



April 25th, 2019

## **Notice regarding the Sales of NICIGAS' Stocks** **(Cross-shareholdings Stocks) by Financial Institutions**

Company name: NIPPON GAS CO., LTD.

Ticker Code: 8174

URL: <http://www.nichigas.co.jp/>

Stock exchange listing: Tokyo Stock Exchange

Representative: Shinji Wada, President and Representative Director

Contact: Shinichi Kiyota, Director

Nippon Gas Co., Ltd. ("NICIGAS") hereby announces that 2,410,000 of NICIGAS' stocks owned by financial institutions were sold in the market (the "Transaction"), during FY03/19. Thereby, the number of NICIGAS' stocks owned as Cross-shareholdings Stocks was reduced.

### **1. Rationale for the Reduction of Cross-shareholdings Stocks**

NICIGAS has been decreasing its Cross-shareholdings Stocks since 2017, when the purpose to hold the stocks did not meet NICIGAS' internal criteria based on the Corporate Governance Code. In addition, in line with the policy, NICIGAS is actively reducing the number of NICIGAS' stocks owned by other institutions as Cross-shareholding Stocks, with intention to bring more business discipline, liquidity, as well as improved enterprise value over mid to long term.

### **2. Summary of the Transaction**

NICIGAS reduced the number of NICIGAS' stocks owned mainly by financial institutions as Cross-shareholdings Stocks during FY03/19, and 2,410,000 of NICIGAS' stocks were sold in the market. The Transaction did not affect the composition of NICIGAS' major shareholders.

### **3. Future Policy for Cross-Shareholdings Stocks**

NICIGAS will continue to reduce the number of NICIGAS' stocks owned by financial institutions as Cross-shareholding Stocks, during FY03/20.

### **4. Regarding Forward-looking Statements**

The impact of the Transaction on NICIGAS' FY03/20 consolidated financial results is expected to be immaterial.