



FY2010 ended March 2011

Consolidated Results Bulletin

Hokkaido Gas Co., Ltd

April 28, 2011

Code No. : 9534

(URL <http://www.hokkaido-gas.co.jp>)

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Shares listed on:

Tokyo Stock Exchange

Sapporo Stock Exchange

Location of head office(prefecture):hokkaido

Date of regular general meeting of stockholders:June 29, 2011

Commencement of dividend payments:June7, 2011

Date of submission of financial report:June 30, 2011

1. Consolidated results for FY2010 (April, 2010–March31, 2011)

(1)Consolidated business results

(Rounded down to the nearest million yen)

	Sales		Operating income		Ordinary income		Net income	
	(Unit:million yen)	(%)	(Unit:million yen)	(%)	(Unit:million yen)	(%)	(Unit:million yen)	(%)
FY2010 ended March 2011	72,500	5.1	4,328	△7.6	3,727	1.7	1,429	△9.8
FY2009 ended March 2010	68,988	△1.3	4,684	42.6	3,664	59.8	1,584	110.9

Note:Comprehensive income

FY2010 ended March 2011: 1,432 million yen

FY2009 ended March 2010: 1,883 million yen

	Net earnings	Diluted	Net rate of	Ratio of	Ratio of
	Per share	earnings	return on	ordinary	operating
	(Unit:yen)	per share	net assets	income to	income to
			(%)	total assets	sales
FY2010 ended March 2011	20.59	—	4.8	3.2	6.0
FY2009 ended March 2010	22.81	—	5.6	3.2	6.8

Note:Profit or loss on investment accounted for by equity method:

FY2010 ended March 2011: △24 million yen

FY2009 ended March 2010: 17 million yen

(2)Consolidated financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit:million yen)	(Unit:million yen)	(%)	(Unit:yen)
FY2010 ended March 2011	115,127	32,991	26.0	430.83
FY2009 ended March 2010	118,197	32,081	24.6	418.38

Note:Net assets

FY2010 ended March 2011: 29,893 million yen

FY2009 ended March 2010: 29,044 million yen

(3)Consolidated cash flow

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from 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)
FY2010 ended March 2011	11,373	△12,654	△3,111	598
FY2009 ended March 2010	16,759	△14,109	1,434	4,990

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			
	(Unit:yen)	(Unit:yen)	(Unit:yen)	(Unit:yen)	(Unit:yen)	(Unit:millionyen)	%	%
Fy2009 ended March 2010	-	3.00	-	4.00	7.00	486	30.7	1.7
Fy2010 ended March 2011	-	3.50	-	3.50	7.00	485	34.0	1.6
Fy2011 ended March 2012 (forecast)	-	4.00	-	4.00	8.00	-	30.8	-

3. Consolidated Results Forecast for the Year Ending March 2012(April 1, 2011-March 31, 2012)

	Sales		Operating income		Ordinary income		Net income		Net earnings per share
	(Unit:million yen)	(%)	(Unit:million yen)	(%)	(Unit:million yen)	(%)	(Unit:million yen)	(%)	(Unit:yen)
Mid-term	32,000	4.4	1,100	△47.7	700	57.6	500	50.7	7.21
Full-term	74,500	2.8	3,700	△14.5	3,000	△19.5	1,800	26.0	25.94

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

4. Other

(1)Change in significant subsidiaries and affiliates:None

- Newly added:None
- Excluded:None

(2)Changes in accounting treatment principles, procedures and expressions related to quarterly consolidated financial statement preparation (entries of changes in material matters that are basic to preparation of quarterly consolidated financial statements)

- Changes accompanied by reform of accounting standards:Yes
- Other Changes:None

(3)Number of outstanding shares as of:

Fy2010 ended March 2011:69,869,637 shares Fy2009 ended March 2010:69,869,637 shares

Number of treasury stock as of:

Fy2010 ended March 2011:483,881 shares Fy2009 ended March 2010:449,795 shares

Non-Consolidated Results Bulletin

1. Results for FY2010 (April 1, 2010–March 31, 2011)

(1) Business results

(Rounded down to the nearest million yen)

	Sales		Operating income		Ordinary income		Net income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2010 ended March 2011	56,385	5.6	3,461	△4.0	2,806	7.8	952	△0.3
FY2009 ended March 2010	53,385	1.9	3,606	57.9	2,603	81.4	955	251.3

	Net earnings per share	Diluted earnings per share
	(Unit: yen)	(Unit: yen)
FY2010 ended March 2011	13.73	-
FY2009 ended March 2010	13.75	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Book-value per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2010 ended March 2011	98,452	23,760	24.1	342.45
FY2009 ended March 2010	99,359	23,393	23.5	336.98

Note: Net assets

FY2010 ended March 2011: 23,760 million yen

FY2009 ended March 2010: 23,393 million yen

2. Results Forecast for the Year Ending March 2011 (April 1, 2010–March 31, 2011)

	Sales		Operating income		Ordinary income		Net income		Net earnings per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Mid-term	25,400	13.9	1,000	△45.4	600	△58.3	400	△56.1	5.76
Full-term	58,400	3.6	3,050	△11.9	2,200	△21.6	1,270	33.3	18.30

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

1 【Consolidated Statements】
 ① 【Consolidated balance sheet】

	(Unit : thousand yen)	(Unit : thousand yen)
	FY2009	FY2010
	(Mar. 31, 2010)	(Mar. 31, 2011)
Assets		
Noncurrent assets		
Property, plant and equipment		
Production facilities	2,691,233	3,357,825
Distribution facilities	47,965,652	48,353,846
Service and maintenance facilities	9,158,896	8,459,758
Other facilities	17,997,947	17,852,713
Construction in progress	12,848,029	14,545,404
Total property, plant and equipment	<u>90,661,759</u>	<u>92,569,547</u>
Intangible assets		
Other	1,879,445	2,041,294
Total intangible assets	<u>1,879,445</u>	<u>2,041,294</u>
Investments and other assets		
Investment securities	3,095,031	3,067,639
Deferred tax assets	2,025,530	1,545,313
Other	3,261,016	3,589,858
Allowance for doubtful accounts	△142,485	△ 99,563
Total investments and other assets	<u>8,239,093</u>	<u>8,103,247</u>
Total noncurrent assets	<u>100,780,298</u>	<u>102,714,089</u>
Current assets		
Cash and deposits	4,990,836	598,612
Notes and accounts receivable-trade	6,527,811	7,126,032
Merchandise and finished goods	790,811	470,192
Raw materials and supplies	473,244	503,668
Deferred tax assets	650,059	550,451
Other	2,435,159	2,443,091
Allowance for doubtful accounts	△165,439	△ 205,160
Total current assets	<u>15,702,484</u>	<u>11,486,887</u>
Deferred assets		
Development expenses	1,712,479	926,966
Other	1,796	—
Total deferred assets	<u>1,714,276</u>	<u>926,966</u>
Total assets	<u>118,197,060</u>	<u>115,127,944</u>

(Unit : thousand yen)

	FY2009 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Liabilities		
Noncurrent liabilities		
Bonds payable	24,000,000	19,000,000
Long-term loans payable	32,273,096	25,487,290
Deferred tax liabilities for land revaluation	1,317,402	1,284,782
Provision for retirement benefits	3,080,169	3,192,605
Provision for gas holder repairs	258,810	151,775
Provision for safety measures	1,376,050	1,050,900
Provision for environmental improvement	1,035,177	614,015
Provision for loss on liquidation of subsidiaries and affiliates	231,642	450,476
Reserve for repairs of heat supply facilities	210,025	94,451
Other	1,231,290	878,320
Total noncurrent liabilities	65,013,663	52,204,616
Current liabilities		
Current portion of noncurrent liabilities	7,543,847	13,800,091
Notes and accounts payable-trade	3,688,515	5,605,624
Short-term loans payable	—	1,019,540
Commercial papers	—	2,000,000
Other	9,869,859	7,507,037
Total current liabilities	21,102,221	29,932,294
Total liabilities	86,115,885	82,136,911
Net assets		
Shareholders' equity		
Capital stock	5,039,330	5,039,330
Capital surplus	2,799,095	2,799,095
Retained earnings	21,495,956	21,173,096
Treasury stock	△123,625	△131,642
Total shareholders' equity	29,210,757	28,879,880
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	538,833	489,691
Deferred gains or losses on hedges	36,803	28,030
Revaluation reserve for land	△742,333	496,027
Total accumulated other comprehensive income	△166,696	1,013,749
Minority interests	3,037,113	3,097,402
Total net assets	32,081,175	32,991,032
Total liabilities and net assets	118,197,060	115,127,944

② 【Consolidated statements of income】

(Unit : thousand yen)

	FY2009 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Net sales	68,988,252	72,500,676
Cost of sales	33,645,669	37,459,212
Gross profit	35,342,583	35,041,464
Selling, general and administrative expenses		
Supply and sales expenses	26,963,620	27,154,979
General and administrative expenses	3,693,963	3,557,723
Total selling, general and administrative expenses	30,657,584	30,712,703
Operating income	4,684,999	4,328,761
Non-operating income		
Interest income	9,453	6,753
Dividends income	44,487	46,321
Rent income	—	152,597
Gain on sale of help for natural gas conversion	1,257,005	266,068
Other	640,773	566,805
Total non-operating income	1,951,720	1,038,546
Non-operating expenses		
Interest expenses	1,049,374	950,293
Payment on sale of help for natural gas	1,071,462	146,711
Personnel transfer expenses	—	226,590
Other	851,102	316,595
Total non-operating expenses	2,971,939	1,640,191
Ordinary income	3,664,780	3,727,117
Extraordinary income		
Gain on revision of retirement benefit plan	—	340,106
Total extraordinary income	—	340,106
Extraordinary loss		
Impairment loss	104,142	753,623
Provision for environmental improvement	525,361	—
Provision for loss on liquidation of subsidiaries and affiliates	231,642	388,266
Total extraordinary losses	861,146	1,141,889
Income before income taxes and minority interests	2,803,633	2,925,334
Income taxes-current	1,583,377	838,099
Income taxes-deferred	△384,538	597,864
Total income taxes	1,198,838	1,435,964
Income before minority interests	—	1,489,370
Minority interests in income	20,648	60,289
Net income	1,584,146	1,429,080

② 【Consolidated statements of comprehensive income】

(Unit : thousand yen)

	FY2009 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Income before minority interests	—	1,489,370
Other comprehensive income		
Valuation difference on available-for-sale securities	—	△ 47,985
Deferred gains or losses on hedges	—	△ 8,772
Share of other comprehensive income of associates accounted for using equity method	—	114
Total other comprehensive income	—	△ 56,644
Comprehensive income	—	1,432,725
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	—	1,372,436
Comprehensive income attributable to minority interests	—	60,289

③ 【Consolidated statements of changes in net assets】

(Unit : thousand yen)

	FY2009 (Apr. 2009–Mar. 2010)	FY2010 (Apr. 2010–Mar. 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	5,039,330	5,039,330
Balance at the end of current period	5,039,330	5,039,330
Capital surplus		
Balance at the end of previous period	2,799,095	2,799,095
Balance at the end of current period	2,799,095	2,799,095
Retained earnings		
Balance at the end of previous period	20,433,415	21,495,956
Changes of items during the period		
Dividends from surplus	△416,795	△ 520,619
Net income	1,584,146	1,429,080
Disposal of treasury stock	△547	△ 367
Change of scope of equity method	—	7,406
Reversal of revaluation reserve for land	△104,263	△ 1,238,360
Total changes of items during the period	1,062,540	△ 322,859
Balance at the end of current period	21,495,956	21,173,096
Treasury stock		
Balance at the end of previous period	△111,770	△ 123,625
Changes of items during the period		
Purchase of treasury stock	△14,873	△ 9,978
Disposal of treasury stock	3,018	1,960
Total changes of items during the period	△11,854	△ 8,017
Balance at the end of current period	△123,625	△ 131,642
Total shareholders' equity		
Balance at the end of previous period	28,160,071	29,210,757
Changes of items during the period		
Dividends from surplus	△416,795	△ 520,619
Net income	1,584,146	1,429,080
Purchase of treasury stock	△14,873	△ 9,978
Disposal of treasury stock	2,470	1,593
Change of scope of equity method	—	7,406
Reversal of revaluation reserve for land	△104,263	△ 1,238,360
Total changes of items during the period	1,050,685	△ 330,877
Balance at the end of current period	29,210,757	28,879,880

(Unit : thousand yen)

	FY2009 (Apr. 2009–Mar. 2010)	FY2010 (Apr. 2010–Mar. 2011)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	389,142	538,833
Changes of items during the period		
Net changes of items other than shareholders' equity	149,690	△ 49,141
Total changes of items during the period	149,690	△ 49,141
Balance at the end of current period	538,833	489,691
Deferred gains or losses on hedges		
Balance at the end of previous period	△92,121	36,803
Changes of items during the period		
Net changes of items other than shareholders' equity	128,924	△ 8,772
Total changes of items during the period	128,924	△ 8,772
Balance at the end of current period	36,803	28,030
Revaluation reserve for land		
Balance at the end of previous period	△846,596	△ 742,333
Changes of items during the period		
Net changes of items other than shareholders' equity	104,263	1,238,360
Total changes of items during the period	104,263	1,238,360
Balance at the end of current period	△742,333	496,027
Total valuation and translation adjustments		
Balance at the end of previous period	△549,574	△ 166,696
Changes of items during the period		
Net changes of items other than shareholders' equity	382,878	1,180,445
Total changes of items during the period	382,878	1,180,445
Balance at the end of current period	△166,696	1,013,749
Minority interests		
Balance at the end of previous period	3,016,465	3,037,113
Changes of items during the period		
Net changes of items other than shareholders' equity	20,648	60,289
Total changes of items during the period	20,648	60,289
Balance at the end of current period	3,037,113	3,097,402
Total net assets		
Balance at the end of previous period	30,626,962	32,081,175
Changes of items during the period		
Dividends from surplus	△416,795	△ 520,619
Net income	1,584,146	1,429,080
Purchase of treasury stock	△14,873	△ 9,978
Disposal of treasury stock	2,470	1,593
Change of scope of equity method	—	7,406
Reversal of revaluation reserve for land	△104,263	△ 1,238,360
Net changes of items other than shareholders' equity	403,526	1,240,734
Total changes of items during the period	1,454,212	909,857
Balance at the end of current period	32,081,175	32,991,032

④ 【Consolidated statement of cash flows】

(Unit : thousand yen)

	FY2010 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,803,633	△ 2,925,334
Depreciation and amortization	9,366,429	9,717,918
Impairment loss	104,142	753,623
Amortization of deferred assets	1,295,030	785,513
Increase (decrease) in provision for safety measures	579,160	△ 325,150
Increase (decrease) in provision for environmental improvement	497,261	△ 421,161
Increase (decrease) in provision for loss on liquidation of subsidiaries and affiliates	231,642	218,834
Increase (decrease) in provision for retirement benefits	303,519	112,436
Increase (decrease) in allowance for doubtful accounts	△63,089	△ 3,200
Interest and dividends income	△53,941	△ 53,075
Interest expenses	1,049,374	950,293
Decrease (increase) in notes and accounts receivable-trade	860,809	△ 353,445
Decrease (increase) in inventories	690,437	122,949
Increase (decrease) in notes and accounts payable-trade	306,358	1,348,505
Increase (decrease) in accrued consumption taxes	125,639	△ 205,822
Other, net	807,989	△ 1,291,578
Subtotal	18,904,398	14,281,973
Interest and dividends income received	53,941	53,075
Interest expenses paid	△1,064,533	△ 963,079
Income taxes paid	△1,134,600	△ 1,998,206
Net cash provided by (used in) operating activities	16,759,206	11,373,762
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	△11,784,805	△ 11,808,174
Proceeds from sales of property, plant and equipment	164,881	131,220
Purchase of intangible assets	△963,190	△ 758,276
Purchase of investment securities	△17,200	△ 8,125
Proceeds from sales of investment securities	3,310	183
Purchase of investments in subsidiaries resulting in change in scope of consolidation	△200,100	—
Purchase of investments in subsidiaries	—	△ 20,400
Purchase of long-term prepaid expenses	△283,604	△ 237,290
Payments for deferred assets	△851,540	—
Net decrease (increase) in short-term loans receivable	△170,966	△ 87,000
Other, net	△6,094	133,681
Net cash provided by (used in) investing activities	△14,109,309	△ 12,654,182

(Unit : thousand yen)

	FY2009 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	△2,675,095	1,019,540
Proceeds from long-term loans payable	6,960,000	2,000,000
Repayment of long-term loans payable	△8,342,624	△ 7,538,626
Proceeds from issuance of bonds	5,970,160	—
Net increase (decrease) in commercial papers	—	2,000,000
Cash dividends paid	△416,795	△ 520,619
Other, net	△61,085	△ 72,099
Net cash provided by (used in) financing activities	1,434,560	△ 3,111,805
Net increase (decrease) in cash and cash equivalents	4,084,457	△ 4,392,224
Cash and cash equivalents at beginning of period	906,379	4,990,836
Cash and cash equivalents at end of period	4,990,836	598,612

2 【Non-Consolidated Statements】
 ① 【Non-Consolidated balance sheet】

(Unit : thousand yen)

	FY2009 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Assets		
Noncurrent assets		
Property, plant and equipment		
Production facilities	2,691,233	3,357,825
Distribution facilities	48,567,920	48,986,133
Service and maintenance facilities	9,241,768	8,555,497
Facilities for incidental businesses	1,138,870	969,908
Construction in progress	11,332,834	14,219,634
Total property, plant and equipment	72,972,628	76,088,999
Intangible assets		
Software	1,634,833	1,752,120
Other intangible assets	42,849	41,724
Total intangible assets	1,677,682	1,793,845
Investments and other assets		
Investment securities	2,780,347	2,715,039
Investments in subsidiaries and affiliates	3,030,004	3,057,404
Long-term loans receivable from subsidiaries and affiliates	1,910,000	1,697,500
Long-term prepaid expenses	311,898	275,252
Deferred tax assets	1,203,169	733,879
Prepaid pension cost	1,728,650	2,286,675
Other investments and other assets	653,440	469,421
Allowance for doubtful accounts	△91,533	△ 55,279
Total investments and other assets	11,525,978	11,179,893
Total noncurrent assets	86,176,289	89,062,738
Current assets		
Cash and deposits	3,836,093	86,552
Notes receivable-trade	104,965	65,324
Accounts receivable-trade	3,541,925	4,325,178
Accounts receivable from subsidiaries and affiliates-trade	824,086	673,048
Accounts receivable-other	336,402	378,396
Finished goods	13,373	13,842
Raw materials	145,040	141,321
Supplies	199,623	247,901
Prepaid expenses	84,377	92,398
Short-term loans receivable from subsidiaries and affiliates	1,983,575	1,998,386
Short-term receivables from subsidiaries and affiliates	45,671	62,251
Deferred tax assets	472,120	355,201
Cost of construction in process	300,239	—
Other current assets	92,035	689,000
Allowance for doubtful accounts	△508,845	△ 666,024
Total current assets	11,470,685	8,462,778

(Unit : thousand yen)

	FY2009 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Deferred assets		
Development expenses	1,712,479	926,966
Total deferred assets	1,712,479	926,966
Total assets	99,359,455	98,452,483
Liabilities		
Noncurrent liabilities		
Bonds payable	24,000,000	19,000,000
Long-term loans payable	27,841,100	21,694,700
Long-term debt to subsidiaries and affiliates	22,783	14,723
Deferred tax liabilities for land revaluation	1,317,402	1,284,782
Provision for retirement benefits	1,546,390	1,671,382
Provision for gas holder repairs	258,810	151,775
Provision for safety measures	1,338,325	1,050,900
Provision for environmental improvement	1,035,177	614,015
Provision for loss on liquidation of subsidiaries and affiliates	231,642	450,476
Other noncurrent liabilities	387,531	114,719
Total noncurrent liabilities	57,979,164	46,047,475
Current liabilities		
Current portion of noncurrent liabilities	6,818,036	13,108,960
Accounts payable-trade	2,075,562	3,843,998
Short-term loans payable	—	1,019,540
Accounts payable-other	3,138,803	2,857,507
Accrued expenses	2,160,576	1,947,641
Income taxes payable	1,186,626	250,097
Advances received	224,413	139,677
Total noncurrent assets	61,797	73,332
Short-term loans payable to subsidiaries and affiliates	1,380,796	2,034,605
Short-term debt to subsidiaries and affiliates	898,122	1,270,343
Provision for loss on construction contracts	34,993	47,187
Provision for loss on remove noncurrent assets	—	47,000
Commercial papers	—	2,000,000
Other current liabilities	7,400	4,169
Total current liabilities	17,987,128	28,644,063
Total liabilities	75,966,292	74,691,538

	(Unit : thousand yen)	
	FY2009 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Net assets		
Shareholders' equity		
Capital stock	5,039,330	5,039,330
Capital surplus		
Legal capital surplus	2,799,095	2,799,095
Total capital surpluses	2,799,095	2,799,095
Retained earnings		
Legal retained earnings	775,775	775,775
Other retained earnings		
General reserve	13,600,000	13,600,000
Retained earnings brought forward	1,469,678	663,137
Total retained earnings	15,845,453	15,038,912
Treasury stock	△123,625	△ 131,642
Total shareholders' equity	23,560,254	22,745,695
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	538,438	491,191
Deferred gains or losses on hedges	36,803	28,030
Revaluation reserve for land	△742,333	496,027
Total valuation and translation adjustments	△167,091	1,015,249
Total net assets	23,393,162	23,760,945
Total liabilities and net assets	99,359,455	98,452,483

② 【Non-consolidated statement of income】

(Unit : thousand yen)

	FY2009 (Mar. 31, 2010)	FY2010 (Mar. 31, 2011)
Product sales		
Gas sales	43,776,984	45,670,868
Total product sales	43,776,984	45,670,868
Cost of sales		
Beginning inventories	15,058	13,373
Cost of products manufactured	14,786,845	16,885,276
Costs of gas for own use	96,538	68,283
Ending inventories	13,373	13,842
Total cost of sales	14,691,991	16,816,524
Gross profit	29,084,993	28,854,344
Supply and sales expenses	23,633,590	23,619,333
General and administrative expenses	2,713,498	2,629,488
Income on core business	2,737,904	2,605,522
Miscellaneous operating revenue		
Revenue from installation work	2,015,263	1,885,686
Revenue from gas appliance sales	6,059,893	5,202,456
Other miscellaneous operating revenue	94,506	72,190
Total miscellaneous operating revenue	8,169,663	7,160,333
Miscellaneous operating expenses		
Expenses of installation work	1,940,495	1,827,028
Expenses of gas appliance sales	5,530,457	4,757,588
Total operating miscellaneous expenses	7,470,953	6,584,616
Revenue for incidental businesses	1,438,484	3,554,540
Expenses for incidental businesses	1,268,295	3,273,911
Operating income	3,606,803	3,461,868
Non-operating income		
Interest income	38,541	27,306
Dividends income	53,551	62,437
Rent income	—	192,606
Gain on sale of help for natural gas conversion	1,257,005	266,068
Miscellaneous income	465,351	281,588
Total non-operating income	1,814,450	830,008
Non-operating expenses		
Interest expenses	613,274	476,539
Interest on bonds	343,908	390,670
Amortization of bond issuance cost	29,839	—
Payment on sale of help for natural gas	1,071,462	146,711
Personnel transfer expenses	—	216,713
Miscellaneous expenses	759,165	255,009
Total non-operating expenses	2,817,650	1,485,645
Ordinary income	2,603,603	2,806,231

	(Unit : thousand yen)	
	FY2009	FY2010
	(Mar. 31, 2010)	(Mar. 31, 2011)
Extraordinary income		
Gain on revision of retirement benefit plan	—	340,106
Total extraordinary income	—	340,106
Extraordinary loss		
Impairment loss	104,142	753,623
Provision for environmental improvement	525,361	—
Provision for loss on liquidation of subsidiaries and affiliates	231,642	388,266
Total extraordinary losses	861,146	1,141,889
Income before income taxes	1,742,456	2,004,448
Income taxes-current	1,120,689	466,993
Income taxes-deferred	△333,493	584,648
Total income taxes	787,196	1,051,642
Net income	955,260	952,806

③ 【Non-consolidated statements of changes in net assets】

(Unit : thousand yen)

	FY2009 (Apr. 2009-Mar. 2010)	FY2010 (Apr. 2010-Mar. 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	5,039,330	5,039,330
Balance at the end of current period	5,039,330	5,039,330
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	2,799,095	2,799,095
Balance at the end of current period	2,799,095	2,799,095
Total capital surplus		
Balance at the end of previous period	2,799,095	2,799,095
Balance at the end of current period	2,799,095	2,799,095
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	775,775	775,775
Balance at the end of current period	775,775	775,775
Other retained earnings		
General reserve		
Balance at the end of previous period	13,600,000	13,600,000
Balance at the end of current period	13,600,000	13,600,000
Retained earnings brought forward		
Balance at the end of previous period	1,036,023	1,469,678
Changes of items during the period		
Dividends from surplus	△416,795	△ 520,619
Net income	955,260	952,806
Disposal of treasury stock	△547	△ 367
Reversal of revaluation reserve for land	△104,263	△ 1,238,360
Total changes of items during the period	433,654	△ 806,540
Balance at the end of current period	1,469,678	663,137
Total retained earnings		
Balance at the end of previous period	15,411,798	15,845,453
Changes of items during the period		
Dividends from surplus	△416,795	△ 520,619
Net income	955,260	952,806
Disposal of treasury stock	△547	△ 367
Reversal of revaluation reserve for land	△104,263	△ 1,238,360
Total changes of items during the period	433,654	△ 806,540
Balance at the end of current period	15,845,453	15,038,912

(Unit : thousand yen)

	FY2009 (Apr. 2009–Mar. 2010)	FY2010 (Apr. 2010–Mar. 2011)
Treasury stock		
Balance at the end of previous period	△111,770	△ 123,625
Changes of items during the period		
Purchase of treasury stock	△14,873	△ 9,978
Disposal of treasury stock	3,018	1,960
Total changes of items during the period	△11,854	△ 8,017
Balance at the end of current period	△123,625	△ 131,642
Total shareholders' equity		
Balance at the end of previous period	23,138,454	23,560,254
Changes of items during the period		
Dividends from surplus	△416,795	△ 520,619
Net income	955,260	952,806
Purchase of treasury stock	△14,873	△ 9,978
Disposal of treasury stock	2,470	1,593
Reversal of revaluation reserve for land	△104,263	△ 1,238,360
Total changes of items during the period	421,799	△ 814,558
Balance at the end of current period	23,560,254	22,745,695
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	388,123	538,438
Changes of items during the period		
Net changes of items other than shareholders' equity	150,315	△ 47,246
Total changes of items during the period	150,315	△ 47,246
Balance at the end of current period	538,438	491,191
Deferred gains or losses on hedges		
Balance at the end of previous period	△92,121	36,803
Changes of items during the period		
Net changes of items other than shareholders' equity	128,924	△ 8,772
Total changes of items during the period	128,924	△ 8,772
Balance at the end of current period	36,803	28,030
Revaluation reserve for land		
Balance at the end of previous period	△846,596	△ 742,333
Changes of items during the period		
Net changes of items other than shareholders' equity	104,263	1,238,360
Total changes of items during the period	104,263	1,238,360
Balance at the end of current period	△742,333	496,027
Total valuation and translation adjustments		
Balance at the end of previous period	△550,594	△ 167,091
Changes of items during the period		
Net changes of items other than shareholders' equity	383,503	1,182,340
Total changes of items during the period	383,503	1,182,340
Balance at the end of current period	△167,091	1,015,249

	(Unit : thousand yen)	
	FY2009	FY2010
	(Apr. 2009-Mar. 2010)	(Apr. 2010-Mar. 2011)
Total net assets		
Balance at the end of previous period	22,587,859	23,393,162
Changes of items during the period		
Dividends from surplus	△416,795	△ 520,619
Net income	955,260	952,806
Purchase of treasury stock	△14,873	△ 9,978
Disposal of treasury stock	2,470	1,593
Reversal of revaluation reserve for land	△104,263	△ 1,238,360
Net changes of items other than shareholders' equity	383,503	1,182,340
Total changes of items during the period	<u>805,302</u>	<u>367,782</u>
Balance at the end of current period	<u>23,393,162</u>	<u>23,760,945</u>