July 13th, 2021

Notice Regarding Sale of Securities (pring Inc.) and Capital Gain

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, Managing Executive Officer

Nippon Gas Co., Ltd. ("NICIGAS") hereby announces that it agreed with the sale of all of its securities of pring Inc. (the "Company") NICIGAS has been holding for the strategic purposes (the "Transaction"). Following the Transaction, it forecasts to recognize the capital gain by the Transaction, 1.2 billion yen, in the second quarter of the financial year ending March 31, 2022.

1. Reason for the Transaction

NICIGAS started capital and business alliance with the Company, a group company of Metaps Inc., from 2018, in order to accelerate its cashless initiatives as a core part of digital transformation (DX). Since, NICIGAS has been preceding the introduction of cashless operations, such as settlement of expenses and fee payment to the business of outsourcing contractors, using electric money "pring" in light of alliance with the Company which is a leading startup in the FinTech industry and NICIGAS has been realizing the co-creation.

With the offer from the Google International LLC ("Google"), a world leading Technology Company, to acquire all of the securities of the Company from all current shareholders, NICIGAS decided to fully agree with the proposal and to sell all portions of its holding securities of the Company to Google.

2. Details of the Transaction

(1) Securities for sale: all portions of its holdings of the Company
(2) Date of Agreement: July 13th, 2021
(3) Share Transfer Date: late July - late August
(4) Gain on sale: 1.2 billion yen

(Note): The actual Share Transfer Date will fluctuate, due to the timing of approval under Foreign Currency Exchange Regulation, etc.

3. Impact on NICIGAS Financial Result

NICIGAS expects to recognize the amount gained from the Transaction, 1.2 billion yen, as extraordinary profits, in the second quarter of the fiscal year ending March 31, 2022. The financial forecast for the fiscal year ending March 31, 2022 which NICIGAS announced on April 27th, 2021 does not include the gain from the Transaction. NICIGAS will examine other factors and announce the revision of consolidated financial plan, when it becomes necessary.