April 28, 2014

Consolidated Financial Results Bulletin for the Fiscal Year Ended March 31, 2014 (J-GAAP)
Tokyo Gas Co., Ltd.

Securities code: 9531
(URL http://www.tokyo-gas.co.jp/IR/english/index.html)
Representative: Mr. Michiaki HIROSE, President
Contact: Mr. Narumi TOMITA, General Manager, Consolidated Settlements Group

Stock listings:
Tokyo Stock Exchange, Nagoya Stock Exchange

Location of head office: Tokyo

General shareholders' meeting schedule: June 27, 2014
Scheduled date of the filing of securities report: June 27, 2014
Scheduled date of the start of dividend payments: June 30, 2014
Preparation of earnings presentation material (yes/no): ***Yes***
Holding of earnings announcement (yes/no): ***Yes*** (for institutional investors)

(Amounts are rounded down to the nearest million yen)

1. Consolidated Performance for FY2013 ended March 31, 2014 (from April 1, 2013 to - March 31, 2014)

(Unit: million yen)

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

	Net sales		Operating income		Ordinary income		Net income	
FY2013 ended Mar. 31, 2014	2,112,117	10.3%	166,044	14.0%	159,613	8.2%	108,451	6.7%
FY2012 ended Mar. 31, 2013	1,915,639	9.2%	145,633	88.9%	147,453	95.0%	101,678	120.7%

Note: Total comprehensive income
FY2013 ended March 31, 2014: 147,138 million yen (23.6%) FY2012 ended March 31, 2013: 119,034 million yen (203.4%)

	Net income per share	Diluted net income per share	Ratio of net income to shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
FY2013 ended Mar. 31, 2014	43.10 yen	—	11.2%	7.7%	7.9%
FY2012 ended Mar. 31, 2013	39.52 yen	—	11.5%	7.6%	7.6%

Reference: Income or loss on investment accounted for by equity method
FY2013 ended March 31, 2014: 4,838 million yen FY2012 ended March 31, 2013: 3,091 million yen

(2) Consolidated Financial Position

(Unit: million yen)

	Total assets	Net assets	Equity ratio	Net assets per share
As of Mar. 31, 2014	2,176,816	1,029,492	46.5%	402.91 yen
As of Mar. 31, 2013	1,992,403	946,511	46.6%	360.70 yen

Reference: Shareholders' equity
As of March 31, 2014: 1,011,787 million yen As of March 31, 2013: 927,634 million yen

(3) Consolidated Cash Flows

(Unit: million yen)

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalents at end of year
FY2013 ended Mar. 31, 2014	240,993	(235,636)	(9,195)	150,918
FY2012 ended Mar. 31, 2013	217,197	(177,775)	(23,212)	144,283

2. Dividend

	Dividend per share (Unit: yen)					Total dividend payments (Full-year) (Unit: million yen)	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Full- year			
FY2012 ended Mar. 31, 2013	—	4.50	—	5.50	10.00	25,718	25.3%	2.9%
FY2013 ended Mar. 31, 2014	—	5.00	—	5.00	10.00	25,112	23.2%	2.6%
FY2014 ending Mar. 31, 2015 (Forecast)	—	5.00	—	5.00	10.00		26.2%	

3. Consolidated Results Forecast for FY2014 ending March 31, 2015 (April 1, 2014 - March 31, 2015)

(1) Consolidated Business Performance

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

	Net sales		Operating income		Ordinary income		Net income		Net income per share
Half-year	1,043,000	11.7%	61,000	-11.0%	60,000	-7.7%	50,000	16.9%	20.02 yen
Full-year	2,298,000	8.8%	130,000	-21.7%	123,000	-22.9%	94,000	-13.3%	38.14 yen

	Ratio of net income to shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Full-year	9.2%	5.6%	5.7%

(2) Consolidated Financial Position

(Unit: million yen)

	Total assets	Net assets	Equity ratio	Net assets per share
Full-year	2,226,000	1,049,000	46.3%	423.66 yen

Reference: Shareholders' equity 1,030,000 million yen

*Notes

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

Newly included: 3 (Name) Tokyo Gas America Ltd., TGBI 1. LLC and TG Barnett Resources LP

Excluded: —

Note: Please see page 13 of the Attachment, "Ⅱ. Group Companies: "Changes in specified subsidiaries resulting in change of scope of consolidation during the fiscal year" for details.

Reference: Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 69 (Increased by 4 companies and decreased by 1 company

Number of subsidiaries and affiliates accounted for by equity method: 6 (—)

(2) 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 23 of the Attachment, "(5) Notes on consolidated financial statements: 3) Change in accounting policies or estimates and retrospective restatements" for details.

(3) Number of issued shares (common stock)

(Unit: share)

1) Number of issued shares at end of period (including treasury stock):	Mar. 31, 2014	2,517,551,295	Mar. 31, 2013	2,577,919,295
2) Number of shares of treasury stock at end of period:	Mar. 31, 2014	6,334,608	Mar. 31, 2013	6,123,070
3) Average number of shares during period:	Apr. 2013– Mar. 2014	2,516,349,285	Apr. 2012– Mar. 2013	2,572,924,369

(Reference)

1. Non-Consolidated Business Results for FY2013 ended March 31, 2014 (April 1, 2013 - March 31, 2014)

(1) Non-Consolidated Business Performance

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

	Net sales		Operating income		Ordinary income		Net income	
FY2013 ended Mar. 31, 2014	1,908,505	11.3%	128,607	22.7%	130,260	13.7%	90,047	14.6%
FY2012 ended Mar. 31, 2013	1,714,267	10.6%	104,819	103.9%	114,569	91.1%	78,556	120.0%

	Net income per share	Diluted net income per share
FY2013 ended Mar. 31, 2014	35.78 yen	—
FY2012 ended Mar. 31, 2013	30.53 yen	—

(2) Non-Consolidated Financial Position

(Unit: million yen)

	Total assets	Net assets	Equity ratio	Net assets per share
As of Mar. 31, 2014	1,763,621	773,280	43.8%	307.93 yen
As of Mar. 31, 2013	1,646,574	744,329	45.2%	289.42 yen

Reference: Shareholders' equity
As of Mar. 31, 2014: 773,280 million yen As of Mar. 31, 2013: 744,329 million yen

2. Non-Consolidated Results Forecast for FY2014 ending March 31, 2015 (April 1, 2014 - March 31, 2015)

(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	955,000	12.3%	47,000	-14.8%	50,000	-14.3%	42,000	6.1%	16.81 yen
Full-year	2,091,000	9.6%	96,000	-25.4%	100,000	-23.2%	78,000	-13.4%	31.65 yen

* Presentation of implementation status for auditing procedures
The auditing procedure based on the Financial Instruments and Exchange Act does not apply to this Consolidated Financial Results Bulletin, and the auditing 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 5 of the Attachment, “I. Business Performance and Financial Position: (1) Analysis on business performance: <Forecast for FY2014>” for details.

2. The information related to this Financial Results will be posted on TDnet on the same date of this disclosure, and subsequently on the Web site of the Company.

Contents of Attachment

I. Business Performance and Financial Position

(1) Analysis on business performance

<Results of FY2013>

During FY2013, the Japanese economy continued a rebounding trend driven by the effects from aggressive monetary and fiscal policies since the preceding year coupled with gradual recovery in overseas economy, as well as supported by consumer spending in reaction to rush demand by consumers ahead of the consumption tax hike.

In addition, Japan's energy market now seeks to review its energy policies from a medium- to long-term perspective. Under these circumstances, society's expectations for natural gas have increased, based on the economy, stability of supply, convenience, and environmental-friendliness of natural gas.

Against the backdrop of this economic situation and operating environment, the Tokyo Gas Group formulated "The Tokyo Gas Group's Vision for Energy and the Future-Challenge 2020 Vision-" (the "Challenge 2020 Vision"), under which the Group is "Enhancing the LNG Value Chain" by enhancing added value and expanding area coverage.

Boosted by these intense efforts, despite a decline from the change to tolling agreement* for a portion of the gas used for electric power generation, city gas sales increased from an increase in sales unit price due to resource cost adjustment associated with a weaker yen, combined with sales growth at the other energy segment from increased LNG sales. Accordingly, consolidated net sales for the year rose 10.3%, to ¥2,112.1 billion.

In terms of operating expenses, despite further improvement in management efficiency and extensive efforts to contain expenses, the yen's depreciation, etc. led to higher gas resource costs, and expenses at the other energy segment rose on increased LNG sales, leading to a 9.9% increase in operating expenses, to ¥1,946.0 billion.

As a result, operating income grew 14.0%, to ¥166 billion, and ordinary income rose 8.2%, to ¥159.6 billion. With the recording of extraordinary income in the amount of ¥1.0 billion (gain on sales of noncurrent assets), extraordinary loss of ¥2.3 billion (impairment loss), and income taxes, net income rose 6.7%, to ¥108.4 billion.

<Segment summary>

1) City gas

Gas sales volume for FY2013 decreased 4.3% from the previous year, to 14,735 million m^3. Of this amount, residential demand was 3,450 million m^3 (a 2.4% decrease), with a decline in hot water and heating demand due to warmer temperature than the previous year.

Commercial demand was roughly unchanged at 2,844 million m^3 (a 0.1% decrease), with a decline in hot water and heating demand due to temperature factors especially resulting from warmer temperature in early spring and early winter being mostly offset by high air-conditioning demand during hot summer.

Industrial demand was 6,433 million m^3 (a 8.8% decrease), due mainly to a decline from the change to tolling agreement* for a portion of the gas used for electric power generation, despite new demand associated with the opening of the trunk Line and an increase in demand for power generation.

Wholesale supplies to other gas utilities grew 2.8%, to 2,007 million m^3 due to a growth in customer demand.

Reflecting upward gas unit price adjustments under the gas rate adjustment system, etc., city gas sales grew ¥103.2 billion, or 7.4%, to ¥1,505.1 billion.

With a rise in LNG prices from the weak yen accompanied by higher resource costs, total operating expenses rose 7.3%, by ¥91.9 billion.

As a result, segment profit increased ¥11.3 billion, or 8.0%, to ¥152.6 billion.

*Tolling agreement: A contract under which the seller of electric power delivers gas procured as fuel for power generation to the power generator, and the power generator uses that fuel to generate electricity on behalf of the seller and delivers that electricity to the seller of electric power, in exchange for a power generation fee.

<Consolidated Gas Sales Volume for FY2013 Ended March 31, 2014>

			FY2013	FY2012	Change	% change
No. of customers		Thousand	11,111	10,978	133	1.2
Gas sales volume	Residential	m^3	30.86	32.02	-1.16	-3.6
		Mil. m^3	3,450	3,535	-85	-2.4
	Commercial	Mil. m^3	2,844	2,847	-3	-0.1
	Industrial	Mil. m^3	6,433	7,055	-622	-8.8
	Subtotal	Mil. m^3	9,278	9,902	-624	-6.3
	Supplies to other utilities	Mil. m^3	2,007	1,953	54	2.8
	Total	Mil. m^3	14,735	15,390	-655	-4.3
Average temperature		°C	17.0	16.6	0.4	—

Notes:

1. The upper row of figures for residential demand indicates gas sales per meter read (m^3/household, month).
2. “Commercial” indicates sales to commercial, public and medical institutions.
3. Gas sales volumes are on the basis of 45MJ/m^3.
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).

The aforementioned notes also apply to the relevant tables.

(Foreign Exchange Rate and Crude Oil Price)

¥/$ rate	FY2013	FY2012	Change	Crude oil price ($/bbl)	FY2013	FY2012	Change
	100.17	82.91	17.26		109.99	113.88	-3.89

2) Gas appliances and installation work

Sales increased by ¥15.7 billion or 7.6% compared to the previous year to ¥221.7 billion. Operating expenses increased by ¥12.4 billion or 6.2%. As a result, segment income increased by ¥3.2 billion or 72.7% to ¥7.6 billion.

3) Other energy

Sales increased by ¥20.9 billion or 6.2% compared to the previous year to ¥357.5 billion. Operating expenses increased by ¥14.3 billion or 4.6%. As a result, segment income grew by ¥6.6 billion or 25.4% to ¥32.5 billion.

4) Real estate

Sales decreased by ¥1.9 billion or 6.4% compared to the previous year to ¥28.3 billion. Operating expenses declined by ¥2.0 billion or 8.3%. As a result, segment income increased by ¥0.1 billion or 1.8% to ¥5.7 billion.

5) Others

Sales at other business grew by ¥3.6 billion or 1.9% to ¥199.3 billion. Operating expenses grew by ¥5.5 billion or 3.0%. As a result, segment profit decreased by ¥1.9 billion or 13.6% to ¥11.6 billion.

<Summary by segment> (Unit: billion yen)

		City gas	Gas appliances and installation work	Other energy	Real estate	Others
Sales	FY2013 (% of total)	1,505.1 (65.1%)	221.7 (9.6%)	357.5 (15.5%)	28.3 (1.2%)	199.3 (8.6%)
	FY2012 (% of total)	1,401.9 (64.6%)	206.0 (9.5%)	336.6 (15.5%)	30.2 (1.4%)	195.7 (9.0%)
	Amount of change (Rate of change)	103.2 (7.4%)	15.7 (7.6%)	20.9 (6.2%)	-1.9 (-6.4%)	3.6 (1.9%)
Operating expenses	FY2013 (% of total)	1,352.5 (64.3%)	214.0 (10.2%)	325.0 (15.5%)	22.6 (1.1%)	187.6 (8.9%)
	FY2012 (% of total)	1,260.6 (63.7%)	201.6 (10.2%)	310.7 (15.7%)	24.6 (1.2%)	182.1 (9.2%)
	Amount of change (Rate of change)	91.9 (7.3%)	12.4 (6.2%)	14.3 (4.6%)	-2.0 (-8.3%)	5.5 (3.0%)
Segment income	FY2013 (% of total)	152.6 (72.6%)	7.6 (3.6%)	32.5 (15.5%)	5.7 (2.7%)	11.6 (5.6%)
	FY2012 (% of total)	141.3 (74.1%)	4.4 (2.3%)	25.9 (13.6%)	5.6 (2.9%)	13.5 (7.1%)
	Amount of change (Rate of change)	11.3 (8.0%)	3.2 (72.7%)	6.6 (25.4%)	0.1 (1.8%)	-1.9 (-13.6%)

Note: Figures for sales include internal transactions. Figures for operating expenses do not include expenses that cannot be allocated to specific segments.

<Forecast for FY2014>

We are forecasting a 3.6% increase from the previous year in consolidated gas sales volume for FY2014, to 15,266 million m^3, based on assumption of several factors, including growth in industrial demand especially for electric power and a recovery in residential demand by the fading of warmer temperature inFY2013. We are projecting a ¥185.9 billion, or 8.8%, increase in consolidated net sales to ¥2,298 billion, with a ¥36.0 billion, or 21.7%, decrease in operating income to ¥130.0 billion, a ¥36.6 billion, or 22.9% decrease in ordinary income to ¥123.0 billion, and a ¥14.4 billion, or 13.3%, decrease in net income to ¥94.0 billion.

On a non-consolidated basis, along with on a consolidated basis, we are forecasting a 3.8% increase in gas sales volume, to 15,068 million m^3, on a contribution from growth in industrial demand and a recovery in residential demand. We expect city gas sales to increase ¥130.3 billion, or 8.9%, to ¥1,598.0 billion, on upward unit price adjustments under the gas rate adjustment system as well as a growth in gas sales volume. At the same time, with regard to operating expenses, we are forecasting an increase in resource costs reflecting an increase in gas sales. Also taking into account other operations and supplementary income, we are forecasting a ¥32.6 billion, or 25.4%, decrease in operating income to ¥96.0 billion, a ¥30.2 billion, or 23.2%, decrease in ordinary income to ¥100.0 billion, and a ¥12.0 billion, or 13.4%, decrease in net income, to ¥78.0 billion.

The economic frame assumed for FY2014 is ¥105.00/$ for foreign exchange rate and $110.00/bbl for crude oil price.

1) Consolidated Business Results

a. Gas sales volume forecast for FY2014

			FY2014 (Forecast)	FY2013 (Results)	Change	% change
Gas sales volume	Residential	Mil. m^3	3,495	3,450	45	1.3
	Commercial	Mil. m^3	2,794	2,844	-50	-1.8
	Industrial	Mil. m^3	6,951	6,433	518	8.0
	Subtotal	Mil. m^3	9,744	9,278	466	5.0
	Supplies to other utilities	Mil. m^3	2,027	2,007	20	1.0
	Total	Mil. m^3	15,266	14,735	531	3.6
Average temperature		°C	16.6	17.0	-0.4	—

b. Forecast for FY2014 (Unit: hundred million yen)

	Net sales	Gas sales	Other sales	Operating income	Ordinary income	Net income
FY2014 (forecast)	22,980	16,336	6,644	1,300	1,230	940
FY2013 (results)	21,121	15,051	6,069	1,660	1,596	1,084
Change	1,859	1,285	575	-360	-366	-144
% change	8.8%	8.5%	9.5%	-21.7%	-22.9%	-13.3%

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

2) Non-consolidated Business Results

a. Gas sales volume forecast for FY2014

			FY2014 (Forecast)	FY2013 (Results)	Change	% change
Gas sales volume	Residential	Mil. m^3	3,390	3,345	45	1.4
	Commercial	Mil. m^3	2,630	2,681	-51	-1.9
	Industrial	Mil. m^3	6,770	6,239	531	8.5
	Subtotal	Mil. m^3	9,400	8,919	481	5.4
	Supplies to other utilities	Mil. m^3	2,278	2,255	23	1.0
	Total	Mil. m^3	15,068	14,519	549	3.8

b. Forecast for FY2014 (Unit: hundred million yen)

	Net sales	Gas sales	Other sales	Operating income	Ordinary income	Net income
FY2014 (forecast)	20,910	15,980	4,930	960	1,000	780
FY2013 (results)	19,085	14,677	4,407	1,286	1,302	900
Change	1,825	1,303	523	-326	-302	-120
% change	9.6%	8.9%	11.8%	-25.4%	-23.2%	-13.4%

(Foreign Exchange Rate and Crude Oil Price)

¥/$ rate	FY2014 (Forecast)	FY2013 (Results)	Change	Crude oil price ($/bbl)	FY2014 (Forecast)	FY2013 (Results)	Change
	105.00	100.17	4.83		110.00	109.99	0.01

(2) Analysis on financial position

<Analysis on assets, debt, shareholders' equity and cash flows>

1) Situation of assets, debt and shareholders' equity

Assets as of March 31, 2014, totaled ¥2,176.8 billion, a ¥184.4 billion increase from March 31, 2013, reflecting increases in intangible assets (¥67.5 billion) associated with an increase in overseas investments, as well as increases in property, plant and equipment (¥55.4 billion) including the construction of Hitachi LNG Terminal.

Liabilities grew ¥101.5 billion, to ¥1,147.3 billion, on increases in the outstanding amount of interest-bearing debt (¥71.3 billion) and increase in notes and accounts payable-trade (¥20.9 billion).

Net assets totaled ¥1,029.4 billion. This included increases in shareholders' equity (¥45.6 billion) from the recording of net income (¥108.4 billion) and in valuation and translation adjustments (¥38.5 billion) from increases in foreign currency translation adjustments and valuation difference on available-for-sale securities, as well as decreases from the payment of dividends from surplus (¥26.7 billion) and purchases of treasury stock in the market (¥35.9 billion).

With the rate of increase in shareholders' equity (calculated as the total of shareholders' equity and valuation and translation adjustments) below the growth rate for total assets, the shareholders' equity ratio declined 0.1 percentage points from March 31, 2013, to 46.5% as of March 31, 2014.

2) Situation of cash flow

(Unit: billion yen)

	FY2013	FY2012	Change
Cash flow from operating activities	240.9	217.1	23.8
Cash flow from investing activities	-235.6	-177.7	-57.9
Cash flow from financing activities	-9.1	-23.2	14.1
Effect of exchange rate change on cash and cash equivalents	10.4	5.4	5.0
Net increase (decrease) in cash and cash equivalents	6.6	21.6	-15.0
Cash and cash equivalents at beginning of year	144.2	122.0	22.2
Increase in cash and cash equivalents resulting from merger	—	0.5	-0.5
Cash and cash equivalents at end of year	150.9	144.2	6.7

a) Cash flow from operating activities

Cash and cash equivalents obtained as a result of operating activities totaled ¥240.9 billion. This was primarily from the recording of income before income taxes (¥158.3 billion) and depreciation and amortization (¥136.9 billion), and despite decreases from an increase in notes and accounts receivable-trade (¥30.7 billion).

b) Cash flow from investing activities

Cash and cash equivalents used as a result of investing activities totaled ¥235.6 billion. Despite inflows from the collection of long-term loans receivable (¥10.5 billion), outlays for purchase of property, plant and equipment including Hitachi LNG Terminal (¥172.6 billion) and purchase of intangible assets (¥72.0 billion) resulted in a net outflow.

c) Cash flow from financing activities

Cash and cash equivalents used as a result of financing activities totaled ¥9.1 billion. Despite proceeds from long-term loans payable (¥69.5billion) and the issuance of bonds (¥35.0 billion), outlays for payments for purchase of treasury stock (¥36.1 billion), the redemption of bonds (¥30.0 billion), cash dividends paid (¥26.6 billion) and long-term loans payable (¥20.5 billion) resulted in a net outflow.

<Cash Flow Indicators>

	FY2009	FY2010	FY2011	FY2012	FY2013
Equity ratio	44.2%	46.9%	45.0%	46.6%	46.5%
Equity ratio based on market value	60.4%	55.6%	54.1%	66.3%	60.4%
Rate of cash flow to interest-bearing debt	1.9	3.6	4.2	3.0	3.0
Interest coverage ratio	27.3	16.4	14.6	19.4	20.1

Equity ratio: Equity capital / total assets
Equity ratio based on market value: total market capitalization / total assets
Ratio of cash flow to interest-bearing debt: interest-bearing debt / cash flow
Interest coverage ratio: cash flow / interest payments

Notes:
1. All calculation based on consolidated financial figures.
2. Total market capitalization is calculated based on the number of shares as of the end of fiscal year (excluding treasury stocks).
3. Cash flow means cash flow from operating activities.
4. Interest bearing debt covers bonds, convertible bonds, long-term bank loan payable (all including debts due within one year), short-term bank loan payable and commercial papers out of the interest bearing debt recorded on the balance sheet.

(3) Basic policy on the corporate profit allocation and dividend

Cash flow generated under the Challenge 2020 Vision will be invested for LNG enhancement that will lead to new growth, while at the same time the successful results of our operations will be distributed to shareholders in an appropriate and timely manner.

More specifically, the Company emphasizes the acquisition of treasury stock with the intention of its retirement as a form of returns to shareholders in addition to dividends, and we have set a target for the total payout ratio to shareholders (dividends plus treasury stock acquisition as a percentage of consolidated net income) of roughly 60% in each year to fiscal 2020.

With regard to distributions to shareholders, the Company will maintain a stable dividend while carrying out a gradual increase in dividends in accordance with the growth of the Company by taking into comprehensive consideration medium- to long-term profit levels.

Total payout ratio of year n = [(total annual dividends in year n) +
(amount of treasury stocks acquired in year n + 1)] / (consolidated net income in year n)

Based on the above policy for the total payout ratio, the Company intends to increase the annual dividend by ¥1 per share, to ¥10 per share for FY2013, which is the same as the previous fiscal year. In addition, taking into account the recent share price level, the Board of Directors resolved at its meeting held on April 28, 2014, to carry out a stock repurchase of up to 80 million shares or ¥40.0 billion.

The Company intends to maintain a stable and continuous dividend going forward, and plans to pay a dividend of ¥10 per share for FY2014.

(4) Risks of businesses

Of the items related to business results and financial position in the financial results, the following ones could possibly exert a major influence on decisions by investors. It should be noted that statements concerning the future in this document are judgments made by the Company based on information available at the end of the term.

A Risks associated with accidents, disasters, etc.

(a) Gas resource procurement difficulties

The Group depends on import from other countries for most of natural gas and other gas resources used to produce city gas. The supply of city gas therefore could possibly be impaired in the event of inability to procure gas resources for a long period of time owing to country risks at import sources, troubles affecting gas fields or LNG liquefaction terminals, difficulties in the process of LNG carrier transport, or restriction on entry into port at Tokyo Bay. It is making efforts to spread procurement risks to achieve stable and flexible procurement of LNG through such activities as diversifying suppliers by importing LNG from five countries and 10 projects and allocating ships flexibly using its own LNG ships.

(b) Natural disasters

The Group is an equipment-intensive industry whose business activities are grounded in facilities for the production and supply of city gas. It therefore is enforcing countermeasures to keep the aftermath of natural disasters minimal. Some examples of the countermeasures include a, provision to produce and supply city gas even in the event of large-scale earthquakes with a magnitude of the Great Hanshin-Awaji Earthquake, preparation of countermeasures against earthquake, contingency plan to prevent second disasters, and a BCP (Business Continuity Plan) prepared for such large-scale earthquakes as the Cabinet Office assumes and improvement of contingency plan and execution of regular drills for natural disasters including earthquakes, typhoons and tsunamis. Despite all this, however, the supply of city gas could possibly be impaired in the event of large-scale natural disasters due to damage inflicted on its plants or other production facilities and pipelines or other supply facilities. In such a case, the cost required for resumption of normal production and supply could possibly affect the Group's profitability.

(c) Accidents accompanying gas manufacture and supply, and supply impairments

The production and supply of city gas and electricity that is essential to the life of customers and industries is at the foundation of the Group's business activities. For this reason, it is implementing measures to prevent accidents and supply impairments through systematic implementation of BCP to prepare for significant troubles which may shut off gas supply, various security measures, preparation of business contingency plan and execution of regular drills. However, in the event of large-scale leakage, explosions, or supply difficulties in the process of city gas production or supply, it could possibly result in tangible and intangible loss in aspects including social responsibility, in addition to the direct loss. In the event supply impairment occurs to power supply, it may result in additional loss to fix the problem.

(d) Unforeseen, large-scale power outages

The Company's plants receive electricity from highly reliable grids, and the possibility of an interruption in the supply of electricity to plants is deemed low. Nevertheless, we have prepared for the possibility of an unforeseen, large-scale power outage in the Kanto area by formulating a BCP and other measures designed to minimize the effect of the outage. In addition, if the supply of electricity from the grid source were to be interrupted, demand for gas would be expected to decline because of the outage. At the same time, it would be possible to operate production equipment using the Company's own generators and supply a certain amount of gas even in the event of a power outage. However, the production and supply of gas could be impeded depending on the amount of demand for gas and the status of production and supply equipment.

However, even if one of the Company's three plants were to cease operating, the other two plants could act as a backup, making it possible to generally manufacture and supply the volume of gas required.

(e) Problems in securing the safety of city gas and quality of gas appliances

As it is responsible for the safety of city gas supply, it is implementing safety measures including strengthening of our efforts to perform regular checks for customers, introducing wider range of check items, and promotion of exchange to safer appliances. It has also been involved in the development of gas appliances with advanced functions for safety because it sells gas appliances and other products under its own brand through consolidated subsidiaries and cooperating firms. In the event of accidents involving gas city supply or caused by gas appliances, however, it could possibly incur both direct and indirect loss associated with response to such incidents.

(f) Damage due to rumors caused by city gas accidents at other firms

City gas accidents at other firms could possibly have an immense impact on the entire city gas industry and breed circumstances in which it would incur tangible and intangible loss.

B Market fluctuation risk

(a) Risk of changes in market prices and interest rates

The Group could possibly incur losses due to fluctuations in the market price of its real estate, stocks and pension assets. With regard to interest-bearing debt, its interest payment could possibly increase in the event interest rates rise. However, the impact from fluctuations in interest rates is expected to be limited as most of its interest-bearing debts are long-term fixed rate debts.

C Risks accompanying business execution

(a) Risks related to existing businesses

a) Changes in gas resource costs

Changes in terms of contracts and negotiations with suppliers of LNG, of which city gas is produced, may affect its profitability. Also, as price of LNG is linked with that of crude oil and crude oil is denominated in U.S. dollar under the sales contract, changes in the price of crude oil as well as exchange rate between Japanese yen and U.S. dollar can have an impact on its profitability.

In the event of such developments as demand exceeding the volume of procurement from LNG projects resting on long-term contracts, incidence of trouble in shipment terminals or transport, and delays in the start of supply from new LNG projects, forcing the Company to purchase spot LNG, the gas resource costs may possibly affect its profitability, depending on the spot market.

On the other hand, under the provisions for adjustment for gas resource costs on gas tariffs, changes in gas resource prices are reflected in gas tariffs within five months at maximum. However, if the amount of such changes exceeds 160% of the standard resource price, the amount by which it exceeds will not be collected. In case such changes are reflected in gas tariffs beyond the current fiscal term, it may affect the bottom line of the next fiscal term because of the uncollected and over-collected amounts of the resource costs.

b) Changes in gas sales due to climate change

As consolidated net sales of city gas accounts for the majority of the Group's sales, the occurrence of abnormal weather such as unusually hot summers or warm winters could possibly affect the bottom line due to the resulting reduction of gas sales in the residential use, where gas is used mainly for heating water and air conditioning, and gas sales in the business use, where gas is used mainly for air conditioning.

c) Decrease in demand accompanying intensified competition

There is a risk of decline in demand and effect on the balance of payments in the event of intensified competition with other electric power companies or a loss of competitiveness on the part of LNG itself relative to other forms of energy due to factors such as a fluctuation in crude oil prices.

d) Reduction in the existing demand

Part of the existing demand in the industrial and commercial uses could possibly be reduced by factors such as the decrease in facility operating rates due to the recession, the progress of energy-conserving activities, and changes in the industrial structure. In addition, developments such as decreased numbers in one household and changes in lifestyle and wider use of energy-saving appliances could possibly reduce part of the existing demand in the residential use.

e) Interruption of telephone service at call centers

The Group receives most requests from customers by telephone. An interruption of telephone service at call centers therefore could possibly not only delay accommodation of customer needs over large areas but also cause tangible and intangible loss in forms such as detraction from the image of the Group's name.

f) Delay in the development of new technologies

Although the Group has been engaged in the development of new products and technologies with environmentally-enhancing designs and high level of safety, it may not be able to develop and deliver these products and technologies on a timely manner. In such cases, it may lose competitiveness against other forms of energy and affect its execution of businesses.

g) Changes in laws, regulations, institutions, and national/local energy policy

The Group executes its business in accordance with the Gas Utility Industry Law, Companies Act, Financial Instruments and Exchange Law, other laws and regulations, and the energy policy of national and local governments. Changes in such policy consequently could affect its execution of business.

(b) Delayed cultivation of new markets

The Group is cultivating new markets by promoting the expansion of ENE-FARM residential fuel cells and services using renewable energy, including solar light and heat. However, changes in energy policy by national and local governments as well as other changes in the operating environment could delay these efforts, which could force the Group to change its business strategy and impede the recovery of its investments.

(c) Inability to recover investments

The Group continues to make large-scale investments to enhance the LNG value chain as outlined in the Challenge 2020 Vision. We evaluate profitability and risks of capital expenditure, capital contributions, loans and debt guarantees at an investment evaluation committee, and we make investment decisions based on a conclusion from the committee while consulting with the management council and the board of directors' meeting, if necessary, from a standpoint of comprehensive management judgment. These large-scale investments include the laying of pipelines and reinforcement of the foundation for stable supply by constructing LNG terminals and other facilities, as well as investments related to the electric power business, the energy services business, overseas businesses including gas field development, and the LNG transport business, investment for IT and other backbone facilities for existing businesses, and investment to make active use of real estate holdings. Nevertheless, subsequent changes in economic conditions could prevent the sufficient recovery or intended effect of these investments, thereby affecting the balance of investment income and expenditures.

D Risks related to information management and system operation

(a) Leakage of personal information

For its execution of business as a public utility, the Group collects and manages personal information on its customers. It has implemented measures to prevent leakage of personal information through construction of a group-wide information security system, execution of education on information security and voluntary monitoring while internal audit ensures its construction and operation to enforce necessary changes. In case the external leakage of personal information occurs, it could possibly cause tangible and intangible loss in forms such as a loss of credibility among customers that is more serious than in the case of other corporate groups, in addition to the direct cost required for response.

(b) Shutdown or malfunction of IT systems

Because the Group relies on IT systems for customer service work and calculation of gas tariffs, it has implemented measures to keep the impact on the operation from unexpected events minimal through building a robust data center superior in fault-resilience and disaster-tolerance and preparation and execution of various security measures and regular drills required for stable operation of the systems. The shutdown or malfunction of these systems could possibly cause delay accommodation of customer needs but also cause tangible and intangible loss in forms such as detraction from the image of the Group's name.

Please note, however, that it is unlikely that malfunction of IT system will have any serious impact on the production and supply of city gas because its IT system for the production and supply adjustment of city gas has its own security measures in place including a backup system and wireless network operated by the Group.

E Risks related to corporate social responsibility

(a) Conformance with new environmental regulations etc.

The emergence of additional obligations for compliance with new environmental legislation or environmental improvement could possibly affect the Group's conduct of business and its balance of payments.

(b) Compliance violations

Since compliance forms a basis of operation, the Group has established a committee on management ethics chaired by the president. This committee sets out the basic policies under which the Group executes actions to improve compliance and the internal audit confirms the Group's compliance with laws and regulations and corporate ethics.

The occurrence of acts that are improper in the context of laws and regulations, or the articles of association; improper acts in information disclosure; or acts in violation of corporate ethics could possibly cause tangible and intangible damage in forms such as the imposition of social sanctions in addition to the direct cost required for response.

(c) Insufficient CS or customer services

The Group thinks CS (Customer Satisfaction) is one of the key issues for its management. The Group is pursuing the CS improvement program under the basic policies set out by the CS improvement committee chaired by the president. However, the occurrence of defective treatment of customers could possibly result in tangible and intangible loss in forms such as a decline in corporate competitiveness and detraction from the image of the Group’s name.

II. Group Companies:

<Changes in specified subsidiaries resulting in change of scope of consolidation during the fiscal year>

In the first quarter of FY2013, Tokyo Gas America Ltd. became a specified subsidiary due to an increase in capital.

In the second quarter of FY2013, TGBI 1. LLC and TG Barnett Resources LP became specified subsidiaries due to increases in capital.

<Scope of Consolidated Subsidiaries and Affiliates and Application of Equity Method>

1) The scope of consolidation

- Newly included subsidiaries in scope of consolidation: four companies

  TGBI 1. LLC
  TGBI 2. LLC
  TG Barnett Resources LP
  Niccho Operation Co., Ltd.
  [Every company is newly consolidated]
- Excluded: two companies

  Tokyo Gas Chemical Sales Co., Ltd. (Absorption-type merger)

Information about other consolidated subsidiaries and affiliates are not disclosed because there are no significant changes from articles of “business diagram” and “situation of subsidiaries and affiliates” in the latest securities report. [filed on 27 June, 2013]

III. Management Policy

(1) Basic policy on corporate management

Japan's energy policies, which have a major impact on society and the economy, have been facing a major transformation and are now sought to provide strategic insight into the future shape of the energy industry.

Under these circumstances, the Tokyo Gas Group has been increasingly expected and required by the society and customers to play the role of as energy supplier with a focus on the safe and stable supply of natural gas with economic and value-added delivery.

The Tokyo Gas Group aims to promote the spread and expansion of natural gas use by enhancing the added value delivered through the LNG value chain, with strong awareness to meet these expectations and requirements. To this end, we will be committed to accomplishing the goal of "The Tokyo Gas Group's Vision for Energy and the Future-Challenge 2020 Vision-" formulated in November 2011, with a sense of speed.

(2) Issues to be addressed by the Company

The Tokyo Gas Group is addressing the following issues with a view toward enhancing the LNG value chain.

1) Reduce raw material prices and expand overseas operations

We will work to further diversify and expand fuel procurement and overseas upstream projects and reduce raw material prices through activities in CBM (Coalbed Methane), shale gas, and other unconventional gas projects, and small- and medium-scale LNG projects, while balancing the stability, price, and flexibility of supplies.

We will also work to construct an LNG value chain overseas by expanding the overseas natural gas-fired thermal power generation business. In addition, we will develop our energy services and engineering business overseas, utilizing the Group's strengths with natural gas at the core.

2) Deliver a safe and stable supply of energy

With the construction of the Hitachi LNG Terminal and the Ibaraki-Tochigi Line, we are enhancing the stability of our overall supply infrastructure, and this, combined with the construction of manufacturing and supply infrastructure to address growth in demand for gas, will contribute to the energy security of the entire Kanto region.

We will also minimize areas subject to supply disruption in the event of an earthquake, reduce the time required for restoration, and pursue measures to address risks from earthquakes and tsunami at LNG terminals and others.

3) Provide energy solutions adapted to a variety of needs

We will promote the increased use of distributed energy systems (residential fuel cell ENE-FARM and cogeneration systems), gas air conditioning, and other systems that contribute to peak saving, energy conservation, and reduced CO2 emissions.

We will build smart energy networks that make optimal use of energy throughout entire regions, while at the same time utilize smart meters, etc. to achieve smart energy utilization in homes, offices, and factories.

At the same time, we will pursue the use of renewable energy, promote the advanced utilization of natural gas and fuel conversion, while expanding the overseas natural gas-fired thermal power generation business including the construction of the Ohgishima Power Station No. 3.

4) Pursue technical development and IT utilization with a focus on the future

We will develop technologies related to hydrogen and CO2, and carry out research and development related to methane hydrate, and also use IT to enable closer communication with customers.

5) Achieve a leaner, stronger business structure

We will build an optimal business performance organization comprising the entire Tokyo Gas Group, including affiliates, Lifeval and other business partners, to realize the Group's collective strength.

In December 2013, the Company has received a reprimand from the Ministry of Economy Trade and Industry with regard to the improper repair and maintenance of gas leak from a buried pipe running under the road. The Company, positioning FY2014 as a "security enhancement year," will devote itself wholeheartedly to implement a group-wide enhancement on security measures through the year.

Based on the initiatives described above, the Company will commit itself to meeting needs of customers, the society and the times in order to put in practice "affluent and healthy lives," "competitive domestic industries" and "environment-friendly safe society." At the same time, the Company will ensure sustainable growth of the group in harmony with the community by recognizing its corporate social responsibility and conducting a transparent and fair management.

(3) Key management indicators (Consolidated)

	FY2020 (target)	FY2013 (results)
Operating cash flow* (billion yen)	250 per year <Nine-year total from FY2012 to FY2020 : 2,240>	248.8
Return on Equity (ROE) (%)	Around 8.0	11.2
Return on Asset (ROA) (%)	Around 4.0	5.2
D/E ratio	Around 0.8(each year)	0.71

* Operating cash flow = net income + depreciation

IV. Consolidated Financial Statements

(1) Consolidated balance sheets

(Unit: million yen)

Account	FY2012 (as of Mar. 31, 2013)	FY2013 (as of Mar. 31, 2014)
ASSETS		
Noncurrent assets		
Property, plant and equipment		
Production facilities	167,882	181,651
Distribution facilities	466,227	477,589
Service and maintenance facilities	64,125	61,432
Other facilities	321,751	320,112
Inactive facilities	316	316
Construction in progress	119,699	154,384
Total property, plant and equipment	1,140,003	1,195,487
Intangible assets		
Goodwill	827	668
Other	64,055	131,658
Total intangible assets	64,882	132,327
Investments and other assets		
Investment securities	154,476	181,196
Long-term loans receivable	21,934	15,219
Net defined benefit asset	—	14,693
Deferred tax assets	31,531	26,171
Other	40,155	27,896
Allowance for doubtful accounts	(618)	(471)
Total investments and other assets	247,479	264,707
Total noncurrent assets	1,452,365	1,592,521
Current assets		
Cash and deposits	80,669	72,979
Notes and accounts receivable-trade	222,649	253,715
Lease receivables and investment assets	27,486	26,358
Short-term investment securities	64,009	78,000
Merchandise and finished goods	4,374	3,896
Work in process	10,718	10,213
Raw materials and supplies	67,179	62,726
Deferred tax assets	12,412	11,902
Other	51,183	65,224
Allowance for doubtful accounts	(644)	(722)
Total current assets	540,038	584,294
Total assets	1,992,403	2,176,816

Account	FY2012 (as of Mar. 31, 2013)	FY2013 (as of Mar. 31, 2014)
LIABILITIES		
Noncurrent liabilities		
Bonds payable	321,494	336,495
Long-term loans payable	256,899	309,544
Deferred tax liabilities	12,601	12,987
Provision for retirement benefits	86,100	—
Net defined benefit liability	—	84,965
Provision for gas holder repairs	3,365	3,373
Provision for safety measures	2,384	1,713
Asset retirement obligations	6,009	7,646
Other	24,015	17,640
Total noncurrent liabilities	712,871	774,366
Current liabilities		
Current portion of noncurrent liabilities	46,752	51,079
Notes and accounts payable-trade	92,154	113,064
Short-term loans payable	15,036	18,262
Income taxes payable	44,433	41,580
Deferred tax liabilities	4	2
Other	134,638	148,967
Total current liabilities	333,019	372,957
Total liabilities	1,045,891	1,147,324
NET ASSETS		
Shareholders' equity		
Capital stock	141,844	141,844
Capital surplus	2,065	2,065
Retained earnings	780,196	827,129
Treasury stock	(2,348)	(3,643)
Total shareholders' equity	921,757	967,395
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	21,218	25,860
Deferred gains or losses on hedges	(1,670)	(671)
Foreign currency translation adjustment	(13,671)	17,889
Remeasurements of defined benefit plans	—	1,313
Total valuation and translation adjustments	5,877	44,391
Minority interests	18,877	17,705
Total net assets	946,511	1,029,492
Total liabilities and net assets	1,992,403	2,176,816

(2) Consolidated statements of income and comprehensive income
(Consolidated statement of income)

(Unit: million yen)

Account	FY2012 (Apr. 2012 – Mar. 2013)	FY2013 (Apr. 2013 – Mar. 2014)
Net sales	1,915,639	2,112,117
Cost of sales	1,311,488	1,489,688
Gross profit	604,150	622,429
Selling, general and administrative expenses		
Supply and sales expenses	389,787	387,183
General and administrative expenses	68,730	69,201
Total selling, general and administrative expenses	458,517	456,384
Operating income	145,633	166,044
Non-operating income		
Interest income	1,676	1,268
Dividends income	2,447	2,364
Rent revenue	1,740	1,660
Equity in earnings of affiliates	3,091	4,838
Miscellaneous income	10,465	6,451
Total non-operating income	19,420	16,582
Non-operating expenses		
Interest expenses	11,366	12,313
Foreign exchange gains	1,542	5,639
Balance on commissioned construction	2,348	2,463
Miscellaneous expenses	2,343	2,596
Total non-operating expenses	17,601	23,013
Ordinary income	147,453	159,613
Extraordinary income		
Gain on sales of noncurrent assets	—	1,074
Gain on sales of investment securities	1,020	—
Gain on sales of subsidiaries and affiliates’ stocks	3,490	—
Total extraordinary income	4,510	1,074
Extraordinary loss		
Impairment loss	1,518	2,337
Total extraordinary losses	1,518	2,337
Income before income taxes	150,445	158,350
Income taxes-current	44,392	42,725
Income taxes-deferred	2,122	5,805
Total income taxes	46,514	48,530
Income before minority interests	103,930	109,819
Minority interests in income	2,252	1,368
Net income	101,678	108,451

(Consolidated statement of comprehensive income)

(Unit: million yen)

Account	FY2012 (Apr. 2012 – Mar. 2013)	FY2013 (Apr. 2013 – Mar. 2014)
Income before minority interests	103,930	109,819
Other comprehensive income		
Valuation difference on available-for-sale securities	6,391	4,716
Deferred gains or losses on hedges	18	239
Foreign currency translation adjustment	6,022	24,127
Share of other comprehensive income of associates accounted for using equity method	2,671	8,235
Total other comprehensive income	15,103	37,318
Comprehensive income	119,034	147,138
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	116,721	145,652
Comprehensive income attributable to minority interests	2,312	1,486

(3) Consolidated statements of changes in net assets

Fiscal year ended March 31, 2013 (from Apr. 1, 2012 - Mar. 31, 2013)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	141,844	2,065	706,620	(2,196)	848,333
Changes of items during the period					
Dividends from surplus			(23,204)		(23,204)
Net income			101,678		101,678
Purchase of treasury stock				(5,053)	(5,053)
Disposal of treasury stock				3	4
Retirement of treasury stock			(4,897)	4,897	—
Net changes of items other than shareholders' equity					
Total changes of items during the period			73,575	(151)	73,424
Balance at the end of current period	141,844	2,065	780,196	(2,348)	921,757

	Valuation and translation adjustments					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total valuation and translation adjustments		
Balance at the beginning of current period	14,853	(1,370)	(22,649)	—	(9,166)	15,933	855,100
Changes of items during the period							
Dividends from surplus							(23,204)
Net income							101,678
Purchase of treasury stock							(5,053)
Disposal of treasury stock							4
Retirement of treasury stock							—
Net changes of items other than shareholders' equity	6,365	(299)	8,978	—	15,043	2,943	17,987
Total changes of items during the period	6,365	(299)	8,978	—	15,043	2,943	91,411
Balance at the end of current period	21,218	(1,670)	(13,671)	—	5,877	18,877	946,511

Fiscal year ended March 31, 2013 (from Apr. 1, 2012 - Mar. 31, 2013)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	141,844	2,065	780,196	(2,348)	921,757
Changes of items during the period					
Dividends from surplus			(26,701)		(26,701)
Net income			108,451		108,451
Purchase of treasury stock				(36,116)	(36,116)
Disposal of treasury stock				6	5
Retirement of treasury stock			(34,815)	34,815	—
Net changes of items other than shareholders' equity					
Total changes of items during the period			46,933	(1,295)	45,638
Balance at the end of current period	141,844	2,065	827,129	(3,643)	967,395

	Valuation and translation adjustments					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total valuation and translation adjustments		
Balance at the beginning of current period	21,218	(1,670)	(13,671)	—	5,877	18,877	946,511
Changes of items during the period							
Dividends from surplus							(26,701)
Net income							108,451
Purchase of treasury stock							(36,116)
Disposal of treasury stock							5
Retirement of treasury stock							—
Net changes of items other than shareholders' equity	4,642	998	31,560	1,313	38,514	(1,172)	37,341
Total changes of items during the period	4,642	998	31,560	1,313	38,514	(1,172)	82,980
Balance at the end of current period	25,860	(671)	17,889	1,313	44,391	17,705	1,029,492

(4) Consolidated statements of cash flows

(Unit: million yen)

Account	FY2012 (Apr. 2012 – Mar. 2013)	FY2013 (Apr. 2013 – Mar. 2014)
Net cash provided by (used in) operating activities		
Income before income taxes	150,445	158,350
Depreciation and amortization	135,015	136,950
Impairment loss	1,518	2,337
Amortization of long-term prepaid expenses	3,755	3,429
Loss on retirement of property, plant and equipment	2,079	1,624
Increase (decrease) of provision for retirement benefits	466	—
Decrease (increase) in net defined benefit asset	—	(2,240)
Interest and dividends income	(4,124)	(3,632)
Interest expenses	11,366	12,313
Equity in (earnings) losses of affiliates	(3,091)	(4,838)
Decrease (increase) in notes and accounts receivable-trade	(11,305)	(30,752)
Decrease (increase) in inventories	(25,238)	5,542
Increase (decrease) in notes and accounts payable-trade	(2,373)	25,971
Increase (decrease) in accrued consumption taxes	4,424	1,429
Decrease (increase) in accounts receivable	804	(4,064)
Net decrease (increase) in lease receivables and investment assets	218	1,066
Other, net	(15,202)	(8,166)
Subtotal	248,758	295,321
Interest and dividends income received	7,815	4,721
Interest expenses paid	(11,213)	(12,006)
Income taxes paid	(28,162)	(47,043)
Net cash provided by (used in) operating activities	217,197	240,993
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(153,687)	(172,600)
Purchase of intangible assets	(22,634)	(72,011)
Purchase of long-term prepaid expenses	(2,323)	(1,829)
Proceeds from sales of property, plant and equipment.	537	1,761
Payments of long-term loans receivable	(6,732)	(1,293)
Collection of long-term loans receivable	9,736	10,576
Other, net	(2,670)	(239)
Net cash provided by (used in) investment activities	(177,775)	(235,636)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,562)	3,225
Proceeds from long-term loans payable	33,019	69,547
Repayment of long-term loans payable	(24,218)	(20,552)
Proceeds from issuance of bonds	20,000	35,000
Redemption of bonds	(20,000)	(30,000)
Purchase of treasury stock	(5,053)	(36,116)
Cash dividends paid	(23,204)	(26,698)
Repayments to minority shareholders	—	(2,260)
Other, net	(2,191)	(1,340)
Net cash provided by (used in) financing activities	(23,212)	(9,195)
Effect of exchange rate change on cash and cash equivalents	5,481	10,473
Net increase (decrease) in cash and cash equivalents	21,691	6,635
Cash and cash equivalents at beginning of period	122,083	144,283
Increase in cash and cash equivalents resulting from merger	508	—
Cash and cash equivalents at end of period	144,283	150,918

(5) Notes on consolidated financial statements

1) (Note on going concerns' premise)

Not applicable

2) (Basis of preparation of consolidated financial statements)

Disclosure is omitted because there are no significant changes excluding the changes stated in 3) below since the publication of the most recent securities report (filed June 27, 2013).

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

Change in accounting policy

The Company adopted "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan (ASBJ) Statement No. 26 issued on May 17,2012; hereinafter referred to as "Standard") and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 issued on May 17; hereinafter referred to as "Guidance") from the end of the fiscal year beginning on April 1, 2013; note, however, that the provisions of Article 35 of Standard and Article 67 of Guidance are excluded.

The Company has changed the method to record the amount of retirement benefit obligations minus pension assets as a net defined benefit liability; note, however, that, in the case where the amount of pension assets is less than that of retirement benefit obligations, it is recorded as a net defined benefit asset. Accordingly, unrecognized actuarial differences and unrecognized prior service costs are posted in net defined benefit liability.

The application of Standard and Guidance is in accordance with transitional treatment of Article 37 of Standard, and the amount of the impact resulting from recognition of net defined benefit liability is posted as remeasurements of defined benefit plans in valuation and translation adjustments.

As a result, at the end of the fiscal year under review, net defined benefit asset and net defined benefit liabilities are posted as 14,693 million yen and 84,965 million yen, respectively, and valuation and translation adjustments increased by 1,313 million yen from the previous fiscal year.

Note that impact on per share earnings is described in the relevant section.

4) (Segment information, etc.)

1. Overview of reporting segments

The Group's reporting segments are regularly reviewed by the Board of Directors using the segregated financial information available within each segment to determine the allocation of management resources and evaluate business results.

The Group is pursuing integrated energy business with natural gas at its core into wider geographical areas. The Group's main products and services are "city gas" and "other energy," representing energy created using natural gas as the raw material, and "gas appliances and installation work."

In addition, businesses involving the efficient utilization of the Group's real estate holdings represent another earnings base, and the Group therefore uses the four reporting segments of "city gas," "gas appliances and installation work," "other energy," and "real estate."

The main products and services of each reporting segment are as follows:

City gas:	City gas
Gas appliances and installation work:	Gas appliances and installation work
Other energy:	Energy services, liquefied petroleum gas, electric power, industrial gases, and LNG sales
Real estate:	Leasing, management, etc. of land and buildings

2. Calculation of net sales, profit and loss, and assets, etc.

The same accounting method with which is applied to the consolidated financial statements is applied to segment accounting.

Income of reporting segment is calculated based on operating income.

Intersegment sales and transfers are attributable to transactions within group companies, and calculated based on market value

3. Information related to net sales, profit and loss, and assets, etc. by reporting segment

Fiscal year ended March 31, 2013 (from Apr. 1, 2012 - Mar. 31, 2013)

(Unit: million yen)

	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded on consolidated statement of income (Note 3)
	City gas	Gas appliances and installation work	Other energy	Real estate	Total				
Net sales									
External sales	1,306,420	192,593	305,256	10,609	1,814,879	100,759	1,915,639	—	1,915,639
Intersegment sales & transfers	95,560	13,436	31,419	19,647	160,062	94,955	255,017	(255,017)	—
Total	1,401,980	206,030	336,675	30,256	1,974,942	195,714	2,170,657	(255,017)	1,915,639
Segment income	141,344	4,421	25,933	5,601	177,301	13,530	190,831	(45,197)	145,633
Segment Assets	1,065,917	65,014	193,738	147,214	1,471,885	204,081	1,675,966	316,437	1,992,403
Others									
Depreciation expenses	107,519	1,019	12,245	8,134	128,918	8,757	137,676	(2,661)	135,015
Increase in property, plant, equipment, and intangible assets	130,654	879	17,594	4,426	153,554	31,005	184,560	(3,086)	181,473

Notes:

1. The "Others" segment indicates businesses not included in the reporting segments, including construction business, information processing service, shipping business, and credit/lease financial services.
2. The "Adjustments" indicates as follows;
   (1) The ¥(45,197) million segment income adjustment includes ¥1,089 million in eliminations for intersegment transactions and ¥(46,287) 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.
   (2) The ¥316,437 million segment assets adjustment includes ¥383,283 million of companywide assets not allocated to the respective reporting segments, and ¥(66,846) million of net eliminations for intersegment

obligations. Companywide assets are primarily, financial assets 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.

Fiscal year ended March 31, 2014 (from Apr. 1, 2013 - Mar. 31, 2014)

(Unit: million yen)

	Reporting segment					Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded on consolidated statement of income (Note 3)
	City gas	Gas appliances and installation work	Other energy	Real estate	Total				
Net sales									
External sales	1,447,582	208,296	351,101	10,879	2,017,861	94,256	2,112,117	-	2,112,117
Intersegment sales & transfers	57,616	13,413	6,467	17,436	94,932	105,138	200,071	(200,071)	-
Total	1,505,198	221,710	357,569	28,316	2,112,794	199,394	2,312,189	(200,071)	2,112,117
Segment income	152,680	7,634	32,528	5,700	198,543	11,695	210,239	(44,195)	166,044
Segment Assets	1,126,835	70,828	200,973	141,667	1,540,303	298,742	1,839,046	337,770	2,176,816
Others									
Depreciation expenses	107,280	1,024	11,785	7,788	127,878	11,748	139,627	(2,676)	136,950
Increase in property, plant, equipment, and intangible assets	141,093	777	24,947	2,765	169,584	79,699	249,283	(3,108)	246,174

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, etc.
2. The "Adjustments" indicates as follows;
   (1) The ¥(44,195) million segment income adjustment includes ¥951 million in eliminations for intersegment transactions and ¥(45,146) 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.
   (2) The ¥337,770 million segment assets adjustment includes ¥395,202 million of companywide assets not allocated to the respective reporting segments, and ¥(57,431) million of net eliminations for intersegment obligations. Companywide assets are primarily, financial assets 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.

5) (Per share information)

(Unit: yen)

	FY2012	FY2013
Shareholders' equity per share	360.70	402.91
Net income per share	39.52	43.10

Notes:

1. Diluted net income per share is not disclosed as no latent shares exist.
2. Basis for calculation of net income per share is as follows.

	FY2012	FY2013
Net income (million yen)	101,678	108,451
Not attributable to common shareholders (million yen)	—	—
Net income attributable to common shareholders (million yen)	101,678	108,451
Average number of common shares outstanding (thousand shares)	2,572,924	2,516,349

3. Basis for calculation of BPS is as follows.

	FY2012	FY2013
Shareholders' equity (million yen)	946,511	1,029,492
Deduction from shareholders' equity (million yen)	18,877	17,705
-Shares of minority shareholders (million yen)	18,877	17,705
Net shareholders' equity attributable to common shares (million yen)	927,634	1,011,787
Number of shares to calculate BPS (thousand shares)	2,571,796	2,511,217

4. As described in "Change in accounting policy," the Company adopted "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan (ASBJ) Statement No. 26 issued on May 17,2012; hereinafter referred to as "Standard") and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 issued on May 17; hereinafter referred to as "Guidance") from the end of the fiscal year beginning on April 1, 2013; note, however, that the provisions of Article 35 of Standard and Article 67 of Guidance are excluded.
   As a result, net assets per share at the end of current period increased by 0.52 yen, as compared to before the application.

6) (Material subsequent events)

Fiscal year ended March 31, 2014 (from Apr. 1, 2013 - Mar. 31, 2014)

The Company resolved at the meeting of Board of Directors held on April 28, 2014 that it would acquire its own shares of stock based on 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.

The repurchases of shares are to be carried out as described below:

Type of shares:	Ordinary shares of the Company
No. of shares to be repurchased:	Up to 80 million shares (3.2% of the common shares outstanding)
Total value of stock repurchased:	Up to ¥40,000 million
Period of acquisitions:	April 30, 2014 – March 31, 2015

V. Non-Consolidated Financial Statements

(1) Balance sheets

(Unit: million yen)

Account	FY2012 (as of Mar. 31, 2013)	FY2013 (as of Mar. 31, 2014)
ASSETS		
Noncurrent assets		
Property, plant and equipment		
Production facilities	169,201	183,615
Distribution facilities	446,490	458,525
Business facilities	58,638	56,143
Other facilities	2,838	2,741
Suspended facilities	316	316
Construction in progress	87,326	93,079
Total property, plant and equipment	764,812	794,422
Intangible assets		
Patent right	—	7
Leasehold right	1,600	1,645
Software	20,024	19,450
Other intangible assets	6,920	9,147
Total intangible assets	28,547	30,251
Investments and other assets		
Investment securities	68,643	75,157
Investments in affiliates	240,344	293,358
Long-term loans receivable	81	72
Long-term loans receivable from subsidiaries and affiliates	89,322	94,986
Investments in capital	13	13
Long-term prepaid expenses	14,484	12,878
Prepaid pension cost	11,333	11,670
Deferred tax assets	21,010	14,940
Miscellaneous investments	3,622	3,501
Allowance for doubtful accounts	(1,284)	(1,282)
Total investments and other assets	447,571	505,297
Total noncurrent assets	1,240,931	1,329,971
Current assets		
Cash and deposits	21,908	22,108
Notes receivable-trade	1,390	1,179
Accounts receivable-trade	148,128	164,037
Accounts receivable from subsidiaries and affiliates-trade	46,479	44,822
Accounts receivable-other	9,699	14,491
Short-term investment securities	64,000	78,000
Finished goods	145	167
Raw materials	49,410	43,294
Supplies	9,215	10,052
Advance payments-other	1,077	—
Prepaid expenses	1,171	978
Short-term receivables from subsidiaries and affiliates	15,804	8,874
Deferred tax assets	9,123	8,375
Other current assets	29,199	38,013
Allowance for doubtful accounts	(1,111)	(746)
Total current assets	405,643	433,650
Total assets	1,646,574	1,763,621

(Unit: million yen)

Account	FY2012 (as of Mar. 31, 2013)	FY2013 (as of Mar. 31, 2014)
LIABILITIES		
Noncurrent liabilities		
Bonds payable	307,694	322,695
Long-term loans payable	191,756	235,012
Long-term obligations to subsidiaries and affiliates	374	365
Provision for retirement benefits	75,201	73,012
Provision for gas holder repairs	3,032	3,015
Provision for safety measures	2,384	1,713
Other	4,233	2,018
Total noncurrent liabilities	584,676	637,833
Current liabilities		
Current portion of noncurrent liabilities	39,244	41,352
Accounts payable -trade	52,265	73,219
Accounts payable -other	39,767	41,336
Accrued expenses	34,292	33,683
Income taxes payable	33,057	33,273
Advances received	5,028	4,651
Deposits received	3,200	2,641
Short-term loans payable to subsidiaries and affiliates	69,642	71,996
Accrued expenses to subsidiaries and affiliates	22,225	23,833
Short-term obligations to subsidiaries and affiliates	15,311	16,801
Other	3,532	9,719
Total current liabilities	317,567	352,508
Total liabilities	902,244	990,341
NET ASSETS		
Shareholders' equity		
Capital stock	141,844	141,844
Capital surplus		
Legal capital surplus	2,065	2,065
Total capital surplus	2,065	2,065
Retained earnings		
Legal retained earnings	35,454	35,454
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	856	856
Reserve for overseas investment loss	12,563	13,213
Raw material cost fluctuation adjustment reserve	141,000	141,000
General reserves	299,000	299,000
Retained earnings brought forward	96,196	124,075
Total retained earnings	585,070	613,599
Treasury stock	(2,348)	(3,643)
Total shareholders' equity	726,631	753,865
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	20,652	25,101
Deferred gains or losses on hedges	(2,954)	(5,686)
Total valuation and translation adjustments	17,698	19,414
Total net asset	744,329	773,280
Total liabilities and net assets	1,646,574	1,763,621

(2) Statements of income

(Unit: million yen)

Account	FY2012 (Apr. 2012 – Mar. 2013)	FY2013 (Apr. 2013 – Mar. 2014)
Product sales		
Gas sales	1,318,410	1,467,714
Total product sales	1,318,410	1,467,714
Cost of sales		
Beginning inventories	132	145
Cost of products manufactured	819,999	955,697
Purchase of finished goods	13,926	13,738
Cost of gas for own use	2,878	3,286
Ending inventories	145	167
Total cost of sales	831,034	966,127
Gross profit	487,376	501,586
Supply and sales expenses	339,402	336,551
General and administrative expenses	70,610	71,053
Total selling, general and administrative expenses	410,012	407,604
Income on core business	77,363	93,982
Miscellaneous operating revenue		
Revenue from installation work	40,191	42,707
Revenue from gas appliance sales	119,637	127,671
Third party access revenue	225	245
Other miscellaneous operating revenue	9,575	9,197
Total miscellaneous operating revenue	169,629	179,821
Miscellaneous operating expenses		
Expenses of installation work	39,846	41,588
Expenses of gas appliance sales	119,039	125,361
Total miscellaneous operating expenses	158,886	166,950
Revenue for incidental businesses		
Revenue from LNG sales	96,840	119,641
Revenue from power sales	101,982	110,226
Revenue from other incidental businesses	27,404	31,102
Total revenue for incidental businesses	226,228	260,970
Expenses for incidental businesses		
Expense for LNG sales	94,086	114,726
Expense for power sales	88,171	93,632
Expenses for other incidental businesses	27,256	30,856
Total expenses for incidental businesses	209,515	239,215
Operating income	104,819	128,607

(Unit: million yen)

Account	FY2012 (Apr. 2012 – Mar. 2013)	FY2013 (Apr. 2013 – Mar. 2014)
Non-operating income		
Interest income	964	901
Interest on securities	29	20
Dividends income	1,478	1,535
Dividends from subsidiaries and affiliates	11,548	5,165
Rental income	3,957	3,707
Miscellaneous income	7,600	6,853
Total non-operating income	25,578	18,184
Non-operating expenses		
Interest expenses	3,401	4,184
Interest on bonds	6,090	6,201
Amortization of bond issuance cost	101	187
Balance on commissioned construction	2,406	2,551
Foreign exchange losses	1,538	2,030
Miscellaneous expenses	2,289	1,377
Total non-operating expenses	15,828	16,532
Ordinary income	114,569	130,260
Extraordinary income		
Gain on sales of noncurrent assets	—	464
Gain on sales of investment securities	1,020	—
Total extraordinary income	1,020	464
Extraordinary loss		
Impairment loss	1,346	2,142
Total of extraordinary losses	1,346	2,142
Income before income tax	114,243	128,582
Income taxes	31,281	32,655
Income taxes-deferred	4,406	5,880
Total income taxes	35,687	38,535
Net income	78,556	90,047

(3) Statements of changes in net assets

213rd Period (from April 1, 2012 to March 31, 2013)

(Unit: million yen)

	Shareholders' equity									
		Capital surplus		Retained earnings						
					Other retained earnings					
	Capital stock	Legal capital surplus	Total capital surplus	Legal retained earnings	Reserve for advanced depreciation of noncurrent assets	Reserve for overseas investment loss	Raw material cost fluctuation adjustment reserve	General reserves	Retained earnings brought forward	Total Retained earnings
Balance at the beginning of current period	141,844	2,065	2,065	35,454	856	9,693	141,000	299,000	48,611	534,616
Changes of items during the period										
Provision of reserve for overseas investment loss						2,869			(2,869)	—
Reversal of reserve for overseas investment loss										—
Dividends from surplus									(23,204)	(23,204)
Net income									78,556	78,556
Purchase of treasury stock										—
Disposal of treasury stock										—
Retirement of treasury stock									(4,897)	(4,897)
Net changes of items other than shareholders' equity										
Total changes of items during the period	—	—	—	—	—	2,869	—	—	47,584	50,453
Balance at the end of current period	141,844	2,065	2,065	35,454	856	12,563	141,000	299,000	96,196	585,070

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of current period	(2,196)	676,329	14,412	(9)	14,402	690,732
Changes of items during the period						
Provision of reserve for overseas investment loss		—				—
Reversal of reserve for overseas investment loss		—				—
Dividends from surplus		(23,204)				(23,204)
Net income		78,556				78,556
Purchase of treasury stock	(5,053)	(5,053)				(5,053)
Disposal of treasury stock	3	4				4
Retirement of treasury stock	4,897	—				—
Net changes of items other than shareholders' equity			6,240	(2,944)	3,295	3,295
Total changes of items during the period	(151)	50,302	6,240	(2,944)	3,295	53,597
Balance at the end of current period	(2,348)	726,631	20,652	(2,954)	17,698	744,329

214th Period (from April 1, 2013 to March 31, 2014)

(Unit: million yen)

	Shareholders' equity									
		Capital surplus		Retained earnings						
					Other retained earnings					
	Capital stock	Legal capital surplus	Total capital surplus	Legal retained earnings	Reserve for advanced depreciation of noncurrent assets	Reserve for overseas investment loss	Raw material cost fluctuation adjustment reserve	General reserves	Retained earnings brought forward	Total Retained earnings
Balance at the beginning of current period	141,844	2,065	2,065	35,454	856	12,563	141,000	299,000	96,196	585,070
Changes of items during the period										—
Provision of reserve for overseas investment loss						1,026			(1,026)	—
Reversal of reserve for overseas investment loss						(376)			376	
Dividends from surplus									(26,701)	(26,701)
Net income									90,047	90,047
Purchase of treasury stock										—
Disposal of treasury stock										—
Retirement of treasury stock									(34,815)	(34,815)
Net changes of items other than shareholders' equity										
Total changes of items during the period	—	—	—	—	—	650	—	—	27,879	28,529
Balance at the end of current period	141,844	2,065	2,065	35,454	856	13,213	141,000	299,000	124,075	613,599

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of current period	(2,348)	726,631	20,652	(2,954)	17,698	744,329
Changes of items during the period						
Provision of reserve for overseas investment loss		—				—
Reversal of reserve for overseas investment loss		—				—
Dividends from surplus		(26,701)				(26,701)
Net income		90,047				90,047
Purchase of treasury stock	(36,116)	(36,116)				(36,116)
Disposal of treasury stock	6	5				5
Retirement of treasury stock	34,815	—				—
Net changes of items other than shareholders' equity			4,448	(2,732)	1,716	1,716
Total changes of items during the period	(1,295)	27,234	4,448	(2,732)	1,716	28,950
Balance at the end of current period	(3,643)	753,865	25,101	(5,686)	19,414	773,280

(4) Notes on non-consolidated financial statements

(Note on going concerns' premise)

Not applicable

VI. Others

(1) Management reshuffle

Management reshuffle has been disclosed on February 21, 2014.

(2) Non-consolidated operating results

<Gas Sales Volume for FY2013>

			FY2013 (actual)	FY2012 (actual)	Change	% change
No. of customers		Thousand	10,809	10,678	131	1.2
Gas sales volume	Residential	m^3	30.74	31.91	-1.17	-3.7
		Mil. m^3	3,345	3,427	-82	-2.4
	Business	Mil. m^3	2,681	2,689	-8	-0.3
	Industrial	Mil. m^3	6,239	5,889	350	5.9
	Subtotal	Mil. m^3	8,919	8,578	341	4.0
	Supplies to other utilities	Mil. m^3	2,255	2,196	59	2.7
	Total	Mil. m^3	14,519	14,201	318	2.2
Average temperature		°C	17.0	16.6	0.4	—

<FY2013 Balance of Payments>

(Unit: hundred million yen)

Income			Change from previous year	Rate (%)	Expenses			Change from previous year	Rate (%)
Product sales	Gas sales	14,677	1,493	11.3	Operating expenses	Cost of sales	9,661	1,351	16.3
						Sales and administrative expenses	4,076	-24	-0.6
						Subtotal	13,737	1,327	10.7
Other sales	Installation work	427	26	6.3	Other expenses	Installation work	415	17	4.4
	Gas appliances, etc.	1,371	77	5.9		Gas appliances	1,253	63	5.3
	Incidental businesses	2,609	347	15.4		Incidental businesses	2,392	297	14.2
	Subtotal	4,407	449	11.4		Subtotal	4,061	377	10.3
Total net sales		19,085	1,943	11.3	Total expenses		17,798	1,704	10.6
					Operating income		1,286	238	22.7
Non-operating income		181	-74	-28.9	Non-operating expenses		165	7	4.4
					Ordinary income		1,302	157	13.7
Extraordinary income		4	-6	-54.5	Extraordinary loss		21	8	59.1
					Net income		900	115	14.6

Notes:

1 Cost of sales includes gas resource cost of ¥938.8 billion (increased by ¥132.0 billion, or 16.4%, year on year).

2 Non-operating expenses include interest expenses of ¥10.3 billion (increased by ¥0.9 billion, or 9.5%, year on year).

<Capital Expenses>

(Unit: hundred million yen)

	FY2012 (Actual)		FY2013 (Actual)		FY2014 (Projection)	
		(%)		(%)		(%)
Production facilities	228	18.0	289	20.9	353	22.0
Distribution facilities	875	68.9	907	65.3	1,000	62.4
Business facilities	162	12.8	188	13.6	244	15.2
Associated business facilities	3	0.3	2	0.2	5	0.4
Total	1,271	100.0	1,388	100.0	1,604	100.0

(Unit: hundred million yen)

Terminal-related facilities (production facilities)	FY2012 (Actual)		FY2013 (Actual)		FY2014 (Projection)	
Sodegaura Terminal		32		28		53
Negishi Terminal		34		52		57
Ohgishima Terminal		51		46		15
Hitachi LNG terminal		107		160		221
Total		224		286		346
Mains and branches (distribution facilities)	FY2012 (Actual)		FY2013 (Actual)		FY2014 (Projection)	
Demand-development mains and branches	(675km)	275	(659km)	278	(647km)	258
Safety measure mains and branches	(295km)	189	(310km)	211	(305km)	198
Planned mains and branches	(60km)	226	(64km)	233	(80km)	337
Urban development mains and branches	(37km)	9	(37km)	7	(42km)	10
Total	(1,067km)	700	(1,070km)	730	(1,074km)	804