

# Summary of Consolidated 2<sup>nd</sup> Quarter Results

## FY2009 ending March 2010

### Tokyo Gas Co., Ltd.

Code No.: 9531

Stock listings: Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange  
(URL [http://www.tokyo-gas.co.jp/index\\_e.html](http://www.tokyo-gas.co.jp/index_e.html))

Representative: Mr. Mitsunori TORIHARA, President

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Starting date of dividend: November 24, 2009

## 1. Summary of 2<sup>nd</sup> Quarter Results for FY2009 ending March 2010 (April 1, 2009 – Sept. 30, 2009)

### (1) Consolidated Business Results

(Rounded down to the nearest million yen)

	Sales	Operating Income	Ordinary Income	Net Income
	(Unit: million yen) (%)			
2nd Quarter of FY2009	632,074 -14.6	46,444 -	50,594 -	32,743 -
2nd Quarter of FY2008	740,057 -	-9,555 -	-11,462 -	-1,675 -

	Net Earnings per Share	Net Earnings per Share Adjusted for Latent Shares
	(Unit: yen)	(Unit: yen)
2nd Quarter of FY2009	12.07	-
2nd Quarter of FY2008	-0.63	-

### (2) Changes in Consolidated Financial Position

	Total Assets	Net Asset	Equity Ratio	Book-value per Share
	(Unit: million yen)	(Unit: million yen)	(Unit: %)	(Unit: yen)
2nd Quarter of FY2009	1,722,234	816,113	46.7	296.69
FY2008	1,764,185	784,616	43.8	284.72

Reference: Shareholder's equity 2<sup>nd</sup> Quarter of FY 2009 ending March 2010: 804,815 million yen  
FY 2008 ending March 2009: 772,365 million yen

## 2. Dividend

Record date	Dividend per share				
	End of 1 <sup>st</sup> Quarter	End of 2 <sup>nd</sup> Quarter	End of 3 <sup>rd</sup> Quarter	End of 4 <sup>th</sup> Quarter	Full year
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2008	-	4.00	-	4.00	8.00
FY2009	-	4.00	-	-	-
FY 2009 (Forecast)			-	4.00	8.00

\* Revisions to the quarter's dividend forecasts: No

## 3. Consolidated results forecast for the year ending March 2010 (April 1, 2009 - March 31, 2010)

	Sales	Operating Income	Ordinary Income	Net Income	Net earnings per share
	(Unit: million yen) (%)	(Unit: yen)			
Full year	1,407,000 -15.2	72,000 10.4	72,000 23.4	48,000 15.1	17.70

\* Revisions to the quarter's consolidated forecasts: Yes

#### 4. Note

- (1) Changes in major consolidated subsidiaries (yes/no): *No*
- (2) Application of simple accounting treatment and accounting treatment peculiar to quarterly consolidated financial statement preparation: *Yes*

\*Please see page 7, [Quantitative information and financial statements, etc.] 4. Note in detail.

- (3) Changes in accounting treatment principles, procedures and expressions related to quarterly consolidated financial statement preparation (entries of changes in material matters that are basic to preparation of quarterly consolidated financial statements)

-Changes accompanied by reform of accounting standards: *Yes*

-Other changes: *Yes*

\*Please see page 7, [Quantitative information and financial statements, etc.] 4. Note in detail.

- (4) Number of outstanding shares

-Number of outstanding shares at year end (Treasury stocks are included):

2nd Quarter of FY2009 ended Sept. 2009 2,717,571,295 shares

FY 2008 ended March 2009 2,717,571,295 shares

- Number of treasury stocks at year end :

2nd Quarter of FY2009 ended Sept. 2009 4,966,880 shares

FY 2008 ended March 2009 4,884,659 shares

- Average number of shares outstanding :

2nd Quarter of FY2009 ended Sept. 2009 2,712,633,766 shares

2nd Quarter of FY2008 ended Sept. 2008 2,646,424,434 shares

- \* Explanations and other matters of special note in regard to appropriate use of business results forecasts

Consolidated business results forecasts released on July 30, 2009 are revised. The above forecasts were prepared based on information obtainable as of the date of release of this document. Going forward, due to a variety of factors actual results may differ from the estimated values. In regard to matters related to the above forecasts, refer to Page 5, [Quantitative information and financial statements, etc.] 3. Quantitative information about consolidated business results forecast.

**\*Reference: Non-consolidated Forecast for the Year Ending March 2010 (April 1, 2009 - March 31, 2010)**

	Sales	Operating Income	Ordinary Income	Net Income	Net earnings per share
Full year	(Unit: billion yen) 1,202.0	(Unit: billion yen) 52.0	(Unit: billion yen) 54.0	(Unit: billion yen) 36.0	(Unit: yen) 13.27

Non-consolidated business results forecasts are revised. In this material revised forecasts are described.

< Business performance and financial position, etc.>

1. Qualitative information about consolidated business performance

Demand in industrial sector decreased due to low operation of existing facilities and decreased hot water demand in residential sector owing to higher average temperature from April to June compared to the second quarter of fiscal 2008. The gas sales volume decreased 8.4% compared to the same quarter of fiscal 2008 to 6,166 million m<sup>3</sup>. In addition, due to gas rate adjustment system etc. , gas sales decreased by 15.7% to ¥ 466.5 billion.

With the decrease in gas sales, consolidated sales fell 14.6% to ¥ 632.0 billion.

On the other hand, operating expenses decreased 21.9% to ¥ 585.6 billion because of the decrease in gas resource costs and our continuous efforts to control costs in order to promote even greater business efficiency.

Overall, operating income increased ¥55.9 billion over the same quarter of fiscal 2008 to ¥46.4 billion, and ordinary income increased ¥61.9 billion to ¥50.5 billion.

Deduction of corporate and other taxes resulted in a quarterly net profit increased ¥34.3 billion to ¥32.7 billion.

Since gas is characterized by clear seasonal fluctuations and accounts for a high proportion of group sales, group sales fluctuates greatly by season.

(Gas Sales Volume for 2<sup>nd</sup> Quarter, FY2009)

			2nd Quarter, FY2009 (Apr. - Sept. 2009)	2nd Quarter, FY2008 (Apr. - Sept. 2008)	Change	Rate of change (%)	
No. of customers		Thousand	10,563	10,423	140	1.3	
Gas sales volume	Residential	m <sup>3</sup>	24.19	25.18	-0.99	-3.9	
		Mil. m <sup>3</sup>	1,300	1,341	-41	-3.0	
	Business	Commercial	Mil. m <sup>3</sup>	990	1,049	-59	-5.7
		Other	Mil. m <sup>3</sup>	481	465	16	3.5
	Industrial		Mil. m <sup>3</sup>	2,554	2,995	-441	-14.7
	Sub total		Mil. m <sup>3</sup>	4,025	4,509	-484	-10.7
	Wholesale		Mil. m <sup>3</sup>	841	880	-39	-4.4
Total		Mil. m <sup>3</sup>	6,166	6,730	-564	-8.4	
Average temperature		°C	22.4	22.1	0.3	-	

Note:

1. The upper row of figures for residential demand indicates gas sales per meter read (m<sup>3</sup>/household, month)
2. "Other" for business demand indicates sales to public and medical institutions.
3. Gas sales volumes are on the basis of 45MJ/ m<sup>3</sup>

(Crude-oil price and Foreign Exchange Rate)

Crude-oil price (\$/bbl)	2nd Quarter, FY2009 (Apr. - Sept. 2009) (Forecast)	2nd Quarter, FY2008 (Apr. - Sept. 2008) (Actual)	Change	¥/\$ rate	2nd Quarter, FY2009 (Apr. - Sept. 2009) (Forecast)	2nd Quarter, FY2008 (Apr. - Sept. 2008) (Actual)	Change
	61.81	119.71	-57.90		95.53	106.12	-10.59

2. Qualitative information about consolidated financial position

Relative to end of March 2009, there were increase in the balance of investment securities, but the balances of notes and accounts receivable decreased due to seasonal influence, net assets totaled ¥1,722.2 billion, a decrease of ¥41.9 billion.

Net assets increased to ¥816.1 billion because of input of net profit of ¥32.7billion and increase in valuation on available for sale securities by ¥6.1 billion, despite of decrease surplus by ¥10.8billion due to dividend payout.

As for equity ratio, with the decrease in total assets and increase in shareholders' equity(total of capital stock and valuation adjustment), the ratio rose by 2.9% to 46.7%.

Net assets per share increased by ¥11.97 to ¥296.69.

### 3. Qualitative information about consolidated results forecast

No changes have been made to the economic framework assumed for the consolidated business results forecast presented in the preliminary business results for the first quarter of FY2009 announced on July 30, 2009, that is, an average crude oil price of \$70/bbl and a foreign exchange rate of ¥95/\$ from October forward. The projections for the full fiscal year FY2009 (ending March 31, 2010) are an average crude oil price of \$65.91/bbl and a foreign exchange rate of ¥95.27/\$.

With this framework and revisions to the business results forecasts for Tokyo Gas Co., Ltd. and its subsidiaries, on a consolidated basis for FY2009 we now project total sales to decline ¥7.0 billion to ¥1.407 trillion, with ordinary income to increase by ¥8.0 billion to ¥72.0 billion and net income to rise by ¥6.0 billion to ¥48.0 billion, both surpassing the prior forecasts.

As for the FY2009 non-consolidated business results forecast for Tokyo Gas Co., Ltd., also compared with the forecast presented in the preliminary business results for the first quarter of FY2009 announced July 30, 2009, the projected gas sales volume has been increased. While industrial gas sales volume is projected to exceed the prior forecast (up 0.8%) from the recovery of industrial demand, the projected residential and business sector sales volumes have been reduced.

As a result of these lower gas sales, total sales are projected to decline ¥10.0 billion to ¥1.202 trillion, but with projections for reduced expenses, this should not affect operating income. Combined with projected dividend receipts and other non-operating income, ordinary income is now projected to increase ¥4.0 billion to ¥54.0 billion and net income to rise ¥3.0 billion to ¥36.0 billion, both surpassing the prior forecasts.

#### (1) Consolidated Business Results

##### ① Forecast for FY2009 and results of FY2008

(Unit: billion yen)

	Sales		Operating income	Ordinary income	Net income
	Gas sales	Other sales			
FY2009 (forecast)	1,407.0	1,038.8	72.0	72.0	48.0
FY2008 (results)	1,660.1	1,257.5	65.2	58.3	41.7
Change	-253.1	-218.7	6.8	13.7	6.3
Rate of change	-15.2%	-17.4%	10.4%	23.4%	15.1%

##### ② Gas Sales Forecast for FY2009 and results of FY2008

			FY2009 (Forecast)	FY2008 (Actual)	Change	Rate of change (%)	
Gas sales volume	Residential		Mil. m <sup>3</sup>	3,422	3,468	-46	-1.3
	Business	Commercial	Mil. m <sup>3</sup>	1,992	2,032	-40	-2.0
		Other	Mil. m <sup>3</sup>	948	979	-31	-3.1
		Industrial	Mil. m <sup>3</sup>	5,345	5,623	-278	-4.9
	Sub total		Mil. m <sup>3</sup>	8,285	8,634	-349	-4.0
	Wholesale		Mil. m <sup>3</sup>	1,791	1,840	-49	-2.7
Total		Mil. m <sup>3</sup>	13,498	13,942	-444	-3.2	

(2) Non-consolidated Business Results

① Forecast for FY2009 and results of FY2008

(Unit: billion yen)

	Sales		Operating income	Ordinary income	Net income
	Gas sales	Other sales			
FY2009 (forecast)	1,202.0	1,005.0	52.0	54.0	36.0
FY2008 (results)	1,448.1	1,225.7	42.5	39.8	25.0
Change	-246.1	-220.7	9.5	14.2	11.0
Rate of change	-17.0%	-18.0%	22.2%	35.5%	43.5%

② Gas Sales Forecast for FY2009 and results of FY2008

			FY2009 (Forecast)	FY2008 (Actual)	Change	Rate of change (%)	
Gas sales volume	Residential		Mil. m <sup>3</sup>	3,316	3,368	-52	-1.5
	Business	Commercial	Mil. m <sup>3</sup>	1,901	1,952	-51	-2.6
		Other	Mil. m <sup>3</sup>	887	916	-29	-3.1
		Industrial	Mil. m <sup>3</sup>	4,842	5,280	-438	-8.3
	Sub total		Mil. m <sup>3</sup>	7,631	8,148	-517	-6.3
	Supplies to other utilities		Mil. m <sup>3</sup>	2,020	2,073	-53	-2.6
	Total		Mil. m <sup>3</sup>	12,967	13,589	-622	-4.6

(Crude-oil price and Foreign Exchange Rate)

Crude-oil price (\$/bbl)	FY2009 (Forecast)	FY2008 (Actual)	Change	¥/\$ rate	FY2009 (Forecast)	FY2008 (Actual)	Change
	65.91	90.52	-24.61		95.27	100.71	-5.44

4. Note

(1) Changes in principal subsidiaries during the period (changes in designated subsidiaries due to changes in scope of consolidation): None applicable

(2) Application of simple accounting treatment and accounting treatment peculiar to quarterly consolidated financial statement preparation

1) Simple accounting treatment

Calculation of default estimate for general obligations (loans to debtors with no serious management problems)

When it is deemed that there is no material change in the default ratio and other calculations vs. the previous consolidated accounting year end, we adopt the method of computation of the general obligation default estimate using rational standards for the ratio computed in the previous consolidated fiscal year.

Valuation of inventory assets

We estimate net sale prices only when profitability clearly declines due to inventory asset book value reductions, and adopt the book value reduction method.

Calculation of corporate and other taxes, deferred tax assets and deferred tax liabilities

In judging the recoverability of deferred tax assets, when it is deemed that there are no material changes in the management environment and temporary variances since the previous consolidated fiscal year end, we use the previous year's future business results forecasts and tax planning.

2) Accounting treatment peculiar to quarterly consolidated financial statement preparation

Computation of tax expenses

After application of tax effect accounting to the year's net profit before tax and other adjustments, including the second consolidated accounting quarter, we estimate the effective tax rate rationally and multiply the pretax quarterly net profit (cumulative) by that rate.

(3) Changes in accounting treatment principles, procedures and expressions related to quarterly consolidated financial statement preparation

1) Changes to the accounting standards for revenue from completed works and cost of completed works

Regarding the accounting standards for subcontracted works, in the past the completed contract method has mostly applied, but with the application from the first quarter of the Accounting Standards Concerning Construction Contracts (Corporate Accounting Standards No. 15 of Dec. 27, 2007) and of the Application Guidelines for Accounting Standards Concerning Construction Contracts (Corporate Accounting Standards Application Guidelines No. 18 of Dec. 27, 2007), beginning with construction contracts initiated from this first quarter consolidated accounting period, the construction works progress standards (with the construction progress rate estimated in proportion to costs) will be applied to construction works with certain results recognized in areas with substantial progress by the end of second quarter while the completed contract method will be applied to other construction works.

The impact of this change on the business performance of the Tokyo Gas group is minimal.

2) Changes to posting items for semi-completed construction works

In the past, semi-completed construction works at Tokyo Gas Co., Ltd. and its subsidiaries have been posted as other current assets in accordance with the provisions of the Gas Business Accounting Standards. However, as a result of the change in the nature of that accounting with the application of the Accounting Standards Concerning Construction Contracts (Corporate Accounting Standards No. 15 of Dec. 27, 2007) and the Application Guidelines for Accounting Standards Concerning Construction Contracts (Corporate Accounting Standards Application Guidelines No. 18 of Dec. 27, 2007) from this quarter, and for better clarity, semi-completed construction works will now be posted as partly work in process.

The amount of semi-completed construction works included in other current assets as of the end of the previous consolidated accounting year was ¥15,984 million.

## 5. Consolidated 2nd Quarter financial results

### (1) Balance Sheet

(Unit: million yen)		
Account	2nd Quarter of FY2009 (as of Sept. 30, 2009)	FY2008 (as of Mar. 31, 2009)
<b>ASSETS</b>		
Noncurrent assets		
Property, plant and equipment		
Production facilities	188,233	193,613
Distribution facilities	475,186	490,809
Service and maintenance facilities	58,400	60,510
Other facilities	305,152	297,643
Inactive facilities	316	316
Construction in progress	72,664	67,957
Total property, plant and equipment	1,099,954	1,110,852
Intangible assets		
Goodwill	1,680	1,233
Other	24,000	24,816
Total intangible assets	25,681	26,049
Investments and other assets		
Investment securities	130,141	109,173
Long-term loans receivable	33,990	24,839
Deferred tax assets	42,916	46,212
Other	34,530	35,847
Allowances for doubtful accounts	-908	-906
Total investments and other assets	240,669	215,166
Total noncurrent assets	1,366,305	1,352,068
Current assets		
Cash and deposits	84,702	66,905
Notes and accounts receivable - trade	115,319	166,542
Lease receivables and leasing investment assets	26,417	25,594
Merchandise and finished goods	4,140	3,807
Work in process	24,791	43
Raw materials and supplies	43,540	56,905
Deferred tax assets	14,545	13,461
Other	42,925	79,431
Allowances for doubtful accounts	-454	-574
Total current assets	355,928	412,117
Total assets	1,722,234	1,764,185

(Unit: million yen)

Account	2nd Quarter of FY2009 (as of Sept. 30, 2009)	FY2008 (as of Mar. 31, 2009)
<b>LIABILITIES</b>		
Noncurrent Liabilities		
Bonds payable	271,591	291,490
Long-term loans payable	189,045	207,741
Deferred tax liabilities	4,134	3,654
Provision for retirement benefits	115,554	100,734
Provision for gas holders repairs	3,399	3,555
Provision for safety measures	773	1,450
Other	23,894	24,597
Total noncurrent liabilities	<u>608,393</u>	<u>633,223</u>
Current liabilities		
Current portion of noncurrent liabilities	91,067	88,169
Notes and accounts payable - trade	78,596	103,319
Short-term loans payable	7,425	5,910
Income taxes payable	23,694	34,894
Deferred tax liabilities	3	2
Other	96,939	114,048
Total current liabilities	<u>297,727</u>	<u>346,345</u>
Total liabilities	<u>906,121</u>	<u>979,568</u>
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	141,844	141,844
Legal capital surplus	2,065	2,065
Retained earnings	652,559	631,045
Treasury stock	-2,372	-2,361
Total Shareholder's equity	<u>794,096</u>	<u>772,594</u>
Value and translation adjustments		
Valuation difference on available-for-sale securities	17,531	11,466
Deferred gains or losses on hedges	842	920
Foreign currency translation adjustment	-7,655	-12,615
Total valuation and translation adjustments	<u>10,719</u>	<u>-228</u>
Minor interests	11,297	12,250
Total net asset	<u>816,113</u>	<u>784,616</u>
Total liabilities and net assets	<u>1,722,234</u>	<u>1,764,185</u>

**(2)Consolidated 2nd Quarter Statement of Income**

(Unit: million yen)

Account	2nd Quarter of FY2008 (Apr.- Sept. 2008)	2nd Quarter of FY2009 (Apr.- Sept. 2009)
Net Sales	740,057	632,074
Cost of sales	531,721	359,992
Gross profit	208,335	272,082
Selling, general and administrative expenses		
Supply and sales expenses	182,558	191,317
General and administrative expenses	35,333	34,320
Total selling, general and administrative expenses	217,891	225,637
Operating income	-9,555	46,444
Non-operating income		
Interest income	574	570
Dividend income	911	688
Equity in earnings of affiliates	3,164	1,876
Foreign exchange gains	-	5,560
Miscellaneous income	4,354	3,510
Total non-operating income	9,005	12,206
Non-operating expenses		
Interest expenses	5,391	5,400
Miscellaneous expenses	5,520	2,655
Total non-operating expenses	10,912	8,056
Ordinary income	-11,462	50,594
Extraordinary income		
Gain on adjustment for changers of 'Accounting Standards for Lease Transactions'	7,846	-
Gain on transfer of benefit obligation relating to employees' pension fund	1,559	-
Total extraordinary income	9,406	-
Income before income taxes	-2,056	50,594
Income taxes - current	-578	16,661
Income taxes - deferred	-281	762
Total income taxes	-860	17,423
Minority interests in income	479	426
Net income	-1,675	32,743

### (3) 2nd Quarter Consolidated Statement of Cash Flows

(Unit: million yen)

Account	2nd Quarter of FY2008 (Apr.- Sept. 2008)	2nd Quarter of FY2009 (Apr.- Sept. 2009)
Net cash provided by (used in) operating activities		
Income before income taxes	-2,056	50,594
Depreciation and amortization	64,775	68,195
Amortization of long-term prepaid expenses	2,094	2,045
Loss on retirement of property, plant and equipment	920	893
Increase (decrease) in provision for retirement benefits	-1,808	14,820
Decrease (increase) in prepaid pension costs	9,027	-
Increase (decrease) in provision for safety measure	-936	-677
Interest and dividends income	-1,486	-1,259
Interest expenses	5,391	5,400
Equity in (earnings) losses of affiliates	-3,164	-1,876
Decrease (increase) in notes and accounts receivable - trade	28,708	59,016
Decrease (increase) in inventories	-38,990	11,621
Increase (decrease) in notes and accounts payable - trade	-17,489	-41,600
Increase (decrease) in consumption tax payable	-1,206	3,525
Decrease (increase) in prepaid expenses	-9,299	-9,282
Decrease (increase) in accounts receivable – other	4,976	19,301
Decrease (increase) in lease receivables and lease asset	-1,037	-822
Gain on adjustment for changes of ‘Accounting Standard’ for Lease Transaction	-7,846	-
Other, net	-22,254	-4,168
Subtotal	8,387	175,728
Interest and dividends income received	2,211	2,305
Interest expenses paid	-5,365	-5,686
Income taxes paid	-14,791	-25,965
Net cash provided by (used in) operating activities	-9,558	146,381
Net cash provided by (used in) investment activities		
Payments into time deposits	-3,110	-4,240
Proceed from withdrawal of time deposits	2,500	3,150
Purchase of investment securities	-10,172	-7,104
Proceeds from sales and redemption of securities	952	-
Purchase of property, plant and equipment	-66,577	-64,717
Purchase of intangible assets	-1,904	-2,713
Proceeds from transfer of business	-	1,432
Purchase of long-term prepaid expenses	-594	-670
Payment of long-term loans receivable	-6,745	-9,777
Collecting of long-term loans receivable	645	851
Net decrease (increase) in short-term loans receivable	-	894
Other, net	229	349
Net cash provided by (used in) investment activities	-84,776	-82,544

(Unit: million yen)

Account	2nd Quarter of FY2008 (Apr.- Sept. 2008)	2nd Quarter of FY2009 (Apr.- Sept. 2009)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-1,709	1,009
Increase (decrease) in commercial papers	84,000	-
Repayments of lease obligations	-1	-364
Proceeds from long-term loans payable	40,300	7,697
Payments for long-term loans payable	-20,673	-14,971
Proceeds from issuance of bonds	20,000	-
Redemption of bonds	-	-30,050
Payments for withdrawals to minority shareholders	-	-904
Proceeds from sales of treasury stock	127	47
Purchase of treasury stock	-10,248	-76
Cash dividends paid	-10,621	-10,845
Cash dividends paid to minority shareholders	-243	-352
Net cash provided by (used in) financing activities	100,929	-48,813
Effect of exchange rate change on cash and cash equivalents	-1,569	1,263
Net increase (decrease) in cash and cash equivalents	5,024	16,286
Cash and cash equivalents at beginning of year	43,706	64,009
Increase in cash and cash equivalents from newly consolidated subsidiary	1	349
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-45	-
Cash and cash equivalents at end of term	48,686	80,645

(4) **Note of going concerns' premise:** *No*

(5) **Segment information**

a. Segment information by category of business

Second quarter consolidated total period of previous year (Apr. - Sept. 2008)

(Unit: million yen)

	Gas	Gas appliances	Installation work	Real estate rental (See Note)	Other business	Total	Corporate or eliminations	Consolidated
Sales								
(1) External sales	534,817	55,858	19,280	6,452	123,649	740,057	-	740,057
(2) Inter segment sales & transfers	18,973	1,505	1,488	11,389	44,850	78,207	(78,207)	-
Total	553,790	57,364	20,768	17,841	168,499	818,265	(78,207)	740,057
Operating profit (loss)	11,808	1,879	(930)	4,880	4,604	22,243	(31,799)	(9,555)

Second quarter consolidated total period of current year (Apr. – Sept. 2009)

(Unit: million yen)

	Gas	Gas appliances	Installation work	Real estate rental (See Note)	Other business	Total	Corporate or eliminations	Consolidated
Sales								
(1) External sales	453,278	51,278	17,358	6,318	103,840	632,074	-	632,074
(2) Inter segment sales & transfers	13,292	3,387	1,403	10,605	37,875	66,564	(66,564)	-
Total	466,571	54,666	18,761	16,924	141,716	698,639	(66,564)	632,074
Operating profit (loss)	66,181	1,179	(751)	4,227	6,267	77,105	(30,661)	46,444

b. Geographic segment information

Second quarter consolidated total period of previous year (Apr. - Sept. 2008) and Second quarter consolidated total period of current year (Apr. – Sept. 2009)

Not shown due to the amount of sales in Japan is over 90% of total.

c. Overseas sales

Second quarter consolidated total period of previous year (Apr. - Sept. 2008) and Second quarter consolidated total period of current year (Apr. – Sept. 2009)

Not included due to insignificance of overseas sales as a proportion is below 10% of consolidated sales.

(6) **Significant change in the number of shareholders' equity :** *No*

## 6. Other information

### Non-consolidated Second-quarter Results

(Gas Sales Volume for 2nd Quarter, FY2009)

		2nd Quarter, FY2009 (Apr. - Sept. 2009)	2nd Quarter, FY2008 (Apr. - Sept. 2008)	Change	Rate of change (%)		
Number of Customers		Thousand	10,298	10,166	132	1.3	
Gas sales volume	Residential		m <sup>3</sup> (Note 1)	24.04	25.05	-1.01	-4.0
			Mil. m <sup>3</sup>	1,260	1,300	-40	-3.1
	Business	Commercial	Mil. m <sup>3</sup>	950	1,009	-59	-5.8
		Other	Mil. m <sup>3</sup>	454	436	18	4.2
	Industrial		Mil. m <sup>3</sup>	2,329	2,837	-508	-17.9
	Bus./ Ind. Sub total		Mil. m <sup>3</sup>	3,733	4,282	-549	-12.8
	Wholesales		Mil. m <sup>3</sup>	945	987	-42	-4.3
	Total		Mil. m <sup>3</sup>	5,938	6,569	-631	-9.6
Average temperature		°C	22.4	22.1	0.3	-	

- Notes: 1. The upper row of figures for residential demand indicates gas sales per meter read (m<sup>3</sup>/household,month)  
2. "Other" for business demand indicates sales to public and medical institutions.  
3. Gas sales volume are on the basis of 45MJ/ m<sup>3</sup>

### (Income and Expenditure for 2nd Quarter, FY2009)

(Unit: billion yen)

Income		Change from 2nd Quarter of FY 2008	Rate of change (%)	Expenditure		Change from 2nd Quarter of FY2008	Rate of change (%)		
Product sales	Gas sales	451.8	-88.2	-16.3	Operating expenses	Cost of sales	214.7	-150.3	-41.2
						Sales and administrative expenses	205.4	8.5	4.3
						Sub total	420.2	-141.7	-25.2
Other sales	Installation Work	15.8	-2.1	-11.9	Other expenses	Installation Work	16.6	-2.1	-10.8
	Gas Appliance Sales.	43.0	-6.1	-12.5		Gas Appliance Sales	39.7	-6.0	-13.1
	Incidental businesses	30.2	-11.9	-28.3		Incidental businesses	28.0	-13.7	-32.9
	Sub total	89.0	-20.2	-18.5		Sub total	84.4	-21.8	-20.5
Total sales		540.9	-108.4	-16.7	Total expenses	504.7	-163.5	-24.5	
					Operating income	36.2	55.0	-	
Non-operating income		9.1	2.4	35.1	Non-operating expenses		6.3	-2.7	-29.1
					Ordinary income		38.9	60.0	-
Extraordinary income		-	-	-	Extraordinary loss		-	-	-
					Net income		25.3	38.6	-

- Notes: 1. Cost of sales includes gas resource cost of ¥ 201.2billion (decreased by ¥ 150.9 billion, or -42.9% from 2nd Quarter of FY2008).  
2. Non-operating expenses include interest expenses of ¥ 4.3 billion (decreased by ¥ 1.0 billion, or -3.1% from 2nd Quarter of FY2008).