## Consolidated Financial Results Results for the 1st Quarter of FY2013 (April-June 2013)

July 31, 2013 TOHO GAS CO.,LTD.

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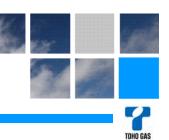
#### Contents

1. Results for the 1st Quarter of FY2013 • • 3

2. Forecasts for FY2013 • • • • • • • • 8

Earning forecasts and other forward-looking statements in this document are management's current views and beliefs in accordance with data currently available, and are subject to a number of risks, uncertainties and other factors that may cause actual results to differ materially from those projected.

### 1. Results for the 1st Quarter of FY2013



(1) Summary

■ Gas sales volume was 906 million m, a decrease by 1.6% from the previous year.

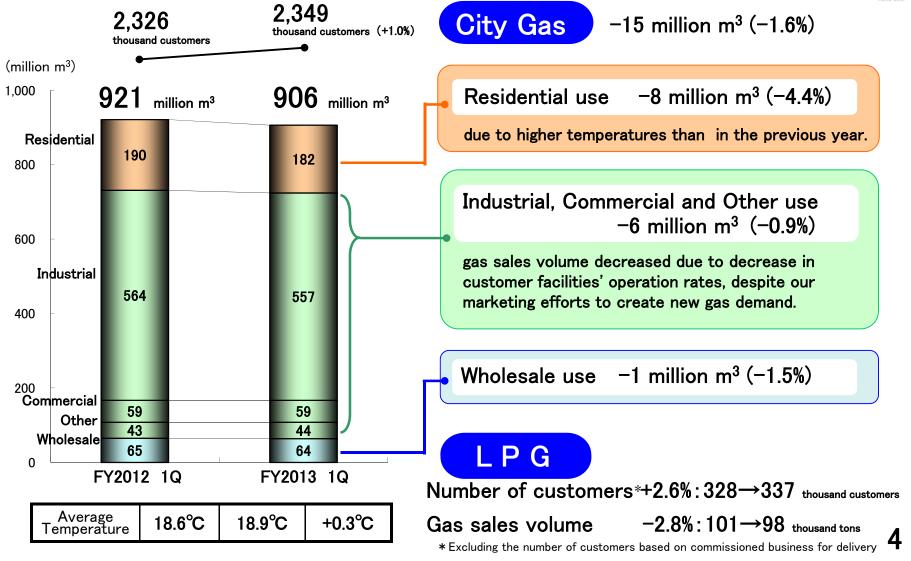
LPG sales volume was 98 thousand tons, a decrease by 2.8%

Sales were ¥124.4 billion, an increase by 2.9% from the previous year. Ordinary income was ¥2.9 billion, a decrease by 60.8%

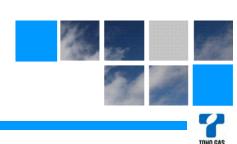
#### (2) Number of customers, Gas sales volume







### (3) Sales, Incomes



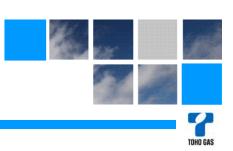
(¥ billion)

	Fy 2013 (1Q)	Fy 2012 (1Q)	Change From Previous year	Rate of change
Gas sales Volume (million m³)	906	921	-15	-1.6%
Sales	124.4	120.9	3.5	2.9%
Cost of sales	90.4	81.5	8.9	11.0%
Selling, general and administrative expenses	31.3	32.1	-0.7	-2.3%
Ordinary income	2.9	7.5	-4.6	-60.8%
Net income	1.7	4.8	-3.0	-63.8%

(Notes) Crude oil price (CIF national average); FY2013 (Apr.-June) 107.7 \$/bbl, FY2012 (Apr.-June) 122.6 \$/bbl (-14.9 \$/bbl) Currency exchange rate (TTM) ; FY2013 (Apr.-June) 98.8 yen/\$,

FY2012 (Apr.-June) 80.2 yen/\$ (+18.6 yen/\$) 5

(4) Factors for Changes in Ordinary Income (Change from the previous year)

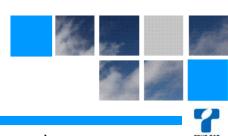


Ordinary income (¥7.5 billion⇒¥2.9 billion) — ¥ 4.6 billion

Effect of gas sales volume

- ¥ 1.0 billion
- Impact of time lag in fuel cost adjustment system  $\pm 3.0$  billion (FY2012 (1Q)  $\pm 4.5$  billion  $\Rightarrow$  FY2013 (1Q)  $\pm 7.5$  billion)
- Others ¥ 0.6 billion

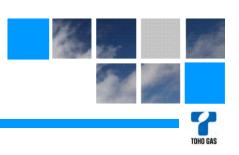




			(¥ billion)
	Fy 2013 (end of 1Q)	Fy 2012 (end of Fy)	Change
Total assets	490.3	504.4	-14.0
(unrealized gain on securities)	(39.6)	(34.3)	(5.2)
Total net assets	240.7	236.4	4.3
Equity ratio	49.1%	46.9%	2.2 Point
Interest-bearing debts	165.3	162.0	3.3
	Fy 2013 (1Q)	Fy 2012 (1Q)	Change
CAPEX	7.1	11.3	<b>-4.1</b>
Depreciation	8.4	9.1	-0.7

#### 2. Forecasts for FY2013

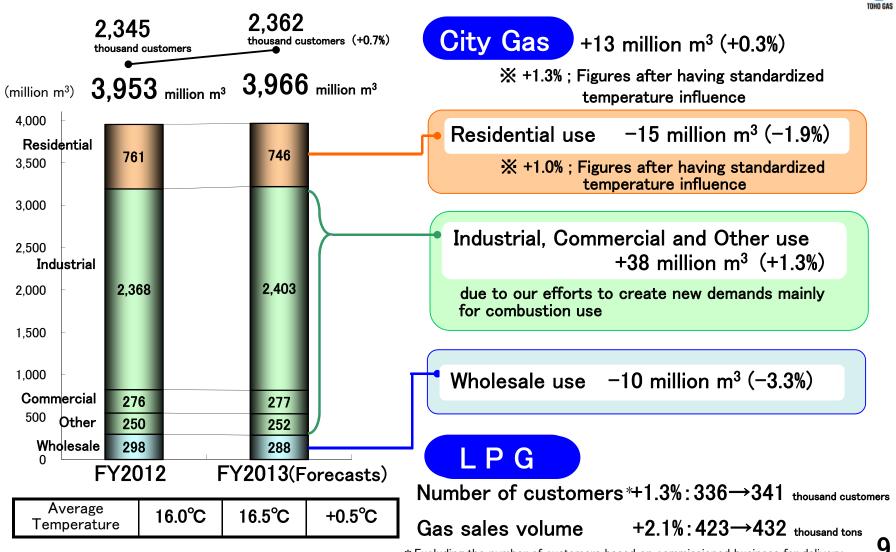
#### (1) Summary



- Gas sales volume expected to be 3,966 million m³, an increase by 0.3% from the previous year.
  - LPG sales volume to be 432 thousand tons, an increase by 2.1%
- Based on crude oil price of 115 dollars/barrel and exchange rate of ¥100/dollar after July, sales projected to be ¥565 billion, an increase by 9.0% from the previous year, ordinary income to be ¥15 billion, an increase by 12.1%
- We have not changed the previous forecasts of gas sales volume, sales and income

#### (2) Number of customers, Gas sales volume (Forecasts)







## (3) Forecasts for FY2013/Sales, Incomes

				(¥ billion)
	Fy 2013 forecasts	Fy 2012	Change From Previous year	Rate of change
Gas sales Volume (million m³)	3,966	3,953	13	0.3%
Sales	565.0	518.3	46.6	9.0%
Ordinary income	15.0	13.3	1.6	12.1%
Net income	10.0	8.5	1.4	17.3%
CAPEX	38.0	35.1	2.8	8.0%
Depreciation	36.0	36.9	-0.9	-2.4%

[Assumption]

(\$/bbl, yen/\$)

	FY2013**	FY2012(Result)	Change
Crude oil price	113.2	113.9	-0.7
Exchange rate	99.7	82.9	+16.8

[Sensitivity (full-year)]

		Gas resource cost	Gross profit
Crude oil price	1\$/bbl	¥ 2.1 billion	¥ 0.7 billion
Exchange rate	1yen/\$	¥ 2.4 billion	¥ 0.8 billion

<sup>※</sup> Assumption after July: Crude oil price 115\$/bbl, Exchange rate 100yen/\$

(4) Factors for Changes in Ordinary Income (Change from the previous year)



Ordinary income (¥13.3 billion⇒¥15.0 billion) + ¥ 1.6 billion

Effect of gas sales volume

- ¥ 1.0 billion
- Impact of time lag in fuel cost adjustment system + ¥ 3.0 billion (FY2012 -¥ 15.5 billion ⇒ FY2013 ¥ 12.5 billion)
- Others ¥ 0.4 billion



## ⟨Reference⟩ Progress of Medium-term management plan





[ Nur	mber of customers ]	FY2009	FY2010	FY2011	FY2012	FY2013 (forecasts)	FY2008 to 2013 Average growth rate
	City gas (thousand)	2,295	2,307	2,322	2,345	2,362	0.7%
	LPG (thousand)	317	320	327	336	341	2.1%

FY2013 target	< Average > growth rate
2,405	<1.1%>
359	<3.2%>

[ Gas sales volume ]

City gas (million m³)	3,627	3,910	3,943	3,953	3,966	1.5%
LPG (thousand tons)	397	416	420	423	432	1.1%

4,039	<1.9%>
440	<1.5%>

CAPEX (¥ billion)

43.6 33.2 32.5 35.1 38.0

35.1 38.0 <sup>5years average</sup> 36.5

A total of FY2009 to 2013 177 (Average of 35.4 per year)

[F	inancial targets ]	FY2009	FY2010	FY2011	FY2012	FY2013 (forecasts)
	ROA	2.1%	2.9%	1.7%	1.7%	About $2\%$
	Return to Shareholders Upper: Dividend Lower: Share buy-back		¥8 per share ¥2.7 billion	¥8.5 per share	¥9 per share	¥9 per share
	Interest-bearing debts (¥ billion)	171.0	161.4	164.3	162.0	About 164
	Equity ratio	43.6%	44.7%	45.5%	46.9%	About 46%

FY2013 target					
About	3%	(FY2013)			

The basis is stable dividends. Implementing share buy back depending on the situation.

About 180 (at the end of FY2013)

Over 40% (at the end of FY2013)