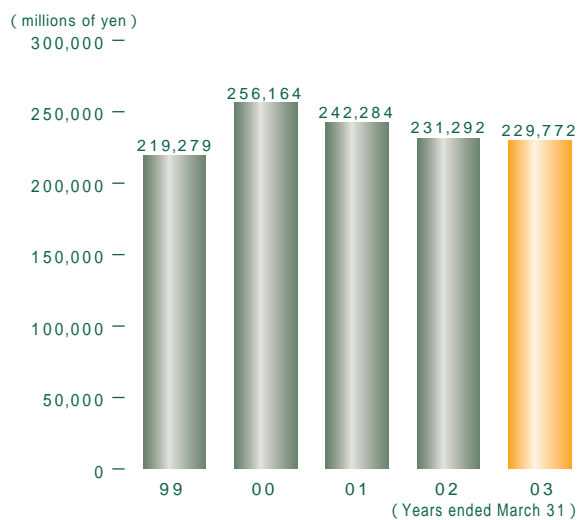


Sales by business segment

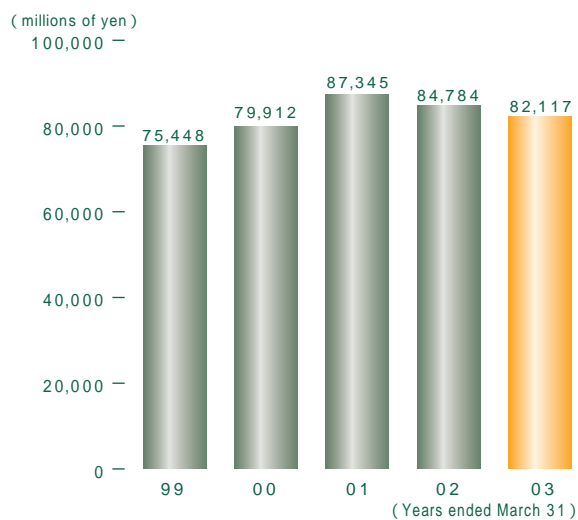


Years ended March 31	99	00	01	02	03
Cost of sales	379,451	446,767	492,985	469,916	487,012
Selling, general and administrative expenses	55,336	62,755	61,425	61,024	58,038
Total assets turnover ratio (times)	2.03	2.18	2.26	2.28	2.38
Fixed assets turnover ratio (times)	3.99	4.50	4.78	4.60	4.83
Sales by business segment					
Industrial Materials	—	—	83,101	86,329	86,592
Car-Life	—	—	359,331	346,455	361,233
Home-Life	—	—	121,802	106,481	101,126

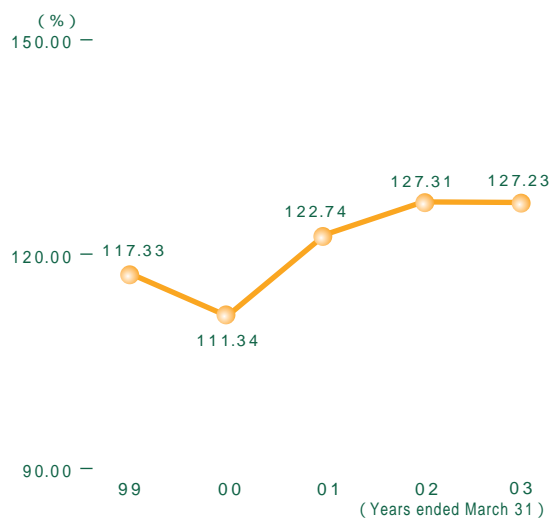
Total assets



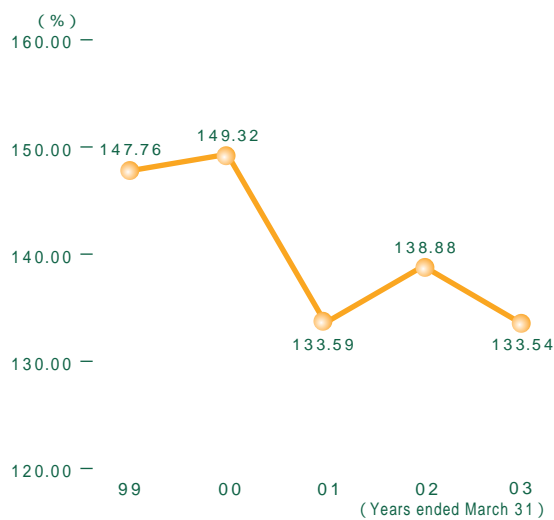
Shareholders' equity



Current ratio

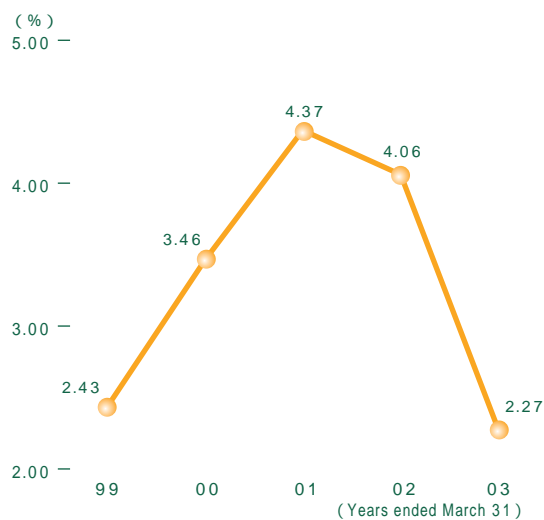


Fixed assets ratio

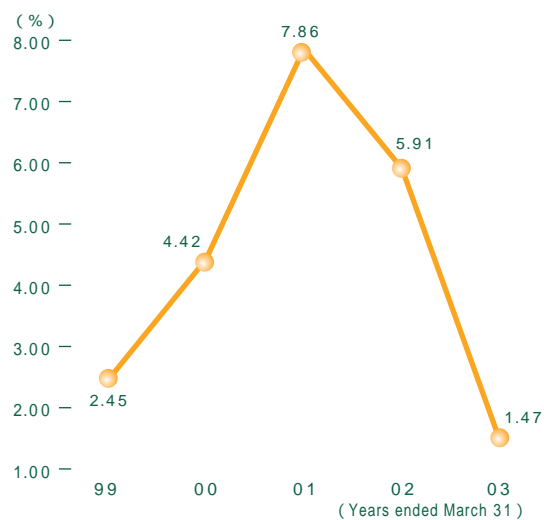


Years ended March 31	99	00	01	02	03
Total assets (millions of yen)	219,279	256,164	242,284	231,292	229,772
Shareholders' equity (millions of yen)	75,448	79,912	87,345	84,784	82,117
Current ratio (%)	117.33	111.34	122.74	127.31	127.23
Fixed assets ratio (%)	147.76	149.32	133.59	138.88	133.54

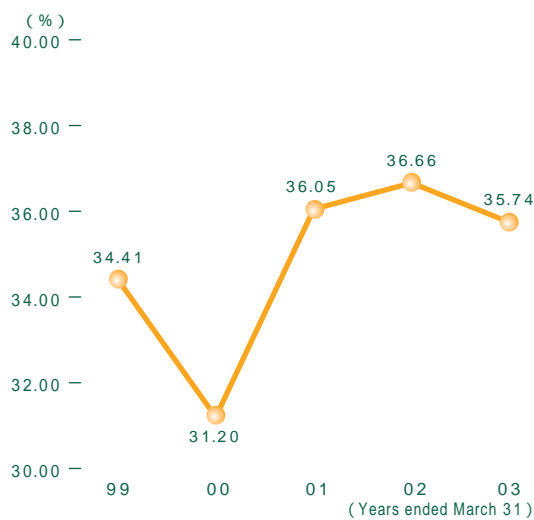
Return on assets (ROA)



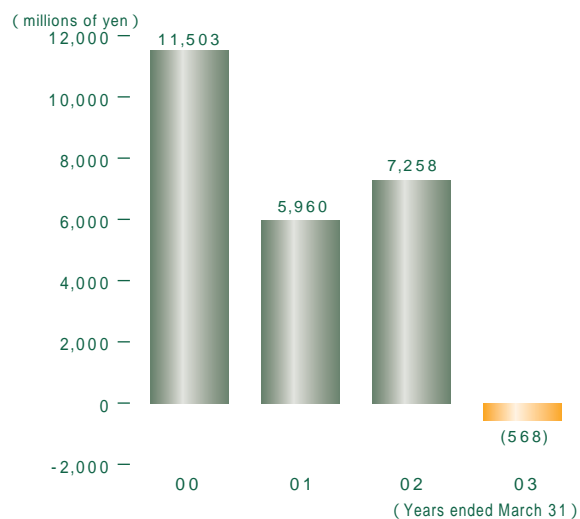
Return on equity (ROE)



Shareholders' equity ratio



Free cash flows



Years ended March 31

Return on assets (ROA) (%)

Return on equity (ROE) (%)

Shareholders' equity ratio

Free cash flows (millions of yen)

99

00

01

02

03

2.43

3.46

4.37

4.06

2.27

2.45

4.42

7.86

5.91

1.47

34.41

31.20

36.05

36.66

35.74

—

11,503

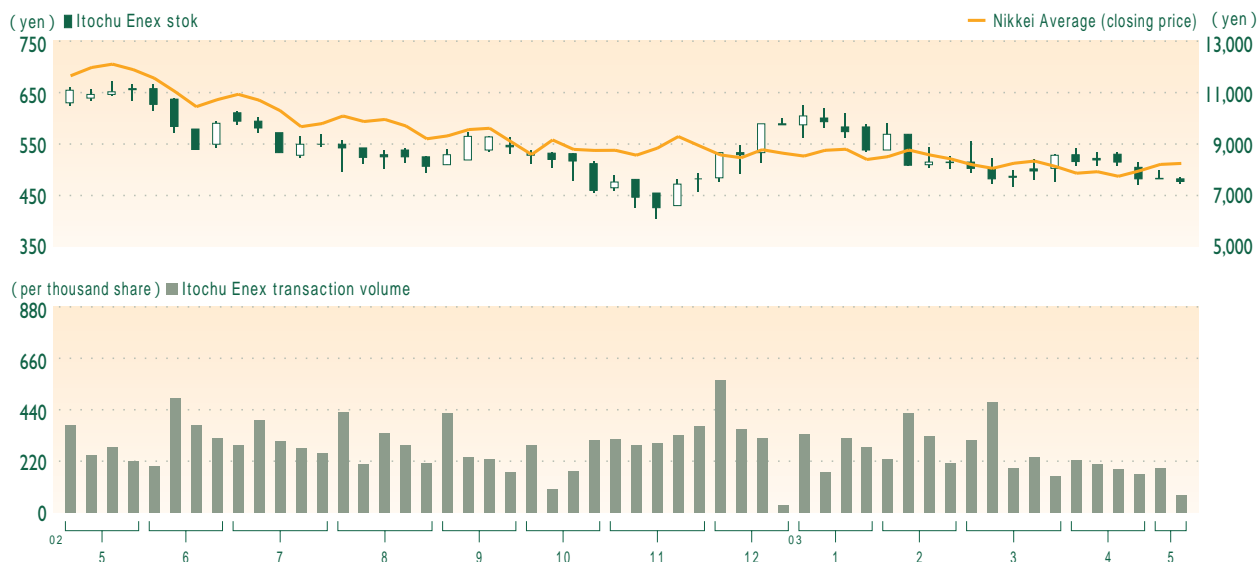
5,960

7,258

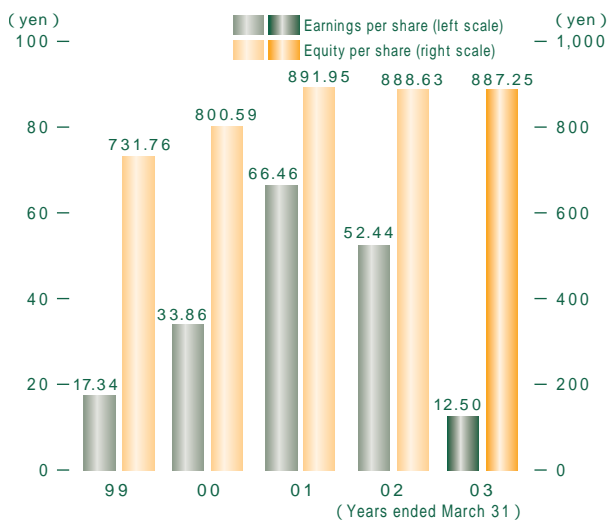
(568)

Stock Information (as of March 31, 2003)

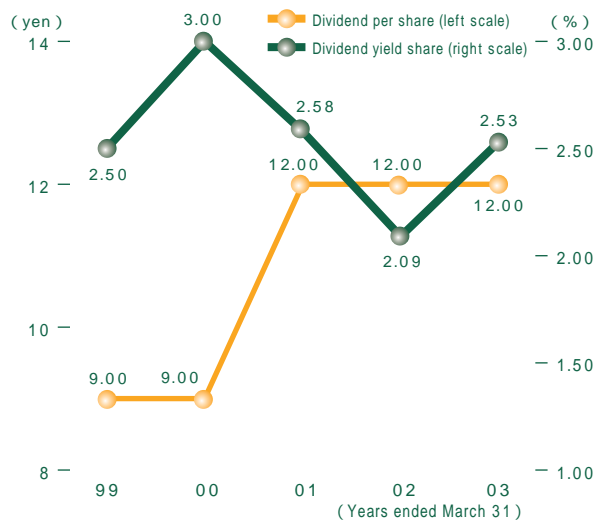
Share price & transaction volume



Earnings per share/equity per share (left scale) (right scale)



Dividend per share/dividend yield share (left scale) (right scale)



*Dividend yields were calculated based on share prices on March 31.

Treasury stock

1. Acquisition

For cancellation of shares using appropriation for statutory reserve of capital surplus:

Ordinary shares: 455 thousand
Acquisition cost: ¥286 million

In accordance with Article 210 of the Commercial Code:

Ordinary shares: 2,133 thousand
Acquisition cost: ¥1,131 million

Purchase of shares less than one trading unit

Common shares: 46 thousand
Acquisition cost: ¥25 million

2. Sale

Ordinary shares: 156 thousand
Proceeds received: ¥60 million

3. Cancellation

Ordinary shares: 455 thousand

4. Shares held on the balance sheet date

Ordinary shares: 3,425 thousand



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