

Consolidated Financial Results Bulletin for the 1st Quarter Ended June 30, 2015**(J-GAAP)****Tokyo Gas Co., Ltd.**

Securities code: 9531
 (URL <http://www.tokyo-gas.co.jp/IR/english/index.html>)
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Stock listings:
 Tokyo Stock Exchange, Nagoya Stock Exchange

Location of head office: Tokyo

Scheduled date of the filing of quarterly report: August 14, 2015
 Scheduled date of the start of dividend payments: —
 Preparation of 1Q earnings presentation material (yes/no): **Yes**
 Holding of 1Q earnings announcement (yes/no): **Yes** (for institutional investors)

(Amounts are rounded down to the nearest million yen)

1. Consolidated Performance for 1st Quarter (from April 1, 2015 to June 30, 2015)

(Unit: million yen)

(1) Consolidated Business Performance (% of change from the corresponding period of previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to the parent company	
Three months ended Jun. 30, 2015	487,380	-8.7%	94,538	57.5%	93,391	56.6%	73,410	64.0%
Three months ended Jun. 30, 2014	534,039	12.8%	60,011	50.3%	59,618	50.5%	44,755	71.8%

Note: Total comprehensive income

Three months ended June 30, 2015: 76,406 million yen (77.6%) Three months ended June 30, 2014: 43,030 million yen (16.4%)

	Net income per share	Diluted net income per share
Three months ended Jun. 30, 2015	30.31 yen	—
Three months ended Jun. 30, 2014	18.11 yen	—

(2) Consolidated Financial Position

(Unit: million yen)

	Total assets	Net assets	Equity ratio
As of Jun. 30, 2015	2,211,050	1,125,342	50.1%
As of Mar. 31, 2015	2,257,662	1,087,262	47.4%

Reference: Shareholders' equity

As of Jun. 30, 2015: 1,107,359 million yen As of March 31, 2015: 1,069,515 million yen

2. Dividend

	Dividend per share (Unit: yen)				
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Annual
FY2014 ended Mar. 31, 2015	—	5.00	—	5.00	10.00
FY2015 ending Mar. 31, 2016	—				
FY2015 ending Mar. 31, 2016 (Forecast)		5.00	—	5.00	10.00

Note: Revision to the dividend forecast that has been disclosed lastly: No

3. Consolidated Results Forecast for FY2015 ending March 31, 2016 (April 1, 2015 - March 31, 2016)

(1) Consolidated Business Performance

(Unit: million yen)
(% of change from the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to the parent company		Net income per share
		(% change)		(% change)		(% change)		(% change)	
Half-year	882,000	-14.5%	96,000	28.7%	92,000	26.7%	70,000	22.7%	29.09 yen
Full-year	1,932,000	-15.7%	140,000	-18.5%	134,000	-20.3%	101,000	5.4%	42.12 yen

(2) Consolidated Financial Position

(Unit: million yen)

	Total assets	Net assets	Equity ratio
Full-year	2,330,000	1,136,000	47.9

Reference: Shareholders' equity 1,117,000 million yen

Note: Revision to the consolidated results forecast that has been disclosed lastly: *Yes*

*Notes

(1) Significant changes in consolidated subsidiaries (changes in specified subsidiaries resulting in change of scope of consolidation during the quarter) (yes/no): *No*

(2) Application of accounting treatment peculiar to quarterly consolidated financial statement preparation (yes/no): *Yes*

Note: Please see page 5 of the Attachment, "2. Summary Information (Notes): (1) Application of accounting treatment peculiar to quarterly consolidated financial statement preparation" for details.

(3) Change in accounting policies or estimates and retrospective restatements

1) Change in accounting policies in accordance with revision of accounting standards: *Yes*

2) Change in accounting policies other than item 1) above: *No*

3) Change in accounting estimates: *No*

4) Retrospective restatements: *No*

Note: Please see page 5 of the Attachment, "2. Summary Information (Notes): (2) Changes in accounting policies or estimates and retrospective restatements" for details.

(4) Number of issued shares (common stock)

(Unit: share)

1) Number of issued shares at end of period (including treasury stock):	Jun 30, 2015	2,446,778,295	Mar. 31, 2015	2,446,778,295
2) Number of shares of treasury stock at end of period:	Jun 30, 2015	44,531,228	Mar. 31, 2015	6,540,207
3) Average number of shares during period:	Apr. – Jun. 2015	2,421,635,385	Apr. – Jun. 2014	2,470,936,713

* Presentation of implementation status for quarterly review procedures

The quarterly review procedure based on the Financial Instruments and Exchange Act does not apply to this Consolidated Financial Results Bulletin, and the quarterly review procedure based on the Financial Instruments and Exchange Act had not been completed as of the release of this Consolidated Financial Results Bulletin.

* Explanation related to appropriate use of results forecasts and other items warranting special mention

1. The above forecasts are based on the information available at the time this report was prepared, and Tokyo Gas makes no guarantee that these figures will be achieved. Actual results may differ from these forecasts for a variety of reasons. Please see page 3 of the Attachment, "1. Qualitative Information on 1st Quarter Results: (3) Qualitative information on consolidated results forecast" for details.

2. The information related to this Financial Results will be posted on the Web site of the Company.

Non-Consolidated Results Forecast for FY2015 ending March 31, 2016 (April 1, 2015 - March 31, 2016)

(Unit: million yen)

(% of change from the corresponding period of previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
Half-year	790,000	-16.3%	85,000	52.9%	89,000	48.3%	70,000	46.0%	29.09 yen
Full-year	1,728,000	-17.1%	115,000	-8.9%	118,000	-15.7%	93,000	-10.5%	38.78 yen

Note: Revision to the non-consolidated results forecast that has been disclosed lastly: *Yes*

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1. Qualitative Information on 1st Quarter Results

(1) Qualitative information on consolidated business performance

Gas sales volume for the first quarter of FY2015 (April 1 – June 30, 2015) decreased 3.2% year-on-year, to 3,538 million m³. This decrease was mainly attributable to a drop in industrial demand especially for electric power generation as well as a decrease in residential demand mainly caused from a drop in hot water demand due mainly to higher average temperatures in 1Q over the same period a year ago. Decreasing gas sales volume and falling sales unit prices, under the gas rate adjustment system with decline of oil price, caused city gas sales to decrease a 10.7% to ¥348.2 billion.

In addition to this decrease in city gas sales, sales of other energy (Electric Power Generation etc.) declined, resulting in a 8.7% decrease in consolidated net sales, to ¥487.3 billion.

Thanks to efforts to further increase management efficiency and reduce expenses to the maximum extent possible, lower gas resource costs stemming from a decrease in gas sales volume and falling crude oil prices, combined with a decrease in expenses at the other energy segment, resulted in a 17.1% decrease in operating expenses, to ¥392.8 billion.

As a result, operating income increased 57.5% year-on-year, to ¥94.5 billion, and ordinary income was 56.6% higher, at ¥93.3 billion. Net income attributable to the parent company increased 64.0%, to ¥73.4 billion after the recording of income taxes, etc.

Because the city gas business accounts for the majority of consolidated net sales, seasonal fluctuations at the business from factors including average temperatures may have a significant impact on net sales.

<Consolidated Gas Sales Volume for Three Months Ended June 30, 2015>

		Apr. – Jun. 2015	Apr. – Jun. 2014	Change	% change	
No. of customers	Thousands	11,285	11,137	148	1.3	
Gas sales volume	Residential	m ³	28.60	29.52	-0.92	-3.1
		Mil. m ³	821	835	-14	-1.7
	Commercial	Mil. m ³	593	595	-2	-0.2
	Industrial	Mil. m ³	1,656	1,756	-100	-5.7
	Subtotal	Mil. m ³	2,249	2,351	-102	-4.3
	Supplies to other utilities	Mil. m ³	468	471	-3	-0.7
Total	Mil. m ³	3,538	3,657	-119	-3.2	
Average temperature	°C	17.6	17.2	0.4	—	

Notes:

1. The upper row of figures for residential demand indicates gas sales per meter read (m³/household, month).
2. “Commercial” indicates sales to commercial, public and medical institutions.
3. Gas sales volumes are on the basis of 45MJ/m³.
4. Average temperature is the average temperature during the period of use by each customer (from date of initial month’s meter reading to final month’s meter reading). Additionally, given that the temperature observation site in Tokyo changed from Otemachi to Kitamomaru Park effective December 2, 2014, the monthly temperature data were calculated based on the temperature data observed at Kitamomaru Park prior to the date of change.

The aforementioned notes also apply to the relevant tables.

(Foreign Exchange Rate and Crude Oil Price)

¥/\$ rate	Apr. – Jun. 2015	Apr. – Jun. 2014	Change	Crude oil price (\$/bbl)	Apr. – Jun. 2015	Apr. – Jun. 2014	Change
	121.43	102.17	19.26		59.49	109.57	-50.08

(2) Qualitative information on consolidated financial position

Total assets as of June 30, 2015, totaled ¥2,211.0 billion, marking a ¥46.6 billion decrease from March 31, 2015. Despite increase in construction in progress from capital investment, decrease in the amount of notes and accounts receivable-trade from seasonal factors resulted in an overall decline.

Net assets totaled ¥1,125.3 billion, reflecting an increase from the recording of net income attributable to the parent company for the quarter (¥73.4 billion), which exceeded decreases from purchases of treasury stock in the market (¥25.9 billion) and the payment of dividends from surplus (¥12.2 billion).

Due to an increase in shareholders' equity (calculated as the total of shareholders' equity and valuation and translation adjustments) contrary to a decrease in total assets, the shareholders' equity ratio rose 2.7 percentage point, to 50.1%.

(3) Qualitative information on consolidated results forecast

With regard to our economic framework assumptions of an average crude oil price of \$60.00/bbl (\$55.00/bbl in 1H and \$65.00/bbl in 2H) and a foreign exchange rate of ¥120.00/\$ used in the forecast for consolidated business results included in the Consolidated Financial Results Bulletin for the Fiscal Year Ended March 31, 2015, announced on April 28, 2015, we have left unchanged our assumptions of a foreign exchange rate, but revised our assumption of an average crude oil price to \$65.00/bbl from July. According to these assumptions, foreign exchange rate for FY2015 is estimated to be ¥120.36/\$ and crude oil price for FY2015 is estimated to be \$63.62/bbl.

As a result, we have raised our previous forecast for consolidated net sales at Tokyo Gas and its subsidiaries by ¥43.0 billion, to ¥1,932.0 billion, but we have left unchanged our previous forecast for operating income (¥140.0 billion), ordinary income (¥134.0 billion) and net income attributable to the parent company (¥101.0 billion).

On a non-consolidated basis, we have revised our forecasts for non-consolidated business results included in the Consolidated Financial Results Bulletin for the Fiscal Year Ended March 31, 2015, announced on April 28, 2015. We have raised our net sales forecast by ¥45.0 billion, to ¥1,728.0 billion. This upward revision is based on expected increasing unit sales prices under the gas rate adjustment system, while we have lowered our forecast for gas sales volume in expectation of declining residential demand due mainly to higher average temperatures in FY2015. Given that gas resource costs are expected to increase in line with an increase in gas volume, we have left unchanged our previous forecast on operating income (¥115.0 billion), ordinary income (¥118.0 billion) and net income (¥93.0 billion).

As for the period April to September 2015, given the recent increase in gas resource costs, we expect that net sales will be ¥882.0 billion (unchanged from former forecast on the Consolidated Financial Results Bulletin for the Fiscal Year Ended March 31, 2015, announced on April 28, 2015). However, we have revised down our previous forecast on income items: operating income will be ¥96.0 billion (down ¥10.0 billion), ordinary income will be ¥92.0 billion (down ¥11.0 billion), and net income attributable to the parent company will be ¥70.0 billion (down ¥9.0 billion).

1) Consolidated Business Results

a. Gas sales volume forecast for FY2015

			FY2015 (Forecast)	FY2014 (Results)	Change	% change
Gas sales volume	Residential	Mil. m ³	3,472	3,482	-10	-0.3
	Commercial	Mil. m ³	2,726	2,750	-24	-0.9
	Industrial	Mil. m ³	7,196	7,235	-39	-0.5
	Subtotal	Mil. m ³	9,922	9,984	-62	-0.6
	Supplies to other utilities	Mil. m ³	2,102	2,074	28	1.3
	Total	Mil. m ³	15,496	15,541	-45	-0.3
Average temperature		°C	16.2	16.0	0.2	—

b. Forecast for FY2015

(Unit: hundred million yen)

	Net sales	Gas sales	Other sales	Operating income	Ordinary income	Net income attributable to the parent company
FY2015 (forecast)	19,320	13,326	5,994	1,400	1,340	1,010
FY2014 (results)	22,925	16,409	6,516	1,717	1,681	958
Change	-3,605	-3,083	-522	-317	-341	52
% change	-15.7%	-18.8%	-8.0%	-18.5%	-20.3%	5.4%

Note: Internal sales between segments are adjusted in the "Other sales" column.

2) Non-consolidated Business Results

a. Gas sales volume forecast for FY2015

			FY2015 (Forecast)	FY2014 (Results)	Change	% change
Gas sales volume	Residential	Mil. m ³	3,367	3,377	-10	-0.3
	Commercial	Mil. m ³	2,565	2,591	-26	-1.0
	Industrial	Mil. m ³	7,015	7,053	-38	-0.5
	Subtotal	Mil. m ³	9,580	9,644	-64	-0.7
	Supplies to other utilities	Mil. m ³	2,341	2,311	30	1.3
	Total	Mil. m ³	15,288	15,332	-44	-0.3

b. Forecast for FY2015

(Unit: hundred million yen)

	Net sales		Operating income	Ordinary income	Net income
	Gas sales	Other sales			
FY2015 (forecast)	17,280	12,970	1,150	1,180	930
FY2014 (results)	20,835	16,043	1,261	1,400	1,038
Change	-3,555	-3,073	-111	-220	-108
% change	-17.1%	-19.2%	-8.9%	-15.7%	-10.5%

(Foreign Exchange Rate and Crude Oil Price)

¥/\$ rate	FY2015 (Forecast)	FY2014 (Results)	Change	Crude oil price (\$/bbl)	FY2015 (Forecast)	FY2014 (Results)	Change
		120.36	109.76		10.60		63.62

2. Summary Information (Notes)

(1) Application of accounting treatment peculiar to quarterly consolidated financial statement preparation

Calculation of taxes

Taxes are calculated by multiplying income before income taxes for the first-quarter period under review by the reasonably estimated effective tax rate subsequent to the application of tax effect accounting to the income before income taxes for the current consolidated fiscal year ending March 31, 2016 including the first quarter under review.

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

Change in accounting principle

Effective from the end of the first quarter of the current fiscal year, the Company adopted the Accounting Standard for Business Combinations (Accounting Standards Board of Japan (“ASBJ”) Statement No. 21, September 13, 2013), the Accounting Standard for Consolidated Financial Statements (ASBJ statement No.22, September 13, 2013) and the Accounting Standard for Business Divestitures (ASBJ statement No.7, September 13, 2013). Accordingly, the difference arising from a change in the Company’s ownership interest in a subsidiary over which the Company continues to have control is recognized in capital surplus, and acquisition costs are expensed in the period incurred. In addition, as for business combinations that take place on or after the beginning of the first quarter of the current fiscal year, the Company revised the method to reflect changes in the allocation of the acquisition costs arising from confirmation of the provisional accounting treatment on the quarterly consolidated financial statements that includes the acquisition date. Furthermore, the Company revised the presentation method of quarterly net income and also amended the reference to “minority interests” to “non-controlling interests.” To reflect these changes in presentation, the Company reclassified the quarterly consolidated financial statements in the first quarter of FY2014 and the consolidated financial statements in previous fiscal year.

The Company has adopted these accounting standards, etc. from the beginning of the first quarter of the current fiscal year, in accordance with the transitional accounting treatments set forth in Article 58-2 (4) of the Accounting Standard for Business Combinations, Article 44-5 (4) of the Accounting Standard for Consolidated Financial Statements, and Article 57-4 (4) of the Accounting Standard for Business Divestitures.

The effect of these changes on profit and loss for the first quarter of the current fiscal year is considered to be immaterial.

3. Consolidated Financial Statements

(1) Consolidated balance sheets

(Unit: million yen)

	FY2014 (as of Mar. 31, 2015)	1st Quarter of FY2015 (as of Jun. 30, 2015)
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	174,760	175,846
Distribution facilities	479,060	477,021
Service and maintenance facilities	60,525	56,357
Other facilities	326,424	321,556
Inactive facilities	387	384
Construction in progress	223,821	232,387
Total property, plant and equipment	1,264,979	1,263,554
Intangible assets		
Goodwill	503	476
Other intangible assets	134,937	136,324
Total intangible assets	135,441	136,800
Investments and other assets		
Investment securities	199,166	208,358
Long-term loans receivable	16,149	17,507
Net defined benefit asset	5,541	6,111
Deferred tax assets	24,731	23,118
Other investments and other assets	30,335	30,167
Allowance for doubtful accounts	(444)	(450)
Total investments and other assets	275,480	284,813
Total non-current assets	1,675,901	1,685,168
Current assets		
Cash and deposits	86,493	90,553
Notes and accounts receivable - trade	250,326	189,078
Lease receivables and investment assets	26,379	25,331
Securities	43,010	40,010
Merchandise and finished goods	3,189	3,505
Work in process	14,046	21,284
Raw materials and supplies	71,630	64,961
Deferred tax assets	12,637	13,017
Other current assets	74,632	78,548
Allowance for doubtful accounts	(584)	(408)
Total current assets	581,761	525,881
Total assets	2,257,662	2,211,050

(Unit: million yen)

	FY2014 (as of Mar. 31, 2015)	1st Quarter of FY2015 (as of Jun. 30, 2015)
Liabilities		
Non-current liabilities		
Bonds payable	312,697	284,997
Long-term loans payable	339,214	368,964
Deferred tax liabilities	11,436	11,936
Net defined benefit liability	75,071	72,304
Provision for gas holder repairs	3,421	3,526
Reserve for safety measures	868	829
Provision for appliance warranties	3,675	3,476
Provision for loss on guarantees	1,562	1,634
Asset retirement obligations	11,448	10,123
Other noncurrent liabilities	24,798	18,324
Total non-current liabilities	784,193	776,116
Current liabilities		
Current portion of non-current liabilities	58,020	53,233
Notes and accounts payable - trade	108,948	90,433
Short-term loans payable	18,547	18,962
Income taxes payable	43,640	24,453
Deferred tax liabilities	2	2
Provision for safety measures	3,839	2,573
Other current liabilities	153,208	119,934
Total current liabilities	386,206	309,591
Total liabilities	1,170,400	1,085,708
Net assets		
Shareholders' equity		
Capital stock	141,844	141,844
Capital surplus	2,065	2,065
Retained earnings	855,776	916,986
Treasury shares	(3,715)	(29,735)
Total shareholders' equity	995,971	1,031,160
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,455	40,929
Deferred gains or losses on hedges	(1,820)	(2,350)
Foreign currency translation adjustment	43,071	39,372
Remeasurements of defined benefit plans	(2,163)	(1,752)
Total accumulated other comprehensive income	73,543	76,198
Non-controlling interests	17,747	17,982
Total net assets	1,087,262	1,125,342
Total liabilities and net assets	2,257,662	2,211,050

(2) Consolidated statements of income and comprehensive income
(Consolidated statement of income)
(Three months ended June 30, 2015)

(Unit: million yen)

	Three Months of FY2014 (Apr. - Jun., 2014)	Three Months of FY2015 (Apr. - Jun., 2015)
Net sales	534,039	487,380
Cost of sales	367,223	287,067
Gross profit	166,816	200,313
Selling, general and administrative expenses		
Supply and sales expenses	89,974	89,595
General and administrative expenses	16,829	16,179
Total selling, general and administrative expenses	106,804	105,775
Operating income	60,011	94,538
Non-operating income		
Interest income	180	141
Dividend income	1,004	942
Share of profit of entities accounted for using equity method	578	491
Miscellaneous income	1,978	1,819
Total non-operating income	3,742	3,395
Non-operating expenses		
Interest expenses	3,114	3,031
Miscellaneous expenses	1,021	1,510
Total non-operating expenses	4,135	4,542
Ordinary income	59,618	93,391
Extraordinary income		
Gain on sales of non-current assets	5,459	—
Total extraordinary income	5,459	—
Extraordinary losses		
Loss on valuation of investment securities	501	—
Total extraordinary losses	501	—
Income before income taxes and minority interests	64,577	93,391
Income taxes	19,497	19,666
Profit	45,079	73,724
Profit attributable to non-controlling interests	324	313
Profit attributable to owners of parent	44,755	73,410

(Consolidated statement of comprehensive income)
(Three months ended June 30, 2015)

(Unit: million yen)

Account	Three Months of FY2014 (Apr. - Jun., 2014)	Three Months of FY2015 (Apr. - Jun., 2015)
Profit	45,079	73,724
Other comprehensive income		
Valuation difference on available-for-sale securities	3,544	6,506
Deferred gains or losses on hedges	(73)	(455)
Foreign currency translation adjustment	(3,716)	(2,764)
Remeasurements of defined benefit plans, net of tax	(562)	364
Share of other comprehensive income of entities accounted for using equity method	(1,241)	(968)
Total other comprehensive income	(2,049)	2,682
Comprehensive income	43,030	76,406
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	42,677	76,065
Comprehensive income attributable to non-controlling interests	353	340

(3) Notes on consolidated financial statements

(Note on going concerns' premise)

Not applicable

(Significant changes in shareholders' equity)

Purchase of treasury stock

The Company purchased treasury stock from the market as per the provisions of Article 156 of the Companies Act that is applied in an alternative interpretation of Article 165, Section 3 of the Companies Act.

- Purchase period May 8 – June 30, 2015 (contract basis)
- Number of shares purchased 37,953 thousand shares
- Total amount of purchase ¥25,993 million
- Purchase method Market buying by specified fund trust on the Tokyo Stock Exchange

The acquisition of treasury stock including above, as per the resolution passed by the Board of Directors on April 28, 2015, was completed with the purchases made by July 14, 2015.

- Purchase period May 8 – July 14, 2015 (contract basis)
- Number of shares purchased 50,000 thousand shares
- Total amount of purchase ¥33,833 million
- Purchase method Market buying by specified fund trust on the Tokyo Stock Exchange

(Segment information)

(Information related to net sales and profit and loss amounts by reporting segment)

Three months ended June 30, 2014 (from Apr. 1 – Jun. 30, 2014)

(Unit: million yen)

	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded on consolidated statement (Note 3)
	City gas	Gas appliances and installation work	Other energy	Real estate	Total				
Net sales									
External sales	376,048	37,803	95,702	2,771	512,325	21,714	534,039	—	534,039
Intersegment sales & transfers	13,771	2,588	1,873	3,819	22,053	24,288	46,341	(46,341)	—
Total	389,820	40,392	97,575	6,591	534,379	46,002	580,381	(46,341)	534,039
Segment income	55,382	641	9,706	1,682	67,413	2,869	70,283	(10,271)	60,011

Notes:

1. The “Others” segment indicates businesses not included in the reporting segments, including construction business, information processing service, shipping business, credit/lease financial services, and overseas business, etc.
2. The ¥(10,271) million segment income adjustment includes ¥404 million in eliminations for intersegment transactions and ¥(10,676) million of companywide expenses not allocated to the respective reporting segments. Companywide expenses are primarily, general and administrative expenses that are not assignable to a reporting segment.
3. Segment income is adjusted to reflect operating income as recorded on the Consolidated Statements of Income.

Three months ended June 30, 2015 (from Apr. 1 – Jun. 30, 2015)

(Unit: million yen)

	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded on consolidated statement (Note 3)
	City gas	Gas appliances and installation work	Other energy	Real estate	Total				
Net sales									
External sales	336,829	40,795	85,835	2,466	465,926	21,454	487,380	—	487,380
Intersegment sales & transfers	11,438	2,998	1,058	3,945	19,441	21,042	40,483	(40,483)	—
Total	348,267	43,794	86,894	6,411	485,367	42,497	527,864	(40,483)	487,380
Segment income	87,611	995	11,275	1,571	101,454	3,138	104,593	(10,055)	94,538

Notes:

1. The “Others” segment indicates businesses not included in the reporting segments, including construction business, information processing service, shipping business, credit/lease financial services, and overseas business, etc.
2. The ¥(10,055) million segment income adjustment includes ¥348 million in eliminations for intersegment transactions and ¥(10,403) million of companywide expenses not allocated to the respective reporting segments. Companywide expenses are primarily, general and administrative expenses that are not assignable to a reporting segment.
3. Segment income is adjusted to reflect operating income as recorded on the Consolidated Statements of Income.

4. Supplementary Information

(1) Non-consolidated 1st quarter business performance

<Gas Sales Volume for Three Months Ended June 30, 2015>

			Apr. – Jun. 2015	Apr. – Jun. 2014	Change	% change
No. of customers		Thousands	10,980	10,834	146	1.3
Gas sales volume	Residential	m ³	28.45	29.36	-0.91	-3.1
		Mil. m ³	795	808	-13	-1.6
	Business	Mil. m ³	560	561	-1	-0.2
	Industrial	Mil. m ³	1,614	1,714	-100	-5.8
	Subtotal	Mil. m ³	2,174	2,275	-101	-4.4
	Supplies to other utilities	Mil. m ³	520	523	-3	-0.6
	Total	Mil. m ³	3,488	3,605	-117	-3.2
Average temperature		°C	17.6	17.2	0.4	—

<Balance of Payments for Three Months Ended June 30, 2015>

(Unit: hundred million yen)

Income		Change from First 3M of FY2014	Rate (%)	Expenses		Change from First 3M of FY2014	Rate (%)		
Product sales	Gas sales	3,392	-414	-10.9	Operating expenses	Cost of sales	1,717	-730	-29.8
						Sales and administrative expenses	937	-9	-1.0
						Subtotal	2,655	-739	-21.8
Other sales	Installation work	78	-3	-3.6	Other expenses	Installation work	80	-3	-3.3
	Gas appliances, etc.	268	32	13.6		Gas appliances	235	27	12.8
	Incidental businesses	627	-184	-22.6		Incidental businesses	546	-213	-28.2
	Subtotal	974	-154	-13.7		Subtotal	861	-190	-18.1
Total net sales		4,367	-568	-11.5	Total expenses		3,517	-929	-20.9
					Operating income		849	360	73.8
Non-operating income		91	16	21.4	Non-operating expenses		34	0	-2.5
					Ordinary income		906	377	71.4
Extraordinary income		—	-12	-100.0	Extraordinary loss		—	-5	-100.0
					Net income		736	349	89.9

Notes:

1. Cost of sales includes gas resource cost of ¥165.2 billion (decreased by ¥73.2 billion, or 30.7%, year on year).
2. Non-operating expenses include interest expenses of ¥2.6 billion (decreased by ¥0.0 billion, or 1.0%, year on year).