

# Consolidated Financial Results

## for the Nine Months Ended December 31, 2012 (3Q FY2012)

**FY2012 ending March 2013**  
**Toho Gas Co., Ltd.**

Code No.: 9533

(URL <http://www.tohogas.co.jp/>)

Representative: Koichi Yasui, President

Contact: Satoshi Yamazaki, General Manager, Finance Dept.

Tel: +81-52-872-9341

Scheduled date of filing quarterly financial report: February 13, 2013

Scheduled date of commencement of dividend payments: -

Quarterly earnings supplementary explanatory documents: Yes

Quarterly earnings presentation: Yes (for institutional investors)

**Shares listed on:**

Tokyo Stock Exchange, Osaka Securities Exchange,

Nagoya Stock Exchange

(Rounded down to the nearest million yen)

### 1. Consolidated Results for the Nine Months Ended December 31, 2012

(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)	(%)
April 1 – December 31, 2012	362,956	11.3	12,311	307.8	11,838	231.1	7,686	-
April 1 – December 31, 2011	326,099	7.3	3,019	-83.7	3,575	-81.2	-516	-

Note: Comprehensive income 3rd Quarter ended December 2012: ¥9,022 million (-%), 3rd Quarter ended December 2011: ¥6,561 million (-%)

	Net income per share	Diluted earnings per share
	(Unit: yen)	(Unit: yen)
April 1 – December 31, 2012	14.08	-
April 1 – December 31, 2011	-0.95	-

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	(Unit: million yen)	(Unit: million yen)	(%)
3rd Quarter ended December 2012	488,345	228,383	46.8
FY2011 ended March 2012	492,889	224,364	45.5

Reference: Net assets (excluding minority interests)

3rd Quarter ended December 2012: ¥228,383 million, FY2011 ended March 2012: ¥224,292 million

### 2. Dividends

	Dividend per share				
	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)
FY2011 ended March 2012	-	4.00	-	4.50	8.50
FY2012 ending March 2013	-	4.50	-		
FY2012 ending March 2013 (forecasts)				4.50	9.00

Note: Revision of previously announced dividend forecasts: No

### 3. Consolidated Results Forecasts for FY2012 Ending March 2013 (April 1, 2012- March 31, 2013)

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

	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)
Full term	510,000	5.7	13,000	-25.7	13,000	-28.4	7,500	-12.5	13.74

Note: Revision of previously announced forecasts: Yes

## Notes

(1) Changes in significant consolidated subsidiaries: No

(2) Application of accounting treatment peculiar to quarterly consolidated financial statement preparation: Yes\*

\* Basis for the calculation of corporation tax: Calculated by multiplying quarterly income before tax, etc., by the estimated effective consolidated tax rate at the end of the fiscal year.

(3) 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: Yes\*
- Retrospective restatements: No

\* In the 1st Quarter ended June 2012, Toho Gas Co., Ltd. and its domestic consolidated subsidiaries changed the depreciation method for tangible fixed assets acquired on or after April 1, 2012 in line with the revision of the Corporation Tax Act.

This change has minimal impact on income.

(4) Number of outstanding shares (common stock)

Number of outstanding shares at the end of the term (Inclusive of treasury stock)	3rd Quarter ended December 2012	545,966,429 shares	FY2011 ended March 2012	545,966,429 shares
Number of treasury stock at the end of the term	3rd Quarter ended December 2012	237,806 shares	FY2011 ended March 2012	185,265 shares
Average number of outstanding shares during the term	3rd Quarter ended December 2012	545,748,715 shares	3rd Quarter ended December 2011	546,617,178 shares

### • Reference: Non- Consolidated Results Forecasts for FY2012 Ending March 2013(April 1, 2012- March 31, 2013)

	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)
Full term	445,000	6.3	9,000	-34.1	10,000	-35.7	6,500	-13.2	11.91

Notes: Revision of previously announced forecasts: Yes

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

## <Summary of Consolidated Statements>

### 1. Consolidated balance sheet

(Unit: million yen)

	Previous year (As of Mar. 31, 2012)	3rd Quarter (As of Dec. 31, 2012)
Assets		
Noncurrent assets		
Property, plant and equipment		
Production facilities	61,741	59,884
Distribution facilities	171,233	163,407
Service and maintenance facilities	28,944	28,271
Other facilities	30,288	28,978
Construction in progress	19,092	24,707
Total property, plant and equipment	311,300	305,249
Intangible assets		
Other	2,207	3,794
Total intangible assets	2,207	3,794
Investments and other assets		
Investment securities	49,216	51,773
Other	20,624	19,786
Allowance for doubtful accounts	-88	-152
Total investments and other assets	69,753	71,408
Total noncurrent assets	383,261	380,451
Current assets		
Cash and deposits	17,040	12,886
Notes and accounts receivable-trade	55,397	54,968
Inventories	23,144	24,850
Other	14,009	15,362
Allowance for doubtful accounts	-343	-320
Total current assets	109,248	107,747
Deferred assets		
Development expenses	379	145
Total deferred assets	379	145
Total assets	492,889	488,345

(Unit: million yen)

	Previous year (As of Mar. 31, 2012)	3rd Quarter (As of Dec. 31, 2012)
Liabilities		
Noncurrent liabilities		
Bonds payable	89,992	89,993
Long-term loans payable	38,879	31,730
Provision for retirement benefits	20,631	20,891
Provision for gas holder repairs	1,247	1,344
Provision for safety measures	12,829	11,126
Long-term deposits received	1,263	973
Other	6,721	6,490
Total noncurrent liabilities	171,566	162,550
Current liabilities		
Current portion of noncurrent liabilities	20,337	17,478
Notes and accounts payable-trade	22,742	27,220
Short-term loans payable	13,930	14,130
Income taxes payable	7,668	4,145
Other	31,956	34,230
Total current liabilities	96,634	97,203
Provision		
Provision for conversion of heating value of supplied gas	323	206
Total provision	323	206
Total liabilities	268,524	259,961
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus	8,387	8,387
Retained earnings	165,760	168,534
Treasury stock	-85	-111
Total shareholders' equity	207,135	209,883
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	17,244	18,263
Deferred gains or losses on hedges	-87	404
Foreign currency translation adjustment	0	-168
Total valuation and translation adjustments	17,157	18,499
Minority interests	72	-
Total net assets	224,364	228,383
Total liabilities and net assets	492,889	488,345

## 2. Consolidated statements of income, Statements of comprehensive income

### Consolidated statements of income for the Nine Months

(Unit: million yen)

	3 <sup>rd</sup> Quarter of FY2011 (Apr. – Dec., 2011)	3 <sup>rd</sup> Quarter of FY2012 (Apr. – Dec., 2012)
Net sales	326,099	362,956
Cost of sales	219,630	250,225
Gross profit	106,468	112,731
Selling, general and administrative expenses	103,449	100,419
Operating income	3,019	12,311
Non-operating income		
Interest income	4	4
Dividend income	1,136	1,068
Rent income	364	384
Miscellaneous income	879	549
Total non-operating income	2,383	2,006
Non-operating expenses		
Interest expenses	1,475	1,284
Miscellaneous expenses	351	1,195
Total non-operating expenses	1,827	2,479
Ordinary income	3,575	11,838
Income before income taxes	3,575	11,838
Income taxes	4,105	4,158
Income (loss) before minority interests	-529	7,679
Minority interests in net loss	-12	-6
Net income (loss)	-516	7,686

## Statements of comprehensive income for the Nine Months

(Unit: million yen)

	3 <sup>rd</sup> Quarter of FY2011 (Apr. – Dec., 2011)	3 <sup>rd</sup> Quarter of FY2012 (Apr. – Dec., 2012)
Income (loss) before minority interests	-529	7,679
Other comprehensive income		
Valuation difference on available-for-sale securities	-4,489	1,019
Deferred gains or losses on hedges	-1,542	492
Foreign currency translation adjustment	-	-168
Total other comprehensive income	-6,031	1,342
Comprehensive income	-6,561	9,022
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-6,548	9,028
Comprehensive income attributable to minority interests	-13	-6

### 3. Note of going concerns' premise: No

### 4. Segment information

Segment information by category of business

Nine months ended December 31, 2011 (April 1 – December 31, 2011)

(Unit: million yen)

	Business segment reported				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated statements of income (Note.3)
	Gas sales	Gas appliance and related construction	LPG and other Energies	Total				
Sales								
(1)Outside customers	233,277	23,556	53,865	310,700	15,399	326,099	-	326,099
(2)Inter segment	55	1,482	903	2,441	11,019	13,460	-13,460	-
Total	233,333	25,039	54,768	313,141	26,418	339,560	-13,460	326,099
Operating income	315	175	182	673	1,444	2,118	900	3,019

Notes: 1. "Other" segment incorporates operations not included in business segment reported, including LNG processing under contract, Lease of buildings, Data processing services, Design and construction, Leasing, etc.

2. Adjustments of segment income (900 million yen) refers to elimination of inter-segment transactions.

3. Operating income for segment is adjusted on operating income on the quarterly consolidated statement of income.

Nine months ended December 31, 2012 (April 1 – December 31, 2012)

(Unit: million yen)

	Business segment reported				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated statements of income (Note.3)
	Gas sales	Gas appliance and related construction	LPG and other Energies	Total				
Sales								
(1)Outside customers	265,215	25,009	55,369	345,595	17,361	362,956	-	362,956
(2)Inter segment	63	1,543	738	2,346	10,540	12,886	-12,886	-
Total	265,279	26,553	56,108	347,941	27,902	375,843	-12,886	362,956
Operating income (loss)	9,954	178	-36	10,096	1,326	11,423	888	12,311

Notes: 1. "Other" segment incorporates operations not included in business segment reported, including LNG processing under contract, Lease of buildings, Data processing services, Design and construction, Leasing, etc.

2. Adjustments of segment income (888 million yen) refers to elimination of inter-segment transactions.

3. Operating income for segment is adjusted on operating income on the quarterly consolidated statement of income.

### 5. Significant change in shareholders' equity: No