Consolidated Statements of Income

Years Ended March 31, 2011 and 2010

		Millions of Yen				Thousands of U.S. Dollars	
		2011	IS OI TO	2010		(Note 1)	
OPERATING REVENUES	¥1,	236,520	¥1	.,200,834	\$1	4,870,959	
OPERATING COSTS AND EXPENSES:							
Operating costs	1,	143,006	1	,110,971	1	3,746,313	
Selling, general and administrative expenses		29,200		28,474		351,173	
Total operating costs and expenses	1,	172,206	1	,139,445	1	4,097,486	
Operating income		64,314		61,389		773,473	
OTHER (INCOME) EXPENSES:							
Interest and dividend income		(559)		(551)		(6,728)	
Interest expense		874		697		10,510	
Gain on sales of marketable and investment securities—net		(45)		(28)		(542)	
Loss on valuation of investment securities		85		265		1,026	
Loss on disposal of property, plant and equipment		190		576		2,285	
Loss on impairment of long-lived assets (Note 6)				1,794		•	
Loss on adjustment for adoption of accounting for asset retirement		4.040		ŕ		40.740	
obligations (Note 2.I)		1,642		4.4		19,748	
Bond issuance costs		9		14		113	
Loss on disaster		1,686				20,281	
(Reversal) provision of allowance for investment loss of a non-consolidated subsidiary		(91)		315		(1,094)	
Other—net		(1,313)		(2,127)		(15,794)	
Other expenses—net		2,478		955		29,805	
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS		2,410				23,603	
		61,836		60,434		743,668	
INCOME TAXES (Note 11):							
Current		29,563		29,083		355,541	
Deferred		(1,072)		(987)		(12,900)	
Total income taxes		28,491		28,096		342,641	
INCOME BEFORE MINORITY INTERESTS (Note 1)		33,345		32,338		401,027	
MINORITY INTERESTS IN NET EARNINGS OF CONSOLIDATED SUBSIDIARIES		137		56		1,656	
NET INCOME	¥	33,208	¥	32,282	\$	399,371	
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		Yen			U.S. Dollars		
		2011		2010		2011	
PER SHARE OF COMMON STOCK (Notes 2.t and 16):				7			
Basic net income	¥	73.42	¥	71.84	\$	0.88	
Diluted net income		73.30		71.16		0.88	
Cash dividends applicable to the year		22.00		22.00		0.26	
See notes to consolidated financial statements.							