

February 4, 2022

## Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 2022

Name of Company: HIROSHIMA GAS CO., LTD.  
 Stock Code: 9535 URL: [https://www.hiroshima-gas.co.jp/english/index\\_e.htm](https://www.hiroshima-gas.co.jp/english/index_e.htm)  
 Stock Exchange Listing: Tokyo Stock Exchange, First Section  
 Representative: Title: President Name: Kensuke Matsufuji  
 Contact Person: Title: Executive Officer and Manager of General Affair Department Name: Takaaki Funaki  
 Tel: +81-(82) 252-3000  
 Scheduled date of filing of quarterly securities report: February 10, 2022  
 Scheduled date of commencement of dividend payment: -  
 Supplementary materials for quarterly financial report: None  
 Information meeting for quarterly financial report: None

(Yen in millions, rounded down)

### 1. Financial results for the third quarter of the fiscal year ending March 2022 (April 1, 2021 – December 31, 2021)

(1) Results of operations (Consolidated, year-to-date)

(Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to the parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter of FY3/2022	51,874	0.9	502	(72.5)	1,803	(13.2)	1,763	40.9
Third quarter of FY3/2021	51,418	(11.0)	1,830	93.2	2,078	54.8	1,251	80.9

Note: Comprehensive income: Third quarter of FY3/2022: 2,545 million yen [10.9%], Third quarter of FY3/2021: 2,296million yen [28.1%]

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Third quarter of FY3/2022	25.87	-
Third quarter of FY3/2021	18.41	-

(2) Financial position (Consolidated)

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2021	113,849	61,904	51.5
As of March 31, 2021	115,477	59,805	49.2

Reference: Shareholders' equity As of December 31, 2021: 58,680million yen As of March 31, 2021: 56,769million yen

### 2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 2021	-	4.50	-	5.50	10.00
Fiscal year ended March 2022	-	5.00	-		
Fiscal year ended March 2022 (forecast)				5.00	10.00

Note: Change in the estimation of dividend from the latest announcement: None

### 3. Forecast for the fiscal year ending March 2022 (Consolidated, April 1, 2021 – March 31, 2022)

(Percentage figures represent year on year changes)

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	74,500	1.7	2,600	(21.1)	3,600	3.8	3,000	(43.1)	44.04

Note: Change in the forecast from the latest announcement: None

\* Notes

- (1) Changes in significant subsidiaries (Changes in specific subsidiaries accompanied by changes in the scope of consolidation): None
- (2) Use of accounting methods specifically for the preparation of the quarterly consolidated financial statements: Yes
- (3) Changes in accounting principles and estimates, and retrospective restatements
  - (a) Changes due to revision of accounting standards: Yes
  - (b) Changes other than in (a): None
  - (c) Changes in accounting estimates: None
  - (d) Retrospective restatements: None
- (4) Number of shares outstanding (common stock)
  - (a) Shares outstanding (including treasury shares)

As of December 31, 2021: 68,242,319	As of March 31, 2021: 68,120,955
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  - (b) Treasury shares

As of December 31, 2021: 1,602	As of March 31, 2021: 1,578
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  - (c) Average number of shares (quarterly consolidated cumulative period)

Period ended December 31, 2021: 68,178,287	Period ended December 31, 2020: 68,015,482
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\*Quarterly financial results are exempt from quarterly review.

\*Cautionary statement regarding forecasts of operating results and special notes

Forecasts regarding future performance in these materials are based on judgments made in accordance with information available at the time this report was prepared. Actual results may differ significantly from these forecasts for a number of factors.

Reference: Non-consolidated forecast

Forecast for the fiscal year ending March 2022 (Non-consolidated, April 1, 2021 – March 31, 2022)

(Percentage figures represent year on year changes)

	Net sales		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	55,900	0.3	2,000	(14.0)	2,000	(57.9)	29.36

Note: Change in the forecast from the latest announcement: None

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Million yen)

	As of March 31, 2021	As of December 31, 2021
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment		
Production facilities	14,729	13,954
Distribution facilities	32,392	31,668
Service and maintenance facilities	4,152	4,175
Other facilities	7,502	7,314
Construction in progress	3,287	4,772
Total property, plant and equipment	62,063	61,885
Intangible assets	468	307
Investments and other assets		
Investment securities	13,881	14,381
Long-term loans receivable	1	0
Deferred tax assets	808	745
Other investments and other assets	4,716	4,649
Allowance for doubtful accounts	(65)	(62)
Total investments and other assets	19,343	19,714
Total non-current assets	81,876	81,907
Current assets		
Cash and deposits	15,568	12,080
Notes and accounts receivable - trade	5,529	—
Notes and accounts receivable-trade, and contact	—	7,515
Securities	10	10
Merchandise and finished goods	877	960
Raw materials and supplies	3,837	5,171
Other current assets	7,795	6,213
Allowance for doubtful accounts	(17)	(9)
Total current assets	33,601	31,942
Total assets	115,477	113,84

	As of March 31, 2021	As of December 31, 2021
<b>LIABILITIES</b>		
Non-current liabilities		
Bonds payable	21,000	21,000
Long-term loans payable	12,884	12,424
Provision for directors' retirement benefits	333	314
Provision for gas holder repairs	401	450
Provision for safety measures	561	431
Provision for appliances warranties	288	270
Net defined benefit liability	866	781
Asset retirement obligations	119	151
Other non-current liabilities	332	641
Total non-current liabilities	36,787	36,465
Current liabilities		
Current portion of non-current liabilities	5,947	805
Notes and accounts payable - trade	5,357	5,851
Income taxes payable	1,966	225
Asset retirement obligations	37	36
Commercial papers	—	5,000
Other current liabilities	5,574	3,561
Total current liabilities	18,884	15,479
Total liabilities	55,671	51,945
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	5,203	5,225
Capital surplus	1,171	1,193
Retained earnings	47,765	48,998
Treasury shares	(0)	(0)
Total shareholders' equity	54,139	55,417
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,931	1,383
Deferred gains or losses on hedges	1,079	2,018
Foreign currency translation adjustment	(95)	88
Remeasurements of defined benefit plans	(286)	(226)
Total accumulated other comprehensive income	2,629	3,263
Non-controlling interests	3,035	3,224
Total net assets	59,805	61,904
Total liabilities and net assets	115,477	113,849

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income

Quarterly consolidated statements of income  
(Third quarter ended December 2021)

(Million yen)

	Third quarter ended December 2020 (Apr. 1, 2020 – December 31, 2020)	Third quarter ended December 2021 (Apr. 1, 2021 – December 31, 2021)
Net sales	51,418	51,874
Cost of sales	31,807	33,348
Gross profit	19,611	18,525
Selling, general and administrative expenses	17,780	18,022
Operating income	1,830	502
Non-operating income		
Interest income	1	2
Dividends income	163	159
Share of profit of entities accounted for using equity method	62	1,083
Miscellaneous income	259	243
Total non-operating income	486	1,489
Non-operating expenses		
Interest expenses	132	125
Miscellaneous expenses	107	62
Total non-operating expenses	239	188
Ordinary income	2,078	1,803
Extraordinary income		
Gain on sale non-current assets	—	358
Compensation income	—	312
Total extraordinary income	—	671
Extraordinary losses		
Impairment losses	—	66
Loss on valuation of investment securities	—	71
Total extraordinary losses	—	137
Income before income taxes and minority interests	2,078	2,337
Income taxes-current	476	334
Income taxes-deferred	140	90
Total income taxes	617	425
Profit	1,461	1,911
Profit attributable to non-controlling interests	209	147
Profit attributable to owners of parent	1,251	1,763

Quarterly consolidated statements of comprehensive income  
(Third quarter ended December 2021)

(Million yen)

	Third quarter ended December 2020 (Apr. 1, 2020 – December 31, 2020)	Third quarter ended December 2021 (Apr. 1, 2021 – December 31, 2021)
Profit	1,461	1,911
Other comprehensive income		
Valuation difference on available-for-sale securities	342	(548)
Deferred gains or losses on hedges	434	921
Remeasurements of defined benefit plans	95	59
Share of other comprehensive income of entities accounted for using equity method	(37)	200
Total other comprehensive income	835	633
Comprehensive income	2,296	2,545
Comprehensive income attributable to owners of parent	2,086	2,397
Comprehensive income attributable to non-controlling interests	209	147