



#### 4. Other Information

(1) Significant changes in subsidiaries during six months ended September, 2011 (changes in certain subsidiaries resulting in a change in the consolidation scope): None

(2) Adoption of special accounting treatments for consolidated quarterly financial statements: Adopted

(3) Changes in accounting treatments 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

(4) Issued shares (common shares)

(i) Issued shares as of term-end (including treasury stocks)	: As of September 30, 2011	2,083,400,000 shares
	As of March 31, 2011	2,083,400,000 shares
(ii) Repurchased shares (treasury stock) as of term-end	: As of September 30, 2011	1,079,891 shares
	As of March 31, 2011	1,019,059 shares
(iii) Average number of outstanding shares during the quarter	: Six months ended September 30, 2011	2,082,355,137 shares
	Six months ended September 30, 2010	2,147,861,950 shares

\*Statement regarding implementation of quarterly review

At the time of disclosure of this quarterly brief report of consolidated financial statements, the review of consolidated quarterly financial statements in accordance with the Financial Instruments and Exchange Act has not been completed.

\*Notes on proper use of forecasts and other matters

1. Forward-looking statements in this document, including operating forecasts, are based on information currently available to the Company and certain assumptions that the Company believes are reasonable. Actual results may significantly differ from these forecasts, affected by various factors. As for notes regarding assumptions used for operating forecasts and regarding the use of forecasts, refer to 1. (3) "Descriptive Information on Forecasts of Consolidated Operating Results" on Page 2 of the Attachment to the Quarterly Brief Report of Consolidated Financial Statements.
2. The Company is planning to hold an informational meeting for institutional investors and analysts on October 31, 2011. 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.

(Reference) Forecasts of Non-Consolidated Results for the Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012)

(Percentages represent forecasted changes from the previous year for the full year results.)

	Operating revenues		Operating profit		Ordinary profit		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	1,023,000	11.4	36,000	-31.5	40,500	-26.6	27,500	-20.3	13.21

(Note) Modification of the forecast previously announced: Yes

## Table of Contents for Attachment

1. Descriptive Information on the First Half Financial Statements	2
(1) Descriptive Information on Consolidated Operating Results	2
(2) Descriptive Information on Consolidated Financial Position	2
(3) Descriptive Information on Forecasts of Consolidated Operating Results	2
2. Matters Relating to Summary Information (Others)	3
(1) Adoption of Special Accounting Treatments for Consolidated Quarterly Financial Statements	3
3. Consolidated Quarterly Financial Statements	4
(1) Consolidated Quarterly Balance Sheet	4
(2) Consolidated Quarterly Income Statement and Statement of Comprehensive Income	6
(3) Notes Regarding Assumption of Going Concern	8
(4) Segment Information	8
(5) Notes regarding Significant Changes in the Value of Shareholder's Equity	8
4. Reference Information	9
(1) Overview of Non-Consolidated Quarterly Financial Results	9
(2) Overview of Non-Consolidated Quarterly Gas Sales	9

## 1. Descriptive Information on the First Half Financial Statements

### (1) Descriptive Information on Consolidated Operating Results

Consolidated operating revenues for the first half (the six months ended September 30, 2011) increased by ¥17.4 billion to ¥559.6 billion from the same period of the previous year, mainly due to increase in gas sales volume by the Company and the higher gas unit price adjusted under the fuel cost adjustment system. Operating profit decreased by ¥16.9 billion to ¥18.8 billion mainly due to the significant increase in raw material costs for Osaka Gas Co., Ltd. Ordinary profit decreased by ¥15.2 billion to ¥19.4 billion, and net income decreased by ¥7.9 billion to ¥11.0 billion.

Non-consolidated operating results of Osaka Gas Co., Ltd. are presented in “4. (1) Overview of Non-Consolidated Quarterly Financial Results” on Page 9.

### (2) Descriptive Information on Consolidated Financial Position

Total assets as of September 30, 2011 totaled ¥1,429.4 billion, a decrease of ¥7.8 billion from March 31, 2011. This decrease was mainly due to seasonal factors that caused decreases in current assets including cash and deposits, and trade receivables.

Net assets totaled ¥689.9 billion and the ratio of net worth to total assets was 46.5%.

### (3) Descriptive Information on Forecasts of Consolidated Operating Results

Considering the recent movements in our performance and other factors, it is expected that the annual operational results will vary from the initial forecasts. Accordingly, the forecasts for consolidated and non-consolidated operational results have been revised as we revised the assumption for the crude oil price and exchange rates, the raw material costs for the gas business. Accordingly, profits on a non-consolidated basis are expected to become lower than the initial forecasts. However, since it is expected that the operational results of affiliated companies will exceed the previous forecasts, ordinary profit and net income at almost the level of the initial forecasts are expected to be achieved on a consolidated basis.

Assumptions for the modified forecasts for operational results:

Crude oil price (All-Japan CIF price) US\$110/barrel;

Exchange rate (TTM rate) ¥80 to the US dollar

Changes from the initial forecasts announced at the time of financial reporting on April 27, 2011 are shown in the tables below, for full-year consolidated and non-consolidated operational results.

Modifications in forecasts for full-year consolidated operational results for year ending March 31, 2012  
(April 1, 2011 to March 31, 2012)

	Operating revenues (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Net income (million yen)	Earnings per share (yen)
Initial forecasts (A)	1,267,000	74,000	70,000	43,500	20.89
Revised forecasts (B)	1,291,000	71,000	70,000	43,500	20.89
Change (B-A)	+ 24,000	- 3,000	±0	±0	±0.0
Percent (%)	+ 1.9	- 4.1	±0.0	±0.0	±0.0
Actuals for previous year	1,187,142	88,584	82,372	45,968	21.62

(Reference) Modifications in forecasts for full-year non-consolidated operational results for year ending March 31, 2012 (April 1, 2011 to March 31, 2012)

	Operating revenues (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Net income (million yen)	Earnings per share (yen)
Initial forecast (A)	1,001,500	43,000	44,000	31,000	14.89
Revised forecasts (B)	1,023,000	36,000	40,500	27,500	13.21
Change (B-A)	+ 21,500	- 7,000	- 3,500	- 3,500	- 1.68
Percent (%)	+ 2.1	- 16.3	- 8.0	- 11.3	- 11.3
Actuals for previous year	918,047	52,583	55,202	34,519	16.23

## 2. Matters Relating to Summary Information (Others)

### (1) Adoption of Special Accounting Treatments for Consolidated Quarterly Financial Statements

#### Tax expenses

For major consolidated subsidiaries, effective tax rates (after applying tax effect accounting) expected to be imposed on their pretax net income applicable to the tax year in which the current second quarter is included were estimated based on reasonable assumptions. Then, tax expenses for the second quarter were calculated by multiplying the pre-tax net incomes of respective subsidiaries for the quarter by the estimated effective tax rates.

## 3. Consolidated Quarterly Financial Statements

## (1) Consolidated Quarterly Balance Sheet

(million yen)

	Previous Year As of March 31, 2011	Current Year As of September 30, 2011
<b>Assets</b>		
Fixed assets		
Tangible fixed assets		
Production facilities	84,785	81,975
Distribution facilities	296,526	285,836
Operational facilities	70,981	69,892
Other facilities	324,993	319,637
Construction in progress	23,106	31,016
Total tangible fixed assets	800,394	788,357
Intangible fixed assets	40,262	40,923
Investments and other assets		
Investment in securities	136,179	138,440
Others	95,785	101,595
Allowance for bad debts	-2,102	-2,010
Total investments and other assets	229,862	238,026
Total fixed assets	1,070,520	1,067,306
Current assets		
Cash and deposits	98,422	49,346
Notes and trade accounts receivable	136,930	124,683
Short-term investment securities	23,112	45,411
Inventories	49,400	82,398
Others	60,277	61,715
Allowance for bad debts	-1,366	-1,437
Total current assets	366,776	362,118
Total assets	1,437,297	1,429,425

Osaka Gas Co., Ltd. (9532)  
 Brief Report of Consolidated Financial Statements for the Second Quarter of the Fiscal Year Ending March 31, 2012

(million yen)

	Previous Year As of March 31, 2011	Current Year As of September 30, 2011
Liabilities		
Fixed liabilities		
Bonds	269,733	249,439
Long-term loans payable	190,430	197,499
Reserve for severance benefits	14,548	15,056
Reserve for gasholder repair	1,715	1,675
Reserve for safety actions	9,508	8,001
Allowance for investment loss	3,280	3,280
Others	29,156	28,218
Total fixed liabilities	518,373	503,172
Current liabilities		
Notes and trade accounts payable	38,218	43,930
Short-term loans payable	40,660	42,085
Others	151,349	150,305
Total current liabilities	230,228	236,321
Total liabilities	748,601	739,493
Net Assets		
Shareholders' equity		
Capital stock	132,166	132,166
Capital surpluses	19,482	19,482
Retained earnings	499,366	502,120
Treasury stock	-323	-341
Shareholders' equity total	650,692	653,428
Accumulated other comprehensive income		
Difference between market price and acquisition cost of other securities	18,037	15,071
Deferred hedge gains/losses	4,116	-721
Land revaluation excess	-519	-519
Foreign exchange adjustment	-7,367	-2,317
Accumulated other comprehensive income total	14,267	11,512
Minority interest	23,735	24,990
Net assets total	688,695	689,931
Liabilities and net assets total	1,437,297	1,429,425

(2) Consolidated Quarterly Income Statement and Statement of Comprehensive Income

Consolidated Quarterly Income Statement

(million yen)

	Previous Year (April 1, 2010 – September 30, 2010)	Current Year (April 1, 2011 – September 30, 2011)
Operating revenues	542,182	559,616
Cost of sales	343,957	376,542
Gross profit on sales	198,225	183,073
Selling, general and administrative expenses	162,417	164,188
Operating profit	35,807	18,885
Non-operating revenues		
Interest income	309	359
Dividend income	1,332	1,383
Equity in earnings (losses) of affiliated companies	1,536	1,921
Miscellaneous income	2,752	2,620
Total non-operating revenues	5,931	6,285
Non-operating expenses		
Interest expenses	4,573	4,443
Miscellaneous expenses	2,492	1,268
Non-operating expenses total	7,065	5,711
Ordinary profit	34,672	19,459
Extraordinary loss		
Loss on adjustment accompanying application of accounting standard for asset retirement obligations	784	—
Total extraordinary loss	784	—
Net income before tax adjustments	33,887	19,459
Corporate, resident and business taxes	13,762	7,322
Income before minority interests	20,125	12,137
Minority interest	1,077	1,052
Net income	19,048	11,084



## Consolidated Quarterly Statement of Comprehensive Income

(million yen)

	Previous Year (April 1, 2010 – September 30, 2010)	Current Year (April 1, 2011 – September 30, 2011)
Income before minority interests	20,125	12,137
Other comprehensive income		
Difference between market price and acquisition cost of other securities	-6,330	-2,968
Deferred hedge gains/losses	-3,951	-4,666
Land revaluation excess	-112	—
Foreign exchange adjustment	-4,760	3,475
Share of other comprehensive income of associates accounted for using equity method	-4,173	2,107
Other comprehensive income total	-19,329	-2,052
Comprehensive income	796	10,084
Attributable to:		
Owners of the parent	900	8,329
Minority interests	-104	1,754

(3) Notes Regarding Assumption of a Going Concern

Not applicable

(4) Segment Information

Six months ended September 30, 2010 (April 1, 2010 to September 30, 2010) (million yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Total	Adjustments	Consolidated income statement totals
Net sales	394,346	82,236	5,429	88,539	570,551	-28,369	542,182
Segment profit (losses)							
Operating profit (losses)	13,567	12,467	1,512	6,973	34,520	1,286	35,807
Equity in earnings (losses) of affiliated companies	37	288	1,211	—	1,536	—	1,536
Total	13,604	12,755	2,723	6,973	36,057	1,286	37,344

Six months ended September 30, 2011 (April 1, 2011 to September 30, 2011) (million yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Total	Adjustments	Consolidated income statement totals
Net sales	418,238	82,196	5,130	86,148	591,714	-32,097	559,616
Segment profit (losses)							
Operating profit (losses)	-4,238	12,663	1,077	8,244	17,747	1,137	18,885
Equity in earnings (losses) of affiliated companies	33	213	1,674	—	1,921	—	1,921
Total	-4,205	12,877	2,752	8,244	19,669	1,137	20,806

(5) Notes Regarding Significant Changes in the Value of Shareholders' Equity

Not applicable

## 4. Reference Information

## (1) Overview of Non-Consolidated Quarterly Financial Results (April 1, 2011 to September 30, 2011)

(billion yen)

Revenues			YoY increase/ decrease	% change	Expenses			YoY increase/ decrease	% change
Operating revenues from product sales	Gas	339.6	+23.1	+7.3%	Operating expenses	Cost of sales	214.7	+39.2	+22.4%
						SG&A	136.2	+2.1	+1.6%
						Total	350.9	+41.3	+13.4%
Other operating revenues	House-pipe installation	8.6	+0.2	+3.2%	Other expenses	House-pipe installation	8.8	-0.1	-1.6%
	Gas appliances	40.4	+1.4	+3.8%		Gas appliances	38.1	+1.4	+3.9%
	Transportation services	3.1	+0.2	+9.5%					
	Incidental business and others	51.3	+3.3	+7.1%		Incidental business and others	42.2	+2.6	+6.6%
	Total	103.5	+5.4	+5.5%		Total	89.2	+3.8	+4.5%
Total operating revenues		443.2	+28.5	+6.9%	Total expenses		440.1	+45.2	+11.5%
					Operating profit		3.1	-16.6	-84.1%
Non-operating revenues		7.3	+2.0	+38.1%	Non-operating expenses		3.5	-0.3	-9.5%
					Ordinary profit		6.9	-14.2	-67.4%
					Net income		5.2	-8.2	-61.3%

Quarterly non-consolidated financial statements are not subject to statutory review by accounting auditors. Quarterly non-consolidated financial statements were prepared in accordance with the Rules for Quarterly Consolidated Financial Statements.

## (2) Overview of Non-Consolidated Quarterly Gas Sales

		2Q 2011 (a) (Apr. 1, 2011 – Sep. 30, 2011)	2Q 2010 (b) (Apr. 1, 2010 – Sep. 30, 2010)	Change (a)-(b)	% change
Customers (Meters installed) (thousand customers meters)	Residential	6,688	6,660	+28	+0.4
	Commercial/ Industrial	332	330	+2	+0.7
	Total	7,021	6,990	+30	+0.4
Monthly average usage per residential customer (m <sup>3</sup> /month)		24.5	24.4	+0.0	+0.2
Gas sales volume (million m <sup>3</sup> )	Residential	853	850	+3	+0.4
	Commercial/ industrial	2,939	2,892	+46	+1.6
	Industrial	2,129	2,047	+82	+4.0
	Commercial	485	514	-29	-5.6
	Public and medical institutions	324	331	-7	-2.1
	Wholesale	233	231	+2	+0.7
Total		4,024	3,973	+51	+1.3

[Converted at 45MJ/m<sup>3</sup>]