



Year Ended March 31, 2012

Brief Report of Consolidated Financial Statements (Japanese GAAP)

April 26, 2012

Name of Listed Company : Osaka Gas Co., Ltd. Listed Exchanges: 1st Section of Tokyo, Osaka and Nagoya
 Code : 9532 URL <http://www.osakagas.co.jp>
 Representative Officer : Title: President Name: Hiroshi Ozaki
 Contact : Title: Manager, Consolidation Management Team, Accounting & Finance Dept.
 Name: Tatsuya Kataoka (TEL: 06-6205-4537)

Scheduled Date of Annual General Meeting of Shareholders : June 28, 2012
 Scheduled Date of Dividend Payment : June 29, 2012
 Scheduled Date of Financial Report Filing with the Finance Ministry : June 29, 2012
 Preparation of Supplementary Explanation Documents for Operational Results : Yes
 Holding of an Informational Meeting for Operational Results : Yes (for institutional investors)

(Any amount less than one million yen is rounded down to the nearest million yen)

1. Consolidated Financial Results for the Year Ended March 31, 2012 (April 1, 2011 – March 31, 2012)

(1) Consolidated Operational Results (Percentages (%) represent changes from the previous year)

	Operating revenues		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2012	1,294,781	9.1	77,274	-12.8	75,694	-8.1	45,207	-1.7
Year ended March 31, 2011	1,187,142	8.3	88,584	-2.8	82,372	-2.9	45,968	-5.0

(Note) Comprehensive income Year ended March 31, 2012 39,702 million yen (up 10.8% YoY)
 Year ended March 31, 2011 35,833 million yen (down 51.7% YoY)

	Earnings per share	Diluted earnings per share	Net income/Net worth	Ordinary profit/Total assets	Operating profit/Operating revenues
	yen	yen	%	%	%
Year ended March 31, 2012	21.71	—	6.7	5.2	6.0
Year ended March 31, 2011	21.62	—	6.9	5.6	7.5

<Reference> Equity method investment gain Year ended March 31, 2012 5,637 million yen Year ended March 31, 2011 2,161 million yen

(2) Consolidated Financial Position

	Total assets	Net worth	Net worth/Total assets	Net worth per share
	million yen	million yen	%	Yen
As of March 31, 2012	1,475,759	708,904	46.4	328.77
As of March 31, 2011	1,437,297	688,695	46.3	319.33

<Reference> Shareholders' equity As of March 31, 2012 684,584 million yen As of March 31, 2011 664,959 million yen

(3) Consolidated Cash Flow

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financial activities	Cash and cash equivalents at year-end
	million yen	million yen	million yen	million yen
As of March 31, 2012	122,793	-107,764	-8,279	122,448
As of March 31, 2011	126,399	-82,408	-41,257	116,230

2. Dividends

(Record date)	Dividends per share					Total dividends (full year)	Payout ratio (consolidated)	Dividends/Net worth (consolidated)
	June 30	September 30	December 31	March 31	Annual			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2011	—	4.00	—	4.00	8.00	16,920	37.0	2.5
Year ended March 31, 2012	—	4.00	—	4.00	8.00	16,658	36.8	2.5
Year ending March 31, 2013 (Forecast)	—	4.00	—	4.00	8.00		29.2	

3. Forecasts of Consolidated Results for the Year Ending March 31, 2013 (April 1, 2012 – March 31, 2013)

(Percentages represent forecasted changes from the previous year for the full year results, and forecasted changes from the same period in the previous year for the interim results.)

	Operating revenues		Operating profit		Ordinary profit		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Interim	615,000	9.9	34,500	82.7	33,500	72.2	21,000	89.5	10.08
Full year	1,363,000	5.3	90,000	16.5	90,000	18.9	57,000	26.1	27.36

※. Notes

- (1) Changes in significant subsidiaries during the year (changes in certain subsidiaries resulting in a change in the consolidation scope):
Not applicable
- (2) Changes in accounting policies and estimation methods, corrections and restatements
(i) Changes in accounting policies in response to revisions in accounting standards, etc. : None
(ii) Changes in accounting policies other than (i) above: None
(iii) Changes in estimation methods : None
(iv) Corrections and restatements : None
- (3) Issued shares (common shares)
- | | | |
|---|-----------------------------|----------------------|
| (i) Issued shares as of year-end (including repurchased shares) | : As of March 31, 2012 | 2,083,400,000 shares |
| | As of March 31, 2011 | 2,083,400,000 shares |
| (ii) Repurchased shares (treasury stock) as of year-end | : As of March 31, 2012 | 1,146,823 shares |
| | As of March 31, 2011 | 1,019,059 shares |
| (iii) Average number of outstanding shares during term | : Year ended March 31, 2012 | 2,082,323,557 shares |
| | Year ended March 31, 2011 | 2,126,612,640 shares |

(Reference) Summary of non-consolidated financial results

1. Non-Consolidated Financial Results for the Year Ended March 31, 2012 (April 1, 2011 – March 31, 2012)

(1) Non-Consolidated Operational Results (Percentages (%) represent changes from the previous year)

	Operating revenues		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2012	1,032,720	12.5	39,348	-25.2	41,165	-25.4	25,707	-25.5
Year ended March 31, 2011	918,047	8.8	52,583	-13.0	55,202	-13.8	34,519	-13.8

	Earnings per share	Diluted earnings per share
	yen	yen
Year ended March 31, 2012	12.35	—
Year ended March 31, 2011	16.23	—

(2) Non-Consolidated Financial Position

	Total assets	Net worth	Net worth/ Total assets	Net worth per share
	million yen	million yen	%	Yen
As of March 31, 2012	1,187,531	544,531	45.9	261.51
As of March 31, 2011	1,143,761	534,870	46.8	256.86

<Reference> Net worth: As of March 31, 2012; 544,531 million yen

As of March 31, 2011; 534,870 million yen

2. Forecasts of Non-Consolidated Results for the Year Ending March 31, 2013 (April 1, 2012 – March 31, 2013)

(Percentages represent forecasted changes from the previous year for the full year results, and forecasted changes from the same period in the previous year for the interim results.)

	Operating revenues		Operating profit		Ordinary profit		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Interim	492,000	11.0	20,500	548.7	24,500	254.6	17,500	234.9	8.40
Full year	1,093,000	5.8	57,500	46.1	63,000	53.0	43,500	69.2	20.88

* Information on implementation of audit procedures

As of the time of disclosure of this summary of financial statements, the financial statement audit procedures in accordance with the Financial Instruments and Exchange Act have not been finalized.

* Notes on proper use of forecasts and other matters

Statements in this document relating to future matters including operational forecasts are based on information available to the Company and certain assumptions that the Company believes to be reasonable. Actual results may differ from these forecasts, affected by various factors. As for notes regarding assumptions used for operational forecasts and regarding the use of forecasts, please refer to "Forecasts for the Next Year (April 1, 2012 – March 31, 2013)" on page 6 of the Attachment.

The Company is planning to hold a closing informational meeting for institutional investors and analysts on April 27, 2012. Immediately after the meeting, a video of the presentation and the presentation materials used on that day will be made available on the Company's web site.

Table of Contents for Attachment

1. Operational Results	4
(1) Operational Results Analysis	4
(2) Financial Position Analysis	6
(3) Basic Policy for Profit Distribution and Dividends for Current Year and Next Year	8
(4) Business and Other Risks	9
2. Management Policy	10
(1) Basic Management Policy and Medium/Long Term Business Strategy	10
(2) Targeted Management Indices	10
(3) Challenges for the Company	10
3. Consolidated Financial Statements	13
(1) Consolidated Balance Sheet	13
(2) Consolidated Profit and Loss Statement and Consolidated Statement of Comprehensive Income	15
(3) Consolidated Statement of Changes in Shareholders' Equity	17
(4) Consolidated Cash Flow Statement	19
(5) Notes regarding Assumption of a Going Concern	20
(6) Notes on the Consolidated Financial Statements	20
(Segment Information)	20
(Per Share Information)	22
(Significant Events after Closing of the Year)	22
4. Non-Consolidated Financial Statements	23
(1) Balance Sheet	23
(2) Profit and Loss Statement	25
(3) Statement of Changes in Shareholders' Equity	27

1. Operational Results

(1) Operational Results Analysis

(i) Results for Year Ended March 31, 2012

Consolidated operating revenues for the year ended March 31, 2012 increased by ¥107.6 billion (up 9.1% year-on-year) to ¥1,294.7 billion. This was primarily due to the continuing high unit selling price on a non-consolidated basis for city gas under the fuel cost adjustment system. Consolidated ordinary profit decreased by ¥6.6 billion (down 8.1% YoY) to ¥75.6 billion, due primarily to an increase in raw material costs despite higher income from the electric power business on a non-consolidated basis. Consolidated net income decreased by ¥0.7 billion (down 1.7% YoY) to ¥45.2 billion.

The number of consolidated subsidiary companies is currently 133, with 3 subsidiary companies removed and 5 added since the end of the previous year. The number of equity method affiliates now stands at 9, with 2 companies having been added since the end of the previous year.

(billion yen)

	Consolidated results (a)	Change from previous year		Non-consolidated results (b)	Ratio of consolidated results to non-consolidated results (a)/(b)
		Change	Percent (%)		
Operating revenues	1,294.7	+107.6	+9.1	1,032.7	1.25
Cost of sales	868.3	+118.1	+15.8	702.7	1.24
Selling, general and administrative expenses	349.1	+0.7	+0.2	290.6	1.20
Operating profit	77.2	-11.3	-12.8	39.3	1.96
Ordinary profit	75.6	-6.6	-8.1	41.1	1.84
Net income	45.2	-0.7	-1.7	25.7	1.76

(Reference) Non-Consolidated Gas Sales Breakdown

		Current year (a) (Apr '11 -Mar '12)	Previous year (b) (Apr '10 -Mar '11)	Change (a)-(b)	Percent (%)
Customers [Meters installed] (thousand customers [meters])	Residential	6,710	6,681	+30	+0.4
	Non-residential	335	331	+4	+1.1
	Total	7,045	7,012	+33	+0.5
Monthly average usage per residential customer (m ³ /month)		32.6	32.7	-0.1	-0.4
Gas sales volume (million m ³)	Residential	2,271	2,275	-4	-0.2
	Non-residential	5,930	5,765	+165	+2.9
	Industrial	4,355	4,141	+214	+5.2
	Commercial	927	968	-42	-4.3
	Public and medical institutions	648	655	-7	-1.1
	Wholesale	480	488	-7	-1.5
Total		8,681	8,528	+154	+1.8

[45MJ/m³]

(ii) Operational Results by Business Segment

a. Gas

Sales increased by ¥96.6 billion (up 11.0% YoY) to ¥976.5 billion, mainly as a result of gas unit selling prices remaining high under the fuel cost adjustment system. There was a decrease in segment profit by ¥20.9 billion (down 49.9% YoY) to ¥20.9 billion, primarily due to an increase in raw material costs.

b. LPG, Electricity and Other Energy

Sales increased by ¥23.2 billion (up 13.3% YoY) to ¥198.0 billion, caused mainly by higher revenues from the electric power business. Segment profit rose by ¥6.8 billion (up 26.7% YoY) to ¥32.4 billion.

c. International Energy

Sales remained nearly flat year-on-year at ¥11.1 billion, while segment profit increased by ¥3.6 billion (up 74.3% YoY) to ¥8.6 billion.

d. Environment and Non-Energy

Sales remained nearly flat year-on-year at ¥184.5 billion, while segment profit increased by ¥2.8 billion (up 18.5% YoY) to ¥18.5 billion.

(billion yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Adjustments	Consolidation
Operating revenues	+11.0% 976.5 [+96.6]	+13.3% 198.0 [+23.2]	+0.2% 11.1 [+0]	-0.4% 184.5 [-0.8]	-75.5	+9.1% 1,294.7 [+107.6]
Segment profit	-49.9% 20.9 [-20.9]	+26.7% 32.4 [+6.8]	+74.3% 8.6 [+3.6]	+18.5% 18.5 [+2.8]	2.2	-8.6% 82.9 [-7.8]

The percentage figures at the upper left corner of each box show the percentage of change from the previous year.

Figures in [] brackets in each box show the change in yen from the previous year.

(iii) Forecasts for the Next Year (April 1, 2012 – March 31, 2013)

Consolidated operating revenues for the year ending March 31, 2013 are expected to increase by ¥68.2 billion (up 5.3% YoY) to ¥1,363.0 billion. This is primarily because operating revenues are expected to increase due to higher gas unit selling prices compared with the current fiscal year under the fuel cost adjustment system (the Company assumes LNG prices will go up during the next fiscal year compared with the current year).

Ordinary profit is expected to increase by ¥14.3 billion (up 18.9% YoY) to ¥90.0 billion primarily because the magnitude of the increase in raw material costs associated with the assumed rise in LNG prices is expected to be small relative to the assumed increase in operating revenues. Net income is expected to increase by ¥11.7 billion (up 26.1% YoY) to ¥57.0 billion.

(billion yen)

	Forecast for Next Year (2012/4 -2013/3)	Compared with Current Year	
		Change	Percent (%)
Operating revenues	1,363.0	+68.2	+5.3
Operating profit	90.0	+12.7	+16.5
Ordinary profit	90.0	+14.3	+18.9
Net income	57.0	+11.7	+26.1

Assumptions: Crude oil price (All Japan CIF price) at \$115/barrel, and exchange rate (TTM rate) at ¥80 to the dollar.

(2) Financial Position Analysis

(i) Assets, Liabilities, and Net Worth

Total assets increased by ¥38.4 billion year-on-year to ¥1,475.7 billion, due primarily to a increase in trade account receivable. Liabilities increased by ¥18.2 billion year-on-year to ¥766.8 billion, while net worth heightened by ¥20.2 billion year-on-year to ¥708.9 billion.

As a result, the ratio of shareholders' equity to total capital rose to 46.4% from 46.3% at the end of the previous year.

(billion yen)

	As at March 31, 2012	As at March 31, 2011	Change
Total assets	1,475.7	1,437.2	+38.4
Total liabilities	766.8	748.6	+18.2
Total net worth	708.9	688.6	+20.2
Total liabilities and net worth	1,475.7	1,437.2	+38.4

(ii) Cash Flow

In the current fiscal year, net cash provided by operating activities amounted to ¥122.7 billion, due to the addition of depreciation expenses to net income before tax and other adjustments and addition/subtraction of corporate taxes and other payments. Net cash used in investment activities amounted to ¥107.7 billion, mainly due to the purchase of tangible fixed assets. Net cash used in financing activities amounted to ¥8.2 billion, including the repayment of long-term loans payable.

Consequently, the net increase in cash and cash equivalents at the end of the year ended March 31, 2012 amounted to ¥6.2 billion.

With the addition to the balance of ¥116.2 billion at the beginning of the year under review, the balance of cash and cash equivalents at the end of the year ended March 31, 2012 amounted to ¥122.4 billion.

(billion yen)

	Current Year (Apr '11 -Mar '12)	Previous Year (Apr '10 -Mar '11)	Change
Cash flow from operating activities	122.7	126.3	-3.6
Cash flow from investment activities	-107.7	-82.4	-25.3
Cash flow from financial activities	-8.2	-41.2	+32.9
Increase/decrease of cash and cash equivalents	6.2	2.2	+3.9
Cash and cash equivalents at year-end	122.4	116.2	+6.2
Balance of interest-bearing liabilities at year-end	541.3	532.4	+8.8

Free cash flow*: ¥79.0 billion [¥72.7 billion in the previous year]

*Cash flow from operating activities – capital expenditures

(Reference) Cash Flow Indices

	Current Year (Apr '11 -Mar '12)	Previous Year (Apr '10 -Mar '11)
Shareholders' equity/Total assets	46.4%	46.3%
Shareholders' equity /Total assets on market value	46.8%	48.1%
Interest bearing liabilities/Cash flow	4.4	4.2
Interest coverage ratio	13.78	13.95

(Notes)

1. All of the above indices are based on consolidated financial results.
2. Total market capitalization was calculated based on issued shares of the Company, excluding treasury stock.
3. Cash flow used for the calculation of these indices is operating cash flow.
4. Interest-bearing liabilities include all liabilities reported on the consolidated balance sheet for which interest is paid.

The following table shows forecasts for capital expenditures.

(Reference) Capital Expenditures: Results and Forecasts

(billion yen)

	Forecast for Next Year (Apr '12 -Mar '13)	Current Year (Apr '11 -Mar '12)	Previous Year (Apr '10 -Mar '11)
Consolidated	101.1	87.1	69.6
Non-consolidated	68.0	58.6	47.9
Production facilities	7.8	5.7	2.1
Distribution facilities	53.9	47.5	41.1
Operational facilities, etc.	6.2	5.3	4.6

Major financial indicators for next year are forecasted as follows:

		Forecast for Next Year (Apr '12-Mar '13)	Current Year (Apr '11-Mar '12)	Previous Year (Apr '10-Mar '11)
Consolidated	Shareholders' value added (SVA)	23.8 billion yen	11.9 billion yen	13.2 billion yen
	Earnings per share (EPS)	27.36 yen	21.71 yen	21.62 yen
	Return on equity (ROE)	8.1 %	6.7 %	6.9 %
	Return on assets (ROA)	3.7 %	3.1 %	3.1 %
	Free cash flow (FCF)	79.1 billion yen	79.0 billion yen	72.7 billion yen
Non-consolidated	Shareholders' value added (SVA)	16.8 billion yen	0.7 billion yen	8.8 billion yen
	Earnings per share (EPS)	20.88 yen	12.35 yen	16.23 yen
	Return on equity (ROE)	7.8 %	4.8 %	6.4 %
	Return on assets (ROA)	3.6 %	2.2 %	3.0 %
	Free cash flow (FCF)	49.5 billion yen	37.9 billion yen	11.4 billion yen

(3) Basic Policy for Profit Distribution and Dividends for Current Year and Next Year

Striving to enhance business growth and improve the efficiency of its operations, the Company has appropriated the increased profit resulting from such efforts for internal reserves to be used toward future business growth and strengthening of the financial structure of the Company, in addition to the payment of steady dividends to shareholders. The Company will endeavor to continue steadily paying such dividends to shareholders both at the interim and year-end periods based on operational results, future business management, and other plans, while also taking into account alternative profit distribution plans and other comprehensive factors. The Company will aim to maintain its consolidated payout ratio above 30%, within the non-consolidated retained earnings distributable to Osaka Gas shareholders, excluding temporary factors that may affect the profit situation. Internal reserves will be appropriated for capital investments and investments in new business.

The Company plans to pay annual dividends of 8.0 yen per share, including interim dividends of 4.0 yen per share, for both the current fiscal year and the next.

(4) Business and Other Risks

The business performance and financial conditions of the Osaka Gas Group may be affected by various risks including, but not limited to, the following:

(i) Risks related to all businesses within the Osaka Gas Group

a. Worsening of economic and credit conditions, etc., and contraction of the domestic market

Worsening of economic and/or credit conditions, etc. in Japan and/or other countries that may lead to a decrease in sales revenues, difficulties in fund-raising, insolvency of joint project partner companies, suppliers, or customers, a decrease in the population, offshore transfer of factories and plants, or other unfavorable effects

b. Changes in foreign exchange rates and financing interest rates

c. Catastrophic disasters/accidents/epidemics

Occurrence of catastrophic natural disasters, acts of terrorism or accidents, or epidemics of new types of influenza or other infectious diseases

d. Changes in policies, laws, regulations, and institutional systems

Changes in the Gas Business Act, the Electricity Business Act, the Companies Act, the Financial Instruments and Exchange Act, environment-related laws, or other applicable policies, acts and institutional systems both in and outside of Japan

e. Intensifying competition

Intensified competition with other operators in the gas business and other business areas related to the Group

f. Breakdown or malfunction of mission-critical IT systems

Breakdown or malfunction of mission-critical IT systems, such as systems related to gas production/supply or billing

g. Information leaks

Outside leakage of important information used in the course of business, including customer information or technical information possessed by the Group

h. Non-compliance with laws/regulations

Acts carried out by the Group or by any person related to the Group that are in violation of any law or regulation could lead the Company to incur expenditures to correct such noncompliance, and/or experience a degrading of its social reputation

(ii) Risks related to major businesses within the Osaka Gas Group

1) Gas business

a. Impact of fluctuations in atmospheric/water temperature on gas demand

b. Changes in raw material costs

Fluctuations in prices of liquefied natural gas (LNG) due to changes in crude oil prices, exchange rates, and other relevant factors*

*Although most effects may be offset through the fuel cost adjustment system, under which gas rates are revised to reflect changes in fuel costs, a time lag until the actual adjustment is made and the composition of material suppliers could affect the performance of the Osaka Gas Group.

Settlement of raw materials costs as a result of renewal of contracts or price negotiations with suppliers

c. Trouble in purchasing raw materials

Problems at facilities of LNG (from which gas is produced) suppliers or their operations, or other incidents

d. Difficulties in production and supply

Catastrophic natural disasters or accidents that could disrupt the production or supply of gas

e. Problems with gas equipment and facilities

Serious trouble with gas equipment or facilities sold to customers

2) Electricity business

Interruption of operations at any electric power plant due to a natural disaster, accident, trouble in purchasing fuel, or other incidents

3) International energy businesses

Changes in the business environment involving the Group, such as delay or cancellation of a gas field development or other development projects as a result of worsening of the economic and social situation in global and the countries where the Osaka Gas Group has a business, or other factors

The Osaka Gas Group strives to minimize the potential impact of these risks on its performance through various measures, including derivative contracts to hedge against fluctuations in exchange rates and raw material costs, accident and other insurance contracts, enhanced security of critical IT systems, adherence to compliance and strict information control, monitoring and proper supervision of subsidiaries' business management, measures for safety and disaster prevention, and design and continuous review of business continuity plans.

2. Management Policy

(1) Basic Management Policy and Medium/Long Term Business Strategy

The Osaka Gas Group finds itself in a dramatically changing operating environment both at home and abroad: Overseas, the European economy is still in a state of turmoil, the political situation in the Middle East remains unstable, and oil prices continue to rise. In Japan, electric power is in short supply, the government has made a turnaround in its energy policy, and both businesses and consumers have become more conscious of "energy conservation" and "energy security." The management recognizes that its single greatest task is to continue registering sustainable growth by coping with such business environments and remaining committed to increasing management efficiency.

Assigning top priority to the maximization of customer value, the Osaka Gas Group has conducted business based on its management principle of "Value Creation Management," which seeks to enhance value for all stakeholders, including shareholders, society, and employees, through fair and transparent business activities.

In the year ending March 31, 2013, the Osaka Gas Group will take on the tasks of "Ensuring stable supply/safety of energy," "Encouraging widespread use of natural gas and distributed energy systems," "Creating new business models and further expanding investments," and "CSR" to achieve the Group's long-term management vision/medium-term business plan: "Field of Dreams 2020."

(2) Targeted Management Indices

From the perspective of assuring profitability and business growth, the Company sets targets for shareholders' value added (SVA), profit figures, return on equity (ROE), return on assets (ROA) and continued payment of stable dividends.

At the same time, to maintain its financial strength rating and other indications of financial soundness, the Company will endeavor to attain the following financial soundness indicators: (1) a ratio of consolidated net worth to total assets in excess of 40%, and (2) a ratio of consolidated D/E (interest-bearing debts to net worth) of about 1, while maintaining the existing balance with SVA, free cash flow, balance of interest-bearing debts, and other indicators.

Opportunities to repurchase the Company's shares will always be examined to improve earnings per share (EPS), and ROE. However, repurchase will be strategically implemented only on the conditions that growth investments have been implemented and that excess cash flow is available.

(3) Challenges for the Company

(i) Ensuring stable supply/safety of energy

The Company will strengthen its efforts to supply natural gas both stably and safely throughout the entire chain of energy supply, from procurement of raw materials to production/supply and consumption by end users.

1) Stabilizing supply

While striving to secure stable procurement of natural gas and other raw materials by sourcing them from multiple countries, the Company will focus on the reduction in raw material prices through diversification of its suppliers and promoting joint procurement with other companies, among others.

With future demand trends in mind, the Company will also systematically build up facilities, such as high-pressure gas pipelines.

2) Securing safety

The Company will conduct preventive maintenance, including regular maintenance and replacement work at manufacturing and supply facilities, and respond around the clock to any emergencies, such as possible gas leakage.

The Company will also make continued efforts to regularly inspect the facilities of customers and raise their awareness regarding the safe use of gas facilities and equipment.

3) Strengthening precautions against large-scale disasters and supply difficulties

The Company will improve its contingency plans for earthquakes and tsunamis at its manufacturing and supply facilities, and revise its business continuity plan (BCP) on an ongoing basis.

(ii) Encouraging widespread use of natural gas and distributed energy systems

With a view toward contributing to “energy security,” “energy conservation,” “peak shaving,” and “the realization of a low-carbon society,” all of which have been the focus of public attention since the Great East Japan Earthquake, the Company will make maximum use of its natural gas and distributed energy systems along with the other products, services, and technologies of the Group.

1) Efforts in the residential market

The Company will encourage the broad use of “ECO-JOZU” energy-saving water heaters, as well as “ENE-FARM” and “ENE-FARM type S” residential fuel cells, “ECOWILL” residential gas engine cogeneration systems, and “Hybrid Power Generation” systems that integrate such equipment with photovoltaic power systems. Furthermore, we will promote the drive to “visualize” how much energy is used at homes by offering a Home Energy Management System (HEMS).

2) Efforts in the non-residential market

The Company will promote widespread and intensive use of natural gas by providing gas engine cogeneration systems and gas air conditioning systems, among others. In addition, the Company will contribute to greater convenience and cost effectiveness for customers by expanding its energy service provision business including utility management that taps into its water treatment technology and information technology.

3) Technological development

The Company will enhance its technological prowess in the areas of: development of more efficient, low-cost gas appliances; practical use of the “Smart Energy House,” which integrates a “hybrid power generation” system with a storage battery, and the “Smart Energy Network” for optimal use of distributed energy systems; commercialization of environmental technology that utilizes catalyst/adsorption technology, etc.; and development of biogas- and hydrogen-related technologies.

(iii) Creating new business models and further expanding investments

The Company will work on the expansion of its activities in the “Domestic Energy Businesses outside of the city gas business in the Kinki district,” the “International Energy Businesses along the Energy Value Chain,” and the “Environment and Non-Energy Businesses.”

1) Domestic Energy Businesses

a. Electricity business

The Company will focus on scale expansion of power sources, including power source cogeneration systems that utilize thermal energy efficiently and renewable energy facilities that contribute to CO₂ reduction. It will also continue to focus on the steady operation and meticulous maintenance of in-house electricity facilities, including the Semboku Natural Gas Power Plant.

b. Expansion of supply area

The Company will promote the broad use of natural gas outside of the current supply area by seeking alliances with energy operators in each region.

c. LPG business

The Company will strive to improve profitability by increasing its customers and sales volumes and reducing costs.

2) International Energy Businesses along the Energy Value Chain

To realize flexible and stable LNG procurement and increase earnings, the Company will attempt to acquire interests in new projects, including the shale gas development project and other unconventional gas development projects, while at the same time promoting projects to develop natural gas fields in which it has interests.

Concerning mid- and downstream businesses along the energy value chain, such as the IPP business, the Company will examine the possibility of acquiring new projects and steadily operate its existing projects.

3) Environment and Non-Energy Businesses

The Company will further utilize the Group's technologies and expertise with the aim of expanding new environment businesses.

In the non-energy business, particularly in the areas of urban development, information technology, and material solutions, the Company will also continue to make contributions to improve the lives and boost the business growth of its customers through the delivery of improved products and services.

(iv) CSR

In accordance with the Osaka Gas Group CSR Charter, the Company will strive to "create value for customers," "contribute to harmonizing with the environment and to realizing a sustainable society," "be a good corporate citizen contributing to society," "comply with laws and regulations and respect human rights," and work under a "management policy of human growth." At the same time, the Company will endeavor to have those concerned with the Osaka Gas Group's supply chain gain a clear understanding of its efforts in this regard.

The Osaka Gas Group will establish an internal control system in accordance with its business environment. Under a mechanism to monitor the implementation of this system in a timely and appropriate manner, the Group is committed to addressing the above challenges, pursuing its management principle of Value Creation Management, and continuing to make constant efforts toward the achievement of sustainable growth.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(million yen)

	Previous Year As of March 31, 2011	Current Year As of March 31, 2012
Assets		
Fixed assets		
Tangible fixed assets		
Production facilities	84,785	80,220
Distribution facilities	296,526	278,844
Operational facilities	70,981	69,280
Other facilities	324,993	313,655
Construction in progress	23,106	51,281
Total tangible fixed assets	800,394	793,283
Intangible fixed assets	40,262	38,107
Investments and other assets		
Investment in securities	136,179	136,838
Others	95,785	103,255
Allowance for bad debts	-2,102	-2,015
Total investments and other assets	229,862	238,078
Total fixed assets	1,070,520	1,069,469
Current assets		
Cash and deposits	98,422	107,239
Notes and trade accounts receivable	136,930	159,472
Short-term investment securities	23,112	22,909
Inventories	49,400	60,740
Others	60,277	57,347
Allowance for bad debts	-1,366	-1,419
Total current assets	366,776	406,290
Total assets	1,437,297	1,475,759

(million yen)

	Previous Year As of March 31, 2011	Current Year As of March 31, 2012
Liabilities		
Fixed liabilities		
Bonds	269,733	258,863
Long-term loans payable	190,430	200,722
Deferred tax liabilities	11,079	9,801
Deferred tax liabilities related to revaluation	149	139
Reserve for retirement benefits	14,548	15,496
Reserve for gasholder repair	1,715	1,679
Reserve for safety actions	9,508	6,990
Allowance for investment loss	3,280	6,999
Others	17,927	17,468
Total fixed liabilities	518,373	518,160
Current liabilities		
Current portion of fixed liabilities	30,833	32,663
Notes and trade accounts payable	38,218	46,978
Short-term loans payable	40,660	48,104
Corporate taxes payable	32,614	27,768
Others	87,900	93,178
Total current liabilities	230,228	248,694
Total liabilities	748,601	766,855
Net Worth		
Shareholders' equity		
Capital stock	132,166	132,166
Capital surplus	19,482	19,482
Retained earnings	499,366	528,318
Treasury stock	-323	-361
Shareholders' equity total	650,692	679,605
Accumulated other comprehensive income		
Difference between market price and acquisition cost of other securities	18,037	19,710
Deferred hedge gains/losses	4,116	-494
Land revaluation excess	-519	-510
Foreign exchange adjustment	-7,367	-13,727
Accumulated other comprehensive income total	14,267	4,978
Minority interest	23,735	24,320
Net worth total	688,695	708,904
Liabilities and net worth total	1,437,297	1,475,759

(2) Consolidated Profit and Loss Statement and Consolidated Statement of Comprehensive Income
 Consolidated Profit and Loss Statement

(million yen)

	Previous Year (April 1, 2010 – March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Operating revenues	1,187,142	1,294,781
Cost of sales	750,159	868,358
Gross profit on sales	436,983	426,423
Selling, general and administrative expenses	348,399	349,148
Operating profit	88,584	77,274
Non-operating revenues		
Interest income	608	753
Dividend income	1,956	2,106
Equity method investment gains	2,161	5,637
Miscellaneous income	5,396	6,024
Total non-operating revenues	10,124	14,521
Non-operating expenses		
Interest expenses	9,059	8,909
Provision of allowance for investment loss	—	3,719
Miscellaneous expenses	7,276	3,472
Non-operating expenses total	16,335	16,101
Ordinary profit	82,372	75,694
Extraordinary loss		
Loss on adjustment accompanying adoption of accounting standard for asset retirement obligations	784	—
Total extraordinary loss	784	—
Income before tax adjustments	81,587	75,694
Corporate, inhabitant and business taxes	35,604	26,301
Adjustment for corporate and other taxes	-1,875	2,077
Total corporate and other taxes	33,729	28,378
Income before minority interests	47,858	47,315
Minority interests	1,890	2,108
Net income	45,968	45,207

Consolidated Statement of Comprehensive Income

(million yen)

	Previous Year (April 1, 2010 – March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Income before minority interests	47,858	47,315
Other comprehensive income		
Difference between market price and acquisition cost of other securities	-5,505	1,676
Deferred hedge gains/losses	-724	-148
Land revaluation excess	-112	9
Foreign exchange adjustment	-2,280	-5,514
Share of other comprehensive income of associates accounted for using equity method	-3,401	-3,636
Other comprehensive income total	-12,024	-7,613
Comprehensive income	35,833	39,702
Attributable to:		
Owners of the parent	34,943	38,098
Minority interests	890	1,604

(3) Consolidated Statement of Changes in Shareholders' Equity

(million yen)

	Previous Year (April 1, 2010 – March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Shareholders' equity		
Capital stock		
Balance as of previous year-end	132,166	132,166
Balance as of current year-end	132,166	132,166
Capital surplus		
Balance as of previous year-end	19,482	19,482
Balance as of current year-end	19,482	19,482
Retained earnings		
Balance as of previous year-end	492,974	499,366
Changes during the year		
Dividends from retained earnings	-16,108	-16,658
Net income	45,968	45,207
Change of scope of equity method	—	403
Disposal of treasury stock	-1	-0
Cancellation of treasury stock	-23,770	—
Reversal of land revaluation excess	303	—
Total changes during the year	6,391	28,952
Balance as of current year-end	499,366	528,318
Treasury stock		
Balance as of previous year-end	-3,530	-323
Changes during the year		
Acquisition of treasury stock	-20,583	-47
Disposal of treasury stock	20	8
Cancellation of treasury stock	23,770	—
Total changes during the year	3,207	-38
Balance as of current year-end	-323	-361
Shareholders' equity total		
Balance as of previous year-end	641,093	650,692
Changes during the year		
Dividends from retained earnings	-16,108	-16,658
Net income	45,968	45,207
Change of scope of equity method	—	403
Acquisition of treasury stock	-20,583	-47
Disposal of treasury stock	19	8
Cancellation of treasury stock	—	—
Reversal of land revaluation excess	303	—
Total changes during the year	9,598	28,913
Balance as of current year-end	650,692	679,605

(million yen)

	Previous Year (April 1, 2010– March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Accumulated other comprehensive income		
Difference between market price and acquisition cost of other securities		
Balance as of previous year-end	23,542	18,037
Changes during the year		
Net changes in items other than shareholders' equity during the year	-5,505	1,673
Total changes during the year	-5,505	1,673
Balance as of current year-end	18,037	19,710
Deferred hedge gains (losses)		
Balance as of previous year-end	4,939	4,116
Changes during the year		
Net changes in items other than shareholders' equity during the year	-822	-4,611
Total changes during the year	-822	-4,611
Balance as of current year-end	4,116	-494
Land revaluation excess		
Balance as of previous year-end	-103	-519
Changes during the year		
Net changes in items other than shareholders' equity during the year	-416	9
Total changes during the year	-416	9
Balance as of current year-end	-519	-510
Foreign exchange adjustment		
Balance as of previous year-end	-2,782	-7,367
Changes during the year		
Net changes in items other than shareholders' equity during the year	-4,584	-6,360
Total changes during the year	-4,584	-6,360
Balance as of current year-end	-7,367	-13,727
Accumulated other comprehensive income total		
Balance as of previous year-end	25,596	14,267
Changes during the year		
Net changes in items other than shareholders' equity during the year	-11,328	-9,289
Total changes during the year	-11,328	-9,289
Balance as of current year-end	14,267	4,978
Minority interest		
Balance as of previous year-end	23,871	23,735
Changes during the year		
Net changes in items other than shareholders' equity during the year	-135	584
Total changes during the year	-135	584
Balance as of current year-end	23,735	24,320
Total net worth		
Balance as of previous year-end	690,561	688,695
Changes during the year		
Dividends from retained earnings	-16,108	-16,658
Net income	45,968	45,207
Change of scope of equity method	—	403
Acquisition of treasury stock	-20,583	-47
Disposal of treasury stock	19	8
Reversal of land revaluation excess	303	—
Net changes in items other than shareholders' equity during the year	-11,464	-8,704
Total changes during the year	-1,865	20,208
Balance as of current year-end	688,695	708,904

(4) Consolidated Cash Flow Statement

(million yen)

	Previous Year (April 1, 2010 – March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Cash Flow from Operating Activities		
Income before tax adjustments	81,587	75,694
Depreciation expenses	97,569	93,624
Write-off of long-term prepaid expenses	6,096	4,270
Increase (decrease) in allowance for safety measures	-2,061	-2,517
Increase (decrease) in allowance for investment loss	—	3,719
(Increase) decrease in prepaid pension expenses	3,370	2,218
Interest and dividends received	-2,565	-2,860
Interest expenses	9,059	8,909
Equity method investment gains (the minus mark (-) represents gains)	-2,161	-5,637
Loss on adjustment accompanying adoption of accounting standard for asset retirement obligations	784	—
(Increase) decrease in trade receivables	-15,301	-22,507
(Increase) decrease in inventories	14,652	-11,483
Increase (decrease) in trade payables	-32,085	8,968
Increase (decrease) in accrued expenses	-1,571	4,717
Increase (decrease) in accrued consumption taxes	515	1,828
Others	4,424	542
Total	162,313	159,489
Interest and dividends received	4,558	4,708
Interest expenses paid	-9,127	-8,915
Corporate taxes paid	-31,345	-32,488
Net cash flow from operating activities	126,399	122,793
Cash Flow from Investment Activities		
Purchase of tangible fixed assets	-66,843	-83,774
Purchase of intangible fixed assets	-1,838	-2,727
Purchase of long-term prepaid expenses	-5,294	-5,053
Purchase of investment securities	-1,162	-2,262
Purchase of affiliates' shares	-4,152	-5,590
Payment into time deposits	-1,792	-3,945
Proceeds from withdrawal of time deposits	1,972	2,894
Others	-3,297	-7,304
Net cash flow from investment activities	-82,408	-107,764
Cash Flow from Financial Activities		
Net increase (decrease) in short-term loans payable	3,381	7,194
Proceeds from long-term loans payable	5,221	23,009
Repayment of long-term loans payable	-21,649	-29,789
Proceeds from corporate bond issuance	10,000	10,000
Dividends paid	-16,095	-16,652
Others	-22,116	-2,041
Net cash flow from financial activities	-41,257	-8,279
Difference from Conversion of Cash and Cash Equivalents	-501	-530
Increase (Decrease) of Cash and Cash Equivalents	2,232	6,218
Cash and Cash Equivalents at Year-Beginning	113,998	116,230
Cash and Cash Equivalents at Year-End	116,230	122,448

(5) Notes Regarding Assumption of a Going Concern

Not applicable

(6) Notes on the Consolidated Financial Statements

(Segment Information)

a. Summary of reportable segments

The Osaka Gas Group's reportable segments are the organizational units for which separate financial information is available, and they are regularly reviewed by the Board of Directors to determine the allocation of management resources and evaluate business results.

The Group classifies its products and services into business segments on the basis of three business domains: the Domestic Energy Businesses, the International Energy Businesses along the Energy Value Chain, and the Environment and Non-Energy Businesses. It then consolidates those business segments into the following four reportable segments by considering product and service similarities, namely, the Gas Business, the LPG, Electricity, and Other Energy Businesses, the International Energy Businesses, and the Environment and Non-Energy Businesses.

The Gas Business sells gas and gas appliances and conducts gas pipe installation and heat supply. The LPG, Electricity, and Other Energy Businesses sell LPG and industrial gas and supply electricity. The International Energy Businesses supply energy overseas, lease tankers to transport LNG, and conduct development and investment related to petroleum and natural gas. The Environment and Non-Energy Businesses conduct development and leasing of real estate, information processing services, sales of fine materials and carbon material products, sports-related business, engineering, and leasing of automobiles and equipment.

b. Measurement of the amounts of net sales, income (loss), assets, liabilities, and other items for each reportable segment

The accounting policies of reportable segments are nearly the same as the "basic information for consolidated financial statements preparation." Internal sales and transfer prices between operating segments are according to the arm's length principle.

c. Information on the amounts of net sales, income (loss), assets, liabilities, and other items for each reportable segment

Year ended March 31, 2011 (April 1, 2010 to March 31, 2011) (million yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Total	Adjustments	Consolidated statement of income totals
Net sales							
Sales to customers outside the Group	865,382	172,660	11,007	138,091	1,187,142	—	1,187,142
Internal sales or transfer among segments	14,495	2,105	123	47,315	64,040	-64,040	—
Total	879,878	174,766	11,130	185,407	1,251,182	-64,040	1,187,142
Segment profit							
Operating profit	41,913	25,243	3,178	15,652	85,988	2,595	88,584
Equity in earnings of affiliated companies	5	365	1,790	—	2,161	—	2,161
Total	41,919	25,609	4,968	15,652	88,150	2,595	90,746
Segment assets	728,047	171,342	144,397	306,489	1,350,277	87,019	1,437,297
Others							
Depreciation expenses	63,318	17,041	5,540	10,567	96,467	-730	95,737
Amortization of goodwill	514	751	223	342	1,831	—	1,831
Investment in associates accounted for using equity method	399	4,049	38,805	—	43,254	—	43,254
Increase in tangible fixed assets and intangible fixed assets	50,185	9,210	102	10,644	70,142	-542	69,600

Year ended March 31, 2012 (April 1, 2011 to March 31, 2012) (million yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Total	Adjustments	Consolidated statement of income totals
Net sales							
Sales to customers outside the Group	952,611	195,624	11,000	135,546	1,294,781	—	1,294,781
Internal sales or transfer among segments	23,901	2,435	157	49,042	75,536	-75,536	—
Total	976,512	198,060	11,158	184,588	1,370,318	-75,536	1,294,781
Segment profit							
Operating profit	20,977	32,230	3,361	18,437	75,007	2,267	77,274
Equity in earnings of affiliated companies	5	216	5,300	114	5,637	—	5,637
Total	20,982	32,447	8,661	18,552	80,644	2,267	82,911
Segment assets	753,945	164,672	169,802	322,568	1,410,988	64,771	1,475,759
Others							
Depreciation expenses	62,451	15,675	5,543	10,223	93,893	-776	93,117
Amortization of goodwill	-89	445	251	-99	507	—	507
Investment in associates accounted for using equity method	401	4,151	37,351	1,870	43,775	—	43,775
Increase in tangible fixed assets and intangible fixed assets	63,009	3,315	7,166	14,413	87,904	-732	87,171

(Per Share Information)

Current year (From April 1, 2011 to March 31, 2012)		Previous year (From April 1, 2010 to March 31, 2011)	
Net worth per share	328.77 yen	Net worth per share	319.33 yen
Earnings per share	21.71 yen	Earnings per share	21.62 yen

(Notes)

1. Since there were no potential shares that would have dilutive effect if issued, data on diluted earnings per share is not presented in this document.
2. The following data were used for calculating earnings per share:

	Current year (From April 1, 2011 to March 31, 2012)	Previous year (From April 1, 2010 to March 31, 2011)
Net income (million yen)	45,207	45,968
Net income attributable to shareholders of common shares (million yen)	45,207	45,968
Average issued common shares during the year (thousand shares)	2,082,323	2,126,612

(Significant Events after Closing of the Year)

Not applicable

Disclosure of notes other than the above has been omitted, since the necessity of the same in this flash earnings report is considered negligible.

4. Non-Consolidated Financial Statements

(1) Balance Sheet

(million yen)

	As of March 31, 2011	As of March 31, 2012
Assets		
Fixed assets		
Tangible fixed assets		
Production facilities	83,185	78,782
Distribution facilities	296,029	278,267
Operational facilities	70,110	68,415
Incidental business facilities	4,797	4,379
Construction in progress	21,766	42,448
Total tangible fixed assets	475,889	472,293
Intangible fixed assets		
Patents	38	51
Leaseholds	2,905	2,921
Other intangible fixed assets	2,637	2,360
Total intangible fixed assets	5,582	5,333
Investments and other assets		
Investment in securities	40,400	40,030
Investment in affiliates	159,277	178,674
Long-term loans receivable from affiliates	158,832	158,728
Investment in capital	22	23
Long-term prepaid expenses	10,066	9,524
Prepaid pension expenses	39,811	37,593
Other investments	6,480	6,882
Allowance for bad debts	-665	-537
Total investments and other assets	414,226	430,918
Total fixed assets	895,697	908,545
Current assets		
Cash and deposits	65,516	71,925
Notes receivable	335	510
Accounts receivable	77,402	94,529
Trade accounts receivable from affiliates	9,896	13,109
Other accounts receivable	8,496	7,924
Short-term investment securities	20,012	20,012
Products	148	183
Raw materials	15,837	22,943
Stores	8,041	9,130
Short-term loans receivable from affiliates	20,633	20,205
Short-term accounts receivable from affiliates	2,958	1,709
Deferred tax assets	7,789	6,687
Other current assets	11,495	10,750
Allowance for bad debts	-499	-635
Total current assets	248,064	278,985
Total assets	1,143,761	1,187,531

(million yen)

	As of March 31, 2011	As of March 31, 2012
Liabilities		
Fixed liabilities		
Bonds	265,638	255,645
Long-term loans payable	119,678	133,573
Long-term liabilities of affiliates	837	861
Deferred tax liabilities	3,014	2,406
Reserve for retirement benefits	4,546	4,677
Reserve for gasholder repair	1,697	1,656
Reserve for safety actions	9,508	6,990
Allowance for investment loss	3,280	6,999
Other fixed liabilities	2,124	2,421
Total fixed liabilities	410,324	415,233
Current liabilities		
Current portion of fixed liabilities	21,982	21,005
Trade accounts payable	15,165	23,485
Short-term loans payable	—	10,000
Other accounts payable	17,056	21,727
Accrued expenses	34,572	35,311
Corporate taxes payable	23,650	19,281
Advances received	3,555	3,767
Deposits received	1,235	1,231
Short-term loans payable to affiliates	60,221	69,726
Short-term accounts payable to affiliates	19,738	21,054
Other current liabilities	1,386	1,174
Total current liabilities	198,566	227,766
Total liabilities	608,890	643,000
Net Worth		
Shareholders' equity		
Capital stock	132,166	132,166
Capital surplus		
Capital reserve	19,482	19,482
Total capital surplus	19,482	19,482
Retained earnings		
Legal reserve of retained earnings	33,041	33,041
Other retained earnings		
Reserve for reduction of costs relating to replacement of specific assets, etc.	214	232
Reserve for loss on overseas investments, etc.	10,061	13,141
Reserve for adjustment for cost fluctuation	89,000	89,000
Reserve for other specific purposes	62,000	62,000
Unappropriated retained earnings brought forward	172,849	178,799
Total retained earnings	367,167	376,215
Treasury stock	-323	-361
Shareholders' equity total	518,493	527,502
Valuation and translation adjustments		
Difference between market price and acquisition cost of other securities	11,324	11,986
Deferred hedge gains (losses)	5,052	5,041
Valuation and translation adjustments total	16,377	17,028
Total net worth	534,870	544,531
Liabilities and net worth total	1,143,761	1,187,531

(2) Profit and Loss Statement

(million yen)

	Previous Year (April 1, 2010 – March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Product sales		
Gas sales	707,668	802,376
Total product sales	707,668	802,376
Cost of sales		
Opening inventories	116	148
Product manufacturing cost	390,393	506,423
Purchases during the year	0	0
Internal consumption	3,860	5,216
Closing inventories	148	183
Total cost of sales	386,501	501,172
Gross profit on sales	321,167	301,203
Selling, general and administrative expenses		
Selling expenses	233,693	235,048
General and administrative expenses	55,854	55,605
Total selling, general and administrative expenses	289,548	290,654
Core business profit	31,619	10,549
Miscellaneous operational revenues		
Revenues from house-pipe installation	20,507	20,747
Revenues from gas appliances sales	88,451	89,515
Revenues from consigned supply	2,299	2,497
Other miscellaneous operational revenues	3,537	4,405
Total miscellaneous operational revenues	114,796	117,164
Miscellaneous operational expenses		
Cost of house-pipe installation	21,060	20,753
Cost of gas appliances sales	86,695	88,709
Total miscellaneous operational expenses	107,755	109,462
Revenues from incidental businesses		
Revenues from electric supply	59,248	72,447
Revenues from LNG sales	23,460	27,367
Revenues from other incidental businesses	12,873	13,363
Total revenues from incidental businesses	95,582	113,179
Cost of incidental businesses		
Cost of electric supply	46,878	51,767
Cost of LNG sales	23,194	28,426
Cost of other incidental businesses	11,585	11,888
Total cost of incidental businesses	81,658	92,082
Operating profit	52,583	39,348

(million yen)

	Previous Year (April 1, 2010 – March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Non-operating Revenues		
Interest income	2,242	2,108
Interest income on securities	26	54
Dividend income	909	1,063
Dividend income from affiliates	1,661	4,555
Rent income	1,634	1,680
Miscellaneous revenues	3,914	4,150
Total non-operating revenues	10,389	13,613
Non-operating Expenses		
Interest expenses	2,397	2,487
Interest expenses on corporate bonds	3,835	4,083
Amortization of bond issue costs	40	40
Provision of allowance for investment loss	—	3,719
Miscellaneous expenses	1,497	1,465
Total non-operating expenses	7,770	11,795
Ordinary profit	55,202	41,165
Net income before tax	55,202	41,165
Corporate and other taxes	22,400	13,400
Adjustment for corporate and other taxes	-1,716	2,058
Total corporate and other taxes	20,683	15,458
Net income	34,519	25,707

(3) Statement of Changes in Shareholders' Equity

(million yen)

	Previous Year (April 1, 2010 – March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Shareholders' equity		
Capital stock		
Balance as of previous year-end	132,166	132,166
Balance as of current year-end	132,166	132,166
Capital surpluses		
Capital reserve		
Balance as of previous year-end	19,482	19,482
Balance as of current year-end	19,482	19,482
Total capital surpluses		
Balance as of previous year-end	19,482	19,482
Balance as of current year-end	19,482	19,482
Retained earnings		
Legal reserve of retained earnings		
Balance as of previous year-end	33,041	33,041
Balance as of current year-end	33,041	33,041
Other retained earnings		
Reserve for reduction of costs relating to replacement of specific assets, etc.		
Balance as of previous year-end	214	214
Changes during the year		
Reserve for reduction entry of specified replaced properties	—	18
Total changes during the year	—	18
Balance as of current year-end	214	232
Reserve for write-off of specific gas piping works		
Balance as of previous year-end	64	—
Changes during the year		
Reversal of reserve for write-off of specific gas piping works	-64	—
Total changes during the year	-64	—
Balance as of current year-end	—	—
Reserve for loss on overseas investments, etc.		
Balance as of previous year-end	11,093	10,061
Changes during the year		
Provisions to reserve for loss on overseas investments, etc.	973	3,086
Reversal of reserve for loss on overseas investments, etc.	-2,005	-6
Total changes during the year	-1,031	3,079
Balance as of current year-end	10,061	13,141
Reserve for adjustment for cost fluctuation		
Balance as of previous year-end	89,000	89,000
Balance as of current year-end	89,000	89,000
Reserve for other specific purposes		
Balance as of previous year-end	62,000	62,000
Balance as of current year-end	62,000	62,000
Unappropriated retained earnings brought forward		
Balance as of previous year-end	177,114	172,849
Changes during the year		
Reserve for reduction entry of specified replaced properties	—	-18
Reversal of reserve for write-off of specific gas piping works	64	—
Provisions to reserve for loss on overseas investments, etc.	-973	-3,086
Reversal of reserve for loss on overseas investments, etc.	2,005	6
Dividends from retained earnings	-16,108	-16,658
Net income	34,519	25,707
Disposal of treasury stock	-1	-0
Cancellation of treasury stock	-23,770	—
Total changes during the year	-4,265	5,949
Balance as of current year-end	172,849	178,799

(million yen)

	Previous Year (April 1, 2010 – March 31, 2011)	Current Year (April 1, 2011 – March 31, 2012)
Total retained earnings		
Balance as of previous year-end	372,529	367,167
Changes during the year		
Reserve for reduction entry of specified replaced properties	—	—
Reversal of reserve for write-off of specific gas piping works	—	—
Provisions to reserve for loss on overseas investments, etc.	—	—
Reversal of reserve for loss on overseas investments, etc.	—	—
Dividends from retained earnings	-16,108	-16,658
Net income	34,519	25,707
Disposal of treasury stock	-1	-0
Cancellation of treasury stock	-23,770	—
Total changes during the year	-5,361	9,047
Balance as of current year-end	367,167	376,215
Treasury stock		
Balance as of previous year-end	-3,530	-323
Changes during the year		
Acquisition of treasury stock	-20,583	-47
Disposal of treasury stock	20	8
Cancellation of treasury stock	23,770	—
Total changes during the year	3,207	-38
Balance as of current year-end	-323	-361
Shareholders' equity total		
Balance as of previous year-end	520,647	518,493
Changes during the year		
Dividends from retained earnings	-16,108	-16,658
Net income	34,519	25,707
Acquisition of treasury stock	-20,583	-47
Disposal of treasury stock	19	8
Cancellation of treasury stock	—	—
Total changes during the year	-2,154	9,008
Balance as of current year-end	518,493	527,502
Valuation and translation adjustments		
Difference between market price and acquisition cost of other securities		
Balance as of previous year-end	15,477	11,324
Changes during the year		
Net changes in items other than shareholders' equity during the year	-4,153	662
Total changes during the year	-4,153	662
Balance as of current year-end	11,324	11,986
Deferred hedge gains (losses)		
Balance as of previous year-end	5,914	5,052
Changes during the year		
Net changes in items other than shareholders' equity during the year	-861	-11
Total changes during the year	-861	-11
Balance as of current year-end	5,052	5,041
Valuation and translation adjustments total		
Balance as of previous year-end	21,392	16,377
Changes during the year		
Net changes in items other than shareholders' equity during the year	-5,015	651
Total changes during the year	-5,015	651
Balance as of current year-end	16,377	17,028
Total net worth		
Balance as of previous year-end	542,040	534,870
Changes during the year		
Dividends from retained earnings	-16,108	-16,658
Net income	34,519	25,707
Acquisition of treasury stock	-20,583	-47
Disposal of treasury stock	19	8
Net changes in items other than shareholders' equity during the year	-5,015	651
Total changes during the year	-7,169	9,660
Balance as of current year-end	534,870	544,531