

10-Year Consolidated Financial Highlights*1

Figures for FY2021 in Financial data are the figures announced on April 27, 2022 (before reflecting the retrospective application).

	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3
Net Sales (¥ million)	1,915,639	2,112,117	2,292,548	1,884,656	1,587,085	1,777,344	1,962,308	1,925,235	1,765,146	2,145,197
Operating Profit (¥ million)	145,633	166,044	171,753	192,008	58,365	116,302	93,704	101,418	77,675	117,777
Operating Profit Margin (%)	7.60	7.86	7.49	10.19	3.68	6.54	4.78	5.27	4.40	5.49
Ordinary Profit (¥ million)	147,453	159,613	168,169	188,809	55,688	111,546	89,386	102,645	70,500	126,732
Profit attributable to owners of parent (¥ million)	101,678	108,451	95,828	111,936	53,134	74,987	84,555	43,293	49,505	88,745
Equity (¥ million)	927,634	1,011,787	1,069,515	1,100,271	1,101,498	1,136,027	1,159,055	1,147,747	1,153,813	1,227,198
Total Assets (¥ million)	1,992,403	2,176,816	2,257,662	2,251,518	2,230,269	2,334,316	2,428,149	2,539,919	2,738,348	3,216,942
Interest-bearing Debt (¥ million)	642,550	713,823	730,739	715,769	713,596	724,940	803,216	905,066	1,065,988	1,220,589
Operating Cash Flow (¥ million)	240,448	248,831	237,680	257,122	217,439	240,328	246,436	213,171	229,315	289,691
Free Cash Flow (¥ million)	56,651	827	13,084	25,089	14,081	31,583	22,655	(13,887)	(17,116)	82,465
EBITDA (¥ million)	284,403	306,424	313,605	337,194	222,670	281,643	255,585	271,296	257,485	318,723
Capital Expenditure (¥ million)	183,797	248,004	224,596	232,033	203,358	208,745	223,781	227,058	246,431	207,226
Depreciation (¥ million)*2	138,770	140,380	141,852	145,187	164,305	165,342	161,881	169,878	179,810	200,946
EPS (Earnings per Share) (¥)	39.52	43.10	39.15	46.68	23.02	164.12*3	187.60	97.86	112.26	201.84
BPS (Book Value per Share) (¥)	360.70	402.91	438.28	460.35	479.74	2,487.58*3	2,575.99	2,602.53	2,616.37	2,791.95
Number of Issued Shares (Common Stock) (thousands of shares)	2,577,919	2,517,551	2,446,778	2,396,778	2,302,856	458,073*3	451,356	442,436	442,436	440,997
Dividend per Share (¥)	10	10	10	11	11	55*3	60	60	60	65
DOE (Dividends on Equity) (%)	2.91	2.59	2.34	2.42	2.29	2.25	2.35	2.29	2.30	2.40

Notes:*1 The financial information contained in this integrated report is based on annual securities report. However, it has not been audited by Audit firms etc.
*2 Depreciation includes amortization of long-term prepaid expenses.
*3 The Company carried out a share consolidation at a ratio of 5 common shares to 1 on October 1, 2017.
The dividend per share of ¥55.0 is calculated on the post-consolidation basis (the interim dividend of ¥5.50 per share before the share consolidation and the year-end dividend of ¥27.50 per share after the share consolidation).

Contents

- Introduction
- CEO's Message
- How We Create Value
- Compass2030
- Invisible Assets
- Information Disclosure Based on TCFD Recommendations
- Corporate Governance
- Business Overview

Financial Data

- 10-Year Consolidated Financial Highlights
- Consolidated Balance Sheets
- Consolidated Statements of Income / Consolidated Statements of Comprehensive Income
- Consolidated Statements of Cash Flows
- Delayed Impact of Gas Rate Adjustment System

Web Site

- Investor Relations Website
- Investors' Guide (Financial Data and Industry Data)
- Financial Results Presentation Materials
- Financial Results Bulletin
- Corporate Governance Report
- Sustainability Report

	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3
Payout Ratio (%)	25.3	23.2	25.5	23.6	47.8	33.5	32.0	61.3	53.4	32.2
Total return ratio (%)	60.7	60.0	60.9	60.1	60.7	60.2	60.3	61.0	60.1	50.2
Current Ratio (%)	162.2	156.7	150.6	155.5	142.7	135.6	156.0	152.0	132.7	152.4
D/E (Debt-Equity) Ratio (times)	0.69	0.71	0.68	0.65	0.65	0.64	0.69	0.79	0.92	0.99
Equity Ratio (%)	46.6	46.5	47.4	48.9	49.4	48.7	47.7	45.2	42.1	38.1
ROE (Return on Equity) (%)	11.5	11.2	9.2	10.3	4.8	6.7	7.4	3.8	4.3	7.5
ROA (Return on Assets) (%)	5.3	5.2	4.3	5.0	2.4	3.3	3.6	1.7	1.9	3.0
Total Asset Turnover (times)	0.99	1.01	1.03	0.84	0.71	0.78	0.82	0.78	0.67	0.72
WACC (%)	3.2	3.2	3.6	3.4	3.0	3.1	3.0	2.7	2.6	2.3
Number of city gas retail customers (thousand)	9,721	9,844	9,982	10,125	10,269	10,209	9,821	9,129	8,863	8,688
Gas sales volume (million m³)	15,390	14,735	15,541	15,436	15,720	15,568	15,198	13,855	12,990	13,131
Gas Sales Volume, Gas Volume used in-house*4	16,741	17,225	18,360	18,587	19,053	19,052	18,397	17,666	17,577	17,087
Number of electricity retail customers (thousand)	—	—	—	—	635	1,105	1,742	2,350	2,717	3,014
Electric power sales volume (billion kWh)	9.98	9.71	10.61	10.96	12.65	14.66	15.48	20.60	24.76	28.29

*4: It is the amount that added self-consuming volume (excluded volume for Nijio) to a consolidated gas sales volume.

Computations

Operating Cash Flow = Profit attributable to owners of parent + Amortization of Long-term
Prepaid Expenses + Depreciation
Free Cash Flow = Profit attributable to owners of parent + Amortization of Long-term
Prepaid Expenses + Depreciation – Capital Expenditure
Current Ratio = Current Assets (year-end) / Current Liabilities (year-end) x 100
Debt-Equity Ratio = Interest-bearing Debt (year-end) / Equity (year-end)

Equity Ratio = Equity (year-end) / Total Assets (year-end) x 100
Total Asset Turnover = Net Sales / Total Assets (average)

WACC calculation data (fiscal 2021 actual)
• Cost of interest-bearing debt: Real interest rate of 0.61% (after tax)
• Cost of shareholders' equity
• Risk-free rate: 10-year JGB yield of -0.091%
• Risk premium: 5.5%, Beta coefficient of 0.75

Contents

Introduction
CEO's Message
How We Create Value
Compass2030
Invisible Assets
Information Disclosure Based on TCFD Recommendations
Corporate Governance
Business Overview

Financial Data

10-Year Consolidated Financial Highlights
Consolidated Balance Sheets
Consolidated Statements of Income / Consolidated Statements of Comprehensive Income
Consolidated Statements of Cash Flows
Delayed Impact of Gas Rate Adjustment System

Web Site

Investor Relations Website
Investors' Guide (Financial Data and Industry Data)
Financial Results Presentation Materials
Financial Results Bulletin
Corporate Governance Report
Sustainability Report

Consolidated Balance Sheets

	2021.3.31	2022.3.31
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	231,177	218,956
Distribution facilities	594,662	578,394
Service and maintenance facilities	15,992	15,417
Other facilities	564,495	630,786
Inactive facilities	316	316
Construction in progress	89,283	125,501
Total property, plant and equipment	1,495,927	1,569,373
Intangible assets		
Goodwill	5,320	6,018
Other intangible assets	290,316	294,296
Total intangible assets	295,637	300,315
Investments and other assets		
Investment securities	230,782	236,303
Long-term loans receivable	57,279	48,653
Retirement benefit asset	114	5,864
Deferred tax assets	47,368	44,230
Other investments	60,814	100,916
Allowance for doubtful accounts	(301)	(1,647)
Total investments and other assets	396,057	434,322
Total non-current assets	2,187,623	2,304,011
Current assets		
Cash and deposits	157,881	179,769
Notes and accounts receivable-trade	218,985	—
Notes and accounts receivable-trade, and contract assets	—	330,540
Lease receivables and investments in leases	19,618	17,824
Securities	1,210	10
Merchandise and finished goods	1,980	3,467
Work in process	11,595	12,083
Raw materials and supplies	46,464	67,135
Other current assets	93,848	305,814
Allowance for doubtful accounts	(857)	(3,714)
Total current assets	550,725	912,931
Total assets	2,738,348	3,216,942

(Million yen)

	2021.3.31	2022.3.31
Liabilities		
Non-current liabilities		
Bonds payable	474,998	548,619
Long-term borrowings	458,881	568,725
Deferred tax liabilities	24,269	29,641
Retirement benefit liability	58,416	66,195
Provision for share awards for directors (and other officers)	—	84
Provision for gas holder repairs	3,172	3,427
Provision for safety measures	349	637
Provision for appliance warranties	10,843	—
Provision for contract loss in regards to appliance warranties	—	2,620
Provision for point card certificates	1,635	531
Asset retirement obligations	23,313	27,692
Other noncurrent liabilities	89,188	113,004
Total non-current liabilities	1,145,067	1,361,180
Current liabilities		
Current portion of non-current liabilities	108,704	49,248
Notes and accounts payable-trade	84,265	76,229
Short-term borrowings	5,706	6,385
Income taxes payable	11,710	33,830
Other current liabilities	204,623	433,501
Total current liabilities	415,010	599,195
Total liabilities	1,560,077	1,960,375
Net assets		
Shareholders' equity		
Share capital	141,844	141,844
Capital surplus	1,145	846
Retained earnings	990,762	1,051,600
Treasury shares	(3,907)	(3,524)
Total shareholders' equity	1,129,845	1,190,767
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,990	18,866
Deferred gains or losses on hedges	(11,240)	(11,904)
Foreign currency translation adjustment	4,322	32,545
Remeasurements of defined benefit plans	7,895	(3,076)
Total accumulated other comprehensive income	23,968	36,430
Non-controlling interests	24,457	29,368
Total net assets	1,178,271	1,256,566
Total liabilities and net assets	2,738,348	3,216,942

(Million yen)

Contents

Introduction

CEO's Message

How We Create Value

Compass2030

Invisible Assets

Information Disclosure Based
on TCFD Recommendations

Corporate Governance

Business Overview

Financial Data

10-Year Consolidated Financial
Highlights

Consolidated Balance Sheets

Consolidated Statements of Income /
Consolidated Statements of
Comprehensive Income

Consolidated Statements of Cash
Flows

Delayed Impact of Gas Rate
Adjustment System

 Web Site

Investor Relations Website

Investors' Guide (Financial
Data and Industry Data)

Financial Results
Presentation Materials

Financial Results Bulletin

Corporate Governance
Report

Sustainability Report

Consolidated Statements of Income

	(Million yen)	
	2020.4.1~2021.3.31	2021.4.1~2022.3.31
Net sales	1,765,146	2,145,197
Cost of sales	1,212,624	1,546,590
Gross profit	552,522	598,607
Selling, general and administrative expenses		
Supply and sales expenses	410,167	415,506
General and administrative expenses	64,679	65,323
Total selling, general and administrative expenses	474,846	480,829
Operating profit	77,675	117,777
Non-operating income		
Interest income	1,586	1,032
Dividend income	2,398	1,692
Share of profit of entities accounted for using equity method	1,482	3,725
Foreign exchange gains	1,619	14,550
Gain on derivatives	7,979	13,725
Gain on sales of raw materials	—	6,817
Miscellaneous income	6,137	7,855
Total non-operating income	21,204	49,399
Non-operating expenses		
Interest expenses	12,629	14,466
Loss on derivatives	9,373	11,864
Fair value adjustment of contingent consideration	—	4,199
Miscellaneous expenses	6,376	9,913
Total non-operating expenses	28,379	40,444
Ordinary profit	70,500	126,732
Extraordinary income		
Gain on sale of non-current assets	3,114	2,226
Gain on sale of investment securities	5,283	4,118
Gain on bargain purchase	2,008	—
Total extraordinary income	10,406	6,344
Extraordinary losses		
Impairment losses	10,255	3,742
Loss on valuation of investment securities	4,466	2,468
Total extraordinary losses	14,722	6,211
Profit before income taxes	66,184	126,865
Income taxes-current	16,887	32,865
Income taxes-deferred	(1,175)	3,724
Total income taxes	15,712	36,589
Profit	50,471	90,276
Profit attributable to non-controlling interests	966	1,530
Profit attributable to owners of parent	49,505	88,745

Consolidated Statements of Comprehensive Income

	(Million yen)	
	2020.4.1~2021.3.31	2021.4.1~2022.3.31
Profit	50,471	90,276
Other comprehensive income		
Valuation difference on available-for-sale securities	7,178	(4,178)
Deferred gains or losses on hedges	(10,014)	(6,841)
Foreign currency translation adjustment	(14,869)	25,006
Remeasurements of defined benefit plans, net of tax	7,751	(10,964)
Share of other comprehensive income of entities accounted for using equity method	(6,259)	5,560
Total other comprehensive income	(16,212)	8,583
Comprehensive income	34,259	98,859
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	33,480	101,241
Comprehensive income attributable to non-controlling interests	778	(2,381)

Contents

Introduction

CEO's Message

How We Create Value

Compass2030

Invisible Assets

Information Disclosure Based on TCFD Recommendations

Corporate Governance

Business Overview

Financial Data

10-Year Consolidated Financial Highlights

Consolidated Balance Sheets

Consolidated Statements of Income / Consolidated Statements of Comprehensive Income

Consolidated Statements of Cash Flows

Delayed Impact of Gas Rate Adjustment System

Web Site

Investor Relations Website

Investors' Guide (Financial Data and Industry Data)

Financial Results Presentation Materials

Financial Results Bulletin

Corporate Governance Report

Sustainability Report

Consolidated Statements of Cash Flows

	(Million yen)	
	2020.4.1~2021.3.31	2021.4.1~2022.3.31
Cash flows from operating activities		
Profit before income taxes	66,184	126,865
Depreciation	176,087	196,810
Impairment losses	10,255	3,742
Amortization of long-term prepaid expenses	3,722	4,136
Loss on retirement of property, plant and equipment	3,274	2,574
Loss (gain) on sale of non-current assets	(3,102)	(2,214)
Loss (gain) of derivatives	1,393	(15,362)
Loss (gain) on sale of investment securities	(5,283)	(3,983)
Loss (gain) on valuation of investment securities	4,466	2,468
Loss (gain) on charge in the fair value of contingent consideration	—	4,199
Increase (decrease) in allowance for doubtful accounts	186	4,202
Increase (decrease) in retirement benefit liability	(2,918)	(1,896)
Decrease (increase) in retirement benefit asset	(84)	(11,312)
Increase (decrease) in provision for contract loss in regards to appliance warranties	—	2,620
Interest and dividend income	(3,984)	(2,724)
Interest expenses	12,629	14,466
Foreign exchange loss (gain)	(4)	(7,757)
Share of loss (profit) of entities accounted for using equity method	(1,482)	(3,725)
Decrease (increase) in trade receivables	5,126	(113,362)
Decrease (increase) in inventories	18,643	(22,491)
Increase (decrease) in trade payables	8,080	10,132
Decrease (increase) in contract assets	—	2,305
Increase (decrease) in contract liabilities	—	(12,587)
Decrease (increase) in prepaid expenses	41	(2,796)
Increase (decrease) in long term advances received	—	8,835
Net decrease (increase) in lease receivables and investments in leases	740	1,804
Other, net	(1,127)	(18,185)
Subtotal	292,844	166,766
Interest and dividends received	7,843	9,068
Interest paid	(12,630)	(14,483)
Income taxes paid	(32,482)	(16,123)
Net cash provided by (used in) operating activities	255,574	145,227
Cash flows from investing activities		
Proceeds from sale of securities	—	1,200
Purchase of investment securities	(37,467)	(16,214)
Proceeds from sale and redemption of investment securities	16,573	8,841
Purchase of property, plant and equipment	(172,652)	(167,197)
Purchase of intangible assets	(35,725)	(29,777)
Purchase of long-term prepaid expenses	(2,456)	(6,584)
Proceeds from sale of non-current assets	5,151	6,334
Long-term loan advances	(11,831)	(3,180)
Proceeds from collection of long-term loans receivable	4,037	2,158
Payments of guarantee deposits	(6,957)	(13,189)
Proceeds from refund of guarantee deposits	4,916	9,846
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(32,579)	(15,074)
Payments for acquisition of businesses	(25,208)	(1,418)
Other, net	(1,712)	(399)
Net cash provided by (used in) investing activities	(295,911)	(224,656)

	(Million yen)	
	2020.4.1~2021.3.31	2021.4.1~2022.3.31
Cash flows from financing activities		
Net increase (decrease) in commercial paper	—	30,000
Repayments of lease liabilities	(2,414)	(2,683)
Proceeds from long-term borrowings	51,035	165,014
Repayments of long-term borrowings	(35,981)	(123,252)
Proceeds from issuance of bonds	90,000	73,620
Redemption of bonds	(20,000)	(20,000)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(2,275)	(3,620)
Proceeds from share issuance to non-controlling shareholders	—	2,654
Purchase of treasury shares	(32)	(3,326)
Dividends paid	(26,449)	(26,424)
Other, net	(1,872)	(1,490)
Net cash provided by (used in) financing activities	52,009	90,490
Effect of exchange rate change on cash and cash equivalents	(5,088)	9,117
Net increase (decrease) in cash and cash equivalents	6,584	20,179
Cash and cash equivalents at beginning of period	151,218	157,811
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	8	1,708
Cash and cash equivalents at end of period	157,811	179,699

Contents

Introduction

CEO's Message

How We Create Value

Compass2030

Invisible Assets

Information Disclosure Based
on TCFD Recommendations

Corporate Governance

Business Overview

Financial Data

10-Year Consolidated Financial
Highlights

Consolidated Balance Sheets

Consolidated Statements of Income /
Consolidated Statements of
Comprehensive Income

**Consolidated Statements of Cash
Flows**

Delayed Impact of Gas Rate
Adjustment System

Web Site

Investor Relations Website

Investors' Guide (Financial
Data and Industry Data)

Financial Results
Presentation Materials

Financial Results Bulletin

Corporate Governance
Report

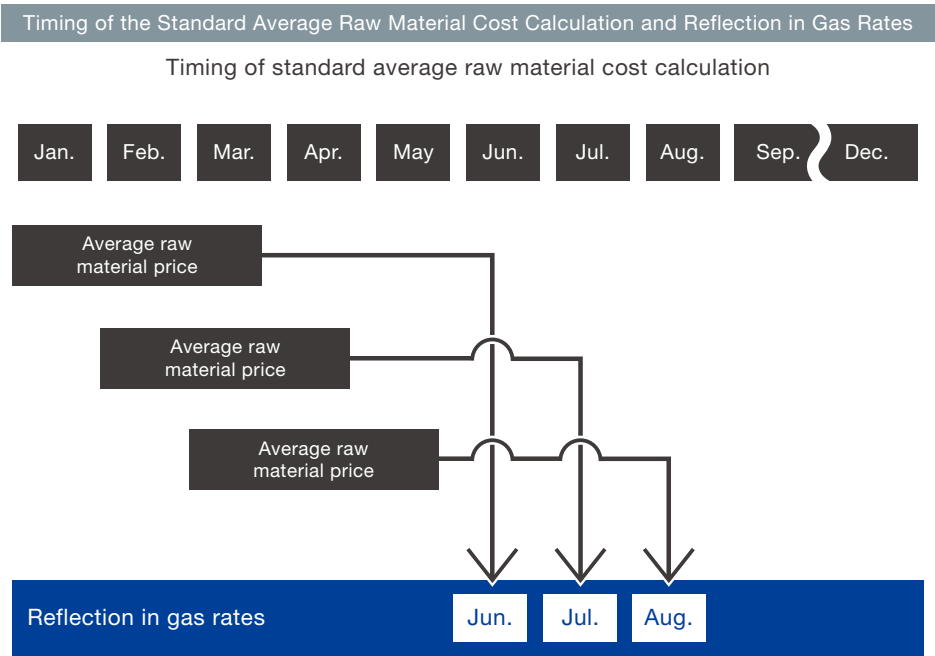
Sustainability Report

Delayed Impact of Gas Rate Adjustment System

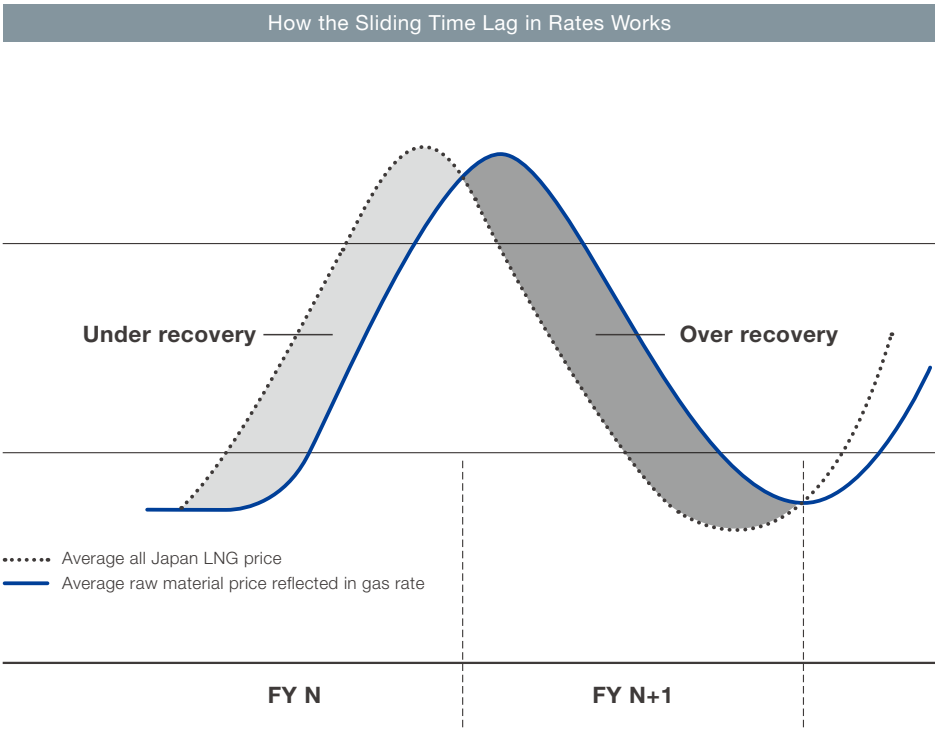
Gas Rate Adjustment System’s Medium- to Long-Term Neutralizing Effect on Crude Oil Price and Exchange Rate Formation

Gas prices are determined using the gas rate adjustment system. Through this system, average raw material prices over a three-month period according to trade statistics are compared with the raw material cost that is used as the standard (standard average raw material cost), and the gas rates are adjusted using a defined calculation method based on the differences. A time lag of four months on average (called a sliding time lag) exists between the payment of raw material costs and the

reflection of such changes in gas rates. Consequently, fluctuations in crude oil prices and exchange rates may result in the under recovery or over recovery of raw material costs if this lag cuts across a fiscal year, thereby affecting income. Looking at the medium- to long-term, however, the gas rate adjustment system has a neutralizing effect on the income impacts of fluctuations in raw material costs.



The average raw material price over the past three months is calculated every month and then reflected in the gas rate three months later.



Contents

- Introduction
- CEO's Message
- How We Create Value
- Compass2030
- Invisible Assets
- Information Disclosure Based on TCFD Recommendations
- Corporate Governance
- Business Overview

Financial Data

- 10-Year Consolidated Financial Highlights
- Consolidated Balance Sheets
- Consolidated Statements of Income / Consolidated Statements of Comprehensive Income
- Consolidated Statements of Cash Flows

Delayed Impact of Gas Rate Adjustment System

Web Site

- Investor Relations Website
- Investors' Guide (Financial Data and Industry Data)
- Financial Results Presentation Materials
- Financial Results Bulletin
- Corporate Governance Report
- Sustainability Report