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October 29, 2026

Consolidated Financial Results for the Six Months Ended September 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
Inquiries: Takahiro Horita, General Manager Finance Dept
Telephone: +81-11-792-8312

Scheduled date to file semi-annual securities report: November 12, 2026
Scheduled date to commence dividend payments: December 1, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	71,690	0.5	3,452	(48.3)	3,615	(47.3)	2,595	(47.0)
September 30, 2025	71,367	4.9	6,673	39.2	6,863	40.3	4,899	40.6

Note: Comprehensive income For the six months ended September 30, 2026: ¥3,258 million [(37.3)%]
For the six months ended September 30, 2025: ¥5,200 million [52.1%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	29.49	29.38
September 30, 2025	55.54	55.31

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	184,226	100,853	53.4
March 31, 2026	198,198	99,710	49.1

Reference: Equity
As of September 30, 2026: ¥98,462 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	–	13.50			
Fiscal year ending March 31, 2027 (Forecast)			–	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)	106.69

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 semi-annual consolidated financial statements: Yes

Note: For details, please see page 9 of the attachments, "(4) Notes to Semi-annual Consolidated Financial Statements (Adoption of accounting treatment specific to the preparation of semi-annual 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 September 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 September 30, 2026	1,498,374 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)

Six months ended September 30, 2026	88,033,544 shares
Six months ended September 30, 2025	88,204,722 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

1. 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 Semi-annual 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.
2. The supplementary material on financial results will be posted on the Company's website.

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

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1. Qualitative Information on Semi-annual Financial Results

(1) Explanation of Operating Results

During the six months ended September 30, 2026 (April to September 2026), city gas sales volume including wholesale decreased by 1.9% in total compared to the previous corresponding period. This decrease was mainly driven by decreased demand for heating resulting from high temperatures in early spring, despite an increase in sales volume mainly due to increases in the number of customers and the demand for hot water resulting from average summer temperatures compared with the previous year in residential use, and a decrease in sales volume mainly due to lower demand for air conditioning resulting from average summer temperatures compared with the previous year in business use.

Sales to outside customers of the Gas segment were ¥40,107 million, a 3.1% decrease compared to the previous corresponding period, mainly due to lower unit selling prices under the fuel cost adjustment system and a decrease in sales volume. Sales to outside customers of the Electricity segment were ¥13,057 million, a 0.1% decrease compared to the previous corresponding period, mainly due to lower unit selling prices under the fuel cost adjustment system and a decrease in low-voltage sales volume. As a result, together with factors such as increased appliance sales in the Energy-related segment, consolidated net sales totaled ¥71,690 million, a 0.5% increase compared to the previous corresponding period.

Ordinary profit was ¥3,615 million, a 47.3% decrease compared to the previous corresponding period, mainly due to an increase in strategic expenses, including those for smart meter deployment and DX-related fields. Profit attributable to owners of parent was ¥2,595 million, a 47.0% 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		Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Change (%)
Number of customers	Number of retail customers	488,176	486,953	(1,223)	(0.3)
	Number of meters installed	605,311	605,168	(143)	(0.0)
	Number after integration of heating and cooking meters*	568,614	575,231	6,617	1.2
Sales volume (thousand m^3)	Residential use	66,966	67,674	709	1.1
	Business use	163,422	157,703	(5,719)	(3.5)
	Supply for other businesses	10,615	11,104	489	4.6
	Total	241,003	236,481	(4,522)	(1.9)

* 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		Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Change (%)
Number of customers	Number of retail customers	256,540	259,349	2,809	1.1
Sales volume (thousand kWh)	Retail customers	382,978	384,903	1,925	0.5
	Wholesale	21,588	18,001	(3,587)	(16.6)
	Total	404,566	402,905	(1,661)	(0.4)

Crude oil price and exchange rate

Item	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Change (%)
Crude oil price (All Japan CIF) ($/bbl)	73.56	108.36	34.80	47.3
Exchange rate (Yen/$)	146.14	159.50	13.36	9.1

(2) Explanation of Financial Position

As of September 30, 2026, total assets decreased by ¥13,972 million from the end of the previous fiscal year to ¥184,226 million. Net assets increased by ¥1,142 million from the end of the previous fiscal year to ¥100,853 million.

As a result, the equity ratio increased from 49.1% at the end of the previous fiscal year to 53.4%.

(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. Semi-annual Consolidated Financial Statements and Principal Notes
(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	19,067	18,071
Distribution facilities	44,750	45,227
Service and maintenance facilities	12,902	12,873
Other facilities	46,839	45,819
Construction in progress	4,452	7,284
Total property, plant and equipment	128,011	129,276
Intangible assets		
Other	5,628	6,193
Total intangible assets	5,628	6,193
Investments and other assets		
Investment securities	10,434	11,465
Retirement benefit asset	1,026	1,019
Deferred tax assets	2,836	2,586
Other	4,221	4,245
Allowance for doubtful accounts	(16)	(24)
Total investments and other assets	18,502	19,292
Total non-current assets	152,142	154,762
Current assets		
Cash and deposits	9,799	2,093
Notes and accounts receivable - trade, and contract assets	19,630	13,241
Merchandise and finished goods	515	770
Work in process	1,681	2,782
Raw materials and supplies	10,823	7,197
Other	3,686	3,451
Allowance for doubtful accounts	(81)	(73)
Total current assets	46,055	29,464
Total assets	198,198	184,226

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Non-current liabilities		
Bonds payable	31,120	31,120
Long-term borrowings	9,360	8,463
Deferred tax liabilities for land revaluation	565	565
Retirement benefit liability	4,704	4,647
Provision for gas holder repairs	246	278
Provision for repairs	372	372
Provision for safety measures	712	603
Provision for appliance warranties	1,413	1,465
Lease liabilities	2,467	2,368
Other	2,595	2,246
Total non-current liabilities	53,560	52,132
Current liabilities		
Current portion of non-current liabilities	9,664	9,340
Notes and accounts payable - trade	7,349	2,760
Provision for loss on compensation for accident and damage	460	280
Income taxes payable	3,211	1,340
Other	24,241	17,519
Total current liabilities	44,927	31,240
Total liabilities	98,487	83,373
Net assets		
Shareholders' equity		
Share capital	7,515	7,515
Capital surplus	5,299	5,288
Retained earnings	79,551	81,000
Treasury shares	(113)	(1,061)
Total shareholders' equity	92,253	92,742
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,476	5,111
Revaluation reserve for land	268	268
Remeasurements of defined benefit plans	324	339
Total accumulated other comprehensive income	5,070	5,719
Share acquisition rights	94	89
Non-controlling interests	2,293	2,301
Total net assets	99,710	100,853
Total liabilities and net assets	198,198	184,226

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	71,367	71,690
Cost of sales	46,890	48,357
Gross profit	24,476	23,332
Selling, general and administrative expenses		
Supply and sales expenses	15,480	17,210
General and administrative expenses	2,323	2,670
Total selling, general and administrative expenses	17,803	19,880
Operating profit	6,673	3,452
Non-operating income		
Dividend income	111	116
Insurance claim income	1	105
Other	400	238
Total non-operating income	513	459
Non-operating expenses		
Interest expenses	186	175
Personnel transfer expenses	101	94
Other	34	27
Total non-operating expenses	322	296
Ordinary profit	6,863	3,615
Extraordinary income		
Gain on bargain purchase	479	–
Gain on reversal of provision for loss on compensation for accident and damage	–	129
Total extraordinary income	479	129
Extraordinary losses		
Loss on step acquisitions	493	–
Total extraordinary losses	493	–
Profit before income taxes	6,849	3,744
Income taxes	1,933	1,136
Profit	4,916	2,608
Profit attributable to non-controlling interests	16	12
Profit attributable to owners of parent	4,899	2,595

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	4,916	2,608
Other comprehensive income		
Valuation difference on available-for-sale securities	339	635
Remeasurements of defined benefit plans, net of tax	(55)	14
Total other comprehensive income	284	650
Comprehensive income	5,200	3,258
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,183	3,245
Comprehensive income attributable to non-controlling interests	16	13

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	6,849	3,744
Depreciation	7,596	7,811
Gain on bargain purchase	(479)	–
Loss (gain) on step acquisitions	493	–
Increase (decrease) in provision for safety measures	(103)	(109)
Increase (decrease) in reserve for fixtures assurance	52	52
Increase (decrease) in retirement benefit liability	8	(43)
Increase (decrease) in provision for loss on compensation for accident and damage	–	(179)
Increase (decrease) in allowance for doubtful accounts	(6)	0
Interest and dividend income	(118)	(126)
Interest expenses	186	175
Decrease (increase) in trade receivables	8,593	6,830
Decrease (increase) in inventories	2,776	2,269
Increase (decrease) in trade payables	(8,441)	(5,238)
Increase (decrease) in accrued consumption taxes	523	(245)
Other, net	(1,091)	(985)
Subtotal	16,839	13,956
Interest and dividends received	122	126
Interest paid	(184)	(193)
Income taxes refund (paid)	(2,095)	(2,963)
Net cash provided by (used in) operating activities	14,681	10,926
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,702)	(8,254)
Proceeds from sale of property, plant and equipment	180	44
Purchase of intangible assets	(490)	(1,346)
Purchase of long-term prepaid expenses	(482)	(393)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	104	–
Loan advances to subsidiaries and associates	(55)	–
Other, net	241	(93)
Net cash provided by (used in) investing activities	(8,203)	(10,043)
Cash flows from financing activities		
Net increase (decrease) in commercial papers	(6,000)	(5,000)
Repayments of long-term borrowings	(1,311)	(1,204)
Purchase of treasury shares	(0)	(1,000)
Dividends paid	(883)	(1,150)
Other, net	(227)	(234)
Net cash provided by (used in) financing activities	(8,423)	(8,588)
Net increase (decrease) in cash and cash equivalents	(1,944)	(7,706)
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	9,385	2,093

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

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

Not applicable.

(Significant changes in the scope of consolidation)

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

Effective from the six months ended September 30, 2026, 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 nine-month period from January 1, 2026 to September 30, 2026 have been consolidated in the six months ended September 30, 2026.

This change has had an immaterial impact on the semi-annual consolidated financial statements.

(Adoption of accounting treatment specific to the preparation of semi-annual 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 six months ended September 30, 2025 (from April 1, 2025 to September 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 Semi-annual Consolidated Statement of Income (Note 3)
	Gas	Electricity	Energy-related	Total				
Net sales								
Sales to outside customers	41,369	13,072	16,173	70,615	751	71,367	–	71,367
Inter-segment sales or transfers	978	118	960	2,057	967	3,024	(3,024)	–
Total	42,348	13,190	17,134	72,672	1,718	74,391	(3,024)	71,367
Segment profit	5,553	1,670	698	7,923	119	8,042	(1,369)	6,673

(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 ¥(1,369) million adjustment in segment profit includes ¥89 million in the elimination of intersegment transactions, ¥(12) million in share of profit (loss) of entities accounted for using the equity method, and ¥(1,446) 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 semi-annual consolidated statement of income.

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

(Significant gain on bargain purchase)

Due to the inclusion of Muroran Gas Co., Ltd. in the scope of consolidation from the six months ended September 30, 2025, a gain on bargain purchase of ¥479 million has been recorded.

As the gain on bargain purchase arising from this event is an extraordinary income, it is not included in segment profit.

II For the six months ended September 30, 2026 (from April 1, 2026 to September 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 Semi-annual Consolidated Statement of Income (Note 3)
	Gas	Electricity	Energy-related	Total				
Net sales								
Sales to outside customers	40,107	13,057	17,865	71,030	660	71,690	–	71,690
Inter-segment sales or transfers	942	231	1,598	2,772	1,374	4,147	(4,147)	–
Total	41,049	13,289	19,463	73,802	2,034	75,837	(4,147)	71,690
Segment profit	3,048	911	701	4,660	212	4,873	(1,421)	3,452

(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 ¥(1,421) million adjustment in segment profit includes ¥68 million in the elimination of intersegment transactions, ¥(6) million in share of profit (loss) of entities accounted for using the equity method, and ¥(1,482) 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 semi-annual consolidated statement of income.

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

Omitted due to its immateriality.