



# Consolidated Financial Results Bulletin for the Fiscal Year Ended, March 31, 2016(J-GAAP) Hokkaido Gas Co., Ltd

April 28, 2016

Code No.: 9534  
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**Stock listing:**  
Tokyo Stock Exchange  
Sapporo Stock Exchange  
Location of head office: Hokkaido

Date of the ordinary general shareholders' meeting: June 24, 2016  
Date of submission of financial report: June 27, 2016  
Commencement of dividend payments: June 3, 2016

(Amounts are rounded down to the nearest million yen)

## 1. Consolidated results for FY2015 (April, 2015-March31, 2016)

### (1) Consolidated business results

(% of change from previous year)

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2015	93,131	-7.6	2,013	-22.8	1,785	6.8	1,151	-36.9
FY2014	100,830	7.6	2,608	31.0	1,671	7.4	1,823	-9.7

Note: Comprehensive income

FY2015 ended March 2016: 1,132 million yen (-53.2%)

FY2014 ended March 2015: 2,421 million yen (4.8%)

	Earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY2015	14.77	13.07	3.0	1.4	2.2
FY2014	26.06	20.71	5.1	1.3	2.6

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

FY2015 ended March, 2016: 18 million yen

FY2014 ended March, 2015: 6 million yen

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2015	130,357	40,625	29.7	485.06
FY2014	130,103	38,842	28.4	493.49

Note: Shareholder's equity

FY2015 ended March, 2016: 38,696 million yen

FY2014 ended March, 2015: 36,996 million yen

### (3) Consolidated cash flow

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
FY2015	14,333	-12,134	620	3,963
FY2014	11,791	-8,968	-3,224	1,143

## 2. Dividends

	Dividend per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend rate for net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2014	-	4.00	-	4.00	8.00	577	30.7	1.6
FY2015	-	4.00	-	4.00	8.00	631	54.2	1.6
FY2016 (forecast)	-	4.00	-	4.00	8.00		51.1	

## 3. Consolidated Results Forecast for FY2017(April 1, 2016-March 31, 2017)

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Half-year	35,000	-12.0	250	-56.1	200	-48.6	150	-25.7	1.88
Full-year	88,000	-5.5	2,000	-0.6	1,800	0.8	1,250	8.6	15.67

Note: (Half-year) Percentage figures indicate the percentage change on the interim results for the previous year  
(Full-year) Percentage figures indicate the percentage change on the results for the previous year

### Notes

(1) Change in significant subsidiaries and affiliates: No

I. Newly added: No

II. Excluded: No

(2) Changes in accounting policies or estimates and retrospective restatements

I. Changes in accounting policies in accordance with revision of accounting standards: Yes

II. Changes in accounting policies other than I. above: No

III. Changes in accounting estimates: No

IV. Retrospective restatements: No

(3) Number of issued shares (common stock)

I. Number of shares issued and outstanding at the end of each fiscal year end:

FY2015: 80,363,464 shares

FY2014: 75,535,242 shares

II. Number of shares of treasury stock at the end of each fiscal year:

FY2015: 587,429 shares

FY2014: 566,617 shares

III. Average number of shares during period:

FY2015: 77,945,636 shares

FY2014: 69,994,449 shares

## Non-Consolidated Financial Results for the Fiscal Year Ended, March 31, 2016

### 1. Results for FY2015 (April1, 2015-March31, 2016)

#### (1)Business results

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2015	78,370	-8.0	1,440	-41.7	1,111	-24.1	771	-53.6
FY2014	85,196	9.4	2,470	8.1	1,464	-12.2	1,663	-26.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
FY2015	9.90	8.77
FY2014	23.77	18.89

#### (2)Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2015	116,345	32,438	27.9	406.57
FY2014	115,681	31,180	27.0	415.92

Note: Shareholder's equity  
 FY2015 ended March, 2016: 32,434 million yen  
 FY2014 ended March, 2015: 31,180 million yen

### 2. Results Forecast for the Year Ending March 2017(April1,2016-March31,2017)

(% of change from previous year)

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Half-year	29,000	-13.5	200	-71.5	150	-70.7	100	-74.4	1.25
Full-year	72,700	-7.2	1,200	16.7	1,300	17.0	900	16.7	11.28

Note: (Half-year) Percentage figures indicate the percentage change on the interim results for the previous year  
 (Full-year) Percentage figures indicate the percentage change on the results for the previous year

Note: Explanation related to appropriate use of results forecasts and other items warranting special mention  
 The above forecasts are based on the information available at the time this report was prepared, and Hokkaido Gas makes no guarantee that these figures will be achieved. Actual results may differ from these forecasts for a variety of reasons.

## 1 【Consolidated Statements】

## ① 【Consolidated balance sheet】

(Unit : thousand yen)

	FY2014 (Mar.31,2015)	FY2015 (Mar.31,2016)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	20,081,013	20,223,083
Distribution facilities	41,214,132	40,022,995
Service and maintenance facilities	9,727,602	9,890,871
Other facilities	16,927,522	16,902,298
Construction in progress	10,851,857	13,609,196
Total property, plant and equipment	98,802,129	100,648,445
Intangible assets		
Other	2,197,958	3,088,804
Total intangible assets	2,197,958	3,088,804
Investments and other assets		
Investment securities	5,033,891	4,780,628
Net defined benefit asset	1,165,517	1,174,498
Deferred tax assets	606,727	631,938
Other	1,982,183	1,889,869
Allowance for doubtful accounts	(51,982)	(56,883)
Total investments and other assets	8,736,337	8,420,050
Total non-current assets	109,736,424	112,157,300
Current assets		
Cash and deposits	1,339,448	4,051,444
Notes and accounts receivable - trade	10,558,885	9,120,526
Merchandise and finished goods	350,295	292,773
Raw materials and supplies	6,245,694	2,481,751
Deferred tax assets	581,460	511,314
Other	1,641,744	2,093,421
Allowance for doubtful accounts	(350,313)	(351,140)
Total current assets	20,367,216	18,200,091
Total assets	130,103,641	130,357,392

(Unit : thousand yen)

	FY2014 (Mar.31,2015)	FY2015 (Mar.31,2016)
Liabilities		
Non-current liabilities		
Bonds payable	26,000,000	28,000,000
Convertible bonds	3,494,000	2,229,000
Long-term loans payable	26,097,548	26,941,514
Deferred tax liabilities for land revaluation	977,512	948,952
Net defined benefit liability	3,930,650	3,940,075
Provision for gas holder repairs	238,424	231,189
Provision for safety measures	331,774	304,594
Reserve for repairs of heat supply facilities	139,365	308,897
Other	1,156,556	1,315,138
Total non-current liabilities	62,365,832	64,219,361
Current liabilities		
Current portion of non-current liabilities	5,516,898	10,457,738
Notes and accounts payable - trade	4,686,105	3,245,976
Short-term loans payable	2,400,000	—
Commercial papers	7,000,000	3,000,000
Other	9,291,902	8,808,453
Total current liabilities	28,894,906	25,512,169
Total liabilities	91,260,738	89,731,530
Net assets		
Shareholders' equity		
Capital stock	5,792,330	6,424,830
Capital surplus	3,552,133	4,184,659
Retained earnings	24,739,772	25,278,358
Treasury stock	(149,802)	(155,686)
Total shareholders' equity	33,934,434	35,732,162
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,007,968	1,813,527
Revaluation reserve for land	1,133,706	1,162,266
Remeasurements of defined benefit plans	(79,718)	(11,902)
Total accumulated other comprehensive income	3,061,956	2,963,892
Subscription rights to shares	—	4,382
Non-controlling interests	1,846,511	1,925,424
Total net assets	38,842,902	40,625,861
Total liabilities and net assets	130,103,641	130,357,392

② 【Consolidated statements of income】

(Unit : thousand yen)

	FY2014 (Apr.2014-Mar.2015)	FY2015 (Apr.2015-Mar.2016)
Net sales	100,830,470	93,131,570
Cost of sales	71,090,355	64,559,058
Gross profit	29,740,114	28,572,512
Selling, general and administrative expenses		
Supply and sales expenses	23,520,509	23,026,059
General and administrative expenses	3,610,797	3,533,405
Total selling, general and administrative expenses	27,131,307	26,559,465
Operating income	2,608,807	2,013,046
Non-operating income		
Interest income	397	950
Dividends income	115,984	132,508
Rent income	117,208	109,141
Fiduciary obligation fee	—	95,176
Other	269,593	323,019
Total non-operating income	503,182	660,797
Non-operating expenses		
Interest expenses	695,500	570,741
Loss on bond retirement	456,218	—
Personnel transfer expenses	205,041	201,338
Other	83,671	116,012
Total non-operating expenses	1,440,432	888,092
Ordinary income	1,671,557	1,785,751
Extraordinary income		
Gain on sales of non-current assets	1,071,404	—
Gain on bargain purchase	195,056	—
Total extraordinary income	1,266,461	—
Net income before income taxes	2,938,018	1,785,751
Income taxes-current	1,168,084	521,083
Income taxes-deferred	35,442	34,489
Total income taxes	1,203,527	555,572
Net income	1,734,490	1,230,179
Net income attributable to non-controlling interests	(89,253)	78,913
Net income attributable to owners of parent	1,823,743	1,151,265

② 【Consolidated statements of comprehensive income】

(Unit : thousand yen)

	FY2014 (Apr.2014-Mar.2015)	FY2015 (Apr.2015-Mar.2016)
Net Income	1,734,490	1,230,179
Other comprehensive income		
Valuation difference on available-for-sales securities	608,744	(194,336)
Revaluation reserve for land	65,620	28,560
Remeasurements of defined benefit plans, net of tax	12,418	67,816
Share of other comprehensive income of entities accounted for using equity method	231	(104)
Total other comprehensive income	687,015	(98,064)
Comprehensive income	2,421,505	1,132,114
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,510,759	1,053,200
Comprehensive income attributable to non-controlling interests	(89,253)	78,913

③ 【Consolidated statements of changes in net assets】

FY2014 ( Apr.2014-Mar.2015 )

(Unit : thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total
<b>Balance at the beginning of current period</b>	5,049,330	2,809,095	24,007,677	(141,317)	31,724,786
<b>Cumulative effects of changes in accounting policies</b>			(451,421)		(451,421)
<b>Restated balance</b>	5,049,330	2,809,095	23,556,256	(141,317)	31,273,364
<b>Change of items during the period</b>					
Issuance of new shares-exercise of subscription rights to shares	743,000	743,000			1,486,000
Dividends from surplus			(554,849)		(554,849)
Net income attributable to owners of parent			1,823,743		1,823,743
Purchase of treasury stock				(9,008)	(9,008)
Disposal of treasury stock		38		523	562
Reversal of revaluation reserve for land			(85,377)		(85,377)
Net changes of items other than shareholders' equity					—
<b>Total changes of items during the period</b>	743,000	743,038	1,183,516	(8,484)	2,661,070
<b>Balance at the end of current period</b>	5,792,330	3,552,133	24,739,772	(149,802)	33,934,434

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total			
<b>Balance at the beginning of current period</b>	1,398,992	923,906	(92,137)	2,230,762	—	2,384,256	36,339,805
<b>Cumulative effects of changes in accounting policies</b>							(451,421)
<b>Restated balance</b>	1,398,992	923,906	(92,137)	2,230,762	—	2,384,256	35,888,384
<b>Change of items during the period</b>							
Issuance of new shares-exercise of subscription rights to shares							1,486,000
Dividends from surplus							(554,849)
Net income attributable to owners of parent							1,823,743
Purchase of treasury stock							(9,008)
Disposal of treasury stock							562
Reversal of revaluation reserve for land							(85,377)
Net changes of items other than shareholders' equity	608,976	209,799	12,418	831,194	—	(537,745)	293,448
<b>Total changes of items during the period</b>	608,976	209,799	12,418	831,194	—	(537,745)	2,954,518
<b>Balance at the end of current period</b>	2,007,968	1,133,706	(79,718)	3,061,956	—	1,846,511	38,842,902



FY2015 ( Apr.2015-Mar.2016 )

(Unit : thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total
<b>Balance at the beginning of current period</b>	5,792,330	3,552,133	24,739,772	(149,802)	33,934,434
<b>Cumulative effects of changes in accounting policies</b>					
<b>Restated balance</b>	5,792,330	3,552,133	24,739,772	(149,802)	33,934,434
<b>Change of items during the period</b>					
Issuance of new shares-exercise of subscription rights to shares	632,500	632,500			1,265,000
Dividends from surplus			(612,679)		(612,679)
Net income attributable to owners of parent			1,151,265		1,151,265
Purchase of treasury stock				(6,396)	(6,396)
Disposal of treasury stock		25		512	537
Reversal of revaluation reserve for land					—
Net changes of items other than shareholders' equity					—
<b>Total changes of items during the period</b>	<b>632,500</b>	<b>632,525</b>	<b>538,585</b>	<b>(5,884)</b>	<b>1,797,727</b>
<b>Balance at the end of current period</b>	<b>6,424,830</b>	<b>4,184,659</b>	<b>25,278,358</b>	<b>(155,686)</b>	<b>35,732,162</b>

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net asset
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total			
<b>Balance at the beginning of current period</b>	2,007,968	1,133,706	(79,718)	3,061,956	—	1,846,511	38,842,902
<b>Cumulative effects of changes in accounting policies</b>							
<b>Restated balance</b>	2,007,968	1,133,706	(79,718)	3,061,956	—	1,846,511	38,842,902
<b>Change of items during the period</b>							
Issuance of new shares-exercise of subscription rights to shares							1,265,000
Dividends from surplus							(612,679)
Net income attributable to owners of parent							1,151,265
Purchase of treasury stock							(6,396)
Disposal of treasury stock							537
Reversal of revaluation reserve for land							—
Net changes of items other than shareholders' equity	(194,441)	28,560	67,816	(98,064)	4,382	78,913	(14,768)
<b>Total changes of items during the period</b>	<b>(194,441)</b>	<b>28,560</b>	<b>67,816</b>	<b>(98,064)</b>	<b>4,382</b>	<b>78,913</b>	<b>1,782,959</b>
<b>Balance at the end of current period</b>	<b>1,813,527</b>	<b>1,162,266</b>	<b>(11,902)</b>	<b>2,963,892</b>	<b>4,382</b>	<b>1,925,424</b>	<b>40,625,861</b>

## ④ 【Consolidated statement of cash flows】

(Unit : thousand yen)

	FY2014 (Mar.31,2015)	FY2016 (Mar.31,2016)
Cash flows from operating activities		
Net income before income taxes	2,938,018	1,785,751
Depreciation and amortization	10,645,282	10,032,343
Loss (gain) on sales of property, plant and equipment	(1,065,444)	(43,376)
Gain on bargain purchase	(195,056)	—
Increase (decrease) in provision for safety measures	172,365	(27,180)
Increase (decrease) in net defined benefit liability	(25,044)	67,454
Increase (decrease) in net defined benefit asset	(70,345)	28,309
Increase (decrease) in allowance for doubtful accounts	6,427	5,728
Interest and dividends income	(116,381)	(133,459)
Interest expenses	695,500	570,741
Loss on redemption of bonds	456,218	—
Decrease (increase) in notes and accounts receivable - trade	171,778	1,038,208
Decrease (increase) in inventories	(2,808,644)	3,857,562
Increase (decrease) in notes and accounts payable - trade	1,639,274	(1,192,352)
Increase (decrease) in accrued consumption taxes	45,366	301,999
Other, net	344,930	(172,322)
Subtotal	12,834,245	16,119,408
Interest and dividends income received	116,381	133,459
Interest expenses paid	(741,143)	(568,421)
Income taxes paid	(564,280)	(1,365,944)
Income taxes refund	146,570	15,202
Net cash provided by (used in) operating activities	11,791,773	14,333,704
Cash flows from investing activities		
Net decrease (increase) in time deposits	(79,021)	108,005
Purchase of property, plant and equipment	(9,109,858)	(10,678,958)
Proceeds from sales of property, plant and equipment	1,780,518	149,232
Purchase of intangible assets	(619,154)	(1,577,027)
Purchase of investment securities	(10,500)	—
Proceeds from sales of investment securities	2,835	4,048
Purchase of investments in subsidiaries	(354,280)	—
Proceeds from sales of shares of subsidiaries and associates	5,182	—
Purchase of long-term prepaid expenses	(549,152)	(193,517)
Net decrease (increase) in short-term loans receivable	(7,470)	(9,875)
Other, net	(27,808)	63,655
Net cash provided by (used in) investing activities	(8,968,710)	(12,134,436)

(Unit : thousand yen)

	FY2014 (Mar.31,2015)	FY2015 (Mar.31,2016)
Cash flow from financing activities		
Net increase (decrease) in short-term loans payable	1,030,000	(2,400,000)
Net increase (decrease) in commercial papers	—	(4,000,000)
Proceeds from long-term loans payable	5,400,000	5,500,000
Repayment of long-term loans payable	(5,533,162)	(5,725,922)
Proceeds from issuance of bonds	4,976,929	7,959,422
Redemption of bonds	(8,456,218)	—
Cash dividends paid	(559,780)	(617,375)
Other, net	(82,718)	(95,392)
Net cash provided by (used in) financing activities	(3,224,949)	620,733
Net increase (decrease) in cash and cash equivalents	(401,886)	2,820,001
Cash and cash equivalents at beginning of period	1,545,298	1,143,411
Cash and cash equivalents at end of period	1,143,411	3,963,413

## 2 【Non-Consolidated Statements】

## ① 【Non-Consolidated balance sheet】

(Unit : thousand yen)

	FY2014 (Mar.31,2015)	FY2015 (Mar.31,2016)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	10,887,923	11,962,068
Distribution facilities	42,439,300	41,450,956
Service and maintenance facilities	9,305,157	9,486,847
Facilities for incidental businesses	815,227	899,577
Construction in progress	10,585,300	12,962,154
Total property, plant and equipment	74,032,909	76,761,605
Intangible assets	1,958,727	2,944,675
Investments and other assets		
Investment securities	4,605,403	4,347,863
Investments in subsidiaries and affiliates	5,448,322	5,438,322
Long-term loans receivable from subsidiaries and affiliates	8,630,000	7,620,000
Investment securities	1,203,688	1,156,732
Deferred tax assets	9,746	60,388
Prepaid pension cost	1,172,998	1,144,688
Other investments and other assets	423,913	428,606
Allowance for doubtful accounts	(36,139)	(41,021)
Total investments and other assets	21,457,933	20,155,579
Total non-current assets	97,449,570	99,861,861
Current assets		
Cash and deposits	244,330	3,211,842
Notes receivable - trade	221,600	168,216
Accounts receivable - trade	5,894,181	5,178,532
Accounts receivable from subsidiaries and affiliates-trade	2,512,517	2,078,723
Accounts receivable-other	278,810	752,477
Finished goods	55,269	38,972
Raw materials	5,902,431	2,145,689
Supplies	213,301	238,518
Prepaid expenses	174,832	194,449
Short-term receivables from subsidiaries and affiliates	1,772,043	1,685,778
Deferred tax assets	357,763	271,901
Other current assets	651,811	565,533
Allowance for doubtful accounts	(47,080)	(46,880)
Total current assets	18,231,814	16,483,755
Total assets	115,681,384	116,345,616

(Unit : thousand yen)

	FY2014 (Mar.31,2015)	FY2015 (Mar.31,2016)
Liabilities		
Non-current liabilities		
Bonds payable	26,000,000	28,000,000
Long-term loans payable	23,787,990	25,126,362
Long-term debt to subsidiaries and affiliates	1,915	—
Deferred tax liabilities for land revaluation	977,512	948,952
Provision for retirement benefits	2,332,452	2,446,180
Provision for gas holder repairs	238,424	231,189
Provision for safety measures	331,774	304,594
Asset retirement obligations	—	232,006
Other noncurrent liabilities	3,721,482	2,443,314
Total non-current liabilities	57,391,552	59,732,599
Current liabilities		
Current portion of non-current liabilities	4,917,676	9,873,036
Accounts payable - trade	3,736,676	2,422,303
Short-term loans payable	2,400,000	—
Accounts payable - other	3,717,412	4,086,686
Accrued expenses	1,487,999	1,730,989
Income taxes payable	976,440	299,541
Advances received	630,790	377,215
Deposits received	98,508	74,845
Short-term debt to subsidiaries and affiliates	2,124,198	2,286,340
Total non-current assets	2,855	9,579
Commercial papers	7,000,000	3,000,000
Other current liabilities	16,675	13,682
Total current liabilities	27,109,235	24,174,221
Total liabilities	84,500,787	83,906,820

(Unit : thousand yen)

	FY2014 (Mar.31,2015)	FY2015 (Mar.31,2016)
Net assets		
Shareholders' equity		
Capital stock	5,792,330	6,424,830
Capital surplus		
Legal capital surplus	3,552,095	4,184,595
Other capital surplus	38	64
Total capital surpluses	3,552,133	4,184,659
Retained earnings		
Legal retained earnings	775,775	775,775
Other retained earnings		
General reserve	13,600,000	13,600,000
Retained earnings brought forward	4,472,814	4,631,647
Total retained earnings	18,848,589	19,007,422
Treasury stock	(149,802)	(155,686)
Total shareholders' equity	28,043,252	29,461,226
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,003,638	1,810,919
Revaluation reserve for land	1,133,706	1,162,266
Total valuation and translation adjustments	3,137,344	2,973,186
Subscription rights to shares	—	4,382
Total net assets	31,180,597	32,438,795
Total liabilities and net assets	115,681,384	116,345,616

## ② 【Non-consolidated statement of income】

(Unit : thousand yen)

	FY2014 (Apr.2014-Mar.2015)	FY2015 (Apr.2015-Mar.2016)
Product sales		
Gas sales	60,109,093	54,346,904
Total product sales	60,109,093	54,346,904
Cost of sales		
Beginning inventories	46,033	55,269
Cost of products manufactured	38,891,052	34,340,816
Costs of gas for own use	1,097,709	902,732
Ending inventories	55,269	38,972
Total cost of sales	37,784,106	33,454,380
Gross profit	22,324,987	20,892,523
Supply and sales expenses	19,234,718	18,702,847
General and administrative expenses	2,464,996	2,407,120
Income (loss) on core business	625,271	(217,444)
Miscellaneous operating revenue		
Revenue from installation work	2,846,025	3,008,268
Revenue from gas appliance sales	7,204,912	7,186,843
Other miscellaneous operating revenue	54,167	59,201
Total miscellaneous operating revenue	10,105,105	10,254,313
Miscellaneous operating expenses		
Expenses of installation work	2,656,995	2,794,066
Expenses of gas appliance sales	6,520,690	6,608,338
Total operating miscellaneous expenses	9,177,686	9,402,404
Revenue for incidental businesses	14,982,583	13,769,181
Expenses for incidental businesses	14,064,716	12,963,194
Operating income	2,470,557	1,440,452
Non-operating income		
Interest income	95,838	85,669
Dividends income	125,087	163,055
Rent income	135,808	126,877
Fiduciary obligation fee	—	95,176
Miscellaneous income	163,144	183,614
Total non-operating income	519,878	654,392
Non-operating expenses		
Interest expenses	341,065	313,581
Interest on bonds	311,758	222,037
Amortization of bond issuance cost	23,070	40,577
Loss on bond retirement	456,218	—
Personnel transfer expenses	375,871	357,286
Miscellaneous expenses	18,206	50,109
Total non-operating expenses	1,526,190	983,593
Ordinary income	1,464,245	1,111,251

(Unit : thousand yen)

	FY2014 (Apr.2014-Mar.2015)	FY2015 (Apr.2015-Mar.2016)
Extraordinary income		
Gain on sales of non-current assets	1,052,291	—
Total extraordinary income	1,052,291	—
Income before income taxes	2,516,536	1,111,251
Net income taxes-current	840,772	249,696
Income taxes-deferred	12,321	90,041
Total income taxes	853,094	339,738
Net income	1,663,442	771,512



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

FY2014 ( Apr.2014-Mar.2015 )

(Unit : thousand yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings		Total
		Legal capital surplus	Other capital surplus	Total		Other retained earnings		
						General reserve	Retained earnings brought forward	
<b>Balance at the beginning of current period</b>	5,049,330	2,809,095	—	2,809,095	775,775	13,600,000	3,901,021	18,276,796
<b>Cumulative effects of changes in accounting policies</b>							(451,421)	(451,421)
<b>Restated balance</b>	5,049,330	2,809,095	—	2,809,095	775,775	13,600,000	3,449,599	17,825,374
<b>Changes of items during the period</b>								
Issuance of new shares-exercise of subscription rights to shares	743,000	743,000		743,000				
Dividends from surplus							(554,849)	(554,849)
Net income							1,663,442	1,663,442
Purchase of treasury stock								
Disposal of treasury stock			38	38				
Reversal of revaluation reserve for land							(85,377)	(85,377)
Net changes of items other than shareholders' equity								
<b>Total changes of items during the period</b>	743,000	743,000	38	743,038	—	—	1,023,214	1,023,214
<b>Balance at the end of current period</b>	5,792,330	3,552,095	38	3,552,133	775,775	13,600,000	4,472,814	18,848,589

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury stock	Total	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total		
<b>Balance at the beginning of current period</b>	(141,317)	25,993,905	1,395,405	923,906	2,319,312	—	28,313,217
<b>Cumulative effects of changes in accounting policies</b>		(451,421)					(451,421)
<b>Restated balance</b>	(141,317)	25,542,483	1,395,405	923,906	2,319,312	—	27,861,796
<b>Changes of items during the period</b>							
Issuance of new shares-exercise of subscription rights to shares		1,486,000					1,486,000
Dividends from surplus		(554,849)					(554,849)
Net income		1,663,442					1,663,442
Purchase of treasury stock	(9,008)	(9,008)					(9,008)
Disposal of treasury stock	523	562					562
Reversal of revaluation reserve for land		(85,377)					(85,377)
Net changes of items other than shareholders' equity			608,232	209,799	818,032	—	818,032
<b>Total changes of items during the period</b>	(8,484)	2,500,768	608,232	209,799	818,032	—	3,318,800
<b>Balance at the end of current period</b>	(149,802)	28,043,252	2,003,638	1,133,706	3,137,344	—	31,180,597

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

FY2015 ( Apr.2015-Mar.2016 )

(Unit : thousand yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings		Total
		Legal capital surplus	Other capital surplus	Total		Other retained earnings		
						General reserve	Retained earnings brought forward	
<b>Balance at the beginning of current period</b>	5,792,330	3,552,095	38	3,552,133	775,775	13,600,000	4,472,814	18,848,589
<b>Cumulative effects of changes in accounting policies</b>								
<b>Restated balance</b>	5,792,330	3,552,095	38	3,552,133	775,775	13,600,000	4,472,814	18,848,589
<b>Changes of items during the period</b>								
Issuance of new shares-exercise of subscription rights to shares	632,500	632,500		632,500				
Dividends from surplus							(612,679)	(612,679)
Net income							771,512	771,512
Purchase of treasury stock								
Disposal of treasury stock			25	25				
Reversal of revaluation reserve for land								
Net changes of items other than shareholders' equity								
<b>Total changes of items during the period</b>	632,500	632,500	25	632,525	—	—	158,833	158,833
<b>Balance at the end of current period</b>	6,424,830	4,184,595	64	4,184,659	775,775	13,600,000	4,631,647	19,007,422

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury stock	Total	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total		
<b>Balance at the beginning of current period</b>	(149,802)	28,043,252	2,003,638	1,133,706	3,137,344	—	31,180,597
<b>Cumulative effects of changes in accounting policies</b>							
<b>Restated balance</b>	(149,802)	28,043,252	2,003,638	1,133,706	3,137,344	—	31,180,597
<b>Changes of items during the period</b>							
Issuance of new shares-exercise of subscription rights to shares		1,265,000					1,265,000
Dividends from surplus		(612,679)					(612,679)
Net income		771,512					771,512
Purchase of treasury stock	(6,396)	(6,396)					(6,396)
Disposal of treasury stock	512	537					537
Reversal of revaluation reserve for land						—	—
Net changes of items other than shareholders' equity			(192,719)	28,560	(164,158)	4,382	(159,776)
<b>Total changes of items during the period</b>	(5,884)	1,417,974	(192,719)	28,560	(164,158)	4,382	1,258,198
<b>Balance at the end of current period</b>	(155,686)	29,461,226	1,810,919	1,162,266	2,973,186	4,382	32,438,795