

03/2027-
03/2029

NIPPON GAS CO., LTD.

Financial Results Briefing Materials for FY Ended In March 2026

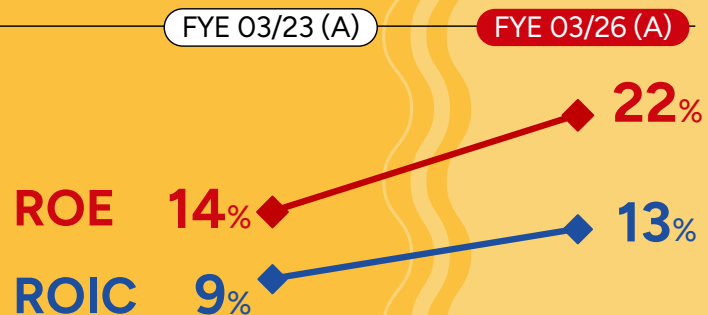
Three-Year Plan(FYE 03/27-FYE 03/29)



1. Three-Year Plan (FYE 03/27 – FYE 03/29) P.2-11

1-2. Business Section P.13-19

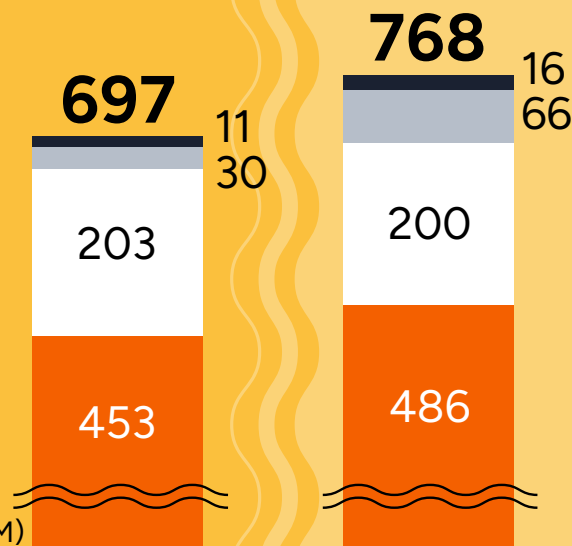
2. FYE 03/26 Results and FYE 03/27 Plan P.21-35



GP (Unit: ¥100M)

Breakdown of GP

- : PF
- : Electricity
- : City Gas
- : LP Gas



Total all of segment (¥100M)

Gross Profit (GP)	697	768
SG&A Expenses	546	555
Operating Income	151	213
Net Income	106	148
EPS	¥92.6	¥136.7

Progress against Plan (FYE 03/26)

	Initial Plan	Latest Plan	Actual
Operating Income	22.0 billion yen	20.0 billion yen	21.3 billion yen
ROE	22%	22%	22%
Equity Ratio	40%	40%	41%
(Excluding Accumulated Other Comprehensive Income*1 : 40%)			
Total Investment	38.5 billion yen	36.2 billion yen	33.2 billion yen
Shareholder Return	30.0 billion yen	30.0 billion yen	30.0 billion yen
	17.5 billion yen	20.9 billion yen	18.6 billion yen

*1 Mainly valuation difference on available-for-sale securities, etc.

*2 Based on board resolution

Changes in the External Environment

- ▶ Declining birth rates and an aging population, a decline in the number of households
- ▶ Reducing gas consumption due to global warming
- ▶ Labor shortages
- ▶ Inflation and interest rate hike
- ▶ Increasing geopolitical risks

The Role of NICIGAS

Realizing
2S+3E

- ▶ Safety
- ▶ Economic Efficiency
- ▶ Service Enhancement
- ▶ Energy Supply
- ▶ Environment

NICIGAS offers its customers the option of
Energy Optimization
(Solution)
in addition to Gas and Electricity



Customers



Stock market



Business partner

Service Evolution

1997

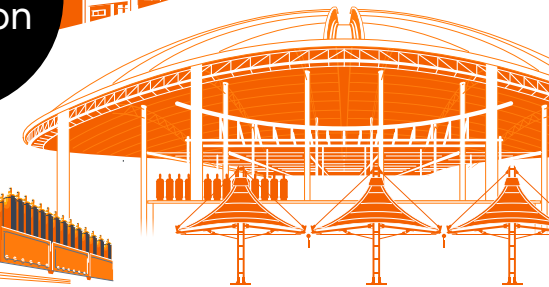
LP gas deregulation

2011

Capital and business alliance with One Equity Partners (OEP), a wholly owned subsidiary of JPMorgan Chase & Co.

2016

Electricity and City gas retail deregulation



Period of foundation and expansion

NICIGAS1.0

Providing LP gas and City gas services

NICIGAS2.0

Providing Comprehensive Energy services that combines gas and electricity

NICIGAS3.0

Providing Optimal Energy Utilization services with energy retail at core

What NICIGAS aims for

Stable and Secure Energy Supply

Contributing to the Local Community through Energy

Sustainable Development of the Industry

- Operational Optimization in the whole industry
- Improved Capital Efficiency

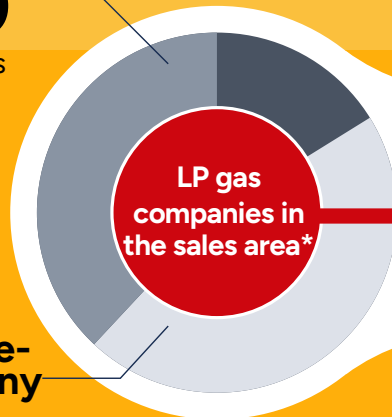
Solving industry issues by Market Consolidation and expanding Platform, centered on Energy Retail

- Fair Energy Price
- Optimal Energy Utilization

2030

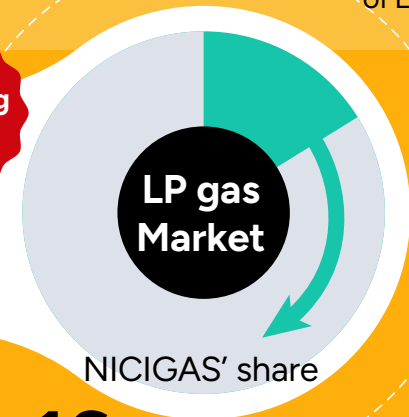
Execute with firm intention is in NICIGAS' DNA since its foundation

Ordinary retailers
c. **4,500** companies



Value Creation through M&A and market area acquisition

Generating Synergy



Enhancing the Utilization of Existing Infrastructure

- Service Enhancement
- Improved Capital Efficiency
- Operational Efficiency

Mid- to large-sized company
c. **100** companies



16% (Kanto region No.1)

*the seven prefectures of Kanto region, along with Nagano, Yamanashi, Shizuoka

NICIGAS will drive market consolidation leveraging DX infrastructure and M&A, committed to realizing both profit growth and shareholder return.

Track Record

17/3期

26/3期

Expanding
NICIGAS'
customer base

1.2
million customers



2.06
million customers

Steady
profit growth
(Operating
Income)

12.2
billion yen



21.3
billion yen

Enhancing
ROE

11%



22%

Robust FCF
generation

5.9
billion yen



21.0
billion yen

Consecutive
dividend increase

11.3^{*}
yen/share



103.0
yen/share

* Based on post-stock split

Value Creation Process

1

Completion of the infrastructure

The Company has completed a major upfront investment in logistics and IT infrastructure

2

Generating M&A synergies

M&A enhances existing infrastructure efficiency and profitability

3

Robust Cash Flow (CF) generation

Profit growth driven by M&A directly leads to robust CF generation

4

Balancing growth and high return

Achieving growth and high shareholder return through optimized Balance Sheet and generated CF

5

Solving industry issues

Expanding NICIGAS' Platform sharing will contribute to solving issues faced in the LP gas industry

NICIGAS builds an ecosystem to lead the consolidation of the LP gas industry by leveraging its five core strengths.

Streamlining End-to-End Operations through Digital Transformation Centered on AI

End-to-end logistics operations from import base to customer delivery

Size and Density of the Customer Base

The highest customer density in the Kanto region minimizes operating costs and delivers high profitability

Building Strategic Partnerships

Creating new value through co-creation with partners, such as Tokyo Electric Power Company (TEPCO) Group, while adapting to social changes

1

2

Providing Energy Optimization Services

Provides energy optimization service that transcends the boundaries between gas and electricity

4

Strict Capital Discipline and Commitment

Disciplined capital allocation and a commitment to shareholder return drive corporate value enhancement

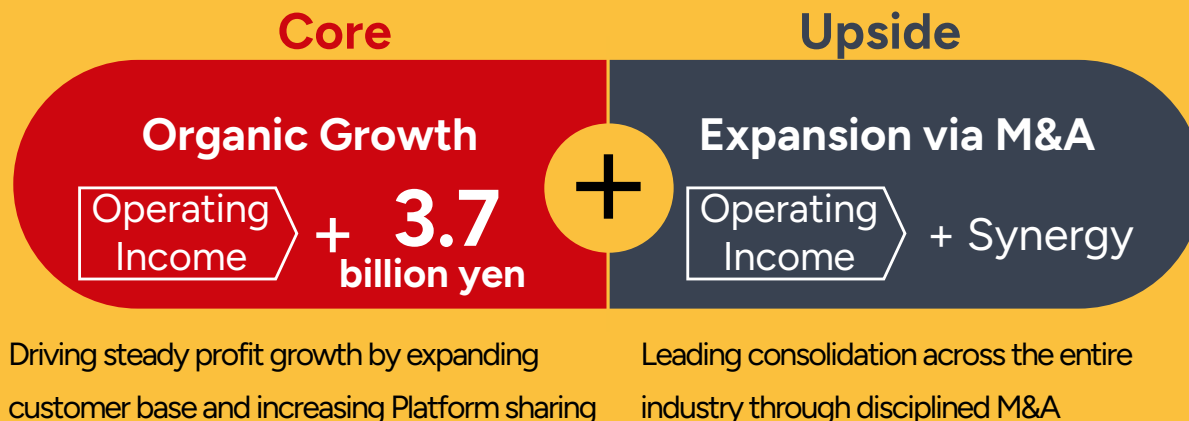
5

An ecosystem driving consolidation in the LP gas industry

Key Performance Indicators

	FYE 03/26 (A)	FYE 03/29 (P)
Operating Income	21.3 billion yen	25.0 billion yen
Net Income	14.8 billion yen	17.5 billion yen
EPS	136.7 yen	Over 165 yen
ROE	22%	Around 22%
ROIC	13%	Around 13%
Equity Ratio	41%	Around 40%

Business Strategy



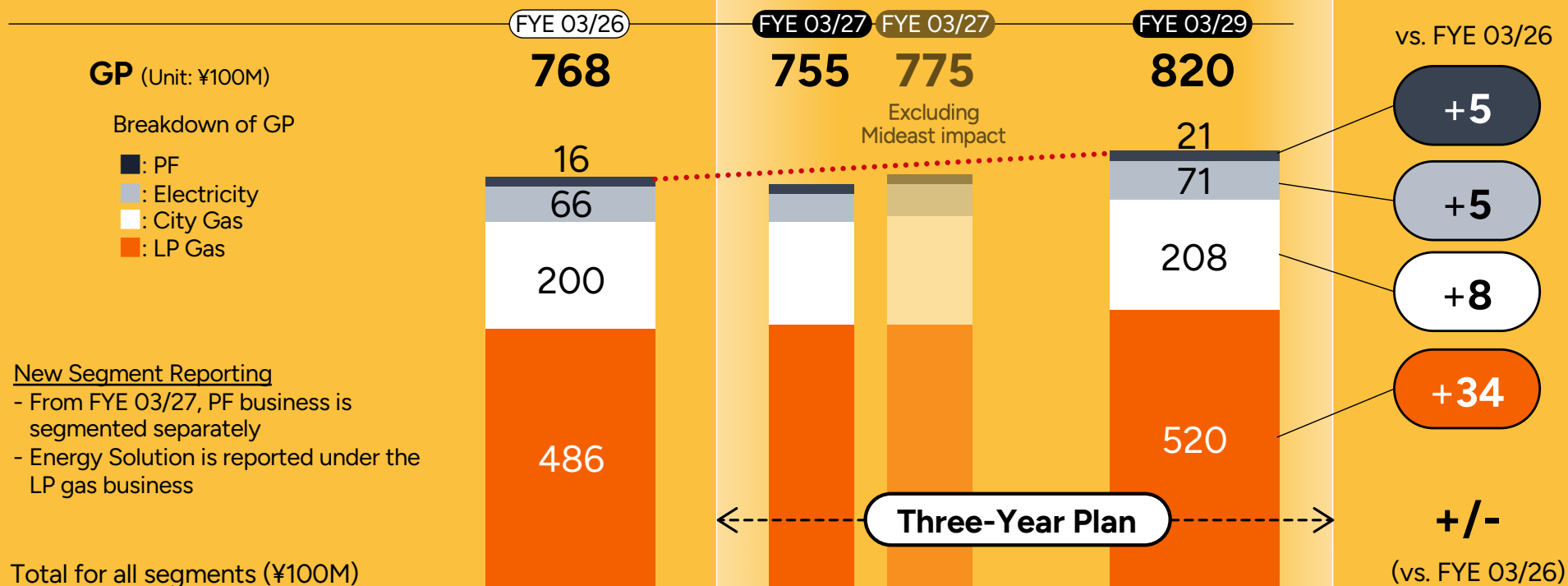
Capital Strategy and Shareholder Return

Will enhance shareholder return, while maintaining an optimal capital structure

	FYE 03/24 – FYE 03/26(A) (3 years)	FYE 03/27 – FYE 03/29(P) (3 years)
Dividend (Resolution-based)	30.0 billion yen	Over 36.0 billion yen
Share buyback	18.6 billion yen	Execute flexibly with an optimal capital structure

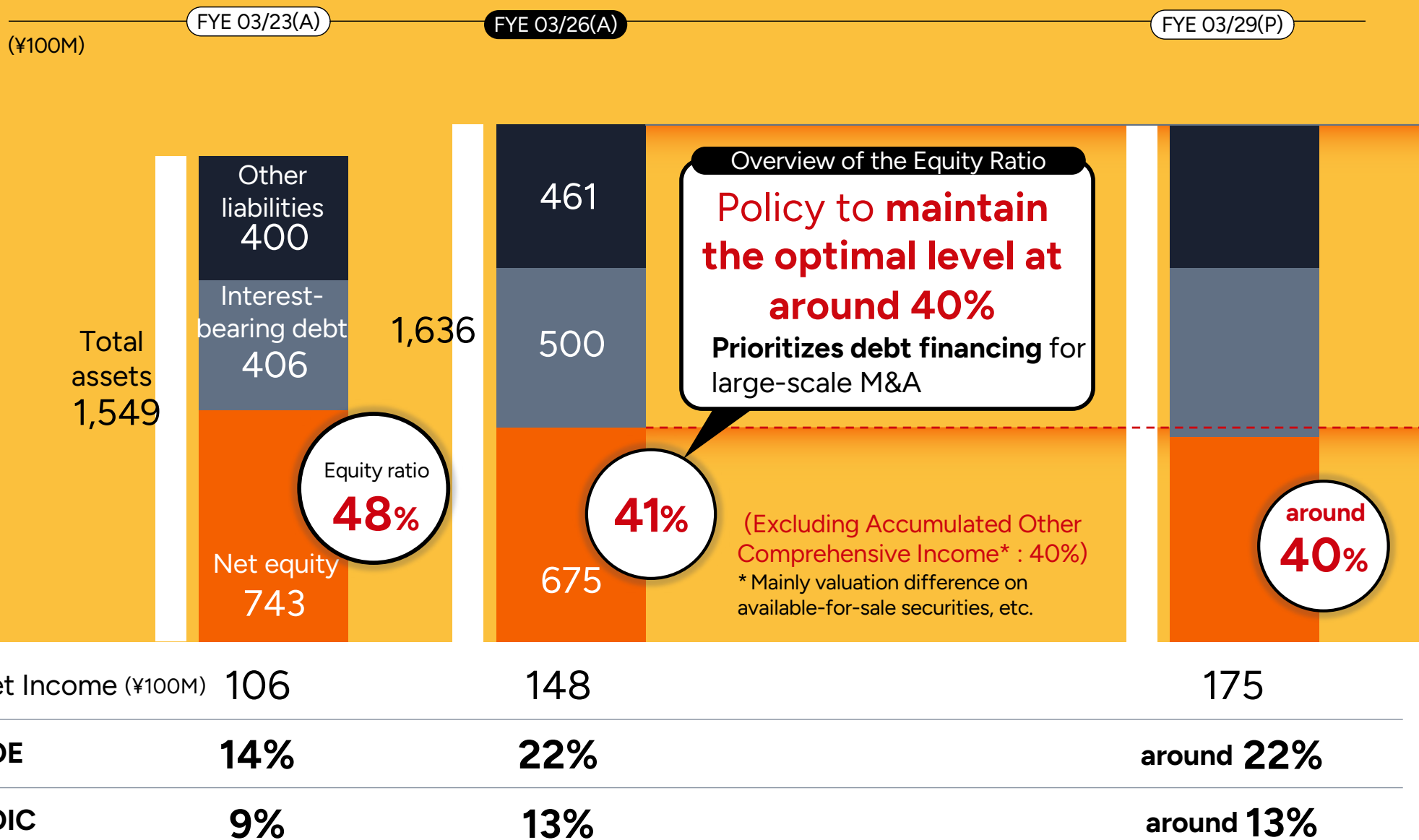
Three-Year Plan (FYE 03/27 – FYE 03/29): Details of the Profit Plan

Plans to achieve operating income of ¥25.0B in FYE 03/29 through organic growth.
Furthermore, aims synergies through M&A.

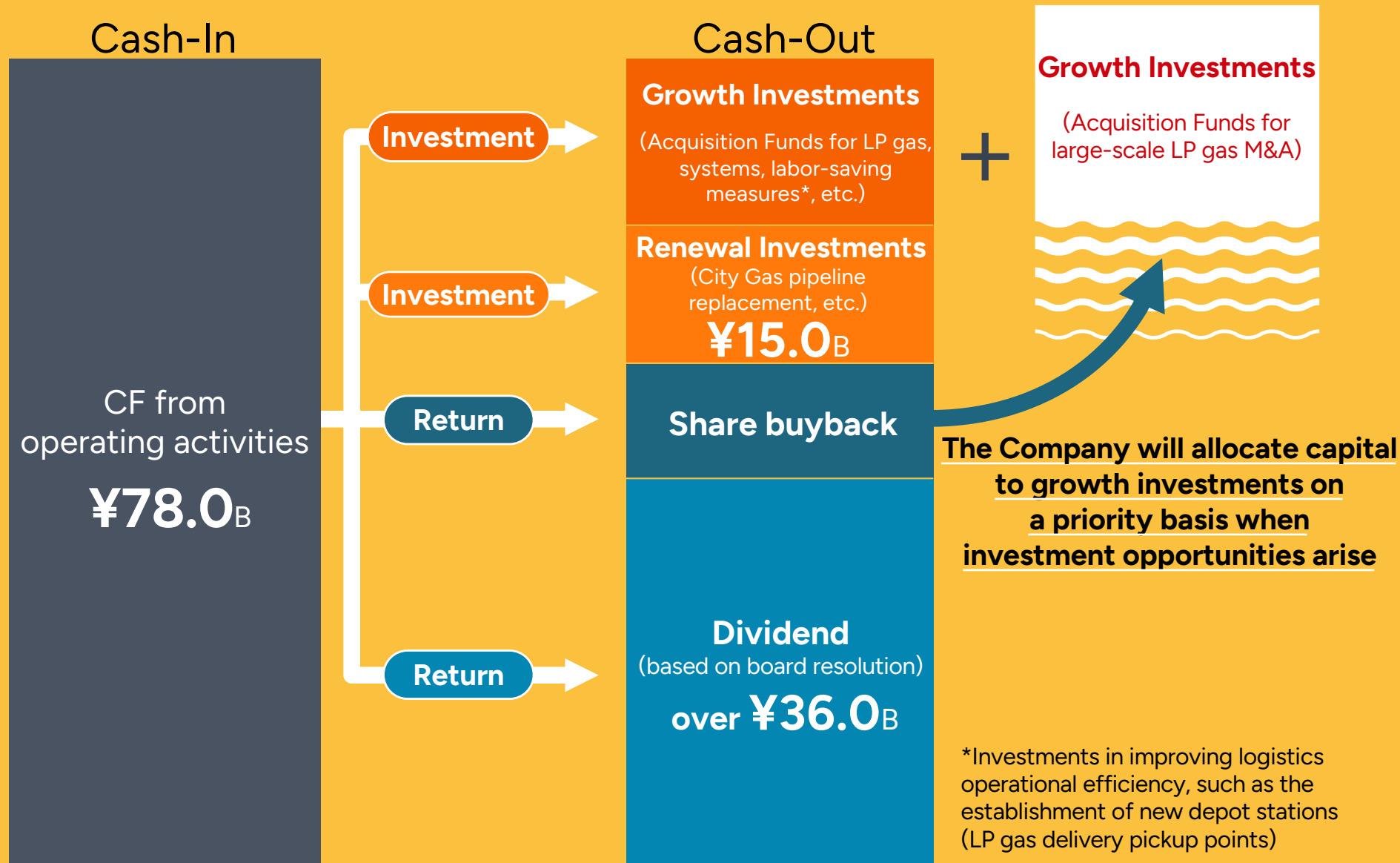


Gross Profit (GP)	768	755	775	820	+52
SG&A Expenses	555	555	555	570	+15
Operating Income	213	200	220	250	+37
Net Income	148	140	154	175	+27
ROE	22%			around 22%	
ROIC	13%			around 13%	

NICIGAS' policy is to maintain an equity ratio of around 40%. Enhances capital efficiency through consistent profit growth under an optimized capital structure.

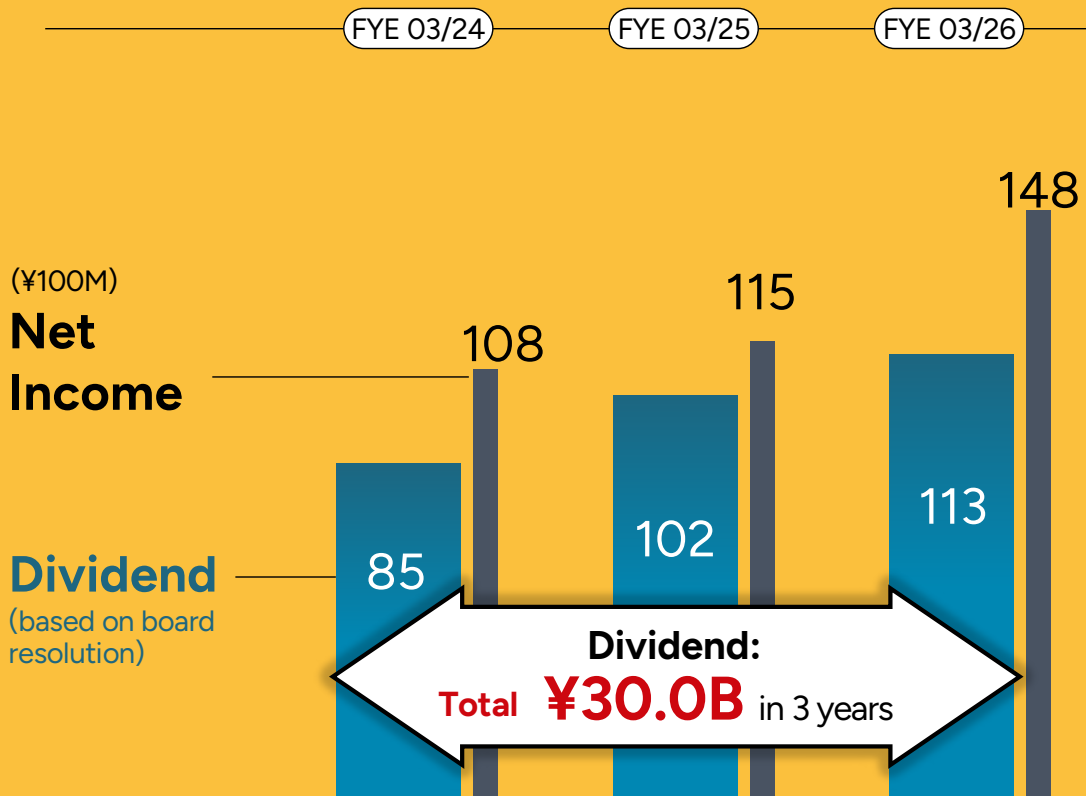


Basic Policy: Allocate Cash to **1) dividends**, **2) growth investments (including M&A)**, and **3) share buybacks**.
 From FYE 03/27 to FYE 03/29, the Company will balance both **high returns** and **aggressive growth investments**.
 Flexibly executes growth investments and share buybacks while prioritizing investment efficiency.



Three-Year Plan (FYE 03/27 – FYE 03/29): Shareholder Return

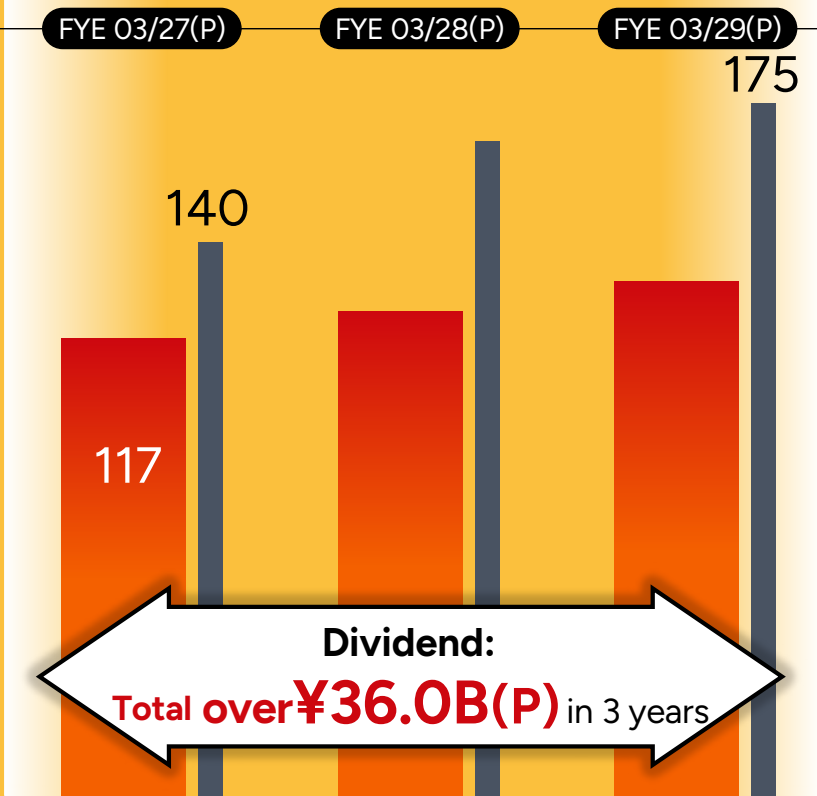
Enhancing shareholder return, **focusing on dividend**, under a policy of maintaining not holding unnecessary shareholders' equity. NICIGAS achieves sustainable high dividends as follows: 1) substantial room for customer base expansion with minimal Capex, 2) generating stable CF.



Dividend/share **¥75.0** **¥92.5** **¥103.0**

Share buyback **¥5.9B** **¥6.0B** **¥6.7B**

Including Share buyback for Capital optimization



¥110.0 >>> Increase gradually >>>

Flexibly executes policy aiming to maintain a 40% equity ratio >>>

1. Three-Year Plan (FYE 03/27 – FYE 03/29) P.2-11

1-2. **Business Section** P.13-19

2. FYE 03/26 Results and FYE 03/27 Plan P.21-35

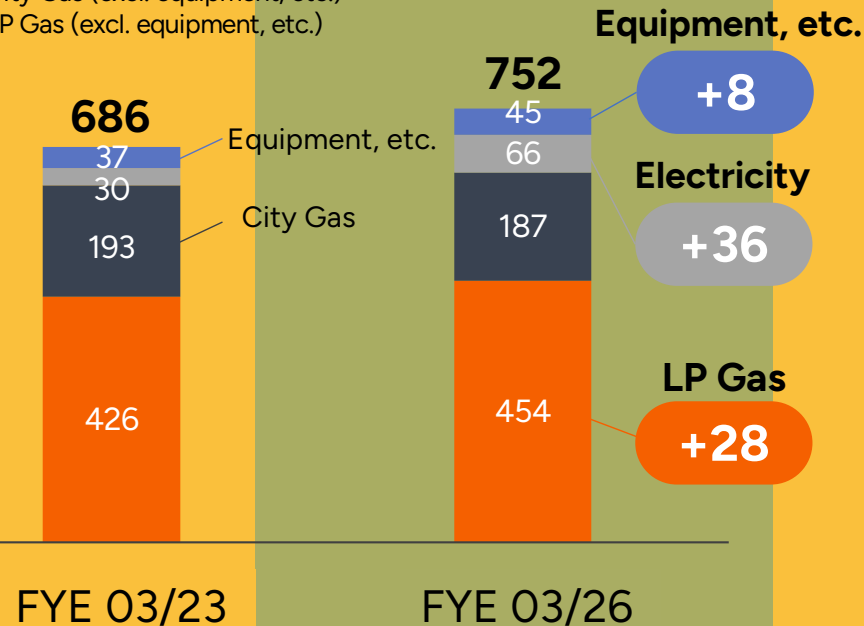
An increase in LP Gas and Electricity customers has driven gross profit growth. Under the new Three-Year Plan, NICIGAS will drive profit growth by enhancing equipment sales and energy solution, in addition to LP Gas.

Breakdown of Energy Retail Gross Profit (vs. FYE 03/23)

Prev. Three-Year Plan

Breakdown of GP (¥100M)

- : Equipment, etc. (equipment, construction, plumbing & remodeling services, etc.)
- : Electricity
- : City Gas (excl. equipment, etc.)
- : LP Gas (excl. equipment, etc.)

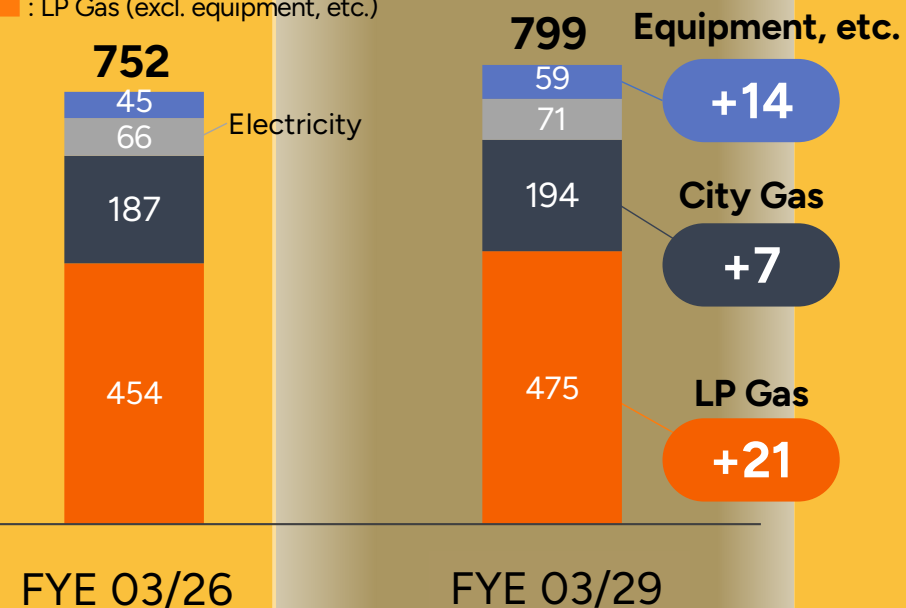


Breakdown of Energy Retail Gross Profit (vs. FYE 03/26)

New Three-Year Plan

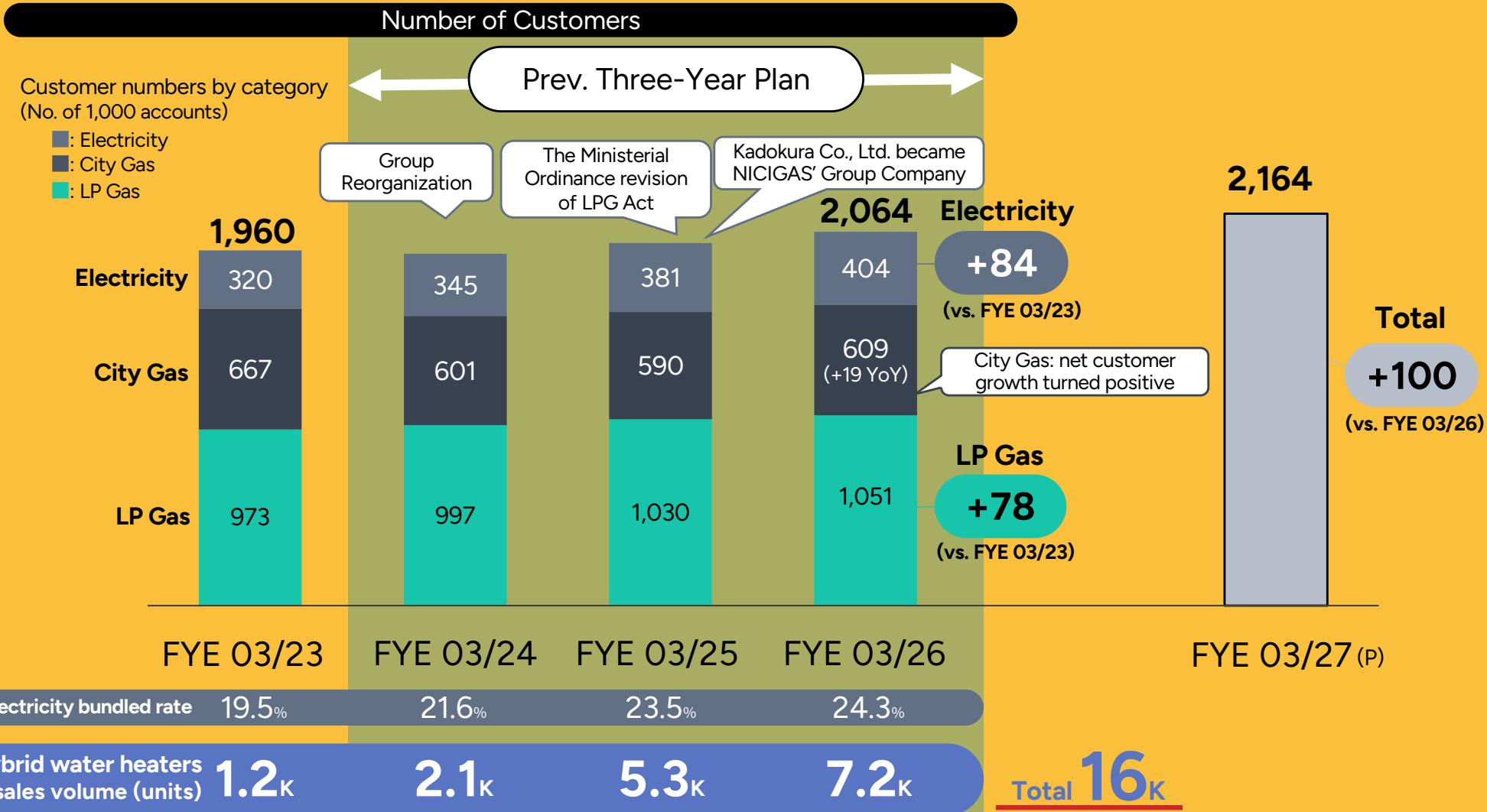
Breakdown of GP (¥100M)

- : Equipment, etc. (equipment, construction, plumbing & remodeling services, etc.)
- : Electricity
- : City Gas (excl. equipment, etc.)
- : LP Gas (excl. equipment, etc.)



Energy Retail Business: Number of Customers

Total customer numbers surpassed 2 million in FYE 03/25, and City Gas net customer growth turned positive in FYE 03/26. NICIGAS aims to expand its total customer base by 100K in FYE 03/27.



Driving customer acquisition in high-potential markets through enhanced digital touchpoints and establishment of the Chubu Branch. Strengthens plumbing & remodeling services and optimal energy use by community partnerships and equipment sales.

Location-based Sales Strategy

2

April 2026

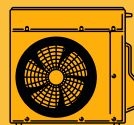
Establishment of the Chubu Branch

In three prefectures (Yamanashi, Nagano, Shizuoka):

- LP Gas households **1.57M** users
- NICIGAS Market Share **5%**

Community partnerships

- Verdy Gas Electricity Plan (football)
- Brex Gas Electricity Plan (basketball)
- Bears Gas Electricity Plan (baseball)
- Pet Community

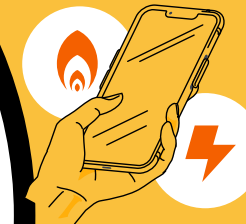


Initiatives to expand the customer base

1

Strengthening Digital Marketing

- Applications via Web
- Shopping channels



3

Evolution in service

- E&G bundled rate **24%**
- Hybrid water heaters
- Total **16K** units sold
- Optimal energy use
- Plumbing & remodeling services

Market consolidation is accelerating against the backdrop of issues such as labor shortages and inflation. Aims to increase market share and profitability by promoting industry-wide efficiency through strategic M&A and Platform.

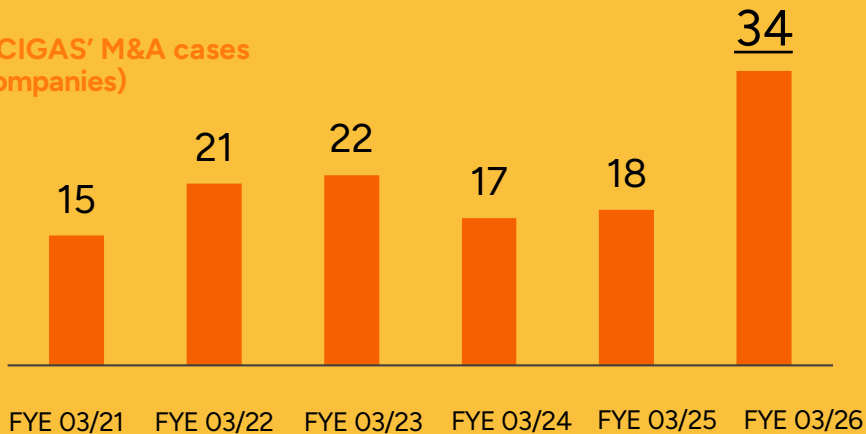
LPG Companies in the Kanto region / NICIGAS' M&A cases

LPG Companies in Kanto region ('000 companies)

- Labor shortages
- Aging infrastructure & Low operating rate
- Reduction in usage/customer

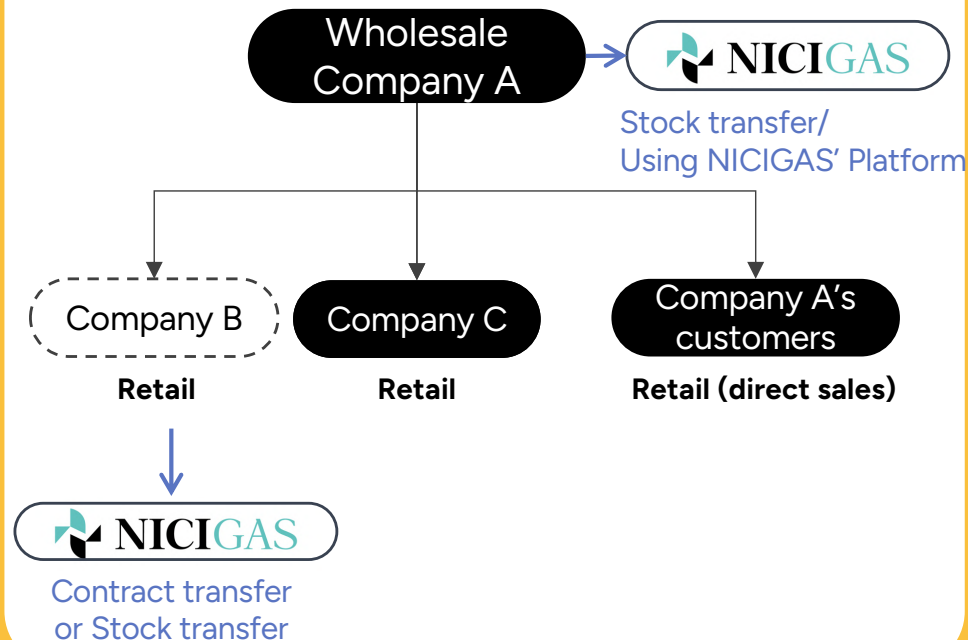


NICIGAS' M&A cases (companies)



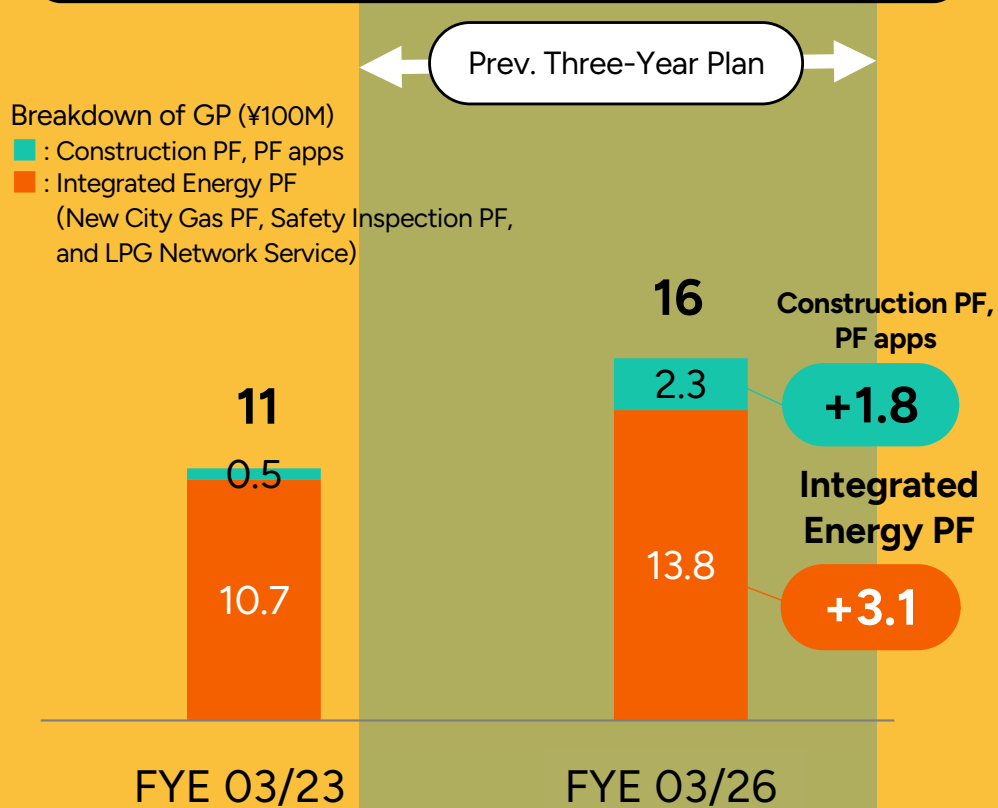
Total M&A over the past 6 years c. **30K** cases / total **127** companies

Market Consolidation in the LP gas industry



The number of companies using NICIGAS' Platform (PF) has expanded to c. 60 companies, with c. 20 utilizing LPG Network Service. NICIGAS aims to drive revenue growth through expanding PF user base and enhancing its features.

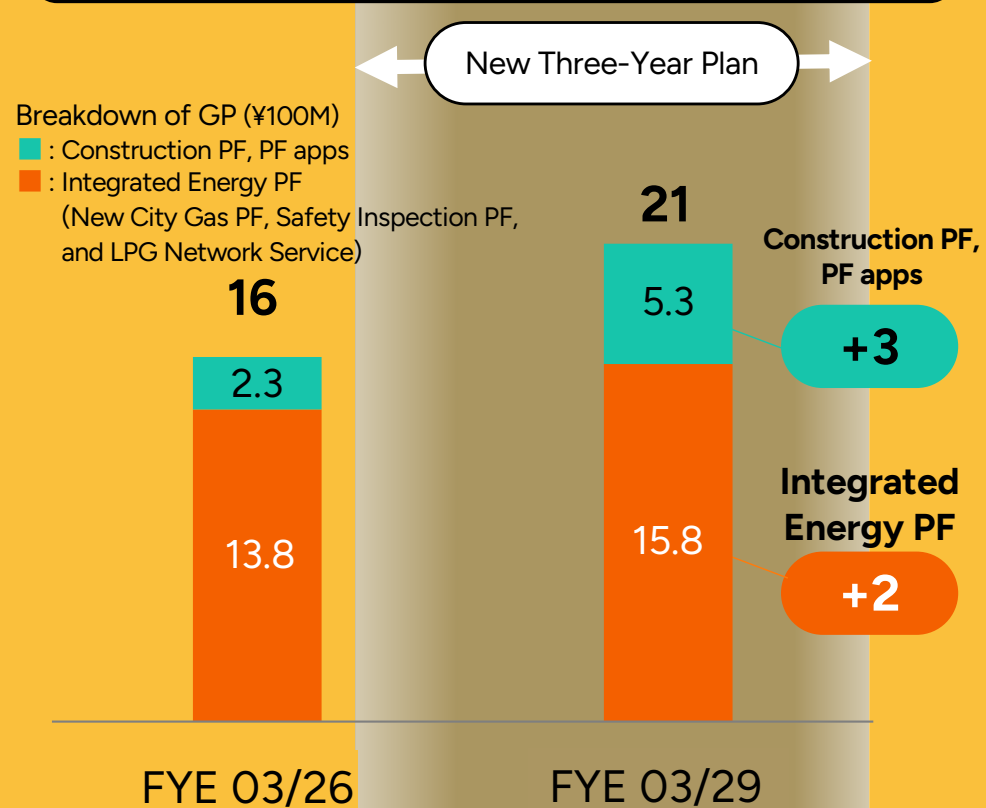
Breakdown of Platform (PF) Gross Profit (vs. FYE 03/23)



Number of companies using PF c. **60** companies

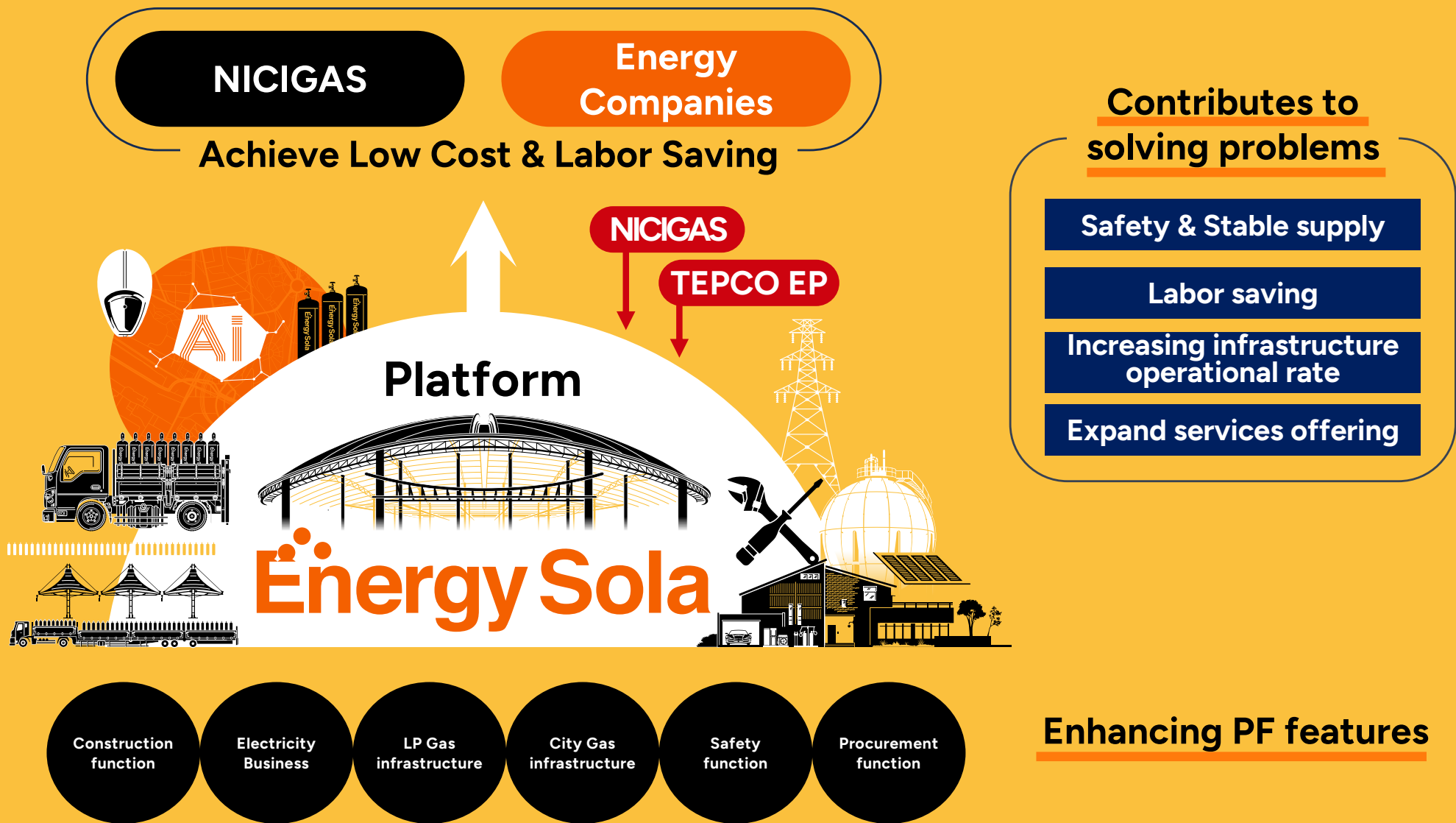
Number of companies using LPG Network Service c. **20** companies (incl. Space Hotaru)

Breakdown of Platform (PF) Gross Profit (vs. FYE 03/26)



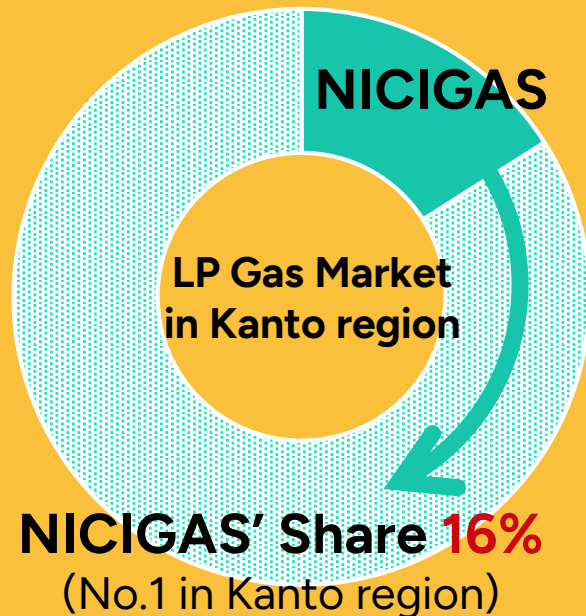
*Integrates New City Gas PF, Safety Inspection PF, and LPG Network Service as Integrated Energy PF

By sharing NICIGAS' infrastructure with other companies, NICIGAS aims to solve industry-wide issues such as labor shortages and low operating rate. Boosts infrastructure profitability via partnerships and enhancing Platform (PF) features.



Accelerating infrastructure sharing by leveraging strengths cultivated in retail competition. Contributes to local communities by leading industry-wide optimization and consolidation while expanding co-creation with other companies.

Strengthening acquisition in retail competition



Accelerating
Market Consolidation



Expanding
Platform Sharing

The framework of collaboration



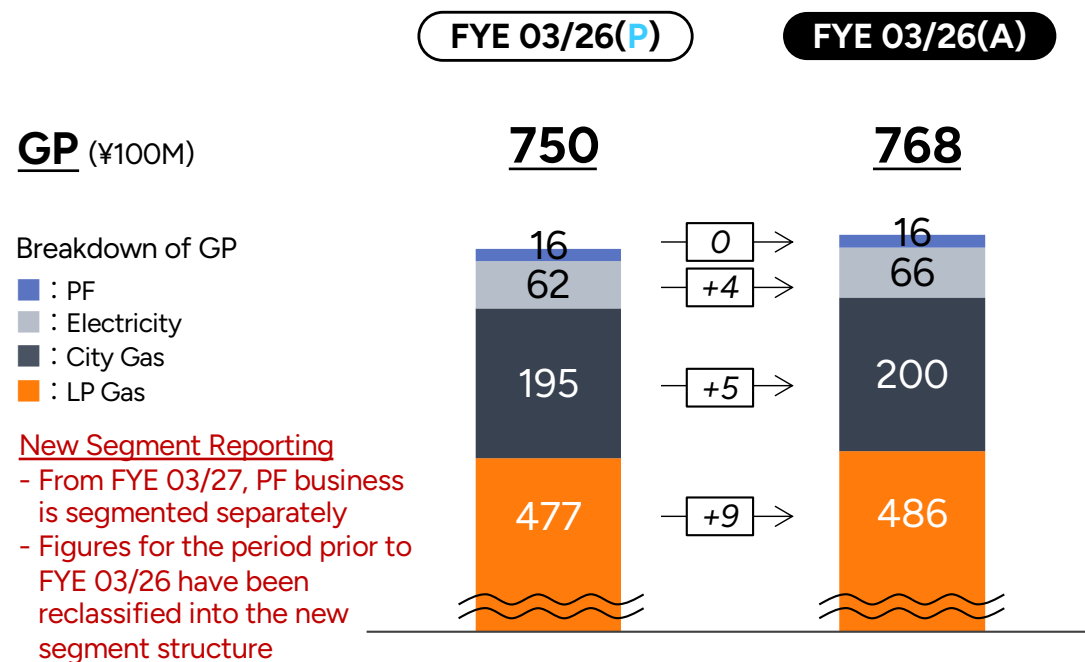
Expands infrastructure sharing to optimize the entire industry

1. Three-Year Plan (FYE 03/27 – FYE 03/29) P.2-11

1-2. Business Section P.13-19

2. **FYE 03/26 Results and FYE 03/27 Plan** P.21-35

Operating income was ¥21.3B (+7% vs. plan). Gross profit increased, and SG&A expenses controlled almost in line with the plan. Achieved ROE 22% through expanding net income growth and capital structure optimization.



Key Points

() against plan, and unit is in ¥100M

+18 vs. plan

Electricity (+4)

- Margin improved as procurement costs was below the plan, driven by positive impact such as fuel cost adjustment
- Sales volume grew

City Gas (+5)

- Raw material price increased at a moderate pace compared to the Company's estimates
- Equipment sales grew

LP Gas (+9)

- Gas sales volume and margin exceeded estimates
- Equipment sales grew

(¥100M)	FYE 03/26(P)	FYE 03/26(A)	+/-
Gross Profit (GP)	750	768	+18
SG&A Expenses	550	555	+5
Operating Income	200	213	+13
Net Income	140	148	+8
EPS	¥129.6	¥136.7	+¥7.1
ROE	22%	22%	0%

SG&A Expenses

- Controlled costs almost as planned by offsetting increased personnel cost with controlled cost to acquire and operational efficiency

Net Income

- +6% vs. plan. Achieved record-high for five consecutive periods

Targeting ¥20.0B in operating income. While factoring in the -¥2.0B impact of rising raw material prices due to escalating tensions in the Mideast, NICIGAS will establish a solid foundation of growth by expanding its customer base, primarily in LP Gas.

FYE 03/26(A)

Key points of FYE 03/27

() vs. FYE 03/26, and unit is in ¥100M

-13 vs. FYE 03/26

FYE 03/27(P)

Excluding the impact of the Mideast

GP (¥100M)

768

Organic growth: **+7**

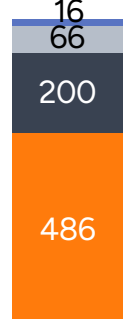
Impact of the Mideast: **-20**

755

775

Breakdown of GP

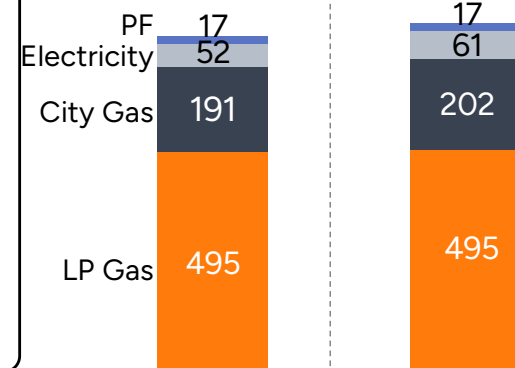
- : PF
- : Electricity
- : City Gas
- : LP Gas



- PF (+1)**
- Electricity (-5)**
- Fuel cost adjustment had a positive impact for FYE 03/26
- City Gas (+2)**
- Will increase by customer growth
- LP Gas (+9)**
- Gas margin will improve
- Will increase equipment sales

+

- Electricity (-9)**
- Incorporates the estimated rise in fuel cost
- City Gas (-11)**
- Incorporates the impact of rising raw material costs



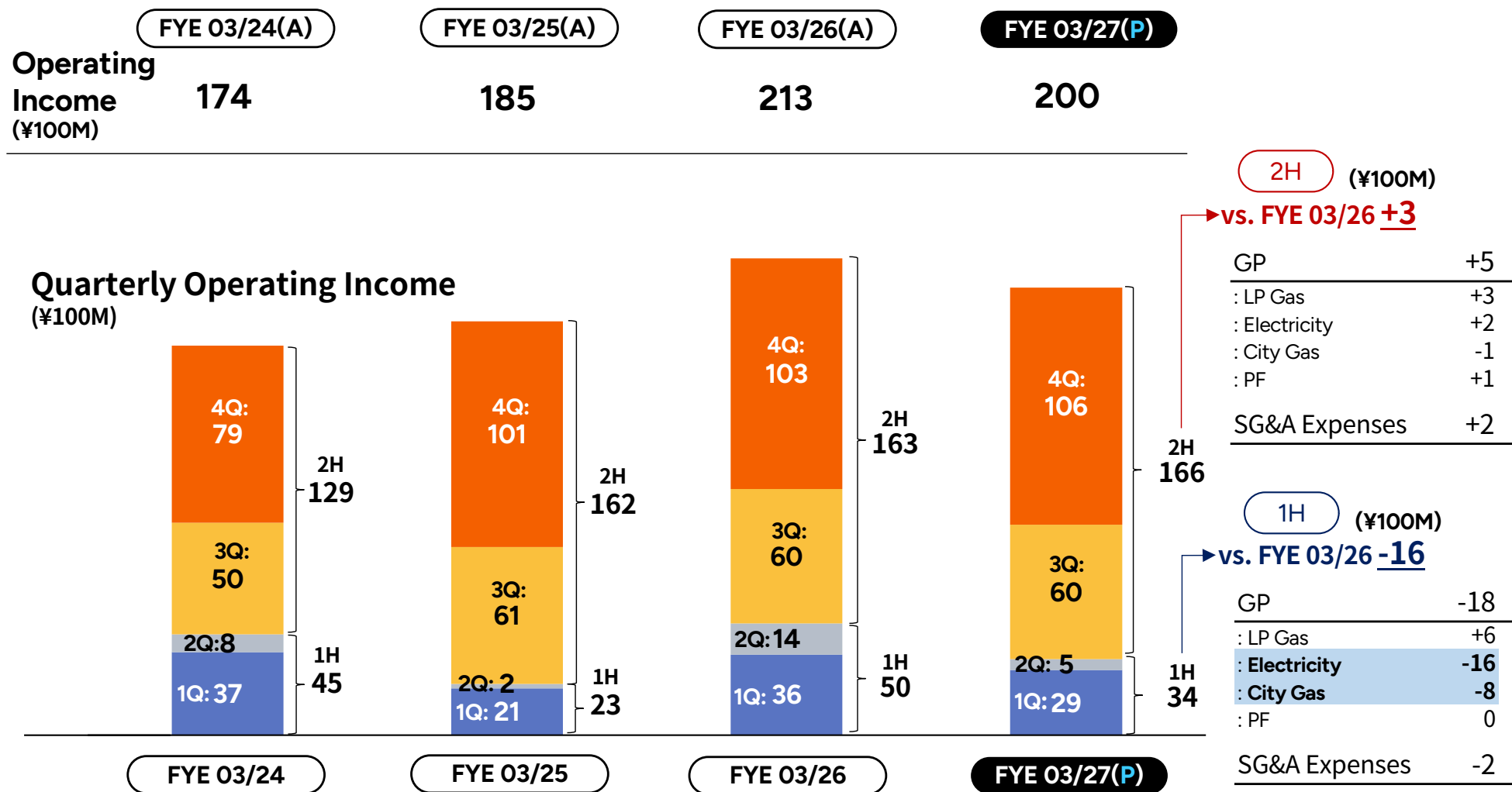
New Segment Reporting

- From FYE 03/27, PF business is segmented separately
- Figures for the period prior to FYE 03/26 have been reclassified into the new segment structure

(¥100M)	FYE 03/26(A)	FYE 03/27(P)	+/-	Excluding the impact	Detailed Profit Plan	FYE 03/26(A)	FYE 03/27(P)
Gross Profit	768	755	(13)	775	LP Gas residential margin (¥/kg)	231	232
SG&A Expenses	555	555	0	555	CP average price (US\$/t)	560	720
Operating Income	213	200	(13)	220	Average exchange rate (¥/US\$)	151	160
Net Income	148	140	(8)	154	Electricity margin (¥/kWh)	3.8	2.9
EPS	¥136.7	¥132.3	-¥4.4	¥145.5	LNG CIF average price (JPY '000/t)	86	141
					Average temperature (°C)	17.4	17.0

Operating Income Forecast for FYE 03/27

Factored in the slide impact of rising energy prices on Electricity Gross Profit (GP) and City Gas GP, and projects a ¥1.6B decrease in the 1H of 03/27 vs. 1H of 03/26.



Ensures long-term stable procurement while minimizing the risk from cost fluctuations.

Proactively manages the impact of raw material price fluctuations on profit through agile actions.

LP Gas

NICIGAS' procurement

- Supplier: Oil wholesaler/ trading company
⇒ **Diversified procurement** from about 10 suppliers

Impact of raw material price fluctuations on profit

- Residential: **Minimal impact on profit due to price adjustment**
- C&I: Retail price is linked to raw material price, **resulting in a time lag impact**

Slide time lag (C&I)

Raw material price	Impact on Profit
Downward phase	⇒ Negative impact
Upward phase	⇒ Positive impact

Raw Materials Price Index

- Contract Price (CP), Mont Belvieu price (MB), Exchange rate

Electricity

NICIGAS' procurement

- Supplier: Tokyo Electric Power Company (TEPCO) Group
⇒ **Stable procurement through 100% bilateral contract based on long-term contract**

Impact of raw material price fluctuations on profit

- Responding with fuel cost adjustment, **resulting in a time lag impact**
- Short-term impact on profit, **Minimal impact on profit in long-term**

Slide time lag

Raw material price	Impact on Profit
Downward phase	⇒ Positive impact
Upward phase	⇒ Negative impact

Raw Materials Price Index

- CIF price (LNG, crude oil, coal), Exchange rate

City Gas

NICIGAS' procurement

- Supplier: Tokyo Electric Power Company Holdings, Inc., etc.
⇒ **Stable procurement through long-term contract**

Impact of raw material price fluctuations on profit

- Responding with raw material cost adjustment system, **resulting in a time lag impact**
- Short-term impact on profit, **Minimal impact on profit in long-term**

Slide time lag

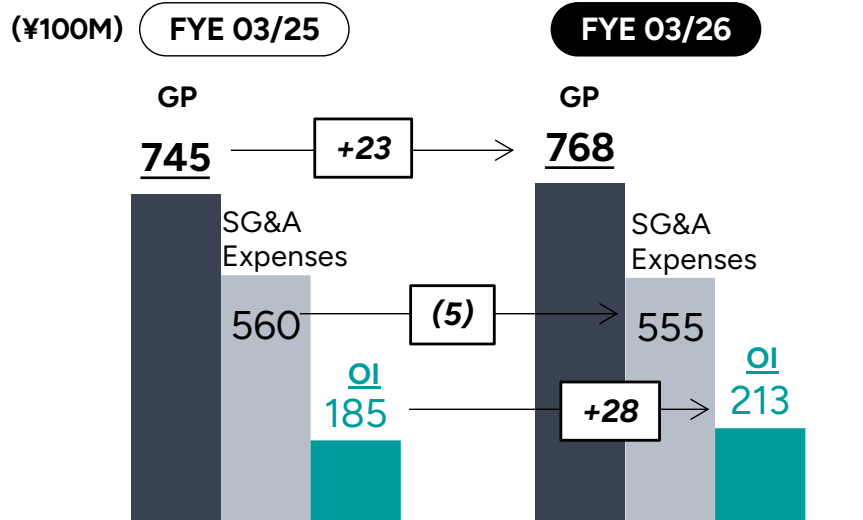
Raw material price	Impact on Profit
Downward phase	⇒ Positive impact
Upward phase	⇒ Negative impact

Raw Materials Price Index

- CIF price (LNG), Exchange rate

Operating income increased significantly (+15% YoY). Steadily increased profits through expanding the customer base with securing stable energy supplies. Improved ROE to 22% and increased EPS by +31% YoY (from ¥104.5 to ¥136.7) through optimizing capital structure.

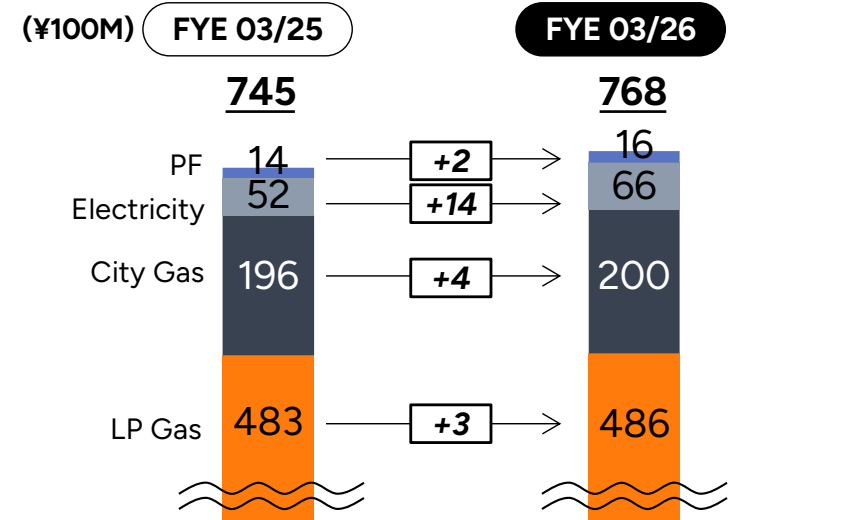
Gross Profit (GP)/SG&A Expenses/ Operating Income (OI)



	FYE 03/25	FYE 03/26
Net Income (¥100M)	115	148
Shareholder Return* (¥100M)	162	180
EPS	¥104.5	¥136.7
ROE	17%	22%

* based on board resolution

Breakdown of GP



*Figures rounded down to the nearest integer
 *Disclosed after reclassifying into new segment

Sales Volume	FYE 03/25	FYE 03/26
LP Gas ('000t)	287	287
City Gas ('000t)	344	338
Electricity (GWh)	1,587	1,723

Financial Results SG&A Expenses

In FYE 03/26, SG&A expenses was ¥55.5B (+1% vs. plan) almost in line with the plan.

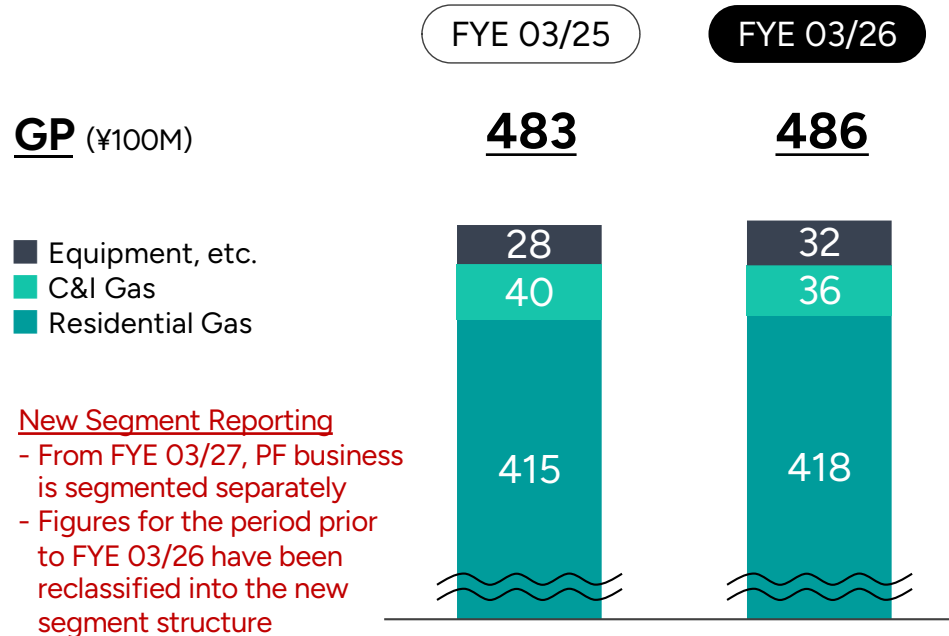
For FYE 03/27, plans ¥55.5B, reducing increase in expenses from inflation through improving operational and cost efficiencies.

*Figures rounded down to the nearest integer. Compared to FYE 03/26 results is calculated after adjusting to ¥100M units

Breakdown of SG&A Expenses (¥100M)	FYE 03/26		FYE 03/27 (P)	vs. FYE 03/26(A)	Key Points	FYE 03/25 FY (A)
	(P)	(A)				
1. Personnel Cost	148	151	155	+4	- FYE 03/27: Will increase investment in human capital	141
2. D&A Expenses ^{(*)i}	82	82	82	0		83
3. Cost to Acquire ^{(*)ii}	50	48	48	0	- FYE 03/26: Has expanded the customer base, focusing on detached houses, while streamlining customer acquisition costs	64
4. IT Related Expenses	44	44	41	(3)	- FYE 03/27: Certain expenses were reclassified to cost of sales due to the segment classification of the Platform business	49
5. Commission, etc. ^{(*)iii}	48	50	50	0		48
6. Gas Related Equipment, etc.	36	35	32	(3)	- FYE 03/27: Will reduce the number of new purchase of cylinders through optimal cylinder utilization	36
7. Cost to Deliver LP Gas Cylinders	34	33	35	+2	- FYE 03/27: Will increase investment aimed at securing and retaining delivery personnel	33
8. Repair Expenses ^{(*)iv}	20	24	22	(2)	- FYE 03/26: Increased in equipment maintenance/repairs related to security reinforcement	19
9. Tax	20	21	21	0		20
10. Communication Cost ^{(*)v}	11	11	12	+1		11
11. Advertising Expenses	11	10	12	+2	- FYE 03/27: Will plan a website revamp to boost online applications and to increase brand awareness via TV commercials, etc.	9
12. Travel Expenses	7	7	7	0		7
13. Call Center	5	5	5	0		6
14. Others	34	34	33	(1)		34
Total	550	555	555	0		560

(*)i D&A expenses for IT are included in "4. IT Related Expenses", and amortization of goodwill is included in "14. Others" (*ii) The amount of expenses for sales and services for LP Gas, City Gas, and Electricity business (*iii) Integrated cost for "safety inspection, meter reading, etc." into "5. Commission, etc." from FYE 03/24 (*iv) For repairing gas cylinders, gas equipment, etc. and cylinder inspection cost (*v) For communication with customers and telecommunication cost of Space Hotaru

Gross profit increased (+1% YoY). Residential gas sales volume grew due to increase in customers. While, for C&I, margin shrunk affected by raw material price. Sales of hybrid water heaters increased.



Key Points

() vs. FYE 03/25, and unit is in ¥100M

+3 YoY

Equipment, etc. (+4)

- Sales of energy-saving gas appliances, such as hybrid water heaters, increased

C&I Gas (-4)

- Margin shrunk affected by raw material price

Residential Gas (+3)

- Gas sales volume grew due to customer growth
- Margin was flat YoY

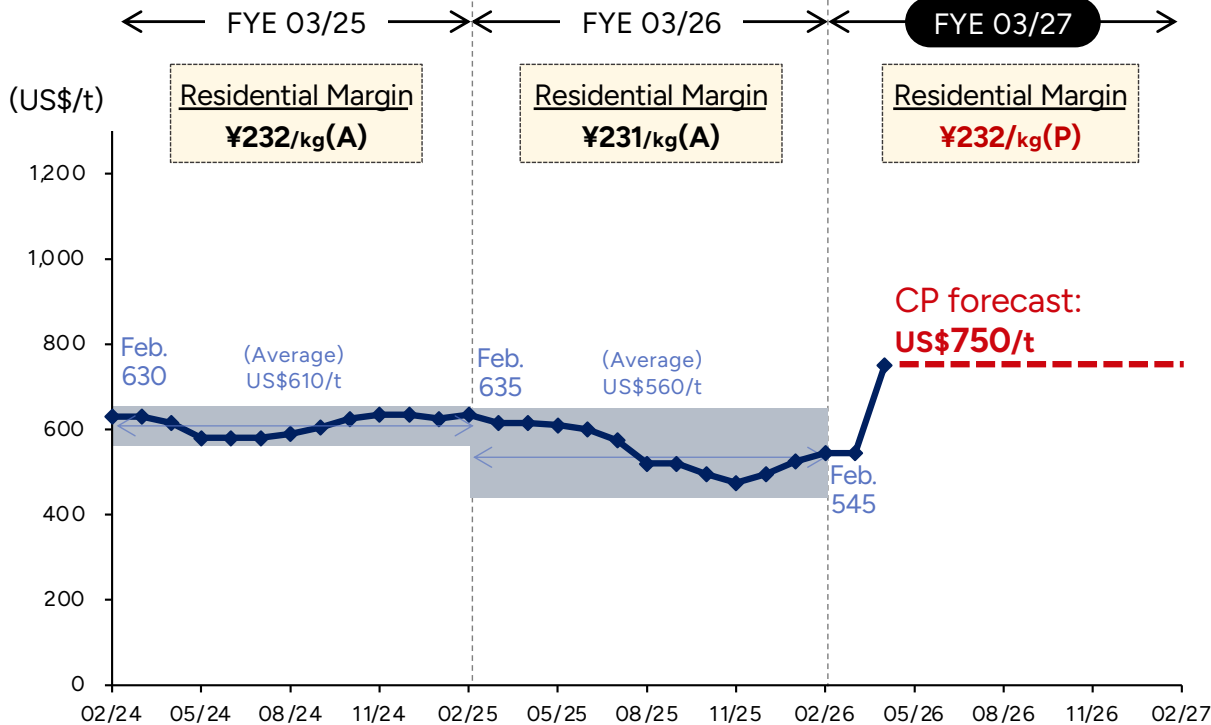
		FYE 03/25	FYE 03/26	+/-
Margin (¥/kg) (Residential + C&I)		¥159	¥158	-¥1
Gas sales volume ('000t)	Residential	178	181	+3
	C&I	109	106	(3)
# of total customers ('000)		1,030	1,051	+21
Hybrid water heaters (units)		5.3K	7.2K	+1.9K

of total customers

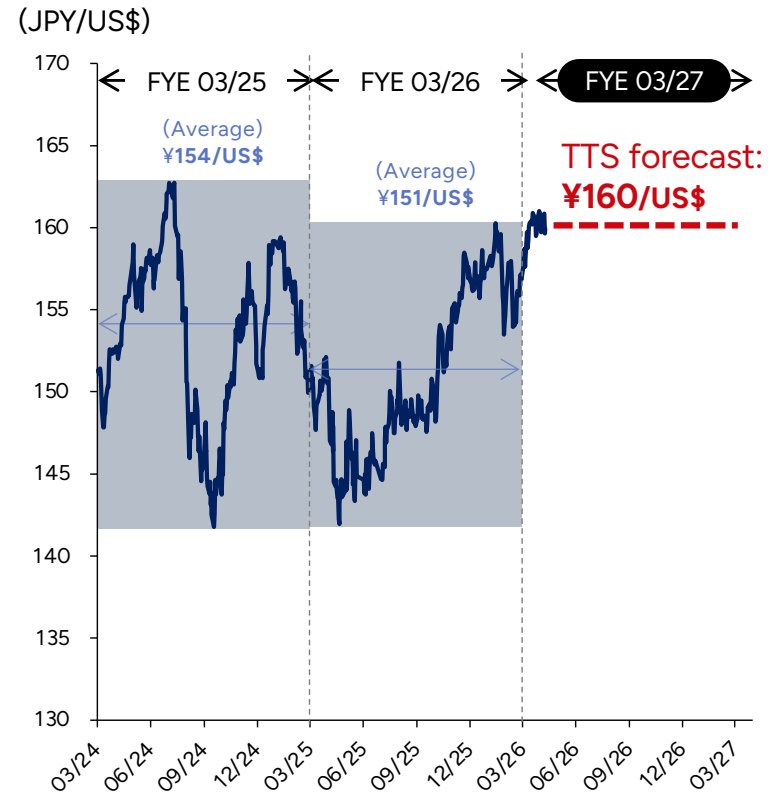
- Customer base expanded mainly in detached houses
- M&A: 3.2K customers/34 companies

Raw material price (CP) rose to US\$750/t in April. For FYE 03/27, assumes CP is US\$750/t and Exchange rate is ¥160/US\$. Ensures stable residential margin by appropriately adjusting retail prices in response to raw material price fluctuations.

LP Gas Raw Material Price (CP)



Exchange Rate (TTS)



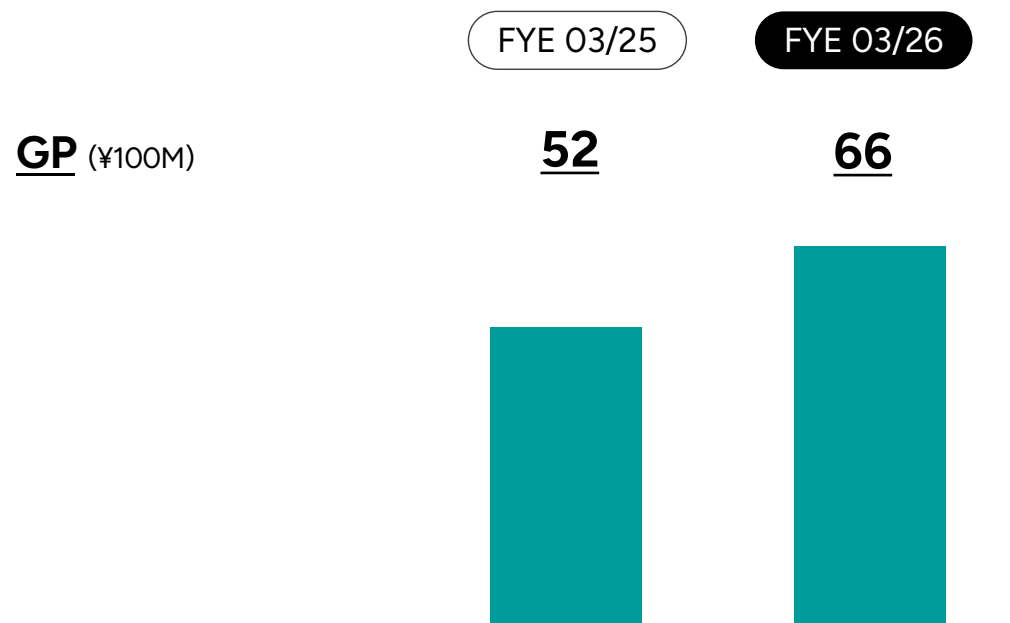
(US\$/t)	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
2024	620	630	630	615	580	580	580	590	605	625	635	635
2025	625	635	615	615	610	600	575	520	520	495	475	495
2026	525	545	545	750								

*Highlighted CP made up COGS through FYE 03/26

* CP makes up COGS after about 2-3 months

*Cost pass-through with almost no time lag can be possible (except some menus with certain terms and conditions)

Gross profit grew significantly (+27% YoY). Fuel cost movement had a positive impact on profit margins.
Sales volume increased due to customer growth (+9% YoY).



Key Points

() vs. FYE 03/25, and unit is in ¥100M

+14 YoY

Improved margin (+9)

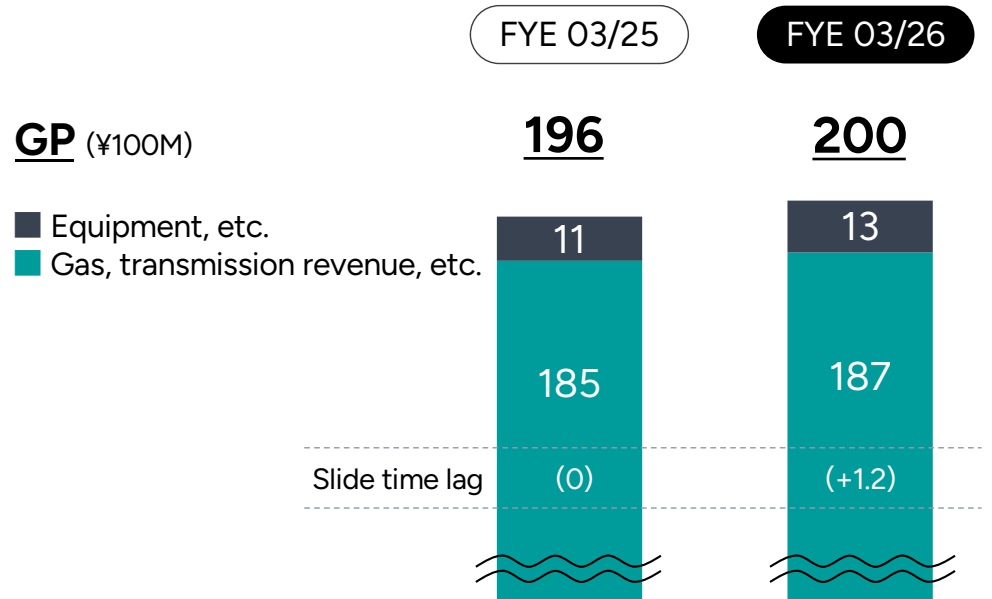
- Fuel cost movement had a positive impact
- Additional procurement costs in FYE 03/25 impacted profits

Increase in sales volume (+5)

- Grew due to customer growth. Expanding customer base through applications via the web and community-based sales

	FYE 03/25	FYE 03/26	+/-
Margin (¥/kWh)	3.3	3.8	+0.5
Sales volume (GWh)	1,587	1,723	+136
# of total customers ('000)	381	404	+23
E&G bundled rate	23.5%	24.3%	+0.8%

Gross profit rose (+2% YoY) due to higher residential gas sales volume. Net customer growth was +19K, returning to net growth for the first time in four years.



Key Points

() vs. FYE 03/25, and unit is in ¥100M

+4 YoY

Equipment, etc. (+2)

- Increased sales of energy-saving gas appliances, including the hybrid water heaters

Gas (+2)

- Residential sales volume increased due to customer growth
- C&I margin expanded by improving profitability

Slide time lag

- +1.2 (¥100M)

C&I gas sales volume

- Impact from decrease in bidding deals and progress of energy-saving of equipment

of total customers

- Net customer growth turned positive for the first time since FYE 03/22

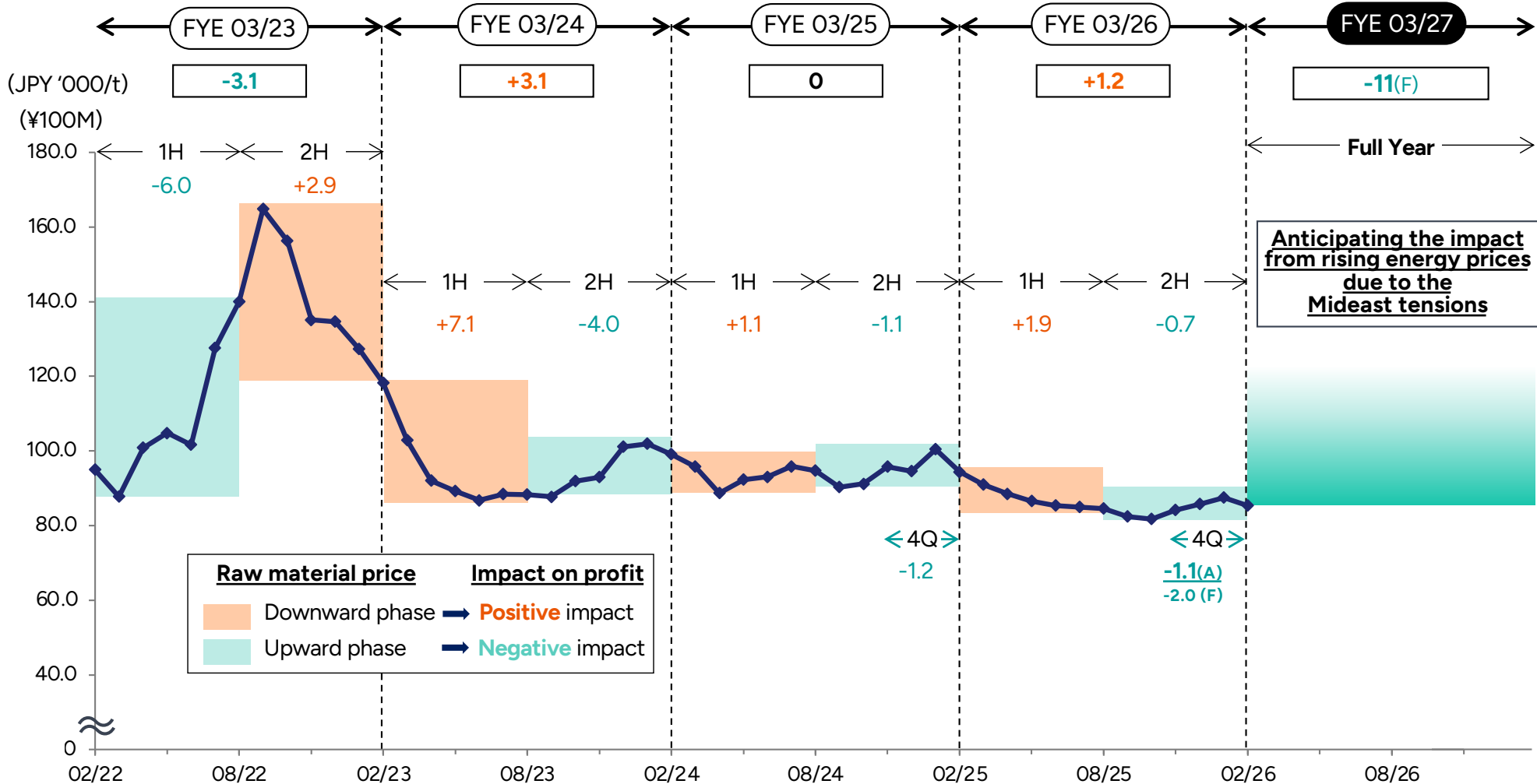
		FYE 03/25	FYE 03/26	+/-
Slide time lag (¥100M)		0	+1.2	+1.2
Gas sales volume ('000t)	Residential	148	151	+3
	C&I	196	187	(9)
# of total customers ('000)		590	609	+19

Impact from Raw Material Cost Adjustment (Slide Time Lag)

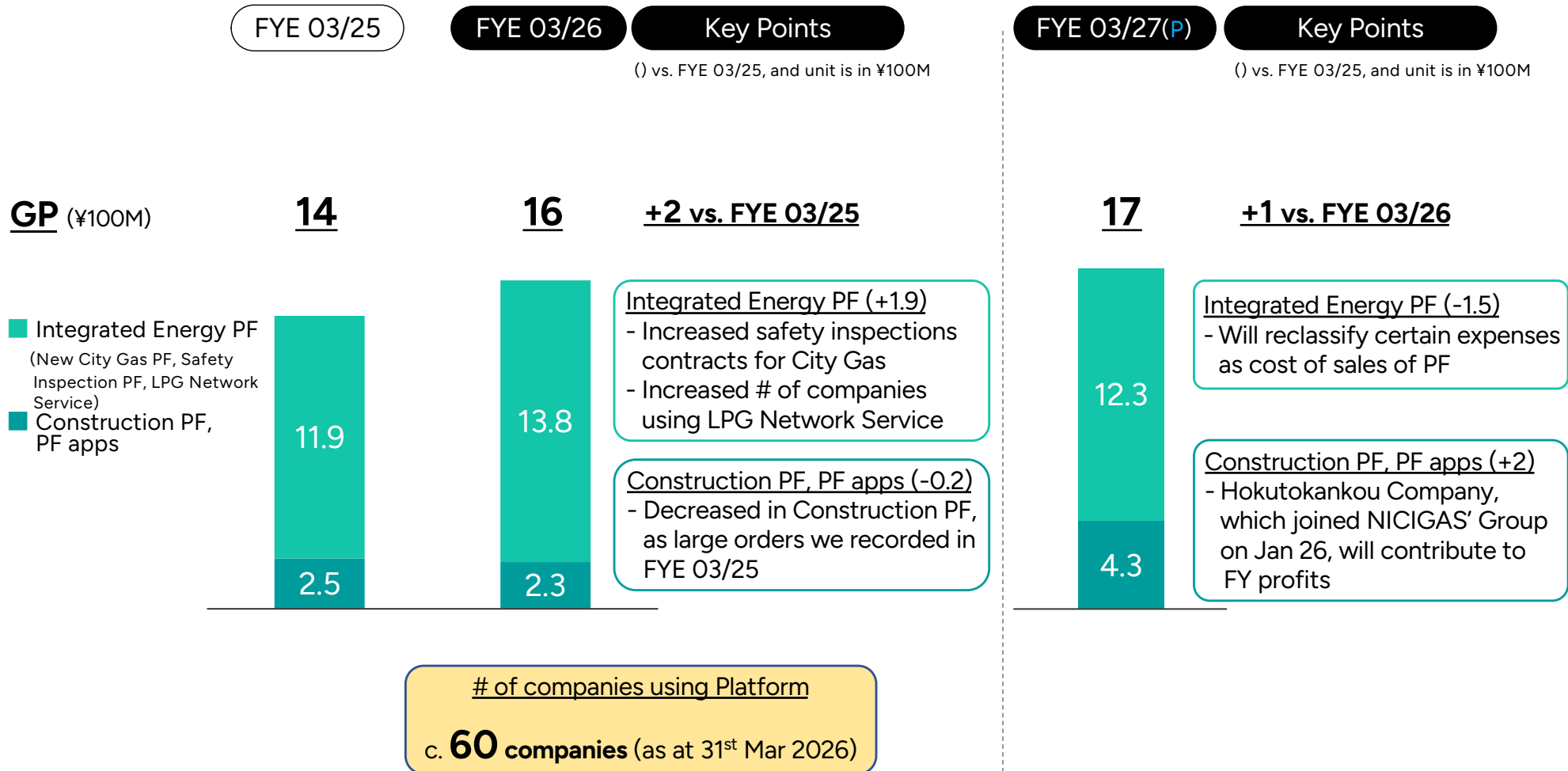
The slide impact in 4Q (Jan.-Mar.) of FYE 03/26 is -1.1. Due to the raw material prices remaining lower than expected, there is a full-year positive impact of 1.2. For FYE 03/27, incorporates negative impact of -11, anticipating the effects of rising energy prices.

Trends of LNG CIF* price

*CIF: Average price of LNG imported to Japan

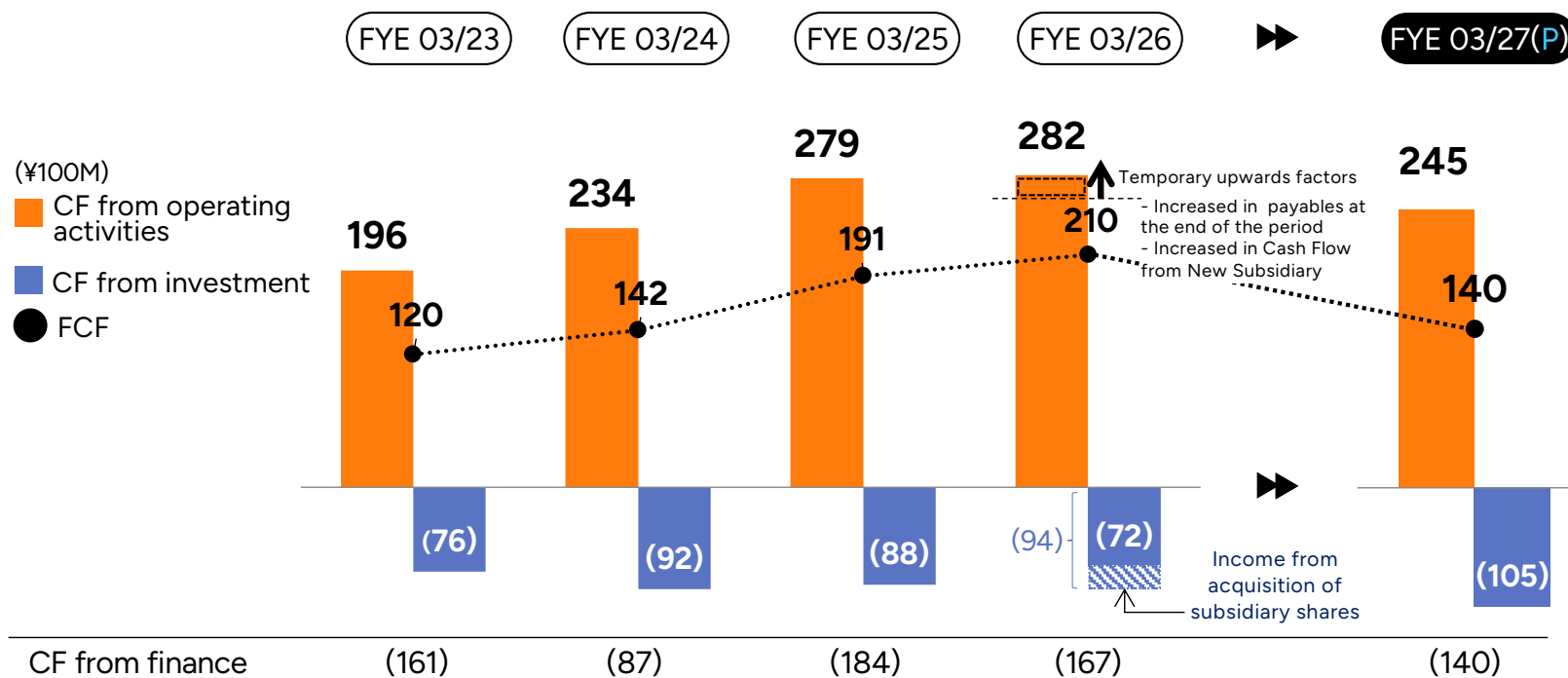


Gross profit increased (+14% YoY) in FYE 03/26 due to increase in safety inspections contracts. For FYE 03/27, will strengthen NICIGAS' Integrated Energy Platform for LP Gas and City Gas as a centered on collaboration with Tokyo Energy Alliance (TEA).



In FYE 03/26, CF from operating activities increased in line with profit growth, and FCF also expanded (+10% YoY).

For FYE 03/27, plans to increase investments, focusing primarily on the LP acquisition. No plans for large-scale capital investment.



CF from investment
 LP infrastructure is in place, and no plans for large-scale capital investment

Breakdown of CF from investment (¥100M)	FYE 03/23	FYE 03/24	FYE 03/25	FYE 03/26	FYE 03/27(P)
LPG	16	25	24	22	48 (D&A) (37)
[Incl. LPG M&A]	[3]	[5]	[11]	[5]	[25] [(7)]
ICT	29	30	21	12	12 (17)
City Gas	33	41	45	44	45 (52)
Others (Investment in securities, etc.)	(2)*	(5)*	(2)*	(6)*	-

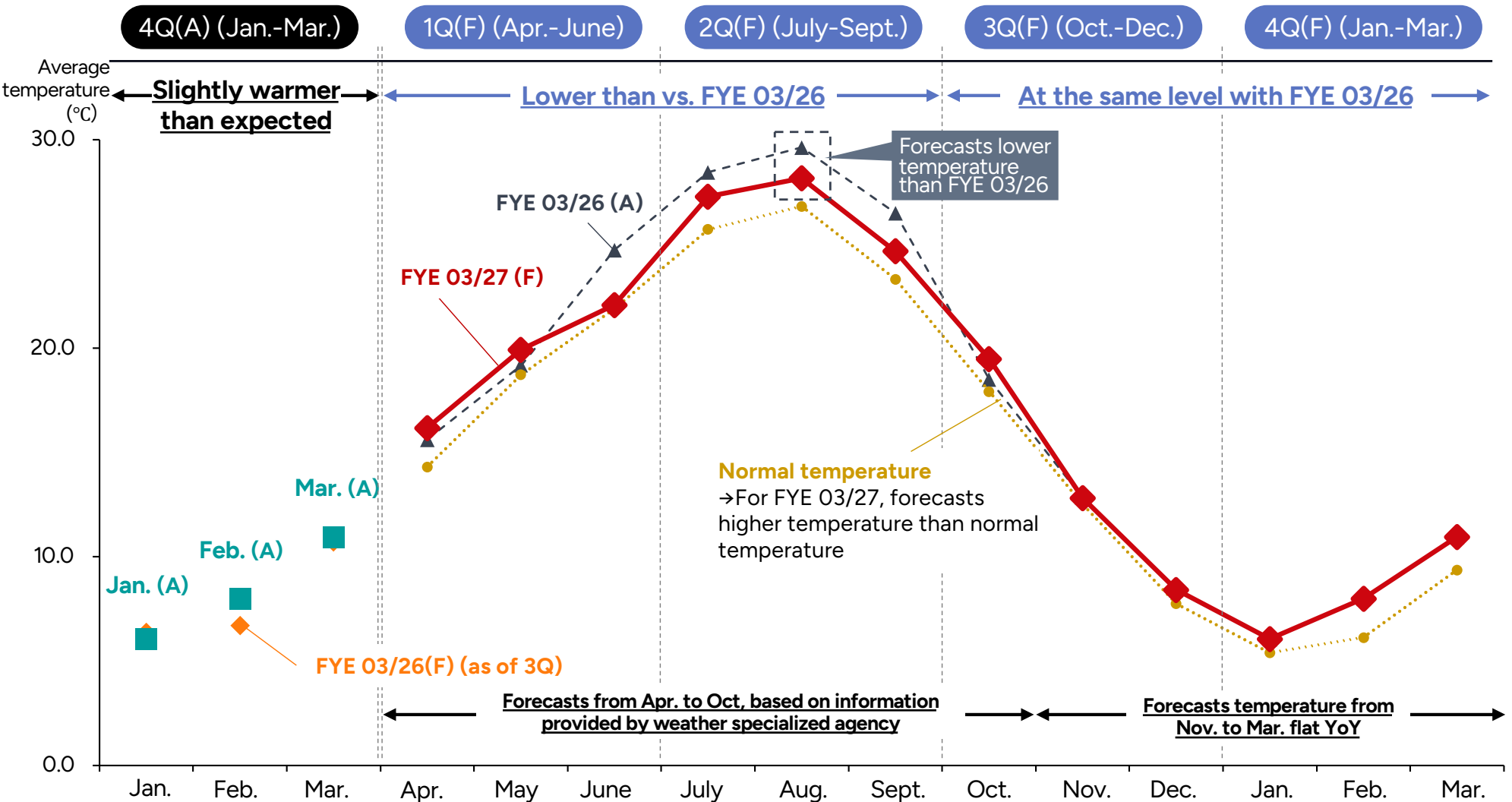
✓ **LPG**: Will increase M&A investment as required

✓ **ICT**: Shifts to operating phase from FYE 03/25, gradually decreasing new investment

(* is positive effect on CF)

Average Temperature

In 4Q FYE 03/26, the temperature was warmer than anticipated. Since the Company adopted a cautious forecast for sales volume, the actual results exceeded the plan. Estimates the temperatures for FYE 03/27 will be generally lower than FYE 03/26 in the 1H, and on par in the FYE 03/26 in the 2H.



(*1): (A) is actual average temperature in Tokyo (Source: Japan meteorological agency)

Gross Profit(GP)*1(¥100M)	FYE 03/23	FYE 03/24	FYE 03/25	FYE 03/26 (A)	FYE 03/27 (P)	Key Points of FYE 03/27	FYE 03/29 (P)
LP Gas (incl. Equipment, etc.)	453	483	483	486	495	- Residential +¥2M, C&I +¥4M, equipment, etc +¥3M (vs. FYE 03/26)	520
# of total customers ('000)	973	997	1,030	1,051	1,081		1,141
Gas sales volume ('000t) Residential/C&I	186/121	179/114	178/109	181/106	181/106	- For residential, usage/customer is prudently estimated and is expected to remain flat vs. FYE 03/26	188/115
Usage/customer	226	215	208	206	200		197
Residential margin (¥/kg)	212	233	232	231	232		232
Hybrid water heaters (units)	2	4	9	16	24	- Will increase equipment GP through boosted unit sales and improving margin	40
City Gas (incl. Equipment, etc.)	203	205	196	200	191		208
# of total customers ('000)	667*2	601	590	609	629		669
Gas sales volume ('000t) Total of Residential and C&I	378	365	344	338	349	- Anticipates an increase in both residential and C&I due to the growing customer base	359
Slide time lag (¥100M)	-3.1	+3.1	0	+1.2	-11	- Factors in the full-year impact of rising raw material prices	0
Electricity	30	37	52	66	52		71
# of total customers ('000)	320	345	381	404	454		554
E&G bundled rate (%)	19.5	21.6	23.5	24.3	26.5		30.1
Sales volume (GWh)	1,297	1,427	1,587	1,723	1,787	- Anticipates an increase due to an increase in the number of customers	2,166
Margin (¥/kWh)	2.3	2.6	3.3	3.8	2.9	- Factors in full-year impact of rising fuel prices	3.3
Platform	11	11	14	16	17		21

*1: Disclosed after reclassifying into new segment

*2: As of Jan 2024, due to the legal separation of pipeline division in group restructuring, the disclosure method for city gas customer numbers will be changed to the number of retail contracts currently being supplied