

FY2019 3Q Supplementary Information

(Jan.1,2019-Sept.30,2019)



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TSE:9543

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Disclaimer

- Forecasts are based on information available to the management when this was drafted.
 - Actual financial results may significantly differ from these forecasts due to any unforeseen economic and business circumstances.
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I . Summary of Financial Results for FY2019 3Q

FY2019 3Q Financial Highlights



◎ 3Q Results : Higher Sales, Higher Profits

- Net sales increased due to higher gas sales volume and upward revision in Sliding-time-lag effect.

Operating income adjusted for Sliding-time-lag decreased 35.4% year on year.

- Gas sales volume increased 2.7% year on year.

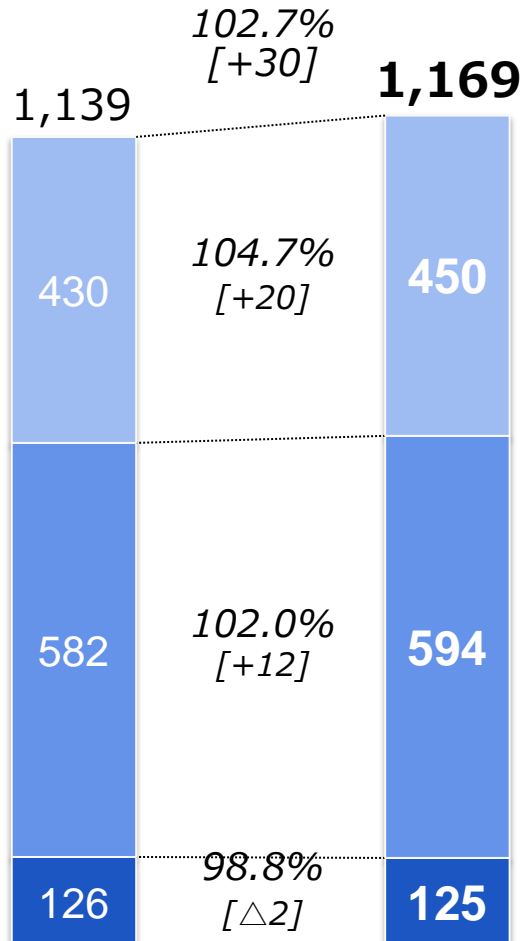
(Wholesale) Increased due to supply-demand adjustments on the contract.

(Large-lot-sale) Increased due to additional customers in FY2019.

(Small-lot-sale) Decreased due to higher temperature.

		FY2018 3Q	FY2019 3Q	Change	Change(%)
● Net sales	(billion yen)	102.5	110.4	+7.8	107.7
● Operating income adjusted for Sliding-time-lag	(billion yen)	8.5	5.4	-2.9	64.6
Sliding-time-lag	(billion yen)	-2.4	+2.7	+5.2	—
● Operating income	(billion yen)	6.0	8.2	+2.2	136.8
● Gas sales volume (Non-consolidated)	(million m ³)	1,139	1,169	+30	102.7
Wholesale	(million m ³)	430	450	+20	104.7
Large-lot-sale	(million m ³)	582	594	+12	102.0
Small-lot-sale	(million m ³)	126	125	-2	98.8

Gas sales Volume (Non-consolidated)



Unit; Million m³(45MJ/m³)

* Figures in [] are the difference from the results in FY2018

Wholesale

- Supply-demand adjustments on the contract [+20]

Large-lot-sale

- Additional customers in 2019 [+16]
- Full operation in factories of customers added in 2018 [+12]
- Existing customers [Δ16]

Small-lot-sale

- Decreased in sales volume to commercial customers [Δ1]
- Decreased in sales volume to residential customers [Δ0]

FY2018 3Q Results **FY2019 3Q Results**

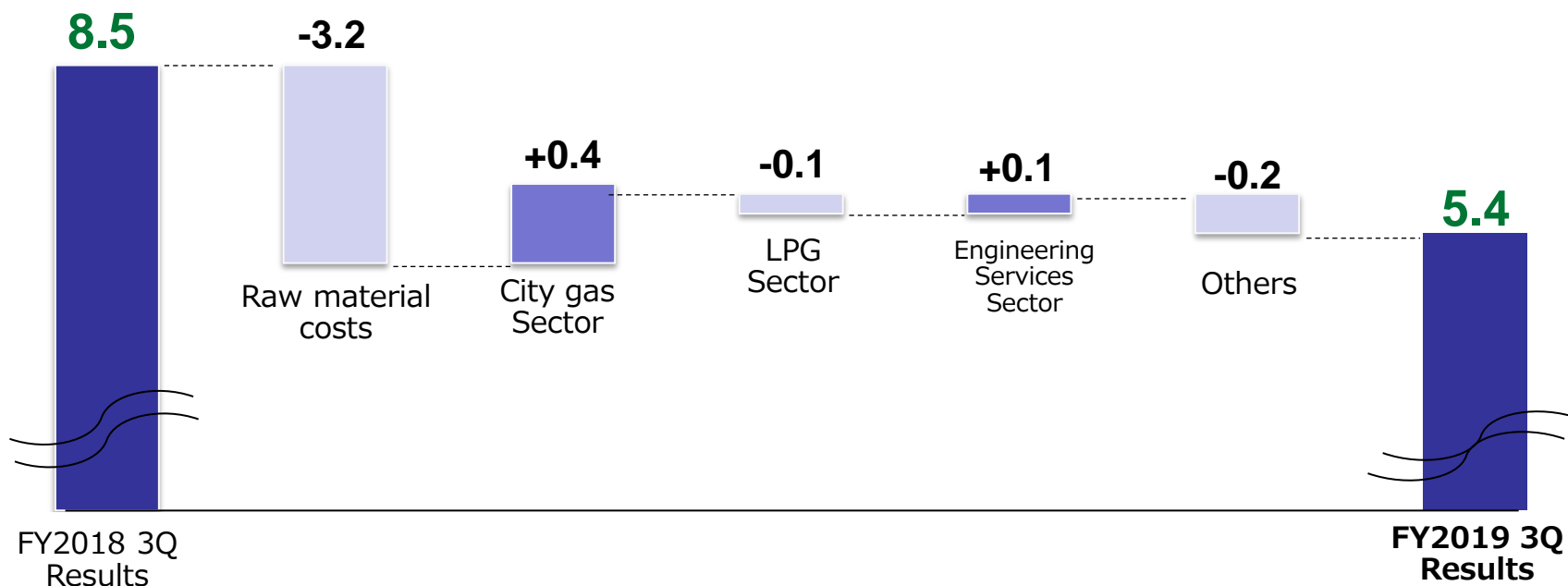
Breakdown of Consolidated Operating Income

<vs. FY2018 1-3Q Results>



Unit : billion yen

	FY2018 3Q Results	FY2019 3Q Results	Change
<i>Operating income adjusted for Sliding-time-lag</i>	8.5	5.4	-2.9
Sliding-time-lag	-2.4	+2.7	+5.2
Operating income	6.0	8.2	+2.2



II . FY2019 Forecast

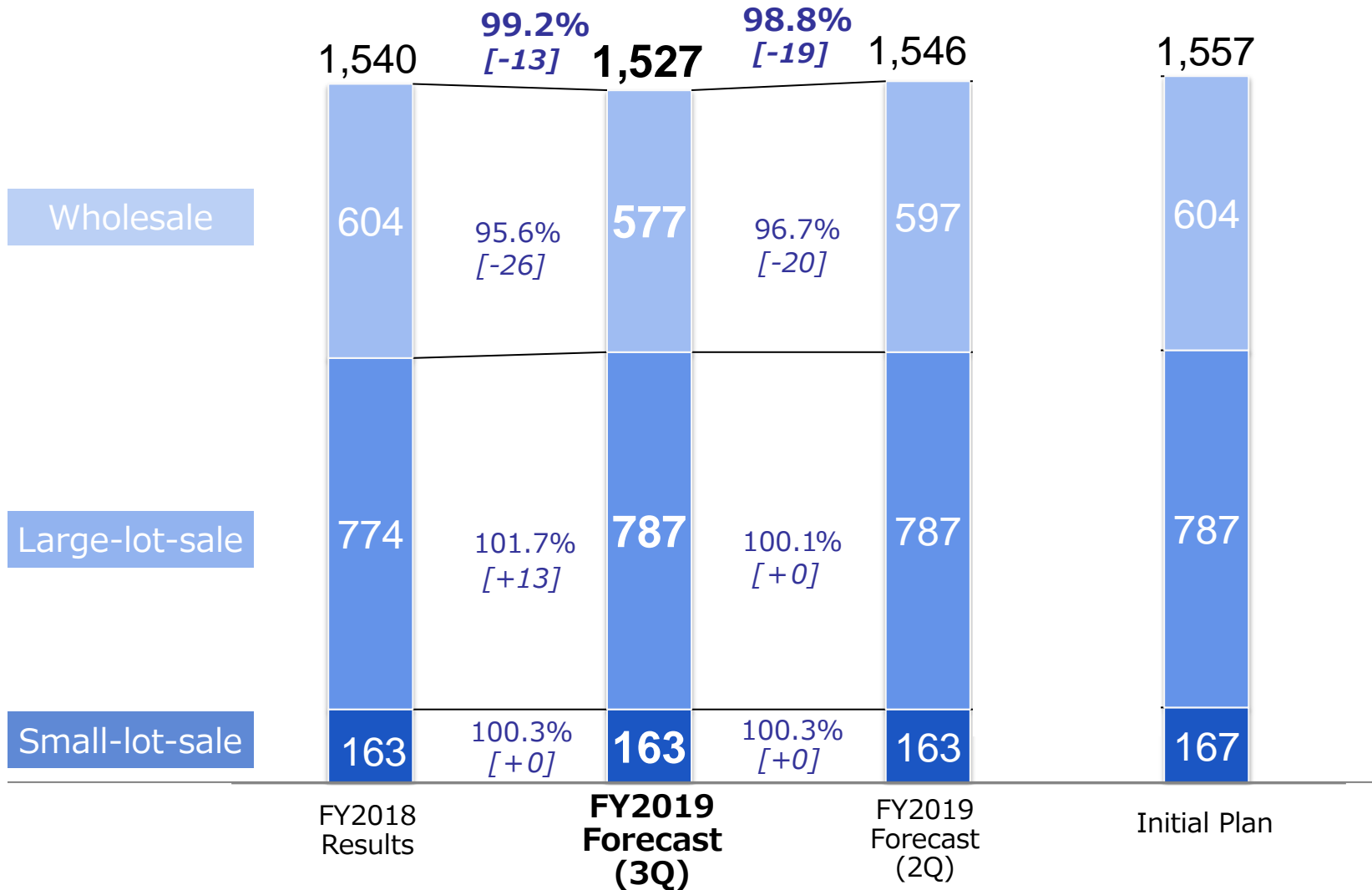


FY2019 Forecast: Gas Sales Volume

(Non-consolidated)



Unit; Million m³(45MJ/m³)

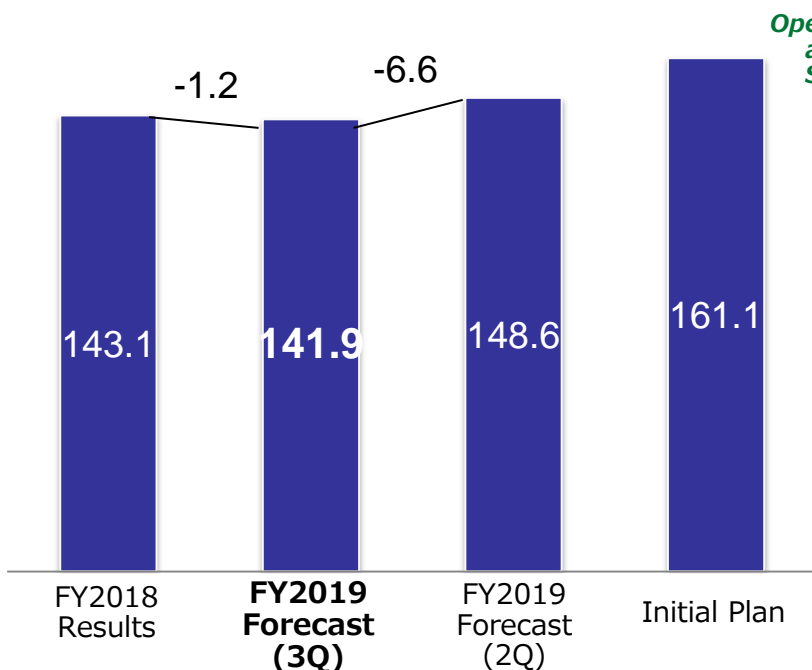


FY2019 Forecast: Net Sales and Operating Income



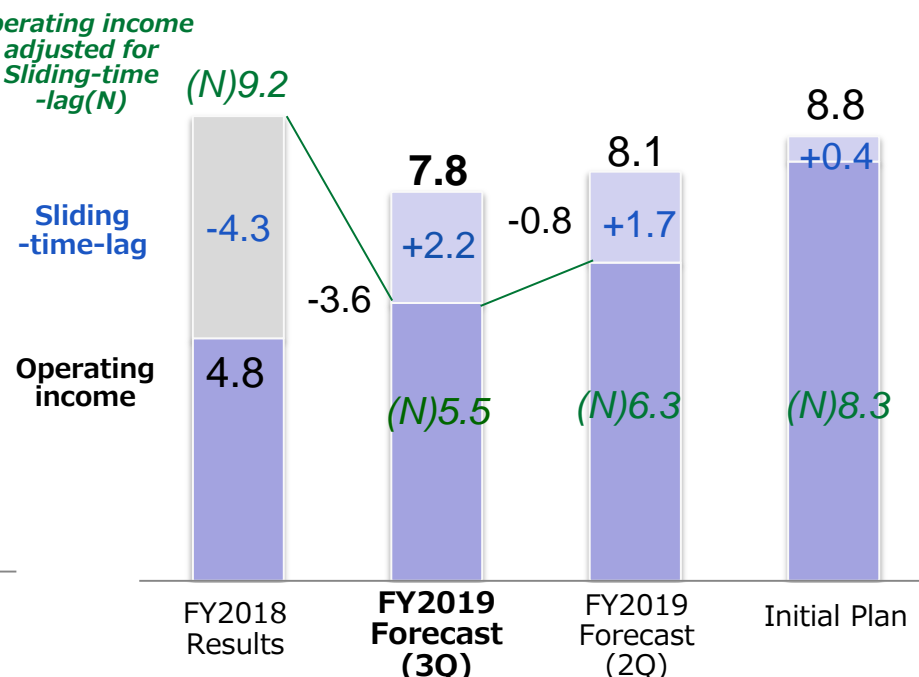
Net sales

Unit: billion yen



Operating income & Sliding-time-lag

Unit: billion yen



	FY2019 1-3Q	October 2019	Nov-Dec 2019 Forecast
Exchange rate (Yen/US\$)	109.3	107.8	109
Crude oil price C I F (J C C) (US\$/bbl)	67.1	64.7	65

Effect on Gross profit (Nov-Dec 2019)	
(+) 1yen/US\$	-30 million yen
(+) 1US\$/bbl	±0 million yen

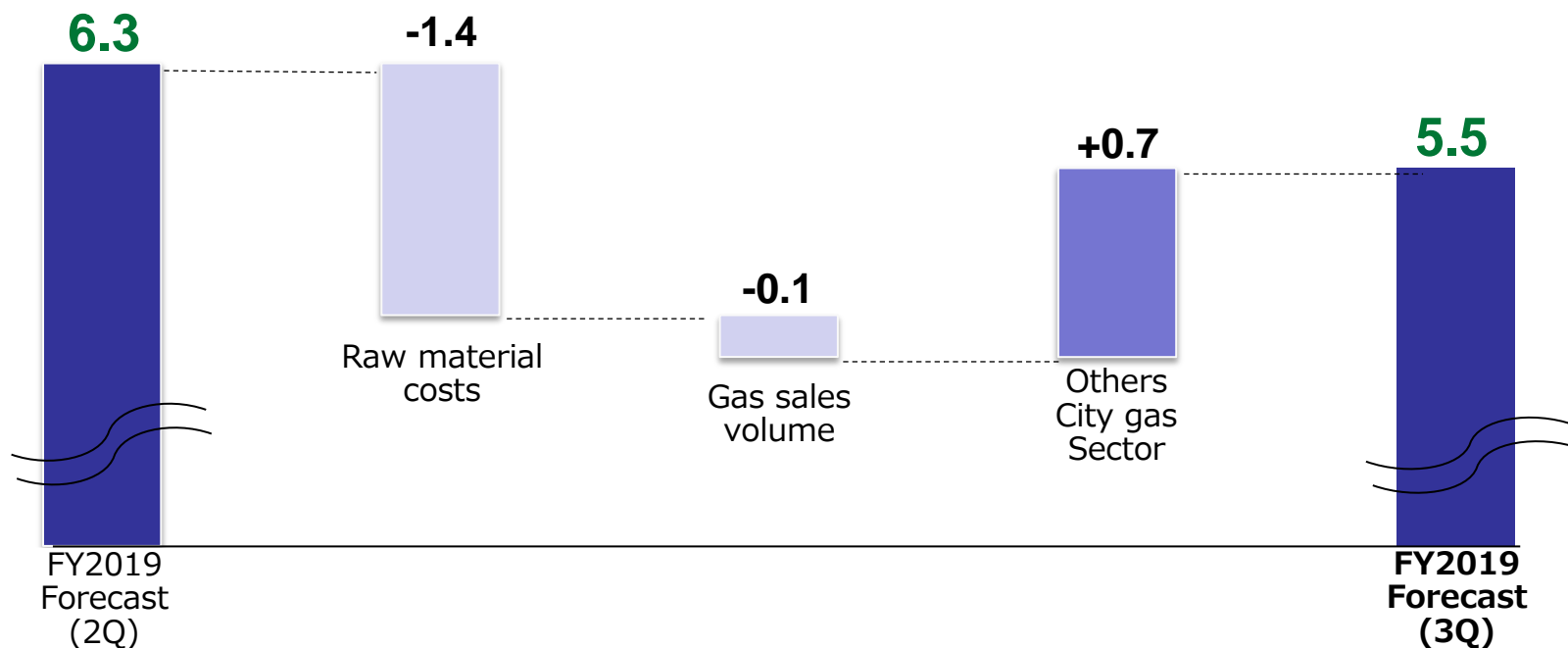
Breakdown of Operating income (FY2019 Forecast)

<vs. FY2019 Forecast (2Q)>



Unit: billion yen

	FY2019 Forecast (2Q)	FY2019 Forecast (3Q)	Change
<i>Operating income adjusted for Sliding-time-lag</i>	6.3	5.5	-0.8
Sliding-time-lag	+1.8	+2.2	+0.4
Operating income	8.1	7.8	-0.3



III. Supplementary Information



Gas Sales Volume (Non-Consolidated)



Unit : million m³

	FY2018 3Q Results	FY2019 3Q Results	Change	%	FY2019 Forecast
Gas sales volume	1,139	1,169	+30	102.7	1,527
Direct sales	708	719	+10	101.4	950
Residential	65	64	- 0	99.3	85
Commerical	55	53	- 1	97.3	69
Industrial	589	601	+12	102.0	797
Wholesale	430	450	+20	104.7	577

〈 Large-lot-sale 〉

Gas sales volume	582	594	+12	102.0	787
Sales composition ratio	82.1%	82.6%			82.8%

Profit and Loss



Unit : billion yen

	FY2018.3Q	FY2019.3Q	Year on year		FY2019 Forecast	Compared to initial plan
Net sales	102.5	110.4	+7.8	107.7%	141.9	- 19.1
Cost of sales	81.5	88.3	+6.7	108.3%	113.6	- 14.4
Gross Profit	25.7	28.7	+3.0	111.6%	35.9	- 2.2
Sales and administrative expenses	19.7	20.5	+0.7	104.0%	28.1	- 1.2
Personnel	7.6	8.2	+0.5	107.7%	11.0	- 0.1
Other expenses	7.0	7.3	+0.2	103.5%	10.4	- 0.8
Depreciation	4.9	4.9	- 0.0	98.8%	6.6	- 0.2
Operating income	6.0	8.2	+2.2	136.8%	7.8	- 1.0
Ordinary income	-2.4	2.7	+5.2	-	2.2	+1.7
Net income	8.5	5.4	- 2.9	64.6%	5.5	- 2.7