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Consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]

November 07, 2022

Company name: HIROSHIMA GAS CO.,LTD.

Stock exchange listing: Tokyo

Code number: 9535

URL: <https://www.hiroshima-gas.co.jp/>

Representative: Kensuke Matsufuji

President

Contact: Yasutaka Okita

Senior Executive Officer and Manager of General Affair
Department

Phone: 082-252-3000

Scheduled date of filing quarterly securities report: November 10, 2022

Scheduled date of commencing dividend payments: December 01, 2022

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 30, 2022)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2022	40,592	20.0	1,443	96.6	1,657	2.3	1,177	(31.2)
September 30, 2021	33,835	(0.8)	734	(37.9)	1,620	13.1	1,712	104.2

(Note) Comprehensive income: Six months ended September 30, 2022: ¥ 1,332 million [(46.2) %]
Six months ended September 30, 2021: ¥ 2,474 million [96.9 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	17.25	
September 30, 2021	25.14	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2022	139,530	66,086	45.0
March 31, 2022	123,802	65,067	50.0

(Reference) Equity: As of September 30, 2022: ¥ 62,783 million
As of March 31, 2022: ¥ 61,867 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022		5.00		5.00	10.00
Fiscal year ending March 31, 2023		5.00			
Fiscal year ending March 31, 2023 (Forecast)				5.00	10.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	87,300	13.7	3,400	6.0	4,200	(9.0)	2,900	(20.8)	42.50

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2022: 68,373,036 shares

March 31, 2022: 68,242,319 shares

2) Total number of treasury shares at the end of the period:

September 30, 2022: 1,728 shares

March 31, 2022: 1,686 shares

3) Average number of shares during the period:

Six months ended September 30, 2022: 68,271,172 shares

Six months ended September 30, 2021: 68,147,073 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of September 30,2022
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	14,352	14,845
Distribution facilities	31,575	31,054
Service and maintenance facilities	4,191	4,158
Other facilities	7,495	7,467
Construction in progress	5,666	5,287
Total property, plant and equipment	63,281	62,814
Intangible assets	262	192
Investments and other assets		
Investment securities	14,196	12,890
Long-term loans receivable	0	-
Deferred tax assets	648	735
Other investments	4,577	4,447
Allowance for doubtful accounts	(32)	(18)
Total investments and other assets	19,390	18,055
Total non-current assets	82,933	81,061
Current assets		
Cash and deposits	20,202	35,854
Notes and accounts receivable - trade, and contract assets	8,016	7,344
Merchandise and finished goods	964	1,031
Raw materials and supplies	4,920	8,160
Other current assets	6,780	6,099
Allowance for doubtful accounts	(15)	(21)
Total current assets	40,868	58,468
Total assets	123,802	139,530

(Million yen)

	As of March 31,2022	As of September 30,2022
Liabilities		
Non-current liabilities		
Bonds payable	16,000	16,000
Long-term borrowings	16,618	27,285
Provision for retirement benefits for directors (and other officers)	316	317
Provision for gas holder repairs	467	499
Provision for safety measures	449	367
Provision for gas appliance warranties	263	249
Retirement benefit liability	682	653
Asset retirement obligations	171	172
Other noncurrent liabilities	1,645	1,523
Total non-current liabilities	36,615	47,069
Current liabilities		
Current portion of non-current liabilities	5,856	7,804
Notes and accounts payable - trade	4,955	4,837
Income taxes payable	338	393
Asset retirement obligations	36	-
Commercial papers	6,000	10,000
Other current liabilities	4,932	3,339
Total current liabilities	22,119	26,374
Total liabilities	58,735	73,443
Net assets		
Shareholders' equity		
Share capital	5,225	5,246
Capital surplus	1,195	1,216
Retained earnings	50,897	51,734
Treasury shares	(0)	(0)
Total shareholders' equity	57,318	58,197
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,327	1,218
Deferred gains or losses on hedges	3,212	2,876
Foreign currency translation adjustment	154	610
Remeasurements of defined benefit plans	(145)	(119)
Total accumulated other comprehensive income	4,549	4,586
Non-controlling interests	3,199	3,303
Total net assets	65,067	66,086
Total liabilities and net assets	123,802	139,530

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Net sales	33,835	40,592
Cost of sales	21,023	27,106
Gross profit	12,812	13,486
Selling, general and administrative expenses	12,078	12,042
Operating profit	734	1,443
Non-operating income		
Interest income	1	0
Dividend income	95	98
Share of profit of entities accounted for using equity method	746	75
Miscellaneous income	184	183
Total non-operating income	1,027	359
Non-operating expenses		
Interest expenses	87	88
Miscellaneous expenses	53	56
Total non-operating expenses	141	145
Ordinary profit	1,620	1,657
Extraordinary income		
Gain on sale of non-current assets	358	-
Gain on sale of investment securities	-	62
Compensation income	312	-
Total extraordinary income	671	62
Profit before income taxes	2,292	1,719
Income taxes - current	446	384
Income taxes - deferred	(4)	39
Total income taxes	441	424
Profit	1,850	1,295
Profit attributable to non-controlling interests	137	117
Profit attributable to owners of parent	1,712	1,177

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Profit	1,850	1,295
Other comprehensive income		
Valuation difference on available-for-sale securities	(391)	(108)
Deferred gains or losses on hedges	800	(422)
Remeasurements of defined benefit plans, net of tax	39	26
Share of other comprehensive income of entities accounted for using equity method	175	542
Total other comprehensive income	624	36
Comprehensive income	2,474	1,332
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,337	1,214
Comprehensive income attributable to non-controlling interests	137	117