November 2nd, 2020

Notice Regarding the Sales of Cross-shareholdings Stocks and NICIGAS' Stocks (Cross-shareholdings Stocks owned by Other Companies)

Company name: NIPPON GAS CO., LTD.
Code number: 8174
Stock exchange listing: Tokyo Stock Exchange
Representative: Shinji Wada, Representative Director, Chief Executive Officer
Contact: Shinichi Kiyota, Executive Officer

Nippon Gas Co., Ltd. ("NICIGAS") hereby announces the result of the reduction of Cross-shareholdings Stocks during the 1st half of FYE 03/21 (April 1st, 2020 - September 30th, 2020) (the "Transaction").

1. Policy for the Reduction of Cross-shareholdings Stocks during FYE 03/21

NICIGAS started to review its Cross-shareholdings Stocks in FYE 03/17 and it has been reducing Cross-shareholdings Stocks since FYE 03/18. The reduction was mainly started by financial institutions that had significant Cross-shareholding with NICIGAS. From FYE 03/21, in addition to financial institutions, NICIGAS has been reducing Cross-shareholdings Stocks in the gas related business (NICIGAS' core business), in order to further proceed the initiatives.

2. Summary of the Transaction

NICIGAS sold 57 thousands financial institutions' stocks and 419 thousands other counterparties' stocks, owned as Cross-shareholdings Stocks, in the stock market. In addition, 1,190 thousands NICIGAS' stocks owned by financial institutions and 470 thousands NICIGAS' stocks owned by counterparties were sold in the market, respectively.

3. Plan to Reduce Cross-shareholdings Stocks during the 2nd Half of FYE 03/21
(October 1st, 2020 – March 31st, 2021)

NICIGAS will continue the policy to dispose Cross-shareholdings Stocks, and it will continuously reduce the Stocks between financial institutions, as well as counterparties in the gas related business.

4. Impact on NICIGAS' Financial Result

The impact from the reduction of Cross-shareholding stocks on NICIGAS' consolidated financial performance for FYE 03/21 is not expected to be material.