

Daigas Group Business Plan for FY2023.3

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Osaka Gas Co., Ltd.

1. Main Focus in FY2023.3

The Daigas Group will implement initiatives to achieve sustainable and robust growth into the future while ensuring a stable energy supply and services and tackling challenges posed by the uncertainty in the business environment with raw material prices soaring and supply chain losing its stability under the current international situation and coronavirus pandemic.

In FY2023.3, the second year of the Medium-Term Management Plan 2023, we will steadily promote initiatives to maximize the three types of value for a sustainable future: "Achieving a low-carbon/carbon neutral society," "Establishing lifestyles and businesses adjusted to the new normal," and "Enhancing resilience of customers and society," in each of our business areas, which are the Domestic Energy Business, International Energy Business, and Life & Business Solutions Business.

2. Financial Plan

For FY2023.3, we plan to achieve consolidated net sales of 1,853.0 billion yen, operating profit of 106.5 billion yen, ordinary profit of 115.0 billion yen, and profit attributable to owners of parent of 82.0 billion yen.

	Consolidated		
	FY2022.3 Forecasts (billion yen)	FY2023.3 Plan (billion yen)	Rate of change (%)
Net sales	1,547.0	1,853.0	+19.8
Operating profit	80.5	106.5	+32.3
Ordinary profit	95.0	115.0	+21.1
Profit attributable to owners of parent	77.5	82.0	+5.8
EBITDA	200.0	230.0	+15.0
ROIC	4.4%	4.5%	---
ROE	7.1%	6.8%	---

For FY2023.3, we plan to achieve consolidated segment profit as below.

	Segment Profit		
	FY2022.3 Forecasts (billion yen)	FY2023.3 Plan (billion yen)	Rate of change (%)
Domestic Energy	30.0	42.5	+41.7
Electricity (included in Domestic Energy)	12.0	17.5	+45.8
International Energy	45.5	57.0	+25.3
Life & Business Solutions	19.0	21.5	+13.2
Adjustments	0.0	-1.0	---
Consolidated	94.5	120.0	+27.0

< FY2023.3 financial plan is based on following assumptions >

Crude oil price (all-Japan CIF price): 95 dollars per barrel

Exchange rate: 115 yen per dollar

3. Gas Sales Volume and Electricity Sales Volume Plan

For FY2023.3, we plan to achieve consolidated gas sales volume of 6,834 million m³ (a 2.2% decrease from FY2022.3 forecast) and consolidated electricity sales volume of 18,201 GWh (a 1.0% increase from FY2022.3 forecast).

[Gas sales volume (Consolidated)]		calculated based on 45 MJ/m ³	
Residential	1,732 million m ³	(-0.3%)	
Non residential	5,102 million m ³	(-2.8%)	
Total gas sales volume	6,834 million m ³	(-2.2%)	

[Consolidated electricity sales volume (Domestic)]	
Total	18,201 GWh (+1.0%)

Figures in parentheses represent the rate of change compared with FY2022.3 forecasts.

4. Investment Plan

For FY2023.3, we plan to invest 274.0 billion yen on a consolidated basis.

	Investment amount
Investment for quality improvement	74.0 billion yen
Domestic Energy	59.0 billion yen
International Energy	89.0 billion yen
Life & Business Solutions	52.0 billion yen
Investment for growth	200.0 billion yen
Total investment	274.0 billion yen