

Consolidated Financial Results for FY2019 Ended March 31, 2020

Toho Gas Co., Ltd.

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

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Date of regular general meeting of stockholders: June 24, 2020

Date of submission of financial report: June 25, 2020

Earnings supplementary explanatory documents: Yes

Earnings presentation: Yes (for institutional investors)

Shares listed on:

Tokyo Stock Exchange, Nagoya Stock Exchange

Commencement of dividends payments: June 25, 2020

(Rounded down to the nearest million yen)

1. Consolidated Results for FY2019 (April 1, 2019 - March 31, 2020)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2019 ended March 2020	485,623	5.3	21,351	19.7	24,763	15.3	16,266	9.8
FY2018 ended March 2019	461,199	7.5	17,831	-25.7	21,485	-14.8	14,820	-17.8

Note: Comprehensive income FY2019 ended March 2020: ¥4,271 million (-41.7%) FY2018 ended March 2019: ¥7,326 million (-73.7%)

	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)	(%)	(%)	(%)
FY2019 ended March 2020	153.62	-	5.0	4.4	4.4
FY2018 ended March 2019	139.37	-	4.5	3.9	3.9

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2019 ended March 2020	564,756	322,768	57.2	3,056.42
FY2018 ended March 2019	550,599	327,339	59.5	3,078.37

Reference: Net assets (excluding minority interests) FY2019 ended March 2020: ¥322,768 million FY2018 ended March 2019: ¥327,339 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)
FY2019 ended March 2020	68,376	-42,949	-10,730	33,979
FY2018 ended March 2019	32,615	-40,011	8,834	19,260

2. Dividends

	Dividends 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			
FY2018 ended March 2019	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: million yen)	(%)	(%)
FY2018 ended March 2019	-	27.50	-	27.50	55.00	5,848	39.5	1.8
FY2019 ended March 2020	-	27.50	-	27.50	55.00	5,810	35.8	1.8
FY2020 ending March 2021 (forecast)	-	-	-	-	-	-	-	-

Note: the dividends FY2020 ended March 2021 are not decided.

3. Consolidated Results Forecasts for FY2020 (April 1, 2020 - March 31, 2021)

With the global spread of new coronavirus infections, demand in this region is expected to have a significant impact. However, it is difficult to estimate reasonable earnings forecast, therefore we extend to announce it.

We will confirm the impact of the spread of new coronavirus infection on our business, and will announce the consolidated forecast when it becomes possible to estimate it.

※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: No
 - 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)	FY2019 ended March 2020	105,606,285 shares	FY2018 ended March 2019	106,351,285 shares
Number of treasury stock at the end of the term	FY2019 ended March 2020	2,773 shares	FY2018 ended March 2019	16,095 shares
Average number of outstanding shares during the term	FY2019 ended March 2020	105,885,277 shares	FY2018 ended March 2019	106,337,419 shares

Reference: Non-consolidated Results and Forecasts

1. Results for FY2019 (April 1, 2019 - March 31, 2020)

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

	Net sales		Operating income		Ordinary income		Net income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2019 ended March 2020	373,016	2.2	15,789	36.8	20,838	20.6	13,786	6.5
FY2018 ended March 2019	365,015	2.8	11,538	-36.9	17,278	-16.7	12,950	-17.7

	Net income per share	Diluted income per share
	(Unit: yen)	(Unit: yen)
FY2019 ended March 2020	130.20	-
FY2018 ended March 2019	121.79	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2019 ended March 2020	478,024	273,731	57.3	2,592.07
FY2018 ended March 2019	467,810	277,308	59.3	2,607.87

Reference: Net assets FY2019 ended March 2020: ¥273,731 million FY2018 ended March 2019: ¥277,308 million

2. Results Forecasts for FY2020 (April 1, 2020 - March 31, 2021)

With the global spread of new coronavirus infections, demand in this region is expected to have a significant impact. However, it is difficult to estimate reasonable earnings forecast, therefore we extend to announce it.

We will confirm the impact of the spread of new coronavirus infection on our business, and will announce the consolidated forecast when it becomes possible to estimate it.

(1) This report of consolidated financial results is not subject to audit.

(2) Notes on proper use of forecasts and other matters

The forecasts in this document are 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 Financial Statements and Main Notes>

1. Consolidated balance sheet

(Unit: million yen)

	FY2018 (As of Mar. 31, 2019)	FY2019 (As of Mar. 31, 2020)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	76,111	72,421
Distribution facilities	158,415	154,175
Service and maintenance facilities	27,588	26,476
Other facilities	45,677	47,372
Construction in progress	9,693	10,622
Total property, plant and equipment	317,486	311,068
Intangible assets		
Other	6,616	10,829
Total intangible assets	6,616	10,829
Investments and other assets		
Investment securities	83,492	76,879
Long-term loans receivable	6,732	7,754
Deferred tax assets	10,138	13,755
Net defined benefit asset	-	323
Other	8,852	11,759
Allowance for doubtful accounts	-64	-96
Total investments and other assets	109,152	110,376
Total non-current assets	433,255	432,275
Current assets		
Cash and deposits	19,338	34,702
Notes and accounts receivable-trade	57,833	58,111
Lease receivables and investment assets	11,159	11,007
Inventories	24,258	23,912
Other	4,958	4,919
Allowance for doubtful accounts	-204	-171
Total current assets	117,344	132,481
Total assets	550,599	564,756

(Unit: million yen)

	FY2018 (As of Mar. 31, 2019)	FY2019 (As of Mar. 31, 2020)
Liabilities		
Non-current liabilities		
Bonds payable	50,000	70,000
Long-term loans payable	43,440	36,541
Deferred tax liabilities	690	649
Provision for gas holder repairs	1,751	1,690
Provision for safety measures	17,105	15,173
Provision for gas appliance warranties	3,296	2,808
Net defined benefit liability	6,530	7,959
Other	9,460	9,443
Total non-current liabilities	132,275	144,265
Current liabilities		
Current portion of non-current liabilities	14,799	13,833
Notes and accounts payable-trade	20,009	23,432
Short-term loans payable	17,828	6,862
Income taxes payable	4,970	6,480
Other	33,377	47,113
Total current liabilities	90,984	97,721
Total liabilities	223,260	241,987
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus	8,387	8,387
Retained earnings	248,694	256,066
Treasury stock	-63	-11
Total shareholders' equity	290,091	297,514
Other comprehensive income		
Valuation difference on available-for-sale securities	35,177	29,790
Deferred gains or losses on hedges	599	-3,422
Foreign currency translation adjustment	2,186	1,852
Remeasurements of defined benefit plans	-715	-2,967
Total other comprehensive income	37,248	25,253
Total net assets	327,339	322,768
Total liabilities and net assets	550,599	564,756

2. Consolidated statements of income and comprehensive income

Consolidated statements of income

(Unit: million yen)

	FY2018 (Apr. 2018 -Mar. 2019)	FY2019 (Apr. 2019 -Mar. 2020)
Net sales	461,199	485,623
Cost of sales	315,324	330,092
Gross profit	145,874	155,530
Selling, general and administrative expenses	128,042	134,179
Operating income	17,831	21,351
Non-operating income		
Interest income	10	377
Dividends income	1,828	1,906
Rent income	681	679
Miscellaneous income	2,185	1,747
Total non-operating income	4,705	4,710
Non-operating expenses		
Interest expenses	672	821
Miscellaneous expenses	379	476
Total non-operating expenses	1,051	1,298
Ordinary income	21,485	24,763
Extraordinary income		
Gain on sales of investment securities	-	1,434
Total extraordinary income	-	1,434
Extraordinary loss		
Impairment loss	-	2,526
Loss on valuation of investment securities	421	277
Total extraordinary loss	421	2,803
Income before income taxes	21,064	23,393
Income taxes-current	4,604	6,613
Income taxes-deferred	1,639	514
Total income taxes	6,244	7,127
Net income	14,820	16,266
Net income attributable to owners of the parent	14,820	16,266

Consolidated statements of comprehensive income

(Unit: million yen)

	FY2018 (Apr. 2018 -Mar. 2019)	FY2019 (Apr. 2019 -Mar. 2020)
Net income	14,820	16,266
Other comprehensive income		
Valuation difference on available-for-sale securities	-6,951	-5,369
Deferred gains or losses on hedges	617	-4,025
Foreign currency translation adjustment	-675	-90
Remeasurements of defined benefit plans, net of tax	-167	-2,205
Share of other comprehensive income of entities accounted for using equity method	-316	-304
Total other comprehensive income	-7,493	-11,994
Comprehensive income	7,326	4,271
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	7,326	4,271
Comprehensive income attributable to non-controlling interests	-	-

3. Consolidated statements of changes in net assets

FY2018 (Apr. 2018-Mar. 2019)

(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	240,123	-45	281,537
Changes of items during the period					
Dividends from surplus			-5,848		-5,848
Net income attributable to owners of the parent			14,820		14,820
Purchase of treasury stock				-17	-17
Disposal of treasury stock			-0	0	0
Other			-400		-400
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	8,571	-17	8,553
Balance at the end of current period	33,072	8,387	248,694	-63	290,091

	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	42,111	-21	3,199	-548	44,742	326,279
Changes of items during the period						
Dividends from surplus						-5,848
Net income attributable to owners of the parent						14,820
Purchase of treasury stock						-17
Disposal of treasury stock						0
Other						-400
Net changes of items other than shareholders' equity	-6,933	620	-1,013	-166	-7,493	-7,493
Total changes of items during the period	-6,933	620	-1,013	-166	-7,493	1,059
Balance at the end of current period	35,177	599	2,186	-715	37,248	327,339

FY2019 (Apr. 2019-Mar. 2020)

(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	248,694	-63	290,091
Changes of items during the period					
Dividends from surplus			-5,830		-5,830
Net income attributable to owners of the parent			16,266		16,266
Purchase of treasury stock				-3,012	-3,012
Disposal of treasury stock			-0	1	0
Retirement of treasury stock			-3,062	3,062	-
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	7,372	51	7,423
Balance at the end of current period	33,072	8,387	256,066	-11	297,514

	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	35,177	599	2,186	-715	37,248	327,339
Changes of items during the period						
Dividends from surplus						-5,830
Net income attributable to owners of the parent						16,266
Purchase of treasury stock						-3,012
Disposal of treasury stock						0
Retirement of treasury stock						-
Net changes of items other than shareholders' equity	-5,387	-4,022	-333	-2,252	-11,994	-11,994
Total changes of items during the period	-5,387	-4,022	-333	-2,252	-11,994	-4,570
Balance at the end of current period	29,790	-3,422	1,852	-2,967	25,253	322,768

4. Consolidated statements of cash flows

(Unit: million yen)

	FY2018 (Apr. 2018-Mar. 2019)	FY2019 (Apr. 2019-Mar. 2020)
Net cash provided by (used in) operating activities		
Income before income taxes	21,064	23,393
Depreciation and amortization	36,075	37,557
Impairment loss	-	2,526
Gain on sales of investment securities	-	-1,434
Loss on valuation of investment securities	421	277
Increase (decrease) in provision	-1,685	-2,712
Interest and dividend income	-1,839	-2,283
Interest expenses	672	821
Decrease (increase) in notes and accounts receivable-trade	-8,959	1,354
Decrease (increase) in inventories	-5,649	1,140
Increase (decrease) in notes and accounts payable-trade	-271	2,777
Other	-1,504	8,232
Subtotal	38,323	71,652
Interest and dividend income received	1,839	2,280
Interest expenses paid	-668	-769
Income taxes paid	-6,878	-4,787
Net cash provided by (used in) operating activities	32,615	68,376
Net cash provided by (used in) investment activities		
Purchases of non-current assets	-34,610	-33,566
Proceeds from sales of non-current assets	290	243
Purchase of investment securities	-3,210	-1,717
Proceeds from sales of investment securities	520	1,765
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-6,412
Other	-3,001	-3,262
Net cash provided by (used in) investment activities	-40,011	-42,949
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	12,445	-12,437
Net increase (decrease) in commercial paper	-2,000	-
Proceeds from long-term loans payable	18,045	6,116
Repayment of long-term loans payable	-13,671	-5,466
Proceeds from issuance of bonds	9,938	19,888
Redemption of bonds	-10,000	-10,103
Purchase of treasury stock	-17	-3,012
Cash dividends paid	-5,847	-5,830
Other	-57	112
Net cash provided by (used in) financing activities	8,834	-10,730
Effect of exchange rate change on cash and cash equivalents	-54	22
Net increase (decrease) in cash and cash equivalents	1,383	14,718
Cash and cash equivalents at beginning of term	17,876	19,260
Cash and cash equivalents at end of term	19,260	33,979

5. Notes about consolidated statements

(1) Note of going concerns' premise: Not applicable

(2) 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," "LPG, Electricity and other Energies" and "Gas appliance sales and related construction." 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

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

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

The name of a reporting segment previously stated as "LPG and other Energies" has been changed to "LPG, Electricity and other Energies" from the first quarter of the current consolidated period. This change is limited to the name only, hence there is no impact to its segment information. In addition, the description order of the reporting segment has been changed. Consequently, the reporting segment of the first quarter of the previous consolidated period is restated in accordance with these changes.

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

The accounting methods for the reporting segments are mostly consistent with "Summary of significant accounting policies" in financial report

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

FY2018 (Apr. 2018- Mar. 2019)

(Unit: million yen)

	Reported segments				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated (Note.3)
	Gas sales	LPG, Electricity and other Energies	Gas appliance sales and related construction	Total				
Net sales								
(1) External customers	312,089	91,680	33,220	436,991	24,208	461,199	-	461,199
(2) Intersegment	97	1,025	1,423	2,546	16,948	19,494	-19,494	-
Total	312,187	92,706	34,643	439,537	41,156	480,693	-19,494	461,199
Segment income	12,249	1,567	799	14,616	1,890	16,507	1,324	17,831
Segment assets	349,872	51,864	12,825	414,562	79,171	493,734	56,865	550,599
Other items								
Depreciation expenses	31,992	2,815	132	34,939	1,198	36,138	-62	36,075
Investment in entities accounted for using equity method	-	-	-	-	-	-	5,793	5,793
Capital expenditures	27,705	2,571	268	30,546	2,928	33,475	-676	32,798

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, other leasing business, development of and investment in natural gas resources, etc.

2. The "Adjustments" column in "Segment income" denotes eliminations of intersegment transactions (¥1,324million).

The "Adjustments" column in "Segment assets" includes ¥73,505 million of companywide assets, which mainly includes long-term investments in securities, etc.

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

FY2019 (Apr. 2019- Mar. 2020)

(Unit: million yen)

	Reported segments				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated (Note.3)
	Gas sales	LPG, Electricity and other Energies	Gas appliance sales and related construction	Total				
Net sales								
(1) External customers	302,798	107,151	37,934	447,884	37,738	485,623	-	485,623
(2) Intersegment	97	1,278	2,094	3,470	17,661	21,131	-21,131	-
Total	302,896	108,429	40,028	451,355	55,399	506,754	-21,131	485,623
Segment income	15,158	1,272	1,058	17,490	2,519	20,010	1,341	21,351
Segment assets	353,541	64,136	15,200	432,879	83,943	516,822	47,933	564,756
Other items								
Depreciation expenses	32,437	3,040	148	35,626	1,834	37,460	-71	37,389
Investment in entities accounted for using equity method	-	-	-	-	-	-	5,206	5,206
Capital expenditures	28,100	4,489	104	32,695	1,728	34,423	-113	34,310

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, other leasing business, development of and investment in natural gas resources, etc.

2. The "Adjustments" column in "Segment income" denotes eliminations of intersegment transactions (¥1,341million).

The "Adjustments" column in "Segment assets" includes ¥67,614 million of companywide assets, which mainly includes long-term investments in securities, etc.

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)

	FY2018 (As of Mar. 31, 2019)	FY2019 (As of Mar. 31, 2020)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	75,973	72,286
Distribution facilities	156,909	152,681
Service and maintenance facilities	27,734	26,624
Facilities for incidental businesses	7,635	5,513
Construction in progress	8,751	9,830
Total property, plant and equipment	277,003	266,937
Intangible assets		
Leasehold right	408	444
Other Intangible assets	2,730	4,419
Total intangible assets	3,138	4,864
Investments and other assets		
Investment securities	65,671	60,362
Investments in subsidiaries and affiliates	36,376	44,392
Long-term loans receivable	130	130
Long-term prepaid expenses	-	75
Prepaid pension cost	-	2,218
Deferred tax assets	6,172	9,108
Other investments and other assets	1,244	3,005
Allowance for doubtful accounts	-7	-42
Total investments and other assets	109,587	119,251
Total non-current assets	389,730	391,053
Current assets		
Cash and deposits	9,704	23,514
Notes receivable-trade	1,885	1,828
Accounts receivable-trade	41,229	37,526
Accounts receivable from subsidiaries and affiliates-trade	308	748
Accounts receivable-other	1,570	1,945
Finished goods	25	38
Raw materials	15,712	15,054
Supplies	3,631	3,490
Advance payments	111	130
Prepaid expenses	248	261
Short-term receivables from subsidiaries and affiliates	1,517	963
Other current assets	2,256	1,567
Allowances for doubtful accounts	-121	-99
Total current assets	78,080	86,971
Total assets	467,810	478,024

(Unit: million yen)

	FY2018 (As of Mar. 31, 2019)	FY2019 (As of Mar. 31, 2020)
Liabilities		
Non-current liabilities		
Bonds payable	50,000	70,000
Long-term loans payable	35,476	28,051
Long-term debt to subsidiaries and affiliates	3,137	266
Provision for retirement benefits	653	-
Provision for gas holder repairs	1,703	1,634
Provision for safety measures	16,843	15,144
Provision for gas appliance warranties	2,784	2,310
Other non-current liabilities	5,147	4,962
Total non-current liabilities	115,745	122,369
Current liabilities		
Current portion of non-current liabilities	12,126	11,364
Accounts payable-trade	11,190	11,774
Short-term loans payable	12,088	381
Accounts payable-other	9,131	11,503
Accrued expenses	11,005	11,688
Income taxes payable	4,053	4,918
Advances received	2,810	2,873
Deposits received	883	861
Short-term debt to subsidiaries and affiliates	9,236	13,839
Provision for directors' bonuses	50	50
Other current liabilities	2,179	12,668
Total current liabilities	74,756	81,923
Total liabilities	190,501	204,293
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus		
Legal capital surplus	8,027	8,027
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	315	311
Reserve for overseas investment loss	3,499	3,319
Reserve for adjustment of cost fluctuations	23,000	23,000
General reserve	52,703	52,703
Retained earnings brought forward	115,081	120,158
Total retained earnings	203,378	208,271
Treasury stock	-63	-11
Total shareholders' equity	244,416	249,360
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	32,356	27,588
Deferred gains or losses on hedges	535	-3,217
Total valuation and translation adjustments	32,892	24,371
Total net assets	277,308	273,731
Total liabilities and net assets	467,810	478,024

2. Statements of income

(Unit: million yen)

	FY2018 (Apr. 2018-Mar. 2019)	FY2019 (Apr. 2019-Mar. 2020)
Sales from gas business		
Gas sales	301,186	289,147
Gas transportation service revenue	5,112	7,764
Revenue from interoperator settlement	1,191	1,376
Total sales from gas business	307,490	298,288
Cost of sales		
Beginning inventories	28	25
Cost of products manufactured	194,923	181,869
Costs of gas for own use	961	845
Ending inventories	25	38
Total cost of sales	193,964	181,010
Gross profit	113,525	117,277
Selling, general and administrative expenses		
Supply and sales expenses	82,201	83,180
General and administrative expenses	19,954	19,819
Total Selling, general and administrative expenses	102,156	102,999
Income on core business	11,369	14,277
Miscellaneous operating revenue		
Revenue from installation work	9,963	11,509
Other miscellaneous operating revenue	21,272	25,293
Total miscellaneous operating revenue	31,236	36,802
Miscellaneous operating expenses		
Expenses of installation work	9,838	11,171
Other miscellaneous operating expenses	20,489	24,444
Total miscellaneous operating expenses	30,327	35,615
Revenue for incidental businesses	26,288	37,925
Expenses for incidental businesses	27,027	37,600
Operating income	11,538	15,789

(Unit: million yen)

	FY2018 (Apr. 2018-Mar. 2019)	FY2019 (Apr. 2019-Mar. 2020)
Non-operating income		
Interest income	23	30
Dividends income	1,630	1,709
Dividends from subsidiaries and affiliates	1,233	1,103
Rent income	1,937	1,941
Miscellaneous income	1,818	1,412
Total non-operating income	6,643	6,197
Non-operating expenses		
Interest expenses	344	380
Interest on bonds	324	386
Amortization of bond issuance cost	61	111
Miscellaneous expenses	173	270
Total non-operating expenses	904	1,148
Ordinary income	17,278	20,838
Extraordinary income		
Gain on sales of non-current assets	609	-
Total extraordinary income	609	-
Extraordinary loss		
Impairment loss	-	2,526
Loss on valuation of investment securities	420	263
Total extraordinary loss	420	2,790
Income before income taxes	17,466	18,048
Income taxes-current	2,634	4,355
Income taxes-deferred	1,881	-93
Total income taxes	4,516	4,261
Net income	12,950	13,786