



Flash Report for the Term Ended December 31, 2024 [Japan GAAP] (Consolidated)

February 12, 2025

Company Name: SHIZUOKA GAS CO., LTD. Listing: Tokyo Stock Exchange
 Code Number: 9543 URL: <https://ir.shizuokagas.co.jp/en/>
 Representative: Matsumoto Yoshitake, Representative Director and President
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 Date of annual general meeting of shareholders: March 26, 2025
 Date for presentation of the financial statements report: March 27, 2025
 Scheduled date to commence dividend payments: March 27, 2025
 Preparation of supplemental explanatory materials: Yes
 Holding of FY2024 financial briefing session: Yes (for institutional investors)

1. Consolidated Business Results (January 1 to December 31, 2024)

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

(1) Operating Results

	Net sales (¥ million)	Operating profit (¥ million)	Ordinary profit (¥ million)	Profit attributable to owners of parent (¥ million)
Reporting term	202,237 (5.5)%	10,302 (43.8)%	13,083 (34.8)%	8,776 (37.8)%
Previous term	214,004 3.2%	18,340 112.5%	20,064 111.4%	14,107 136.1%

Note: Total comprehensive income (¥ million) Reporting term: 12,728 ((23.7)%) Previous term: 16,673(105.5%)

	Profit per share (¥)	Diluted profit per share (¥)	Return on equity (ROE) (%)	Ordinary profit / Total assets (%)	Operating profit / Net sales (%)
Reporting term	116.98	116.85	7.8	8.1	5.1
Previous term	190.19	189.91	14.1	12.8	8.6

Reference: Share of profit of entities accounted for using equity method (¥ million) Reporting term: 128 Previous term: (172)

(2) Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Equity ratio (%)	Net assets per share (¥)
Reporting term	170,202	125,519	69.4	1,569.41
Previous term	154,709	114,421	69.4	1,447.28

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

Reporting term: 118,113 Previous term: 107,359

(3) Cash Flows

	Cash flows from operating activities (¥ million)	Cash flows from investing activities (¥ million)	Cash flows from financing activities (¥ million)	Cash and cash equivalents at end of period (¥ million)
Reporting term	10,977	(8,675)	(1,855)	35,823
Previous term	37,755	(14,123)	(15,909)	35,242

2. Dividend Payment

	Dividend per share (¥)					Total amount for annual dividend payments (¥ million)	Pay-out ratio (consolidated) (%)	Dividend payments/ Net assets (consolidated) (%)
	End of Q1	End of Q2	End of Q3	End of Q4	Total			
FY 2023	—	10.00	—	15.00	25.00	1,854	13.1	1.9
FY 2024	—	13.00	—	27.00	40.00	3,010	34.2	2.7
FY 2025(forecast)	—	20.50	—	20.50	41.00	/	38.2	/

3. Consolidated Business Forecast for the Term Ended 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

※Notes

- (1) Significant changes in the scope of consolidation during the period: **No**
- (2) Changes in accounting policies, estimates, or retrospective restatements
 - a) Changes in accounting policies due to revisions of accounting standards: **No**
 - b) Other: **No**
 - c) Changes in accounting estimates: **No**
 - d) Retrospective restatements: **No**
- (3) Number of issued shares (ordinary shares)
 - a) Number of issued shares at end of period (including treasury shares)

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

Reporting term: 933,876
Previous term: 2,013,483
 - c) Average number of shares outstanding during the term

Reporting term: 75,025,311
Previous term: 74,170,388

※This flash report is exempt from review procedures under the Financial Instruments and Exchange Act.

※Caution Concerning Forward-Looking Statements

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.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	5,892	4,971
Distribution facilities	34,485	33,159
Service and maintenance facilities	5,507	5,293
Other facilities	13,654	14,067
Construction in progress	2,256	589
Total property, plant and equipment	61,795	58,080
Intangible assets	2,769	4,058
Investments and other assets		
Investment securities	16,661	21,513
Long-term loans receivable	2,673	2,016
Deferred tax assets	634	630
Other investments	3,509	6,446
Allowance for doubtful accounts	(76)	(77)
Total investments and other assets	23,402	30,529
Total non-current assets	87,967	92,669
Current assets		
Cash and deposits	35,621	36,251
Notes and accounts receivable - trade, and contract assets	17,237	20,470
Merchandise and finished goods	692	1,134
Raw materials and supplies	10,376	14,017
Accounts receivable - other	1,075	3,473
Other current assets	1,776	2,224
Allowance for doubtful accounts	(38)	(39)
Total current assets	66,741	77,533
Total assets	154,709	170,202

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	12,233	11,124
Deferred tax liabilities	1,526	2,955
Retirement benefit liability	2,280	1,366
Asset retirement obligations	109	177
Other noncurrent liabilities	191	168
Total non-current liabilities	21,342	20,792
Current liabilities		
Current portion of non-current liabilities	984	2,268
Accounts payable - trade	3,268	11,155
Short-term borrowings	95	497
Accounts payable - other	4,794	2,494
Income taxes payable	5,093	2,627
Provision for bonuses	566	528
Other current liabilities	4,142	4,318
Total current liabilities	18,945	23,890
Total liabilities	40,287	44,683
Net assets		
Shareholders' equity		
Share capital	6,279	6,279
Capital surplus	5,028	5,453
Retained earnings	90,260	96,946
Treasury shares	(1,023)	(474)
Total shareholders' equity	100,544	108,204
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,944	8,665
Deferred gains or losses on hedges	45	43
Foreign currency translation adjustment	178	245
Remeasurements of defined benefit plans	646	954
Total accumulated other comprehensive income	6,814	9,908
Share acquisition rights	85	54
Non-controlling interests	6,976	7,352
Total net assets	114,421	125,519
Total liabilities and net assets	154,709	170,202

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	214,004	202,237
Cost of sales	166,436	162,503
Gross profit	47,567	39,733
Selling, general and administrative expenses	29,227	29,431
Operating profit	18,340	10,302
Non-operating income		
Interest income	75	67
Dividend income	483	590
Foreign exchange gains	147	16
Share of profit of entities accounted for using equity method	-	128
Gain on investments in silent partnerships	1,104	1,837
Miscellaneous income	349	415
Total non-operating income	2,160	3,056
Non-operating expenses		
Interest expenses	154	146
Share of loss of entities accounted for using equity method	172	-
Share issuance costs	-	45
Miscellaneous expenses	108	83
Total non-operating expenses	436	275
Ordinary profit	20,064	13,083
Extraordinary income		
Accumulation (amortization) of unrecognized prior service cost	-	359
Total extraordinary income	-	359
Extraordinary losses		
Impairment losses	-	45
Total extraordinary losses	-	45
Profit before income taxes	20,064	13,397
Income taxes - current	5,244	3,465
Income taxes - deferred	30	420
Total income taxes	5,274	3,885
Profit	14,790	9,511
Profit attributable to non-controlling interests	682	734
Profit attributable to owners of parent	14,107	8,776

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Profit	14,790	9,511
Other comprehensive income		
Valuation difference on available-for-sale securities	1,593	2,765
Deferred gains or losses on hedges	(73)	(1)
Foreign currency translation adjustment	9	10
Remeasurements of defined benefit plans, net of tax	214	308
Share of other comprehensive income of entities accounted for using equity method	139	134
Total other comprehensive income	1,883	3,216
Comprehensive income	16,673	12,728
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,918	11,870
Comprehensive income attributable to non-controlling interests	755	857

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended December 31, 2023

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,279	5,004	77,599	(1,038)	87,844
Changes during period					
Dividends of surplus			(1,446)		(1,446)
Profit attributable to owners of parent			14,107		14,107
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					–
Change in ownership interest of parent due to transactions with non-controlling interests		4			4
Restricted stock compensation		18		15	34
Net changes in items other than shareholders' equity					
Total changes during period	–	23	12,660	15	12,699
Balance at end of period	6,279	5,028	90,260	(1,023)	100,544

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	4,371	118	81	431	5,002	85	6,674	99,608
Changes during period								
Dividends of surplus								(1,446)
Profit attributable to owners of parent								14,107
Purchase of treasury shares								(0)
Disposal of treasury shares								–
Change in ownership interest of parent due to transactions with non-controlling interests								4
Restricted stock compensation								34
Net changes in items other than shareholders' equity	1,573	(73)	96	214	1,811	–	301	2,113
Total changes during period	1,573	(73)	96	214	1,811	–	301	14,812
Balance at end of period	5,944	45	178	646	6,814	85	6,976	114,421

For the fiscal year ended December 31,2024

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,279	5,028	90,260	(1,023)	100,544
Changes during period					
Dividends of surplus			(2,091)		(2,091)
Profit attributable to owners of parent			8,776		8,776
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		403		528	932
Change in ownership interest of parent due to transactions with non-controlling interests		4			4
Restricted stock compensation		17		19	37
Net changes in items other than shareholders' equity					
Total changes during period	-	425	6,685	548	7,659
Balance at end of period	6,279	5,453	96,946	(474)	108,204

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	5,944	45	178	646	6,814	85	6,976	114,421
Changes during period								
Dividends of surplus								(2,091)
Profit attributable to owners of parent								8,776
Purchase of treasury shares								(0)
Disposal of treasury shares								932
Change in ownership interest of parent due to transactions with non-controlling interests								4
Restricted stock compensation								37
Net changes in items other than shareholders' equity	2,720	(1)	67	308	3,094	(31)	375	3,438
Total changes during period	2,720	(1)	67	308	3,094	(31)	375	11,097
Balance at end of period	8,665	43	245	954	9,908	54	7,352	125,519

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	20,064	13,397
Depreciation	9,369	9,724
Impairment losses	-	45
Loss on retirement of property, plant and equipment	66	29
Increase (decrease) in allowance for doubtful accounts	(22)	2
Increase (decrease) in retirement benefit liability	(116)	(512)
Increase (decrease) in provision for bonuses	150	(39)
Interest and dividend income	(558)	(658)
Interest expenses	154	146
Share of loss (profit) of entities accounted for using equity method	172	(128)
Loss (gain) on investments in silent partnerships	(1,104)	(1,837)
Decrease (increase) in accounts receivable - trade, and contract assets	8,653	(3,234)
Decrease (increase) in inventories	7,824	(3,553)
Increase (decrease) in trade payables	(8,947)	6,823
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	1,403	(2,252)
Decrease (increase) in accounts receivable - other	2,429	(420)
Other, net	459	(375)
Subtotal	39,997	17,154
Interest and dividends received	554	480
Interest paid	(158)	(147)
Income taxes paid	(2,637)	(6,509)
Net cash provided by (used in) operating activities	37,755	10,977
Cash flows from investing activities		
Payments into time deposits	(142)	(160)
Proceeds from withdrawal of time deposits	148	130
Purchase of property, plant and equipment and intangible assets	(14,038)	(7,365)
Purchase of investment securities	(484)	(1,627)
Proceeds from sale of investment securities	-	925
Proceeds from redemption of investment securities	175	-
Proceeds from redemption of securities	142	-
Payments for investments in capital	(365)	(1,038)
Proceeds from collection of loans receivable	976	793
Proceeds from contribution received for construction	160	213
Other, net	(694)	(547)
Net cash provided by (used in) investing activities	(14,123)	(8,675)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(79)	10
Net increase (decrease) in commercial papers	(17,999)	-
Proceeds from long-term borrowings	1,099	775
Repayments of long-term borrowings	(2,035)	(975)
Proceeds from issuance of bonds	5,000	-
Dividends paid	(1,445)	(2,089)
Dividends paid to non-controlling interests	(538)	(536)
Proceeds from share issuance to non-controlling shareholders	90	60
Proceeds from sale of treasury shares	-	901
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(0)	(0)
Other, net	(0)	0
Net cash provided by (used in) financing activities	(15,909)	(1,855)

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Effect of exchange rate change on cash and cash equivalents	254	133
Net increase (decrease) in cash and cash equivalents	7,978	580
Cash and cash equivalents at beginning of period	27,264	35,242
Cash and cash equivalents at end of period	35,242	35,823

(5) Notes regarding Consolidated Financial Statements

Note on Going Concerns' Premise

Not applicable.

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 does not affect the consolidated financial statements for the current consolidated fiscal year.

This payment may be used to reduce future payments by allocating said payment to the price when taking delivery of the volume in question in subsequent years. However, based on projected demand as of the end of the current consolidated fiscal year and the circumstances surrounding LNG procurement contracts, we have not yet determined the timing of said delivery.

Segment Information

1. Overview of reportable segments

Shizuoka Gas Group's reportable segments are those segments capable of providing separate financial information, and which the Board of Directors regularly reviews to determine the allocation of management resources and evaluate performance results.

The basic business of the Shizuoka Gas Group is the development of general energy businesses, mainly in city gas and the LPG adoption. We have identified two reportable segments along product/service lines: (1) Gas and (2) LPG and other energy services.

The following details the principal products and services offered by each reportable segment:

Gas: Natural gas and liquefied natural gas (LNG)

LPG and other energy services: Liquefied petroleum gas (LPG), electric power, and on-site energy services

2. Accounting method of sales, profit or losses, assets and other items by each reportable segment

The accounting procedures of the reported business segments are the same as set forth in "Important items in the basis of presenting consolidated financial statements".

Reportable segment income is based on operating profit.

Inter-segment sales and transfers are transactions between consolidated companies and are based on market prices, etc.

3. Net Sales, Income (Loss), Assets, and Other Material Items by each Reportable Segment

Fiscal Year Ended December 31, 2023

(Million yen)

	Reportable segment			Other businesses (Note1)	Total	Adjustment s (Note2)	Amount recorded on consolidated statement of income (Note3)
	Gas	LPG and other energy services	Total				
Net sales							
Sales to external Customers	175,191	26,608	201,799	12,204	214,004	—	214,004
Inter-segment sales and Transfers	2,438	560	2,998	8,123	11,122	(11,122)	—
Total	177,629	27,168	204,798	20,328	225,127	(11,122)	214,004
Segment income	19,261	1,296	20,557	1,004	21,562	(3,222)	18,340
Segment Assets	72,585	25,546	98,131	9,419	107,551	47,157	154,709
Others							
Depreciation Expenses	7,954	990	8,945	296	9,241	127	9,369
Investments in entities accounted for using equity method	1,854	446	2,300	—	2,300	—	2,300
Increase in property, plant, equipment, and intangible assets	6,778	5,882	12,660	669	13,330	—	13,330

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 adjusted amount is as follows.

(1) The (¥3,222) million in segment income adjustments includes ¥291 million in eliminations of inter-segment transactions and (¥3,513) million of corporate expenses not allocated to the respective reportable segments.

Corporate expenses are general and administrative expenses not allocable to a reportable segment.

(2) The ¥47,157 million in segment asset adjustments includes (¥2,936) million in eliminations of inter-segment transactions and ¥50,094 million of company-wide assets not allocated to the respective reportable segments.

Company-wide assets are surplus funds (cash and deposits), long-term investments (investment securities) and assets related to administrative departments.

3. Segment income is adjusted to reflect operating profit as recorded on the consolidated statements of income.

	Reportable segment			Other businesses (Note1)	Total	Adjustment s (Note2)	Amount recorded on consolidate d statement of income (Note3)
	Gas	LPG and other energy services	Total				
Net sales							
Sales to external Customers	158,532	30,634	189,166	13,070	202,237	—	202,237
Inter-segment sales and Transfers	2,356	1,237	3,594	5,417	9,011	(9,011)	—
Total	160,888	31,871	192,760	18,488	211,248	(9,011)	202,237
Segment income	9,748	3,631	13,380	837	14,217	(3,915)	10,302
Segment Assets	78,070	31,315	109,386	11,131	120,517	49,685	170,202
Others							
Depreciation Expenses	8,023	1,286	9,309	292	9,602	122	9,724
Investments in entities accounted for using equity method	2,084	1,442	3,527	—	3,527	—	3,527
Increase in property, plant, equipment, and intangible assets	5,429	1,567	6,997	385	7,383	—	7,383

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 adjusted amount is as follows.

(1) The (¥3,915) million in segment income adjustments includes ¥345million in eliminations of inter-segment transactions and (¥4,261) million of corporate expenses not allocated to the respective reportable segments. Corporate expenses are general and administrative expenses not allocable to a reportable segment.

(2) The ¥49,685 million in segment asset adjustments includes (¥3,187) million in eliminations of inter-segment transactions and ¥52,872million of company-wide assets not allocated to the respective reportable segments. Company-wide assets are surplus funds (cash and deposits), long-term investments (investment securities) and assets related to administrative departments.

3. Segment income is adjusted to reflect operating profit as recorded on the consolidated statements of income.