

**Consolidated Financial Results
Results for the 1st Quarter FY2021
(April - June 2021)**



July 29, 2021
TOHO GAS CO.,LTD.

Contents



- 1. Results for the 1st Quarter of FY2021 3**
- 2. Forecasts for FY2021 9**
- 〈Reference〉 Progress of the Medium-term Management Plan 13**

Earning forecasts and other forward-looking statements in this document are management's current views and beliefs in accordance with data currently available, and are subject to a number of risks, uncertainties and other factors that may cause actual results to differ materially from those projected.

1. Results for the 1st Quarter of FY2021

(1) Summary



- **City gas sales volume** was 842 million m³, an increase by 4.4% from the previous year
- **LPG sales volume** was 117 thousand tons, an increase by 11.5%
- **Electricity sales volume** was 393 million kWh, an increase by 41.6%
- **Sales** were ¥102.7 billion, an increase by 1.1% from the previous year
- **Ordinary income** was ¥7.4 billion, a decrease by 23.2%

1. Results for the 1st Quarter of FY2021

(2) Number of Customers, Sales Volume

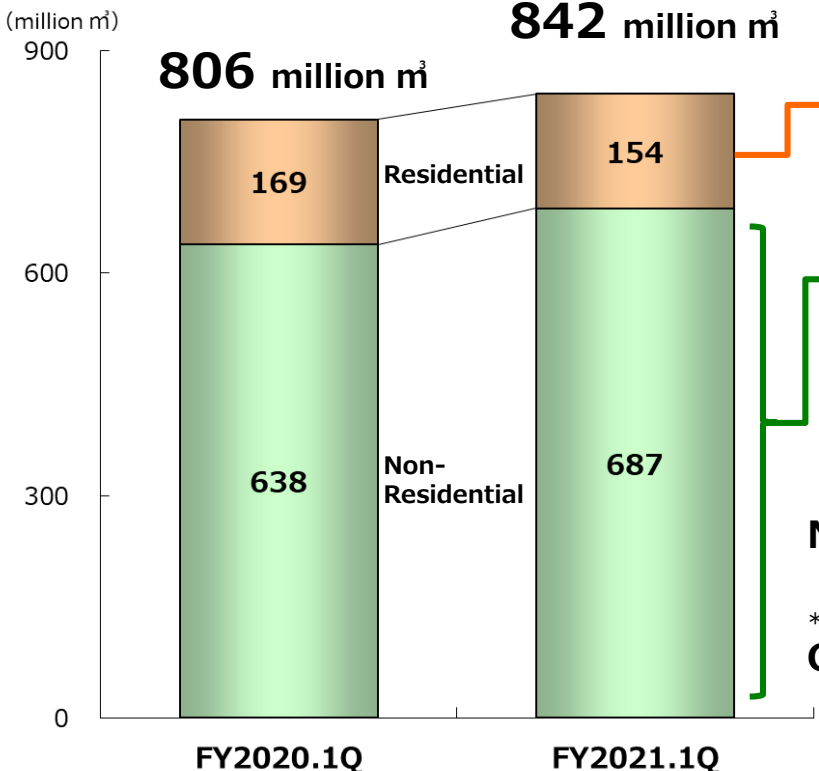


Number of Gas meters **2,515** thousand

2,539 thousand (+0.9%)

City Gas

+35 million m³ **+4.4%**



Residential use

-14 million m³ **-8.4%**

Due to a decrease in demand for hot water supply, by high spring temperatures, etc.

Non-Residential use

+50 million m³ **+7.8%**

Due to a increase in customer facilities' operation rates, etc.

L P G

Number of customers * **599** thousand : **+9** thousand **(+1.5%)**

* Including the number of customers based on commissioned business for delivery
Gas sales volume 117 thousand tons : **+12** thousand tons **(+11.5%)**

Electricity

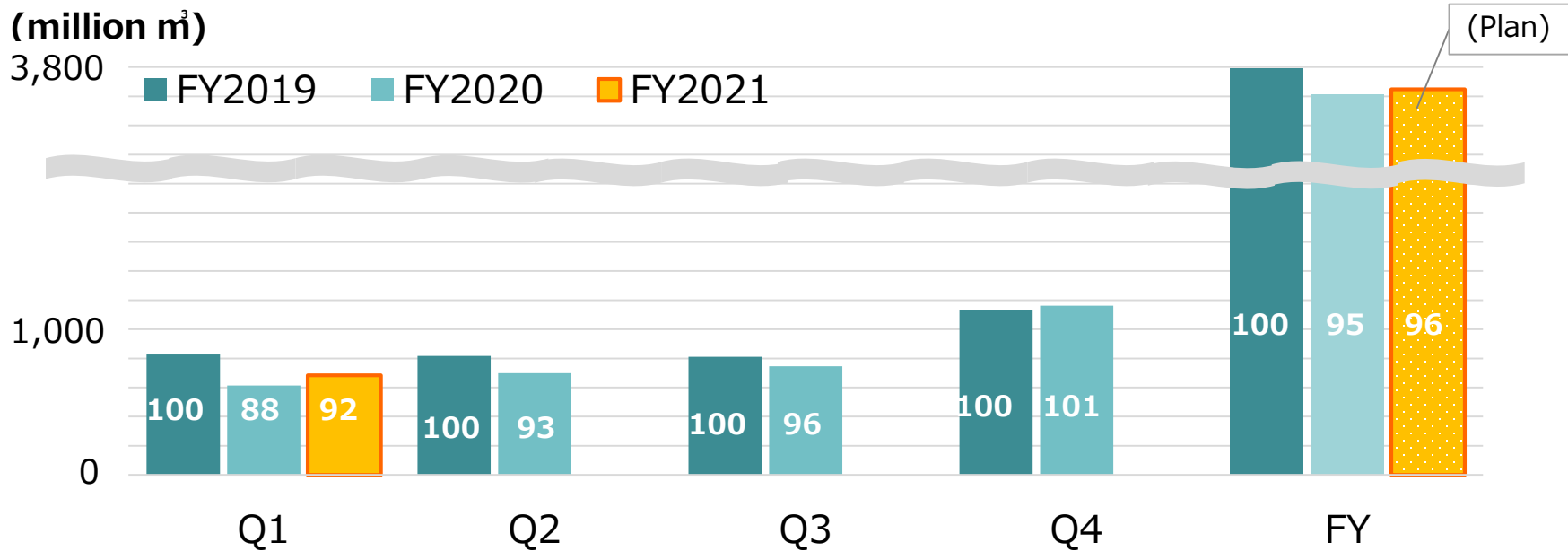
Number of customers **459** thousand : **+93** thousand **(+25.3%)**

Sales volume **393** million kWh : **+115** million kWh **(+41.6%)**

Average Temperature	19.5°C	19.4°C	-0.1°C
---------------------	--------	--------	--------

↳ Monthly average temperature of FY2021 (YoY) : April +1.8°C, May -1.1°C, June -1.2°C

<Reference> Changes in City Gas Sales volume over the last three years



Year-on-Year rate of change in FY2020

	Q1	Q2	Q3	Q4	FY2020
Residential	+0.3%	+0.9%	-1.2%	+6.0%	+2.3%
Non-Residential	-14.4%	-7.3%	-4.0%	+0.1%	-6.3%
Total	-11.7%	-6.5%	-3.6%	+1.5%	-4.8%

Year-on-Year rate of change in FY2021

	Q1	Q2	Q3	Q4	FY2021 (Plan)
Residential	-8.4%				-3.8%
Non-Residential	+7.8%				+2.1%
Total	+4.4%				+1.0%

1. Results for the 1st Quarter of FY2021

(3) Sales, Incomes



	(¥ billion)			
	FY2021 Q1	FY2020 Q1	Change	Rate of Change
Sales	102.7	101.6	1.1	1.1%
Cost of sales	65.8	62.1	3.7	6.0%
Selling, general and administrative expenses	30.5	30.7	-0.2	-0.7%
Ordinary income	7.4	9.7	-2.2	-23.2%
Net income attributable to owners of the parent	5.3	6.7	-1.4	-21.0%

(Notes)

	FY2021.Q1	FY2020.Q1	Change
Crude oil price (CIF national average)	\$66.9/bbl	\$32.2/bbl	+\$34.7/bbl
Currency exchange rate (TTM)	¥109.5/\$	¥107.6/\$	+¥1.9/\$

1. Results for the 1st Quarter of FY2021

(4) Factors for change in Ordinary Income



◆ Change from the previous year

Ordinary income (¥9.7 billion ⇒ ¥7.4 billion)

-¥2.2 billion

■ Effect of gas sales volume	±¥0.0 billion
■ Impact of time lag in fuel cost adjustment system	- ¥3.0 billion
+¥1.5 billion (FY2020.Q1) ⇒ -¥1.5 billion (FY2021.Q1)	
■ Difference between purchase price and consumption price of gas resources	±¥0.0 billion
■ Others	+¥0.8 billion

1. Results for the 1st Quarter of FY2021

(5) Balance Sheet



(¥ billion)

	FY2021 Q1	FY2020	Change		FY2021 Q1	FY2020 Q1	Change
Total assets	585.5	601.8	-16.3	CAPEX	10.8	8.8	1.9
(unrealized gain on investment securities)	(59.0)	(62.1)	(-3.1)	Depreciation	8.9	9.3	-0.4
Net assets	365.6	359.4	6.1				
Equity ratio	62.4%	59.7%	2.7 Point				
Interest-bearing debts	128.6	129.9	-1.2				

2. Forecasts for FY2021

(1) Summary



(We have not changed the previous forecasts of sales volume, sales and income)

- **City gas sales volume** will be 3,648 million m³, an increase by 1.0% from the previous year
- **LPG sales volume** will be 492 thousand tons, an increase by 6.5%
- **Electricity sales volume** will be 1.99 billion kWh, an increase by 24.0%
- **Sales** will be ¥460 billion, an increase by 5.8% from the previous year
- **Ordinary income** will be ¥13.5 billion, a decrease by 18.8%

(Based on crude oil price of 65 dollars/barrel and exchange rate of ¥110/dollar for FY2021)

2. Forecasts for FY2021

(2) Number of Customers, Sales Volume

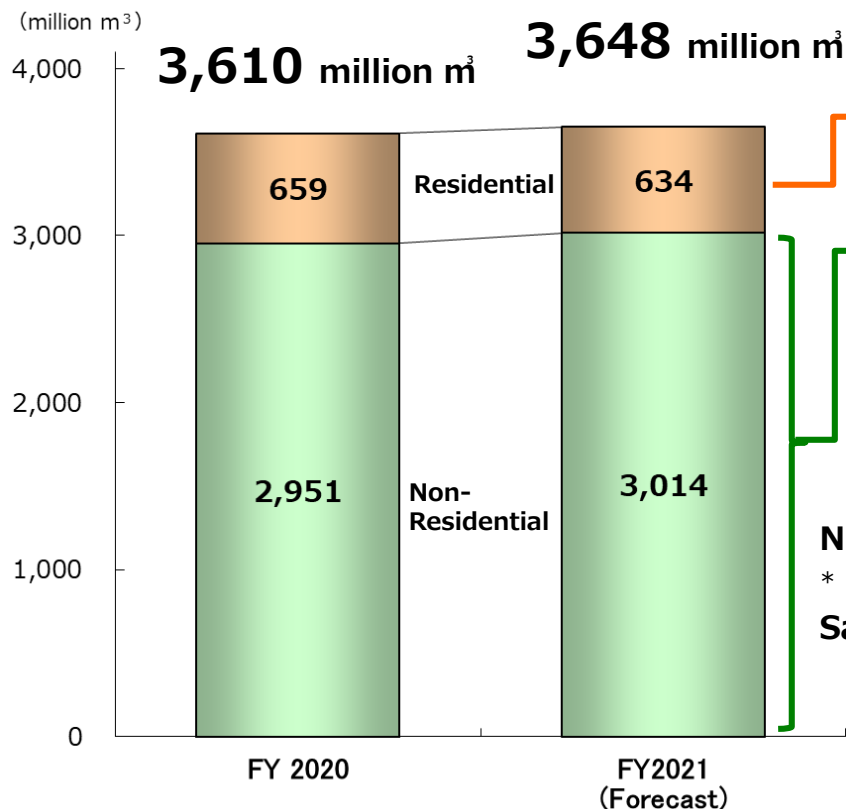


Number of Gas meters **2,533** thousand

2,551 thousand (+0.7%)

City Gas

+37 million m³ +1.0%



Residential use

-25 million m³

-3.8%

Non-Residential use

+62 million m³

+2.1%

L P G

Number of customers * 604 thousand : +10 thousand (+1.7%)

* Including the number of customers based on commissioned business for delivery

Sales volume 492 thousand tons : +30 thousand tons (+6.5%)

Electricity

Number of customers 514 thousand : +76 thousand (+17.4%)

Sales volume 1.99 billion kWh : +0.38 billion kWh (+24.0%)

Average Temperature	17.0°C	16.5°C	-0.5°C
---------------------	--------	--------	--------

2. Forecasts for FY2021

(3) Sales, Incomes



(¥ billion)

	FY2021 Forecasts	FY2020	Change	Rate of change
Sales	460.0	434.7	25.2	5.8%
Ordinary income	13.5	16.6	-3.1	-18.8%
Net income attributable to owners of the parent	9.0	8.5	0.4	4.7%
CAPEX	48.5	34.3	14.2	41.4%
Depreciation	37.4	37.4	-0.0	-0.0%

【Assumption】

(\$/bbl, ¥/\$) 【Sensitivity (full-year)】

	FY2021	FY2020 (Results)	Change		Gas resource cost	Gross profit of Gas business
Crude oil price	65.5	43.4	-22.1	Crude oil price +1\$/bbl	+¥ 0.9 billion	-¥ 0.15 billion
Exchange rate	109.9	106.1	- 3.8	Exchange rate +1¥/\$	+¥ 1.1 billion	-¥ 0.2 billion

*assumption FY2021: Crude \$65/bbl, Exchange rate ¥ 110/\$

2. Forecasts for FY2021

(4) Factors for Change in Ordinary Income



◆ Change from the previous year

**Ordinary income (¥16.6 billion⇒¥13.5 billion)
-¥3.1 billion**

■ Effect of gas sales volume	±¥0.0 billion
■ Impact of time lag in fuel cost adjustment system	-¥9.5 billion
	+¥3.0 billion (FY2020)⇒ -¥6.5 billion (FY2021)
■ Difference between purchase price and consumption price of gas resources	+¥2.5 billion
■ Others	+¥3.9 billion

<Reference>

Progress of the Medium-term Management Plan



		FY2019 (Results)	FY2020 (Results)	FY2021 (Forecasts)	Medium-term Management Plan FY2021
Natural Gas	Number of Customers* ¹	2.51 million	2.53 million	2.55 million	2.55 million
	Sales Volume* ²	3.88 billion m ³	3.70 billion m ³	3.74 billion m ³	4.1 billion m ³
L P G	Number of Customers* ³	589 thousand	594 Thousand	604 thousand	590 thousand
	Sales Volume	486 thousand tons	462 thousand tons	492 thousand tons	535 thousand tons
Electricity	Number of Customers	335 thousand	438 thousand	514 thousand	300 thousand
	Sales Volume	0.99 billion kWh	1.60 billion kWh	1.99 billion kWh	1.0 billion kWh

*1 Number of meters installed

*2 Including the sales volume of LNG

*3 Including the number of customers based on commissioned business for delivery

		FY2019 (Results)	FY2020 (Results)	FY2021 (Forecasts)	Medium-term Management Plan FY2019 - 2021
Operating Cash Flow		68.3 billion yen	64.3 billion yen	28.0 billion yen	Cumulative total 160 billion yen and over
Investment into the city gas business		27.7 billion yen	27.7 billion yen	35.0 billion yen	Cumulative total 80 billion yen and over
Investment into growth businesses		20.7 billion yen	16.7 billion yen	34.0 billion yen	Cumulative total 60 billion yen and over
R O A		2.9%	1.5%	About 1.5%	Average 3% and over