

Consolidated Financial Results Bulletin for the 2nd Quarter Ended September 30, 2022**(J-GAAP)****Tokyo Gas Co., Ltd.**

Securities code: 9531

(URL <https://www.tokyo-gas.co.jp/IR/english/index.html>)

Representative: Mr. UCHIDA Takashi, Representative Corporate Executive Officer, President and CEO

Contact: Mr. KOMORI Rikiya, Chief Manager, Consolidated Settlements Sect.

Stock listings:

Tokyo Stock Exchange, Nagoya Stock Exchange

Location of head office: Tokyo

Scheduled date of the filing of quarterly report: November 14, 2022

Scheduled date of the start of dividend payments: November 29, 2022

Preparation of 2Q earnings presentation material (yes/no): **Yes**Holding of 2Q earnings announcement (yes/no): **Yes** (for institutional investors)

(Amounts are rounded down to the nearest million yen)

1. Consolidated Performance for 2nd Quarter (from April 1, 2022 to September 30, 2022)

(Unit: million yen)

(1) Consolidated Business Performance

(% of change from the corresponding period of previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Amount	% of change	Amount	% of change	Amount	% of change	Amount	% of change
Six months ended Sep. 30, 2022	1,361,277	57.1%	90,498	129.0%	108,652	168.2%	71,640	161.6%
Six months ended Sep. 30, 2021	866,756	4.7%	39,525	-23.5%	40,513	-18.6%	27,388	-1.6%

Note: Total comprehensive income

Six months ended September 30, 2022: 135,924 million yen (251.8%) Six months ended September 30, 2021: 38,632 million yen (93.1%)

	Profit per share	Diluted profit per share
Six months ended Sep. 30, 2022	164.71 yen	—
Six months ended Sep. 30, 2021	62.28 yen	—

Note: Figures for the six months ended September 30, 2021, represent figures after retroactive application following a change in accounting policies.

(2) Consolidated Financial Position

(Unit: million yen)

	Total assets	Total net assets	Equity ratio
As of Sep. 30, 2022	3,655,276	1,383,154	37.1%
As of Mar. 31, 2022	3,187,627	1,281,150	39.3%

Reference: Shareholders' equity

As of September 30, 2022: 1,357,873 million yen As of March 31, 2022: 1,251,781 million yen

Note: Figures for the fiscal year ended March 31, 2022, represent figures after retroactive application and restatement following a change in accounting policies and changes in presentation, respectively.

2. Dividend

	Dividend per share (Unit: yen)				
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Annual
FY2021 ended Mar. 31, 2022	—	30.00	—	35.00	65.00
FY2022 ending Mar. 31, 2023	—	32.50			
FY2022 ending Mar. 31, 2023 (Forecast)			—	32.50	65.00

Note: Revision to the dividend forecast that has been disclosed lastly: *No*

3. Consolidated Results Forecast for FY2022 ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(Unit: million yen)

(% of change from the corresponding period of previous year)

	Net sales		Operating profit		Ordinary profit		Net profit attributable to owners of parent		Profit per share
	Value	% Change	Value	% Change	Value	% Change	Value	% Change	Value
Full-year	3,273,000	51.9%	150,000	17.6%	160,000	17.2%	118,000	23.3%	271.77 yen

Notes: 1. Revision to the consolidated results forecast that has been disclosed lastly: *Yes*

2. The year-on-year percentage changes represent the percentage changes calculated by retroactively applying the change in accounting policies to the figures for the fiscal year ended March 31, 2022.

*Notes

(1) Significant changes in consolidated subsidiaries (changes in specified subsidiaries resulting in change of scope of consolidation during the quarter) (yes/no): *No*

Reference: Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 102 (Decreased by 11 companies)

Number of subsidiaries and affiliates accounted for by equity method: 16

(2) Application of accounting treatment peculiar to quarterly consolidated financial statement preparation (yes/no): *Yes*

Note: Please see page 9 of the Attachment, “2. Consolidated Financial Statements and Main Notes: (3) Notes on consolidated financial statements (Application of accounting treatment peculiar to quarterly consolidated financial statement preparation)” for details.

(3) Change in accounting policies or estimates and retrospective restatements

1) Change in accounting policies in accordance with revision of accounting standards: *No*

2) Change in accounting policies other than item 1) above: *Yes*

3) Change in accounting estimates: *No*

4) Retrospective restatements: *No*

(4) Number of issued shares (common stock)

(Unit: share)

1) Number of issued shares at end of period (including treasury stock):	Sep. 30, 2022	434,875,059	Mar. 31, 2022	440,996,559
2) Number of shares of treasury stock at end of period:	Sep. 30, 2022	1,449,235	Mar. 31, 2022	1,448,431
3) Average number of shares during period:	Apr. – Sep. 2022	434,954,007	Apr. – Sep. 2021	439,795,455

* Quarterly review procedures by a certified public accountant or an audit firm do not apply to quarterly consolidated financial results bulletins.

* Explanation related to appropriate use of results forecasts and other items warranting special mention

1. The consolidated and non-consolidated results forecasts include numerous elements of uncertainty, including the impact of the COVID-19 pandemic and the Russia-Ukraine situation. Therefore, the forecasts are subject to drastic changes depending on future development. For details of the above forecasts, please refer to “1. Overview of Business Performance, etc. (2) Future outlook” on page 4 of the Attachment.

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

Non-Consolidated Results Forecast for FY2022 ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(Unit: million yen)

(% of change from the corresponding period of previous year)

	Net sales		Operating profit		Ordinary profit		Net income		Profit per share
Full-year	2,907,300	50.6%	48,000	-7.5%	55,300	15.2%	40,100	6.1%	92.36 yen

Notes: 1. Revision to the non-consolidated results forecast that has been disclosed lastly: *Yes*

2. The year-on-year percentage changes represent the percentage changes calculated by retroactively applying the change in accounting policies to the figures for the fiscal year ended March 31, 2022.

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1. Overview of Business Performance, etc.

(1) Overview of business performance of the 2nd quarter

<Summary by segment>

In November 2021, the Company formulated the Compass Action, a detailed roadmap for achieving Compass 2030, the Group's management vision, and on April 1, 2022, transitioned to a holding company structure. Following this development, the Company has decided to change its reporting segments from the five segments of "gas," "electric power," "overseas," "energy related," and "real estate," which it had used until FY2021, to four reporting segments of "energy solution," "network," "overseas," and "urban development," starting in FY2022.

The year-on-year comparison is based on the previous reporting segments since it is difficult to create data of net sales and profits of the six months ended September 30, 2021, using the new reporting segments.

Six months ended September 30, 2022

(Unit: million yen)

		Energy solution	Network	Overseas	Urban development
Sales	FY2022	1,254,795	157,421	75,853	30,190
	(% of total)	(82.6%)	(10.4%)	(5.0%)	(2.0%)
Operating expenses	FY2022	1,174,351	173,570	42,389	22,404
	(% of total)	(83.1%)	(12.3%)	(3.0%)	(1.6%)
Segment profit/loss	FY2022	80,463	-16,149	36,472	8,183
	(% of total)	(73.8%)	(-14.8%)	(33.5%)	(7.5%)

Note: Figures for sales include internal transactions. Figures for operating expenses do not include expenses that cannot be allocated to specific segments. Figures for segment profit are adjusted against the amount based on operating profit/loss of consolidated financial statements plus or minus investment income or loss on equity method.

Comparison with the six months ended September 30, 2021

(Unit: million yen)

		Gas	Electric power	Overseas	Energy-related	Real estate	Others
Sales	FY2022	898,740	373,893	75,878	165,569	30,190	56,869
	(% of total)	(56.1%)	(23.4%)	(4.7%)	(10.3%)	(1.9%)	(3.6%)
	FY2021	555,995	193,792	37,800	147,778	28,475	48,549
	(% of total)	(55.0%)	(19.1%)	(3.7%)	(14.6%)	(2.8%)	(4.8%)
	Amount of change	342,745	180,101	38,078	17,791	1,715	8,320
(Rate of change)	61.6%	92.9%	100.7%	12.0%	6.0%	17.1%	
Operating expenses	FY2022	845,512	378,045	41,329	155,771	22,260	48,689
	(% of total)	(56.7%)	(25.3%)	(2.8%)	(10.4%)	(1.5%)	(3.3%)
	FY2021	527,255	185,592	28,895	140,999	20,304	47,805
	(% of total)	(55.6%)	(19.5%)	(3.0%)	(14.8%)	(2.1%)	(5.0%)
	Amount of change	318,257	192,453	12,434	14,772	1,956	884
(Rate of change)	60.4%	103.7%	43.0%	10.5%	9.6%	1.8%	
Segment profit/loss	FY2022	53,228	-4,152	37,557	9,798	8,327	8,199
	(% of total)	(47.1%)	(-3.7%)	(33.2%)	(8.7%)	(7.4%)	(7.3%)
	FY2021	28,740	8,200	10,509	6,779	8,630	786
	(% of total)	(45.1%)	(12.9%)	(16.5%)	(10.7%)	(13.6%)	(1.2%)
	Amount of change	24,488	-12,352	27,048	3,019	-303	7,413
(Rate of change)	85.2%	-	257.4%	44.5%	-3.5%	942.6%	

Notes:

- Figures for sales include internal transactions. Figures for operating expenses do not include expenses that cannot be allocated to specific segments. Figures for segment profit/loss are adjusted against the amount based on operating profit/loss of consolidated financial statements plus or minus investment income or loss on equity method.
- Figures for the six months ended September 30, 2021, represent figures after retroactive application following a change in accounting policies.

<Consolidated City Gas Sales Volume, etc.>

		Apr. – Sep. 2022	Apr. – Sep. 2021	Change	% change	
No. of customers for city gas retail sales	Thousands	8,672	8,762	-90	-1.0	
No. of customers (meters)	Thousands	12,252	12,132	120	1.0	
City gas sales volume	Residential	Mil. m ³	1,040	1,072	-32	-3.1
	Commercial	Mil. m ³	1,073	1,018	55	5.4
	Industrial	Mil. m ³	3,028	2,836	192	6.8
	Subtotal	Mil. m ³	4,101	3,854	247	6.4
	Supplies to other utilities	Mil. m ³	744	724	20	2.7
Total	Mil. m ³	5,884	5,651	233	4.1	
Average temperature	°C	22.7	22.2	0.5	—	

Notes:

1. No. of customers for city gas retail sales indicates the number of billed customers for city gas retail sales.
2. No. of customers (meters) indicates the number of meters as a gas pipeline service provider.
3. “Commercial” indicates sales to commercial, public and medical institutions.
4. City gas sales volumes are on the basis of 45MJ/m³.
5. The figures for the six months ended September 30, 2021, represent figures after retroactive application following a change in accounting policies.

< Consolidated Electric Power Sales Volume, etc.>

		Apr. – Sep. 2022	Apr. – Sep. 2021	Change	% change	
No. of customers for electric power retail sales	Thousands	3,190	2,876	314	10.9	
Electric power sales volume	Retail	million kWh	5,412	4,949	463	9.4
	Wholesale etc.	million kWh	11,606	8,296	3,310	39.9
	Total	million kWh	17,018	13,245	3,773	28.5

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

<Foreign Exchange Rate and Crude Oil Price>

¥/\$ rate	Apr. – Sep. 2022	Apr. – Sep. 2021	Change	Crude oil price (\$/bbl)	Apr. – Sep. 2022	Apr. – Sep. 2021	Change
	134.03	109.81	24.22		111.92	70.30	41.62

(2) Future outlook**a. Consolidated city gas sales volume forecast for FY2022**

			FY2022 (Forecast)	FY2021 (Results)	Change	% change
City gas sales volume	Residential	Mil. m ³	3,010	3,083	-73	-2.4
	Others	Mil. m ³	9,787	10,063	-276	-2.7
	Total	Mil. m ³	12,797	13,146	-349	-2.7
Average temperature		°C	16.3	16.2	0.1	—

Notes:

1. City gas sales volumes are on the basis of 45MJ/m³.
2. The results figures for FY2021 represent figures after retroactive application following a change in accounting policies.

b. Consolidated electric power sales volume forecast for FY2022

		FY2022 (Forecast)	FY2021 (Results)	Change	% change
Total electric power sales volume	million kWh	34,442	28,288	6,154	21.8

c. Consolidated earnings forecast for FY2022

(Unit: hundred million yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY2022 (forecast)	32,730	1,500	1,600	1,180
FY2021 (results)	21,548	1,275	1,364	957
Change	11,182	225	236	223
% change	51.9%	17.6%	17.2%	23.3%

Note: The results figures for FY2021 represent figures after retroactive application following a change in accounting policies.

< Foreign exchange rate and crude oil price forecast for FY2022 >

¥/\$ rate	FY2022 (Forecast)	FY2021 (Results)	Change	Crude oil price (\$/bbl)	FY2022 (Forecast)	FY2021 (Results)	Change
	137.02	112.39	24.63		105.96	77.15	28.81

2. Consolidated Financial Statements and Main Notes
(1) Consolidated balance sheets

(Million yen)

	As of March 31,2022	As of September 30,2022
Assets		
Current assets		
Cash and deposits	179,769	271,319
Notes and accounts receivable - trade, and contract assets	364,683	466,663
Lease receivables and investments in leases	17,824	17,615
Securities	10	9
Merchandise and finished goods	3,467	5,015
Work in process	12,083	20,346
Raw materials and supplies	67,135	143,902
Other current assets	258,610	318,636
Allowance for doubtful accounts	-3,714	-4,297
Total current assets	899,870	1,239,211
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	338,517	336,478
Machinery, equipment and vehicles, net	892,515	934,897
Tools, furniture and fixtures, net	14,484	10,859
Land	192,455	190,302
Leased assets, net	5,899	9,899
Construction in progress	125,501	108,622
Total property, plant and equipment	1,569,373	1,591,060
Intangible assets		
Goodwill	6,018	5,501
Other intangible assets	294,296	311,653
Total intangible assets	300,315	317,155
Investments and other assets		
Investment securities	236,303	288,057
Long-term loans receivable	48,653	59,363
Retirement benefit asset	5,864	7,018
Deferred tax assets	34,670	36,825
Other investments	94,223	118,241
Allowance for doubtful accounts	-1,647	-1,659
Total investments and other assets	418,068	507,848
Total non-current assets	2,287,757	2,416,064
Total assets	3,187,627	3,655,276

(Million yen)

As of March 31,2022

As of September 30,2022

Liabilities		
Current liabilities		
Notes and accounts payable - trade	76,229	122,415
Short-term borrowings	6,385	6,589
Current portion of bonds payable	-	20,000
Current portion of long-term borrowings	48,972	52,069
Income taxes payable	33,830	40,516
Other current liabilities	386,573	628,058
Total current liabilities	551,990	869,649
Non-current liabilities		
Bonds payable	548,619	529,302
Long-term borrowings	568,725	588,286
Deferred tax liabilities	29,641	42,288
Retirement benefit liability	66,195	66,341
Provision for share awards for directors (and other officers)	84	128
Provision for gas holder repairs	3,427	3,445
Provision for safety measures	637	571
Provision for contract loss in regards to appliance warranties	2,620	2,067
Provision for point card certificates	531	436
Asset retirement obligations	27,692	30,062
Other noncurrent liabilities	106,310	139,542
Total non-current liabilities	1,354,486	1,402,471
Total liabilities	1,906,477	2,272,121
Net assets		
Shareholders' equity		
Share capital	141,844	141,844
Capital surplus	846	847
Retained earnings	1,076,184	1,116,547
Treasury shares	-3,524	3,643
Total shareholders' equity	1,215,350	1,255,596
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,866	31,029
Deferred gains or losses on hedges	-11,904	30,458
Foreign currency translation adjustment	32,545	103,171
Remeasurements of defined benefit plans	-3,076	-1,466
Total accumulated other comprehensive income	36,430	102,276
Non-controlling interests	29,368	25,281
Total net assets	1,281,150	1,383,154
Total liabilities and net assets	3,187,627	3,655,276

(2) Consolidated statements of income and comprehensive income
Consolidated statement of income (Six months ended September 30, 2022)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Net sales	866,756	1,361,277
Cost of sales	705,702	1,138,194
Gross profit	161,053	223,083
Selling, general and administrative expenses	121,527	132,584
Operating profit	39,525	90,498
Non-operating income		
Interest income	607	648
Dividend income	969	2,163
Share of profit of entities accounted for using equity method	2,106	3,426
Foreign exchange gains	1,815	15,928
Miscellaneous income	13,865	11,860
Total non-operating income	19,364	34,028
Non-operating expenses		
Interest expenses	7,641	7,075
Miscellaneous expenses	10,735	8,798
Total non-operating expenses	18,377	15,874
Ordinary profit	40,513	108,652
Extraordinary income		
Gain on sale of investment securities	2,871	2,708
Total extraordinary income	2,871	2,708
Profit before income taxes	43,385	111,360
Income taxes	15,065	39,394
Profit	28,319	71,966
Profit attributable to non-controlling interests	931	325
Profit attributable to owners of parent	27,388	71,640

Consolidated statement of comprehensive income (Six months ended September 30, 2022)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Profit	28,319	71,966
Other comprehensive income		
Valuation difference on available-for-sale securities	2,319	12,137
Deferred gains or losses on hedges	-12,040	-23,677
Foreign currency translation adjustment	20,684	64,062
Remeasurements of defined benefit plans, net of tax	-3,929	1,577
Share of other comprehensive income of entities accounted for using equity method	3,277	9,858
Total other comprehensive income	10,312	63,958
Comprehensive income	38,632	135,924
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	41,145	137,487
Comprehensive income attributable to non-controlling interests	-2,513	-1,562

(3) Notes on consolidated financial statements

(Note on going concerns' premise)

Not applicable

(Additional information)

<Accounting estimates on the impact of COVID-19>

It is difficult to determine the impact of the COVID-19 pandemic on the Group since we cannot currently foresee when the pandemic will abate.

Accounting treatments require estimations to be made based on certain assumptions. The Group has made accounting estimates by assuming that the impact of the COVID-19 pandemic will continue to a certain extent during FY2022, in view of the impact of each business on the operating results for the six months ended September 30, 2022.

<Accounting estimates following the situation between Russia and Ukraine>

Although the Company procures raw materials from Russia, it is difficult to accurately forecast the impact of the current international situation surrounding Russia and Ukraine on our procurement of raw materials.

The Group has made accounting estimates by assuming that the procurement transactions will continue.

(Significant changes in shareholders' equity)

Purchase of treasury stock

The Company purchases treasury stock from the market as per the provisions of Article 156 of the Companies Act that is applied in an alternative interpretation of Article 165, Section 3 of the Companies Act.

The purchase of treasury stock that was decided at the Board of Directors meeting held on April 27, 2022, has ended with the purchases of up to June 23, 2022.

(1) Purchase period	May 9 – June 23, 2022 (contract basis)
(2) Number of shares purchased	6,121,500 shares
(3) Total amount of purchase	¥15,999,816,800
(4) Purchase method	Market purchase on the Tokyo Stock Exchange

Retirement of treasury stock

At its Board of Directors meeting held on July 27, 2022, the Company resolved to retire its treasury stock pursuant to Article 178 of the Companies Act and carried out the retirement as follows.

(1) Class of shares retired	Common stock
(2) Number of shares retired	6,121,500 shares
(3) Date of retirement	August 16, 2022

(Application of accounting treatment peculiar to quarterly consolidated financial statement preparation)

Calculation of taxes

Taxes are calculated by multiplying profit before income taxes for the second-quarter period under review by the reasonably estimated effective tax rate subsequent to the application of tax effect accounting to the profit income before income taxes for the current consolidated fiscal year ending March 31, 2023 including the second quarter under review.

(Change in accounting policies)

Change to revenue recognition standards in the gas business

The sale of city gas involves contractual obligations to be delivered throughout the contract period. The performance obligation is fulfilled whenever the delivery is made. The Company had recognized revenue on the basis of the date of meter reading in accordance with the gas business accounting rules. The transitional measure rate regulations were lifted on October 1, 2021, at the Company, which carried out an absorption-type company split to transfer its gas pipeline business to Tokyo Gas Network Co., Ltd., a wholly-owned subsidiary of the Company, on April 1, 2022. The Company has ceased to be a general gas pipeline service provider as set forth in the gas business accounting rules due to the spin-off. Therefore, revenues associated with the sale of city gas are recognized on the basis of delivery, starting the three months ended June 30, 2022, by reasonably estimating the performance obligation that is fulfilled at the end of the term.

This change in accounting policies is retroactively applied, with the consolidated financial statements for the quarters of the fiscal year ended March 31, 2022, and for the fiscal year ended March 31, 2022, being applied the change retroactively.

As a result, net sales, gross profit, operating profit, ordinary profit and profit before income taxes for the six months ended September 30, 2021, decreased by ¥5,860 million each compared to before the retroactive application. Notes and accounts receivable - trade, and contract assets on the consolidated balance sheets of the fiscal year ended March 31, 2022, increased by ¥34,143 million, deferred tax assets decreased by ¥9,560 million, and retained earnings increased by ¥24,584 million. In addition, the beginning balance of retained earnings for the fiscal year ended March 31, 2022, has increased by ¥17,626 million as the cumulative effects were reflected in the net assets at the beginning of the fiscal year ended March 31, 2022.

(Changes in presentation)

Change of the basis of consolidated financial statements from gas business accounting rules to the Quarterly Consolidated Financial Statements Ordinance

As described in “(Change in accounting policies),” the Company ceased to be a general gas pipeline service provider as set forth in the gas business accounting rules on April 1, 2022. As a result, the Company’s quarterly consolidated financial statements, which had been prepared under the Ordinance on the Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements (“Quarterly Consolidated Financial Statements Ordinance”) and the gas business accounting rules until the final quarter of the fiscal year ended March 31, 2022, have been prepared under the Quarterly Consolidated Financial Statements Ordinance since the first-quarter period under review. Details of the main changes are as follows:

1. Quarterly consolidated balance sheets

- (1) While the fixed arrangement was adopted for the fiscal year ended March 31, 2022, the current arrangement has been adopted since the first-quarter period under review.
- (2) While property, plant and equipment were presented for each individual function for the fiscal year ended March 31, 2022, they have been presented for each individual type since the first-quarter period under review.

To reflect this change in presentation, the consolidated balance sheets for the fiscal year ended March 31, 2022, have been restated as follows.

(Million yen)

Before restatement (March 31, 2022)		After restatement (March 31, 2022)	
Property, plant and equipment		Property, plant and equipment	
Production facilities	218,956	Buildings and structures, net	338,517
Distribution facilities	578,394	Machinery, equipment and vehicles, net	892,515
Service and maintenance facilities	15,417	Tools, furniture and fixtures, net	14,484
Other facilities	630,786	Land	192,455
Inactive facilities	316	Leased assets, net	5,899

2. Quarterly consolidated statements of income

(1) Expenses pertaining to the supply of gas, which were included in selling, general and administrative expenses in the six months ended September 30, 2021, have been included in cost of sales in the six months ended September 30, 2022.

(2) Business miscellaneous costs incurred in association with the gas business and expenses related to incidental businesses were included in cost of sales in the six months ended September 30, 2021. In the six months ended September 30, 2022, however, they have been included in cost of sales or selling, general and administrative expenses according to the nature of the expenses.

To reflect this change in presentation, the quarterly consolidated statements of income for the six months ended September 30, 2021, have been restated as follows.

(Million yen)

Before restatement (From April 1, 2021, to September 30, 2021)		After restatement (From April 1, 2021, to September 30, 2021)	
Cost of sales	601,407	Cost of sales	705,702
Selling, general and administrative expenses	225,866	Selling, general and administrative expenses	121,527

Change in presentation of financial assets and financial liabilities due to recording of derivative transactions at fair value

The Group had presented financial assets and financial liabilities due to the recording of derivative transactions at fair value, which are posted under other current assets and other current liabilities and other investments and other non-current liabilities, on a gross basis on the consolidated balance sheets. However, deeming it will be able to present its financial condition more appropriately by offsetting financial assets and financial liabilities that meet the requirements set forth in the Practical Guidelines on Accounting Standards for Financial Instruments (Accounting Practice Committee Statement No. 14), the Group has changed the presentation method to offset the two accounting items, starting the second-quarter period under review. To reflect this change in presentation, the consolidated financial statements for the fiscal year ended March 31, 2022, have been restated, with the changes being as follows.

(Million yen)

Before restatement (March 31, 2022)		After restatement (March 31, 2022)	
Assets		Assets	
Other current assets	305,814	Other current assets	258,610
Other investments	100,916	Other investments	94,223
Liabilities		Liabilities	
Other current liabilities	433,777	Other current liabilities	386,573
Other non-current liabilities	113,004	Other non-current liabilities	106,310