

FY2013 ended March 2014
Consolidated Results Bulletin
Toho Gas Co., Ltd.

April 30, 2014

Code No.: 9533 (URL <http://www.tohogas.co.jp/>)

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Date of regular general meeting of stockholders: June 25, 2014

Date of submission of financial report: June 26, 2014

Earnings supplementary explanatory documents: Yes

Earnings presentation: Yes (for institutional investors)

Shares listed on:

Tokyo Stock Exchange, Nagoya Stock Exchange

Commencement of dividend payments: June 26, 2014

(Rounded down to the nearest million yen)

1. Consolidated Results for FY2013 (April 1, 2013 - March 31, 2014)

(1) Consolidated business results (Percentage figures indicate the percentage change on the results for the previous year)

	Sales		Operating income		Ordinary income		Net income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2013 ended March 2014	560,462	8.1	15,751	24.8	17,053	27.4	11,241	31.8
FY2012 ended March 2013	518,305	7.5	12,621	-27.9	13,382	-26.3	8,526	-0.5

Note: Comprehensive income FY2013 ended March 2014: ¥21,238 million (23.1%) FY2012 ended March 2013: ¥17,246 million (90.2%)

	Net income per share	Diluted income per share	Return on equity (Net income)	Return on assets (Ordinary income)	Operating income ratio
	(Unit: yen)	(Unit: yen)	(%)	(%)	(%)
FY2013 ended March 2014	20.61	-	4.7	3.4	2.8
FY2012 ended March 2013	15.62	-	3.7	2.7	2.4

Note: Profit or loss on investment accounted for by equity method: FY2013 ended March 2014: None FY2012 ended March 2013: None

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2013 ended March 2014	509,760	245,890	48.2	450.92
FY2012 ended March 2013	504,461	236,470	46.9	433.53

Note: Net assets (excluding minority interests) FY2013 ended March 2014: ¥245,890 million FY2012 ended March 2013: ¥236,470 million

(3) Consolidated cash flow

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investment activities	Net cash provided by (used in) financing activities	Balance of cash and cash equivalents as of end of term
	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)
FY2013 ended March 2014	37,809	-33,016	-2,836	14,241
FY2012 ended March 2013	40,261	-38,357	-7,358	11,596

2. Dividends

	Dividend per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend rate for net assets (Consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of 4th quarter	Total			
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: million yen)	(%)	(%)
FY2012 ended March 2013	-	4.50	-	4.50	9.00	4,910	57.6	2.1
FY2013 ended March 2014	-	4.50	-	4.50	9.00	4,908	43.7	2.0
FY2014 ending March 2015 (forecast)	-	4.50	-	4.50	9.00		32.7	

3. Consolidated Results Forecast for FY2014 (April 1, 2014- March 31, 2015)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Mid-term	272,000	8.6	7,000	44.5	7,000	34.1	5,000	52.7	9.17
Full term	610,000	8.8	23,000	46.0	23,000	34.9	15,000	33.4	27.51

Note: (Mid-term) Percentage figures indicate the percentage change on the interim results for the previous year

(Full term) Percentage figures indicate the percentage change on the results for the previous year

※Notes

(1) Changes in significant consolidated subsidiaries: No

(2) Changes in accounting treatment principles, changes in accounting estimates, and retrospective restatements

- Changes accompanied by reform of accounting standards: Yes
- Other changes: No
- Changes in accounting estimates: No
- Retrospective restatements: No

(3) Number of outstanding shares (common stock)

Number of outstanding shares at the end of the term (Inclusive of treasury stock)	FY2013 ended March 2014	545,966,429 shares	FY2012 ended March 2013	545,966,429 shares
Number of treasury stock at the end of the term	FY2013 ended March 2014	654,004 shares	FY2012 ended March 2013	507,436 shares
Average number of outstanding shares during the term	FY2013 ended March 2014	545,407,831 shares	FY2012 ended March 2013	545,719,789 shares

Reference: Non-Consolidated Results Bulletin

1. Results for FY2013 (April 1, 2013 - March 31, 2014)

(1) Business results (Percentage figures indicate the percentage change on the results for the previous year)

	Sales		Operating income		Ordinary income		Net income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2013 ended March 2014	490,088	8.7	13,072	41.3	15,602	39.1	10,587	40.6
FY2012 ended March 2013	450,990	7.8	9,251	-32.2	11,220	-27.8	7,532	0.6

	Net income per share	Diluted income per share
	(Unit: yen)	(Unit: yen)
FY2013 ended March 2014	19.41	-
FY2012 ended March 2013	13.80	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2013 ended March 2014	441,218	212,427	48.1	389.55
FY2012 ended March 2013	440,537	198,630	45.1	364.15

Note: Net assets FY2013 ended March 2014: ¥ 212,427 million FY2012 ended March 2013: ¥ 198,630 million

2. Results Forecast for FY2014 (April 1, 2014- March 31, 2015)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Mid-term	239,000	9.5	6,500	69.7	7,000	38.7	5,000	47.6	9.17
Full term	535,000	9.2	20,000	53.0	21,000	34.6	14,000	32.2	25.67

Note: (Mid-term) Percentage figures indicate the percentage change on the interim results for the previous year

(Full term) Percentage figures indicate the percentage change on the results for the previous year

* The above forecast was based on the information available at the time of the release of this document. Due to various factors, the actual result may vary from the forecast data.

<Consolidated Statements>

1. Consolidated balance sheet

(Unit: million yen)

	FY2012 (Ended Mar. 31, 2013)	FY2013 (Ended Mar. 31, 2014)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	59,488	69,473
Distribution facilities	162,023	155,595
Service and maintenance facilities	28,548	27,863
Other facilities	29,542	28,846
Construction in progress	26,133	20,634
Total property, plant and equipment	305,736	302,413
Intangible assets		
Other	3,854	4,540
Total intangible assets	3,854	4,540
Investments and other assets		
Investment securities	60,599	66,220
Deferred tax assets	13,803	12,266
Other	6,280	6,206
Allowance for doubtful accounts	-186	-109
Total investments and other assets	80,497	84,583
Total non-current assets	390,087	391,537
Current assets		
Cash and deposits	11,889	15,328
Notes and accounts receivable-trade	56,450	63,813
Inventories	31,197	22,560
Deferred tax assets	3,204	1,528
Other	11,887	15,301
Allowance for doubtful accounts	-323	-310
Total current assets	114,305	118,222
Deferred assets		
Development expenses	68	-
Total deferred assets	68	-
Total assets	504,461	509,760

(Unit: million yen)

	FY2012 (Ended Mar. 31, 2013)	FY2013 (Ended Mar. 31, 2014)
Liabilities		
Non-current liabilities		
Bonds payable	89,993	89,994
Long-term loans payable	28,356	27,239
Deferred tax liabilities	618	886
Provision for retirement benefits	20,694	-
Provision for gas holder repairs	1,199	1,212
Provision for safety measures	11,462	8,894
Net defined benefit liability	-	29,719
Other	7,176	7,260
Total non-current liabilities	159,502	165,207
Current liabilities		
Current portion of non-current liabilities	20,872	22,275
Notes and accounts payable-trade	26,585	19,836
Short-term loans payable	21,880	24,070
Income taxes payable	6,797	5,465
Other	32,185	27,013
Total current liabilities	108,321	98,662
Provision		
Provision for conversion of heating value of supplied gas	168	-
Total provision	168	-
Total liabilities	267,991	263,869
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus	8,387	8,387
Retained earnings	169,374	175,387
Treasury stock	-249	-324
Total shareholders' equity	210,585	216,523
Other comprehensive income		
Valuation difference on available-for-sale securities	24,665	29,578
Deferred gains or losses on hedges	896	4,772
Foreign currency translation adjustment	321	1,530
Remeasurements of defined benefit plans	-	-6,514
Total Other comprehensive income	25,884	29,366
Total net assets	236,470	245,890
Total liabilities and net assets	504,461	509,760

2. Consolidated statements of income

(Unit: million yen)

	FY2012 (Apr. 2012 -Mar. 2013)	FY2013 (Apr. 2013 -Mar. 2014)
Net sales	518,305	560,462
Cost of sales	364,553	414,264
Gross profit	153,751	146,197
Selling, general and administrative expenses	141,130	130,446
Operating income	12,621	15,751
Non-operating income		
Interest income	11	23
Dividend income	1,078	1,270
Rent income	599	627
Miscellaneous income	1,074	1,525
Total non-operating income	2,763	3,447
Non-operating expenses		
Interest expenses	1,711	1,740
Miscellaneous expenses	290	404
Total non-operating expenses	2,002	2,144
Ordinary income	13,382	17,053
Extraordinary income		
Gain on sales of investment securities	443	-
Total extraordinary income	443	-
Extraordinary losses		
Loss on valuation of investment securities	436	-
Contribution for withdrawal from employees' pension fund	346	-
Total extraordinary losses	783	-
Income before income taxes	13,043	17,053
Income taxes-current	5,725	3,263
Income taxes-deferred	-1,201	2,549
Total income taxes	4,523	5,812
Income before minority interests	8,519	11,241
Minority interests in net income (loss)	-6	-
Net income	8,526	11,241

Consolidated statements of comprehensive income

(Unit: million yen)

	FY2012 (Apr. 2012 -Mar. 2013)	FY2013 (Apr. 2013 -Mar. 2014)
Income before minority interests	8,519	11,241
Other comprehensive income		
Valuation difference on available-for-sale securities	7,420	4,913
Deferred gains or losses on hedges	984	3,875
Foreign currency translation adjustment	321	1,208
Other comprehensive income	8,726	9,997
Comprehensive income	17,246	21,238
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	17,253	21,238
Comprehensive income attributable to minority interests	-6	-

3. Consolidated statement of changes in net assets

FY2012 (Apr. 2012 -Mar. 2013)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	33,072	8,387	165,760	-85	207,135
Changes of items during the period					
Dividends from surplus			-4,911		-4,911
Net income			8,526		8,526
Purchase of treasury stock				-165	-165
Disposal of treasury stock		0		2	2
Change due to newly consolidated subsidiary			-		-
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	0	3,614	-163	3,450
Balance at the end of current period	33,072	8,387	169,374	-249	210,585

	Other comprehensive income					Minority 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	Other comprehensive income		
Balance at the beginning of current period	17,244	-87	0	-	17,157	72	224,364
Changes of items during the period							
Dividends from surplus							-4,911
Net income							8,526
Purchase of treasury stock							-165
Disposal of treasury stock							2
Change due to newly consolidated subsidiary							-
Net changes of items other than shareholders' equity	7,421	984	321	-	8,727	-72	8,654
Total changes of items during the period	7,421	984	321	-	8,727	-72	12,105
Balance at the end of current period	24,665	896	321	-	25,884	-	236,470

FY2013 (Apr. 2013 -Mar. 2014)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	33,072	8,387	169,374	-249	210,585
Changes of items during the period					
Dividends from surplus			-4,908		-4,908
Net income			11,241		11,241
Purchase of treasury stock				-79	-79
Disposal of treasury stock		0		4	4
Change due to newly consolidated subsidiary			-319		-319
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	0	6,012	-74	5,937
Balance at the end of current period	33,072	8,387	175,387	-324	216,523

	Other comprehensive income					Minority 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	Other comprehensive income		
Balance at the beginning of current period	24,665	896	321	-	25,884	-	236,470
Changes of items during the period							
Dividends from surplus							-4,908
Net income							11,241
Purchase of treasury stock							-79
Disposal of treasury stock							4
Change due to newly consolidated subsidiary							-319
Net changes of items other than shareholders' equity	4,913	3,875	1,208	-6,514	3,482	-	3,482
Total changes of items during the period	4,913	3,875	1,208	-6,514	3,482	-	9,420
Balance at the end of current period	29,578	4,772	1,530	-6,514	29,366	-	245,890

4. Consolidated statement of cash flows

(Unit: million yen)

	FY2012 (Apr. 2012-Mar. 2013)	FY2013 (Apr. 2013-Mar. 2014)
Net cash provided by (used in) operating activities		
Income before income taxes	13,043	17,053
Depreciation and amortization	36,901	35,780
Gain on sales of investment securities	-443	-
Loss (gain) on valuation of investment securities	436	-
Increase (decrease) in provision	-1,429	-2,813
Decrease (increase) in notes and accounts receivable-trade	-1,053	-7,228
Decrease (increase) in inventories	-8,053	8,733
Increase (decrease) in notes and accounts payable-trade	3,849	-6,921
Income taxes paid	-6,635	-4,891
Other	3,645	-1,904
Net cash provided by (used in) operating activities	40,261	37,809
Net cash provided by (used in) investment activities		
Purchases of non-current assets	-35,198	-33,093
Proceeds from sales of non-current assets	164	106
Purchase of investment securities	-2,050	-88
Proceeds from sales of investment securities	475	756
Other	-1,748	-697
Net cash provided by (used in) investment activities	-38,357	-33,016
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	7,950	1,940
Proceeds from long-term loans payable	6,605	12,914
Repayment of long-term loans payable	-13,534	-12,334
Proceeds from issuance of bonds	9,960	9,960
Redemption of bonds	-10,000	-10,000
Payments for long-term deposits received	-3,343	-286
Purchase of treasury stock	-34	-79
Cash dividends paid	-4,915	-4,908
Other	-46	-42
Net cash provided by (used in) financing activities	-7,358	-2,836
Effect of exchange rate change on cash and cash equivalents	321	541
Net increase (decrease) in cash and cash equivalents	-5,132	2,497
Cash and cash equivalents at beginning of term	16,729	11,596
Increase in cash and cash equivalents from newly consolidated subsidiary	-	147
Cash and cash equivalents at end of term	11,596	14,241

5. Notes about Consolidated Statements

(1) Segment information

- General information about reportable segments

The TOHO GAS Group defines a reportable segment as constituent business units of the TOHO GAS Group for which discrete financial information is available and which are reviewed regularly by the Board of Directors to determine the best allocation of managerial resources and to evaluate business performance.

The reportable segments of the TOHO GAS Group are composed of three segments : “Gas sales,” “Gas appliance sales and related construction” and “LPG and other Energies.” They are determined based on the Gas Business Law and related accounting regulations.

The main products and services of each reporting segment are as follows:

Gas sales: Products, supplies and sales of the gas

Gas appliance sales and related construction: Gas appliance sales and related construction

LPG and other Energies: LPG sales, LPG appliance sales, LNG sales, District heating and cooling, and sales of coke and petroleum products.

- Basis of measurement for reported segment income and loss, segment assets and other material items

The accounting methods for the reporting segments are consistent with “Summary of significant accounting policies.”

- Information about reported segment income or loss, segment assets and other material items

FY2012 (Apr. 2012- Mar. 2013)

(Unit: million yen)

	Reported segments				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated (Note.3)
	Gas sales	Gas appliance sales and related construction	LPG and other Energies	Total				
Net sales								
(1)External customers	380,771	34,799	78,400	493,971	24,333	518,305	-	518,305
(2)Intersegment	89	2,142	1,028	3,260	14,807	18,068	-18,068	-
Total	380,861	36,941	79,429	497,232	39,141	536,373	-18,068	518,305
Segment income (loss)	8,374	530	739	9,644	1,792	11,436	1,184	12,621
Segment assets	360,579	11,509	44,083	416,172	50,588	466,761	37,700	504,461
Other items								
Depreciation expenses	33,230	167	2,301	35,699	1,289	36,989	-87	36,901
Capital expenditures	28,307	117	1,793	30,219	3,720	33,939	-173	33,766

Notes: 1. The “Other” segment incorporates operations not included in reported segment, including LNG processing under contract, leasing of buildings, engineering of gas production plants, comprehensive utility service business, sales of housing equipment, data processing services, and other leasing the other business.

2. The “Adjustments” column in “Segment income” denotes eliminations of intersegment transactions.

The “Adjustments” column in “Segment assets” includes unallocated general corporate items which were not assigned to specific segments such as long-term investments in securities.

3. Segment income in the table above is reconciled to operating income on the accompanying consolidated statements of income.

FY2013 (Apr. 2013- Mar. 2014)

(Unit: million yen)

	Reported segments				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated (Note.3)
	Gas sales	Gas appliance sales and related construction	LPG and other Energies	Total				
Net sales								
(1)External customers	420,798	34,336	83,638	538,773	21,688	560,462	-	560,462
(2)Intersegment	99	2,802	929	3,830	14,064	17,895	-17,895	-
Total	420,897	37,138	84,568	542,604	35,753	578,358	-17,895	560,462
Segment income (loss)	12,787	351	618	13,757	929	14,686	1,064	15,751
Segment assets	355,619	12,955	44,471	413,046	53,916	466,962	42,797	509,760
Other items								
Depreciation expenses	31,967	124	2,482	34,574	1,296	35,871	-90	35,780
Capital expenditures	28,099	131	2,110	30,341	2,406	32,748	-173	32,574

Notes: 1. The “Other” segment incorporates operations not included in reported segment, including LNG processing under contract, leasing of buildings, engineering of gas production plants, comprehensive utility service business, sales of housing equipment, data processing services, and other leasing the other business.

2. The “Adjustments” column in “Segment income” denotes eliminations of intersegment transactions.

The “Adjustments” column in “Segment assets” includes unallocated general corporate items which were not assigned to specific segments such as long-term investments in securities.

3. Segment income in the table above is reconciled to operating income on the accompanying consolidated statements of income.

<Non-Consolidated Statements>

1. Balance sheet

(Unit: million yen)

	FY2012 (Ended Mar. 31, 2013)	FY2013 (Ended Mar. 31, 2014)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	59,550	69,513
Distribution facilities	159,616	153,498
Service and maintenance facilities	28,363	27,701
Facilities for incidental businesses	2,479	2,156
Construction in progress	25,364	18,096
Total property, plant and equipment	275,374	270,968
Intangible assets		
Leasehold right	404	404
Other Intangible assets	201	161
Total intangible assets	605	566
Investments and other assets		
Investment securities	50,882	56,584
Investments in subsidiaries and affiliates	16,638	16,678
Long-term prepaid expenses	2	60
Deferred tax assets	11,203	6,838
Other investments and other assets	699	637
Allowance for doubtful accounts	-73	-73
Total investments and other assets	79,352	80,725
Total non-current assets	355,332	352,260
Current assets		
Cash and deposits	5,338	8,080
Notes receivable-trade	876	950
Accounts receivable-trade	37,624	42,737
Accounts receivable from subsidiaries and affiliates-trade	6,630	8,546
Accounts receivable-other	2,575	2,244
Finished goods	67	67
Raw materials	23,210	14,334
Supplies	3,213	3,053
Advance payments	136	125
Prepaid expenses	226	259
Short-term receivables from subsidiaries and affiliates	208	289
Deferred tax assets	2,495	736
Derivatives	1,575	6,685
Other current assets	1,255	1,050
Allowances for doubtful accounts	-230	-203
Total current assets	85,204	88,958
Total assets	440,537	441,218

(Unit: million yen)

	FY2012 (Ended Mar. 31, 2013)	FY2013 (Ended Mar. 31, 2014)
Liabilities		
Non-current liabilities		
Bonds payable	89,993	89,994
Long-term loans payable	23,331	22,503
Long-term debt to subsidiaries and affiliates	5,922	6,778
Provision for retirement benefits	16,365	16,015
Provision for gas holder repairs	1,167	1,200
Provision for safety measures	11,462	8,894
In-house Long-term deposits received	5,761	5,738
Other non-current liabilities	147	147
Total non-current liabilities	154,151	151,272
Current liabilities		
Current portion of non-current liabilities	19,131	20,680
Notes payable-trade	118	285
Accounts payable-trade	20,242	12,685
Short-term loans payable	9,000	12,000
Accounts payable-other	8,181	6,711
Accrued expenses	11,611	7,995
Income taxes payable	6,122	5,095
Advances received	3,131	3,304
Deposits received	937	774
Short-term debt to subsidiaries and affiliates	5,918	5,182
Provision for directors' bonuses	50	50
Other current liabilities	3,309	2,754
Total current liabilities	87,755	77,519
Total liabilities	241,907	228,791
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus		
Legal capital surplus	8,027	8,027
Other capital surplus	0	0
Total capital surplus	8,027	8,027
Retained earnings		
Legal retained earnings	8,779	8,779
Other retained earnings		
Reserve for advanced depreciation of non-current assets	326	324
Reserve for overseas investment loss	868	868
Reserve for adjustment of cost fluctuations	23,000	23,000
General reserve	52,703	52,703
Retained earnings brought forward	48,483	54,164
Total retained earnings	134,161	139,840
Treasury stock	-249	-324
Total shareholders' equity	175,012	180,616
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	22,720	27,037
Deferred gains or losses on hedges	896	4,772
Total valuation and translation adjustments	23,617	31,810
Total net assets	198,630	212,427
Total liabilities and net assets	440,537	441,218

2. Statement of income

(Unit: million yen)

	FY2012 (Apr. 2012 -Mar. 2013)	FY2013 (Apr. 2013 -Mar. 2014)
Net sales		
Gas sales	374,212	413,941
Cost of sales		
Beginning inventories	47	67
Cost of products manufactured	250,322	296,700
Purchase of finished goods	5	5
Costs of gas for own use	1,169	1,342
Ending inventories	67	67
Total cost of sales	249,137	295,363
Gross profit	125,074	118,577
Selling, general and administrative expenses		
Supply and sales expenses	94,668	84,775
General and administrative expenses	22,160	21,476
Total Selling, general and administrative expenses	116,828	106,251
Income on core business	8,246	12,325
Miscellaneous operating revenue		
Revenue from installation work	9,769	10,354
Revenue from gas appliance sales	24,595	24,123
Third party access revenue	66	113
Other miscellaneous operating revenue	293	251
Total miscellaneous operating revenue	34,725	34,843
Miscellaneous operating expenses		
Expenses of installation work	10,049	10,547
Expenses of gas appliance sales	23,465	23,448
Total miscellaneous operating expenses	33,514	33,995
Revenue for incidental businesses		
Revenue from LNG sales	4,444	4,830
Revenue from other incidental businesses	37,608	36,473
Total revenue for incidental businesses	42,053	41,303
Expenses for incidental businesses		
Expenses for LNG sales	4,578	4,841
Expenses for other incidental businesses	37,679	36,563
Total expenses for incidental businesses	42,257	41,405
Operating income	9,251	13,072
Non-operating income		
Interest income	1	1
Interest on securities	0	-
Dividends income	916	1,091
Dividends from subsidiaries and affiliates	483	521
Rent income	1,720	1,763
Miscellaneous income	770	1,239
Total non-operating income	3,891	4,617
Non-operating expenses		
Interest expenses	449	430
Interest on bonds	1,224	1,283
Amortization of bond issuance cost	39	39
Miscellaneous expenses	209	333
Total non-operating expenses	1,923	2,086
Ordinary income	11,220	15,602
Extraordinary income		
Gain on sales of investment securities	442	-
Total extraordinary income	442	-
Extraordinary losses		
Loss on valuation of investment securities	402	-
Total extraordinary losses	402	-
Income before income taxes	11,260	15,602
Income taxes	4,534	2,381
Income taxes-deferred	-806	2,634
Total income taxes	3,728	5,015
Net income	7,532	10,587

3. Statement of changes in net assets

FY2012 (Apr. 2012 -Mar. 2013)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total Capital surplus	Legal retained earnings
Balance at the beginning of current period	33,072	8,027	-	8,027	8,779
Changes of items during the period					
Dividends from surplus					
Reversal of reserve for advanced depreciation of non-current assets					
Increase of reserve due to the change of effective tax rate					
Reversal of reserve for depreciation of specified gas pipeline construction					
Provision of reserve for overseas investment loss					
Net income					
Purchase of treasury stock					
Disposal of treasury stock			0	0	
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	0	0	-
Balance at the end of current period	33,072	8,027	0	8,027	8,779

	Shareholders' equity						
	Retained earnings						
	Other retained earnings						Total Retained earnings
	Reserve for advanced depreciation of non-current assets	Reserve for depreciation of specified gas pipeline construction	Reserve for overseas investment loss	Reserve for adjustment of cost fluctuations	General reserve	Retained earnings brought forward	
Balance at the beginning of current period	329	4	-	23,000	52,703	46,724	131,541
Changes of items during the period							
Dividends from surplus						-4,911	-4,911
Reversal of reserve for advanced depreciation of non-current assets	-2					2	-
Increase of reserve due to the change of effective tax rate	-					-	-
Reversal of reserve for depreciation of specified gas pipeline construction		-4				4	-
Provision of reserve for overseas investment loss			868			-868	-
Net income						7,532	7,532
Purchase of treasury stock							
Disposal of treasury stock							
Net changes of items other than shareholders' equity							
Total changes of items during the period	-2	-4	868	-	-	1,758	2,620
Balance at the end of current period	326	-	868	23,000	52,703	48,483	134,161

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total Valuation and translation adjustments	
Balance at the beginning of current period	-85	172,556	15,409	-87	15,321	187,878
Changes of items during the period						
Dividends from surplus		-4,911				-4,911
Reversal of reserve for advanced depreciation of non-current assets		-				-
Increase of reserve due to the change of effective tax rate		-				-
Reversal of reserve for depreciation of specified gas pipeline construction		-				-
Provision of reserve for overseas investment loss		-				-
Net income		7,532				7,532
Purchase of treasury stock	-165	-165				-165
Disposal of treasury stock	2	2				2
Net changes of items other than shareholders' equity			7,311	984	8,295	8,295
Total changes of items during the period	-163	2,456	7,311	984	8,295	10,752
Balance at the end of current period	-249	175,012	22,720	896	23,617	198,630

FY2013 (Apr. 2013 -Mar. 2014)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total Capital surplus	Legal retained earnings
Balance at the beginning of current period	33,072	8,027	0	8,027	8,779
Changes of items during the period					
Dividends from surplus					
Reversal of reserve for advanced depreciation of non-current assets					
Increase of reserve due to the change of effective tax rate					
Reversal of reserve for depreciation of specified gas pipeline construction					
Provision of reserve for overseas investment loss					
Net income					
Purchase of treasury stock					
Disposal of treasury stock			0	0	
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	0	0	-
Balance at the end of current period	33,072	8,027	0	8,027	8,779

	Shareholders' equity						
	Retained earnings						
	Other retained earnings						Total Retained earnings
	Reserve for advanced depreciation of non-current assets	Reserve for depreciation of specified gas pipeline construction	Reserve for overseas investment loss	Reserve for adjustment of cost fluctuations	General reserve	Retained earnings brought forward	
Balance at the beginning of current period	326	-	868	23,000	52,703	48,483	134,161
Changes of items during the period							
Dividends from surplus						-4,908	-4,908
Reversal of reserve for advanced depreciation of non-current assets	-2					2	-
Increase of reserve due to the change of effective tax rate	0					-0	-
Reversal of reserve for depreciation of specified gas pipeline construction		-				-	-
Provision of reserve for overseas investment loss			-			-	-
Net income						10,587	10,587
Purchase of treasury stock							
Disposal of treasury stock							
Net changes of items other than shareholders' equity							
Total changes of items during the period	-2	-	-	-	-	5,681	5,678
Balance at the end of current period	324	-	868	23,000	52,703	54,164	139,840

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total Valuation and translation adjustments	
Balance at the beginning of current period	-249	175,012	22,720	896	23,617	198,630
Changes of items during the period						
Dividends from surplus		-4,908				-4,908
Reversal of reserve for advanced depreciation of non-current assets		-				-
Increase of reserve due to the change of effective tax rate		-				-
Reversal of reserve for depreciation of specified gas pipeline construction		-				-
Provision of reserve for overseas investment loss		-				-
Net income		10,587				10,587
Purchase of treasury stock	-79	-79				-79
Disposal of treasury stock	4	4				4
Net changes of items other than shareholders' equity			4,316	3,875	8,192	8,192
Total changes of items during the period	-74	5,603	4,316	3,875	8,192	13,796
Balance at the end of current period	-324	180,616	27,037	4,772	31,810	212,427