

Supplementary Financial Information for the 3rd Quarter of the Fiscal Year ending March 2011

January 2011
Osaka Gas Co., Ltd.

In this material, "2Q", "3Q" mean "1st half (April through September)", "nine months (April through December)" respectively, except as otherwise noted.

1. Summary

		(million yen)					FY10.3 3Q→FY11.3 3Q(D-A)	
		FY10.3 Results		FY11.3				
		(A) 3Q	(B) Full Year	(C) 2Q Results	(D) 3Q Results	(E) Full Year Forecast		
Consolidated	Operating Revenues	757,924	1,096,628	542,182	819,808	1,170,000	61,883	OG+53.3, Subsidiaries+32.1, Adjustment in consolidation increase-23.5
	Operating Expenses	687,778	1,005,488	506,375	765,151	1,085,500	77,373	
	Operating Profit	70,146	91,140	35,807	54,656	84,500	-15,490	OG-17.2, Subsidiaries+1.3, Adjustment in consolidation increase+0.4
	Ordinary Profit	66,227	84,806	34,672	52,370	80,000	-13,857	OG-17.9, Subsidiaries+2.3, Adjustment in consolidation increase+1.7 (Equity in gains of affiliated subsidiaries+1.0)
	Net Income After Tax	39,555	48,384	19,048	29,788	45,000	-9,766	OG-11.1, Subsidiaries+1.0, Adjustment in consolidation increase+0.4
	Total Assets *	1,436,715	1,483,895	1,391,423	1,391,750	1,477,600	-44,964	Decrease in tangible fixed assets etc.
	Total Net Worth *	653,991	666,689	660,040	650,002	670,500	-3,989	
	Interest-bearing Debt *	543,808	539,081	524,689	542,050	549,700	-1,757	
Non-Consolidated	Operating Revenues	578,135	844,026	414,717	631,505	902,000	53,369	Gas+30.9, Miscellaneous+1.8, Incidental business+20.5
	Operating Expenses	530,734	783,552	394,870	601,307	850,000	70,572	
	Operating Profit	47,400	60,474	19,846	30,198	52,000	-17,202	Margin of gas sales-22.5, Margin of incidental business+5.1
	Ordinary Profit	50,005	64,068	21,193	32,083	53,000	-17,922	
	Net Income After Tax	31,591	40,033	13,511	20,409	33,500	-11,182	
	Total Assets *	1,127,429	1,172,273	1,104,408	1,096,831	1,158,400	-30,598	Decrease in tangible fixed assets etc.
	Total Net Worth *	531,007	542,040	539,821	521,485	538,000	-9,522	
	Interest-bearing Debt *	408,134	402,800	394,728	414,185	428,400	6,051	
Consolidated/ Non-Consolidated Ratio	Operating Revenues	1.31	1.30	1.31	1.30	1.30	-0.01	
	Operating Profit	1.48	1.51	1.80	1.81	1.63	0.33	
	Ordinary Profit	1.32	1.32	1.64	1.63	1.51	0.31	
	Net Income After Tax	1.25	1.21	1.41	1.46	1.34	0.21	

*B/S items show figures at the end of each term.

2. Number of Employees and Capital Expenditure

		(million yen)					FY10.3 3Q→FY11.3 3Q(D-A)	
		FY10.3 Results		FY11.3				
		(A) 3Q	(B) Full Year	(C) 2Q Results	(D) 3Q Results	(E) Full Year Forecast		
Consolidated	Number of Employees (*b)	19,343	19,268	19,785	20,022	19,546	679	
	Capital Expenditure (million yen)	66,311	98,246	31,243	49,532	83,692	-16,779	
	Investments for Upgrading Existing Businesses	35,640	54,273	27,332	41,778	50,000	6,137	
	Investments for Incubation and Expansion	35,885	44,971	11,691	16,195	85,000	-19,690	Completion of construction of 6th LNG vessel in FY10.3
	Investments (million yen) (*c)	71,525	99,244	39,024	57,973	135,000	-13,552	
Non-Consolidated	Number of Employees (*a)	6,978	6,924	7,017	6,971	6,944	-7	
	Number of Employees (*b)	5,616	5,588	5,847	5,824	5,731	208	
	Capital Expenditure (million yen)	36,932	57,944	18,926	31,421	54,308	-5,510	

* (a): including the seconded to other organization and excluding part-time workers, (b): excluding the seconded and including part-time workers

* (c): including capital expenditure

3. Non-Consolidated

		(million yen)					FY10.3 3Q→FY11.3 3Q(D-A)	
		FY10.3 Results		FY11.3				
		(A) 3Q	(B) Full Year	(C) 2Q Results	(D) 3Q Results	(E) Full Year Forecast		
Gas Sales Revenues		449,854	664,286	316,531	480,803	699,000	30,949	Fuel cost adjustment factor+14.1, Gas sales volume change etc.+16.8
Other Sales Revenues		128,281	179,740	98,185	150,701	202,900	22,420	
Operating Revenues		578,135	844,026	414,717	631,505	902,000	53,369	
Fuel Costs		198,047	296,551	167,466	251,567	361,400	53,520	
Labor Costs, Operating Expenses, Depreciation Costs		215,018	320,239	142,071	215,775	303,100	757	
Other Expenses		117,669	166,761	85,332	133,964	185,400	16,295	
Operating Expenses		530,734	783,552	394,870	601,307	850,000	70,572	
Operating Profit		47,400	60,474	19,846	30,198	52,000	-17,202	
Non-Operating Profit and Loss		2,604	3,594	1,347	1,885	1,000	-719	
Non-Operating Revenues		9,688	16,002	5,310	7,523	8,700	-2,164	
Non-Operating Expenses		7,083	12,408	3,963	5,638	7,700	-1,445	
Ordinary Profit		50,005	64,068	21,193	32,083	53,000	-17,922	
Extraordinary Profit and Loss		-135	-140	0	0	0	135	
Income Tax (Current and Deferred)		18,277	23,894	7,682	11,673	19,500	-6,603	
Net Income After Tax		31,591	40,033	13,511	20,409	33,500	-11,182	

4. Breakdown of Gross Margin

January 2011
Osaka Gas Co., Ltd.

(million yen)

	FY10.3 Results		FY11.3			FY10.3 3Q→FY11.3 3Q(D-A)	
	(A) 3Q	(B) Full Year	(C) 2Q Results	(D) 3Q Results	(E) Full Year Forecast	Changes	Remarks (billion yen)
Gross Margin of Gas Sales	251,807	367,735	149,064	229,236	337,600	-22,570	Profit/ Loss on fuel cost adjustment system -26.0, Gas sales volume change etc.+3.4
Profit/ Loss on Fuel Cost Adjustment System	26,357	26,739	-6,984	333	-7,379	-26,024	
Crude Oil Price (\$/bbl)	66.5	69.4	78.9	79.7	81.0	13.2	
Exchange Rate (yen/\$)	93.6	92.9	88.9	86.9	86.4	-6.8	

5. Gas Sales Volume

	FY10.3 Results		FY11.3			FY10.3 3Q→FY11.3 3Q(D-A)	
	(A) 3Q	(B) Full Year	(C) 2Q Results	(D) 3Q Results	(E) Full Year Forecast	Changes	yoy
Averaged Temperature	20.1	17.0	23.6	20.4	17.1	0.3	
Gas Sales per Household (m3/month)	25.6	32.3	24.4	25.6	32.5	0.0	
Residential	1,334	2,244	850	1,336	2,259	1	0.1%
Non-residential	3,957	5,420	2,892	4,247	5,662	290	7.3%
Commercial	704	935	514	729	965	26	3.6%
Public and Medical	428	609	331	466	611	38	8.9%
Industrial	2,826	3,877	2,047	3,051	4,086	226	8.0%
Wholesale	321	455	231	347	471	26	8.0%
Total Gas Sales Volume (million m3) *45MJ/m3	5,613	8,119	3,973	5,929	8,392	316	5.6%
Supply for Non-Regulated Customers	3,354	4,576	2,448	3,608	4,801	254	7.6%
Number of Customers (thousand)	6,963	6,980	6,990	6,997	7,014	34	
Number of Newly Built Houses (thousand)	53	85	33	50	76	-4	

(Reference) Consolidated Gas Sales Volume

	FY10.3 Results		FY11.3			FY10.3 3Q→FY11.3 3Q(D-A)	
	(A) 3Q	(B) Full Year	(C) 2Q Results	(D) 3Q Results	(E) Full Year Forecast	Changes	Remarks (billion yen)
Osaka Gas	5,613	8,119	3,973	5,929	8,392	316	
Nabari Kintetsu Gas	16.2	21.8	12.8	18.2	23.5	1.9	
Sasayama Toshi Gas	1.1	1.4	—	—	—	-1.1	
Toyooka Energy	5.4	6.8	4.0	5.7	7.1	0.3	
Shingu Gas	1.0	1.3	0.8	1.0	1.4	0.0	
Total Gas Sales Volume (million m3) *45MJ/m3	5,637	8,150	3,991	5,954	8,424	318	

<Abbreviation>
OG: Osaka Gas

<Disclaimer>

Certain statements contained herein are forward-looking statements, strategies and plans, which reflect our judgment based on information available to date. Actual results may differ materially from those discussed in such statements. Among the factors that could cause actual results to differ materially are: economic trends in Japan, sharp fluctuations in exchange rate and oil prices, and extraordinary weather conditions.

Segment and Subsidiaries Information
for the 3rd Quarter of the Fiscal Year
ending March 2011

(million yen)

FY10.3 end: Number of consolidated subsidiaries 128 FY11.3 3Q end: Number of consolidated subsidiaries 129		Operating Revenues						
		FY10.3 Results		FY11.3		FY10.3 3Q→FY11.3 3Q(D-A)		
		(A) 3Q	(B) Full Year	(C) 2Q Results	(D) 3Q Results	(E) Full Year Forecast	Changes	Remarks
Affiliated recorded by equity 6 at FY10.3 end and FY11.3 3Q end								
Gas		564,115	—	394,346	602,456	865,000	+38,341	
	Osaka Gas	528,523	773,767	366,757	561,368	806,700	+32,844	Increase in sales volume etc.
	Osaka Gas Customer Relations	9,843	13,023	6,209	9,331	12,284	▲512	
	Osaka Gas Housing & Equipment	10,788	15,205	6,423	10,325	14,778	▲462	
	Kansai Business Information	4,261	6,588	3,496	5,721	6,674	+1,460	Good condition in temporary staffing
	Creative Techno Solution	11,632	16,611	10,818	15,657	21,831	+4,025	Reorganization within the OG group
	Osaka Gas Security Service	7,379	10,104	4,448	6,738	8,959	▲641	
	Kinpai	7,978	13,476	4,929	7,588	13,114	▲389	
LPG, Electricity, and Other Energies		100,488	—	82,236	122,113	173,000	+21,624	
	Osaka Gas	49,611	70,259	47,959	70,136	95,300	+20,525	Contribution of Semboku Natural Gas Power Plant operating at full capacity
	Liquid Gas	7,000	9,546	4,829	7,176	9,445	+175	
	Osaka Gas LPG	9,650	14,395	6,840	10,256	14,900	+605	
	Nissho Petroleum Gas	10,328	15,971	8,551	13,666	16,727	+3,337	Increase in sales volume etc.
	Nissho Propane Sekiyu	9,254	15,634	5,430	10,462	17,509	+1,208	
International Energy Businesses		8,310	—	5,429	8,382	11,000	+72	
	Osaka Gas Energy America Corporation	4,393	5,646	2,416	3,910	4,970	▲483	
	Osaka Gas International Transport	1,372	1,957	915	1,372	1,830	±0	
	Osaka Gas Summit Resources	3	4	2	2	3	±0	
Environment and Non-Energy Businesses		123,798	—	88,539	129,755	186,000	+5,956	
Real Estate	Urbanex	11,675	16,608	12,772	17,301	23,969	+5,625	Increase in sales
	Osaka Gas Maison	2,540	4,218	5,208	5,831	9,039	+3,290	Increase in sales of condominium apartment
Information Technology	Osaka Gas Information System Research Institute	16,949	25,732	11,218	17,190	26,000	+241	
	Sakura Information Systems	13,968	18,848	8,715	13,228	18,409	▲739	
	Ube Information Systems	3,279	4,947	2,421	3,519	5,000	+239	
Advanced Materials	Osaka Gas Chemicals	11,506	14,604	6,473	9,906	13,790	▲1,599	Special boom of fine materials enjoyed in FY10.3
	Japan EnviroChemicals	9,650	13,176	6,623	9,653	13,002	+3	
Others	OG Sports	10,238	13,624	6,850	10,277	13,994	+38	
	Osaka Gas Finance *	6,522	8,731	4,551	6,768	8,772	+245	
	Osaka Gas Engineering	3,091	6,871	1,431	2,997	7,687	▲694	
	Osaka Gas Autoservice	5,736	7,772	3,942	5,913	7,910	+176	
	L-Net	4,361	6,237	3,034	4,798	6,150	+376	
	Osaka Gas Business Create	9,017	12,582	5,831	8,897	11,704	▲120	
Subtotal		796,713	—	570,551	862,708	1,235,000	+65,994	
Elimination and Consolidation		-38,788	—	-28,369	-42,899	-65,000	▲4,111	
Total		757,924	1,096,628	542,182	819,808	1,170,000	+61,883	

* name changed from "OGIC" in October 2010

Segment and Subsidiaries Information
for the 3rd Quarter of the Fiscal Year
ending March 2011

(million yen)

FY10.3 end: Number of consolidated subsidiaries 128 FY11.3 3Q end: Number of consolidated subsidiaries 129		Segment Profit (Operating Profit + Gains of Equity Method Affiliates)						
		FY10.3 Results		(C)2Q Results	FY11.3 (D)3Q Results	(E)Full Year Forecast	FY10.3 3Q→FY11.3 3Q(D-A)	
Affiliated recorded by equity 6 at FY10.3 end and FY11.3 3Q end		(A) 3Q	(B)Full Year	(C)2Q Results	FY11.3 (D)3Q Results	(E)Full Year Forecast	Changes	Remarks
Gas		45,674	—	13,604	22,940	44,000	▲22,734	
	Osaka Gas	42,213	52,975	11,508	19,850	41,200	▲22,363	Fuel cost adjustment factor
	Osaka Gas Customer Relations	250	311	118	208	237	▲42	
	Osaka Gas Housing & Equipment	312	436	74	301	453	▲11	
	Kansai Business Information	273	353	342	480	511	+207	
	Creative Techno Solution	1,316	1,271	803	1,003	853	▲312	
	Osaka Gas Security Service	229	509	210	349	373	+119	
	Kinpai	22	181	-37	6	81	▲15	
LPG, Electricity, and Other Energies		11,252	—	12,755	16,886	21,000	+5,634	
	Osaka Gas	5,186	7,498	8,338	10,347	10,800	+5,160	Contribution of Semboku Natural Gas Power Plant operating at full capacity
	Liquid Gas	612	789	457	707	836	+194	
	Osaka Gas LPG	125	384	5	-36	116	▲162	
	Nissho Petroleum Gas	41	120	53	97	42	+155	
	Nissho Propane Sekiyu	118	265	42	84	233	▲33	
International Energy Businesses		2,912	—	2,723	3,999	4,000	+1,087	
	Osaka Gas Energy America Corporation	1,918	2,374	858	1,657	1,713	▲260	
	Osaka Gas International Transport	435	709	295	446	407	+11	
	Osaka Gas Summit Resources	-1	-1	-1	-2	-4	±0	
Environment and Non-Energy Businesses		9,645	—	6,973	10,506	15,000	+860	
Real Estate	Urbanex	4,282	5,236	3,128	4,388	5,405	+105	
	Osaka Gas Maison	-457	-791	124	-25	237	+432	
Information Technology	Osaka Gas Information System Research Institute	852	2,754	256	627	2,156	▲224	
	Sakura Information Systems	324	783	222	541	526	+217	
	Ube Information Systems	-60	137	17	11	141	+71	
Advanced Materials	Osaka Gas Chemicals	957	621	-19	93	180	▲863	Special boom of fine materials enjoyed in FY10.3
	Japan EnviroChemicals	1,332	1,262	881	1,163	1,238	▲169	
Others	OG Sports	-462	-513	-218	-279	-403	+183	
	Osaka Gas Finance *	567	730	484	715	977	+148	
	Osaka Gas Engineering	-120	387	-63	-210	217	▲89	
	Osaka Gas Autoservice	484	483	436	628	678	+144	
	L-Net	-9	90	-19	23	94	+33	
	Osaka Gas Business Create	631	767	467	725	669	+94	
Subtotal		69,485	—	36,057	54,333	84,000	▲15,151	
Elimination and Consolidation		1,171	—	1,286	1,894	2,500	+722	
Total		70,656	92,404	37,344	56,227	86,500	▲14,428	

* name changed from "OGIC" in October 2010