

Consolidated Financial Results for FY2021 Ended March 31, 2022

Toho Gas Co., Ltd.

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

Shares listed on:

Representative: Nobuyuki Masuda, Representative Director, President

Tokyo Stock Exchange, Nagoya Stock Exchange

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Commencement of dividends payments: June 30, 2022

Date of regular general meeting of stockholders: June 29, 2022

Date of submission of financial report: June 30, 2022

Earnings supplementary explanatory documents: Yes

Earnings presentation: Yes (for institutional investors)

(Rounded down to the nearest million yen)

1. Consolidated Results for FY2021 (April 1, 2021 - March 31, 2022)

(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)	(%)
FY2021 ended March 2022	515,313	18.5	17,858	32.1	21,912	31.8	15,459	79.9
FY2020 ended March 2021	434,776	-10.5	13,515	-36.7	16,622	-32.9	8,592	-47.2

Note: Comprehensive income FY2021 ended March 2022: ¥29,635 million (-30.3%) FY2020 ended March 2021: ¥42,561 million (896.4%)

	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)	(%)	(%)	(%)
FY2021 ended March 2022	146.66	-	4.2	3.5	3.5
FY2020 ended March 2021	81.37	-	2.5	2.8	3.1

Reference: Share of profit or loss of entities accounted for using equity method FY2021 ended March 2022: ¥247 million
FY2020 ended March 2021: ¥-187 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2021 ended March 2022	655,593	382,751	58.4	3,641.75
FY2020 ended March 2021	601,835	359,492	59.7	3,404.33

Reference: Net assets (excluding minority interests) FY2021 ended March 2022: ¥382,751 million FY2020 ended March 2021: ¥359,492 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)
FY2021 ended March 2022	35,436	-54,876	635	32,110
FY2020 ended March 2021	64,397	-40,972	-6,764	50,543

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			
FY2020 ended March 2021	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: million yen)	(%)	(%)
	-	27.50	-	27.50	55.00	5,807	67.6	1.7
FY2021 ended March 2022	-	27.50	-	30.00	57.50	6,057	39.2	1.6
FY2022 ending March 2023 (forecast)	-	30.00	-	30.00	60.00		39.4	

3. Consolidated Results Forecasts for FY2022 (April 1, 2022 - March 31, 2023)

(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		Net income per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Full term	580,000	12.6	19,000	6.4	23,000	5.0	16,000	3.8	152.23

※Notes

(1) Changes in significant consolidated subsidiaries: Yes

The new subsidiary: Toho Gas Canada Ltd.

(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)

Number of treasury stock at the end of the term

Average number of outstanding shares during the term

FY2021 ended March 2022	105,256,285 shares	FY2020 ended March 2021	105,606,285 shares
FY2021 ended March 2022	155,339 shares	FY2020 ended March 2021	7,792 shares
FY2021 ended March 2022	105,409,061 shares	FY2020 ended March 2021	105,601,026 shares

Reference: Non-consolidated Results

1. Results for FY2021 (April 1, 2021 - March 31, 2022)

(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)	(%)
FY2021 ended March 2022	400,181	17.8	10,977	70.6	18,257	43.5	13,708	30.4
FY2020 ended March 2021	339,840	-8.9	6,435	-59.2	12,720	-39.0	10,514	-23.7

	Net income per share	Diluted income per share
	(Unit: yen)	(Unit: yen)
FY2021 ended March 2022	130.05	-
FY2020 ended March 2021	99.56	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2021 ended March 2022	555,815	316,729	57.0	3,013.57
FY2020 ended March 2021	516,974	302,109	58.4	2,860.92

Reference: Net assets FY2021 ended March 2022: ¥ 316,729 million FY2020 ended March 2021: ¥ 302,109 million

(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)

	As of March 31, 2021	As of March 31, 2022
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	67,644	64,266
Distribution facilities	149,271	145,329
Service and maintenance facilities	26,368	26,879
Other facilities	44,506	48,155
Construction in progress	15,063	20,989
Total property, plant and equipment	302,855	305,619
Intangible assets		
Other	8,726	10,894
Total intangible assets	8,726	10,894
Investments and other assets		
Investment securities	101,469	112,444
Long-term loans receivable	7,547	14,042
Net defined benefit asset	13,762	23,206
Deferred tax assets	3,771	4,015
Other	15,816	14,899
Allowance for doubtful accounts	-110	-84
Total investments and other assets	142,256	168,524
Total non-current assets	453,838	485,038
Current assets		
Cash and deposits	40,731	32,298
Notes and accounts receivable-trade	51,383	73,093
Lease receivables and investment assets	12,848	13,675
Securities	10,000	-
Inventories	18,358	21,942
Other	14,897	29,965
Allowance for doubtful accounts	-223	-420
Total current assets	147,996	170,555
Total assets	601,835	655,593

(Unit: million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Non-current liabilities		
Bonds payable	70,000	50,000
Long-term loans payable	49,108	48,716
Deferred tax liabilities	3,774	9,750
Provision for gas holder repairs	1,472	1,291
Provision for safety measures	16,782	19,045
Provision for gas appliance warranties	2,323	620
Net defined benefit liability	5,801	5,919
Other	10,462	10,579
Total non-current liabilities	159,725	145,922
Current liabilities		
Current portion of non-current liabilities	2,612	35,664
Notes and accounts payable-trade	30,158	36,822
Short-term loans payable	4,709	2,935
Income taxes payable	3,551	5,949
Other	41,585	45,549
Total current liabilities	82,617	126,919
Total liabilities	242,342	272,842
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus	8,387	8,387
Retained earnings	258,850	268,374
Treasury stock	-40	-499
Total shareholders' equity	300,270	309,335
Other comprehensive income		
Valuation difference on available-for-sale securities	45,179	43,731
Deferred gains or losses on hedges	6,198	15,511
Foreign currency translation adjustment	1,005	3,252
Remeasurements of defined benefit plans	6,838	10,920
Total other comprehensive income	59,222	73,416
Total net assets	359,492	382,751
Total liabilities and net assets	601,835	655,593

2. Consolidated statements of income and comprehensive income

Consolidated statements of income

(Unit: million yen)

	FY2020 (April 2020 -March 2021)	FY2021 (April 2021 -March 2022)
Net sales	434,776	515,313
Cost of sales	285,516	361,612
Gross profit	149,260	153,701
Selling, general and administrative expenses	135,745	135,843
Operating income	13,515	17,858
Non-operating income		
Interest income	305	210
Dividends income	2,059	2,228
Rent income	697	693
Miscellaneous income	1,474	2,119
Total non-operating income	4,537	5,252
Non-operating expenses		
Interest expenses	744	726
Share of loss of entities accounted for using equity method	187	-
Miscellaneous expenses	498	471
Total non-operating expenses	1,430	1,198
Ordinary income	16,622	21,912
Extraordinary income		
Gain on sales of investment securities	1,440	-
Total extraordinary income	1,440	-
Extraordinary loss		
Impairment loss	4,730	583
Total extraordinary loss	4,730	583
Income before income taxes	13,331	21,329
Income taxes-current	5,060	4,895
Income taxes-deferred	-320	975
Total income taxes	4,739	5,870
Net income	8,592	15,459
Net income attributable to owners of the parent	8,592	15,459

Consolidated statements of comprehensive income

(Unit: million yen)

	FY2020 (April 2020 -March 2021)	FY2021 (April 2021 -March 2022)
Net income	8,592	15,459
Other comprehensive income		
Valuation difference on available-for-sale securities	15,389	-1,448
Deferred gains or losses on hedges	9,610	9,275
Foreign currency translation adjustment	-1,223	1,680
Remeasurements of defined benefit plans, net of tax	9,886	4,090
Share of other comprehensive income of entities accounted for using equity method	305	595
Total other comprehensive income	33,968	14,193
Comprehensive income	42,561	29,653
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	42,561	29,653
Comprehensive income attributable to non-controlling interests	-	-

3. Consolidated statements of changes in net assets

FY2020 (April 2020-March 2021)

(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	256,066	-11	297,514
Changes of items during the period					
Dividends from surplus			-5,808		-5,808
Net income attributable to owners of the parent			8,592		8,592
Purchase of treasury stock				-29	-29
Disposal of treasury stock		0		0	0
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	0	2,784	-29	2,755
Balance at the end of current period	33,072	8,387	258,850	-40	300,270

	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	29,790	-3,422	1,852	-2,967	25,253	322,768
Changes of items during the period						
Dividends from surplus						-5,808
Net income attributable to owners of the parent						8,592
Purchase of treasury stock						-29
Disposal of treasury stock						0
Net changes of items other than shareholders' equity	15,389	9,621	-847	9,805	33,968	33,968
Total changes of items during the period	15,389	9,621	-847	9,805	33,968	36,723
Balance at the end of current period	45,179	6,198	1,005	6,838	59,222	359,492

FY2021 (April 2021-March 2022)

(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	258,850	-40	300,270
Cumulative effects of changes in accounting policies			996		996
Restated balance	33,072	8,387	259,846	-40	301,266
Changes of items during the period					
Dividends from surplus			-5,808		-5,808
Net income attributable to owners of the parent			15,459		15,459
Purchase of treasury stock				-1,608	-1,608
Disposal of treasury stock		0		25	25
Retirement of treasury stock		-0	-1,123	1,124	-
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-0	8,527	-458	8,069
Balance at the end of current period	33,072	8,387	268,374	-499	309,335

	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	45,179	6,198	1,005	6,838	59,222	359,492
Cumulative effects of changes in accounting policies						996
Restated balance	45,179	6,198	1,005	6,838	59,222	360,488
Changes of items during the period						
Dividends from surplus						-5,808
Net income attributable to owners of the parent						15,459
Purchase of treasury stock						-1,608
Disposal of treasury stock						25
Retirement of treasury stock						-
Net changes of items other than shareholders' equity	-1,448	9,313	2,246	4,082	14,193	14,193
Total changes of items during the period	-1,448	9,313	2,246	4,082	14,193	22,262
Balance at the end of current period	43,731	15,511	3,252	10,920	73,416	382,751

4. Consolidated statements of cash flows

(Unit: million yen)

	FY2020 (April 2020-March 2021)	FY2021 (April 2021-March 2022)
Net cash provided by (used in) operating activities		
Income before income taxes	13,331	21,329
Depreciation and amortization	37,463	36,510
Impairment loss	4,730	583
Gain on sales of investment securities	-1,440	-
Increase (decrease) in provision	971	500
Interest and dividend income	-2,364	-2,438
Interest expenses	744	726
Decrease (increase) in notes and accounts receivable-trade	6,727	-21,709
Decrease (increase) in inventories	5,553	-3,583
Increase (decrease) in notes and accounts payable-trade	6,741	6,696
Other	-1,924	-1,740
Subtotal	70,535	36,874
Interest and dividend income received	2,366	2,438
Interest expenses paid	-756	-720
Income taxes paid	-7,748	-3,156
Net cash provided by (used in) operating activities	64,397	35,436
Net cash provided by (used in) investment activities		
Purchases of non-current assets	-34,305	-39,032
Proceeds from sales of non-current assets	25	25
Purchase of investment securities	-3,798	-4,486
Proceeds from sales of investment securities	1,468	320
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-5,920
Payment of loans receivable	-	-5,715
Other	-4,363	-68
Net cash provided by (used in) investment activities	-40,972	-54,876
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-2,153	-1,774
Proceeds from long-term loans payable	14,905	2,781
Repayment of long-term loans payable	-13,801	-2,889
Proceeds from issuance of bonds	-	9,947
Purchase of treasury stock	-29	-1,608
Cash dividends paid	-5,807	-5,807
Other	123	-12
Net cash provided by (used in) financing activities	-6,764	635
Effect of exchange rate change on cash and cash equivalents	-95	370
Net increase (decrease) in cash and cash equivalents	16,564	-18,432
Cash and cash equivalents at beginning of term	33,979	50,543
Cash and cash equivalents at end of term	50,543	32,110

5. Notes about consolidated statements

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

(2) Change in accounting policy

Adopting Accounting Standard for Revenue Recognition

“Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the first quarter consolidated accounting period. When control of a promised good or service is transferred to the customer, revenue will be recognized at the amount expected to be received in exchange for the good or service.

In the past, LPG sales were based on the meter reading date, but we have changed to a method of rationally estimating the amount of completion of delivery obligations to customers by the end of the fiscal year and recognizing profits.

Regarding the application of “Accounting Standard for Revenue Recognition”, we follow the transitional treatment stipulated in the proviso of paragraph 84 of “Accounting Standard for Revenue Recognition”. Accumulated impact of retroactive application of new accounting policies prior to the beginning of the first quarter consolidated accounting period is added to or subtracted from retained earnings at the beginning of the first quarter consolidated accounting period from the balance at the beginning of the period.

As a result, retained earnings increased by 1,216 million yen at the current consolidated fiscal year. In addition, as a result of a decrease in sales of 7,134 million yen and a decrease in cost of sales of 7,454 million yen. Operating income, ordinary income and income before income taxes have increased by 320 million yen respectively.

As the cumulative impact was reflected in the net assets at the beginning of the current consolidated fiscal year, the beginning balance of retained earnings on the consolidated statement of changes in shareholders' equity increased by 996 million yen.

The application of “Accounting Standard for Fair Value Measurement”, etc.

“Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019), etc. has been applied from the beginning of the first quarter consolidated accounting period. “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 19, July 4, 2019) and “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, paragraph 44-2, July 4, 2019) stipulated by the standards will be applied in accordance with the transitional handling stipulated in “Accounting Standard for Fair Value Measurement”, etc.

There will be no impact on the consolidated financial statements.

(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.

Due to the increase in sales of the electric power business, it has been changed to "Gas sales", "LPG and other Energies", and "Electricity" from the first quarter of this term.

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

Gas: 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.

Electricity: Electricity business

The segment information for the previous consolidated cumulative period is based on the revised reporting segment.

- 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.

As describe in “Change in accounting policy”, “Accounting Standard for Revenue Recognition” has been applied since the beginning of the first quarter consolidated accounting period. How to calculate income or loss for a business segment is also changed. As a result, Gas net sales decreased by 962 million yen at the current consolidated fiscal year, LPG and other Energies of sales and segment income increased by 324 million yen, and Electricity net sales decreased by 6,492 million yen.

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

FY2020 (April 2020- March 2021)

(Unit: million yen)

	Reported segments				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated (Note.3)
	Gas	LPG and other Energies	Electricity	Total				
Net sales								
External customers	286,403	72,946	48,070	407,420	27,356	434,776	-	434,776
Intersegment	2,232	944	255	3,432	18,968	22,400	-22,400	-
Total	288,635	73,891	48,325	410,852	46,324	457,177	-22,400	434,776
Segment income or loss	9,861	1,943	-2,913	8,890	3,322	12,212	1,302	13,515
Segment assets	383,135	52,208	18,547	453,891	83,115	537,006	64,828	601,835
Other items								
Depreciation expenses	32,638	2,298	726	35,663	1,873	37,537	-73	37,463
Investment in entities accounted for using equity method	-	-	-	-	-	-	7,925	7,925
Capital expenditures	28,097	2,185	1,770	32,052	2,062	34,114	-181	33,932

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 or loss" denotes eliminations of intersegment transactions (¥1,302million). The "Adjustments" column in "Segment assets" includes ¥90,929 million of companywide assets, which mainly includes long-term investments in securities, etc.

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

FY2021 (April 2021- March 2022)

(Unit: million yen)

	Reported segments				Other (Note.1)	Total	Adjustments (Note.2)	Consolidated (Note.3)
	Gas	LPG and other Energies	Electricity	Total				
Net sales								
External customers	322,327	93,894	71,203	487,424	27,889	514,313	-	515,313
Intersegment	2,136	1,665	275	4,076	19,752	23,828	-23,828	-
Total	324,463	95,559	71,478	491,501	47,641	539,142	-23,828	515,313
Segment income	9,007	2,023	2,403	13,433	3,107	16,541	1,317	17,858
Segment assets	414,132	59,214	23,874	497,222	92,831	590,054	65,539	655,593
Other items								
Depreciation expenses	32,013	2,083	679	34,776	1,772	36,549	-38	36,510
Investment in entities accounted for using equity method	-	-	-	-	-	-	8,362	8,362
Capital expenditures	33,274	2,140	1,747	37,161	3,318	40,480	-105	40,375

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 (¥1,317 million).

The "Adjustments" column in "Segment assets" includes ¥94,148 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)

	As of March 31, 2021	As of March 31, 2022
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	67,526	64,188
Distribution facilities	147,853	143,919
Service and maintenance facilities	26,512	27,074
Facilities for incidental businesses	6,014	6,636
Construction in progress	12,801	19,412
Total property, plant and equipment	260,708	261,231
Intangible assets		
Leasehold right	495	598
Other Intangible assets	5,185	6,056
Total intangible assets	5,680	6,655
Investments and other assets		
Investment securities	80,811	80,440
Investments in subsidiaries and affiliates	47,002	56,719
Long-term loans receivable	130	130
Long-term loans receivable from subsidiaries and affiliates	2,185	11,120
Long-term prepaid expenses	16	-
Prepaid pension cost	4,074	7,795
Deferred tax assets	94	-
Other investments and other assets	6,113	3,865
Allowance for doubtful accounts	-50	-35
Total investments and other assets	140,378	160,036
Total non-current assets	406,768	427,922
Current assets		
Cash and deposits	36,026	27,673
Notes receivable-trade	1,530	1,211
Accounts receivable-trade	33,015	49,464
Accounts receivable from subsidiaries and affiliates-trade	366	328
Accounts receivable-other	2,234	3,438
Securities	10,000	-
Finished goods	24	35
Raw materials	9,917	11,567
Supplies	3,307	3,439
Advance payments	150	91
Prepaid expenses	257	210
Short-term receivables from subsidiaries and affiliates	2,784	6,600
Other current assets	10,709	24,008
Allowances for doubtful accounts	-117	-178
Total current assets	110,206	127,893
Total assets	516,974	555,815

(Unit: million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Non-current liabilities		
Bonds payable	70,000	50,000
Long-term loans payable	42,942	41,840
Long-term debt to subsidiaries and affiliates	249	226
Deferred tax liabilities	-	4,446
Provision for gas holder repairs	1,409	1,259
Provision for safety measures	16,782	19,045
Provision for gas appliance warranties	1,855	491
Other non-current liabilities	4,830	4,826
Total non-current liabilities	138,069	122,137
Current liabilities		
Current portion of non-current liabilities	107	33,763
Accounts payable-trade	18,559	22,224
Short-term loans payable	2,188	600
Accounts payable-other	10,355	11,236
Accrued expenses	11,524	14,788
Income taxes payable	2,056	4,607
Advances received	2,673	1,948
Deposits received	798	816
Short-term debt to subsidiaries and affiliates	20,173	18,754
Provision for directors' bonuses	50	-
Other current liabilities	8,308	8,209
Total current liabilities	76,795	116,949
Total liabilities	214,865	239,086
Net assets		
Shareholders' equity		
Capital stock	33,072	33,072
Capital surplus		
Legal capital surplus	8,027	8,027
Other capital surplus	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	311	311
Reserve for overseas investment loss	2,997	2,550
Reserve for adjustment of cost fluctuations	23,000	23,000
General reserve	52,703	52,703
Retained earnings brought forward	125,185	132,410
Total retained earnings	212,977	219,754
Treasury stock	-40	-499
Total shareholders' equity	254,037	260,355
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	41,630	41,213
Deferred gains or losses on hedges	6,441	15,160
Total valuation and translation adjustments	48,071	56,373
Total net assets	302,109	316,729
Total liabilities and net assets	516,974	555,815

2. Statements of income

(Unit: million yen)

	FY2020 (April 2020-March 2021)	FY2021 (April 2021-March 2022)
Sales from gas business		
Gas sales	240,243	275,463
Gas transportation service revenue	10,240	11,771
Revenue from interoperator settlement	1,380	1,079
Total sales from gas business	251,864	288,315
Cost of sales		
Beginning inventories	38	24
Cost of products manufactured	138,261	177,209
Purchase of finished goods	35	-
Costs of gas for own use	664	762
Ending inventories	24	35
Total cost of sales	137,647	176,435
Gross profit	114,217	111,879
Selling, general and administrative expenses		
Supply and sales expenses	86,723	84,331
General and administrative expenses	19,048	20,594
Total Selling, general and administrative expenses	105,771	104,925
Income on core business	8,446	6,954
Miscellaneous operating revenue		
Revenue from installation work	9,484	9,881
Other miscellaneous operating revenue	20,810	19,339
Total miscellaneous operating revenue	30,294	19,221
Miscellaneous operating expenses		
Expenses of installation work	9,438	9,462
Other miscellaneous operating expenses	20,282	18,232
Total miscellaneous operating expenses	29,720	27,694
Revenue for incidental businesses	57,680	82,645
Expenses for incidental businesses	60,264	80,148
Operating income	6,435	10,977

(Unit: million yen)

	FY2020 (April 2020-March 2021)	FY2021 (April 2021-March 2022)
Non-operating income		
Interest income	14	27
Interest on securities	0	0
Dividends income	1,733	1,903
Dividends from subsidiaries and affiliates	2,434	2,742
Rent income	1,988	2,042
Miscellaneous income	1,210	1,639
Total non-operating income	7,381	8,355
Non-operating expenses		
Interest expenses	323	293
Interest on bonds	377	382
Amortization of bond issuance cost	-	52
Miscellaneous expenses	396	348
Total non-operating expenses	1,096	1,076
Ordinary income	12,720	18,257
Extraordinary income		
Gain on sales of investment securities	1,440	-
Total extraordinary income	1,440	-
Extraordinary loss		
Impairment loss	663	513
Total extraordinary loss	663	513
Income before income taxes	13,496	17,743
Income taxes-current	2,880	2,712
Income taxes-deferred	102	1,323
Total income taxes	2,982	4,035
Net income	10,514	13,708