July 30, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: HOKKAIDO GAS CO., LTD.
Listing: Tokyo, Sapporo
Securities code: 9534
URL: https://www.hokkaido-gas.co.jp/english/
Representative: Chisato Kawamura, President and Representative Director
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Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: None
Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	38,039	(0.7)	3,424	(41.1)	3,536	(40.9)	2,517	(41.5)
June 30, 2025	38,296	4.8	5,811	17.0	5,984	16.7	4,303	17.2

Note: Comprehensive income
For the three months ended June 30, 2026: ¥2,590 million [(41.1)%]
For the three months ended June 30, 2025: ¥4,400 million [22.0%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	28.51	28.41
June 30, 2025	48.82	48.61

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	184,131	101,158	53.6
March 31, 2026	198,198	99,710	49.1

Reference: Equity
As of June 30, 2026: ¥98,768 million
As of March 31, 2026: ¥97,323 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	11.50	–	13.00	24.50
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		13.50	–	13.50	27.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial results forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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	190,200	9.0	12,800	(22.1)	13,000	(21.2)	9,392	(18.5)	106.38

Note: Revisions to the forecast of financial results most recently announced: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: For details, please see page 9 of the attachments, "(4) Notes to Quarterly Consolidated Financial Statements (Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)."

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	88,689,030 shares
As of March 31, 2026	88,689,030 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	392,670 shares
As of March 31, 2026	415,780 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	88,284,790 shares
Three months ended June 30, 2025	88,156,275 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts for financial results, contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly due to a variety of factors. Please see page 3 of the attachments, "1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" concerning the assumptions used as the basis for the forecasts for financial results and matters to note before using the earnings forecasts.

* Each item is calculated in accordance with the procedures for preparing financial statements by the Tokyo Stock Exchange.

Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the three months ended June 30, 2026 (April to June 2026), despite an increase in the number of customers, city gas sales volume decreased by 1.8% in total compared to the previous corresponding period, as a result of a decrease in residential use and business use sales volume mainly due to decreased demand for heating resulting from high temperatures in early spring. Gas sales were ¥22,503 million, a 6.9% decrease compared to the previous corresponding period, due to lower unit selling prices under the fuel cost adjustment system and a decrease in sales volume. Electricity sales were ¥6,320 million, a 0.5% increase compared to the previous corresponding period, mainly due to increased sales volume in the industrial sector. As a result, consolidated net sales totaled ¥38,039 million, a 0.7% decrease compared to the previous corresponding period.

Ordinary profit was ¥3,536 million, a 40.9% decrease compared to the previous corresponding period, mainly due to a decrease in gas sales volume and an increase in strategic expenses related to smart meters, DX field, and improved treatment of employees. Profit attributable to owners of parent was ¥2,517 million, a 41.5% decrease compared to the previous corresponding period.

The consolidated results of our group are subject to seasonal fluctuation factors in that a large amount of sales are recorded from winter to early spring due to the high demand for gas and LPG sales and other energy-related products.

Gas sales, etc.

Item		Three months ended June 30, 2025	Three months ended June 30, 2026	Change	Change (%)
Number of customers	Number of retail customers	489,304	487,911	(1,393)	(0.3)
	Number of meters installed	604,289	605,261	972	0.2
	Number after integration of heating and cooking meters*	566,242	573,632	7,390	1.3
Sales volume (thousand m^3)	Residential use	49,841	48,209	(1,632)	(3.3)
	Business use	82,258	81,274	(983)	(1.2)
	Supply for other businesses	7,029	7,177	148	2.1
	Total	139,128	136,661	(2,467)	(1.8)

* In the event that customers with two meters installed, one each for heating and cooking, are treated as a single customer

Electricity sales, etc.

Item		Three months ended June 30, 2025	Three months ended June 30, 2026	Change	Change (%)
Number of customers	Number of retail customers	257,898	258,097	199	0.1
Sales volume (thousand kWh)	Retail customers	177,507	183,722	6,215	3.5
	Wholesale and others	10,460	11,356	896	8.6
	Total	187,967	195,077	7,111	3.8

Crude oil price and exchange rate

Item	Three months ended June 30, 2025	Three months ended June 30, 2026	Change	Change (%)
Crude oil price (All Japan CIF) ($/bbl)	74.92	111.25	36.33	48.5
Exchange rate (Yen/$)	145.28	159.03	13.75	9.5

(2) Explanation of Financial Position

As of June 30, 2026, total assets decreased by ¥14,067 million year on year to ¥184,131 million. Net assets increased by ¥1,447 million year on year to ¥101,158 million.

As a result, the equity ratio increased from 49.1% at the end of the previous fiscal year to 53.6%.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

Full-year forecasts have not been revised from those announced at the time of the release of financial results for the fiscal year ended March 31, 2026 (April 30, 2026), as progress in all segments toward the full-year forecasts has been mostly as planned.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	19,067	18,370
Distribution facilities	44,750	44,845
Service and maintenance facilities	12,902	12,847
Other facilities	46,839	46,155
Construction in progress	4,452	5,130
Total property, plant and equipment	128,011	127,349
Intangible assets		
Other	5,628	5,992
Total intangible assets	5,628	5,992
Investments and other assets		
Investment securities	10,434	10,525
Retirement benefit asset	1,026	1,023
Deferred tax assets	2,836	2,812
Other	4,221	4,280
Allowance for doubtful accounts	(16)	(24)
Total investments and other assets	18,502	18,617
Total non-current assets	152,142	151,959
Current assets		
Cash and deposits	9,799	3,333
Notes and accounts receivable - trade, and contract assets	19,630	11,905
Merchandise and finished goods	515	671
Work in process	1,681	2,065
Raw materials and supplies	10,823	10,495
Other	3,686	3,785
Allowance for doubtful accounts	(81)	(84)
Total current assets	46,055	32,171
Total assets	198,198	184,131

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Non-current liabilities		
Bonds payable	31,120	31,120
Long-term borrowings	9,360	8,912
Deferred tax liabilities for land revaluation	565	565
Retirement benefit liability	4,704	4,647
Provision for gas holder repairs	246	262
Provision for repairs	372	416
Provision for safety measures	712	691
Provision for appliance warranties	1,413	1,415
Lease liabilities	2,467	2,385
Other	2,595	2,376
Total non-current liabilities	53,560	52,793
Current liabilities		
Current portion of non-current liabilities	9,664	9,518
Notes and accounts payable - trade	7,349	2,486
Provision for loss on compensation for accident and damage	460	341
Income taxes payable	3,211	1,161
Other	24,241	16,670
Total current liabilities	44,927	30,179
Total liabilities	98,487	82,973
Net assets		
Shareholders' equity		
Share capital	7,515	7,515
Capital surplus	5,299	5,300
Retained earnings	79,551	80,921
Treasury shares	(113)	(107)
Total shareholders' equity	92,253	93,630
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,476	4,526
Revaluation reserve for land	268	268
Remeasurements of defined benefit plans	324	342
Total accumulated other comprehensive income	5,070	5,137
Share acquisition rights	94	91
Non-controlling interests	2,293	2,298
Total net assets	99,710	101,158
Total liabilities and net assets	198,198	184,131

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

Three months ended June 30

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	38,296	38,039
Cost of sales	23,724	24,495
Gross profit	14,572	13,544
Selling, general and administrative expenses		
Supply and sales expenses	7,634	8,677
General and administrative expenses	1,127	1,442
Total selling, general and administrative expenses	8,761	10,119
Operating profit	5,811	3,424
Non-operating income		
Dividend income	102	94
Other	233	171
Total non-operating income	336	266
Non-operating expenses		
Interest expenses	94	86
Personnel transfer expenses	47	50
Other	21	16
Total non-operating expenses	163	154
Ordinary profit	5,984	3,536
Extraordinary income		
Gain on reversal of provision for loss on compensation for accident and damage	–	89
Total extraordinary income	–	89
Profit before income taxes	5,984	3,626
Income taxes	1,675	1,104
Profit	4,309	2,522
Profit attributable to non-controlling interests	5	4
Profit attributable to owners of parent	4,303	2,517

Quarterly Consolidated Statement of Comprehensive Income

Three months ended June 30

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	4,309	2,522
Other comprehensive income		
Valuation difference on available-for-sale securities	135	50
Revaluation reserve for land	(18)	–
Remeasurements of defined benefit plans, net of tax	(27)	17
Share of other comprehensive income of entities accounted for using equity method	1	–
Total other comprehensive income	90	67
Comprehensive income	4,400	2,590
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,394	2,584
Comprehensive income attributable to non-controlling interests	5	5

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	5,984	3,626
Depreciation	3,732	3,895
Increase (decrease) in provision for safety measures	(53)	(21)
Increase (decrease) in reserve for fixtures assurance	19	2
Increase (decrease) in retirement benefit liability	(1)	(33)
Increase (decrease) in provision for loss on compensation for accident and damage	–	(118)
Increase (decrease) in allowance for doubtful accounts	(5)	11
Interest and dividend income	(106)	(98)
Interest expenses	94	86
Decrease (increase) in trade receivables	7,752	8,053
Decrease (increase) in inventories	(1,412)	(212)
Increase (decrease) in trade payables	(10,117)	(6,564)
Increase (decrease) in accrued consumption taxes	479	88
Other, net	(272)	(675)
Subtotal	6,094	8,040
Interest and dividends received	110	98
Interest paid	(147)	(144)
Income taxes refund (paid)	(2,156)	(2,980)
Net cash provided by (used in) operating activities	3,901	5,014
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,740)	(4,670)
Purchase of intangible assets	(250)	(752)
Purchase of long-term prepaid expenses	(249)	(214)
Other, net	231	2
Net cash provided by (used in) investing activities	(5,009)	(5,634)
Cash flows from financing activities		
Net increase (decrease) in commercial papers	(6,000)	(4,000)
Repayments of long-term borrowings	(582)	(569)
Dividends paid	(880)	(1,146)
Other, net	(111)	(129)
Net cash provided by (used in) financing activities	(7,574)	(5,845)
Net increase (decrease) in cash and cash equivalents	(8,681)	(6,466)
Cash and cash equivalents at beginning of period	11,324	9,799
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	5	–
Cash and cash equivalents at end of period	2,648	3,333

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on changes in scope of consolidation or scope of application of equity method)

(Changes in matters related to the fiscal year of a consolidated subsidiary)

Effective from the first quarter of the fiscal year under review, the account closing date of Kitagas Freast Co., Ltd., a consolidated subsidiary, has been changed from December 31 to March 31 to align with the consolidated closing date. In connection with this change in the fiscal period, the financial results for the six-month period from January 1, 2026 to June 30, 2026 have been consolidated in the first quarter of the fiscal year under review.

This change has had an immaterial impact on the quarterly consolidated financial statements.

(Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)

Calculation of tax expenses

The Company calculates tax expenses by multiplying profit before income taxes for the period under review by a reasonably estimated effective tax rate for profit before income taxes for the fiscal year ending March 31, 2027 after the application of tax effect accounting.

(Segment information, etc.)

[Segment information]

I For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

1. Information on net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Gas	Electricity	Energy-related	Total				
Net sales								
Sales to outside customers	23,737	6,230	8,030	37,998	298	38,296	–	38,296
Inter-segment sales or transfers	434	58	547	1,039	458	1,497	(1,497)	–
Total	24,171	6,288	8,577	39,038	756	39,794	(1,497)	38,296
Segment profit	4,948	1,023	504	6,476	47	6,524	(713)	5,811

(Notes) 1. The “Others” section is a business segment that is not included in the reportable segments and includes IT solution, real estate, and insurance agency businesses, etc.

2. The ¥(713) million adjustment in segment profit includes ¥47 million in the elimination of intersegment transactions, ¥(68) million in share of profit (loss) of entities accounted for using the equity method, and ¥(692) million in corporate expenses not allocated to each reportable segment.
Corporate expenses are mainly general and administrative expenses that do not belong to any reportable segments.

3. Segment profit is adjusted with the operating profit in the quarterly consolidated statement of income.

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

II For the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

1. Information on net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Gas	Electricity	Energy-related	Total				
Net sales								
Sales to outside customers	22,040	6,226	9,466	37,733	306	38,039	–	38,039
Inter-segment sales or transfers	463	94	891	1,448	623	2,072	(2,072)	–
Total	22,503	6,320	10,357	39,181	930	40,112	(2,072)	38,039
Segment profit	3,120	428	554	4,102	92	4,194	(770)	3,424

(Notes) 1. The “Others” section is a business segment that is not included in the reportable segments and includes IT solution, real estate, and insurance agency businesses, etc.

2. The ¥(770) million adjustment in segment profit includes ¥65 million in the elimination of intersegment transactions, ¥(24) million in share of profit (loss) of entities accounted for using the equity method, and ¥(810) million in corporate expenses not allocated to each reportable segment.
Corporate expenses are mainly general and administrative expenses that do not belong to any reportable segments.

3. Segment profit is adjusted with the operating profit in the quarterly consolidated statement of income.

2. Information on impairment loss on non-current assets and goodwill by reportable segment
   Not applicable.