

Consolidated Financial Statements

► Consolidated Balance Sheets March 31, 2013 and 2012

Assets	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Noncurrent assets			
Property, plant and equipment			
Production facilities	¥ 171,318	¥ 167,882	\$ 1,767,179
Distribution facilities	475,262	466,227	4,907,653
Service and maintenance facilities	62,740	64,125	675,000
Other facilities	304,245	321,751	3,386,853
Inactive facilities	316	316	3,326
Construction in progress	91,705	119,699	1,259,989
Total property, plant and equipment	1,105,587	1,140,003	12,000,032
Intangible assets			
Goodwill	741	827	8,705
Other	47,987	64,055	674,263
Total intangible assets	48,729	64,882	682,968
Investments and other assets			
Investment securities	131,305	154,476	1,626,063
Long-term loans receivable	24,164	21,934	230,884
Deferred tax assets	35,060	31,531	331,905
Other	28,926	40,155	422,684
Allowance for doubtful accounts	(750)	(618)	(6,505)
Total investments and other assets	218,706	247,479	2,605,042
Total noncurrent assets	1,373,023	1,452,365	15,288,053
Current assets			
Cash and deposits	80,149	80,669	849,147
Notes and accounts receivable-trade	211,969	222,649	2,343,674
Lease receivables and investment assets	27,751	27,486	289,326
Short-term investment securities	44,006	64,009	673,779
Merchandise and finished goods	3,538	4,374	46,042
Work in process	10,734	10,718	112,821
Raw materials and supplies	42,700	67,179	707,147
Deferred tax assets	12,499	12,412	130,653
Other	58,161	51,183	538,768
Allowance for doubtful accounts	(649)	(644)	(6,779)
Total current assets	490,861	540,038	5,684,611
Total assets	¥1,863,885	¥1,992,403	\$20,972,663

* Equivalent U.S. dollar amounts are included for the convenience of readers outside Japan, and are converted at a rate of ¥95 per U.S. dollar, the prevailing exchange rate at the end of March 2013. These conversions should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.

Liabilities and net assets	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Noncurrent liabilities			
Bonds payable	¥ 331,493	¥ 321,494	\$ 3,384,147
Long-term loans payable	231,520	256,899	2,704,200
Deferred tax liabilities	12,229	12,601	132,642
Provision for retirement benefits	85,578	86,100	906,316
Provision for gas holder repairs	3,268	3,365	35,421
Provision for safety measures	2,217	2,384	25,095
Asset retirement obligations	4,679	6,009	63,253
Other	24,931	24,015	252,789
Total noncurrent liabilities	695,920	712,871	7,503,905
Current liabilities			
Current portion of noncurrent liabilities	43,631	46,752	492,126
Notes and accounts payable-trade	92,660	92,154	970,042
Short-term loans payable	16,599	15,036	158,274
Income taxes payable	30,479	44,433	467,716
Deferred tax liabilities	6	4	42
Asset retirement obligations	199	—	—
Other	129,288	134,638	1,417,242
Total current liabilities	312,864	333,019	3,505,463
Total liabilities	1,008,785	1,045,891	11,009,379
Net assets			
Shareholders' equity			
Capital stock *1	141,844	141,844	1,493,095
Capital surplus	2,065	2,065	21,737
Retained earnings	706,620	780,196	8,212,589
Treasury stock *2	(2,196)	(2,348)	(24,716)
Total shareholders' equity	848,333	921,757	9,702,705
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	14,853	21,218	223,347
Deferred gains or losses on hedges	(1,370)	(1,670)	(17,579)
Foreign currency translation adjustment	(22,649)	(13,671)	(143,905)
Total valuation and translation adjustments	(9,166)	5,877	61,863
Minority interests	15,933	18,877	198,705
Total net assets	855,100	946,511	9,963,274
Total liabilities and net assets	¥1,863,885	¥1,992,403	\$20,972,663

*1 Capital stock
Common stock
Authorized: 6,500,000,000 shares
Issued: 2,577,919,295 shares as of March 31, 2013 / 2,590,715,295 shares as of March 31, 2012
*2 Treasury stock: 6,123,070 shares as of March 31, 2013 / 6,005,359 shares as of March 31, 2012

► Consolidated Statements of Income Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Net sales	¥1,754,257	¥1,915,639	\$20,164,621
Cost of sales	1,215,427	1,311,488	13,805,137
Gross profit	538,829	604,150	6,359,474
Selling, general and administrative expenses			
Supply and sales expenses	393,689	389,787	4,103,021
General and administrative expenses	68,064	68,730	723,474
Total selling, general and administrative expenses	461,754	458,517	4,826,495
Operating income	77,075	145,633	1,532,979
Non-operating income			
Interest income	1,368	1,676	17,642
Dividends income	1,798	2,447	25,758
Equity in earnings of affiliates	4,989	3,091	32,537
Revenue from dedicated equipment	162	2,839	29,884
Miscellaneous income	7,249	9,366	98,589
Total non-operating income	15,568	19,420	204,421
Non-operating expenses			
Interest expenses	10,184	11,366	119,642
Adjustment of charges for construction of distribution facilities	2,567	2,348	24,716
Miscellaneous expenses	4,272	3,886	40,905
Total non-operating expenses	17,023	17,601	185,274
Ordinary income	75,620	147,453	1,552,137
Extraordinary income			
Gain on sales of noncurrent assets	3,010	—	—
Gain on sales of investment securities	—	1,020	10,737
Gain on sales of subsidiaries and affiliates' stocks	—	3,490	36,737
Total extraordinary income	3,010	4,510	47,474
Extraordinary loss			
Impairment loss	1,143	1,518	15,979
Loss on reduction of noncurrent assets	2,833	—	—
Total extraordinary losses	3,977	1,518	15,979
Income before income taxes	74,654	150,445	1,583,632
Income taxes-current	22,704	44,392	467,284
Income taxes-deferred	4,620	2,122	22,337
Total income taxes	27,324	46,514	489,621
Income before minority interests	47,329	103,930	1,094,000
Minority interests in income	1,268	2,252	23,705
Net income	¥ 46,060	¥ 101,678	\$ 1,070,295

	Yen		U.S. dollars
	2012	2013	2013
Amounts per share of common stock			
Net income	¥17.70	¥39.52	\$0.42
Cash dividends applicable to the year	9.00	10.00	0.11

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► Consolidated Statements of Changes in Net Assets Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Shareholders' equity			
Capital stock			
Balance at the beginning of current period	¥141,844	¥141,844	\$1,493,095
Changes of items during the period			
Total changes of items during the period	—	—	—
Balance at the end of current period	141,844	141,844	1,493,095
Capital surplus			
Balance at the beginning of current period	2,065	2,065	21,737
Changes of items during the period			
Total changes of items during the period	—	—	—
Balance at the end of current period	2,065	2,065	21,737
Retained earnings			
Balance at the beginning of current period	718,439	706,620	7,438,105
Changes of items during the period			
Dividends from surplus	(23,683)	(23,204)	(244,253)
Net income	46,060	101,678	1,070,295
Retirement of treasury stock	(34,196)	(4,897)	(51,547)
Total changes of items during the period	(11,819)	73,575	774,474
Balance at the end of current period	706,620	780,196	8,212,589
Treasury stock			
Balance at the beginning of current period	(2,355)	(2,196)	(23,116)
Changes of items during the period			
Purchase of treasury stock	(34,046)	(5,053)	(53,189)
Disposal of treasury stock	8	3	32
Retirement of treasury stock	34,196	4,897	51,547
Total changes of items during the period	158	(151)	(1,589)
Balance at the end of current period	(2,196)	(2,348)	(24,716)
Total shareholders' equity			
Balance at the beginning of current period	859,994	848,333	8,929,821
Changes of items during the period			
Dividends from surplus	(23,683)	(23,204)	(244,253)
Net income	46,060	101,678	1,070,295
Purchase of treasury stock	(34,046)	(5,053)	(53,189)
Disposal of treasury stock	8	4	42
Total changes of items during the period	(11,661)	73,424	772,884
Balance at the end of current period	848,333	921,757	9,702,705
Valuation and translation adjustments			
Valuation difference on available-for-sale securities			
Balance at the beginning of current period	14,788	14,853	156,347
Changes of items during the period			
Net changes of items other than shareholders' equity	64	6,365	67,000
Total changes of items during the period	64	6,365	67,000
Balance at the end of current period	14,853	21,218	223,347
Deferred gains or losses on hedges			
Balance at the beginning of current period	1,145	(1,370)	(14,421)
Changes of items during the period			
Net changes of items other than shareholders' equity	(2,516)	(299)	(3,147)
Total changes of items during the period	(2,516)	(299)	(3,147)
Balance at the end of current period	(1,370)	(1,670)	(17,579)
Foreign currency translation adjustment			
Balance at the beginning of current period	(17,008)	(22,649)	(238,411)
Changes of items during the period			
Net changes of items other than shareholders' equity	(5,640)	8,978	94,505
Total changes of items during the period	(5,640)	8,978	94,505
Balance at the end of current period	(22,649)	(13,671)	(143,905)
Total valuation and translation adjustments			
Balance at the beginning of current period	(1,073)	(9,166)	(96,484)
Changes of items during the period			
Net changes of items other than shareholders' equity	(8,092)	15,043	158,347
Total changes of items during the period	(8,092)	15,043	158,347
Balance at the end of current period	(9,166)	5,877	61,863
Minority interests			
Balance at the beginning of current period	15,174	15,933	167,716
Changes of items during the period			
Net changes of items other than shareholders' equity	759	2,943	30,979
Total changes of items during the period	759	2,943	30,979
Balance at the end of current period	15,933	18,877	198,705
Total net assets			
Balance at the beginning of current period	874,094	855,100	9,001,053
Changes of items during the period			
Dividends from surplus	(23,683)	(23,204)	(244,253)
Net income	46,060	101,678	1,070,295
Purchase of treasury stock	(34,046)	(5,053)	(53,189)
Disposal of treasury stock	8	4	42
Net changes of items other than shareholders' equity	(7,333)	17,987	189,337
Total changes of items during the period	(18,994)	91,411	962,221
Balance at the end of current period	¥855,100	¥946,511	\$9,963,274

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► Consolidated Statements of Cash Flows

Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Net cash provided by (used in) operating activities			
Income before income taxes	¥ 74,654	¥ 150,445	\$ 1,583,632
Depreciation and amortization	144,438	135,015	1,421,211
Impairment loss	1,143	1,518	15,979
Amortization of long-term prepaid expenses	4,067	3,755	39,526
Loss on retirement of property, plant and equipment	2,917	2,079	21,884
Loss (gain) on sales of investment securities	(25)	(1,020)	(10,737)
Loss (gain) on sales of stocks of subsidiaries and affiliates	—	(3,490)	(36,737)
Decrease (increase) in prepaid pension costs	(9)	(11,395)	(119,947)
Interest and dividends income	(3,166)	(4,124)	(43,411)
Interest expenses	10,184	11,366	119,642
Equity in (earnings) losses of affiliates	(4,989)	(3,091)	(32,537)
Decrease (increase) in notes and accounts receivable-trade	(52,333)	(11,305)	(119,000)
Decrease (increase) in inventories	(7,960)	(25,238)	(265,663)
Increase (decrease) in notes and accounts payable-trade	21,887	(2,373)	(24,979)
Increase (decrease) in accrued consumption taxes	1,111	4,424	46,568
Other, net	(12,157)	2,193	23,084
Subtotal	179,759	248,758	2,618,505
Interest and dividends income received	10,140	7,815	82,263
Interest expenses paid	(10,217)	(11,213)	(118,032)
Income taxes paid	(29,864)	(28,162)	(296,442)
Net cash provided by (used in) operating activities	149,818	217,197	2,286,284
Net cash provided by (used in) investment activities			
Purchase of investment securities	(1,133)	(8,287)	(87,232)
Purchase of property, plant and equipment	(124,063)	(153,687)	(1,617,758)
Purchase of intangible assets	(16,323)	(22,634)	(238,253)
Proceeds from sales of long-term investment securities	777	1,487	15,653
Purchase of long-term prepaid expenses	(1,354)	(2,323)	(24,453)
Proceeds from sales of stocks of subsidiaries and affiliates	—	5,066	53,326
Payments of long-term loans receivable	(7,053)	(6,732)	(70,863)
Collection of long-term loans receivable	1,710	9,736	102,484
Other, net	45,630	(400)	(4,211)
Net cash provided by (used in) investment activities	(101,810)	(177,775)	(1,871,316)
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	(1,225)	(1,562)	(16,442)
Proceeds from long-term loans payable	68,258	33,019	347,568
Repayment of long-term loans payable	(19,555)	(24,218)	(254,926)
Proceeds from issuance of bonds	40,000	20,000	210,526
Redemption of bonds	(30,000)	(20,000)	(210,526)
Purchase of treasury stock	(34,046)	(5,053)	(53,189)
Cash dividends paid	(23,671)	(23,204)	(244,253)
Cash dividends paid to minority shareholders	(509)	(1,386)	(14,589)
Other, net	(15,703)	(805)	(8,474)
Net cash provided by (used in) financing activities	(16,454)	(23,212)	(244,337)
Effect of exchange rate change on cash and cash equivalents	(1,518)	5,481	57,695
Net increase (decrease) in cash and cash equivalents	30,034	21,691	228,326
Cash and cash equivalents at beginning of period	92,048	122,083	1,285,084
Increase in cash and cash equivalents resulting from merger	—	508	5,347
Cash and cash equivalents at end of period	¥122,083	¥ 144,283	\$ 1,518,768

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