



Flash Report for the First Quarter of 2025[Japan GAAP](Consolidated)

May 8, 2025

Company Name: SHIZUOKA GAS CO., LTD. Listing: Tokyo Stock Exchange
 Code Number: 9543 URL: <https://ir.shizuokagas.co.jp/en/>
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 Scheduled date to commence dividend payments: —
 Preparation of supplemental explanatory materials: **Yes**
 Holding of financial results briefing session: **No**

1. Consolidated Business Results for the First Quarter (January 1 through March 31, 2025)

(Amounts under one million yen are omitted; YoY % change)

(1) Operating Results

	Net sales (¥ million)		Operating profit (¥ million)		Ordinary profit (¥ million)	
Reporting First Quarter	56,076	3.1%	4,624	69.0%	4,702	19.6%
Previous First Quarter	54,365	(26.2)%	2,735	(80.2)%	3,931	(72.7)%

Note: Total comprehensive income (¥ million)

Reporting First Quarter: 4,186 ((10.1%))

Previous First Quarter: 4,655 ((52.5%))

	Profit attributable to owners of parent (¥ million)		Profit per share (¥)	Diluted profit per share (¥)
Reporting First Quarter	3,001	16.5%	39.88	39.84
Previous First Quarter	2,576	(75.2)%	34.65	34.60

(2) Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Equity ratio (%)	Net assets per share (¥)
Reporting First Quarter	176,226	127,137	68.1	1,594.30
Previous full term	170,202	125,519	69.4	1,569.41

Note: Net assets excluding share acquisition rights and non-controlling interests (¥ million)

Reporting First Quarter: 119,986

Previous full term: 118,113

2. Dividend Payment

	Annual dividend per share (¥)				
	1Q	2Q	3Q	Term-end	Total
FY 2024	—	13.00	—	27.00	40.00
FY 2025	—	/	/	/	/
FY 2025(forecast)	/	20.50	—	20.50	41.00

Note: Revision of previously announced dividend forecast: **No**

3. Consolidated Business Forecast for Current Term (January 1 through December 31, 2025)

(Amounts under one million yen are omitted; YoY % change)

	Net sales (¥ million)		Operating profit (¥ million)		Ordinary profit (¥ million)		Profit attributable to owners of parent (¥ million)	Profit per share (¥)
Full term	204,850	1.3%	8,330	(19.1)%	9,490	(27.5)%	8,080 (7.9)%	107.36

Note: Revision of previously announced consolidated business forecast: **No**

※Notes

- (1) Significant changes in the scope of consolidation during the period: **No**
- (2) Simplified accounting and special accounting methods for quarterly financial reporting: **Yes**
(Please refer to the section “(3)Notes Application of Special Accounting Methods in Preparation of Quarterly Consolidated Financial Statements” on P7)
- (3) Changes in accounting policies, estimates, or retrospective restatements
- a) Changes in accounting policies due to revisions of accounting standards: **Yes**
 - b) Other: **No**
 - c) Changes in accounting estimates: **No**
 - d) Retrospective restatements: **No**
- (4) Number of issued shares (ordinary shares)
- a) Number of shares issued at end of period (including treasury shares)

Reporting First Quarter:	76,192,950
Previous full term:	76,192,950
 - b) Number of treasury shares at end of period

Reporting First Quarter:	933,963
Previous full term:	933,876
 - c) Average number of shares outstanding during the term

Reporting First Quarter:	75,259,027
Previous First Quarter:	74,328,741

Review

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: **No**

Notes on proper use of forecast, and other matters

Business forecast and other forward-looking statements contained in this document are assumptions based on information available to the company and judgments deemed rational at the time this document was published. Forward-looking statements are not a guarantee that forecast will be achieved. Actual earnings may differ significantly from business forecast due to various factors.

Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	4,971	4,895
Distribution facilities	33,159	32,757
Service and maintenance facilities	5,293	5,230
Other facilities	14,067	14,170
Construction in progress	589	736
Total property, plant and equipment	58,080	57,790
Intangible assets	4,058	4,088
Investments and other assets		
Investment securities	21,513	23,189
Long-term loans receivable	2,016	1,787
Deferred tax assets	630	634
Other investments	6,446	6,551
Allowance for doubtful accounts	(77)	(81)
Total investments and other assets	30,529	32,080
Total non-current assets	92,669	93,959
Current assets		
Cash and deposits	36,251	42,501
Notes and accounts receivable - trade, and contract assets	20,470	22,643
Merchandise and finished goods	1,134	1,231
Raw materials and supplies	14,017	10,446
Accounts receivable - other	3,473	3,153
Other current assets	2,224	2,332
Allowance for doubtful accounts	(39)	(42)
Total current assets	77,533	82,267
Total assets	170,202	176,226

	As of December 31, 2024	As of March 31, 2025
Liabilities		
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	11,124	10,779
Deferred tax liabilities	2,955	3,508
Retirement benefit liability	1,366	1,397
Asset retirement obligations	177	180
Other noncurrent liabilities	168	156
Total non-current liabilities	20,792	21,021
Current liabilities		
Current portion of non-current liabilities	2,268	2,159
Accounts payable - trade	11,155	16,751
Short-term borrowings	497	453
Accounts payable - other	2,494	3,076
Income taxes payable	2,627	1,921
Provision for bonuses	528	765
Other current liabilities	4,318	2,938
Total current liabilities	23,890	28,067
Total liabilities	44,683	49,088
Net assets		
Shareholders' equity		
Share capital	6,279	6,279
Capital surplus	5,453	5,453
Retained earnings	96,946	97,916
Treasury shares	(474)	(474)
Total shareholders' equity	108,204	109,174
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,665	9,579
Deferred gains or losses on hedges	43	176
Foreign currency translation adjustment	245	130
Remeasurements of defined benefit plans	954	924
Total accumulated other comprehensive income	9,908	10,811
Share acquisition rights	54	54
Non-controlling interests	7,352	7,097
Total net assets	125,519	127,137
Total liabilities and net assets	170,202	176,226

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Net sales	54,365	56,076
Cost of sales	44,562	44,247
Gross profit	9,803	11,829
Selling, general and administrative expenses	7,067	7,204
Operating profit	2,735	4,624
Non-operating income		
Interest income	19	15
Dividend income	184	9
Share of profit of entities accounted for using equity method	80	-
Foreign exchange gains	63	-
Gain on investments in silent partnerships	832	43
Miscellaneous income	115	69
Total non-operating income	1,295	138
Non-operating expenses		
Interest expenses	35	39
Share of loss of entities accounted for using equity method	-	1
Foreign exchange losses	-	9
Share issuance costs	45	-
Miscellaneous expenses	19	10
Total non-operating expenses	100	60
Ordinary profit	3,931	4,702
Profit before income taxes	3,931	4,702
Income taxes	1,065	1,364
Profit	2,865	3,338
Profit attributable to non-controlling interests	289	336
Profit attributable to owners of parent	2,576	3,001

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Profit	2,865	3,338
Other comprehensive income		
Valuation difference on available-for-sale securities	1,713	896
Deferred gains or losses on hedges	78	133
Foreign currency translation adjustment	5	(6)
Remeasurements of defined benefit plans, net of tax	(19)	(30)
Share of other comprehensive income of entities accounted for using equity method	12	(144)
Total other comprehensive income	1,790	848
Comprehensive income	4,655	4,186
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,348	3,904
Comprehensive income attributable to non-controlling interests	306	282

(3) Notes

(Note on Going Concerns' Premise)

Not applicable.

(Note on Significant Change in Shareholders' Equity)

Not applicable.

(Application of Special Accounting Methods in Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

The Company calculates tax expenses based on a reasonable estimate of the effective tax rate after the application of tax effect accounting to profit before income taxes for the current consolidated fiscal year including the consolidated first quarter. We multiply this effective tax rate by the quarterly profit before income taxes for the cumulative period to calculate tax expenses.

(Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes", etc.)

The Company applies "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022), etc. from the beginning of the consolidated first quarter.

The amendment of classification of income taxes (taxation on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of "Accounting Standard for Current Income Taxes" and the proviso of paragraph 65-2 (2) of "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No.28, October 28, 2022). There is no effect from this change on the quarterly consolidated financial statements.

Regarding the amendment related to the revision of the treatment on the consolidated financial statements for gains or losses on the sale of shares of subsidiaries and affiliates between consolidated companies that are deferred for tax purposes, the Company applies "Guidance on Accounting Standard for Tax Effect Accounting" from the beginning of the consolidated first quarter. This change has been applied retrospectively and the quarterly consolidated financial statements and the consolidated financial statements for the previous fiscal year are after the retrospective application. There is no effect from this change on the quarterly consolidated financial statements and the consolidated financial statements for the previous fiscal year.

(Additional Information)

(Payment related to the LNG procurement contract)

We postponed the delivery of a certain portion of contracted volume to subsequent years based on the LNG procurement contract in response to the dramatic decrease in demand caused by COVID-19. We paid US\$24 million during the first quarter of the 2021 fiscal year.

This payment will be used to reduce the cost of sales by allocating it to the price when taking delivery of the volume in question during the 2025 and 2026 fiscal years.

Segment Information

Net Sales and Income (Loss) by Reportable Segment

Three Months Ended March 31, 2024

(Millions of yen)

	Reportable segment			Other businesses (Note1)	Total	Adjustments (Note2)	Amount recorded on consolidated statement of income (Note3)
	Gas	LPG and other energy services	Total				
Net sales							
Sales to external customers	43,557	7,615	51,172	3,192	54,365	—	54,365
Inter-segment sales and transfers	665	335	1,000	1,089	2,090	(2,090)	—
Total	44,222	7,951	52,173	4,282	56,455	(2,090)	54,365
Segment income	2,862	620	3,482	155	3,638	(902)	2,735

Notes:

1. The Other businesses category consists of businesses not categorized as individual reportable segments. Other businesses include orders for construction related to the gas business, sales of gas appliances, remodeling, and leasing.
2. The (¥902) million in segment income adjustments include ¥75 million in inter-segment eliminations and (¥977) million in corporate expenses not allocable to a reportable segment. Corporate expenses are general and administrative expenses not allocable to a reportable segment.
3. Segment income is adjusted to reflect operating profit as recorded on the Company's quarterly consolidated statements of income.

Three Months Ended March 31, 2025

(Millions of yen)

	Reportable segment			Other businesses (Note1)	Total	Adjustments (Note2)	Amount recorded on consolidated statement of income (Note3)
	Gas	LPG and other energy services	Total				
Net sales							
Sales to external customers	44,070	8,516	52,586	3,489	56,076	—	56,076
Inter-segment sales and transfers	694	436	1,131	1,145	2,276	(2,276)	—
Total	44,764	8,953	53,717	4,635	58,353	(2,276)	56,076
Segment income	4,861	617	5,478	181	5,660	(1,035)	4,624

Notes:

1. The Other businesses category consists of businesses not categorized as individual reportable segments. Other businesses include orders for construction related to the gas business, sales of gas appliances, remodeling, and leasing.
2. The (¥1,035) million in segment income adjustments include ¥40 million in inter-segment eliminations and (¥1,076) million in corporate expenses not allocable to a reportable segment. Corporate expenses are general and administrative expenses not allocable to a reportable segment.
3. Segment income is adjusted to reflect operating profit as recorded on the Company's quarterly consolidated statements of income.

Consolidated Statement of Cash Flows

We have not prepared the Quarterly Consolidated Statement of Cash Flows for the three months ended March 31, 2025. The depreciation (including amortization of intangible fixed assets) for the three months ended March 31, 2025, is as follows.

(Millions of yen)		
	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Depreciation	2,335	2,127

Material subsequent events

Acquisition of assets

On February 21, 2025, the Company signed the Heads of Agreement with TG Eagle Ford Resources LP, a wholly-owned subsidiary of Tokyo Gas America Ltd, to acquire interests in the shale gas development project (“the Project”) in the United States.

Additionally, the produced gas is to be marketed in the US market. Starting with this project, we will consider further business development in the United States.

(1) Details of Acquisition

(i) Acquisition Source: TG Eagle Ford Resources LP.

(ii) Details of Acquired Assets

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

(2) Effect on profit

We are currently examining the effect on the consolidated performance of FY 2025.