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Consolidated Financial Results for the Year Ended March 31, 2018 [Japanese GAAP]

April 27, 2018

Company name: HOKKAIDO GAS CO., LTD.

Stock exchange listing: Tokyo, Sapporo

Code number: 9534

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

Representative: Hiroshi Otsuki

President

Contact: Toshiya Nishimura

General Manager Finance Dept

Phone: 011-207-7250

Scheduled date of Annual General Meeting of Shareholders: June 26, 2018

Scheduled date of commencing dividend payments: June 05, 2018

Scheduled date of filing annual securities report: June 27, 2018

Availability of supplementary briefing material on annual financial results: No

Schedule of annual financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (April 01, 2017 to March 31, 2018)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2018	103,580	19.0	2,874	91.0	2,911	59.6	1,923	48.3
March 31, 2017	87,040	(6.5)	1,505	(25.2)	1,824	2.1	1,297	12.7

(Note) Comprehensive income: Fiscal year ended March 31, 2018: ¥ 1,825 million [23.9%]
Fiscal year ended March 31, 2017: ¥ 1,473 million [30.1%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2018	22.11	22.08	4.6	2.1	2.8
March 31, 2017	16.19	14.71	3.3	1.4	1.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2018: ¥ 46 million
Fiscal year ended March 31, 2017: ¥ (8) million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2018	147,250	44,644	29.0	485.35
March 31, 2017	136,058	42,048	29.5	488.12

(Reference) Equity: As of March 31, 2018: ¥ 42,739 million
As of March 31, 2017: ¥ 40,072 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2018	16,729	(17,819)	3,313	3,291
March 31, 2017	11,415	(14,867)	555	1,066

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2017	-	4.00	-	4.00	8.00	648	49.4	1.6
March 31, 2018	-	4.00	-	4.00	8.00	704	36.2	1.6
Fiscal year ending March 31, 2019 (Forecast)	-	4.50	-	22.50	-		-	

*Since the Company plans to carry out a share consolidation at a ratio of 5 common shares to 1 effective October 1, 2018, the dividend per share at end of 4Q of FY2018 ending March 31, 2019 (forecast) indicates the amount after taking into consideration the impact of the share consolidation, and the total full-year dividend is shown as “-”. Without taking into consideration the share consolidation, the dividend per share at end of 4Q of FY2018 ending March 31, 2019 (forecast) will be 4.50 yen, and the full-year dividend per share will be 9.00 yen. Please see “Explanation related to appropriate use of results forecasts and other items warranting special mention” for details.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2019 (April 01, 2018 to March 31, 2019)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	117,000	13.0	2,600	(9.6)	2,600	(10.7)	2,300	19.6	130.59

*Net profit per share of the consolidated results forecast for FY2018 ending March 31, 2019 takes into consideration the impact of the share consolidation. Please refer to “Explanation related to appropriate use of results forecasts and other items warranting special mention” for details.

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: Yes
 - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2018:	88,691,638 shares
March 31, 2017:	82,703,137 shares
 - 2) Total number of treasury shares at the end of the period:

March 31, 2018:	632,725 shares
March 31, 2017:	607,047 shares
 - 3) Average number of shares during the period:

Fiscal Year ended March 31, 2018:	86,981,318 shares
Fiscal Year ended March 31, 2017:	80,120,274 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (April 01, 2017 to March 31, 2018)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2018	87,872	22.2	2,024	123.1	1,897	52.2	1,212	11.8
March 31, 2017	71,895	(8.3)	907	(37.0)	1,246	12.2	1,084	40.6

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2018	13.94	13.92
March 31, 2017	13.54	12.30

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2018	130,156	35,607	27.3	404.13
March 31, 2017	121,140	33,666	27.8	409.93

(Reference) Equity: As of March 31, 2018: ¥ 35,587 million
 As of March 31, 2017: ¥ 33,653 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2019 (April 01, 2018 to March 31, 2019)

(% indicates changes from the previous corresponding period.)

Full year	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	101,000	14.9	2,000	(1.2)	1,900	0.1	2,300	89.6	130.59

*Net profit per share of the non-consolidated results forecast for FY2018 ending March 31, 2019 takes into consideration the impact of the share consolidation. Please refer to “Explanation related to appropriate use of results forecasts and other items warranting special mention” for details.

*Auditing procedures do not apply to the Consolidated Financial Results Bulletins.

* 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.
- The Company resolved at its board meeting on January 31, 2018 to submit the matter of share consolidation to the 172th annual shareholders meeting to be held on June 26, 2018, and plans to consolidate its common shares at a rate of 5 shares to 1 effective October 1, 2018 subject to approval at the annual shareholders meeting. The consolidated results forecast, non-consolidated results forecast, and dividend forecast for FY2018 ending March 31, 2019 converted to the basis before taking the share consolidation into consideration are as follows:
 - Consolidated results forecast for FY2018 ending March 31, 2019 Net income per share: 26.12 yen
 - Non-consolidated results forecast for FY2018 ending March 31, 2019 Net income per share: 26.12 yen
 - Dividend forecast for FY2018 ending March 31, 2019 Dividend per share: 9.00 yen

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2017	As of March 31,2018
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	31,151,318	28,638,152
Distribution facilities	39,450,111	39,247,082
Service and maintenance facilities	8,598,610	8,420,725
Other facilities	17,609,840	16,991,981
Construction in progress	7,180,181	17,308,869
Total property, plant and equipment	103,990,062	110,606,812
Intangible assets		
Other	2,808,996	2,739,840
Total intangible assets	2,808,996	2,739,840
Investments and other assets		
Investment securities	5,401,701	5,243,880
Net defined benefit asset	1,132,961	1,102,181
Deferred tax assets	611,129	878,037
Other	1,835,706	1,942,890
Allowance for doubtful accounts	(26,570)	(147,520)
Total investments and other assets	8,954,928	9,019,469
Total non-current assets	115,753,987	122,366,122
Current assets		
Cash and deposits	1,151,688	3,343,520
Notes and accounts receivable - trade	10,138,174	11,491,220
Merchandise and finished goods	256,310	294,844
Raw materials and supplies	5,423,163	6,525,353
Deferred tax assets	511,873	635,394
Other	3,188,047	2,664,802
Allowance for doubtful accounts	(365,198)	(70,391)
Total current assets	20,304,060	24,884,744
Total assets	136,058,047	147,250,867

(Thousand yen)

	As of March 31,2017	As of March 31,2018
Liabilities		
Non-current liabilities		
Bonds payable	33,000,000	26,500,000
Long-term loans payable	30,322,308	27,336,339
Deferred tax liabilities for land revaluation	725,719	725,719
Net defined benefit liability	3,948,349	4,022,754
Provision for gas holder repairs	271,401	222,342
Provision for safety measures	221,938	234,170
Reserve for repairs of heat supply facilities	155,395	239,152
Lease obligations	1,435,003	1,422,078
Other	875,801	1,060,302
Total non-current liabilities	70,955,917	61,762,858
Current liabilities		
Current portion of non-current liabilities	5,861,523	14,267,915
Notes and accounts payable - trade	5,961,008	6,870,482
Commercial papers	2,000,000	6,500,000
Other	9,231,069	13,205,463
Total current liabilities	23,053,601	40,843,860
Total liabilities	94,009,518	102,606,719
Net assets		
Shareholders' equity		
Capital stock	6,731,330	7,515,830
Capital surplus	4,491,170	5,256,569
Retained earnings	26,423,278	27,665,673
Treasury shares	(161,128)	(168,494)
Total shareholders' equity	37,484,651	40,269,579
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,955,423	1,795,707
Revaluation reserve for land	672,062	672,182
Remeasurements of defined benefit plans	(39,731)	2,292
Total accumulated other comprehensive income	2,587,755	2,470,182
Share acquisition rights	13,136	20,813
Non-controlling interests	1,962,985	1,883,573
Total net assets	42,048,528	44,644,148
Total liabilities and net assets	136,058,047	147,250,867

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2017	For the fiscal year ended March 31,2018
Net sales	87,040,839	103,580,881
Cost of sales	58,845,021	72,785,428
Gross profit	28,195,818	30,795,452
Selling, general and administrative expenses		
Supply and sales expenses	23,191,640	24,293,163
General and administrative expenses	3,498,713	3,627,297
Total selling, general and administrative expenses	26,690,354	27,920,460
Operating profit	1,505,464	2,874,991
Non-operating income		
Interest income	219	186
Dividend income	515,530	177,777
Rent income	117,518	150,881
Reversal of provision for gas holder repairs	-	116,326
Reversal of allowance for doubtful accounts	-	162,183
Other	482,830	443,601
Total non-operating income	1,116,099	1,050,956
Non-operating expenses		
Interest expenses	530,464	477,179
Personnel transfer expenses	177,792	151,731
Loss on bond retirement	-	221,060
Other	89,169	164,116
Total non-operating expenses	797,427	1,014,087
Ordinary profit	1,824,136	2,911,860
Extraordinary losses		
Impairment loss	112,354	237,872
Total extraordinary losses	112,354	237,872
Profit before income taxes	1,711,781	2,673,987
Income taxes - current	584,800	1,057,595
Income taxes - deferred	(207,935)	(326,700)
Total income taxes	376,865	730,894
Profit	1,334,915	1,943,092
Profit attributable to non-controlling interests	37,560	19,762
Profit attributable to owners of parent	1,297,355	1,923,329

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31,2017	For the fiscal year ended March 31,2018
Profit	1,334,915	1,943,092
Other comprehensive income		
Valuation difference on available-for-sale securities	141,902	(159,991)
Revaluation reserve for land	24,319	33
Remeasurements of defined benefit plans, net of tax	(27,828)	42,023
Share of other comprehensive income of entities accounted for using equity method	(5)	274
Total other comprehensive income	138,387	(117,658)
Comprehensive income	1,473,303	1,825,433
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,435,742	1,805,671
Comprehensive income attributable to non-controlling interests	37,560	19,762

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2017

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	6,424,830	4,184,659	25,278,358	(155,686)	35,732,162
Changes of items during period					
Issuance of new shares - exercise of share acquisition rights	306,500	306,500			613,000
Dividends of surplus			(639,074)		(639,074)
Profit attributable to owners of parent			1,297,355		1,297,355
Purchase of treasury shares				(5,728)	(5,728)
Disposal of treasury shares		11		286	297
Purchase of share of consolidated subsidiaries treasury stock					-
Change of scope of equity method			(27,884)		(27,884)
Reversal of revaluation reserve for land			514,524		514,524
Net changes of items other than shareholders' equity					-
Total changes of items during period	306,500	306,511	1,144,920	(5,442)	1,752,489
Balance at end of current period	6,731,330	4,491,170	26,423,278	(161,128)	37,484,651

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	1,813,527	1,162,266	(11,902)	2,963,892	4,382	1,925,424	40,625,861
Changes of items during period							
Issuance of new shares - exercise of share acquisition rights							613,000
Dividends of surplus							(639,074)
Profit attributable to owners of parent							1,297,355
Purchase of treasury shares							(5,728)
Disposal of treasury shares							297
Purchase of share of consolidated subsidiaries treasury stock							-
Change of scope of equity method							(27,884)
Reversal of revaluation reserve for land							514,524
Net changes of items other than shareholders' equity	141,896	(490,204)	(27,828)	(376,136)	8,753	37,560	(329,822)
Total changes of items during period	141,896	(490,204)	(27,828)	(376,136)	8,753	37,560	1,422,667
Balance at end of current period	1,955,423	672,062	(39,731)	2,587,755	13,136	1,962,985	42,048,528

For the fiscal year ended March 31,2018

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	6,731,330	4,491,170	26,423,278	(161,128)	37,484,651
Changes of items during period					
Issuance of new shares - exercise of share acquisition rights	784,500	784,500			1,569,000
Dividends of surplus			(680,648)		(680,648)
Profit attributable to owners of parent			1,923,329		1,923,329
Purchase of treasury shares				(9,270)	(9,270)
Disposal of treasury shares		(75)	(200)	1,904	1,628
Purchase of share of consolidated subsidiaries treasury stock		(19,025)			(19,025)
Change of scope of equity method					-
Reversal of revaluation reserve for land			(86)		(86)
Net changes of items other than shareholders' equity					-
Total changes of items during period	784,500	765,399	1,242,394	(7,366)	2,784,927
Balance at end of current period	7,515,830	5,256,569	27,665,673	(168,494)	40,269,579

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	1,955,423	672,062	(39,731)	2,587,755	13,136	1,962,985	42,048,528
Changes of items during period							
Issuance of new shares - exercise of share acquisition rights							1,569,000
Dividends of surplus							(680,648)
Profit attributable to owners of parent							1,923,329
Purchase of treasury shares							(9,270)
Disposal of treasury shares							1,628
Purchase of share of consolidated subsidiaries treasury stock							(19,025)
Change of scope of equity method							-
Reversal of revaluation reserve for land							(86)
Net changes of items other than shareholders' equity	(159,716)	119	42,023	(117,572)	7,677	(79,412)	(189,308)
Total changes of items during period	(159,716)	119	42,023	(117,572)	7,677	(79,412)	2,595,619
Balance at end of current period	1,795,707	672,182	2,292	2,470,182	20,813	1,883,573	44,644,148

Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31, 2017	For the fiscal year ended March 31, 2018
Cash flows from operating activities		
Profit before income taxes	1,711,781	2,673,987
Depreciation	11,264,436	11,757,293
Impairment loss	112,354	237,872
Loss (gain) on sales of property, plant and equipment	(104,187)	(12,656)
Increase (decrease) in provision for safety measures	(82,655)	12,232
Increase (decrease) in net defined benefit liability	21,970	123,074
Decrease (increase) in net defined benefit asset	(10,707)	40,404
Increase (decrease) in allowance for doubtful accounts	(16,255)	(173,856)
Interest and dividend income	(515,750)	(177,963)
Interest expenses	530,464	477,179
Loss on redemption of bonds	-	221,060
Decrease (increase) in notes and accounts receivable - trade	(1,073,905)	(1,707,876)
Decrease (increase) in inventories	(3,230,747)	(1,009,445)
Increase (decrease) in notes and accounts payable - trade	3,759,888	2,847,726
Increase (decrease) in accrued consumption taxes	(1,157,392)	1,010,769
Other, net	612,541	1,282,018
Subtotal	11,821,834	17,601,819
Interest and dividend income received	515,750	177,963
Interest expenses paid	(549,002)	(474,629)
Income taxes paid	(492,909)	(594,723)
Income taxes refund	119,833	19,565
Net cash provided by (used in) operating activities	11,415,507	16,729,994
Cash flows from investing activities		
Net decrease (increase) in time deposits	2,999	32,995
Purchase of property, plant and equipment	(14,299,150)	(16,740,067)
Proceeds from sales of property, plant and equipment	781,172	44,110
Purchase of intangible assets	(621,816)	(871,913)
Purchase of investment securities	(500,000)	-
Purchase of shares of subsidiaries and associates	-	(10,000)
Proceeds from sales of shares of subsidiaries and associates	-	5,792
Purchase of long-term prepaid expenses	(290,326)	(239,688)
Other, net	59,614	(40,351)
Net cash provided by (used in) investing activities	(14,867,507)	(17,819,121)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	426,482	(426,481)
Net increase (decrease) in commercial papers	(1,000,000)	4,500,000
Proceeds from long-term loans payable	7,600,000	6,150,000
Repayments of long-term loans payable	(4,511,394)	(4,133,031)
Proceeds from issuance of bonds	4,974,847	3,492,731
Redemption of bonds	(6,000,000)	(5,221,060)
Redemption of convertible bonds	-	(47,000)
Purchase of treasury shares of subsidiaries	-	(118,200)
Cash dividends paid	(641,864)	(682,951)
Other, net	(292,827)	(200,051)
Net cash provided by (used in) financing activities	555,243	3,313,954
Net increase (decrease) in cash and cash equivalents	(2,896,756)	2,224,827
Cash and cash equivalents at beginning of period	3,963,413	1,066,656
Cash and cash equivalents at end of period	1,066,656	3,291,483

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Thousand yen)

	As of March 31,2017	As of March 31,2018
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	23,787,627	22,223,225
Distribution facilities	41,053,545	40,774,745
Service and maintenance facilities	8,176,986	8,036,471
Facilities for incidental businesses	844,533	773,953
Construction in progress	6,005,623	13,981,225
Total property, plant and equipment	79,868,316	85,789,620
Intangible assets	2,675,900	2,567,059
Investments and other assets		
Investment securities	5,004,789	4,802,511
Investments in subsidiaries and associates	5,438,322	5,444,322
Long-term loans receivable from subsidiaries and associates	6,160,000	5,200,000
Long-term prepaid expenses	1,137,731	1,107,971
Deferred tax assets	51,601	303,843
Prepaid pension cost	1,155,396	1,114,992
Other investments and other assets	388,851	421,576
Allowance for doubtful accounts	(18,527)	(16,357)
Total investments and other assets	19,318,164	18,378,859
Total non-current assets	101,862,380	106,735,540
Current assets		
Cash and deposits	87,495	572,398
Notes receivable - trade	240,234	216,925
Accounts receivable - trade	6,392,486	7,863,214
Accounts receivable from subsidiaries and associates - trade	1,459,194	1,607,930
Accounts receivable - other	1,342,244	677,283
Finished goods	28,531	23,319
Raw materials	5,036,974	6,206,126
Supplies	283,058	241,439
Prepaid expenses	149,017	218,850
Short-term receivables from subsidiaries and associates	3,162,818	4,585,967
Deferred tax assets	270,984	450,609
Other current assets	873,804	807,512
Allowance for doubtful accounts	(49,009)	(50,500)
Total current assets	19,277,834	23,421,076
Total assets	121,140,215	130,156,616

(Thousand yen)

	As of March 31,2017	As of March 31,2018
Liabilities		
Non-current liabilities		
Bonds payable	33,000,000	26,500,000
Long-term loans payable	28,854,814	26,197,466
Deferred tax liabilities for land revaluation	725,719	725,719
Provision for retirement benefits	2,515,373	2,691,532
Provision for gas holder repairs	271,401	222,342
Provision for safety measures	221,938	234,170
Asset retirement obligations	250,636	372,232
Other noncurrent liabilities	214,178	243,777
Total non-current liabilities	66,054,062	57,187,240
Current liabilities		
Current portion of non-current liabilities	5,343,596	13,744,668
Accounts payable - trade	4,819,677	5,569,009
Accounts payable - other	3,273,723	3,483,896
Accrued expenses	1,949,883	2,664,901
Income taxes payable	472,035	1,123,914
Advances received	604,368	768,743
Deposits received	69,762	308,518
Short-term debt to subsidiaries and associates	2,432,253	3,020,031
Provision for loss on construction contracts	8,634	111,088
Provision for loss on remove noncurrent assets	-	53,500
Commercial papers	2,000,000	6,500,000
Other current liabilities	445,717	13,218
Total current liabilities	21,419,653	37,361,490
Total liabilities	87,473,715	94,548,731
Net assets		
Shareholders' equity		
Capital stock	6,731,330	7,515,830
Capital surplus		
Legal capital surplus	4,491,095	5,275,595
Other capital surplus	75	-
Total capital surpluses	4,491,170	5,275,595
Retained earnings		
Legal retained earnings	775,775	775,775
Other retained earnings		
General reserve	13,600,000	13,600,000
Retained earnings brought forward	5,591,667	6,123,571
Total retained earnings	19,967,442	20,499,346
Treasury shares	(161,128)	(168,494)
Total shareholders' equity	31,028,815	33,122,277
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,952,485	1,792,611
Revaluation reserve for land	672,062	672,182
Total valuation and translation adjustments	2,624,547	2,464,794
Share acquisition rights	13,136	20,813
Total net assets	33,666,499	35,607,885
Total liabilities and net assets	121,140,215	130,156,616

Non-consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31, 2017	For the fiscal year ended March 31, 2018
Sales from gas business		
Gas sales	46,766,073	51,454,925
Revenue from interoperator settlement	-	98,536
Total sales on gas business	46,766,073	51,553,461
Cost of sales		
Beginning inventories	38,972	28,536
Cost of products manufactured	27,119,264	30,027,629
Costs of gas for own use	688,648	714,631
Ending inventories	28,531	23,325
Total cost of sales	26,441,057	29,318,209
Gross profit	20,325,016	22,235,252
Supply and sales expenses	18,887,799	19,899,780
General and administrative expenses	2,381,421	2,512,733
Loss on core business	(944,204)	(177,261)
Miscellaneous operating revenue		
Revenue from installation work	2,970,330	3,097,280
Other miscellaneous operating revenue	7,578,774	7,828,266
Total miscellaneous operating revenue	10,549,104	10,925,546
Miscellaneous operating expenses		
Expenses of installation work	2,802,708	2,925,299
Other miscellaneous operating expenses	7,059,315	7,630,270
Total miscellaneous operating expenses	9,862,024	10,555,570
Revenue for incidental businesses	14,580,565	25,393,719
Expenses for incidental businesses	13,416,080	23,561,911
Operating profit	907,361	2,024,523
Non-operating income		
Interest income	72,569	65,447
Dividend income	524,451	187,036
Rent income	139,726	162,829
Reversal of provision for gas holder repairs	-	116,326
Miscellaneous income	447,507	322,896
Total non-operating income	1,184,255	854,536
Non-operating expenses		
Interest expenses	276,686	268,956
Interest on bonds	226,530	187,974
Amortization of bond issuance cost	25,152	7,268
Loss on bond retirement	-	221,060
Personnel transfer expenses	283,581	266,946
Miscellaneous expenses	32,876	29,028
Total non-operating expenses	844,827	981,234
Ordinary profit	1,246,789	1,897,824
Extraordinary losses		
Impairment loss	-	237,872
Total extraordinary losses	-	237,872
Profit before income taxes	1,246,789	1,659,951
Income taxes - current	367,028	836,661
Income taxes - deferred	(204,808)	(389,549)
Total income taxes	162,219	447,112
Profit	1,084,570	1,212,839