

Notice Regarding the Appropriation of Surplus

Toho Gas announces that its Board of Directors' meeting held on May 15, 2024 resolved to allocate surplus funds, as specified below, as dividends with a record date March 31, 2024.

This resolution will be submitted to the Company's Annual Shareholders' meeting, which is scheduled on June 25, 2024.

1. Proposed Dividend Details

	Proposed dividend	Prior projection for fiscal 2023 ended March 2024 (announced April 25,2024)	Actual dividend payments for fiscal 2022 ended March 2023
Date of record	March 31, 2024	March 31, 2024	March 31, 2023
Dividend per share	40.00 yen	40.00 yen	30.00 yen
Total dividend	4,205 million yen	—	3,153 million yen
Effective date	June 26, 2024	—	June 29, 2023
Source of funds	Retained earnings	—	Retained earnings

2. Reasons

Our shareholder return policy is based on stable dividends, we will combine flexible acquisition and cancellation of treasury stocks and deliver shareholder returns approximately 40 to 50% of the consolidated net income over the medium to long term. In addition to our conventional shareholder return policy, we will implement additional shareholder returns for the time being, aiming to optimize our equity capital.

Taking our situation of profit and financial condition into account comprehensively, we have decided that the year-end dividend of fiscal 2023 ended March 2024 will be increased by 10 yen per share compared with the previous period (total 70 yen for FY2023).

<Reference>

Annual Dividend Payments

Date of record	Dividend per share (yen)		
	Interim	Year-end	Total
Results in FY2023	30.00	40.00	70.00
Results in FY2022	30.00	30.00	60.00