

## Consolidated Financial Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2023 (Nine Months Ended December 31, 2022)

### Toho Gas Co., Ltd.

Code No.: 9533 (URL <https://www.tohogas.co.jp/>)

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Date of filing quarterly financial report: February 10, 2023

Commencement of dividend payments: -

Quarterly earnings supplementary explanatory documents: Yes

Quarterly earnings presentation: Yes (for institutional investors)

Shares listed on:

Tokyo Stock Exchange, Nagoya Stock Exchange

(Rounded down to the nearest million yen)

### 1. Consolidated Results for the 3rd Quarter Ended December 31, 2022 (April 1 – December 31, 2022)

(1) Consolidated business results (Percentage figures indicate the percentage change on the results for the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
April 1 – December 31, 2022	486,016	44.6	21,207	645.3	24,012	333.7	17,240	341.6
April 1 – December 31, 2021	336,124	11.1	2,845	-81.4	5,536	-68.6	3,904	-69.9

Note: Comprehensive income 3rd Quarter ended December 2022: ¥14,232 million (36.9%), 3rd Quarter ended December 2021: ¥10,393 million (-59.5%)

	Net income per share	Diluted earnings per share
	(Unit: yen)	(Unit: yen)
April 1 – December 31, 2022	164.02	-
April 1 – December 31, 2021	37.00	-

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	(Unit: million yen)	(Unit: million yen)	(%)
3rd Quarter ended December 2022	718.183	390.382	54.4
FY2021 ended March 2022	655,593	382,751	58.4

Reference: Net assets (excluding minority interests)

3rd Quarter ended December 2022: ¥390,382 million, FY2021 ended March 2022: ¥382,751 million

### 2. Dividends

	Dividend per share				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of 4th Quarter	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2021 ended March 2022	-	27.50	-	30.00	57.50
FY2022 ending March 2023	-	30.00	-		
FY2022 ending March 2023 (forecasts)				30.00	60.00

Notes: Revision of previously announced dividend forecasts: No

### 3. Consolidated Results Forecasts for the Year Ending March 2023 (April 1, 2022 - March 31, 2023)

(Percentage figures indicate the percentage change on the results for the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Full term	680,000	32.0	25,000	40.0	29,000	32.3	21,000	35.8	199.77

Notes: Revision of previously announced forecasts during this period: Yes

#### ※Notes

(1) Changes in significant consolidated subsidiaries: No

(2) Application of accounting treatment peculiar to quarterly consolidated financial statement preparation: Yes\*

\* Please refer to P.6 for details.

(3) Changes in accounting treatment principles, changes in accounting estimates, and retrospective restatements

- Changes accompanied by reform of accounting standards: Yes

- Other changes: No

- Changes in accounting estimates: No

- Retrospective restatements: No

(4) Number of outstanding shares (common stock)

Number of outstanding shares at the end of the term (Inclusive of treasury stock)	3rd Quarter ended December 2022	105,256,285 shares	FY2021 ended March 2022	105,256,285 shares
Number of treasury stock at the end of the term	3rd Quarter ended December 2022	135,048 shares	FY2021 ended March 2022	155,339 shares
Average number of outstanding shares during the term	3rd Quarter ended December 2022	105,112,292 shares	3rd Quarter ended December 2021	105,509,865 shares

\* This report of consolidated financial results is not subject to audit.

\* Notes on proper use of forecasts and other matters

The forecasts in this document are based on the information available at the time of the release of this document. Due to various factors, the actual result may vary from the forecast data.

## <Consolidated Financial Statements and Main Notes>

### 1. Consolidated balance sheet

(Unit: million yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Noncurrent assets		
Property, plant and equipment		
Production facilities	64,266	60,884
Distribution facilities	145,329	133,881
Service and maintenance facilities	26,879	30,733
Other facilities	48,155	48,310
Construction in progress	20,989	21,531
Total property, plant and equipment	305,619	295,341
Intangible assets		
Other	10,894	11,916
Total intangible assets	10,894	11,916
Investments and other assets		
Investment securities	112,444	124,575
Net defined benefit asset	23,206	24,193
Other	32,957	43,845
Allowance for doubtful accounts	-84	-71
Total investments and other assets	168,524	192,543
Total noncurrent assets	485,038	499,801
Current assets		
Cash and deposits	32,298	36,892
Notes and accounts receivable-trade	73,093	90,808
Inventories	21,942	49,451
Other	43,640	41,661
Allowance for doubtful accounts	-420	-432
Total current assets	170,555	218,382
Total assets	655,593	718,183

(Unit: million yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Noncurrent liabilities		
Bonds payable	50,000	67,500
Long-term loans payable	48,716	57,659
Provision for gas holder repairs	1,291	1,343
Reserve for safety measures	19,045	16,901
Provision for gas appliance warranties	620	433
Net defined benefit liability	5,919	6,071
Other	20,329	23,762
Total noncurrent liabilities	145,922	173,672
Current liabilities		
Current portion of noncurrent liabilities	35,664	24,391
Notes and accounts payable-trade	36,822	58,768
Short-term loans payable	2,935	2,549
Income taxes payable	5,949	6,263
Other	45,549	62,155
Total current liabilities	126,919	154,128
Total liabilities	272,842	327,801
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus	8,387	8,387
Retained earnings	268,374	278,948
Treasury stock	-499	-433
Total shareholders' equity	309,335	319,975
Other comprehensive income		
Valuation difference on available-for-sale securities	43,731	41,029
Deferred gains or losses on hedges	15,511	8,127
Foreign currency translation adjustment	3,252	10,956
Remeasurements of defined benefit plans	10,920	10,294
Total other comprehensive income	73,416	70,407
Total net assets	382,751	390,382
Total liabilities and net assets	655,593	718,183

## 2. Consolidated statements of income and comprehensive income

### Consolidated statements of income for the Nine Months

(Unit: million yen)

	3 <sup>rd</sup> Quarter of FY2021 (April – December 2021)	3 <sup>rd</sup> Quarter of FY2022 (April – December 2022)
Net sales	336,124	486,016
Cost of sales	239,329	371,424
Gross profit	96,794	114,591
Selling, general and administrative expenses	93,948	93,384
Operating income	2,845	21,207
Non-operating income		
Interest income	152	288
Dividend income	2,140	2,236
Rent income	451	454
Miscellaneous income	728	1,685
Total non-operating income	3,472	4,665
Non-operating expenses		
Interest expenses	551	706
Loan modification loss	-	720
Miscellaneous expenses	229	433
Total non-operating expenses	781	1,860
Ordinary income	5,536	24,012
Income before income taxes	5,536	24,012
Income taxes	1,632	6,771
Net income	3,904	17,240
Net income attributable to owners of the parent	3,904	17,240

### Consolidated statements of comprehensive income for the Nine Months

(Unit: million yen)

	3 <sup>rd</sup> Quarter of FY2021 (April – December 2021)	3 <sup>rd</sup> Quarter of FY2022 (April – December 2022)
Net income	3,904	17,240
Other comprehensive income		
Valuation difference on available-for-sale securities	677	-2,702
Deferred gains or losses on hedges	4,554	-7,492
Foreign currency translation adjustment	1,294	6,828
Remeasurements of defined benefit plans, net of tax	-275	-620
Share of other comprehensive income of entities accounted for using equity method	237	978
Total other comprehensive income	6,488	-3,008
Comprehensive income	10,393	14,232
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	10,393	14,232
Comprehensive income attributable to non-controlling interests	-	-

### **3. Notes about consolidated statements**

**- Note of going concerns' premise: No**

**- Significant change in shareholders' equity: No**

**- Application of accounting treatment specific to the preparation of quarterly consolidated financial statements**

#### **Calculation of tax costs**

Tax expenses are calculated by multiplying the quarterly net income before tax adjustment by the estimated effective tax rate for the current consolidated fiscal year.

The amount of corporate tax adjustment is included in the Income tax.

**- Change in accounting policy**

“Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021), etc. have been applied from the beginning of the first quarter consolidated accounting period of the current fiscal year. The new accounting policy will be applied in accordance with the transitional handling stipulated in “Implementation Guidance on tax rates used in applying Tax Effect Accounting” (ASBJ Guidance No. 27-2).

There will be no impact on the consolidated financial statements for the second quarter of the current fiscal year.

## - Segment information

Segment information by category of business

Nine months ended December 31, 2021 (April 1 – December 31, 2021)

(Unit: million yen)

	Business segment reported				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated statements of income (Note.3)
	Gas sales	LPG and other Energies	Electricity	Total				
Net sales								
(1) External customers	210,992	63,274	42,473	316,741	19,382	336,124	-	336,124
(2) Intersegment	1,670	1,267	200	3,139	13,210	16,350	-16,350	-
Total	212,663	64,541	42,674	319,880	32,593	352,474	-16,350	336,124
Segment income or loss	-2,057	-192	1,803	-447	2,326	1,878	966	2,845

- Notes: 1. The “Other” segment incorporates operations not included in reported segment, including LNG processing under contract, leasing of buildings, engineering of gas production plants, comprehensive utility service business, sales of housing equipment, data processing services, other leasing business, development of and investment in natural gas resources, etc.  
2. The “Adjustments” column in “Segment income or loss” (966 million yen) denotes eliminations of intersegment transactions.  
3. Segment income or loss in the table above is reconciled to operating income on the quarterly consolidated statements of income.

Nine months ended December 31, 2022 (April 1 – December 31, 2022)

(Unit: million yen)

	Business segment reported				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated statements of income (Note.3)
	Gas sales	LPG and other Energies	Electricity	Total				
Net sales								
(1) External customers	307,289	77,287	78,223	462,799	23,216	486,016	-	486,016
(2) Intersegment	3,528	1,321	289	5,139	13,160	18,299	-18,299	-
Total	310,817	78,609	78,512	467,939	36,376	504,315	-18,299	486,016
Segment income or loss	25,464	-302	-8,385	16,776	3,294	20,070	1,136	21,207

- Notes: 1. The “Other” segment incorporates operations not included in reported segment, including LNG processing under contract, leasing of buildings, engineering of gas production plants, comprehensive utility service business, sales of housing equipment, data processing services, other leasing business, development of and investment in natural gas resources, etc.  
2. The “Adjustments” column in “Segment income or loss” (1,136 million yen) denotes eliminations of intersegment transactions.  
3. Segment income or loss in the table above is reconciled to operating income on the quarterly consolidated statements of income.