

FY2014 ended March 2015
Consolidated Results Bulletin
Toho Gas Co., Ltd.

April 30, 2015

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Shares listed on:
 Tokyo Stock Exchange, Nagoya Stock Exchange

Date of regular general meeting of stockholders: June 22, 2015
 Date of submission of financial report: June 23, 2015
 Earnings supplementary explanatory documents: Yes
 Earnings presentation: Yes (for institutional investors)

Commencement of dividend payments: June 23, 2015

(Rounded down to the nearest million yen)

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

(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)	(%)
FY2014 ended March 2015	580,984	3.7	28,760	82.6	29,516	73.1	19,053	69.5
FY2013 ended March 2014	560,462	8.1	15,751	24.8	17,053	27.4	11,241	31.8

Note: Comprehensive income FY2014 ended March 2015: ¥42,917 million (102.1%) FY2013 ended March 2014: ¥21,238 million (23.1%)

	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)	(%)	(%)	(%)
FY2014 ended March 2015	34.94	-	7.2	5.6	5.0
FY2013 ended March 2014	20.61	-	4.7	3.4	2.8

Note: Profit or loss on investment accounted for by equity method: FY2014 ended March 2015: None FY2013 ended March 2014: None

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2014 ended March 2015	543,286	282,827	52.1	518.75
FY2013 ended March 2014	509,760	245,890	48.2	450.92

Note: Net assets (excluding minority interests) FY2014 ended March 2015: ¥282,827 million FY2013 ended March 2014: ¥245,890 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)
FY2014 ended March 2015	62,320	-37,839	-20,156	19,423
FY2013 ended March 2014	37,809	-33,016	-2,836	14,241

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			
FY2013 ended March 2014	(Unit: yen) -	(Unit: yen) 4.50	(Unit: yen) -	(Unit: yen) 4.50	(Unit: yen) 9.00	(Unit: million yen) 4,908	(%) 43.7	(%) 2.0
FY2014 ended March 2015	(Unit: yen) -	(Unit: yen) 4.50	(Unit: yen) -	(Unit: yen) 5.00	(Unit: yen) 9.50	(Unit: million yen) 5,179	(%) 27.2	(%) 2.0
FY2015 ending March 2016 (forecast)	(Unit: yen) -	(Unit: yen) 5.00	(Unit: yen) -	(Unit: yen) 5.00	(Unit: yen) 10.00		(%) 26.0	

3. Consolidated Results Forecast for FY2015 (April 1, 2015- March 31, 2016)

	Sales		Operating income		Ordinary income		Net income attributable to the parent company		Net income per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Mid-term	243,000	-8.4	27,000	62.7	27,000	58.7	19,500	63.2	35.77
Full term	525,000	-9.6	29,000	0.8	30,000	1.6	21,000	10.2	38.52

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

* Note: Please see page 9, “5. Notes about Consolidated Statements (1)Change in accounting policies or estimates and retrospective restatements (Changes in accounting treatment principles)” for details.

(3) Number of outstanding shares (common stock)

Number of outstanding shares at the end of the term (Inclusive of treasury stock)	FY2014 ended March 2015	545,966,429 shares	FY2013 ended March 2014	545,966,429 shares
Number of treasury stock at the end of the term	FY2014 ended March 2015	755,433 shares	FY2013 ended March 2014	654,004 shares
Average number of outstanding shares during the term	FY2014 ended March 2015	545,273,899 shares	FY2013 ended March 2014	545,407,831 shares

Reference: Non-Consolidated Results Bulletin

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

(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)	(%)
FY2014 ended March 2015	506,364	3.3	24,762	89.4	26,903	72.4	17,696	67.1
FY2013 ended March 2014	490,088	8.7	13,072	41.3	15,602	39.1	10,587	40.6

	Net income per share	Diluted income per share
	(Unit: yen)	(Unit: yen)
FY2014 ended March 2015	32.45	-
FY2013 ended March 2014	19.41	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2014 ended March 2015	472,905	239,935	50.7	440.08
FY2013 ended March 2014	441,218	212,427	48.1	389.55

Note: Net assets FY2014 ended March 2015: ¥ 239,935 million FY2013 ended March 2014: ¥ 212,427 million

2. Results Forecast for FY2015 (April 1, 2015- March 31, 2016)

	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	213,000	-8.0	26,000	70.1	27,000	63.7	19,500	65.4	35.77
Full term	455,000	-10.1	26,000	5.0	28,000	4.1	20,000	13.0	36.68

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)

	FY2013 (Ended Mar. 31, 2014)	FY2014 (Ended Mar. 31, 2015)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	69,473	67,858
Distribution facilities	155,595	149,332
Service and maintenance facilities	27,863	26,563
Other facilities	28,846	28,212
Construction in progress	20,634	31,592
Total property, plant and equipment	302,413	303,559
Intangible assets		
Other	4,540	5,936
Total intangible assets	4,540	5,936
Investments and other assets		
Investment securities	66,220	79,023
Deferred tax assets	12,266	7,139
Other	6,206	6,064
Allowance for doubtful accounts	-109	-80
Total investments and other assets	84,583	92,147
Total non-current assets	391,537	401,643
Current assets		
Cash and deposits	15,328	20,722
Notes and accounts receivable-trade	63,813	63,034
Inventories	22,560	28,297
Deferred tax assets	1,528	730
Other	15,301	29,130
Allowance for doubtful accounts	-310	-271
Total current assets	118,222	141,643
Total assets	509,760	543,286

(Unit: million yen)

	FY2013 (Ended Mar. 31, 2014)	FY2014 (Ended Mar. 31, 2015)
Liabilities		
Non-current liabilities		
Bonds payable	89,994	89,995
Long-term loans payable	27,239	29,674
Deferred tax liabilities	886	978
Provision for gas holder repairs	1,212	1,318
Provision for safety measures	8,894	16,180
Provision for gas appliance warranties	-	939
Net defined benefit liability	29,719	21,781
Other	7,260	7,246
Total non-current liabilities	165,207	168,114
Current liabilities		
Current portion of non-current liabilities	22,275	17,133
Notes and accounts payable-trade	19,836	15,959
Short-term loans payable	24,070	12,022
Income taxes payable	5,465	11,492
Deferred tax liabilities	-	1,855
Other	27,013	33,882
Total current liabilities	98,662	92,344
Total liabilities	263,869	260,459
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus	8,387	8,388
Retained earnings	175,387	188,522
Treasury stock	-324	-387
Total shareholders' equity	216,523	229,596
Other comprehensive income		
Valuation difference on available-for-sale securities	29,578	39,473
Deferred gains or losses on hedges	4,772	11,496
Foreign currency translation adjustment	1,530	2,786
Remeasurements of defined benefit plans	-6,514	-525
Total Other comprehensive income	29,366	53,230
Total net assets	245,890	282,827
Total liabilities and net assets	509,760	543,286

2. Consolidated statements of income

(Unit: million yen)

	FY2013 (Apr. 2013 -Mar. 2014)	FY2014 (Apr. 2014 -Mar. 2015)
Net sales	560,462	580,984
Cost of sales	414,264	410,431
Gross profit	146,197	170,552
Selling, general and administrative expenses	130,446	141,791
Operating income	15,751	28,760
Non-operating income		
Interest income	23	26
Dividend income	1,270	1,334
Rent income	627	703
Miscellaneous income	1,525	756
Total non-operating income	3,447	2,821
Non-operating expenses		
Interest expenses	1,740	1,690
Miscellaneous expenses	404	375
Total non-operating expenses	2,144	2,066
Ordinary income	17,053	29,516
Income before income taxes	17,053	29,516
Income taxes-current	3,263	10,033
Income taxes-deferred	2,549	429
Total income taxes	5,812	10,462
Income before minority interests	11,241	19,053
Net income	11,241	19,053

Consolidated statements of comprehensive income

(Unit: million yen)

	FY2013 (Apr. 2013-Mar. 2014)	FY2014 (Apr. 2014-Mar. 2015)
Income before minority interests	11,241	19,053
Other comprehensive income		
Valuation difference on available-for-sale securities	4,913	9,894
Deferred gains or losses on hedges	3,875	6,724
Foreign currency translation adjustment	1,208	1,256
Remeasurements of defined benefit plans, net of tax	-	5,989
Total other comprehensive income	9,997	23,863
Comprehensive income	21,238	42,917
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	21,238	42,917
Comprehensive income attributable to minority interests	-	-

3. Consolidated statement of changes in net assets

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
Cumulative effects of changes in accounting policies					
Restated balance	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					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
Cumulative effects of changes in accounting policies						
Restated balance	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

FY2014 (Apr. 2014-Mar. 2015)

(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	175,387	-324	216,523
Cumulative effects of changes in accounting policies			-1,010		-1,010
Restated balance	33,072	8,387	174,376	-324	215,512
Changes of items during the period					
Dividends from surplus			-4,907		-4,907
Net income			19,053		19,053
Purchase of treasury stock				-64	-64
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	14,146	-62	14,083
Balance at the end of current period	33,072	8,388	188,522	-387	229,596

	Other comprehensive income					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	29,578	4,772	1,530	-6,514	29,366	245,890
Cumulative effects of changes in accounting policies				3,181	3,181	2,170
Restated balance	29,578	4,772	1,530	-3,332	32,548	248,060
Changes of items during the period						
Dividends from surplus						-4,907
Net income						19,053
Purchase of treasury stock						-64
Disposal of treasury stock						2
Change due to newly consolidated subsidiary						-
Net changes of items other than shareholders' equity	9,894	6,724	1,256	2,807	20,682	20,682
Total changes of items during the period	9,894	6,724	1,256	2,807	20,682	34,766
Balance at the end of current period	39,473	11,496	2,786	-525	53,230	282,827

4. Consolidated statement of cash flows

(Unit: million yen)

	FY2013 (Apr. 2013-Mar. 2014)	FY2014 (Apr. 2014-Mar. 2015)
Net cash provided by (used in) operating activities		
Income before income taxes	17,053	29,516
Depreciation and amortization	35,780	33,950
Increase (decrease) in provision	-2,813	8,263
Decrease (increase) in notes and accounts receivable-trade	-7,228	778
Decrease (increase) in inventories	8,733	-5,530
Increase (decrease) in notes and accounts payable-trade	-6,921	-3,865
Income taxes paid	-4,891	-4,026
Other	-1,904	3,234
Net cash provided by (used in) operating activities	37,809	62,320
Net cash provided by (used in) investment activities		
Purchases of non-current assets	-33,093	-36,570
Proceeds from sales of non-current assets	106	156
Purchase of investment securities	-88	-5
Proceeds from sales of investment securities	756	2
Other	-697	-1,422
Net cash provided by (used in) investment activities	-33,016	-37,839
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,940	-12,048
Proceeds from long-term loans payable	12,914	9,258
Repayment of long-term loans payable	-12,334	-12,271
Proceeds from issuance of bonds	9,960	9,957
Redemption of bonds	-10,000	-10,000
Purchase of treasury stock	-79	-64
Cash dividends paid	-4,908	-4,911
Other	-328	-76
Net cash provided by (used in) financing activities	-2,836	-20,156
Effect of exchange rate change on cash and cash equivalents	541	858
Net increase (decrease) in cash and cash equivalents	2,497	5,182
Cash and cash equivalents at beginning of term	11,596	14,241
Increase in cash and cash equivalents from newly consolidated subsidiary	147	-
Cash and cash equivalents at end of term	14,241	19,423

5. Notes about Consolidated Statements

(1) Change in accounting policies or estimates and retrospective restatements

(Changes in accounting treatment principles)

The Company has applied the “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (ASBJ) Statement No. 26 issued on May 17, 2012, hereinafter, the “Accounting Standard for Retirement Benefits”) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25 issued on March 26, 2015, hereinafter, the “Retirement Benefits Guidance”) from this consolidated fiscal year with regard to the provisions stipulated in the text from Item 35 of the Accounting Standard for Retirement Benefits and the text from Item 67 of the Retirement Benefits Guidance. Accordingly, the Company reviewed the calculation method of retirement benefit obligations and service costs, changed the method of attribution period for estimated amount of retirement benefits from the service period basis to the benefit formula, and changed the method of determining the discount rate from a method using the discount rate based on the approximate number of years of the average remaining service period of employees to a method using the weighted average discount rate.

Concerning the application of the Accounting Standards for Retirement Benefits, based on the provisional treatment set out in Item 37 of the Accounting Standard for Retirement Benefits, the effects of changes the method of attribution period for estimated amount of retirement benefits have been adjusted in the beginning balance of capital surplus of this consolidated fiscal year, and the amount of the impact resulting from changes in the method of determining the discount rate is posted as remeasurements of defined benefit plans in other comprehensive income.

As a result, at the beginning of this consolidated fiscal year, net defined benefit liability decreased by ¥3,118 million, retained earnings decreased by ¥1,010 million, and other comprehensive income increased by ¥3,181 million. This change has minimal impact on operating income, ordinary income and income before income taxes.

(2) Basis of preparation of consolidated financial statements

- Provision for gas appliance warranties

We provide an allowance for replacement of gas appliances and pipelines by estimating future expenditures, and charging them to income to promote the replacement of old gas appliances with new ones that have safety devices and to replace the aged white galvanized branch pipes and pipes of important buildings for security reasons.

(Additional information)

We decided to revise the replacement plan of gas pipelines according to the latest information that Aichi Prefecture and Mie Prefecture published a disaster prevention plan based on new earthquake prediction.

As a result, we provided an additional allowance for replacement of pipelines by estimating future expenditures of ¥9,735 million. Therefore, operating income, ordinary income, and net income before adjustment for tax declined by ¥9,735 million.

- Provision for gas appliance warranties

We provide an allowance for gas appliance warranties by estimating future expenditures, and charging them to income to provide service during the warranty period.

(Additional information)

We decided to include the expenses for gas appliance warranties during the warranty period according to rational estimates based on the past warranty results.

As a result, we provided an allowance for gas appliance warranties by estimating future expenditures of ¥939 million. Therefore, operating income, ordinary income, and net income before adjustment for tax declined by ¥939 million.

(3) 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

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.

FY2014 (Apr. 2014- Mar. 2015)

(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	442,979	33,228	81,315	557,523	23,460	580,984	-	580,984
(2)Intersegment	101	2,914	684	3,700	13,114	16,815	-16,815	-
Total	443,080	36,143	82,000	561,223	36,575	597,799	-16,815	580,984
Segment income (loss)	25,451	-381	1,270	26,340	1,173	27,514	1,246	28,760
Segment assets	372,039	12,781	41,523	426,345	61,378	487,723	55,563	543,286
Other items								
Depreciation expenses	30,348	108	2,096	32,553	1,477	34,030	-80	33,950
Capital expenditures	31,329	107	2,895	34,332	2,932	37,264	-16	37,248

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.

(4) Material subsequent events

The Company resolved at the meeting of Board of Directors held on April 30, 2015 that it would acquire its own shares of stock based on the provisions of Article 156 of the Companies Act that is applied in an alternative interpretation of Article 165, Section 3 of the Companies Act.

The repurchases of shares are to be carried out as described below:

Type of shares: Common stock

No. of shares to be repurchased: Up to 4,000,000 shares

(representing 0.7% of outstanding shares (excluding treasury shares))

Total value of stock repurchased: Up to ¥3,000,000,000

Period of acquisitions: From May 1, 2015 to August 31, 2015

<Non-Consolidated Statements>

1. Balance sheet

(Unit: million yen)

	FY2013 (Ended Mar. 31, 2014)	FY2014 (Ended Mar. 31, 2015)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	69,513	67,865
Distribution facilities	153,498	147,381
Service and maintenance facilities	27,701	26,362
Facilities for incidental businesses	2,156	1,840
Construction in progress	18,096	27,110
Total property, plant and equipment	270,968	270,559
Intangible assets		
Leasehold right	404	407
Other Intangible assets	161	143
Total intangible assets	566	550
Investments and other assets		
Investment securities	56,584	68,496
Investments in subsidiaries and affiliates	16,678	20,746
Long-term loans receivable	-	130
Long-term prepaid expenses	60	14
Deferred tax assets	6,838	4,492
Other investments and other assets	637	512
Allowance for doubtful accounts	-73	-1
Total investments and other assets	80,725	94,390
Total non-current assets	352,260	365,500
Current assets		
Cash and deposits	8,080	9,069
Notes receivable-trade	950	1,491
Accounts receivable-trade	42,737	43,579
Accounts receivable from subsidiaries and affiliates-trade	8,546	5,789
Accounts receivable-other	2,244	6,000
Finished goods	67	54
Raw materials	14,334	20,723
Supplies	3,053	3,105
Advance payments	125	94
Prepaid expenses	259	261
Short-term receivables from subsidiaries and affiliates	289	431
Deferred tax assets	736	-
Derivatives	6,685	15,940
Other current assets	1,050	1,029
Allowances for doubtful accounts	-203	-165
Total current assets	88,958	107,405
Total assets	441,218	472,905

(Unit: million yen)

	FY2013 (Ended Mar. 31, 2014)	FY2014 (Ended Mar. 31, 2015)
Liabilities		
Non-current liabilities		
Bonds payable	89,994	89,995
Long-term loans payable	22,503	24,282
Long-term debt to subsidiaries and affiliates	6,778	233
Provision for retirement benefits	16,015	16,644
Provision for gas holder repairs	1,200	1,299
Provision for safety measures	8,894	16,180
Provision for gas appliance warranties	-	939
In-house Long-term deposits received	5,738	5,567
Other non-current liabilities	147	135
Total non-current liabilities	151,272	155,278
Current liabilities		
Current portion of non-current liabilities	20,680	15,436
Notes payable-trade	285	274
Accounts payable-trade	12,685	9,118
Short-term loans payable	12,000	1,400
Accounts payable-other	6,711	11,569
Accrued expenses	7,995	9,253
Income taxes payable	5,095	10,713
Deferred tax liabilities	-	1,855
Advances received	3,304	3,106
Deposits received	774	858
Current portion of non-current liabilities of subsidiaries and affiliates	41	6,570
Short-term debt to subsidiaries and affiliates	5,140	4,595
Provision for directors' bonuses	50	50
Other current liabilities	2,754	2,887
Total current liabilities	77,519	77,691
Total liabilities	228,791	232,969
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	8,028
Retained earnings		
Legal retained earnings	8,779	8,779
Other retained earnings		
Reserve for advanced depreciation of non-current assets	324	330
Reserve for overseas investment loss	868	1,592
Reserve for adjustment of cost fluctuations	23,000	23,000
General reserve	52,703	52,703
Retained earnings brought forward	54,164	65,212
Total retained earnings	139,840	151,618
Treasury stock	-324	-387
Total shareholders' equity	180,616	192,332
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	27,037	36,321
Deferred gains or losses on hedges	4,772	11,281
Total valuation and translation adjustments	31,810	47,603
Total net assets	212,427	239,935
Total liabilities and net assets	441,218	472,905

2. Statement of income

(Unit: million yen)

	FY2013 (Apr. 2013 -Mar. 2014)	FY2014 (Apr. 2014 -Mar. 2015)
Net sales		
Gas sales	413,941	435,756
Cost of sales		
Beginning inventories	67	67
Cost of products manufactured	296,700	296,106
Purchase of finished goods	5	7
Costs of gas for own use	1,342	1,419
Ending inventories	67	54
Total cost of sales	295,363	294,707
Gross profit	118,577	141,049
Selling, general and administrative expenses		
Supply and sales expenses	84,775	94,599
General and administrative expenses	21,476	21,710
Total Selling, general and administrative expenses	106,251	116,309
Income on core business	12,325	24,739
Miscellaneous operating revenue		
Revenue from installation work	10,354	10,961
Revenue from gas appliance sales	24,123	22,610
Third party access revenue	113	171
Other miscellaneous operating revenue	251	210
Total miscellaneous operating revenue	34,843	33,954
Miscellaneous operating expenses		
Expenses of installation work	10,547	11,042
Expenses of gas appliance sales	23,448	22,889
Total miscellaneous operating expenses	33,995	33,932
Revenue for incidental businesses		
Revenue from LNG sales	4,830	4,517
Revenue from other incidental businesses	36,473	32,136
Total revenue for incidental businesses	41,303	36,653
Expenses for incidental businesses		
Expenses for LNG sales	4,841	4,369
Expenses for other incidental businesses	36,563	32,282
Total expenses for incidental businesses	41,405	36,652
Operating income	13,072	24,762
Non-operating income		
Interest income	1	3
Dividends income	1,091	1,175
Dividends from subsidiaries and affiliates	521	392
Rent income	1,763	1,854
Miscellaneous income	1,239	697
Total non-operating income	4,617	4,123
Non-operating expenses		
Interest expenses	430	410
Interest on bonds	1,283	1,254
Amortization of bond issuance cost	39	42
Miscellaneous expenses	333	276
Total non-operating expenses	2,086	1,983
Ordinary income	15,602	26,903
Income before income taxes	15,602	26,903
Income taxes	2,381	8,880
Income taxes-deferred	2,634	326
Total income taxes	5,015	9,206
Net income	10,587	17,696

3. Statement of changes in net assets

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
Cumulative effects of changes in accounting policies					
Restated balance	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					
Provision of reserve for overseas investment loss					
Increase of reserve due to the change of effective tax rate					
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 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
Cumulative effects of changes in accounting policies					-	-
Restated balance	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	-
Provision of reserve for overseas investment loss		-			-	-
Increase of reserve due to the change of effective tax rate	0	-			-0	-
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
Cumulative effects of changes in accounting policies						
Restated balance	-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		-				-
Provision of reserve for overseas investment loss		-				-
Increase of reserve due to the change of effective tax rate		-				-
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

FY2014 (Apr. 2014 -Mar. 2015)

(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
Cumulative effects of changes in accounting policies					
Restated balance	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					
Provision of reserve for overseas investment loss					
Increase of reserve due to the change of effective tax rate					
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	8,028	8,779

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total Retained earnings
	Reserve for advanced depreciation of non-current assets	Reserve for overseas investment loss	Reserve for adjustment of cost fluctuations	General reserve	Retained earnings brought forward	
Balance at the beginning of current period	324	868	23,000	52,703	54,164	139,840
Cumulative effects of changes in accounting policies					-1,010	-1,010
Restated balance	324	868	23,000	52,703	53,153	138,829
Changes of items during the period						
Dividends from surplus					-4,907	-4,907
Reversal of reserve for advanced depreciation of non-current assets	-2				2	-
Provision of reserve for overseas investment loss		681			-681	-
Increase of reserve due to the change of effective tax rate	8	42			-51	-
Net income					17,696	17,696
Purchase of treasury stock						
Disposal of treasury stock						
Net changes of items other than shareholders' equity						
Total changes of items during the period	6	723	-	-	12,059	12,789
Balance at the end of current period	330	1,592	23,000	52,703	65,212	151,618

	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	-324	180,616	27,037	4,772	31,810	212,427
Cumulative effects of changes in accounting policies		-1,010				-1,010
Restated balance	-324	179,605	27,037	4,772	31,810	211,416
Changes of items during the period						
Dividends from surplus		-4,907				-4,907
Reversal of reserve for advanced depreciation of non-current assets		-				-
Provision of reserve for overseas investment loss		-				-
Increase of reserve due to the change of effective tax rate		-				-
Net income		17,696				17,696
Purchase of treasury stock	-64	-64				-64
Disposal of treasury stock	2	2				2
Net changes of items other than shareholders' equity			9,283	6,509	15,792	15,792
Total changes of items during the period	-62	12,726	9,283	6,509	15,792	28,519
Balance at the end of current period	-387	192,332	36,321	11,281	47,603	239,935