

## Consolidated Financial Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2021 (Six Months Ended September 30, 2020)

### Toho Gas Co., Ltd.

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

Representative: Yoshiro Tominari, President

Contact: Katsuhiko Kozawa, Executive officer/  
General Manager, Finance Dept.

Tel: +81-52-872-9341

Date of filing quarterly financial report: November 12, 2020

Commencement of dividend payments: November 30, 2020

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 2nd Quarter Ended September 30, 2020 (April 1 – September 30, 2020)

(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 – September 30, 2020	202,693	-11.9	14,859	-18.2	16,143	-15.8	11,760	-20.5
April 1 – September 30, 2019	230,116	14.7	18,174	334.0	19,184	212.4	14,786	244.7

Note: Comprehensive income 2nd Quarter ended September 2020: ¥16,758 million (35.9%), 2nd Quarter ended September 2019: ¥12,333 million (76.2%)

	Net income per share	Diluted earnings per share
	(Unit: yen)	(Unit: yen)
April 1 – September 30, 2020	111.37	-
April 1 – September 30, 2019	139.28	-

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	(Unit: million yen)	(Unit: million yen)	(%)
2nd Quarter ended September 2020	558,836	336,611	60.2
FY2019 ended March 2020	564,756	322,768	57.2

Reference: Net assets (excluding minority interests)

2nd Quarter ended September 2020: ¥336,611 million, FY2019 ended March 2020: ¥322,768 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)
FY2019 ended March 2020	-	27.50	-	27.50	55.00
FY2020 ending March 2021	-	27.50	-	-	-
FY2020 ending March 2021 (forecasts)	-	-	-	27.50	55.00

Notes: Revision of previously announced dividend forecasts: No

### 3. Consolidated Results Forecasts for the Year Ending March 2021 (April 1, 2020 - March 31, 2021)

(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	430,000	-11.5	10,500	-50.8	13,000	-47.5	9,000	-44.7	85.23

Notes: Revision of previously announced forecasts during this period: No

#### \* Notes

(1) Changes in significant consolidated subsidiaries: No

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

\* Basis for the calculation of corporation tax: Calculated by multiplying quarterly income before tax, etc., by the estimated effective tax rate at the end of the fiscal year.

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

- Changes accompanied by reform of accounting standards: No
- 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)	2nd Quarter ended September 2020	105,606,285 shares	FY2019 ended March 2020	105,606,285 shares
Number of treasury stock at the end of the term	2nd Quarter ended September 2020	5,055 shares	FY2019 ended March 2020	2,773 shares
Average number of outstanding shares during the term	2nd Quarter ended September 2020	105,602,204 shares	2nd Quarter ended September 2019	106,166,574 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.

### Reference: Non- Consolidated Results Forecasts for the Year Ending March 2021 (April 1, 2020 - March 31, 2021)

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

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Full term	330,000	-11.5	6,000	-62.0	12,000	-42.4	8,500	-38.3	80.49

Notes: Revision of previously announced forecasts during this period: No

## <Consolidated Financial Statements and Main Notes>

### 1. Consolidated balance sheet

(Unit: million yen)

	As of March 31, 2020	As of September 30, 2020
Assets		
Noncurrent assets		
Property, plant and equipment		
Production facilities	72,421	69,993
Distribution facilities	154,175	150,926
Service and maintenance facilities	26,476	26,111
Other facilities	47,372	47,120
Construction in progress	10,622	11,111
Total property, plant and equipment	311,068	305,263
Intangible assets		
Other	10,829	10,668
Total intangible assets	10,829	10,668
Investments and other assets		
Investment securities	76,879	86,555
Net defined benefit asset	323	409
Other	33,269	32,414
Allowance for doubtful accounts	-96	-96
Total investments and other assets	110,376	119,282
Total noncurrent assets	432,275	435,215
Current assets		
Cash and deposits	34,702	36,165
Notes and accounts receivable-trade	58,111	45,012
Securities	-	10,000
Inventories	23,912	16,589
Other	15,927	16,014
Allowance for doubtful accounts	-171	-160
Total current assets	132,481	123,621
Total assets	564,756	558,836

(Unit: million yen)

	As of March 31, 2020	As of September 30, 2020
Liabilities		
Noncurrent liabilities		
Bonds payable	70,000	70,000
Long-term loans payable	36,541	35,195
Provision for gas holder repairs	1,690	1,743
Reserve for safety measures	15,173	14,118
Provision for gas appliance warranties	2,808	2,451
Net defined benefit liability	7,959	6,744
Other	10,092	10,072
Total noncurrent liabilities	144,265	140,326
Current liabilities		
Current portion of noncurrent liabilities	13,833	13,689
Notes and accounts payable-trade	23,432	16,268
Short-term loans payable	6,862	5,902
Income taxes payable	6,480	5,614
Other	47,113	40,423
Total current liabilities	97,721	81,898
Total liabilities	241,987	222,225
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus	8,387	8,387
Retained earnings	256,066	264,922
Treasury stock	-11	-23
Total shareholders' equity	297,514	306,359
Other comprehensive income		
Valuation difference on available-for-sale securities	29,790	34,653
Deferred gains or losses on hedges	-3,422	-3,679
Foreign currency translation adjustment	1,852	1,895
Remeasurements of defined benefit plans	-2,967	-2,617
Total other comprehensive income	25,253	30,251
Total net assets	322,768	336,611
Total liabilities and net assets	564,756	558,836

## 2. Consolidated statements of income and comprehensive income

### Consolidated statements of income for the Six Months

(Unit: million yen)

	2nd Quarter of FY2019 (April – September 2019)	2nd Quarter of FY2020 (April – September 2020)
Net sales	230,116	202,693
Cost of sales	150,623	124,590
Gross profit	79,493	78,103
Selling, general and administrative expenses	61,318	63,243
Operating income	18,174	14,859
Non-operating income		
Interest income	174	195
Dividend income	996	982
Rent income	337	349
Miscellaneous income	288	365
Total non-operating income	1,796	1,892
Non-operating expenses		
Interest expenses	401	367
Miscellaneous expenses	385	241
Total non-operating expenses	787	608
Ordinary income	19,184	16,143
Extraordinary income		
Gain on sales of investment securities	1,430	-
Total extraordinary income	1,430	-
Income before income taxes	20,614	16,143
Income taxes	5,828	4,383
Net income	14,786	11,760
Net income attributable to owners of the parent	14,786	11,760

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

(Unit: million yen)

	2nd Quarter of FY2019 (April – September 2019)	2nd Quarter of FY2020 (April – September 2020)
Net income	14,786	11,760
Other comprehensive income		
Valuation difference on available-for-sale securities	-756	4,863
Deferred gains or losses on hedges	-1,101	-256
Foreign currency translation adjustment	-382	-159
Remeasurements of defined benefit plans, net of tax	100	352
Share of other comprehensive income of entities accounted for using equity method	-313	198
Total other comprehensive income	-2,453	4,998
Comprehensive income	12,333	16,758
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	12,333	16,758
Comprehensive income attributable to non-controlling interests	-	-

### 3. Notes about consolidated statements

- Note of going concerns' premise: No

- Significant change in shareholders' equity: No

- Segment information

Segment information by category of business

Six months ended September 30, 2019 (April 1 – September 30, 2019)

(Unit: million yen)

	Business segment reported				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated statements of income (Note.3)
	Gas sales	LPG, Electricity and other Energies	Gas appliance sales and related construction	Total				
Net sales								
(1) External customers	146,424	44,439	19,675	210,539	19,577	230,116	-	230,116
(2) Intersegment	55	561	709	1,326	7,067	8,393	-8,393	-
Total	146,479	45,001	20,385	211,866	26,644	238,510	-8,393	230,116
Segment income	14,716	560	871	16,149	1,305	17,455	718	18,174

Notes: 1. The "Other" segment incorporates operations not included in business segment reported, including LNG processing under contract, leasing and management of real estate, 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" (718 million yen) denotes eliminations of intersegment transactions.

3. Segment income in the table above is reconciled to operating income on the quarterly consolidated statements of income.

Six months ended September 30, 2020 (April 1 – September 30, 2020)

(Unit: million yen)

	Business segment reported				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated statements of income (Note.3)
	Gas sales	LPG, Electricity and other Energies	Gas appliance sales and related construction	Total				
Net sales								
(1) External customers	126,203	50,181	14,411	190,796	11,897	202,693	-	202,693
(2) Intersegment	47	590	926	1,564	7,799	9,364	-9,364	-
Total	126,251	50,772	15,337	192,360	19,696	212,057	-9,364	202,693
Segment income	10,979	1,078	380	12,438	1,767	14,205	654	14,859

Notes: 1. The "Other" segment incorporates operations not included in business segment reported, including LNG processing under contract, leasing and management of real estate, 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" (654 million yen) denotes eliminations of intersegment transactions.

3. Segment income in the table above is reconciled to operating income on the quarterly consolidated statements of income.