



Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

April 28, 2025

Company name: TOKYO GAS CO.,LTD.

Listing: Tokyo Stock Exchange, Nagoya Stock Exchange

Securities code: 9531

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

Representative: Mr. SASAYAMA Shinichi

Corporate Executive Officer, President and CEO

Inquiries: Mr. KOMORI Rikiya

Chief Manager, Consolidated Settlements Sect.

Telephone: +81-3-5400-7736

Scheduled date of annual general meeting of shareholders: June 27, 2025

Scheduled date to commence dividend payments: June 6, 2025

Scheduled date to file annual securities report: June 24, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	2,636,809	-1.0	133,090	-38.7	113,599	-49.0	74,194	-55.2
March 31, 2024	2,662,420	-	217,143	-	222,766	-	165,481	-

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 184,838 million [-33.7%]
Fiscal year ended March 31, 2024: ¥ 278,997 million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	192.22	-	4.3	2.9	5.0
March 31, 2024	401.09	-	10.2	6.0	8.2

(Reference)

Share of profit (loss) of entities accounted for using equity method: Fiscal year ended March 31, 2025: ¥ 5,530 million
Fiscal year ended March 31, 2024: ¥ 3,061 million

(Note) Year-on-year changes in FY2023 is not stated as change in accounting policy has been applied retrospectively.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	3,855,093	1,801,470	44.8	4,669.38
March 31, 2024	3,897,608	1,758,822	43.4	4,244.14

(Reference) Equity: As of March 31, 2025: ¥ 1,725,446 million
As of March 31, 2024: ¥ 1,693,478 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	363,120	-263,526	-255,979	244,320
March 31, 2024	316,323	-362,014	-58,335	363,883

2. Dividends

	Annual dividends per share					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	32.50	-	37.50	70.00	28,407	17.5	1.8
March 31, 2025	-	35.00	-	45.00	80.00	30,209	41.6	1.8
Fiscal year ending March 31, 2026 (Forecast)	-	40.00	-	40.00	80.00		-	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,754,000	4.4	159,000	19.5	147,000	29.4	134,000	80.6	384.49

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 (Company name: TG Energy Trading Pte.Ltd.)

Excluded: 1 (Company name: Niihama LNG Co Ltd.)

Reference: Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 102 (Increased by 6 companies and decreased by 8 companies)

Number of subsidiaries and affiliates accounted for by equity method: 27 (Increased by 6 companies and decreased by 2 companies)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: Yes

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

March 31, 2025: 388,893,859 shares

March 31, 2024: 400,452,159 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 19,370,015 shares

March 31, 2024: 1,436,376 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 385,992,747 shares

Fiscal Year ended March 31, 2024: 412,584,717 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	2,239,451	-5.8	50,927	-59.7	191,326	23.0	178,174	43.3
March 31, 2024	2,376,447	-20.8	126,258	-58.1	155,575	-48.8	124,300	-39.4

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	461.60	-
March 31, 2024	301.27	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	2,764,446	1,004,967	36.4	2,719.63
March 31, 2024	2,698,141	980,081	36.3	2,456.25

(Reference) Equity: As of March 31, 2025: ¥ 1,004,967 million
As of March 31, 2024: ¥ 980,081 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

1. Earnings forecasts are based on information on available as of the date of this release. Actual results may differ from forecasts due to various factors in the future.

Consequently, any statements herein do not constitute assurances regarding actual results by the Company.

For details of the above forecasts, please refer to “1. Overview of Business Performance, etc. (2) Future outlook” on page 5 of the Attachment.

2. The information related to this Financial Results will be posted on the Web site of the Company.

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I. Overview of Business Performance, etc.

(1) Overview of business performance and financial position of FY2024

(Business performance of FY2024)

In FY2024, Japan's economy was on a moderate recovery trend amid an improving employment and income environment, also supported by various government policies. However, the impact of continued price increases on consumer spending through a decline in consumer sentiment, as well as the impact of trade and other U.S. policies, poses downside risks to the Japanese economy. The impact of financial and capital market fluctuations also requires close attention.

In addition to the trend toward decarbonization and digitalization, society is facing the emergence of issues such as intensified natural disasters and the aging of social infrastructure.

In light of such changes in the business environment, we have implemented various measures under the three growth strategies of the Group's Medium-term Management Plan, Compass Transformation 23-25: "Achieve both stable energy supply & decarbonization," "Fully roll out the Solutions business," and "Realize a flexible corporate culture resilient to change." Combined with Action Policy Toward Continuous Corporate Value Enhancement announced in March 2025, we will strive to increase the Group's corporate value by achieving the various goals of our Medium-term Management Plan and meeting stakeholder expectations.

In FY2024, the Energy Solution segment saw a decrease in city gas sales volume, mainly as a result of lower demand from general industrial customers. In electric power sales, while there was an increase in the number of retail contracts, the sales volume to wholesale and other customers decreased due to a decline in demand from wholesale customers.

In the Network segment, the income/expense balance improved as an increase in third-party access volume for residential customers due to low temperatures in early spring was incorporated in FY2024 on a metered basis. In the Overseas segment, profit decreased due to the absence of the gain from the sale of a subsidiary operating the upstream LNG business in Australia at the end of the previous fiscal year and the failure of the North American upstream shale business, whose assets were realigned, to achieve the expected level of profit due to low gas prices. In the Urban Development segment, there was an increase in gains on the sale of from real estate.

Reflecting these economic conditions and changes in the business climate, consolidated net sales totaled ¥2,636.8 billion, down 1.0% year on year, and operating expenses were ¥2,503.7 billion, up 2.4% year on year.

Consequently, operating profit was ¥133.0 billion, down 38.7% year on year, and ordinary profit totaled ¥113.5 billion, down 49.0% year on year. Meanwhile, profit attributable to owners of the parent came to ¥74.1 billion, down 55.2% year on year after recording the following: extraordinary income of ¥4.8 billion in gain on sales of investment securities and ¥2.0 billion in compensation for damages received; extraordinary loss of ¥14.1 billion in loss on the valuation of investment securities; and income taxes.

<Segment summary>

1) Energy solution

Segment sales decreased by ¥82.4 billion to ¥2,340.4 billion, mainly due to a decrease in unit sales price owing to resource cost adjustments and a drop in electric power sales.

Operating expenses stood at ¥2,219.7 billion, owing in part to an increase in city gas raw material costs due to the foreign exchange effects.

After adding the share of profit of entities accounted for using the equity method, operating profit of the segment decreased by ¥79.4 billion year on year to ¥121.7 billion.

(Gas)

The sales volume of city gas was 11,215 million m³, down 0.8% year on year. This includes residential demand of 2,663 million m³, which decreased 2.2% year on year, and commercial demand of 2,267 million m³, down 0.3% year on year, due to lower demand caused by high temperatures.

Industrial demand fell 1.3% year on year to 4,681 million m³ due to a slowdown in user operations.

Supply to other utilities increased 2.6% year on year to 1,604 million m³ due to an increase in operations of other utilities.

<Consolidated City Gas Sales Volume for FY2024 Ended March 31, 2025>

			FY2024	FY2023	Change	% change
No. of customers for city gas retail sales		Thousands	8,826	8,789	37	0.4
No. of customers (meters)		Thousands	12,564	12,451	113	0.9
City gas sales volume	Residential	Mil. m ³	2,663	2,724	-61	-2.2
	Commercial	Mil. m ³	2,267	2,275	-8	-0.3
	Industrial	Mil. m ³	4,681	4,741	-60	-1.3
	Subtotal	Mil. m ³	6,948	7,016	-68	-1.0
	Supplies to other utilities	Mil. m ³	1,604	1,563	41	2.6
	Total	Mil. m ³	11,215	11,303	-88	-0.8
Average temperature		°C	17.6	17.5	0.1	—

Notes:

1. No. of customers for city gas retail sales indicates the number of billed customers for city gas retail sales.
2. The number of installed meters is the number of meters installed as a gas pipeline operator.
3. “Commercial” indicates sales to commercial, public and medical institutions.
4. City gas sales volume are on the basis of 45MJ/m³.

<Foreign Exchange Rate and Crude Oil Price>

¥/\$ rate	FY2024	FY2023	Change	Crude oil price (\$/bbl)	FY2024	FY2023	Change
	152.62	144.58	8.04		82.41	85.99	-3.58

(Electric power)

<Consolidated Electric Power Sales Volume for FY2024 Ended March 31, 2025>

			FY2024	FY2023	Change	% change
No. of customers for electric power retail sales		Thousands	4,152	3,871	281	7.3
Electric power sales volume	Retail	million kWh	14,437	13,439	998	7.4
	Wholesale etc.	million kWh	9,003	12,040	-3,037	-25.2
	Total	million kWh	23,440	25,479	-2,039	-8.0

Note: No. of customers for electric power retail sales indicates the number of billed customers for electric power retail sales.

2) Network

Sales increased by ¥1.4 billion year on year to ¥327.8 billion. Operating expenses were ¥330.9 billion. Segment profit/loss was a loss of ¥3.1 billion, an improvement of ¥0.8 billion from the previous fiscal year.

3) Overseas

Sales increased by ¥63.2 billion year on year to ¥181.2 billion. Operating expenses were ¥162.3 billion. Segment profit was ¥22.8 billion, down ¥4.5 billion year on year, after adding the share of profit of entities accounted for using the equity method.

4) Urban development business

Sales decreased by ¥13.3 billion year on year to ¥77.8 billion. Operating expenses were ¥54.3 billion. Segment profit was ¥24.0 billion, up ¥1.1 billion year on year, after adding the share of profit of entities accounted for using the equity method.

(Financial position in FY2024)**1) Situation of assets, debt and net assets**

Assets decreased by ¥42.6 billion from the end of the previous consolidated fiscal year to ¥3,855.0 billion due mainly to a decrease in other current assets.

Liabilities decreased by ¥85.1 billion to ¥2,053.6 billion, due in part to a decrease in interest-bearing debt, mainly due to the redemption of commercial papers.

Net assets increased by ¥42.6 billion to ¥1,801.4 billion due to an increase in accumulated other comprehensive income, offsetting the distribution of surplus, the purchase of treasury shares, and other factors.

The equity ratio increased by 1.4 percentage points to 44.8% compared to the end of the previous consolidated fiscal year as a result of a decrease in total assets and an increase in equity capital (the sum of shareholders' equity and accumulated other comprehensive income).

<Capital expenditure>

(Unit: hundred million yen)

	FY2024	FY2023	Change	% change
Energy solution	785	688	97	14.1
Network	862	807	55	6.8
Overseas	1,306	403	903	223.8
Urban development	258	158	100	63.3
Adjustments	-4	-5	1	—
Total	3,207	2,052	1,155	56.3

2) Situation of cash flow

(Unit: hundred million yen)

	FY2024	FY2023	Change
Cash flow from operating activities	3,631	3,163	468
Cash flow from investing activities	-2,635	-3,620	985
Cash flow from financing activities	-2,559	-583	-1,976
Cash and cash equivalents at end of year	2,443	3,638	-1,195

a) Cash flow from operating activities

Cash and cash equivalents obtained as a result of operating activities totaled ¥363.1 billion. Cash and cash equivalents increased mainly due to the posting of profit before income taxes (¥106.2 billion) and depreciation (¥263.8 billion), which offset income taxes paid (-¥39.6 billion), etc.

b) Cash flow from investing activities

Cash and cash equivalents used in investing activities totaled ¥263.5 billion. Cash and cash equivalents decreased mainly due to the purchase of property, plant and equipment associated with capital expenditure (-¥185.9 billion) and the purchase of intangible assets (-¥120.1 billion), which offset proceeds from the sale of subsidiary shares resulting in a change in the scope of consolidation (¥115.5 billion), etc.

c) Cash flow from financing activities

Cash and cash equivalents used in financing activities totaled ¥255.9 billion. Cash and cash equivalents decreased mainly due to the purchase of treasury shares (-¥120.0 billion), a net decrease in commercial papers (-¥67.0 billion), repayments of long-term borrowings (-¥52.0 billion), and dividends paid (-¥28.5 billion).

(2) Future outlook

In FY2025, which ends March 31, 2026, we forecast city gas sales volume to total 11,024 million m³, a decrease of 1.7% compared to FY2024, due to an expected decrease in industrial demand mainly from power generation customers, although we expect residential demand to increase, as we set our temperature forecast to be in line with an average year. We forecast electric power sales volume to increase 17.7% year on year to 27,582 million kWh, mainly due to a growth in sales volume to wholesalers. Net sales are expected to increase by 4.4% year on year, mainly reflecting an increase in revenue in the U.S. shale gas business and an increase in electric power sales volume, offsetting a decline in the unit sales price in conjunction with resource cost adjustments. Meanwhile, operating expenses are expected to increase due to the impact of factors such as an increase in depreciation in the U.S. shale gas business and an increase in transaction costs due to a new trading company established in Singapore.

Taking these factors into account, we forecast consolidated net sales of ¥2,754.0 billion, an increase of ¥117.2 billion or 4.4% year on year, operating profit of ¥159.0 billion, an increase of ¥26.0 billion or 19.5% year on year, ordinary profit of ¥147.0 billion, an increase of ¥33.5 billion or 29.4% year on year, and profit attributable to owners of the parent of ¥134.0 billion, an increase of ¥59.9 billion or 80.6% year on year.

The economic frame assumed for FY2025 is ¥150/\$ for foreign exchange rate for the full-year, and \$75/bbl for the full-year for crude oil price.

Also, the impact of the US tariff policy is not included in earning forecast, as we are currently examining it.

a. Consolidated city gas sales volume forecast for FY2025

			FY2025 (Forecast)	FY2024 (Results)	Change	% change
City gas sales volume	Residential	Mil. m ³	2,784	2,663	121	4.6
	Others	Mil. m ³	8,240	8,552	-312	-3.6
	Total	Mil. m ³	11,024	11,215	-191	-1.7
Average temperature		°C	16.5	17.6	-1.1	—

b. Consolidated electric power sales volume forecast for FY2025

		FY2025 (Forecast)	FY2024 (Results)	Change	% change
Total electric power sales volume	million kWh	27,582	23,440	4,142	17.7

c. Consolidated earnings forecast for FY2025

(Unit: hundred million yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY2025 (forecast)	27,540	1,590	1,470	1,340
FY2024 (results)	26,368	1,330	1,135	741
Change	1,172	260	335	599
% change	4.4	19.5	29.4	80.6

< Foreign exchange rate and crude oil price forecast for FY2025 >

¥/\$ rate	FY2025 (Forecast)	FY2024 (Results)	Change	Crude oil price (\$/bbl)	FY2025 (Forecast)	FY2024 (Results)	Change
	150.00	152.62	-2.62		75.00	82.41	-7.41

(3) Basic policy on profit sharing and dividends for FY2024 and FY2025

The Company allocates its management results to the improvement of customer service and realization of a sustainable society, as well as sharing them with shareholders in an appropriate and timely manner. Our basic dividend policy is to maintain stable dividends while at the same time offering gradual dividend increases in accordance with profit growth by comprehensively taking into consideration medium- to long-term profit levels.

The Company revised its Articles of Incorporation on June 29, 2021. Owing to a resolution approved by the Board of Directors, it is possible for the Company to set a dividend. As of the Board of Directors held of April 28, 2025, the Board has set the per-share dividend at ¥45. Reflecting this, the annual dividend per share will be ¥80 for FY2024, including an interim dividend of ¥35.

The dividend forecast for FY2025 is an annual dividend of ¥80 per share (including interim dividend of ¥40 per share).

II. Basic Concept Regarding Selection of Accounting Standards

The Tokyo Gas Group prepares consolidated financial statements based on Japanese standards in consideration of comparability of consolidated financial statements between companies. It intends to respond appropriately regarding the application of IFRS, taking into account both domestic and international situations.

III. Consolidated Financial Statements and Main Notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	363,938	244,388
Notes and accounts receivable - trade, and contract assets	459,297	441,533
Lease receivables and investments in leases	18,334	18,162
Securities	-	103
Merchandise and finished goods	34,476	39,006
Work in process	13,249	19,625
Raw materials and supplies	89,810	79,990
Other current assets	331,525	205,588
Allowance for doubtful accounts	-1,718	-1,268
Total current assets	1,308,913	1,047,130
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	318,445	313,045
Machinery, equipment and vehicles, net	829,228	863,809
Tools, furniture and fixtures, net	9,883	11,173
Land	180,647	180,794
Leased assets, net	7,272	5,804
Construction in progress	100,621	79,110
Total property, plant and equipment	1,446,098	1,453,739
Intangible assets		
Goodwill	5,524	5,896
Mining rights	525,905	610,657
Other intangible assets	149,736	142,431
Total intangible assets	681,166	758,985
Investments and other assets		
Investment securities	293,526	383,571
Long-term loans receivable	16,767	33,541
Retirement benefit asset	19,457	34,856
Deferred tax assets	19,841	15,484
Other investments	114,193	130,015
Allowance for doubtful accounts	-2,355	-2,232
Total investments and other assets	461,430	595,237
Total non-current assets	2,588,695	2,807,963
Total assets	3,897,608	3,855,093

As of March 31, 2024

As of March 31, 2025

Liabilities		
Current liabilities		
Notes and accounts payable - trade	101,621	102,577
Short-term borrowings	9,421	11,015
Current portion of bonds payable	20,000	-
Current portion of long-term borrowings	44,071	67,799
Income taxes payable	38,695	19,471
Other current liabilities	455,694	409,350
Total current liabilities	669,504	610,214
Non-current liabilities		
Bonds payable	639,687	651,350
Long-term borrowings	629,944	577,843
Deferred tax liabilities	46,512	56,715
Retirement benefit liability	62,908	58,194
Provision for share awards for directors (and other officers)	254	390
Provision for gas holder repairs	3,247	3,238
Provision for safety measures	422	308
Provision for contract loss in regards to appliance warranties	4,327	3,523
Provision for point card certificates	503	391
Asset retirement obligations	20,302	24,810
Other noncurrent liabilities	61,170	66,642
Total non-current liabilities	1,469,281	1,443,408
Total liabilities	2,138,785	2,053,623
Net assets		
Shareholders' equity		
Share capital	141,844	141,844
Capital surplus	4,122	4,122
Retained earnings	1,337,696	1,343,185
Treasury shares	-4,459	-85,205
Total shareholders' equity	1,479,204	1,403,947
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	59,727	71,608
Deferred gains or losses on hedges	31,564	34,175
Foreign currency translation adjustments	115,296	203,097
Remeasurements of defined benefit plans	7,685	12,617
Total accumulated other comprehensive income	214,274	321,498
Non-controlling interests	65,344	76,024
Total net assets	1,758,822	1,801,470
Total liabilities and net assets	3,897,608	3,855,093

(2) Consolidated statements of income and comprehensive income
(Consolidated statement of income)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	2,662,420	2,636,809
Cost of sales	2,190,796	2,230,573
Gross profit	471,624	406,235
Selling, general and administrative expenses	254,480	273,144
Operating profit	217,143	133,090
Non-operating income		
Interest income	8,228	7,740
Dividend income	1,518	1,587
Share of profit of entities accounted for using equity method	3,061	5,530
Gain on derivatives	5,794	3,789
Miscellaneous income	22,356	8,507
Total non-operating income	40,959	27,154
Non-operating expenses		
Interest expenses	18,051	31,206
Miscellaneous expenses	17,285	15,439
Total non-operating expenses	35,336	46,646
Ordinary profit	222,766	113,599
Extraordinary income		
Gain on sale of investment securities	25,131	4,806
Compensation income for damage	-	2,000
Gain on valuation of long-term loans receivable	2,258	-
Total extraordinary income	27,389	6,807
Extraordinary losses		
Impairment losses	3,478	-
Loss on valuation of investment securities	-	14,190
Total extraordinary losses	3,478	14,190
Profit before income taxes	246,677	106,216
Income taxes - current	78,475	28,395
Income taxes - deferred	3,470	5,152
Total income taxes	81,945	33,548
Profit	164,731	72,668
Loss attributable to non-controlling interests	-750	-1,525
Profit attributable to owners of parent	165,481	74,194

(Consolidated statement of comprehensive income)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	164,731	72,668
Other comprehensive income		
Valuation difference on available-for-sale securities	28,790	11,875
Deferred gains or losses on hedges	46,919	2,066
Foreign currency translation adjustments	31,785	84,526
Remeasurements of defined benefit plans, net of tax	5,933	4,931
Share of other comprehensive income of entities accounted for using equity method	837	8,768
Total other comprehensive income	114,265	112,169
Comprehensive income	278,997	184,838
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	272,501	181,419
Comprehensive income attributable to non-controlling interests	6,496	3,418

(3) Consolidated statements of changes in equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	141,844	-	1,310,908	-3,658	1,449,094
Effect of changes of accounting policies			1,803		1,803
Restated balance	141,844	-	1,312,712	-3,658	1,450,898
Changes during period					
Dividends of surplus			-27,530		-27,530
Profit attributable to owners of parent			165,481		165,481
Purchase of treasury shares				-113,049	-113,049
Disposal of treasury shares			0	70	70
Cancellation of treasury shares			-112,178	112,178	-
Increase in the number of consolidated subsidiaries			-789		-789
Change in ownership interest of parent due to transactions with non-controlling interests		4,122			4,122
Net changes in items other than shareholders' equity					-
Total changes during period	-	4,122	24,983	-800	28,305
Balance at end of period	141,844	4,122	1,337,696	-4,459	1,479,204

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	30,954	-9,626	86,226	1,754	109,309	30,896	1,589,301
Effect of changes of accounting policies		-2,054			-2,054	10,857	10,606
Restated balance	30,954	-11,680	86,226	1,754	107,254	41,754	1,599,907
Changes during period							
Dividends of surplus							-27,530
Profit attributable to owners of parent							165,481
Purchase of treasury shares							-113,049
Disposal of treasury shares							70
Cancellation of treasury shares							-
Increase in the number of consolidated							-789

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
subsidiaries							
Change in ownership interest of parent due to transactions with non-controlling interests						-13	4,109
Net changes in items other than shareholders' equity	28,773	43,245	29,069	5,931	107,019	23,603	130,623
Total changes during period	28,773	43,245	29,069	5,931	107,019	23,590	158,915
Balance at end of period	59,727	31,564	115,296	7,685	214,274	65,344	1,758,822

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	141,844	4,122	1,337,696	-4,459	1,479,204
Changes during period					
Dividends of surplus			-28,537		-28,537
Profit attributable to owners of parent			74,194		74,194
Purchase of treasury shares				-120,537	-120,537
Disposal of treasury shares			-0	19	19
Cancellation of treasury shares			-39,772	39,772	-
Increase in the number of consolidated subsidiaries			-18		-18
Change in ownership interest of parent due to transactions with non-controlling interests					-
Increase resulting from increasing in affiliated companies			-376		-376
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	5,489	-80,745	-75,256
Balance at end of period	141,844	4,122	1,343,185	-85,205	1,403,947

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	59,727	31,564	115,296	7,685	214,274	65,344	1,758,822
Changes during period							
Dividends of surplus							-28,537
Profit attributable to owners of parent							74,194
Purchase of treasury shares							-120,537
Disposal of treasury shares							19
Cancellation of treasury shares							-
Increase in the number of consolidated subsidiaries							-18
Change in ownership interest of parent due to transactions with							-

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
non-controlling interests							
Increase resulting from increasing in affiliated companies							-376
Net changes in items other than shareholders' equity	11,880	2,611	87,801	4,931	107,224	10,679	117,904
Total changes during period	11,880	2,611	87,801	4,931	107,224	10,679	42,647
Balance at end of period	71,608	34,175	203,097	12,617	321,498	76,024	1,801,470

(4) Consolidated statements of cash flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	246,677	106,216
Depreciation	209,764	263,842
Impairment losses	3,478	-
Amortization of long-term prepaid expenses	4,124	4,390
Loss (gain) on sale of investment securities	-25,110	-4,785
Loss (gain) on valuation of investment securities	613	14,472
Loss (gain) on valuation of long-term loans receivable	-2,258	-
Interest and dividend income	-9,746	-9,327
Interest expenses	18,051	31,206
Compensation income for damage	-	-2,000
Share of loss (profit) of entities accounted for using equity method	-3,061	-5,530
Decrease (increase) in accounts receivable - trade, and contract assets	20,186	17,527
Decrease (increase) in inventories	51,740	1,660
Increase (decrease) in trade payables	52,515	-22,455
Other, net	-79,270	20,128
Subtotal	487,704	415,345
Interest and dividends received	18,280	17,410
Interest paid	-17,634	-32,003
Proceeds from compensation for damage	-	2,000
Income taxes paid	-172,026	-39,633
Net cash provided by (used in) operating activities	316,323	363,120
Cash flows from investing activities		
Purchase of investment securities	-30,045	-67,831
Proceeds from sale and redemption of investment securities	15,639	7,544
Purchase of property, plant and equipment	-180,715	-185,918
Proceeds from sale of property, plant and equipment	966	2,771
Purchase of intangible assets	-33,429	-120,151
Purchase of long-term prepaid expenses	-6,098	-8,788
Long-term loan advances	-3,994	-5,460
Proceeds from collection of long-term loans receivable	10,554	2,430
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-219,947	-2,147
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	89,381	115,524
Other, net	-4,326	-1,497
Net cash provided by (used in) investing activities	-362,014	-263,526
Cash flows from financing activities		
Net increase (decrease) in commercial papers	77,000	-67,000
Repayments of lease liabilities	-3,198	-4,746
Proceeds from long-term borrowings	145,295	21,607
Repayments of long-term borrowings	-154,437	-52,095
Redemption of bonds	-20,000	-20,000
Proceeds from share issuance to non-controlling shareholders	18,108	17,218
Purchase of treasury shares	-113,049	-120,055
Dividends paid	-27,515	-28,531
Other, net	19,462	-2,375
Net cash provided by (used in) financing activities	-58,335	-255,979

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Effect of exchange rate change on cash and cash equivalents	12,483	35,159
Net increase (decrease) in cash and cash equivalents	-91,542	-121,226
Cash and cash equivalents at beginning of period	453,432	363,883
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	1,992	1,663
Cash and cash equivalents at end of period	363,883	244,320

(5) Notes on consolidated financial statements

(Note on going concerns' premise)

Not applicable

(Changes in accounting policies)

(Application of accounting treatment in accordance with U.S. GAAP by U.S. consolidated subsidiaries)

Tokyo Gas America Ltd., the Company's U.S. consolidated subsidiary, and its affiliated consolidated subsidiaries prepared financial statements in accordance with the International Financial Reporting Standards (IFRS) but have adopted Generally Accepted Accounting Principles in the U.S. (U.S. GAAP) for their financial statements from FY2024. As a result of a review of business management in the U.S. following large-scale acquisitions in the U.S. made in the previous consolidated fiscal year, the Company decided that the preparation of financial statements in accordance with U.S. GAAP would more appropriately present the operating results and financial position of its consolidated subsidiaries in the U.S. from the perspective of comparability with other U.S. companies and standardization of accounting treatment of U.S. consolidated subsidiaries, including acquired companies, and made this change in FY2024 when related work processes and systems were developed. This change in accounting policy has been applied retrospectively, and prior year consolidated financial statements have been restated accordingly.

As a result, operating profit, ordinary profit, and profit attributable to owners of the parent, decreased by ¥3,165 million, ¥5,413 million and ¥4,455 million respectively, compared with those before the retrospective application. Due to the cumulative effect reflected in net assets at the beginning of the previous fiscal year, the beginning balance of retained earnings in the consolidated statements of changes in equity increased by ¥1,803 million, the beginning balance of deferred gains or losses on hedges decreased by ¥2,054 million, and the beginning balance of foreign currency translation adjustments increased by ¥10,857 million.

Note that the accounting policy adopted in FY2024 was not applied to the interim consolidated financial statements of FY2024. If the same accounting policy as in FY2024 were adopted in the interim consolidated financial statements of FY2024, the effects on the interim consolidated financial statements of FY2024 would have been as follows: Increase of ¥1,174 million in operating profits; and decrease of ¥1,394 million and 1,136 million in ordinary profit, and profit attributable to owners of the parent respectively.

The impact on segment information and per share information is described in (Segment information, etc.) and (Per share information), respectively.

(Application of Accounting Standard for Current Income Taxes)

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27; October 28, 2022; hereinafter, "2022 Revised Accounting Standard") has been applied since the beginning of the fiscal year.

Revisions concerning the recognition classification of income taxes (taxation on other comprehensive income) follow the transitional treatment set forth in the proviso of paragraph 20-3 of the 2022 Revised Accounting Standard and in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28; October 28, 2022; hereinafter, "2022 Revised Guidance"). This change in accounting policy has no impact on consolidated financial statements.

Regarding revisions related to the review of the treatment in consolidated financial statements when conducting a tax deferral of gains or losses on sale arising from the sale of subsidiary shares, etc., between consolidated companies, the 2022 Revised Guidance has been applied since the beginning of the fiscal year. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous consolidated fiscal year have been restated accordingly. This change in accounting policy has no impact on the prior year consolidated financial statements.

(Additional information)

(Share-based compensation plan for directors, corporate executive officers and executive officers)

The Company has introduced a trust-type share-based Compensation Plan for its directors and corporate executive officers with the aim of providing incentives to improve the Company's corporate value over the medium to long term. The Company has also introduced a similar share-based compensation plan for its executive officers (the two share-based compensation plans are hereinafter collectively referred to as the "Plan"; the directors, corporate executive officers, and executive officers are hereinafter collectively referred to as the "Executives").

Accounting for the Plan is based on the Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts (PITF No. 30, March 26, 2015).

(1) Overview of transaction

The Plan is a trust-type share-based compensation plan under which a trust established by the Company by contributing cash (hereinafter, the "Trust") acquires Company shares equivalent to the number of points granted by the Company to each Executive, who then receives delivery of the shares.

As a general rule, Executives shall receive the Company shares when they resign/retire.

(2) Company shares remaining in trust

Company shares remaining in trust are recorded as treasury stock under net assets based on book value in trust (excluding ancillary expenses). The book value and number of said treasury stock as of the end of previous consolidated fiscal year were valued at ¥380 million and totaled 184,800 shares, and as of the end of FY2024 were valued at ¥842 million and totaled 300,800 shares.

Note that the book value and number of shares have increased since the end of previous consolidated fiscal year, as the Compensation Committee decided at its meeting on October 30, 2024, that the Company would additionally trust the funds related to the continuation of the Plan, and additional shares were purchased in FY2024.

(Segment information, etc.)

1. Overview of reporting segments

The Group's reporting segments are regularly reviewed by the Board of Directors using the segregated financial information available within each segment to determine the allocation of management resources and evaluate business results.

That being said, the main business operations of each reporting segment is as follows.

“Energy solution”: Production and sales of city gas, LNG sales, trading, electricity, engineering solutions (engineering, energy services, etc.), etc.

“Network”: Transmission service of city gas

“Overseas”: Offshore resource development and investment, energy supply, etc.

“Urban development”: Real estate development and leasing, etc.

2. Calculation of net sales, profit and loss, and assets, etc.

There are no significant changes to the accounting method for the reported business segments from the descriptions on the basis of presenting consolidated financial statements in the most recent Securities Report (filed on June 27, 2024).

Profit or loss of reporting segments is based on operating profit or loss plus or minus investment gain or loss on equity method.

Intersegment sales and transfers are attributable to transactions within group companies, and calculated based on market value.

As described in “(Changes in accounting policies),” Tokyo Gas America Ltd., the Company's U.S. consolidated subsidiary, and its affiliated consolidated subsidiaries prepared financial statements in accordance with the International Financial Reporting Standards (IFRS) but have adopted Generally Accepted Accounting Principles in the U.S. (U.S. GAAP) for their financial statements from FY2024, on the basis of which the Group has prepared its segment information. This change in accounting policy has been applied retrospectively, and prior year segment information has been restated accordingly.

As a result of this change, the previous year's segment profit for the Overseas segment has decreased by ¥3,165 million.

3. Information related to net sales, profit and loss, and assets, etc. by reporting segment
Fiscal year ended March 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)

(Unit: million yen)

	Reporting segment				Total	Adjustments (Note 1)	Amount recorded on consolidated statement of income (Note 2)
	Energy solution	Network	Overseas	Urban development			
Net sales							
External sales	2,387,992	97,478	112,159	64,790	2,662,420	—	2,662,420
Intersegment sales & transfers	34,880	228,980	5,912	26,322	296,097	-296,097	—
Total	2,422,873	326,459	118,072	91,113	2,958,517	-296,097	2,662,420
Segment profit (loss)							
Operating profit (loss)	199,824	-3,959	26,339	22,215	244,419	-27,276	217,143
Investment gain (loss) on equity method	1,355	—	975	731	3,061	—	3,061
Total	201,179	-3,959	27,314	22,946	247,481	-27,276	220,205
Segment Assets	1,576,284	648,859	1,245,014	303,646	3,773,804	123,804	3,897,608
Others							
Depreciation expenses	69,958	99,331	30,480	11,463	211,234	-1,470	209,764
Increase in property, plant, equipment, and intangible assets	63,133	80,290	40,381	15,823	199,629	-529	199,099

Notes:

1. The “Adjustments” indicates as follows;

- (1) The -¥27,276 million segment profit or loss adjustment includes -¥470 million in eliminations for intersegment transactions and -¥26,806 million of companywide expenses not allocated to the respective reporting segments. Companywide expenses are primarily, general and administrative expenses in parent company that are not assignable to a reporting segment.
- (2) The ¥123,804 million segment assets adjustment includes ¥171,590 million of companywide assets not allocated to the respective reporting segments, and -¥47,786 million of net eliminations for intersegment obligations. Companywide assets are primarily, financial assets in parent company that are not assignable to a reporting segment.

2. Segment profit or loss is adjusted to reflect operating profit recorded in the consolidated statement of income which is adjusted by investment gain or loss on equity method.

Fiscal year ended March 31, 2025 (from Apr. 1, 2024 to Mar. 31, 2025)

(Unit: million yen)

	Reporting segment				Total	Adjustments (Note 1)	Amount recorded on consolidated statement of income (Note 2)
	Energy solution	Network	Overseas	Urban development			
Net sales							
External sales	2,308,479	97,088	180,572	50,667	2,636,809	—	2,636,809
Intersegment sales & transfers	32,002	230,760	669	27,160	290,592	-290,592	—
Total	2,340,481	327,849	181,242	77,827	2,927,402	-290,592	2,636,809
Segment profit (loss)							
Operating profit (loss)	120,689	-3,128	18,939	23,433	159,933	-26,842	133,090
Investment gain (loss) on equity method	1,014	—	3,928	587	5,530	—	5,530
Total	121,703	-3,128	22,868	24,020	165,464	-26,842	138,621
Segment Assets	1,591,846	637,396	1,195,352	327,969	3,752,564	102,529	3,855,093
Others							
Depreciation expenses	70,542	98,495	84,565	11,537	265,140	-1,297	263,842
Increase in property, plant, equipment, and intangible assets	70,479	85,933	130,223	25,851	312,487	-489	311,998

Notes: /

1. The “Adjustments” indicates as follows;

- (1) The -¥26,842 million segment profit or loss adjustment includes -¥1,796 million in eliminations for intersegment transactions and -¥25,046 million of companywide expenses not allocated to the respective reporting segments. Companywide expenses are primarily, general and administrative expenses in parent company that are not assignable to a reporting segment.
- (2) The ¥102,529 million segment assets adjustment includes ¥148,924 million of companywide assets not allocated to the respective reporting segments, and -¥46,394 million of net eliminations for intersegment obligations. Companywide assets are primarily, financial assets in parent company that are not assignable to a reporting segment.

2. Segment profit or loss is adjusted to reflect operating profit recorded in the consolidated statement of income which is adjusted by investment gain or loss on equity method.

4. Matters related to changes to the reporting segments

Due to organizational changes, Tokyo Gas United Kingdom Ltd., a subsidiary of the Company, was transferred from the Energy Solution segment to the Overseas segment, effective from FY2024.

Note that the segment information for the previous fiscal year is restated based on the changes of reporting segment.

(Per share information)

(Unit: yen)

	FY2023 (Apr. 2023– Mar. 2024)	FY2024 (Apr. 2024 – Mar. 2025)
Equity per share	4,244.14	4,669.38
Profit per share	401.09	192.22

Notes:

1. Diluted profit per share is not disclosed as no latent shares exist.
2. As described in “(Changes in accounting policies),” Tokyo Gas America Ltd., the Company’s U.S. consolidated subsidiary, and its affiliated consolidated subsidiaries prepared financial statements in accordance with the International Financial Reporting Standards (IFRS) but have adopted Generally Accepted Accounting Principles in the U.S. (U.S. GAAP) for their financial statements from FY2024, on the basis of which the Group has prepared its per share information. This change in accounting policy has been applied retrospectively, and prior per share information has been restated accordingly. As a result of this change, the previous year’s equity per share decreased by ¥5.69 and profit per share decreased by ¥10.79.

Note that the accounting policy adopted in FY2024 was not applied to the interim consolidated financial statements of FY2024. If the same accounting policy as in FY2024 were adopted in the interim consolidated financial statements of FY2024, profit per share for the interim consolidated financial statements of FY2024 would decrease by ¥2.89.

3. Basis for calculation of profit per share is as follows.

	FY2023 (Apr. 2023– Mar. 2024)	FY2024 (Apr. 2024 – Mar. 2025)
Profit attributable to owners of parent (million yen)	165,481	74,194
Not attributable to common shareholders (million yen)	—	—
Profit attributable to owners of parent with regard to the common shares (million yen)	165,481	74,194
Average number of common shares outstanding (thousand shares)	412,585	385,993

4. Basis for calculation of BPS is as follows.

	FY2023 (as of Mar. 31, 2024)	FY2024 (as of Mar. 31, 2025)
Equity (million yen)	1,758,822	1,801,470
Deduction from Equity (million yen)	65,344	76,024
-Shares of minority shareholders (million yen)	65,344	76,024
Net Equity attributable to common shares (million yen)	1,693,478	1,725,446
Number of shares to calculate BPS (thousand shares)	399,016	369,524

5. The Company has introduced a Director Stock Ownership Plan. Shares held in the Plan’s trust account are included in the treasury shares that are excluded from calculating the average number of shares during the fiscal year for calculating net income per share, and are included in the treasury shares that are excluded from the total number of outstanding shares at the end of the fiscal year when calculating net assets per share.

The average number of shares during the fiscal year of the excluded treasury shares for calculating net income per share was 192,233 shares in the previous consolidated fiscal year and 229,383 shares in the consolidated fiscal year. The number of excluded treasury shares at the end of the fiscal year for calculating net assets per share was 184,800 shares in the previous consolidated fiscal year and 300,800 shares in the consolidated fiscal year.

(Material subsequent events)

[Cancellation of treasury shares]

At its Board of Directors meeting held on April 28, 2025, the Company resolved to cancel treasury shares in accordance with the provisions of Article 178 of the Companies Act.

The details of the cancellation of treasury shares are as follows.

- (1) Type of shares to be cancelled: Tokyo Gas common shares
- (2) Number of shares to be cancelled: 17,803,000
- (3) Scheduled date of cancellation: May 23, 2025

[Transfer of assets]

On February 21, 2025, the Company signed a Heads of Agreement with Shizuoka Gas Co., Ltd. for the transfer of its Eagle Ford shale gas assets held through TG Eagle Ford Resources LP, in which the Company's U.S. subsidiary, Tokyo Gas America Ltd, holds an equity interest (hereinafter, the "Transfer").

(1) Reason for the transfer

The Company is carrying out the Transfer to focus on the assets of TG Natural Resources LLC, in the East Texas and North Louisiana areas, as part of its asset portfolio optimization to improve asset efficiency.

(2) Details of the transfer

(i) Transferee: Shizuoka Gas Co., Ltd.

(ii) Details of asset to be transferred

- Location Webb County and La Salle County, Texas, U.S.A.
- Asset type Mining rights, etc.
- Transfer date June 2025 (provisional)
- Transfer price US\$ 130 million

(3) Impact on profit

We are currently examining the impact of the Transfer on consolidated earnings for FY2025.

[Material agreement]

On March 31, 2025, the Company concluded a joint development agreement for shale gas in East Texas with Chevron U.S.A. Inc. (hereinafter, "CVX") through TG Natural Resources LLC (hereinafter, "TGNR"), in which the Company's U.S. subsidiary, Tokyo Gas America Ltd., holds an equity interest (hereinafter, the "Agreement").

(1) Reason for conclusion of the agreement

This agreement, along with the \$130 million sale of assets to Shizuoka Gas Co., Ltd., as described in "[Transfer of assets]" under "(Material subsequent events)" is part of Tokyo Gas's ongoing initiatives to optimize its asset portfolio and improve asset efficiency.

(2) Name of counterparty company to the agreement

Chevron U.S.A. Inc.

(3) Agreement date

March 2025

(4) Agreement detail

Joint development agreement for shale gas

(5) Material impact of the conclusion of the agreement on sales activities

The Agreement provides for the joint development and operation with CVX of CVX's shale gas assets adjacent to TGNR's primary assets. TGNR will acquire the assets out of its cash flow by paying US\$ 75 million up front and US\$ 450 million staged over multiple years based on development in exchange for a 70% interest in the assets held by CVX.

IV. Non-Consolidated Financial Statements

(1) Balance sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	42,840	41,840
Notes receivable - trade	965	587
Accounts receivable - trade	350,684	317,302
Work in process	6,895	10,436
Raw materials and supplies	70,878	63,775
Prepaid expenses	1,522	1,430
Short-term loans receivable	101,719	251,278
Other current assets	168,239	113,645
Allowance for doubtful accounts	-2,336	-5,127
Total current assets	741,408	795,169
Non-current assets		
Property, plant and equipment		
Buildings	14,659	18,042
Structures	41,439	40,423
Machinery and equipment	55,450	55,816
Tools, furniture and fixtures	5,213	6,276
Land	104,327	104,335
Construction in progress	13,820	4,925
Other fixed asset	43	26
Total property, plant and equipment	234,953	229,845
Intangible assets		
Software	86,198	78,278
Goodwill	811	735
Other intangible assets	9,674	12,907
Total intangible assets	96,684	91,921
Investments and other assets		
Investment securities	53,525	53,574
Shares of subsidiaries and associates	929,203	984,626
Long-term loans receivable	596,352	552,812
Deferred tax assets	21,201	17,989
Other investments	33,903	46,593
Allowance for doubtful accounts	-9,093	-8,086
Total investments and other assets	1,625,094	1,647,510
Total non-current assets	1,956,732	1,969,277
Total assets	2,698,141	2,764,446

As of March 31, 2024

As of March 31, 2025

Liabilities		
Current liabilities		
Accounts payable - trade	60,717	51,112
Short-term borrowings	222,713	454,720
Accounts payable - other	46,646	43,841
Accrued expenses	144,029	113,253
Income taxes payable	2,317	4,987
Contract liabilities	5,925	3,550
Advances received	6,025	8,843
Deposits received	5,722	11,075
Unearned revenue	1,221	1,442
Other current liabilities	200,288	112,562
Total current liabilities	695,607	805,391
Non-current liabilities		
Bonds payable	544,799	544,799
Long-term borrowings	412,860	355,432
Provision for retirement benefits	57,764	47,773
Provision for share awards for directors (and other officers)	254	390
Provision for contract loss in regards to appliance warranties	4,327	3,523
Provision for point card certificates	480	363
Other noncurrent liabilities	1,966	1,805
Total non-current liabilities	1,022,452	954,088
Total liabilities	1,718,059	1,759,479
Net assets		
Shareholders' equity		
Share capital	141,844	141,844
Capital surplus		
Legal capital surplus	2,065	2,065
Total capital surplus	2,065	2,065
Retained earnings		
Legal retained earnings	35,454	35,454
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	4,216	4,216
Reserve for adjustment of cost fluctuations	141,000	141,000
General reserve	339,000	339,000
Retained earnings brought forward	301,641	411,505
Total retained earnings	821,312	931,176
Treasury shares	-4,459	-85,205
Total shareholders' equity	960,762	989,881
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	23,029	18,835
Deferred gains or losses on hedges	-3,710	-3,750
Total valuation and translation adjustments	19,318	15,085
Total net assets	980,081	1,004,967
Total liabilities and net assets	2,698,141	2,764,446

(2) Statements of income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	2,376,447	2,239,451
Cost of sales	2,061,584	1,987,113
Gross profit	314,863	252,337
Selling, general and administrative expenses	188,604	201,409
Operating profit	126,258	50,927
Non-operating income		
Interest and dividend income	39,837	157,456
Miscellaneous income	10,327	7,436
Total non-operating income	50,164	164,892
Non-operating expenses		
Interest expenses	4,143	12,211
Interest expenses on bonds	5,557	5,535
Provision of allowance for doubtful accounts	7,661	3,275
Miscellaneous expenses	3,484	3,472
Total non-operating expenses	20,847	24,494
Ordinary profit	155,575	191,326
Extraordinary income		
Gain on sale of investment securities	2,499	4,505
Gain on extinguishment of tie-in shares	2,058	3,783
Total extraordinary income	4,557	8,288
Extraordinary losses		
Loss on valuation of investment securities	-	10,378
Total extraordinary losses	-	10,378
Profit before income taxes	160,133	189,236
Income taxes - current	33,212	6,600
Income taxes - deferred	2,620	4,461
Total income taxes	35,833	11,062
Profit	124,300	178,174