

Consolidated Financial Results for the Fiscal Year Ended March 31st, 2024 [Japanese GAAP]



April 30th, 2024

Company name: NIPPON GAS CO., LTD.

Code number: 8174

URL: <http://www.nichigas.co.jp/en/>

Stock exchange listing: Tokyo Stock Exchange

Representative: Kunihiko Kashiwaya, Representative Director, Chief Executive Officer

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Scheduled date of Ordinary General Meeting of Shareholders: June 25th, 2024

Scheduled date of commencing dividend payments: June 26th, 2024

Scheduled date of filing securities report: June 25th, 2024

Availability of supplementary briefing material on financial results: Available

Schedule of financial results briefing session: Scheduled (for institutional investors)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31st, 2024 (April 1st, 2023 to March 31st, 2024)

(1) Consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year ended Mar. 31st, 2024	194,364	(6.5)	17,442	15.3	17,604	15.0	10,825	2.4
Fiscal Year ended Mar. 31st, 2023	207,942	27.9	15,127	18.3	15,314	18.4	10,568	6.0

(Note) Comprehensive income: Fiscal year ended Mar. 31st, 2024 ¥11,369 million [9.7%]
Fiscal year ended Mar. 31st, 2023 ¥10,363 million [10.3%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31st, 2024	95.64	—	14.7	11.2	9.0
Fiscal year ended Mar. 31st, 2023	92.60	—	14.4	9.9	7.3

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended Mar. 31st, 2024 ¥104 million
Fiscal year ended Mar. 31st, 2023 ¥88 million

(Note) Figures for the fiscal year ended March 31st, 2023 represent figures after the retroactive application following a change in accounting policies.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31st, 2024	159,219	72,723	45.7	650.53
As of Mar. 31st, 2023	154,883	74,299	48.0	652.62

(Reference) Equity: As of Mar. 31st, 2024 ¥72,723 million As of Mar. 31st, 2023 ¥74,298 million

(Note) Figures for the fiscal year ended March 31st, 2023 represent figures after the retroactive application following a change in accounting policies.

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended Mar. 31st, 2024	23,440	(9,190)	(8,711)	18,713
Fiscal year ended Mar. 31st, 2023	19,594	(7,581)	(16,070)	12,863

2. Dividends

	Annual dividends					Total dividends paid (annual)	Payout ratio (consolidated)	Dividend to net assets (consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended Mar. 31st, 2023		32.50		32.50	65.00	7,490	70.2	10.1
Fiscal year ended Mar. 31st, 2024		37.50		37.50	75.00	8,530	78.4	11.5
Fiscal year ending Mar. 31st, 2025 (Forecast)		46.25		46.25	92.50		73.0	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31st, 2025 (April 1st, 2024 to March 31st, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending Sep. 30th, 2024	90,000	3.7	3,200	(35.8)	3,200	(37.6)	2,200	(38.4)	19.79
Full-year	200,000	2.9	20,000	14.7	20,000	13.6	14,000	29.3	126.71

4. Notes

- (1) Significant changes of subsidiaries during the year under review (changes in specified subsidiaries resulting in changes in scope of consolidation during the year under review): No
- (2) Changes to accounting policies, changes to accounting estimates, and revision restatements
 - 1) Changes to accounting policies accompanying the revision of accounting standards, etc.: No
 - 2) Changes to accounting policies other than 1) above: Yes
 - 3) Changes to accounting estimates: No
 - 4) Revision restatements: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares (including treasury shares):

Fiscal year ended Mar. 31st, 2024	115,317,098 shares
Fiscal year ended Mar. 31st, 2023	116,603,698 shares

2) Total number of treasury shares at the end of the period:

Fiscal year ended Mar. 31st, 2024	3,525,481 shares
Fiscal year ended Mar. 31st, 2023	2,757,077 shares

3) Average number of shares during the period:

Fiscal year ended Mar. 31st, 2024	113,194,316 shares
Fiscal year ended Mar. 31st, 2023	114,127,650 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31st, 2024 (April 1st, 2023 to March 31st, 2024)

(1) Non-consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Mar. 31st, 2024	141,690	9.4	11,888	40.4	18,787	61.1	20,252	124.3
Fiscal year ended Mar. 31st, 2023	129,502	25.3	8,467	21.6	11,662	18.6	9,029	3.7

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended Mar. 31st, 2024	178.92	—
Fiscal year ended Mar. 31st, 2023	79.12	—

(Note) Figures for the fiscal year ended March 31st, 2023 represent figures after the retroactive application following a change in accounting policies.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31st, 2024	124,740	53,538	42.9	478.91
As of Mar. 31st, 2023	129,708	44,833	34.6	393.80

(Reference) Equity: As of Mar. 31st, 2024 ¥53,538 million As of Mar. 31st, 2023 ¥44,833 million

(Note) Figures for the fiscal year ended March 31st, 2023 represent figures after the retroactive application following a change in accounting policies.

* These financial results are outside the scope of audit by a certified public accountant or an audit corporation.

* Explanation of the proper use of performance forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors. Please refer to “Overview of Operation Results, etc.” on page 2 of the attached Appendix for the notes on the use of preconditions for the earnings forecast and the use of the earnings forecast.

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1. Overview of Operation Results, etc.

(1) Overview of Results of Operations for the Fiscal Year Under Review

[Business Environment Surrounding the Group]

In 2023, we experienced the highest temperature on record since the statistics were first compiled in 1898, giving us a sense that global warming is progressing with the arrival of “the era of global boiling.” For the first time ever, COP 28 included the phrase “transitioning away from fossil fuels” in its outcome document to meet the Paris Agreement’s targets for CO₂ emissions, which are a cause of hot temperatures. This reaffirmed the urgent need for a global transition to a carbon neutral society. We believe that the time has come when companies’ efforts to engage in decarbonization determine their corporate value.

In the energy sector, geopolitical risks, which greatly affect supply chains, have increased with Russia’s invasion of Ukraine and escalating tensions in the Middle East, triggered by military conflicts between Israel and Hamas, and are leading to increasingly severe disruptions. The upcoming presidential election in the U.S. is also likely to add to this uncertainty. The era when a stable energy supply from upstream to downstream is a given in the bloc of free trade has ended. The Company recognizes that early introduction of systems that focus on AI to provide energy independently is an important social issue that must be resolved in order to ensure a stable energy supply during the energy crisis, to respond to decarbonization, and to increase resilience to more severe and frequent natural disasters.

[Reorganization and Energy Solutions]

Effective January 1st, 2024, the Company and the three city gas corporations that had been the Company’s wholly owned subsidiaries were merged and reorganized into three companies: an “Integrated Energy Retail Company (Nippon Gas Co., Ltd.),” an “Energy Platform Company (Energy Sola Platforms Co., Ltd.),” and a “Software Development and Operation Company (Kumono Ucyusen Co., Ltd.)” This reorganization is based on an organizational structure backcast from the near-future state of the energy business and will allow us to evolve from its traditional energy retail business model to a new business model (Nichigas 3.0) that will provide value to its customers, the local community and the energy industry.

In Nichigas 3.0, the Company will provide customers and the local community with energy use optimization services (Energy Solutions). Specifically, the Company will provide new value to address the social issues of stable energy procurement, supply-demand balance, and decarbonization, by developing proposals to customers for their optimal energy use in households with the utilization of increasingly advanced AI. The proposals will include customers’ producing, storing, and wisely using energy by themselves, using distributed energy resources (DER) such as solar power, storage batteries, hybrid water heaters, and EV chargers.

For the energy industry, the Company will build an environment in which DX-based highly efficient operations, underpinned by AI, can be shared with other companies and provide business infrastructure sharing services (Platform business). By optimizing the operations of the entire industry with infrastructure sharing, the Company will provide value to address social issues such as CO₂ reduction and labor shortages.

In the course of this Group reorganization, we have held intensive discussions with regard to what is the ideal corporate entity suitable for growth in the midst of energy deregulation, and have examined and redefined

each function within the Group in a cross-sectional manner. In the sales domain, the previous framework of “NICIGAS, which is mainly in the LP gas business,” and “Group companies, which are mainly in the city gas business” has been completely cleared away and reconstituted as the singular “Integrated Energy Retail” based on the premise of bundled gas and electricity. We intend to further strengthen our sales capabilities by leveraging our respective strengths. The blending of different organizational cultures is the embodiment of so-called diversity and inclusion, and our system supports this to ensure the continuous creation of innovation.

[Capital Policy]

Since the reorganization has defined the Group’s future business structure, the Company has been undertaking its three-year growth plan covering the fiscal year ended March 31st, 2024 through the fiscal year ending March 31st, 2026. This plan focuses not only on profit growth by expanding business but also on measures to improve corporate value by actively controlling the use of its balance sheets. Specifically, the Company will increase ROIC from 9% in the fiscal year ended March 31st, 2023 to 13% in the fiscal year ending March 31st, 2026 by allocating cash to profitable business. At the same time, the Company will achieve an ROE of 22% in the fiscal year ending March 31st, 2026 along with profit growth by reviewing an optimal capital structure on the liabilities/capital side and lowering the equity ratio from 48% in the fiscal year ended March 31st, 2023 to 40% in the fiscal year ending March 31st, 2026.

We are also keenly aware that the Bank of Japan’s revision of its large-scale monetary easing policy in March of this year will lead to an increase in the cost of capital, which is the rate of return investors expect. While we have traditionally strived to reduce the cost of capital through proactive investor relations activities, including dialogue with investors, we will work to further improve ROE by reviewing the optimal capital structure while increasing ROIC, and will continue to increase shareholder value by expanding the equity spread, the difference between the cost of capital and ROE.

The Company has grown by accumulating the trust of its customers in the local community and in the midst of the deregulation of the retail energy market. Even when the Company is faced with difficult social issues and stereotyped knowledge that seemingly cannot be solved or changed with conventional ideas, the Company will continue to transform itself while leveraging its DNA to tackle those challenges and continue to work in efforts toward a growth in medium- to long-term corporate value. The Company will continue to do its utmost to earn the support of its stakeholders by leveraging its closest relationship with customers as an energy supplier.

[Consolidated Financial Results]

Financial results during the fiscal year ended March 31st, 2024 are as follows.

	(Millions of yen)			
	Fiscal year ended March 31st, 2023	Fiscal year ended March 31st, 2024	YoY change	YoY change (%)
Net sales	207,942	194,364	(13,577)	(6.5)%
Gross profit	69,733	73,617	3,884	5.6%

Operating profit	15,127	17,442	2,314	15.3%
Ordinary profit	15,314	17,604	2,289	15.0%
Profit attributable to owners of parent	10,568	10,825	257	2.4%
ROE	14.4%	14.7%	0.3	—
ROIC	9.0%	11.2%	2.2	—

For the fiscal year ended March 31st, 2024, although gas sales volume decreased due to record-high temperatures, gross profit increased owing to the LP gas margin (YoY) with raw material prices for LP gas remaining low, and the positive impact of the slide time lag* in the city gas business. Operating profit and ordinary profit rose substantially as we kept expenses in check by streamlining delivery with DX and other measures, despite higher selling, general and administrative expenses as a result of personnel, IT and other costs. Related to the Group's reorganization in January, we posted an extraordinary loss of ¥2,400 million as reorganization cost, and by limiting loss to within the plan, profit for the period was ¥10,800 million, a new record high.

While striving to raise ROIC, we have thoroughly implemented the capital policy of “not holding unnecessary shareholders' equity,” and despite the impact of reorganization cost, ROIC was up 2.2%, to 11.2%, from the previous year, and ROE was 14.7%, up 0.3%.

* Slide time lag is a time lag in profit recovery caused by the raw material cost adjustment formula introduced in the city gas business. In this formula, a time lag is caused as a raw material price fluctuation is borne in cost of sales earlier and in retail price later. During the fiscal year ended March 31st, 2024, the city gas business saw a positive impact due to a downward trend in raw material prices.

[LP Gas Business] (including platform business as well as LP equipment and construction as ancillary business) Gross profit from the LP gas business was ¥45,645 million (up ¥2,977 million year on year), and gross profit from the ancillary business was ¥3,808 million (up ¥18 million year on year).

The increase in gross profit from the LP gas business was due to a higher margin as a result of a sharp decline in LP gas raw material prices since March 2023, despite both household use and commercial use gas sales volume having decreased from the same period of the previous fiscal year due to high temperatures, and also owing to raw material prices in line with our expectations throughout the fiscal year ended March 31st, 2024.

Regarding sales, during the three-month suspension of sales visits due to administrative action, the Company endeavored to restore trust with its existing customers and strengthen those relationships, and strived to reduce cancellations. Following the Group's internal reorganization, integration of the Group's overall sales efforts enabled us to combine the sales strengths of Nippon Gas and the Group's former city gas companies, which boosted new customer acquisitions. The number of customers, primarily families where long-term contracts can be expected, grew by 24 thousand from the end of the previous fiscal year to 997 thousand households.

		Fiscal year ended March 31st, 2023	Fiscal year ended March 31st, 2024	YoY change	YoY change (%)
Gross profit (millions of yen)	LP gas	42,668	45,645	2,977	7.0%
	Equipment, construction, platform, etc.	3,790	3,808	18	0.5%
Gas sales volume (1,000 tons)*	Household use	186	179	(6)	(3.5)%
	Commercial use	121	114	(7)	(5.9)%
No. of customers (1,000 customers)		973	997	24	2.5%

* In accordance with the adoption of the Accounting Standard for Revenue Recognition, sales volume on a meter reading basis is adjusted to the sales volume until the end of the fiscal year.

[Electricity Business]

Gross profit from the electricity business segment totaled ¥3,687 million (up ¥728 million year on year).

This is due to an increase in electricity subscriptions and an increase in margin as a result of the revision of rates in July 2023.

With regard to sales, despite the impact from the suspension of sales visits and curtailed sales activities due to organizational restructuring, we proceeded with efforts to strengthen sales, such as by conducting internal training associated with the fees and service content of Power Producer and Suppliers, and the number of customers increased by 25 thousand from the end of the previous fiscal year, to 350 thousand. The percentage of customers bundling gas and electricity services increased from 20% at the end of the previous fiscal year, to 22%.

With the planned nationwide electricity rate hike due to the increase in the renewable energy levy and the termination of subsidies, customers are expected to become increasingly conscious of their electricity costs. Taking advantage of this trend, the Company plans to increase the number of new customer acquisitions by proposing menus beneficial to medium-user households, such as two-person households, in addition to high-user households and by the release of electricity menu on a stand-alone basis.

		Fiscal year ended March 31st, 2023	Fiscal year ended March 31st, 2024	YoY change	YoY change (%)
Gross profit (millions of yen)	Electricity	2,959	3,687	728	24.6%
Electricity sales volume (GWh)*	Household use	1,297	1,427	130	10.0%
No. of customers (1,000 customers)		320	345	25	7.9%

* In accordance with the adoption of the Accounting Standard for Revenue Recognition, sales volume on a meter reading basis is adjusted to the sales volume until the end of the fiscal year.

[City Gas Business] (including city gas equipment and construction as ancillary business)

Gross profit from the city gas business segment was ¥19,464 million (up ¥213 million year on year), and gross profit from the ancillary business was ¥1,011 million (down ¥51 million year on year).

In the city gas business, as in the LP gas business, gas sales volume for household declined against the backdrop of high temperatures, although this was more than offset by the positive impact of a slide time lag due to the downward trend in city gas feedstock, and we were able to boost gross profit. Due to the reorganization within the Group, customer contracts were transferred from the former Group city gas companies to Nippon Gas. We will strive to further strengthen relationships with existing customers through electricity packaging and equipment sales proposals.

		Fiscal year ended March 31st, 2023	Fiscal year ended March 31st, 2024	YoY change	YoY change (%)
Gross profit (millions of yen)	Gas	19,251	19,464	213	1.1%
	Equipment, construction, etc.	1,062	1,011	(51)	(4.8)%
Gas sales volume (1,000 tons)	Household use*1	167	150	(17)	(10.2)%
	Commercial use*1	210	215	5	2.4%
No. of customers (1,000 customers)*2		640	601	(39)	(6.1)%

*1 In accordance with the adoption of the Accounting Standard for Revenue Recognition, sales volume on a meter reading basis is adjusted to the sales volume until the end of the fiscal year.

*2 The number of customers is listed as the number of retail customers (number of accounts supplied).

(2) Overview of Financial Position for the Fiscal Year Under Review

With the aim of increasing the return on equity, or ROE, the Company has set return on invested capital (ROIC) as a KPI and is working to improve it in order to increase the profitability of our assets as a priority.

- Total assets as of the end of the fiscal year ended March 31st, 2024 increased by ¥4,300 million or 2.8% from the end of the previous fiscal year to ¥159,200 million. The increase in assets was due to an increase of ¥5,900 million in cash and deposits which was used to free up cash on hand in preparation for the new organizational structure.
- Total liabilities as of the end of the fiscal year ended March 31st, 2024 increased by ¥5,900 million or 7.3% from the end of the previous fiscal year to ¥86,400 million, and net assets decreased by ¥1,500 million or 2.1% from the end of the previous fiscal year to ¥72,700 million. The increase in liabilities was on account of increased borrowings of ¥6,600 million. The decrease in net assets was due to ¥8,000 million in dividend payments and purchase of treasury shares of ¥5,100 million against profit of ¥10,800 million.
- The debt-to-equity ratio was 0.65 times, and the shareholders' equity ratio was 45.7%. While ensuring the stability of its financial base, the Company is mindful of the appropriate capital structure and raises capital with an awareness of its funding costs (WACC).

(Millions of yen)

	March 31st, 2023	March 31st, 2024	Change
Current assets	52,797	56,646	3,848
Of which, Cash and deposits	13,049	18,990	5,941
Trade receivables	28,200	28,990	790
Inventories	5,554	4,594	(959)
Non-current assets	102,085	102,572	487
Interest-bearing liabilities	40,582	47,192	6,610
Equity (Equity ratio)	74,299 (48.0%)	72,723 (45.7%)	(1,575)
Total assets	154,883	159,219	4,335

(3) Overview of Cash Flows for the Fiscal Year Under Review

Balance of cash and cash equivalents as of the end of the fiscal year ended March 31st, 2024 increased by ¥5,850 million from the end of the previous fiscal year to ¥18,713 million.

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities amounted to ¥23,440 million, up by ¥3,845 million year on year.

The main cause of the increase was lower working capital requirements due to a decrease in trade receivables and lower raw material prices reflected to notes and accounts receivable - trade.

(Net cash provided by (used in) investing activities)

Net cash used in investing activities amounted to ¥9,190 million, up by ¥1,609 million year on year.

The increase was mainly due to construction of the Kofu Depot Station on the site of the former Kofu Plant to improve LP gas distribution, as well as increased investment in the replacement and extension of pipelines.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities amounted to ¥8,711 million, down by ¥7,358 million year on year.

Free cash flow, which is obtained by subtracting investment cash flow from operating cash flow, amounted to income of ¥14,249 million, up by ¥2,236 million year on year. While the company used ¥13,129 million to return profits to shareholders through dividends and purchase of treasury shares, it also increased borrowings to meet cash-on-hand requirements.

(Millions of yen)

	Fiscal year ended March 31st, 2023	Fiscal year ended March 31st, 2024	Change
Cash flows from operating activities	19,594	23,440	3,845
Cash flows from investing activities	(7,581)	(9,190)	(1,609)
Free cash flow	12,013	14,249	2,236

Cash flows from financing activities	(16,070)	(8,711)	7,358
Net increase (decrease) in cash and cash equivalents	(4,049)	5,545	9,594
Cash and cash equivalents at end of period	12,863	18,713	5,850

(4) Future Outlook

For the fiscal year ending March 31st, 2025, the Company forecasts increases in all the stages of profit, including ¥76,000 million in gross profit, ¥20,000 million in operating profit, and ¥14,000 million in profit attributable to owners of parent. Expected household gas sales volume and electricity sales volume are calculated based on past usage data, incorporating temperature forecasts for the fiscal year ending March 31st, 2025. For raw materials prices as well, although the outlook is uncertain, the Company's policy is to appropriately pass on the increase in raw materials prices, including exchange rates, to the selling price, in line with profit plans.

For details of the profit plans for the fiscal year ending March 31st, 2025, please see the "Financial Results Briefing Materials for FY Ended in March 2024" released today.

2. Basic Approach to the Selection of Accounting Standards

The Group adopts Japanese GAAP. As to the policy of adoption of IFRS, the Company shall comply appropriately, taking into account various conditions in Japan and overseas.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (As of Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (As of Mar. 31, 2024)
Assets		
Current assets		
Cash and deposits	13,049	18,990
Notes and accounts receivable - trade	28,200	28,990
Merchandise and finished goods	5,434	4,480
Raw materials and supplies	120	114
Other	6,126	4,202
Allowance for doubtful accounts	(132)	(132)
Total current assets	52,797	56,646
Non-current assets		
Property, plant and equipment		
Buildings and structures	31,537	32,309
Accumulated depreciation	(16,183)	(16,968)
Buildings and structures, net	15,354	15,341
Machinery, equipment and vehicles	222,307	225,260
Accumulated depreciation	(192,605)	(197,375)
Machinery, equipment and vehicles, net	29,702	27,885
Tools, furniture and fixtures	4,318	4,286
Accumulated depreciation	(3,708)	(3,767)
Tools, furniture and fixtures, net	609	518
Land	30,136	29,991
Leased assets	10,507	11,243
Accumulated depreciation	(4,280)	(4,419)
Leased assets, net	6,227	6,823
Construction in progress	588	1,045
Total property, plant and equipment	82,618	81,606
Intangible assets		
Goodwill	2,176	1,698
Other	5,947	6,536
Total intangible assets	8,124	8,235
Investments and other assets		
Investment securities	2,687	3,718
Long-term loans receivable	4,296	5,029
Deferred tax assets	8,106	8,550
Other	2,652	2,969
Allowance for doubtful accounts	(6,399)	(7,537)
Total investments and other assets	11,343	12,730
Total non-current assets	102,085	102,572
Total assets	154,883	159,219

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (As of Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (As of Mar. 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,784	16,327
Electronically recorded obligations - operating	3,838	4,057
Short-term loans payable	500	4,000
Current portion of long-term debt	11,009	10,472
Lease obligations	1,369	1,472
Income taxes payable	3,687	3,763
Provision for bonuses	309	268
Other	7,924	7,053
Total current liabilities	46,422	47,415
Non-current liabilities		
Long-term loans payable	22,220	25,199
Lease obligations	5,482	6,048
Deferred tax liabilities for land revaluation	203	203
Provision for share-based compensation	1,218	1,247
Provision for gas holder repairs	209	262
Provision for loss on voluntary recall of products	181	43
Net defined benefit liability	3,336	4,021
Other	1,309	2,053
Total non-current liabilities	34,162	39,080
Total liabilities	80,584	86,495
Net assets		
Shareholders' equity		
Capital stock	7,070	7,070
Capital surplus	5,860	5,860
Retained earnings	66,035	66,407
Treasury shares	(4,580)	(7,070)
Total shareholders' equity	74,385	72,266
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	—	670
Foreign currency translation adjustment	(65)	(170)
Remeasurements of defined benefit plans	(21)	(42)
Total accumulated other comprehensive income	(86)	457
Non-controlling interests	0	—
Total net assets	74,299	72,723
Total liabilities and net assets	154,883	159,219

(2) Consolidated Statement of Income and Comprehensive Income

(Consolidated Statement of Income)

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Net sales	207,942	194,364
Cost of sales	138,209	120,746
Gross profit	69,733	73,617
Selling, general and administrative expenses		
Freightage related expenses	3,259	3,246
Provision of allowance for doubtful accounts	93	87
Salaries and allowances	9,758	10,197
Provision for bonuses	512	229
Retirement benefit expenses	672	695
Provision for share-based compensation	263	228
Provision for gas holder repairs	58	52
Welfare expenses	2,023	2,125
Supplies expenses	2,744	3,054
Taxes and dues	1,391	1,450
Enterprise tax	517	512
Depreciation	10,211	10,185
Amortization of goodwill	1,218	956
Repair expenses	1,293	1,552
Commission fee	14,163	15,371
Other	6,421	6,228
Total selling, general and administrative expenses	54,605	56,175
Operating income	15,127	17,442
Non-operating income		
Interest income	1	2
Dividend income	3	2
Foreign exchange gains	14	19
Real estate rent	64	76
Insurance income	34	36
Share of profit of entities accounted for using equity method	88	104
Other	157	148
Total non-operating income	363	390
Non-operating expenses		
Interest expenses	146	159
Other	31	69
Total non-operating expenses	177	228
Ordinary income	15,314	17,604

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Extraordinary income		
Gain on sales of non-current assets	23	296
Gain on sales of investment securities	179	—
Total extraordinary income	203	296
Extraordinary losses		
Loss on sales of non-current assets	32	21
Loss on retirement of non-current assets	339	308
Reorganization cost	—	2,415
Other	—	9
Total extraordinary losses	372	2,755
Profit before income taxes	15,145	15,144
Income taxes - current	4,619	5,004
Income taxes - deferred	(42)	(684)
Total income taxes	4,577	4,319
Profit	10,568	10,825
Profit attributable to non-controlling interests	0	(0)
Profit attributable to owners of parent	10,568	10,825

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Profit	10,568	10,825
Other comprehensive income		
Valuation difference on available-for-sale securities	(93)	670
Remeasurements of defined benefit plans, net of tax	7	(20)
Share of other comprehensive income of entities accounted for using equity method	(118)	(105)
Total other comprehensive income	(205)	544
Comprehensive income	10,363	11,369
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,363	11,369
Comprehensive income attributable to non-controlling interests	0	(0)

(3) Consolidated Statement of Changes in Equity

Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	7,070	5,860	64,634	(5,795)	71,769
Cumulative effects of changes in accounting policies			834		834
Restated balance	7,070	5,860	65,469	(5,795)	72,603
Changes of items during period					
Dividends of surplus			(6,658)		(6,658)
Profit attributable to owners of parent			10,568		10,568
Change in scope of equity method			193		193
Purchase of treasury shares				(2,436)	(2,436)
Disposal of treasury shares		1		113	114
Retirement of treasury shares		(1)	(3,536)	3,538	-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	566	1,215	1,782
Balance at the end of current period	7,070	5,860	66,035	(4,580)	74,385

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	93	53	(28)	118	3	71,890
Cumulative effects of changes in accounting policies						834
Restated balance	93	53	(28)	118	3	72,725
Changes of items during period						
Dividends of surplus						(6,658)
Profit attributable to owners of parent						10,568
Change in scope of equity method						193
Purchase of treasury shares						(2,436)
Disposal of treasury shares						114
Retirement of treasury shares						-
Net changes of items other than shareholders' equity	(93)	(118)	7	(205)	(3)	(208)
Total changes of items during period	(93)	(118)	7	(205)	(3)	1,573
Balance at the end of current period	-	(65)	(21)	(86)	0	74,299

Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	7,070	5,860	66,035	(4,580)	74,385
Changes of items during period					
Dividends of surplus			(8,036)		(8,036)
Profit attributable to owners of parent			10,825		10,825
Change in scope of equity method			–		–
Purchase of treasury shares				(5,106)	(5,106)
Disposal of treasury shares				198	198
Retirement of treasury shares			(2,417)	2,417	–
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	371	(2,490)	(2,119)
Balance at the end of current period	7,070	5,860	66,407	(7,070)	72,266

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	–	(65)	(21)	(86)	0	74,299
Changes of items during period						
Dividends of surplus						(8,036)
Profit attributable to owners of parent						10,825
Change in scope of equity method						–
Purchase of treasury shares						(5,106)
Disposal of treasury shares						198
Retirement of treasury shares						–
Net changes of items other than shareholders' equity	670	(105)	(20)	544	(0)	543
Total changes of items during period	670	(105)	(20)	544	(0)	(1,575)
Balance at the end of current period	670	(170)	(42)	457	–	72,723

(4) Consolidated Statement of Cash Flows

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Cash flows from operating activities		
Profit before income taxes	15,145	15,144
Depreciation	10,275	10,233
Restructuring loss	—	2,415
Amortization of goodwill	1,218	956
Increase (decrease) in allowance for doubtful accounts	740	1,137
Increase (decrease) in net defined benefit liability	269	685
Increase (decrease) in provision for share-based compensation	165	29
Increase (decrease) in allowance for loss on voluntary recall of products	(124)	(137)
Interest and dividend income	(5)	(5)
Interest expenses	146	159
Foreign exchange losses (gains)	(6)	(7)
Share of (profit) loss of entities accounted for using equity method	(88)	(104)
Loss (gain) on sales of non-current assets	9	(274)
Loss on retirement of non-current assets	339	308
Loss (gain) on sales of investment securities	(179)	—
Decrease (increase) in notes and accounts receivable - trade	(4,017)	(789)
Decrease (increase) in inventories	(129)	962
Decrease (increase) in accounts receivable - other	(1,007)	2,477
Increase (decrease) in notes and accounts payable - trade	3,566	(1,238)
Increase (decrease) in accrued consumption taxes	(929)	(610)
Other, net	(1,138)	(2,949)
Subtotal	24,249	28,393
Interest and dividend income received	5	5
Interest expenses paid	(148)	(142)
Income taxes paid	(4,511)	(4,815)
Net cash provided by (used in) operating activities	19,594	23,440
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,493)	(6,085)
Proceeds from sales of property, plant and equipment	61	460
Purchase of intangible assets	(2,869)	(3,068)
Purchase of goodwill	(310)	(498)
Purchase of investment securities	(598)	(313)
Proceeds from sales of investment securities	386	334
Payments of loans receivable	(6)	(2)
Collection of loans receivable	67	15
Other, net	181	(33)
Net cash provided by (used in) investing activities	(7,581)	(9,190)

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Cash flows from financing activities		
Increase in short-term loans payable	73,100	48,500
Decrease in short-term loans payable	(72,600)	(45,000)
Proceeds from long-term borrowings	9,200	14,000
Repayments of long-term loans payable	(15,210)	(11,558)
Purchase of treasury shares	(2,436)	(5,106)
Cash dividends paid	(6,629)	(8,023)
Other, net	(1,494)	(1,522)
Net cash provided by (used in) financing activities	(16,070)	(8,711)
Effect of exchange rate change on cash and cash equivalents	6	7
Net increase (decrease) in cash and cash equivalents	(4,049)	5,545
Cash and cash equivalents at beginning of period	16,912	12,863
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	305
Cash and cash equivalents at end of period	12,863	18,713

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

None.

(Changes to Accounting Policies)

(Changes in Revenue Recognition Standards in the Sale of City Gas)

In the sale of city gas, the obligation to deliver gas under a supply contract with a customer is satisfied by the supply of city gas. However, the Company traditionally complies with the “Regulation on Accounting at Gas Utilities,” and recognizes revenue based on the “meter reading date standard,” whereby the amount of gas supplied is measured based on the monthly meter reading and the rate calculated based on that reading is used as revenue for the current month.

Effective January 1st, 2024, due to our reorganization that consolidated the gas pipeline business, etc. into our wholly owned subsidiary, Energy Sola Platforms Co., Ltd., we are no longer a general gas pipeline service provider defined by the Regulation on Accounting at Gas Utilities. Accordingly, effective from the current fiscal year, the Company changed its method of recognizing revenue from sales of city gas, from reasonably estimating the performance obligations that will be satisfied at the end of the fiscal year, to that of a delivery basis.

The change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis.

As a result, compared to before the retrospective application, net sales increased by ¥52 million, gross profit, operating profit, and ordinary profit decreased by ¥87 million, and profit before income taxes decreased by ¥60 million in the previous consolidated fiscal year. On the consolidated balance sheet for the previous fiscal year, “notes and accounts receivable - trade” increased by ¥2,764 million, and “merchandise and finished goods” decreased by ¥968 million, while “retained earnings” increased by ¥774 million. The balance of “retained earnings” at the beginning of the previous fiscal year increased by ¥834 million due to the cumulative effect on net assets at the beginning of the previous fiscal year.

The impact on per share information is stated in the relevant section.

(Segment Information, etc.)

1. Overview of reportable segments

(1) Decision method of the reportable segments

The Group’s reportable 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 performance. The Group is mainly engaged in the supply and sale of LP gas, electricity and city gas (natural gas), as well as the peripheral business of gas equipment sales and gas pipe works. The consolidated companies are grouped into the 3 product/service segments of “LP gas business,” “electricity business” and “city gas business.”

(2) Main products and services of each reportable segment

LP gas business.....Supply and sale of LP gas, Community gas business, Gas equipment sales, Gas pipe works,
Platform business

Electricity business.....Retail sale of electricity, Electricity-related services, Sales of power generation, power
storage, and charging devices

City gas business.....Supply and sale of city gas, Gas equipment sales, Gas pipe works

2. Calculation method of the amount of net sales, income (loss), assets, liabilities and other items by reportable segment

The accounting method applied to reported business segments is based on the rules and procedures for preparing consolidated financial statements. Segment income figures are based on gross profit. Intersegment revenues and transfers are calculated at prevailing market prices.

As stated in “Changes to Accounting Policies,” the Company has changed its method of calculating profit or loss by business segment in the same manner because of the change in the method of recognizing revenue from the sale of city gas to a delivery basis, effective from the consolidated financial statements for the fiscal year ended March 31st, 2024.

The change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis. Compared with the previous method, net sales and segment income (loss) of “LP gas” increased by ¥23 million and ¥33 million, respectively, and for “city gas,” net sales increased by ¥28 million, and segment income (loss) decreased by ¥120 million, in the previous fiscal year.

3. Information on the amount of net sales, income (loss), assets, liabilities and other items by reportable segments

For the previous fiscal year (From April 1st, 2022 to March 31st, 2023)

(Millions of yen)

	Reportable segments			Total	Adjustments (Note 2, 3)	Consolidated financial statements amount (Note 1)
	LP gas Business	Electricity Business	City gas Business			
Net sales						
(1) LP gas, electricity and city gas						
a. Revenue generated during April 1st, 2022 and the March meter reading date	69,081	40,731	69,900	179,713	–	179,713
b. Revenue generated during the March meter reading date and March 31st, 2023	5,629	1,908	2,267	9,806	–	9,806
Total	74,710	42,640	72,168	189,519	–	189,519
(2) Equipment, construction contracts, platform, etc.	12,361	–	6,062	18,423	–	18,423
Revenue from contracts with customers	87,071	42,640	78,230	207,942	–	207,942
Net sales to outside customers	87,071	42,640	78,230	207,942	–	207,942
Segment income	46,459	2,959	20,313	69,733	–	69,733
Segment assets	66,855	7,438	45,795	120,089	34,793	154,883
Other items						
Increase in property, plant and equipment and intangible assets	3,279	–	3,306	6,585	3,007	9,593

- (Notes)
1. Segment income is adjusted to gross profit in the Consolidated Statement of Income.
 2. Adjustment for segment assets refers to corporate assets not allocated to each reportable segments, and consist mainly of cash and deposits, deferred tax assets and the head office assets of the Company (including software), etc.
 3. Adjustment for “increase in property, plant and equipment and intangible assets” under other items is attributable to the acquisition of corporate assets not allocated to reportable segments.

For the current fiscal year (From April 1st, 2023 to March 31st, 2024)

(Millions of yen)

	Reportable segments			Total	Adjustments (Note 2, 3)	Consolidated financial statements amount (Note 1)
	LP gas Business	Electricity Business	City gas Business			
Net sales						
(1) LP gas, electricity and city gas						
a. Revenue generated during April 1st, 2023 and the March meter reading date	66,179	39,590	58,778	164,548	–	164,548
b. Revenue generated during the March meter reading date and March 31st, 2024	5,328	2,872	2,518	10,719	–	10,719
Total	71,508	42,462	61,296	175,267	–	175,267
(2) Equipment, construction contracts, platform, etc.	13,290	–	5,806	19,096	–	19,096
Revenue from contracts with customers	84,798	42,462	67,103	194,364	–	194,364
Net sales to outside customers	84,798	42,462	67,103	194,364	–	194,364
Segment income	49,454	3,687	20,476	73,617	–	73,617
Segment assets	64,923	9,607	42,127	116,658	42,560	159,219
Other items						
Increase in property, plant and equipment and intangible assets	4,164	–	4,105	8,270	2,451	10,722

- (Notes)
1. Segment income is adjusted to gross profit in the Consolidated Statement of Income.
 2. Adjustment for segment assets refers to corporate assets not allocated to each reportable segments, and consist mainly of cash and deposits, deferred tax assets and the head office assets of the Company (including software), etc.
 3. Adjustment for “increase in property, plant and equipment and intangible assets” under other items is attributable to the acquisition of corporate assets not allocated to reportable segments.

(Per Share Information)

Item	For the previous fiscal year (From Apr. 1st, 2022 to Mar. 31st, 2023)	For the current fiscal year (From Apr. 1st, 2023 to Mar. 31st, 2024)
Net assets per share	¥652.62	¥650.53
Basic earnings per share	¥92.60	¥95.64
Diluted earnings per share	Not stated since there is no dilutive security.	Not stated since there is no dilutive security.

(Notes) The basis for calculation

- As stated in “Changes to Accounting Policies,” the changes in accounting policies in the current fiscal year have been applied retrospectively, and the figures for the previous fiscal year have been calculated using the retrospectively applied figures.
As a result, net assets per share and basic earnings per share for the previous fiscal year increased by ¥6.80 and decreased by ¥0.53, respectively, compared with those before retrospective application.
- The basis for calculation of net assets per share is as follows:

(Millions of yen unless otherwise stated)

Item	For the previous fiscal year (As of Mar. 31st, 2023)	For the current fiscal year (As of Mar. 31st, 2024)
Total net assets	74,299	72,723
Amount deducted from the total net assets	0	–
[Non-controlling interests]	(0)	–
Amount of net assets related to common shares as of the end of the fiscal year	74,299	72,723
Number of shares of common shares used in the calculation of net assets per share as of the end of the fiscal year (Thousands of shares)	113,846	111,791

- The basis for calculation of basic earnings per share is as follows:

(Millions of yen unless otherwise stated)

	For the previous fiscal year (From Apr. 1st, 2022 to Mar. 31st, 2023)	For the current fiscal year (From Apr. 1st, 2023 to Mar. 31st, 2024)
Profit attributable to owners of parent	10,568	10,825
Profit not attributable to common shareholders	–	–
Profit attributable to owners of parent related to common shares	10,568	10,825
Average number of common shares outstanding during the fiscal year (Thousands of shares)	114,127	113,194

4. Non-consolidated Financial Statements and Primary Notes

(1) Balance Sheet

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (As of Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (As of Mar. 31, 2024)
Assets		
Current assets		
Cash and deposits	3,299	15,234
Accounts receivable - trade	24,086	28,832
Merchandise	5,034	4,258
Supplies	14	12
Other	6,164	4,375
Allowance for doubtful accounts	(139)	(136)
Total current assets	38,459	52,577
Non-current assets		
Property, plant and equipment		
Buildings	12,643	10,212
Accumulated depreciation	(5,770)	(4,848)
Buildings, net	6,872	5,364
Structures	13,557	5,053
Accumulated depreciation	(6,880)	(4,068)
Structures, net	6,676	984
Machinery and equipment	32,826	31,193
Accumulated depreciation	(30,116)	(28,974)
Machinery and equipment, net	2,710	2,218
Vehicles	1,676	65
Accumulated depreciation	(1,231)	(27)
Vehicles, net	445	38
Tools, furniture and fixtures	1,673	3,098
Accumulated depreciation	(1,403)	(2,753)
Tools, furniture and fixtures, net	269	344
Land	25,711	14,286
Leased assets	8,277	7,314
Accumulated depreciation	(2,826)	(2,955)
Leased assets, net	5,450	4,358
Construction in progress	167	122
Total property, plant and equipment	48,304	27,718
Intangible assets		
Goodwill	1,928	1,640
Other	5,718	103
Total intangible assets	7,646	1,743

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (As of Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (As of Mar. 31, 2024)
Investments and other assets		
Investment securities	2,091	3,371
Shares of subsidiaries and associates	24,528	30,716
Investments in capital	3	3
Long-term loans receivable	8,225	7,791
Deferred tax assets	6,125	7,222
Other	2,950	3,362
Allowance for doubtful accounts	(8,627)	(9,766)
Total investments and other assets	35,297	42,700
Total non-current assets	91,248	72,162
Total assets	129,708	124,740
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	3,838	4,057
Accounts payable - trade	16,862	18,479
Short-term loans payable	500	4,000
Current portion of long-term debt	11,004	6,886
Lease obligations	1,319	1,225
Accounts payable - other	3,495	4,400
Accrued expenses	354	451
Income taxes payable	2,052	3,048
Accrued consumption taxes	845	450
Deposits received	11,713	1,094
Total current liabilities	51,986	44,094
Non-current liabilities		
Long-term loans payable	22,220	15,032
Lease obligations	5,419	4,669
Long-term deposits received	784	585
Provision for retirement benefits	2,168	3,734
Provision for share-based compensation	822	988
Provision for loss on voluntary recall of products	181	43
Other	1,291	2,053
Non-current liabilities	32,888	27,107
Total liabilities	84,875	71,202

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (As of Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (As of Mar. 31, 2024)
Net assets		
Shareholders' equity		
Capital stock	7,070	7,070
Capital surplus		
Legal capital surplus	5,197	5,197
Total capital surplus	5,197	5,197
Retained earnings		
Legal retained earnings	949	949
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	106	106
General reserve	7,750	7,750
Retained earnings brought forward	28,339	38,865
Total retained earnings	37,145	47,670
Treasury shares	(4,580)	(7,070)
Total shareholders' equity	44,833	52,867
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	—	670
Total valuation and translation adjustments	—	670
Total net assets	44,833	53,538
Total liabilities and net assets	129,708	124,740

(2) Statement of Income

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Net sales	129,502	141,690
Cost of sales		
Beginning goods	4,967	5,034
Cost of purchased goods	83,479	88,364
Total	88,447	93,399
Ending goods	5,034	4,258
Total cost of sales	83,412	89,140
Gross profit	46,089	52,549
Selling, general and administrative expenses		
Freightage related expenses	2,864	2,997
Provision of allowance for doubtful accounts	110	57
Salaries	7,052	7,457
Retirement benefit expenses	424	490
Welfare expenses	1,335	1,451
Supplies expenses	2,384	2,622
Taxes and dues	481	539
Depreciation	4,730	4,484
Repair expenses	1,393	1,577
Commission fee	12,622	14,718
Other	4,223	4,265
Total selling, general and administrative expenses	37,622	40,661
Operating income	8,467	11,888
Non-operating income		
Interest and dividend income	3,171	6,734
Miscellaneous income	194	313
Total non-operating income	3,365	7,048
Non-operating expenses		
Interest expenses	147	140
Miscellaneous loss	23	7
Total non-operating expenses	170	148
Ordinary income	11,662	18,787

(Millions of yen)

Account	Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Extraordinary income		
Gain on sales of non-current assets	11	287
Gain on sales of investment securities	179	—
Gain on extinguishment of tie-in shares	—	6,529
Total extraordinary income	190	6,816
Extraordinary losses		
Loss on sales of non-current assets	16	4
Loss on retirement of non-current assets	260	3
Reorganization cost	—	2,363
Total extraordinary losses	276	2,371
Profit before income taxes	11,575	23,233
Income taxes - current	2,625	3,585
Income taxes - deferred	(78)	(604)
Total income taxes	2,546	2,980
Profit	9,029	20,252

(3) Statement of Changes in Equity

Fiscal year ended Mar. 31, 2023 (from Apr. 1, 2022 to Mar. 31, 2023)

(Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward	
Balance at the beginning of current period	7,070	5,197	–	5,197	949	107	7,750	29,309	38,115
Cumulative effects of changes in accounting policies								195	195
Restated balance	7,070	5,197	–	5,197	949	107	7,750	29,504	38,311
Changes of items during period									
Dividends of surplus								(6,658)	(6,658)
Provision of reserve for advanced depreciation of non-current assets						(0)		0	–
Profit								9,029	9,029
Purchase of treasury shares									
Disposal of treasury shares			1	1					
Retirement of treasury shares			(1)	(1)				(3,536)	(3,536)
Net changes of items other than shareholders' equity									
Total changes of items during period	–	–	–	–	–	(0)	–	(1,165)	(1,165)
Balance at the end of current period	7,070	5,197	–	5,197	949	106	7,750	28,339	37,145

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	(5,795)	44,587	93	93	44,681
Cumulative effects of changes in accounting policies		195			195
Restated balance	(5,795)	44,783	93	93	44,876
Changes of items during period					
Dividends of surplus		(6,658)			(6,658)
Provision of reserve for advanced depreciation of non-current assets		–			–
Profit		9,029			9,029
Purchase of treasury shares	(2,436)	(2,436)			(2,436)
Disposal of treasury shares	113	114			114
Retirement of treasury shares	3,538	–			–
Net changes of items other than shareholders' equity			(93)	(93)	(93)
Total changes of items during period	1,215	49	(93)	(93)	(43)
Balance at the end of current period	(4,580)	44,833	–	–	44,833

Fiscal year ended Mar. 31, 2024 (from Apr. 1, 2023 to Mar. 31, 2024)

(Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward	
Balance at the beginning of current period	7,070	5,197	–	5,197	949	106	7,750	28,339	37,145
Changes of items during period									
Increase by restructuring								726	726
Dividends of surplus								(8,036)	(8,036)
Provision of reserve for advanced depreciation of non-current assets						(0)		0	–
Profit								20,252	20,252
Purchase of treasury shares									
Disposal of treasury shares									
Retirement of treasury shares								(2,417)	(2,417)
Net changes of items other than shareholders' equity									
Total changes of items during period	–	–	–	–	–	(0)	–	10,525	10,525
Balance at the end of current period	7,070	5,197	–	5,197	949	106	7,750	38,865	47,670

(Millions of yen)

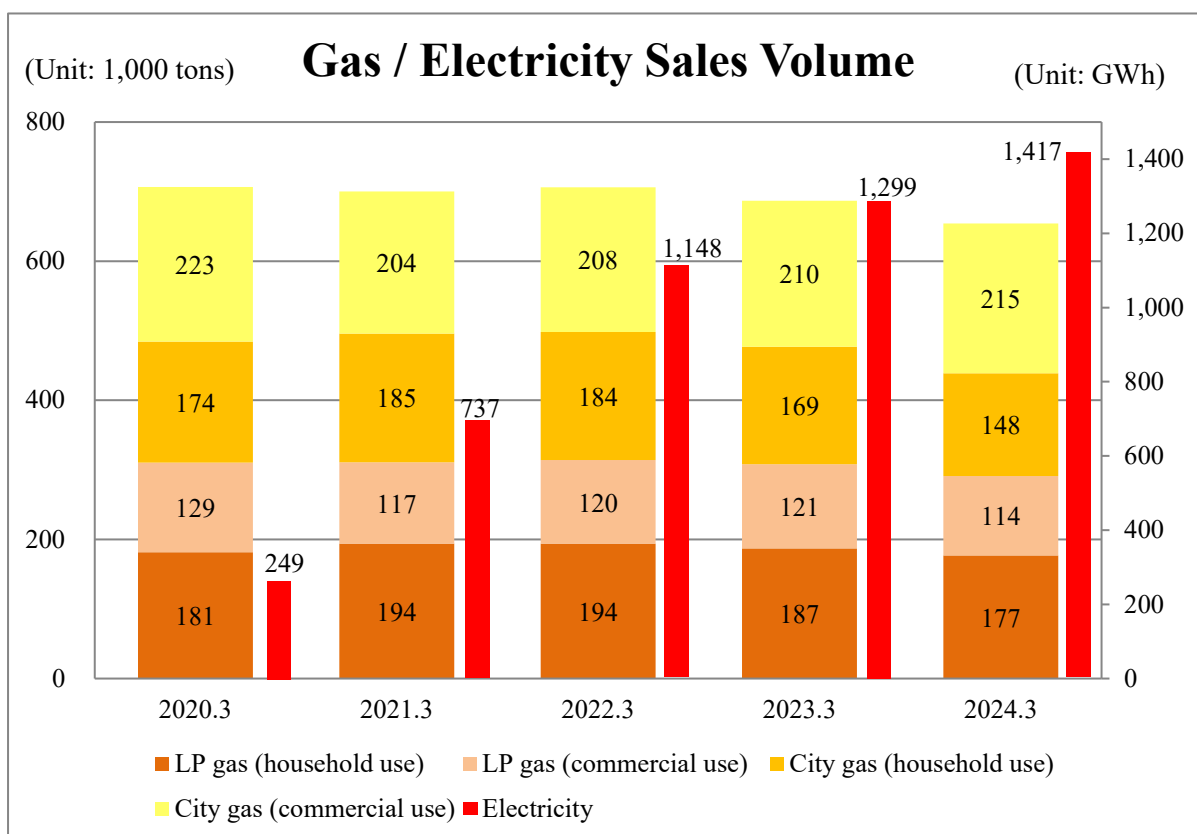
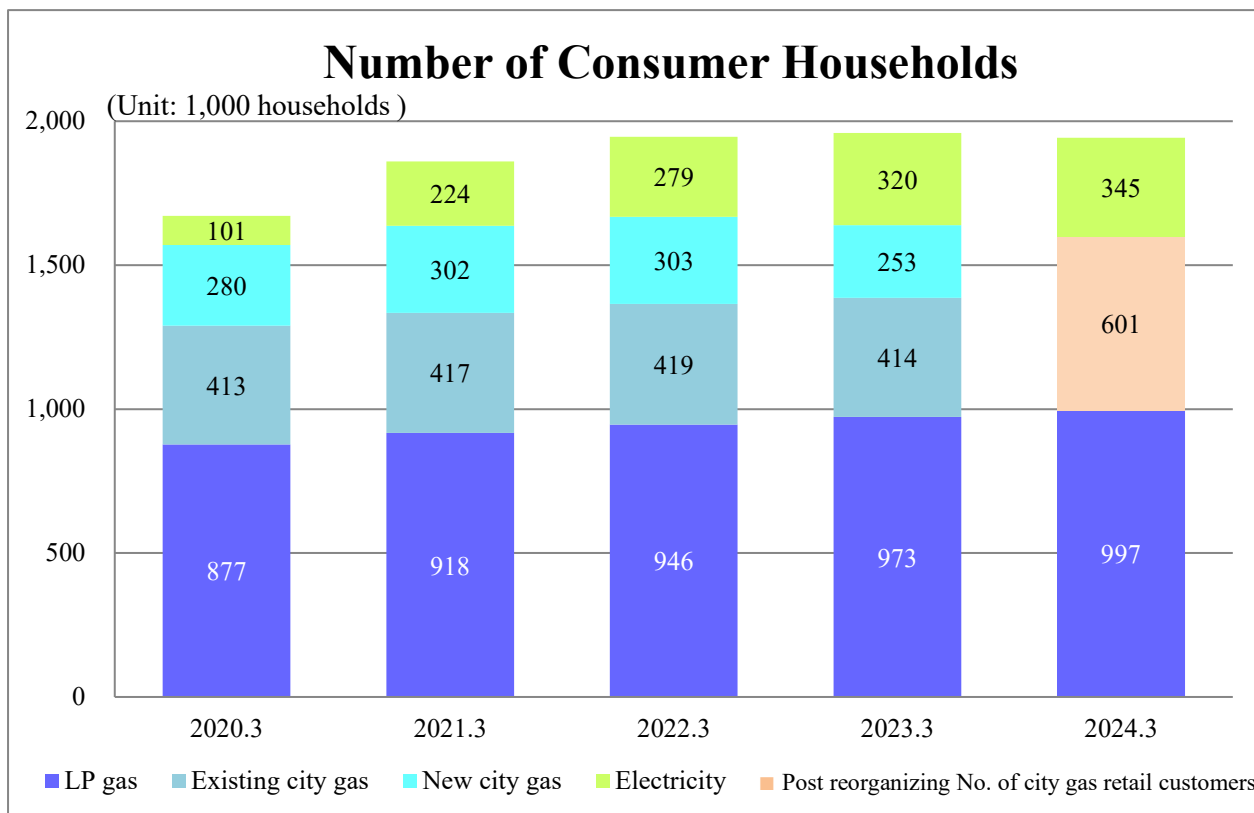
	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	(4,580)	44,833	–	–	44,833
Changes of items during period					
Increase by restructuring		726			726
Dividends of surplus		(8,036)			(8,036)
Provision of reserve for advanced depreciation of non-current assets		–			–
Profit		20,252			20,252
Purchase of treasury shares	(5,106)	(5,106)			(5,106)
Disposal of treasury shares	198	198			198
Retirement of treasury shares	2,417	–			–
Net changes of items other than shareholders' equity			670	670	670
Total changes of items during period	(2,490)	8,034	670	670	8,705
Balance at the end of current period	(7,070)	52,867	670	670	53,538

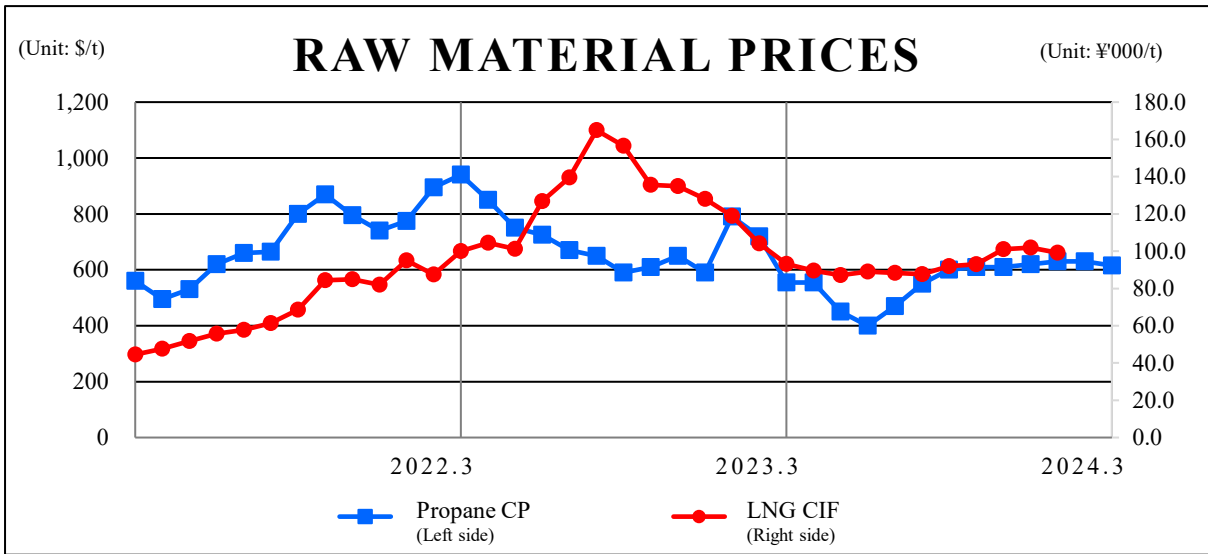
5. Others

(1) Changes to the Officers of the Company

As for the details of this matter, please refer to the “Notice Regarding Changes in Representative Director, etc.,” announced on March 14th, 2024.

(2) Trends in the Number of Households, etc.





Note) Gas/Electricity volume is the sales volume based on the meter reading sales date standard.