

**FY2012 Financial Results  
ended March 31, 2013**

**Supplementary Material**



April 26, 2013

# FY2012 Full Year Consolidated Financial Results

**Financial Highlights (vs. Initial plan) sales growth, profit increase +51.4** ( + - +/- indicates profit impact, billion yen)

- Net sales** : - City gas sales decline (-8.8: Increased gas sales volume +35.5, lower unit sales prices from yen's appreciation, lower crude oil prices -45.7)  
 + Electricity sales grew (+18.8: Increased volume +19.0, lower unit prices -0.2)  
 + LNG sales grew (+10.0: Increased volume +15.7, lower unit prices -5.7)
- Operating expenses** : + City gas resource and other costs decreased (+27.4: Increased city gas sales volume -22.8, lower expenses from yen's appreciation +15.5, JCC +29.2, etc.)
- Operating income** : + City gas profit rose on increased sales volume (+24.4)  
 + Electric power segment income grew due to increased sales volume (+10.3)
- Extraordinary Items** : + Gain on sales of overseas subsidiaries and affiliates' stocks (+3.4)

(Unit: billion yen)

	FY2012 Results	FY2012 Initial	Change	%
Gas sales volume (mil. m <sup>3</sup> , 45MJ)	15,390	14,886	504	3.4
Net sales	1,915.6	1,914.0	1.6	0.1
Operating expenses	1,770.0	1,815.0	-45.0	-2.5
Operating income	145.6	99.0	46.6	47.1
Ordinary income — (a)	147.4	96.0	51.4	53.6
Net income	101.6	63.0	38.6	61.4
<i>Temperature effect — (b)</i> (FY2013 plan based on average temperature of 16.5 °C)	+2.5	-1.9	+4.4	—
<i>Sliding time lag effect — (c)</i>	-10.5	-16.1	+5.6	—
<i>Amortization of actuarial differences — (d)</i>	-4.4	-4.4	0.0	—
<i>Adjusted ordinary income: (a) - ((b)+(c)+(d))</i>	159.8	118.4	+41.4*	+35.0%
<i>Adjusted net income*</i>	109.8	77.9	+31.9	+40.9%

\* +41.4: increase in gas sales volume +8.3, electric power +10.3, non-operating income and expenses +4.8, other segment income etc. (breakdown on page 4)

Economic Frame	JCC (\$/bbl)	Ex. Rate (¥/\$)	Avg. Temperature (°C)	Pension (Non-consolidated)	Investment yield (costs deducted)	Discount rate	Year-end assets (billion yen)
FY2012 Result	113.9	82.9	16.7	FY2011	5.13%	1.7 %	254.0
FY2012 Initial	120.0	85.0	16.7	FY2010	2.70 %	2.0 %	235.0

# Consolidated Gas Sales Volume (April 1, 2012 – March 31, 2013)

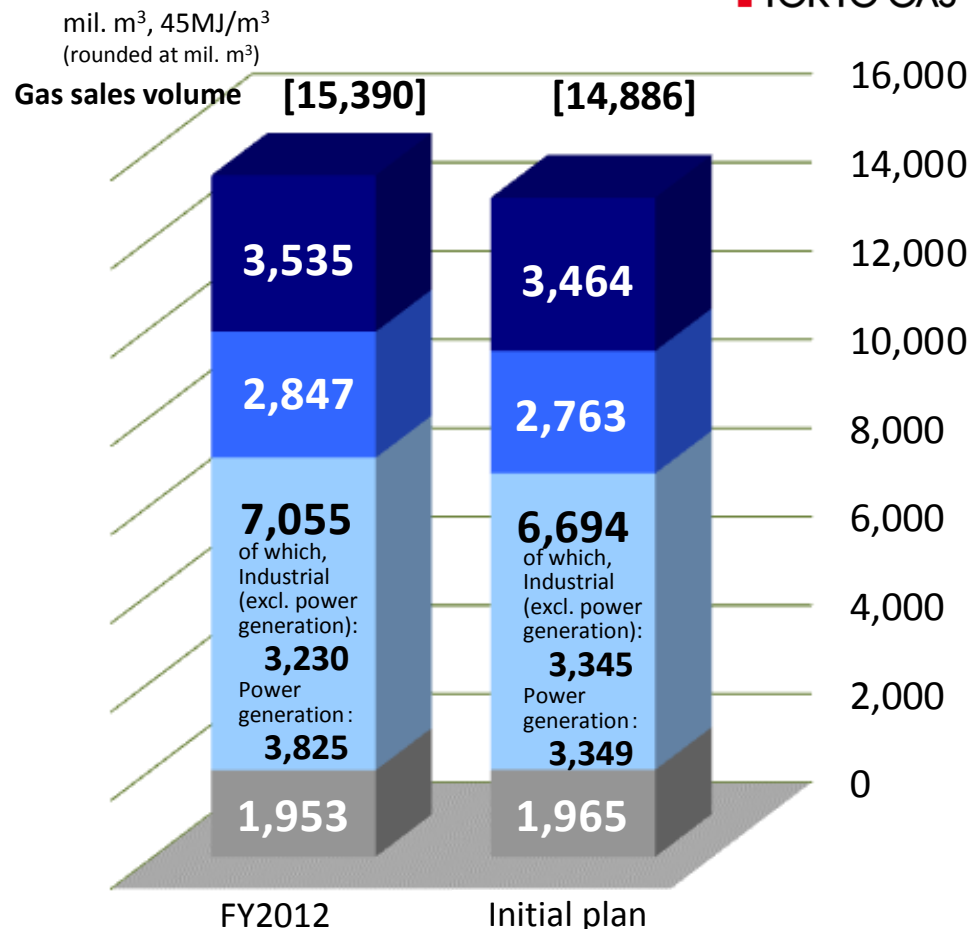
## Initial Plan → FY2012 Results

**+504 mil. m<sup>3</sup> (+3.4%)**

**\*large-volume gas demand +359 mil. m<sup>3</sup> (+4.5%)**

**\*temperature effect +100 mil. m<sup>3</sup> (+0.7%)**

<b>■ Residential</b>	<b>+71 mil. m<sup>3</sup> (+2.0%)</b>
• Temperature effect	+53 mil. m <sup>3</sup>
• Increase in number of customers	+2 mil. m <sup>3</sup>
• No. of days	-4 mil. m <sup>3</sup>
• Others	+20 mil. m <sup>3</sup>
<b>■ Commercial</b>	<b>+84 mil. m<sup>3</sup> (+3.0%)</b>
• Temperature effect	+41 mil. m <sup>3</sup>
• Increase in number of customers	+15 mil. m <sup>3</sup>
• Others	+28 mil. m <sup>3</sup>
<b>■ Industrial</b>	<b>+361 mil. m<sup>3</sup> (+5.4%)</b>
• Industrial (excl. Power generation): Operation decrease	-115 mil. m <sup>3</sup>
• Power generation: Nijio +150 mil. m <sup>3</sup> , exclude Nijio +326 mil. m <sup>3</sup>	+ 476 mil. m <sup>3</sup>
<b>■ Wholesale</b>	<b>-12 mil. m<sup>3</sup> (-0.6%)</b>
• General wholesale demand (Incl. temperature effect +6)	-7 mil. m <sup>3</sup>
• Large-volume gas demand	-5 mil. m <sup>3</sup>



	FY2012	Initial plan
LNG liquid sales volume (thousand t)	1,262	1,069
Average temperature (°C)	16.7	16.7

### Number of customers

(Unit: 10 thousand)

FY2012	Initial plan	Change
<b>1,097.8</b>	1,096.9	+0.9 (+0.1%)

# Changes in Gas Usage Volume from Shift to Tolling

## FY2012 Results

### Gas sales volume including portion used in-house under tolling arrangement (Unit: million m<sup>3</sup>)

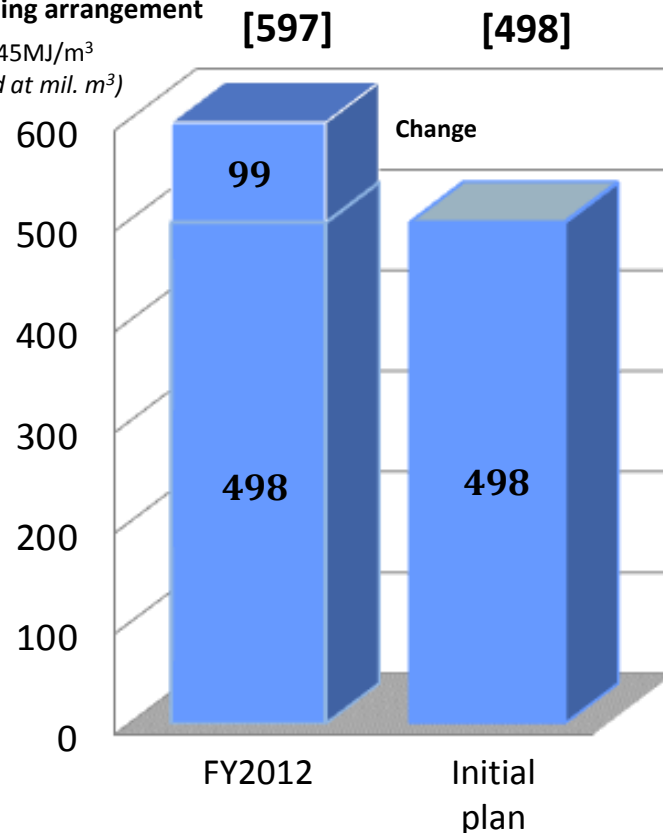
	FY2012	Initial plan	Change	
Gas sales volume (financial accounting basis)	15,390	14,886	504	+3.4%
Gas volume used in-house under tolling arrangement	597	498	99	+19.9%
Total	15,986	15,383	603	+3.9%

### Gas sales volume for industrial-use (Unit: million m<sup>3</sup>, numbers in parenthesis refer to comparisons with FY2011)

	Kashima area	Other	Total
Power generation	315 (+109)	3,510 (+367)	3,825 (+476)
General industrial (excl. power generation)	89 (-11)	3,141 (-104)	3,230 (-115)
Total	405 (+98)	6,650 (+263)	7,055 (+361)

### Gas volume used in-house under tolling arrangement

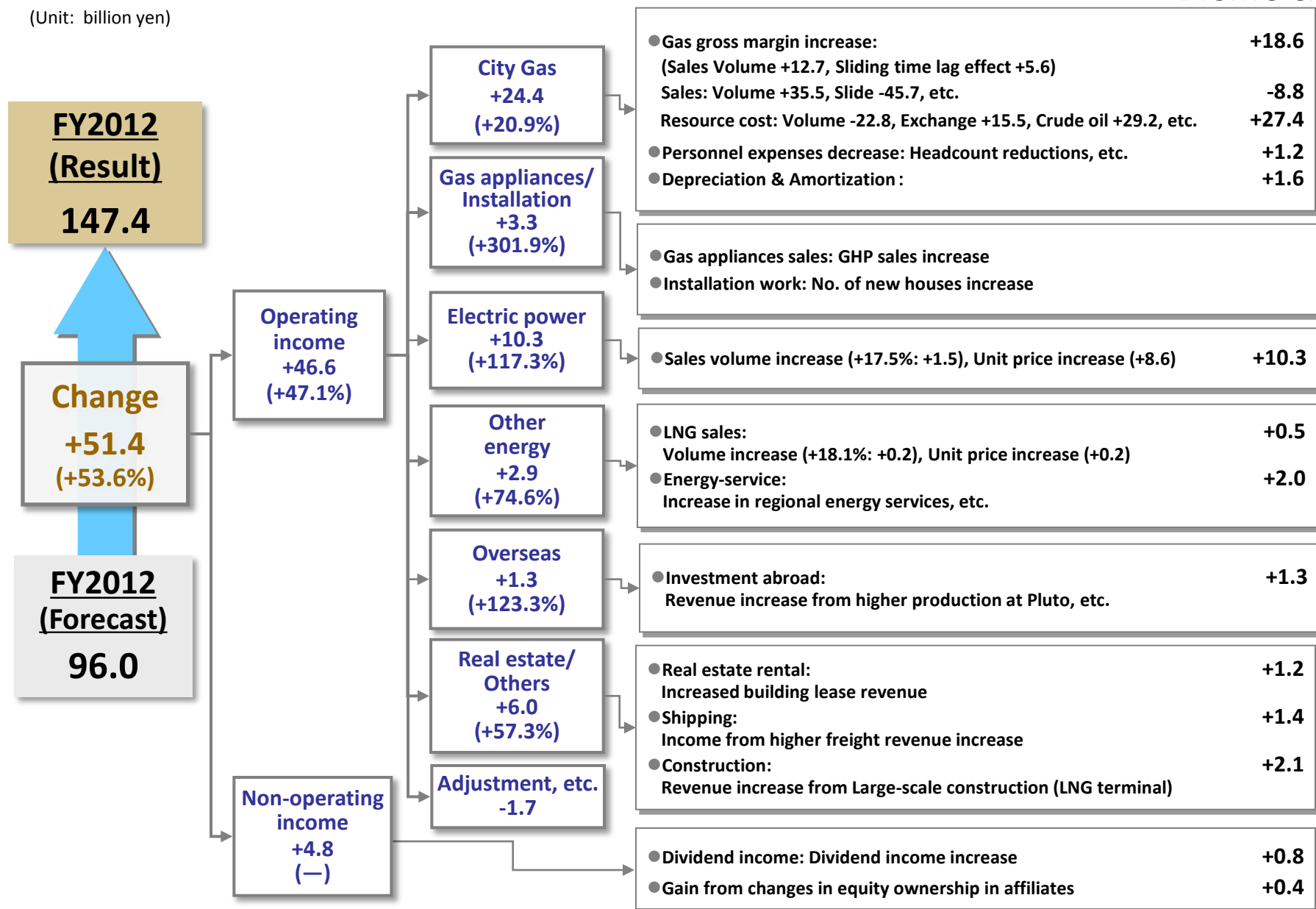
mil. m<sup>3</sup>, 45MJ/m<sup>3</sup>  
(rounded at mil. m<sup>3</sup>)



\* Tolling: A contract under which the seller of electricity delivers the gas required as fuel for power generation to the power plant, where the power generator processes the fuel into electricity, which it returns to the seller of electricity in exchange for a processing fee.

# FY2012 Ordinary Income Analysis <vs. Initial Plan>

(Unit: billion yen)



Note: (+) & (-) refer to contributions to income.